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Comprehensive Annual Financial Report

For the Fiscal Year Ended
June 30, 2012

Elk Grove Township Schools
Arlington Heights, Illinois

Prepared by the Business Services Department

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59
ARLINGTON HEIGHTS, ILLINOIS**

For the Fiscal Year Ended June 30, 2012

Officials Issuing Report

**Dr. Daniel Schweers, Superintendent of Schools
Mrs. Ruth S. Gloede, Assistant Superintendent for Business Services**

Department Issuing Report

Business Office

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59

COMPREHENSIVE ANNUAL FINANCIAL REPORT

June 30, 2012

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INTRODUCTORY SECTION

**Community Consolidated School District 59
Principal Officers and Advisors**

Board of Education

Brian Kiel	President
Mardell Schumacher	Vice President
Robert Weber	Secretary
Janice Krinsky	Member
Seana McPherson	Member
Sharon Roberts	Member
Barbara Somogyi	Member

Township Board of School Trustees

Russell Nowak	President
Chuck Serchuk	Member
Arthur Nidwiardowski	Member

Township School Treasurer

Dennis Saviano, C.P.A.	Treasurer
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District Administrators

Dr. Daniel R. Schweers, Ph.D.	Superintendent
Dr. Nancy Wagner	Assistant Superintendent for Teaching and Learning
Tom Luedloff	Assistant Superintendent for Human Resources
Ruth Gloede	Assistant Superintendent for Business Services

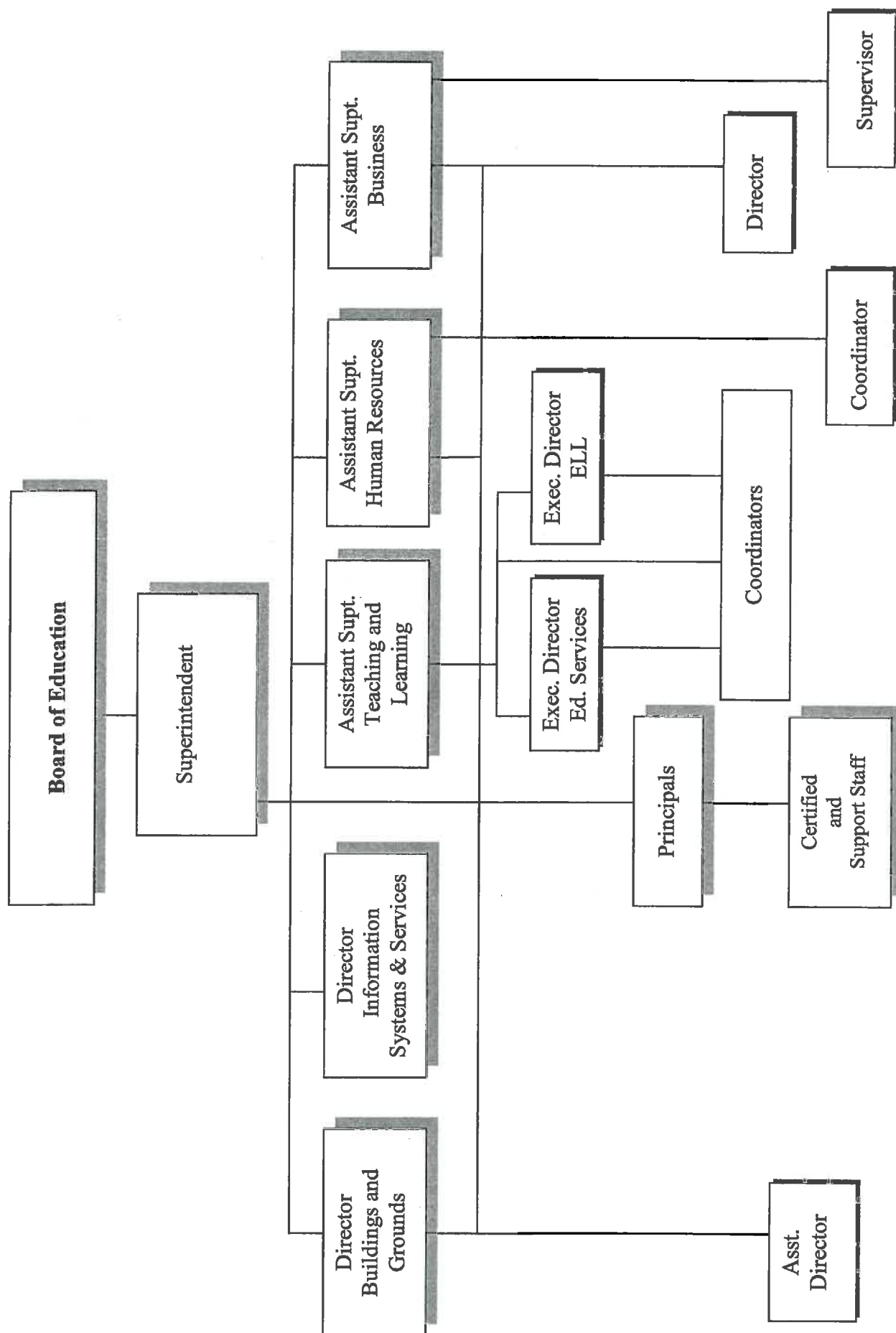
Official Issuing Report

Ruth Gloede	Assistant Superintendent for Business Services
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Department Issuing Report

Business Services

Community Consolidated School District 59 Organizational Chart





Community Consolidated School District 59

Elk Grove Township Schools

Board of Education and Administrative Offices

2123 S. Arlington Heights Road, Arlington Heights, IL 60005

847/593-4300

www.ccsd59.org

October 9, 2012

President, Members of the Board of Education and Citizens of District 59
Community Consolidated School District 59
2123 South Arlington Heights Road
Arlington Heights, Illinois 60005

The Comprehensive Annual Financial Report of Community Consolidated School District 59 (District) for the fiscal year ended June 30, 2012 is submitted herewith. The audit fieldwork was completed on September 20, 2012 and the report was subsequently issued. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum public understanding of the District's financial status have been incorporated in the report.

BASIS OF ACCOUNTING AND REPORTING

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this transmittal letter, the District's organizational chart, a list of principal officials, and the ASBO Certificate of Excellence. The Financial Section includes the Management's Discussion and Analysis (MD&A), basic financial statements including government-wide financial statements, governmental funds and other supplemental information. Also included is the auditor's report on the financial statements and schedules. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*. Information related to this single audit, including the schedule of federal awards, findings, recommendations and auditor's reports on the internal control structure and compliance with applicable laws and regulations is filed separately.

This report includes all funds of the District. The District reports on the full accrual basis of accounting for its government-wide financial statements and modified accrual for its fund financial statements. These bases are applied to the District's budget and accounting records. The Notes to Basic Financial Statements expand upon these bases as well as the District's accounting policies and procedures. All District funds are included in this report and have been audited by Crowe Horwath LLP.

Generally Accepted Accounting Principles (GAAP) require the District to provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the MD&A. This letter of transmittal directs the reader to the MD&A for a comprehensive view of the District's financial condition. The District's MD&A can be found immediately following the Independent Auditors' Report.

GENERAL DISTRICT INFORMATION

The District is a consolidated elementary (K-8) school district in Elk Grove Township, Illinois, which operates as a single district. Students who attend the District's schools reside in four suburban communities: Elk Grove Village, Des Plaines, Arlington Heights, and Mount Prospect. During the 2011/12 school year, 6,272 K-8 students attended the District's eleven elementary (Grades K-5) and three junior high (Grades 6-8) schools. The 2011/12 enrollment represents a 1% increase over the previous year. Enrollment projections show gradually increasing enrollment, projected to peak at 6,810 students in 2016/17.

Since the 2008/09 school year, District 59 has been without one ethnic or racial group that comprised 50% or more of the entire student population. Instead, the largest racial/ethnic group is Hispanic at 42%, increasing from 40% in the prior school year. The second largest group is the White population at 40%, a decrease from 42% in the prior school year. The Asian and Black and Multi-racial/ethnic group populations were relatively unchanged at 11%, 4% and 2%. The Native American/Alaskan population remained as the smallest ethnic group with 20 students and comprises less than 1% of the entire population.

The District provides a comprehensive educational program leading to skills that enable a child to function efficiently and effectively in our society. Kindergarten through eighth grade educational programming includes the seven core areas established by the State Board of Education: English/Language Arts, Mathematics, Science, Social Science, Physical Development and Health, Fine Arts and Foreign Language. Supplementing the core areas are a full range of support services including: math and reading support; psychological, social work, health and speech therapy services; English-language and bilingual instruction for non-English speaking students; and gifted education. In addition, instructional programming enhancements include band, orchestra, choral music, visual arts, dance, theatre, physical education, life skills, and applied technology.

The District also offers two choice programs. The Ridge Family Center for Learning is a K-5 school operating on a balanced calendar. Salt Creek School offers a dual language English/Spanish program. Families may choose to attend these programs rather than their neighborhood school. Enrollment in these programs are limited to available space.

To meet the needs of students requiring special education services, the District provides both inclusive and self-contained programming. Additional instructional placements and support as well as diagnostic services are provided through the District's membership in the Northwest Suburban Special Education Organization (NSSEO), an eight-district special education cooperative.

In addition to the elementary and junior high programs, the District offers an Early Childhood program for ages three through five. Students who attend this program are considered at-risk of academic failure, have been identified for special education services, or are typically-developing students who have paid an annual fee. Potential at-risk and special education enrollees are screened throughout the school year. The overall enrollment is approximately 197 students.

The governing body consists of a seven member Board of Education elected from within the District's boundaries, and a three member Board of Trustees elected by the registered voters of Elk Grove Township. The District's boundaries consist of approximately 80% of Elk Grove Township.

Over the past two years, the District has seen an 11% decrease in its overall equalized assessed valuation (EAV), totaling a \$3.5 billion EAV in 2010 and a \$3.1 billion EAV in 2011. This decrease reflects the value of property during a period of economic downturn. Residential properties have decreased in value less than the commercial and industrial properties. Therefore, over the past decade, the tax burden has shifted from the commercial and industrial sectors to the residential taxpayers. In 2000, commercial and industrial properties comprised 75% of the District's EAV, with residential properties making up 25%. By 2011, commercial and industrial properties comprised 63% of the EAV, and residential comprised

transportation, and a revitalized industrial park with 3,600 businesses continues to provide a substantial tax base. As a result, the aggregate tax rate for District 59 (2.422%) remains the lowest among all northwest suburban elementary school districts.

In April 2003, District 59 successfully passed a \$5 million debt service extension base referendum. In July 2003, the District proceeded in issuing \$38.5 million (\$28.4 in General Obligation Limited Tax Bonds, Series 2003A; and \$10.1 million in Taxable General Obligation Limited Tax Bonds, Series 2003B). Proceeds of the bonds were used to advance refund the District's outstanding Series 1996, 1998, and 1999 General Obligations Bonds (Alternate Revenue Source). The proceeds were placed in escrow, with maturities scheduled to meet the debt obligation of the alternate revenue bonds. The Series 2003 general obligation bond debt obligation is met by the voter-authorized Bond and Interest levy. In October 2009, the District issued \$7,425,000 in General Obligation School Bonds for the purpose of increasing the Working Cash fund for the District, and to pay costs associated with the issuance of the bonds. All debt is scheduled to be retired in 2016.

With original construction of the schools beginning in the 1950's, through the years all facilities have been fully renovated and improved, resulting in state-of-the-art facilities in excellent condition. Over the past four years, additions have been constructed at Juliette Low, Rupley, Ridge and Robert Frost Schools. These additions were in response to enrollment growth as well as expanded early childhood, English Language Learners, and special education programming. On a going forward basis, regular maintenance and improvements are the focus for District 59's facilities. In addition to its fourteen schools, the District's facilities also include the District's Board of Education/Administrative Center, with an attached supply warehouse and maintenance facility, and a freestanding 4,800 square foot storage facility. The following details the District's facilities:

FACILITY	CONSTRUCTION AND RENOVATIONS	TOTAL SQUARE FOOTAGE
As of June, 2012		
BRENTWOOD	ORIGINAL 1963, ADDITION #1 1964, ADDITION #2 1968, ADDITIONS/RENOVATED 6/1996	54,148
BYRD	ORIGINAL 1967, ADDITION #1 1968, RENOVATED 8/1993, ADDITIONS/RENOVATED/SOUNDPROOFED 8/2001	48,193
CLEARMONT	ORIGINAL 1961, ADDITION #1 1962, ADDITION #2 1965, ADDITIONS/RENOVATED 7/1993, ADDITIONS/SOUNDPROOFED 12/2000	54,675
DEVONSHIRE	ORIGINAL 1963, ADDITION #1 1964, ADDITION #2 1967, ADDITIONS #3 1970, ADDITIONS/RENOVATED/SOUND PROOFED 12/1994	48,767
FOREST VIEW	ORIGINAL 1962, ADDITION #1 1965, ADDITION #2 1970, ADDITIONS/RENOVATED 6/1997	56,796
FROST	ORIGINAL 1964, ADDITION #1 1966, ADDITION #2 1987, DEMOED 1998, ADDITIONS/RENOVATED/SOUNDPROOFED 6/1998 ADDITIONS 8/2012	54,643
JOHN JAY	ORIGINAL 1967, ADDITION #1 1969, RENOVATED (PHASE I) 8/1991, RENOVATED (PHASE 2) 8/1992, SOUNDPROOFED 8/1998, ADDITION 2006	46,500
JULIETTE LOW	ORIGINAL 1966, (1969 FIRE REBUILDING), ADDITION #1 1970, ADDITIONS/RENOVATED/SOUNDPROOFED 6/1999, ADDITION 2010	75,713
RIDGE	ORIGINAL 1959, ADDITION #1 1966, ADDITIONS/RENOVATED/SOUNDPROOFED 8/2003, STORAGE ROOM ADDITION 8/2003, ADDITION 2011	46,426
RUPLEY	ORIGINAL 1958, ADDITION #1 1959, ADDITION #2 1960, ADDITION #3 1962, ADDITION/RENOVATED 8/1991, SOUNDPROOFED 8/1997, OFFICE RENOVATION (PHASE I) 2010, ADDITION (PHASE 2) 2011	59,382
SALT CREEK	ORIGINAL 1963, ADDITION #1 1965, ADDITION #2 1968, ADDITIONS #1 & #2 WERE DEMOED 2000, ADDITIONS/RENOVATED 2000	74,057
GROVE J.H.	ORIGINAL 1960, ADDITION #1 1961, ADDITION #2 1963, ADDITION #3 1964, ADDITION #4 1966, ADDITION #5/RENOVATED 1975, ADDITION #6 12/1995, RENOVATED 8/2000, ADDITION #7/RENOVATED 8/2001, ADDITION #8/RENOVATED 8/2002, SOUNDPROOFED 8/2003	116,274
HOLMES J.H.	ORIGINAL 1966, ADDITION #1 1969, ROOF/FASCIA REPLACEMENT 10/2000, ADDITIONS/RENOVATED 12/2001, ADDITIONS/RENOVATED 7/2002	86,492
FRIENDSHIP J.H.	ORIGINAL 1973 RENOVATED (PHASE I) 8/1998, RENOVATED (PHASE 2) 9/1999, ADDITIONS/RENOVATED 8/2001, RENOVATED 8/2002	101,668
ADMIN. CENTER	ORIGINAL 1984	19,293
WAREHOUSE	ORIGINAL 1971	10,623
LIVELY STORAGE	ORIGINAL 1967 ADDITION #1 1970, 90% DEMOED 10/1997	5,000
TOTAL SQUARE FOOTAGE FOR ALL DISTRICT BUILDINGS		958,650

The District continues to maintain its excellent financial condition. The Board of Education is provided key financial performance indicators, including compliance with the District's Fund Balance Policy, maintaining Recognition Status on the Illinois School Financial Profile, and meeting the State's definition of a balanced budget. As current fund balances exceed the Fund Balance Policy's minimum requirement, the District is able to weather economic uncertainty and provide a stable environment for students, staff,

and parents. District 59 maintains a perfect score of 4.0, Recognition Status, on Illinois' School Financial Profile. And, with no deficit reported, the District met the State's balanced budget criteria.

REPORTING ENTITY

The District defines its reporting entity by applying the criteria set forth in GASB 14 to potential component units. Briefly, a component unit is an organization for which the District is financially accountable or other organizations that, because of the nature or significance of their relationship with the District, would cause the District's financial statements to be misleading or incomplete if they were omitted from the reporting entity. These criteria are discussed in more detail in Note 1 to the financial statements. Using these criteria, management has determined that the District has no component units, nor is it a component unit of any other organization including the Elk Grove Township School Treasurer.

STRATEGIC DIRECTIONS

In order to continue improving the quality of education and services provided by the District, and with a profound sense of commitment to the District's school community, the Board of Education has undertaken a rigorous approach to future planning. During the 2011/12 school year, the District partnered with a consulting firm that specializes in educational assessment, research and strategic planning to develop a Strategic Plan to document the current state of the schools and determine the future direction of the school district. The Strategic Plan is intended to provide a framework for future decision-making that builds upon a common mission and guiding principals held by the District 59 community. The process utilized a broad spectrum of data to result in a Strategic Plan that reflects a shared consensus of stakeholders.

During the 2012/13 school year, the Board of Education will officially adopt the Strategic Plan including a new mission statement.

BUDGETARY CONTROLS AND FINANCIAL POLICIES

The District's Fund Balance Policy is as follows:

The Superintendent or designee shall maintain fund balances adequate to ensure the District's ability to maintain levels of service and pay its obligations in a prompt manner in spite of unforeseen events or unexpected expenses. The School District seeks to maintain an estimated unassigned (in the Educational Fund) and assigned (in the Operations and Maintenance, Transportation and Working Cash Funds) aggregate ending fund balance based on budgeted revenues and expenditures of no less than the range of 50-60 percent of the annual aggregated budgeted expenditures in the Educational, Operations and Maintenance, Transportation and Working Cash Funds.

The Board of Education shall direct the Administration to develop a deficit reduction plan when the estimated unassigned (in the Educational Fund) and assigned (in the Operations and Maintenance, Transportation and Working Cash Funds) ending fund balance is less than 60% of the aggregate budgeted expenditures in the Educational, Operations and Maintenance, Transportation and Working Cash Funds, and if the District's financial condition reflects a structural deficit in its major operating funds.

Periodically the Board of Education may by resolution commit a portion of the unrestricted fund balance for a specific purpose. This commitment must be acted upon prior to the close of the fiscal year. The commitment may be subsequently removed by Board resolution. A committed fund balance may not reduce the remaining aggregate estimated unassigned (in the Educational Fund) and assigned (in the Operations and Maintenance, Transportation and Working Cash Funds) ending fund balance to less than 50% of the annual aggregated budgeted expenditures in the Educational, Operations and Maintenance, Transportation and Working Cash Fund.

The Board of Education delegates to the Assistant Superintendent for Business Services the authority to assign fund balance for appropriate projects/purposes.

FINANCIAL REPORTING

This is the thirtieth year that the financial statements have been prepared in accordance with the standards as set forth by the Government Accounting Standards Board (GASB). The Association of School Business Officials International (ASBO) has also adopted these standards. The presentation allows the reader to obtain an overview of the District's financial operations by viewing the combined statements in the front section of the report. Detailed presentations of these combined statements are available throughout the remainder of the report.

Independent Audit. As required by Illinois state law, an annual audit of the financial records, books of account, and the transactions of all budgeted funds of the District has been made by an independent auditor. The auditors' opinion, as prepared by Crowe Horwath LLP, Certified Public Accountants, is included within the financial section of this report.

Certificate of Excellence. The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to Community Consolidated School District No. 59 for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011, the 29th consecutive year for receipt of the award.

In order to be awarded this Certificate, the District must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

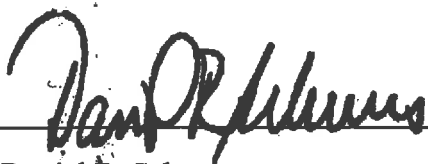
Certificates of Excellence are valid for a period of one year only. We believe our current report continues to conform to the Certificate requirements, and we are submitting it to ASBO.

Closing Comment. The purpose of the Comprehensive Annual Financial Report is to provide the Board of Education, Board of Trustees, Township Treasurer, District Administration, the community and other interested parties a meaningful report of the District's financial condition as of June 30, 2012.

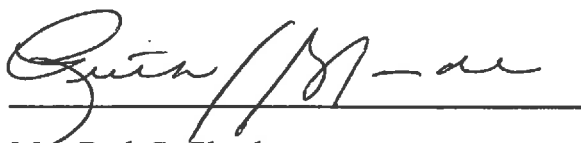
Acknowledgment. The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of all the members of the Business Services Department who assisted in the closing of the District's financial records and the preparation of this report.

We would also like to thank members of the Board of Education for their interest and support in conducting the financial affairs of the District for the 2012 fiscal year.

Respectfully submitted,



Dr. Daniel R. Schweers
Superintendent of Schools



Mrs. Ruth S. Gloede
Asst. Supt. for Business Services

Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
is presented to*

**Community Consolidated School District
59**

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2011*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



Brian L. Mee

Brian L. Mee, SFO, RSBA
President

John D. Musso

John D. Musso, CAE, RSBA
Executive Director

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Board of Education
Community Consolidated School District No. 59
Arlington Heights, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Community Consolidated School District No. 59 (the District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior-year partial comparative information has been derived from the District's 2011 basic financial statements and, in our report dated October 11, 2011, we expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2012, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2012 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule and schedules of funding progress be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

A handwritten signature in black ink that reads "Crowe Horwath LLP". The signature is written in a cursive, flowing style.

Crowe Horwath LLP

Oak Brook, Illinois
October 9, 2012

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis

Community Consolidated School District 59

Management's Discussion and Analysis

This section of Community Consolidated School District 59's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2012. Please read it in conjunction with the transmittal letter found in the introductory section and the District's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

The District's FY12 financial position improved, largely as a result of early tax distributions. The district reported a \$22.9 million (12.6%) increase in net assets when compared to the prior year.

The District's financial practices reflect long-term financial planning strategies with the specific purpose of maintaining its strong financial position:

- The Board of Education upholds the goal of preserving the District's financial integrity as measured by the State of Illinois School Financial Profile "Financial Recognition" status. This Profile incorporates fund balance to revenue ratio, expenditures to revenue ratio, day's cash on hand, and short and/or long-term debt obligations.
- The School District, by policy, seeks to maintain an estimated unassigned (in the Educational Fund) and assigned (in the Operations and Maintenance, Transportation and Working Cash Funds) aggregate ending fund balance based on budgeted revenues and expenditures of no less than the range of 50-60 percent of the annual aggregated budgeted expenditures in the Educational, Operations and Maintenance, Transportation and Working Cash Funds.
- Budgeting practices incorporate the unpredictable loss of property tax revenue due to the issuance of refunds, positioning the District in an anticipatory position with regard to expenditure planning.
- The District establishes long-term plans for capital projects, including facilities and technology.
- The District stays abreast of emerging issues and proactively addresses them as part of its on-going financial planning strategies.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *Government-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the Government-wide statements.

Community Consolidated School District 59

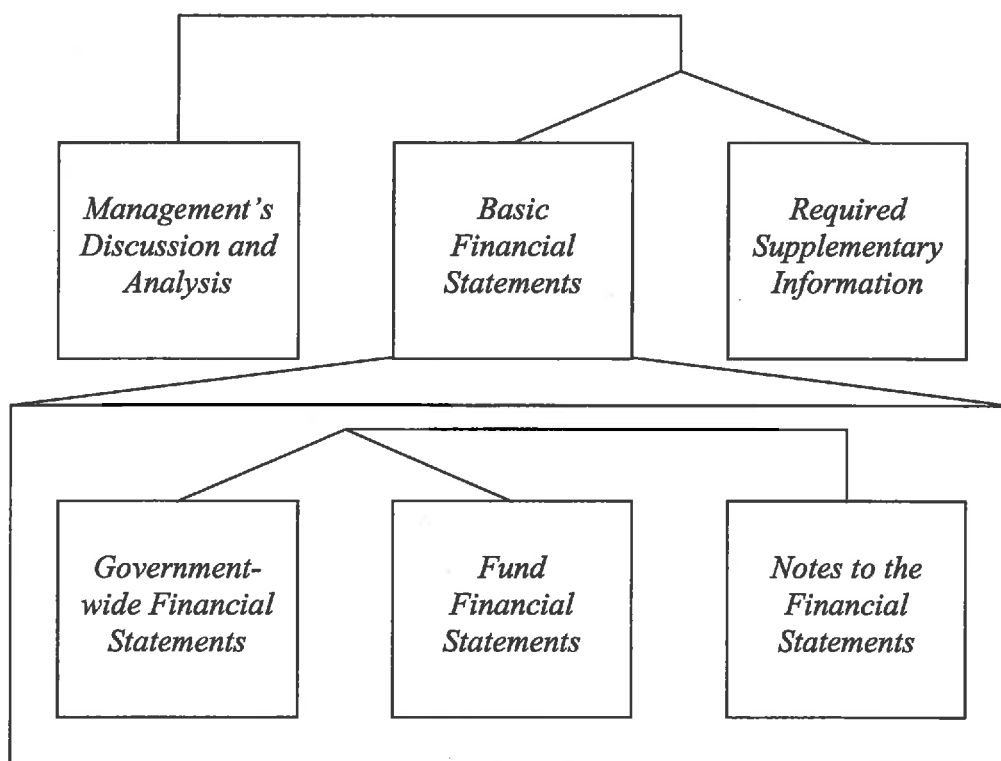
Management's Discussion and Analysis

- The *governmental funds statements* tell how basic services, such as regular and special education, were financed in the *short term* as well as what remains for future spending.
- *Fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements and places the District in compliance with Continuing Disclosure Undertaking requirements for the benefit of bondholders. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1.

Organization of Community Consolidated School District 59 Annual Financial Report



Community Consolidated School District 59

Management's Discussion and Analysis

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of the management's discussion and analysis highlights the structure and contents of each of the statements.

Figure A-2			
Major Features of the Government-wide and Fund Financial Statements			
	Government-wide Statements	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
<i>Scope</i>	Entire District (except fiduciary funds).	The activities of the District that is not proprietary or fiduciary, such as special education and building maintenance.	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies.
<i>Required financial statements</i>	1) Statement of net assets.	1) Balance Sheet.	1) Statement of fiduciary net assets.
	2) Statement of activities.	2) Statement of revenues, expenditures, and changes in fund balances.	2) Statement of changes in fiduciary net assets.
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial focus.	Accrual accounting and economic resources focus.
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term.	Generally assets expected to be consumed and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included.	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can.
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All additions and deductions during the year, regardless of when cash is received or paid.

Government-wide Statements

The Government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two Government-wide statements report the District's *net assets* and how they have changed. Net assets – the difference between the District's assets and liabilities – are one way to measure the District financial health or *position*.

Community Consolidated School District 59

Management's Discussion and Analysis

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the Government-wide financial statements, the District's activities are all categorized as *governmental activities*. All of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes, local sources and state formula aid finance most of these activities.

Fund Financial Statements

School District 59's fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debt) or to show that it is properly using certain revenues (such as Working Cash).

The District has two categories of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can be readily converted to cash flow in and out, and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the Government-wide statements, additional information following the governmental funds statements explain the relationship (or differences) between them.
- *Fiduciary funds*: The District is the trustee, or *fiduciary*, for assets that belong to others, such as the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the Government-wide financial statements because it cannot use these assets to finance its operations.

Community Consolidated School District 59

Management's Discussion and Analysis

Financial Analysis of the District as a Whole

Net Assets: The District's FY12 financial position improved by \$22.9 million, a 12.6% increase in net assets when compared to the prior year as a result of the following (See Figure A-3):

- The District's total assets decreased \$2.9 million, or 1.2%.
- Current assets decreased a total of \$1.8 million, with cash and investments decreasing \$2.0 million, property taxes receivable increasing \$2.6 million, and intergovernmental receivable decreasing \$2.4 million.
- The District's long-term debt outstanding decreased \$3.9 million to \$14.9 from \$18.8. This includes the annual debt retirement for the 2003A Series and 2009 Series General Obligation Bonds, and the retirement incentives payable netted against compensated absences payable, net pension obligation, early retirement incentives, and other post-employment benefits.
- Other liabilities include a \$2.9 million decrease in accounts payable due to major technology initiative order received at the end of the 2011 fiscal year and not paid until after June 30, 2011. In addition, unearned property tax revenue decreased substantially by \$17 million from the prior year due to an earlier than normal release of property tax bills. The balance of the decrease in liabilities was a result of reductions in Insurance Claims Payable and Interest Payable.

Figure A-3

Combined Statement of Assets and Liabilities (in millions of dollars)				
	<i>Governmental Activities</i>			<i>Percentage</i>
	<u>2010/11</u>	<u>2011/12</u>	<u>Diff</u>	<u>Change</u>
Current assets	\$ 168.5	\$ 166.7	(1.8)	-1.1%
Capital assets	<u>83.1</u>	<u>82.0</u>	<u>(1.1)</u>	-1.3%
TOTAL ASSETS	\$ 251.6	\$ 248.7	-2.9	-1.2%
Long-term debt outstanding	\$ 18.8	\$ 14.9	(3.9)	-20.7%
Other liabilities	<u>51.1</u>	<u>29.2</u>	<u>(21.9)</u>	-42.9%
TOTAL LIABILITIES	\$ 69.9	\$ 44.1	-25.8	-36.9%
Net assets				
Invested in capital assets, net of related debt	\$ 65.7	\$ 68.9	3.2	4.9%
Restricted (debt service)	5.0	5.8	0.8	16.0%
Unrestricted	<u>111.0</u>	<u>129.9</u>	<u>18.9</u>	17.0%
TOTAL NET ASSETS	\$ 181.7	\$ 204.6	22.9	12.6%

Changes in Net Assets: The District's total revenues of \$125.8 million exceeded total expenditures of \$102.9 million by \$22.9 million. Total revenues increased \$21.6 million, or 20.7%, compared with a 1.4% decrease in total expenditures, or \$1.5 million. Operating grants and contributions decreased \$1.4 million primarily due to collection of delayed state disbursements in FY11 from FY10, therefore inflating FY11's revenue. Revenue from property taxes increased \$22.9 million. In August 2012,

Community Consolidated School District 59

Management's Discussion and Analysis

Cook County released the property tax bills several months earlier than usual resulting in the collection of tax payments in FY12 that would typically be collected in the next fiscal year. Net assets increased from \$181.7 million in 2010/11 to \$204.6 million at year-end 2011/12. Regular instruction program expenditures decreased \$1.2 million or -2.0% mainly due to a one-to-one laptop initiative at the district's three junior high schools in the prior year. (See Figure A-4).

Figure A-4

Changes in Net Assets from Operating Results (in millions of dollars)

	<i>Governmental Activities</i>		<i>Percentage</i>
	<u>2010/11</u>	<u>2011/12</u>	<u>Change</u>
REVENUE			
Program Revenues			
Charges for Services	\$ 1.2	\$ 1.0	-16.7%
Operating Grants and Contributions	22.2	20.8	-6.3%
General Revenues			
Taxes	\$ 75.3	\$ 98.3	30.5%
State Formula Aid	3.7	4.4	18.9%
Other	1.7	1.3	-23.7%
TOTAL REVENUE	\$ 104.1	\$ 125.8	20.8%
EXPENSES			
Instruction	\$ 59.5	\$ 58.3	-2.0%
Pupil and Instructional Services	9.4	9.6	2.1%
Administration and Business	11.3	11.7	3.5%
Facilities Acquisition & Construction	0.1	5.4	5300.0%
Transportation	5.6	4.6	-17.9%
Maintenance and Operations	11.1	5.8	-47.7%
Other	7.4	7.5	1.4%
TOTAL EXPENSES	\$ 104.4	\$ 102.9	-1.4%
INCREASE (DECREASE) IN NET ASSETS	\$ (0.3)	\$ 22.9	-9223.5%
NET ASSETS			
July 1, 2011		\$ 181.7	
June 30, 2012		\$ 204.6	12.6%

Governmental Activities

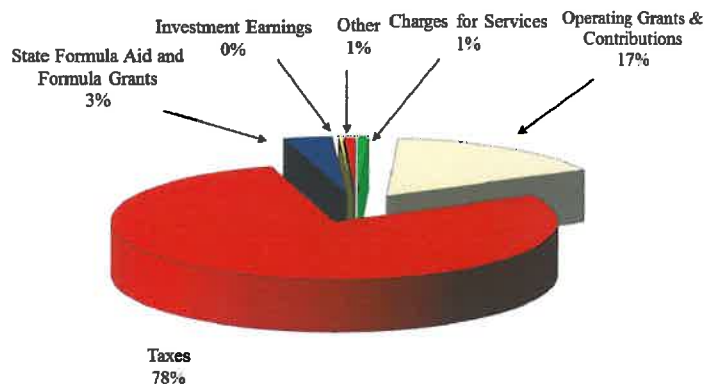
Revenue (See Figure A-5): Total District revenue for fiscal year 2012 was \$125.8 million. General revenues (\$104.0 million) are comprised of tax revenue, general state aid, investment earnings, and

Community Consolidated School District 59

Management's Discussion and Analysis

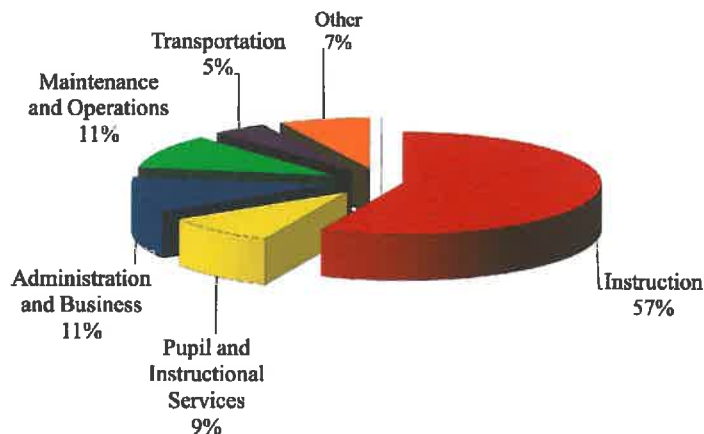
other non-restricted funds and comprise approximately 82% of total revenue. Approximately 78% of the District's total revenue is generated by local property taxes and payments in lieu of taxes known as Corporate Personal Property Replacement Taxes (CPPRT), which are based on corporate income within the District's boundaries. Program revenues make up approximately 18% of total revenue. Examples of revenue sources within these categories include federal grant programs, state special education reimbursements, the reporting of the state's contribution to the Teacher Retirement System (TRS), charges for services, and reimbursement programs for food services and transportation services.

Figure A-5 *Sources of Revenues for Fiscal Year 2012*



Expenses (See Figure A-6): Fiscal year 2012 expenditures totaled \$102.9 million. The operation of the District's instructional program and its related support functions comprise 67% of the District's overall expenses. Capital improvement projects as well as regular on-going facility maintenance have been identified within the operations and maintenance function, for a total 11% of overall expenses. The costs associated with daily transporting approximately 4,000 students total 4% of the District's overall expenses. Within the category of "Other", payments to other governmental units account for \$4.4 million in expenditures, paid to cover the expense of students whose special instructional needs are met by other educational organizations, such as the Northwest Suburban Special Education Cooperative (NSSEO). Interest on debt along with community services accounts for the balance of "Other" expenditures, making up 7% of total expenditures. Administrative Services, which includes school, central, and the school nutrition program, comprise 11% of total expenditures.

Figure A-6 *Expenses for Fiscal year 2012*



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Management's Discussion and Analysis

Net Costs: Figure A-7 presents the costs of seven major District activities: instruction, pupil and support instructional services, administration and business, facilities acquisition and construction, maintenance and operations, transportation and other. The table reports each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost represents the financial burden that was placed on the District's taxpayers by each of these functions.

Figure A-7

Net Cost of Governmental Activities (in millions of dollars)						
	Total Cost of Services			Net Cost of Services		
	<u>2010/11</u>	<u>2011/12</u>	<u>Pct. Chg.</u>	<u>2010/11</u>	<u>2011/12</u>	<u>Pct. Chg.</u>
Instruction	\$ 59.5	\$ 58.3	-2.0%	\$ 40.1	\$ 40.7	1.5%
Pupil and Instructional Services	9.4	9.6	2.1%	9.4	9.6	2.1%
Administration and Business	11.3	11.7	3.5%	9.3	9.5	2.2%
Facilities Acquisition and Construction	0.1	5.4	5300.0%	0.1	5.4	5300%
Operations and Maintenance	11.1	5.8	-47.7%	11.1	5.8	-47.7%
Transportation	5.6	4.6	-17.9%	3.6	2.6	-27.8%
Other	7.4	7.5	1.4%	7.4	7.5	1.4%
TOTAL	\$ 104.4	\$ 102.9	-1.4%	\$ 81.0	\$ 81.1	0.1%

The total costs of the District's activities during 2011/12 totaled \$102.9 million, a 1.4% decrease over the prior year. Expenditures were offset by program revenues and resulted in essentially no change in the net cost of services with FY12 reporting \$81.1 and FY11 reporting \$81.0.

Financial Analysis of the District's Funds

The short-term financial performance of the District is reflected in its governmental funds. As the District completed the year, its governmental funds reported combined fund balances of \$132 million.

Analysis of the District's governmental funds demonstrates the commitment to long-term financial strategies and conservative budgeting practices:

- General Fund revenues exceeded expenditures by \$20,089,255.
- The Transportation Fund revenues exceeded expenditures by \$1,997,208.
- The Municipal Retirement/Social Security Fund expenditures exceeded revenues by \$149,470.
- The Capital Projects Fund expenditures were met by an abatement of Working Cash Funds and a transfer from the Operations and Maintenance Fund.
- The Series 2003A and Series 2009 Bond and Interest Fund debt obligation was met by a bond and interest levy.

Community Consolidated School District 59

Management's Discussion and Analysis

General Fund Budgetary Highlights

The General Fund is comprised of the Educational, Operations and Maintenance and Working Cash Funds.

Over the course of the year, the District did not revise its annual operating budget. The District budget was built based on specific assumptions and was finalized in August of the fiscal year. The General Fund balance of \$120.2 million reflects a significant increase of \$17 million from the prior year's fund balance of \$103.2 million due to the early release of property tax bills in July 2012.

Revenue: Total revenue in the General Fund exceeded the District's budget by \$15.7 million or 16.5%.

Within the category of local sources, interest income fell short of budget by \$3.4 million due to an annual adjustment of the market value of investments. Corporate Personal Property Replacement taxes (CPPRT) essentially met budget expectations coming in slightly lower by \$0.2 million. CPPRT revenue is reflective of the income tax revenue generated by businesses within the District's boundaries. In August 2012, Cook County released the property tax bills several months earlier than usual resulting in the collection of tax payments in FY12 that would typically be collected in the next fiscal year causing current year revenues to be \$18 million over budget. Other local sources exceeded budget by \$0.3 million and include receipts from Cobra and retiree insurance payments, contributions, local grants, outdoor education fees, and facility rentals.

Overall, the reported State revenues, excluding the TRS on-behalf contribution, exceeded budget by \$0.8 million, most in the area of special education reimbursement claims. The amount of reimbursement is based on State pro-ration and the district's student population.

At the federal level, the revenue exceeded budget by \$0.4 million. Participation in the District's lunch and breakfast program and an increase in number of low-income students resulted in higher reimbursements under the National School Lunch program. Also, the District saw an increase in Medicaid reimbursements due to a change in the third party claiming agent.

Expenditures: Actual expenditures were \$6.6 million, or 6.8%, under budget. Prudent financial management by budget managers and savings in salaries due to retirements contributed to the total savings. A \$2 million budgeted expense for the District's one-to-one laptop initiative at the three Junior High Schools was expended in the prior year due to the timing of the purchase at the end of June 2011. No contingency funding was necessary to meet unanticipated expenditures.

Capital Assets

By the end of fiscal year 2012, the District had invested \$165.0 million in a broad range of capital assets, including land, school buildings, computer and audio-visual equipment, and administrative offices. (See Figure A-8.) (More detailed information about capital assets can be found in Notes to the Financial Statements.) Additions and deletions to capital assets including building improvements, land improvements, vehicle purchases, and general equipment purchases netted an additional \$3.1 million

Community Consolidated School District 59

Management's Discussion and Analysis

during fiscal year 2012. Accumulated depreciation to buildings, land improvements, vehicles and equipment totaled approximately \$83.1 million. The net impact of the increased value of capital assets less the depreciated value accounted for a \$1 million decrease in the value of capital assets for fiscal year 2012.

Figure A-8

Capital Assets (net of depreciation, in millions of dollars)				
	<i>Government Activities</i>			
	<u>2010/11</u>	<u>2011/12</u>	<u>Pct. Chg.</u>	
Capital Assets not being depreciated	\$ 6.1	\$ 2.0	-67.2%	
Net Capital Assets being depreciated	<u>77.0</u>	<u>80.0</u>	3.9%	
TOTAL	\$ 83.1	\$ 82.0	-1.3%	

While current facilities are adequate to accommodate the District's overall current and projected enrollment, individual schools are experiencing shifting populations. The Administration regularly reviews and monitors enrollment data and program placements. Capital improvements are primarily focused on maintaining existing facilities, with no major renovations anticipated.

Debt Administration

At year-end, the District had \$14.9 million in general obligation bonds and other long-term debt outstanding. (See Figure A-9.) (More detailed information about the District's long-term liabilities is presented in Notes to the Financial Statements.)

Figure A-9

Outstanding Long-Term Debt (in millions of dollars)				
	<i>Total School District</i>			
	<u>2010/11</u>	<u>2011/12</u>	<u>Change</u>	
2003 A Series General Obligation Funding Bonds	\$ 10.5	\$ 6.0	\$ (4.5)	
2009 Series General Obligation Funding Bonds	7.4	7.4	-	
Premium on Bonds and Deferred Amount on Refunding	(0.5)	(0.3)	0.2	
Early Retirement Incentives	0.7	0.8	0.1	
Net Pension Obligation	0.5	0.8	0.3	
Compensated absences	0.2	0.2	-	
TOTAL	\$ 18.8	\$ 14.9	\$ (3.9)	

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Management's Discussion and Analysis

In April 2003, District 59 successfully passed a \$5 million debt service extension base referendum. In July 2003, the District proceeded in issuing \$38.5 million (\$28.4 in General Obligation Limited Tax Bonds, Series 2003A; and \$10.1 million in Taxable General Obligation Limited Tax Bonds, Series 2003B). Proceeds of the bonds were used to advance refund the District's outstanding Series 1996, 1998, and 1999 General Obligations Bonds (Alternate Revenue Source). The proceeds were placed in escrow and with maturities scheduled to meet the debt obligation of the alternate revenue bonds. The Series 2003 general obligation bond debt obligation is met by the voter-authorized Bond and Interest levy. In October 2009, the District issued \$7,425,000 in General Obligation School Bonds for the purpose of increasing the Working Cash fund for the District, and to pay costs associated with the issuance of the bonds. All debt is scheduled to be retired in 2016.

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of existing circumstances that could have financial implications in the future. The following emerging issues represent areas that are monitored on an ongoing basis:

- Continued economic uncertainty, including the State of Illinois' financial crisis, low rates of investment returns, and the overall local economic vitality.
- Means-testing or revisions to funding formulas at the State level that would be intended to reduce the inequities in funding between school districts in Illinois.
- Increasing needs and/or expectations for specialized student services.
- Unfunded mandates generated by legislative actions, such as changes to state and federal health insurance laws and breakfast programs.
- The implication of tax refunds on the District's long-range planning efforts.
- Reduction in property values which may negatively impact EAV growth.
- Historically low Consumer Price Index which limits property tax revenues.
- The assessment decisions being made by the Cook County Property Tax Appeals Board and the Circuit Court.
- Assessment reduction or exemption efforts, either by individual property owners, municipalities, legislation, and/or County ordinance.
- Increases in tax rate objections and TIF districts.
- The potential impact on property tax revenues as a result of O'Hare Airport's proposed western access highway system.
- Revenue shortfalls at the State and/or Federal levels.
- State tax laws that create incentives for businesses that could erode the funding of the taxing bodies.

Community Consolidated School District 59 Management's Discussion and Analysis

- The funding shortfall for state pension funds including the Illinois Municipal Retirement Fund (IMRF) and the Teacher's Retirement System (TRS).
- The roll-out of substantial changes in governmental auditing and required financial reporting standards.

Long-term financial planning, conservative budgeting practices, and stable negotiated agreements with all union groups provide the District flexibility to successfully address anticipated circumstances as they develop.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Business Services, Community Consolidated School District 59, 2123 S. Arlington Heights Road, Arlington Heights, Illinois 60005. You may also refer to the website: www.ccsd59.org.

BASIC FINANCIAL STATEMENTS

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59
Statement of Net Assets
June 30, 2012

STATEMENT 1

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 115,211,958
Cash - restricted for insurance	5,375,796
Receivables:	
Interest receivable	255,891
Property tax receivable	37,890,083
Accounts receivable	143,738
Intergovernmental receivable	7,754,183
Prepays	902
Inventory	48,284
Unamortized bond issuance costs, net	65,556
Capital assets not being depreciated	2,049,064
Capital assets being depreciated, net	79,945,664
Total assets	<u>248,741,119</u>
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable	2,944,782
Salaries and benefits payable	8,349,800
Unearned property tax revenue	17,254,554
Insurance claims payable	443,928
Other current liabilities	43,088
Interest payable	170,979
Long-term obligations, due within one year:	
Bonds payable	4,705,000
Compensated absences payable	152,413
Retirement incentives payable	302,594
Long-term obligations, due in more than one year:	
Bonds payable	8,407,816
Other post-employment healthcare liability	207,239
Net pension obligation	764,088
Retirement incentives payable	351,228
Total liabilities	<u>44,097,509</u>
Net assets	
Invested in capital assets, net of related debt	68,881,912
Restricted for:	
Debt service	4,528,588
IMRF purposes	1,318,523
Unrestricted	129,914,587
Total net assets	<u>\$ 204,643,610</u>

See accompanying notes to financial statements.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

Statement of Activities
Year ended June 30, 2012

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating grants, contributions, and related interest income</u>	
<u>Governmental activities:</u>				<u>Governmental Activities</u>
Instruction				
Regular programs	\$ 29,931,859	\$ 62,115	\$ 2,418,902	\$ (27,450,842)
Special programs	7,230,195	238,737	3,290,937	(3,700,521)
Other programs	9,528,164	3,144	-	(9,525,020)
State on-behalf contributions to TRS	11,593,232	-	11,593,232	-
Support services				
Pupils	4,988,735	-	-	(4,988,735)
Instructional staff	4,572,462	-	-	(4,572,462)
General administration	2,551,409	-	-	(2,551,409)
School administration	5,099,142	-	-	(5,099,142)
Business	4,037,968	683,564	1,531,562	(1,822,842)
Facilities acquisition and construction services	5,426,819	-	-	(5,426,819)
Transportation	4,585,561	5,735	1,966,802	(2,613,024)
Operations and maintenance	5,770,004	-	-	(5,770,004)
Central	2,141,281	-	-	(2,141,281)
Community services	162,208	-	-	(162,208)
Payments to other governmental units	4,434,321	-	-	(4,434,321)
Interest on debt	815,770	-	-	(815,770)
Total governmental activities	<u>\$ 102,869,130</u>	<u>\$ 993,295</u>	<u>\$ 20,801,435</u>	<u>(81,074,400)</u>
General revenues:				
Taxes:				
Property taxes				93,873,533
Payments in lieu of taxes				4,385,210
General state aid				4,372,906
Investment earnings				343,671
Other general revenues				986,371
Total general revenues				<u>103,961,691</u>
Change in net assets				22,887,291
Net assets, beginning of the year				<u>181,756,319</u>
Net assets, end of the year				<u>\$ 204,643,610</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59
Governmental Funds Balance Sheet
June 30, 2012
(With comparative actual totals for June 30, 2011)

	General Fund	Transportation Fund	IMRF/ Social Security Fund	Debt Service Fund	Capital Projects Fund	Total 2012	Total 2011
Assets							
Cash and investments	\$ 105,093,454	\$ 4,553,884	\$ 542,832	\$ 3,260,225	\$ 1,761,563	\$ 115,211,958	\$ 119,027,772
Cash - restricted for insurance	5,375,796	-	-	-	-	5,375,796	3,295,153
Receivables:							
Interest receivable	255,891	-	-	-	-	255,891	400,807
Property tax receivable	32,700,457	1,638,247	806,182	2,745,197	-	37,890,083	35,444,437
Accounts receivable	138,670	5,068	-	-	-	143,738	24,363
Intergovernmental receivable	4,783,814	2,884,518	85,851	-	-	7,754,183	10,148,155
Prepays	902	-	-	-	-	902	104
Inventory	48,284	-	-	-	-	48,284	64,476
Total assets	\$ 148,397,268	\$ 9,081,717	\$ 1,434,865	\$ 6,005,422	\$ 1,761,563	\$ 166,680,835	\$ 168,405,267
Liabilities and fund balance							
Liabilities							
Accounts payable	\$ 1,598,545	\$ 678,556	\$ 42	-	\$ 667,639	\$ 2,944,782	\$ 5,850,500
Salaries and benefits payable	8,136,699	1,615	211,486	-	-	8,349,800	8,403,092
Deferred revenue	3,116,916	2,394,250	17,771	1,898	-	5,530,835	6,181,279
Unearned property tax revenue	14,842,521	742,525	365,551	1,303,957	-	17,254,554	35,320,409
Insurance claims payable	443,928	-	-	-	-	443,928	1,253,529
Other current liabilities	43,088	-	-	-	-	43,088	8,532
Total liabilities	28,181,697	3,816,946	594,850	1,305,855	667,639	34,566,987	57,017,341
Fund balance							
Nonspendable:							
Inventory	48,284	-	-	-	-	48,284	64,476
Prepays	902	-	-	-	-	902	104
Restricted:							
Debt service	-	-	-	4,699,567	-	4,699,567	3,325,403
IMRF purposes	-	-	1,318,523	-	-	1,318,523	1,962,019
Assigned:							
Insurance	4,707,079	-	-	-	-	4,707,079	1,800,977
Transportation	-	5,264,771	-	-	-	5,264,771	3,267,563
Construction	-	-	-	-	1,093,924	1,093,924	612,698
Unassigned	115,459,306	-	(478,508)	-	-	114,980,798	100,354,686
Total fund balance	120,215,571	5,264,771	840,015	4,699,567	1,093,924	132,113,848	111,387,926
Total liabilities and fund balance	\$ 148,397,268	\$ 9,081,717	\$ 1,434,865	\$ 6,005,422	\$ 1,761,563	\$ 166,680,835	\$ 168,405,267

See accompanying notes to financial statements.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Assets
June 30, 2012

Total fund balances - governmental funds		\$	132,113,848
Amounts reported for governmental activities in the net assets are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:			
Capital assets	165,058,612		
Accumulated depreciation	<u>(83,063,884)</u>		
Net capital assets			81,994,728
Certain grants receivable are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			
			5,530,835
Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due.			
			(170,979)
Costs related to the issuance of long-term debt are recorded as expenditures when incurred in governmental funds, but are capitalized and amortized over the life of the debt issue in the statement of net assets.			
			65,556
Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of:			
Bonds payable	(13,455,000)		
Deferred amount on refunding	342,184		
Retirement incentives payable	(653,822)		
Other post-employment benefits	(207,239)		
Net pension obligation	(764,088)		
Compensated absences payable	<u>(152,413)</u>		
Total Long-term liabilities			<u>(14,890,378)</u>
Net assets of governmental activities		\$	<u>204,643,610</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2012
(With comparative actual totals for June 30, 2011)

	General Fund	Transportation Fund	IMRF/ Social Security Fund	Debt Service Fund	Capital Projects Fund	Total 2012	Total 2011
Revenues							
Local sources							
Property taxes	\$ 80,879,851	\$ 4,485,088	\$ 1,911,491	\$ 6,597,103	\$ -	\$ 93,873,533	\$ 70,579,004
Replacement taxes	3,914,519	-	470,691	-	-	4,385,210	4,766,892
Interest	265,019	8,554	2,828	8,820	-	285,221	828,240
Other local sources	1,979,721	10,403	-	-	-	1,990,124	2,099,676
State sources	7,917,563	1,966,802	-	-	-	9,884,365	9,497,392
Federal sources	4,395,181	-	-	-	-	4,395,181	5,696,685
On-behalf contributions from state	11,593,232	-	-	-	-	11,593,232	10,684,396
Total revenues	110,945,086	6,470,847	2,385,010	6,605,923	-	126,406,866	104,152,285
Expenditures							
Current:							
Instruction							
Regular programs	28,800,247	-	376,839	-	-	29,177,086	28,427,628
Special ed programs	6,796,817	-	303,928	-	-	7,100,745	7,174,696
Other instructional programs	9,318,339	-	200,732	-	-	9,519,071	9,810,797
On-behalf contributions from state	11,593,232	-	-	-	-	11,593,232	10,684,396
Support services							
Pupils	4,794,800	-	160,886	-	-	4,955,686	4,806,823
Instructional staff	4,295,662	-	209,614	-	-	4,505,276	4,700,845
General administration	2,463,209	-	72,908	-	-	2,536,117	2,218,808
School administration	4,855,041	-	230,413	-	-	5,085,454	5,133,226
Business	3,732,600	-	164,597	-	26,173	3,923,370	3,822,590
Transportation	53,184	4,453,169	35,875	-	-	4,542,228	5,579,425
Operations and maintenance	6,619,989	-	618,350	-	-	7,238,339	7,343,466
Central	1,820,586	-	158,496	-	-	1,979,082	2,119,796
Community services	155,718	-	1,842	-	-	157,560	132,626
Payments to other governmental units	4,434,321	-	-	-	-	4,434,321	3,990,220
Debt service:							
Principal	-	-	-	4,510,000	-	4,510,000	4,350,000
Interest and fees	-	-	-	712,940	-	712,940	870,328
Capital outlay	1,122,086	20,470	-	-	2,567,881	3,710,437	9,399,105
Total expenditures	90,855,831	4,473,639	2,534,480	5,222,940	2,594,054	105,680,944	110,364,775
Excess (deficiency) of revenues over (under) expenditures	20,089,255	1,997,208	(149,470)	1,382,983	(2,594,054)	20,725,922	(6,212,490)
Other financing sources (uses)							
Transfers in	8,819	-	-	-	3,075,280	3,084,099	60,682
Transfers out	(3,075,280)	-	-	(8,819)	-	(3,084,099)	(60,682)
Bond proceeds	-	-	-	-	-	-	-
Premium on bonds sold	-	-	-	-	-	-	-
Total other financing sources and (uses)	(3,066,461)	-	-	(8,819)	3,075,280	-	-
Net change in fund balances	17,022,794	1,997,208	(149,470)	1,374,164	481,226	20,725,922	(6,212,490)
Fund balances at beginning of year	103,192,777	3,267,563	989,485	3,325,403	612,698	111,387,926	117,600,416
Fund balances at end of year	\$ 120,215,571	\$ 5,264,771	\$ 840,015	\$ 4,699,567	\$ 1,093,924	\$ 132,113,848	\$ 111,387,926

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

Reconciliation of Statements of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to Statement of Activities
Year Ended June 30, 2012

Net change in total fund balances	\$ 20,725,922
Amounts reported for governmental activities in the statement of activities are different because:	
Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds. The change from fiscal year 2011 to 2012 consists of:	
Deferred interest revenues	58,450
Transportation grants	(796,192)
Special Education grants	<u>87,297</u>
	(650,445)
Governmental funds report outlays for capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.	
Capital outlay resulting in assets, net of disposals	3,166,021
Depreciation, net of disposals	<u>(4,286,574)</u>
Capital outlay in excess of depreciation	(1,120,553)
Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	
Bond principal retirements	4,510,000
The issuance of long-term debt resulted in: bond issuances costs, deferred amounts on refunding, and bond premiums that were reported as changes in current financial resources in the governmental funds. However, these amounts have been deferred and amortized in the district-wide statements.	
Amortization of deferred bond issuance costs	(32,897)
Amortization of deferred amount on refunding	(297,892)
Amortization of bond premium	<u>129,582</u>
Total deferred costs	(201,207)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.	
Increase in retirement incentive payable	(8,146)
Decrease in interest payable on bonds	65,480
Increase in net pension obligation	(270,201)
Increase in other post-employment benefits	(179,396)
Decrease in compensated absences	<u>15,837</u>
	(376,426)
Change in net assets of governmental activities	<u>\$ 22,887,291</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2012

	Agency Funds Student Activity Funds
ASSETS	
Cash	\$ 87,641
Total assets	\$ 87,641
LIABILITIES	
Due to activity fund organizations	\$ 87,641
Total liabilities	\$ 87,641

See accompanying notes to financial statements.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Community Consolidated School District 59 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

Reporting Entity: The District is a public school system governed by an elected seven-member board. As required by GAAP, these financial statements present the District (the primary government) and, if applicable, its component units for which the elected officials of the primary government are financially accountable. Financial accountability is defined as (1) appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government or (2) fiscal dependency on the primary government. There are no component units included in the District's reporting entity.

Basis of Presentation: The District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements - The statement of net assets and the statement of activities display information about the District as a whole. In the government-wide statement of net assets, the governmental activities column is presented on a consolidated basis. These statements include the financial activities of the District, except for fiduciary activities. The effect of interfund activity has been removed from these statements. *Governmental activities* are normally supported by taxes and intergovernmental revenues. The government-wide statement of activities reflects both the direct expenses and net cost of each function of the District's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues, such as property taxes and general state aid, are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each of the District's functions is self-financing or draws from the general revenues of the District.

Fund Financial Statements - The financial transactions of the District are recorded in individual funds. A fund is defined, as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Separate statements for each fund category – governmental and fiduciary – are presented in the fund financial statements. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and presented as nonmajor funds.

Measurement Focus, Basis of Accounting: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the statement of activities presents increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows. The fund financial statements for fiduciary funds have no measurement focus and use the accrual basis of accounting.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District has reported two categories of program revenues in the statement of activities: (1) charges for services, and (2) program-specific operating grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the District's general revenues. For identifying the function to which a program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are budgeted. This presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance and (b) demonstrate the source and use of liquid resources. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the district-wide statements' governmental columns (due mainly to the inclusion of capital asset and long-term debt activity in the district-wide presentation), a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to transform the fund-based financial statements into the governmental column of the government-wide presentation.

Governmental fund revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, replacement taxes, grants, entitlements, and donations. The District has recognized approximately 47% of the 2010 tax levy and 80% of the 2011 tax levy in the current fiscal year based on actual collections, as the use of the taxes is permitted during that time. This represents an additional tax payment in the current year revenue due to the timing of the tax bills. Revenue from replacement taxes is recognized when collected by the state, prior to disbursement to the District. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

Revenues considered to be susceptible to accrual include property taxes, intergovernmental revenue, and interest income. Amounts have been recognized as receivables for these revenue sources. All other revenue items are considered to be measurable and available only when cash is received by the District.

Governmental fund expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Details: The District reports the following funds:

Major Governmental Funds

General Fund – The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The District's general fund consists of three accounts: the Educational Account, which records direct costs of instruction and administration, the Operations and Maintenance Account, which reports all costs of maintaining, improving, or repairing school buildings and property, and the Working Cash Account, which maintains financial resources held by the District to be used for temporary interfund loans.

Transportation Fund – This fund (a special revenue fund) maintains financial resources held by the District to be used for student transportation revenues and expenditures.

IMRF/Social Security Fund – This fund (a special revenue fund) maintains the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security system for non-certified employees. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for the payment of general long-term debt, principal, interest, and related costs.

Capital Projects Fund – This fund accounts for proceeds resulting from each bond issue, receipts from other long term financing agreements, or construction or maintenance grants used to finance a capital project, capital lease, lease purchase agreement, or if a tax is levied in accordance with School Code.

Fiduciary Funds

The District's fiduciary funds are Agency Funds. These Agency Funds are used to account for assets - almost exclusively cash and investments - held by the District as an agent for private organizations, such as student groups.

Eliminations: Eliminations have been made in the statement of net assets to remove the "grossing-up" effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables. Similarly, transfers between funds have been eliminated in the statement of activities. Interfund services provided and used are not eliminated in the process of consolidation.

Restricted Resources Policy: When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the District's policy to apply restricted resources first, then unrestricted resources as needed.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and Interest Income: Investments are stated at fair value through the application of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Board Policy stipulates the Township School Treasurer shall be custodian of all District funds and shall invest same funds in accordance with the Illinois Public Funds Investment Act (30ILCS 235/0/01 et seq).

All investment income, including changes in the fair value of investments, has been recognized as revenue in the operating statements. The District has adopted a formal written investment and cash management policy.

Interest income is allocated monthly to participating funds based upon their cash and investment balances. Interest income in individual funds could be negative if the fund was in a temporary overdraft position.

Inventories: Inventories are stated at the lower of average cost or market, and expensed when used. Inventories in the governmental funds consist of expendable supplies and are recorded as an expenditure when consumed.

Prepays: The District uses the purchase method to account for prepaids.

Property Tax Revenues Recognition: Property taxes attach as an enforceable lien on January 1. They are levied in December (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about March 1 and August 1 the following year. They are payable in two installments on or about April 1 and on or about September 1 that following year. The County collects such taxes and remits them periodically. The statutory reference regarding the ability to file, collect and deadlines for property taxes can be found in the Illinois Compiled State Statutes under Chapter 35, Sections 200-250.

Property taxes have been levied for tax year 2011 and are intended to be used when received in fiscal year 2012. Property tax revenues are recognized when received throughout the fiscal year; any material amounts that are received within 60 days after year-end are also recognized as revenue. The uncollected portion of the 2011 levy has been recorded as a receivable and the revenue has been deferred. The following are the tax rates applicable to the various levies per \$100 of assessed valuation for the 2011 and 2010 levies:

	Maximum	Actual Rate	
	Rate	2011	2010
Special Education	0.4000	0.0258	0.0230
Education	3.5000	1.9295	1.6695
Operations and Maintenance	0.5500	0.1409	0.1300
Bond and Interest		0.1693	0.1511
Transportation	0.2000	0.1049	0.1151
Municipal Retirement/Social Security		0.0516	0.0403
Working Cash	0.0500	0.0000	0.0000
Life Safety	0.1000	0.0000	0.0000
Tort Immunity		0.0000	0.0000
Total		2.4220	2.1290

Claims and Judgments: Liabilities resulting from claims and judgments, if any, have been reflected in the financial statements in accordance with GASB provisions.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Obligations: Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portions of such obligations have been reported as liabilities in the statement of net assets.

Bond Issues and Bond Premium/Issuance Costs: The District has issued general obligation bonds for which interest is paid on the bonds semiannually. In the government-wide financial statements, bond premiums and issuance costs are amortized over the lives of the related bond issues on a straight-line basis. In the fund financial statements, bond premium and issuance costs are recognized in the year the bonds are issued.

Compensated Absences: District employees are eligible to earn 12 to 14 sick days each year depending on years of service and employee classification. Unused sick leave days accumulate up to the maximum Teachers Retirement System (TRS) allowable days for certified employees and 240 days for Education Support Professionals (ESP) and custodial/maintenance employees. Other employees accumulate unused sick days without limitation. Unused, earned sick days are generally used for credit with both the Teachers Retirement System (TRS) and Illinois Municipal Retirement Fund (IMRF). However, the Administrative Handbook does provide administrative retirees some reimbursement of unused sick days providing they enroll in non-district health insurance plans, the amounts for which are not significant. As such, the accrual for compensated absences does not include any amounts for earned but unused sick pay.

Employees who work a 12-month year are entitled to be compensated for vacation time. Vacations are usually taken within the fiscal year. A limit of 10 days may be carried over into the next year. The entire compensated absences liability is reported on the District-wide financial statements.

Capital Assets: Capital assets used in governmental fund types of the District are recorded in the statement of net assets at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	30 - 40 years
Land improvements	20 years
Vehicles	5 years
Equipment	5 - 15 years

Included with the District's equipment capital assets, the District has capitalized an intangible asset, computer software. The District follows the same capitalization policy and estimated useful life for its intangible asset as it does for its equipment capital assets. The District also amortizes the intangible asset utilizing the straight-line method.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance/Net Assets: In order to show compliance with GASB Statement No. 54, the components of fund balance include the following line items:

- a) Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b) Restricted fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments as well as limitations imposed by law through constitutional provision or enabling legislation.
- c) Committed fund balance has self imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the District, the Board of Education is the highest level of decision making. As of June 30, 2012, the District does not have any commitments of fund balance.
- d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the Board of Education designated for that purpose. The intended use is established by an official designated for that purpose. The Assistant Superintendent for Business Services has been designated by the Board of Education for this purpose.
- e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance.

The implementation of these components is intended to decrease confusion and help serve the needs of the financial statement users.

If there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the District will consider committed fund balance to be spent first, then assigned fund balance and finally unassigned fund balance.

Policy requires that fund balances adequate to ensure the District's ability to maintain levels of service and pay its obligations in a prompt manner in spite of unforeseen events or unexpected expenses be maintained. The District seeks to maintain an estimated unassigned (in the Educational Fund) and assigned (in the Operations and Maintenance, Transportation and Working Cash Funds) aggregate ending fund balance based on budgeted revenues and expenditures of no less than the range of 50-60 percent of the annual aggregated budgeted expenditures in the Educational, Operations and Maintenance, Transportation and Working Cash Funds.

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition/construction of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 2 - CASH AND INVESTMENTS

The District is allowed to invest in securities as permitted by School Code of Illinois, Chapter 85, Sections 902 and 906, and Chapter 122, Section 8-7.

The carrying amount of cash was \$15,311,712 at June 30, 2012, while the bank balances were \$15,367,312. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000 or collateralized with securities of the U.S. government or with letters of credit issued by the Federal Home Loan Bank held in the District's name by financial institutions acting as the District's agent.

Certificates of deposits amounted to \$259,850 at June 30, 2012. In accordance with the District's policy, all certificates of deposit were collateralized with securities of the U.S. government in an amount equal to 100% of the funds on deposit. All investment collateral is held in safekeeping in the District's name by financial institutions acting as the District's agent. Collateral is priced to market monthly.

The investments which the District may purchase are limited by Illinois law to the following: (1) securities which are fully guaranteed by the U.S. government as to principal and interest, (2) certain U.S. government agency securities, (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a federal corporation, (4) short-term discount obligations of the Federal National Mortgage Association, (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services, (6) fully collateralized repurchase agreements, (7) the State Treasurer's Illinois and Prime Funds, and (8) money market mutual funds and certain other instruments.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the District's investments at June 30, 2012.

Investment Type	Fair Value	Investment Maturities		
		Less Than One Year	One to Five Years	Six to Ten Years
FHLB	\$ 18,682,316	\$ 17,342,318	\$ 1,339,998	\$ -
FFCB	1,060,852	1,060,852	-	-
FHLMC	5,997,004	4,235,143	1,761,861	-
FNMA	17,912,160	16,715,626	90,615	1,105,919
Money Market Accounts	61,451,501	61,451,501	-	-
Total	<u>\$ 105,103,833</u>	<u>\$ 100,805,440</u>	<u>\$ 3,192,474</u>	<u>\$ 1,105,919</u>

Interest Rate Risk - The District's investment policy seeks to ensure preservation of capital in the District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the policy requires the District investment portfolio to be sufficiently liquid to enable the District to meet all operating requirements as they come due. A portion of the portfolio is required to be invested in readily available funds to ensure appropriate liquidity.

Credit Risk - State statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSROs). The District's investment policy authorizes investments in any type of security as permitted by Sections 2 through 6 in the *Illinois Public Funds Investment Act*. As of June 30, 2012, all of the District's other investments had 'AAA' ratings with their applicable rating agency.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 2 - CASH AND INVESTMENTS (Continued)

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an AAA rated, not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees, elected from participating members. It is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments are valued at share price, which is the price for which the investment could be sold.

Illinois Funds is an unrated investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, which is the price for which the investment could be sold.

One of the U.S. Treasury Department's objectives for conservatorships is to protect bondholders. As such, declines in fair value below cost for investments in Freddie Mac and Fannie Mae bonds (this is, debt securities) may be treated as temporary. At year end the District's intent is to hold the bonds until they recover.

Credit ratings for the District's investments in debt securities as described by Standard & Poor's and Moody's at June 30, 2012 (excluding investments in U.S. Treasuries which are not considered to have credit risk) are as follows:

Investment Type	Credit Rating
FHLB	Aaa/AA+
FHLMC	Aaa/AA+
FNMA	Aaa/AA+
FFCB	Aaa/AA+

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for the District's investment or any other high-quality, interest-bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's, or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization.

Concentration of Credit Risk - The District's investment policy requires diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District to meet their ongoing need for safety, liquidity, and rate of return. At June 30, 2012, 34% of the District's other investments are in the Federal Home Loan Bank and the Federal National Mortgage Association.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 2 - CASH AND INVESTMENTS (Continued)

The following is a reconciliation of the notes to the basic financial statements:

Notes		Financial Statements	
Cash	\$ 15,311,712	Statement 1 - cash and investments	\$ 115,211,958
Certificates of deposit	259,850	Statement 1 - cash - restricted for insurance	5,375,796
Investments	105,103,833	Statement 7 - cash	87,641
	<u>\$ 120,675,395</u>		<u>\$ 120,675,395</u>

NOTE 3 - CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2012 by functions follows:

	Balance at July 1, 2011	Additions	Deletions	Balance at June 30, 2012
Capital assets not being depreciated:				
Land	\$ 1,134,968	\$ -	\$ -	\$ 1,134,968
Construction in Progress	4,961,732	914,097	4,961,733	914,096
Total capital assets not being depreciated	6,096,700	914,097	4,961,733	2,049,064
Capital assets being depreciated:				
Buildings	121,583,833	6,847,570	52,369	128,379,034
Land Improvements	2,191,231	-	-	2,191,231
Vehicles	682,905	17,885	32,500	668,290
Intangible Assets	643,914	27,500	-	671,414
Equipment	30,694,008	468,258	62,687	31,099,579
Subtotal	155,795,891	7,361,213	147,556	163,009,548
Accumulated depreciation				
Buildings	(51,239,611)	(3,079,041)	(3,331)	(54,315,321)
Land Improvements	(1,161,320)	(79,508)	-	(1,240,828)
Vehicles	(468,442)	(66,893)	(32,500)	(502,835)
Intangible Assets	(316,320)	(134,410)	-	(450,730)
Equipment	(25,591,619)	(1,018,854)	(56,303)	(26,554,170)
Subtotal	(78,777,312)	(4,378,706)	(92,134)	(83,063,884)
Total capital assets being depreciated, net	77,018,579	2,982,507	55,422	79,945,664
Capital assets, net	\$ 83,115,279	\$ 3,896,604	\$ 5,017,155	\$ 81,994,728

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 3 - CAPITAL ASSETS (Continued)

Depreciation was recognized in the operating activities of the District as follows:

Functions	
Regular Programs	\$ 406,211
Special Programs	13,811
Supplemental Programs	3,557
Bilingual Programs	11,854
Pupils	3,971
Instructional staff	30,749
General administration	2,542
School administration	3,420
Transportation	19,694
Operations and Maintenance	3,744,970
Central	137,927
Total depreciation expense	<u>\$ 4,378,706</u>

NOTE 4 - LONG-TERM DEBT

A summary of long-term debt transactions for the year ended is as follows:

	Obligations			Obligations	
	Outstanding	Debt	Debt	Outstanding	Due within
	July 1, 2011	Additions	Retirement	June 30, 2012	one year
Bonds					
2003A G.O. Bonds	\$ 10,540,000	\$ -	\$ 4,510,000	\$ 6,030,000	\$ 4,705,000
2009 G.O. Bonds	7,425,000	-	-	7,425,000	-
Premium on Bonds	383,185	-	129,582	253,603	-
Deferred Amount on Refunding	(893,679)	-	(297,892)	(595,787)	-
Total Bonds, net	17,454,506	-	4,341,690	13,112,816	4,705,000
Early Retirement Incentives	645,676	380,707	372,561	653,822	302,594
Other Post-Employment Benefits	27,843	179,396	-	207,239	-
Net Pension Obligation	493,887	270,201	-	764,088	-
Compensated Absences	168,250	625,139	640,976	152,413	152,413
Total Long-Term Debt	\$ 18,790,162	\$ 1,455,443	\$ 5,355,227	\$ 14,890,378	\$ 5,160,007

Outstanding Bond Issues Payable From the Bond and Interest Fund: \$28,435,000 Limited Tax School bonds, Series 2003A dated July 1, 2003, principal due annually on March 1, from 2007 through 2014, with semiannual interest payments on September 1 and March 1 at an interest rate of 2.50% to 5.00%. The Bonds were used for the purpose of advance refunding of the District's outstanding Series 1996 and 1999 General Obligation Bonds. The bonds are paid from the Debt Service Fund.

\$7,425,000 General Obligation Limited School Bonds, Series 2009 dated October 20, 2009, principal due annually on March 1, from 2014 through 2016, with semiannual interest payments on September 1 and March 1 at an interest rate of 2.50% to 3.00%. The Bonds were used for the purpose of increasing the Working Cash fund of the District, and to pay costs associated with the issuance of the bonds. The bonds are paid from the Debt Service Fund.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 4 - LONG-TERM DEBT (Continued)

The District had previously defeased certain General Obligation and other bonds in prior years by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2012, a total of \$25,065,000 of bonds outstanding is considered defeased.

Legal Debt Margin: The Illinois School Code limits the amount of indebtedness to 6.9% of the most recent available equalized assessed valuation of the District of \$3,099,218,660. The bond principal comprises the District's indebtedness subject to the limit; the District's remaining debt margin as of June 30, 2012 was \$ 200,391,088.

A summary of debt service requirements to maturity for bonds is as follows:

Due In Fiscal Year Ended June 30	School Bonds Series 2003A		School Bonds Series 2009	
	Principal	Interest	Principal	Interest
2013	\$ 4,705,000	\$ 293,062	\$ -	\$ 219,876
2014	1,325,000	66,250	1,885,000	219,876
2015	-	-	3,335,000	163,326
2016	-	-	2,205,000	63,276
Totals	\$ 6,030,000	\$ 359,312	\$ 7,425,000	\$ 666,354

A portion of early retirement incentives and all compensated absences payments are expected to be paid during the upcoming fiscal year. They are paid from the fund from which the employee's salary is charged.

NOTE 5 - TRANSFERS

The District transferred monies between funds/accounts during the fiscal year. The transfer from the Debt Service Fund to the Education Account is a transfer of interest earnings from the current year. Illinois state law allows for the transfer of interest earned from these funds as deemed appropriate by the District. \$2,011,518 was abated from the Working Cash Account to the Capital Projects Fund to assist in the funding of projects. This is allowed under Public Act 96-1277. The transfer from the Operations and Maintenance Account to the Capital Projects Fund was to fund capital projects and is allowed by state statute. The following transfers were made:

	<u>Transfer In</u>	<u>Transfer Out</u>
Major governmental funds:		
Education Account	\$ 8,819	\$ -
Operations and Maintenance Account	-	1,063,762
Debt Service Fund	-	8,819
Capital Projects Fund	3,075,280	-
Working Cash Account	-	2,011,518
Total transfers	\$ 3,084,099	\$ 3,084,099

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 6 - RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters.

The District is self-insured for employee medical coverage. Blue Cross/Blue Shield administers claims for a per-person, per-month fee. Expenditures are recorded as incurred in the form of direct contributions from the District to Blue Cross/Blue Shield for payment of employee health claims and administration fees. The District's liability will not exceed \$135,000 per covered employee in the aggregate as provided by stop-loss provisions incorporated in the plan. There was no stop-loss limit for the July 1, 2011 through June 30, 2012 coverage period.

At June 30, 2012, total unpaid claims, including an estimate of claims that have been incurred but not reported to the administrative agent, were \$443,928. The estimates are developed based on reports prepared by the administrative agent. For the two years ended June 30, 2012 and June 30, 2011, changes in the liability for unpaid claims are summarized as follows:

	Claims Payable Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payment	Claims Payable End of Year
Fiscal year 2011	\$ 1,558,788	\$ 7,831,546	\$ 8,136,805	\$ 1,253,529
Fiscal year 2012	1,253,529	6,392,835	7,202,436	443,928

The District continues to carry commercial insurance for all other risks of loss, including worker's compensation, torts and professional liability insurance. There have been no significant reductions in insurance coverage from coverage in prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 7 - TERMINATION BENEFITS

If a certified employee notifies the District by June 30 of an irrevocable intent to retire at the end of the school year four years later, the certified employee shall receive a total increase of six percent (6%) per year over his or her salary in the previous year for the final three years of employment prior to retirement. If a certified employee provides notification of an irrevocable intent to retire less than three years in the future, the certified employee shall receive a total increase of six percent (6%) in each of the remaining years before he or she retires. As of June 30, 2012, the District's liability for increases due to intent to retire is \$653,822.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 8 - RETIREMENT FUND COMMITMENTS

Defined Benefit Pension Plan – Teachers' Retirement System: The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago.

The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The state of Illinois maintains the primary responsibility for funding the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the system's administration.

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2012, was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after January 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2011 and 2010.

The state of Illinois makes contributions directly to TRS on behalf of the district's TRS-covered employee.

On-Behalf Contributions – The state of Illinois makes employer pension contributions on behalf of the district. For the year ended June 30, 2012, state of Illinois contributions were based on 24.91% of creditable earnings not paid from federal funds, and the district recognized revenue and expenditures of \$11,191,845 in pension contributions that the state of Illinois paid directly to TRS. For the years ended June 30, 2011 and June 30, 2010, the state of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 23.10% (\$10,290,077) and 23.38% (\$10,038,400) respectively.

The District makes other types of employer contributions directly to TRS.

2.2 Formula Contributions – Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2012 were \$264,643. Contributions for the years ending June 30, 2011 and June 30, 2010, were \$264,832 and \$249,028 respectively.

Federal and Trust Fund Contributions – When TRS members are paid from federal and special trust funds administered by the district, there is a statutory requirement for the district to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective for the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS.

For the year ended June 30, 2012, the employer pension contribution was 24.91% of salaries paid from federal and special trust funds. For the years ended June 30, 2011 and 2010, the employer contribution was 23.10% and 23.38% of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2012, salaries totaling \$683,084 were paid from federal and special trust funds that required employer contributions of \$170,156. For the years ended June 30, 2011 and June 30, 2010, required district contributions were \$207,813 and \$209,197, respectively.

Early Retirement Option – The district is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 8 - RETIREMENT FUND COMMITMENTS (Continued)

The maximum employer ERO contributions is 117.5 percent and applies when the member is age 55 at retirement.

For the year ended June 30, 2012, the District paid \$0 to TRS for employer contributions under the ERO program. For the years ended June 30, 2011 and June 30, 2010, the District paid \$132,955 and \$0, respectively, for employer ERO contributions.

Salary Increased Over 6% and Excess Sick Leave –

- If an employer grants salary increases over 6% and those salaries are used to calculate a retiree's final average salary, the employer makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and benefit based on salary increases of up to 6%.
 - For the year ended June 30, 2012, the District paid \$41,017 to TRS for employer contributions due on salary increases in excess of 6%. For the year ended June 30, 2011 and June 30, 2010, the district paid \$24,360 and \$51,001 to TRS for employer contributions due on salary increases in excess of 6%, respectively.
- If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary rate reported by the granting employer during the four-year sick leave review period, and the TRS total normal cost rate (17.83% of salary during the year ended June 30, 2012).
 - For the year ended June 30, 2012, the District paid \$0 to TRS for sick leave days granted in excess of the normal annual allotment. For the year ended June 30, 2011 and June 30, 2010, the District paid \$0 and \$0 in employer contributions granted for sick leave days, respectively.

TRS financial information, an explanation of TRS benefits, and descriptions of member, employer and state funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2011. The report for the year ended June 30, 2012, is expected to be available in late 2012.

The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, 2815 West Washington Street, P.O. Box 19253, Springfield, IL 62794-9253. The most current report is also available on the TRS Web site at trs.illinois.gov.

The District (employer) participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants may participate in the state administered participating provider option plan or choose from several managed care options.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 8 - RETIREMENT FUND COMMITMENTS (Continued)

The Illinois Department of Healthcare and Family Services (HFS) and the Illinois Department of Central Management Services (CMS) administer the plan with the cooperation of TRS. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by CMS with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to THIS Fund.

The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

On Behalf Contributions to THIS Fund: The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members, which were 0.88% of pay during the year ended June 30, 2012. State of Illinois contributions were \$401,387, and the District recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2011 and June 30, 2010 were 0.88% and 0.84% of pay, respectively. State contributions on behalf of District employees were \$394,319 and \$360,662, respectively.

Employer contributions to THIS Fund: The District also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.66% during the years ended June 30, 2012 and June 30, 2011, and 0.63% during the year ended June 30, 2010. For the year ended June 30, 2012, the District paid \$301,102 to the THIS Fund. For the years ended June 30, 2011 and June 30, 2010, the District paid \$295,058 and \$270,496 to the THIS Fund respectively, which was 100% of the required contribution.

The publicly available financial report of the THIS Fund may be obtained by writing to the Department of Healthcare and Family Services, 201 S. Grand Ave., Springfield, IL 62763-3838.

Defined Benefit Pension Plan – Illinois Municipal Retirement Fund: The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

As set by statute, the District Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2011 used by the employer was 9.34 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2011 was 11.97 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 8 - RETIREMENT FUND COMMITMENTS (Continued)

For fiscal year ending June 30, 2012, the District's annual pension cost of \$1,379,366. See below for a reconciliation of the required contributions versus the actual contributions.

Annual Required Contribution	\$ 1,368,802
Interest on NPO	37,041
ARC Adjustment	<u>(26,477)</u>
Annual Pension Cost	1,379,366
Actual Contribution	<u>1,109,165</u>
Increase (Decrease) in net pension obligation	270,201
Net pension obligation at June 30, 2011	<u>493,887</u>
Net pension obligation at June 30, 2012	<u>\$ 764,088</u>

Trend Information for the Regular Plan			
<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/12	\$ 1,379,366	80.4%	\$ 764,088
06/30/11	1,304,624	75.4%	493,887
06/30/10	636,376	72.9%	172,614

The required contribution for 2011 was determined as part of the December 31, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009 included (a) 7.50% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the District's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The District's Regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at the December 31, 2009, valuation was 30 years.

Funded Status and Funding Progress. As of December 31, 2011, the most recent actuarial valuation date, the Regular plan was 70.94 percent funded. The actuarial accrued liability for benefits was \$31,733,766 and the actuarial value of assets was \$22,510,865, resulting in an underfunded actuarial accrued liability (UAAL) of \$9,222,901. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$11,244,073 and the ratio of the UAAL to the covered payroll was 82 percent.

The schedule of funding progress, presented in the required supplementary information section, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 9 - OTHER POST EMPLOYMENT BENEFITS

Plan Description: The District provides the continuation of health care benefits and life insurance to employees, who retire from the District. Employees who terminate after reaching retirement eligibility in the plan are eligible to elect to continue their health care coverage by paying the monthly premium rate. Retirement for Certified personnel is defined as age 50 and 20 years of service, or age 60 and 10 years of service or age 62 and 5 years of service. Retirement for Non-Certified personnel is defined as age 55 and 25 years of service, or age 60 and 8 years of service or combined age and service of 85.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 9 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Funding Policy: Funding is provided by The District on a pay-as-you-go basis with no contribution from the retiree. The District's expected contribution on behalf of the employees to the insurance provider was \$118,301 for 2012.

Annual OPEB Cost and Net OPEB Obligation: The District's annual other post employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC). Actuarial calculations reflect a long-term perspective. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liability over thirty years. For fiscal year 2012, the District's annual OPEB cost was \$297,697.

	2012	2011
Annual required contribution	\$ 297,233	\$ 147,316
Interest on net OPEB Obligation	1,392	954
Adjustment to the ARC	(928)	(636)
Annual OPEB cost	297,697	147,634
Contributions made	(118,301)	(138,871)
Increase in net OPEB obligation	179,396	8,763
Net OPEB beginning of year	27,843	19,080
Net OPEB end of year	\$ 207,239	\$ 27,843
Percentage of Annual OPEB Cost Contributed	39.7%	94%

Funded Status and Funding Progress: As of June 30, 2012, the actuarial accrued liability for benefits was \$3,091,846. The covered payroll was \$0, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 0.0%.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/12	\$ -	\$ 3,091,846	\$ 3,091,846	0.00%	\$ -	0.00%
6/30/11	\$ -	\$ 3,091,846	\$ 3,091,846	0.00%	\$ -	0.00%

The District has disclosed in the required schedule of funding progress immediately following the notes to the financial statements the multiyear trend information about the actuarial value of plan assets and the actuarial accrued liability for benefits.

Actuarial Assumptions: In the actuarial valuation for the fiscal year ended June 30, 2012, the entry age normal cost method was used. The actuarial assumptions included an annual healthcare cost trend rate of 8% initially, reduced to an ultimate rate of 6% after 6 years. Rates include a 3% general inflation assumption. The Unfunded Accrued Actuarial Liability is being amortized as level dollar amount over 30 years. A discount (interest) rate of 5% was used and salary increases of 5% per year. Probabilities of death for participants were according to the 1994 Group Annuity Mortality Table for Males and Females. 75% of employees currently enrolled in medical plans were assumed to participate and 20% of employees were assumed to have participating spouses. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 10 – COMMITMENTS

The District has commitments for various construction projects totaling \$1,052,977. See a summary of commitments by project below:

<u>Project</u>	<u>Commitment</u>
Frost Addition	\$ 859,977
Salt Creek and Rupley Improvements	193,000
	<u>\$ 1,052,977</u>

NOTE 11 – NEW ACCOUNTING STANDARDS

In November 2010, the GASB issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. The Statement improves financial reporting by addressing issues related to service concession arrangements, which are arrangements between a transferor (government) and an operator (governmental or non-governmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. This Statement is effective for the District's financial year ending June 30, 2013. The District has not engaged in transferor-operator service concession arrangements, therefore implementation of this statement will have no impact.

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus*. The Statement improves financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues. This Statement is effective for the District's financial year ending June 30, 2013. The District has considered the impacts of implementing this Statement and has determined that the implementation will not have a significant effect on its financial statements.

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The Statement incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: (1) Financial Accounting Standards Board (FASB) Statements and Interpretations; (2) Accounting Principles Board Opinions; and (3) Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This Statement is effective for the District's financial year ending June 30, 2013. The District plans to implement this codification for the year ending June 30, 2013.

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). This Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local*

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 11 – NEW ACCOUNTING STANDARDS (Continued)

Governments, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets. This Statement is effective for the District's financial year ending June 30, 2013. The District plans to implement the new reporting requirements for the year ending June 30, 2013.

In June 2011, the GASB issued Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions* (an amendment of GASB Statement No. 53). This Statement clarifies that when certain conditions are met, the use of hedge accounting should not be terminated. When all of the conditions specified by the Statement exist, the GASB believes that the hedging relationship continues and hedge accounting should continue to be applied. This Statement is effective for the District's financial year ending June 30, 2012. The District has considered the impacts of implementing this Statement and has determined that the implementation did not have a significant effect on its financial statements.

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations. The provisions of this Statement are effective for the District's financial year ending June 30, 2014. The District plans to implement the new reporting requirements for the year ending June 30, 2014.

In March 2012, the GASB issued Statement No. 66, *Technical Corrections – 2012, an amendment of GASB Statements No. 10 and No. 62*. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement amends Statement 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes clarify how to apply Statement No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, and result in guidance that is consistent with the requirements in Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, respectively. The provisions of this Statement are effective for the District's financial year ending June 30, 2014. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans*. This Statement replaces the requirements of Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* and Statement 50 as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. The Statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. Statement 67 enhances note disclosures and RSI for both defined benefit and defined contribution pension plans. Statement 67 also requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 11 – NEW ACCOUNTING STANDARDS (Concluded)

in 10-year RSI schedules. The provisions of this Statement are effective for the District's fiscal year ending June 30, 2014. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions*. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* and Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). The provisions of this Statement are effective for the District's financial year ending June 30, 2015. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS - ILLINOIS MUNICIPAL RETIREMENT FUND
 June 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2011	\$ 22,510,865	\$ 31,733,766	\$ 9,222,901	70.94%	\$ 11,244,073	82.02%
12/31/2010	22,017,560	29,650,403	7,632,843	74.26%	10,750,638	71.00%
12/31/2009	21,026,628	27,891,106	6,864,478	75.39%	10,560,343	65.00%
12/31/2008	20,055,173	25,765,716	5,710,543	77.84%	9,997,539	57.12%
12/31/2007	25,769,569	24,596,526	(1,173,043)	104.77%	9,566,038	0.00%
12/31/2006	24,498,257	23,123,080	(1,375,177)	105.95%	9,285,492	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2011 was \$21,225,862. On a market basis, the funded ratio would be 66.89%.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS - OTHER POST EMPLOYMENT BENEFITS
 June 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/12	\$ -	\$ 3,091,846	\$ 3,091,846	0.00%	\$ -	0.00%
6/30/11	-	3,091,846	3,091,846	0.00%	-	0.00%
6/30/10	-	1,752,547	1,752,547	0.00%	-	0.00%
6/30/09	-	1,752,547	1,752,547	0.00%	-	0.00%
6/30/08	NA	NA	NA	NA	NA	NA

NA -June 30, 2009 was the first actuarial study performed.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

RSI - 3

Required Supplementary Information - Budgetary Comparison Schedule
Schedule of Revenues, Expenditures, and Changes in Fund Balances
General Fund and Major Special Revenue Funds
Year Ended June 30, 2012

	General Fund			Transportation Fund			IMRF/Social Security Fund		
	Original and final budget	Actual	Variance from budget positive (negative)	Original and final budget	Actual	Variance from budget positive (negative)	Original and final budget	Actual	Variance from budget positive (negative)
Revenues									
Local sources									
Property taxes	\$ 62,857,869	\$ 80,879,851	\$ 18,021,982	\$ 4,704,375	\$ 4,485,088	\$ (219,287)	\$ 1,740,375	\$ 1,911,491	\$ 171,116
Replacement taxes	4,158,270	3,914,519	(243,751)	-	-	-	500,000	470,691	(29,309)
Interest	3,655,468	285,019	(3,370,449)	160,240	8,554	(151,686)	80,120	2,828	(77,292)
Other local sources	1,691,638	1,979,721	288,083	8,500	10,403	1,903	-	-	-
State sources	7,107,594	7,917,563	809,969	1,386,378	1,966,802	580,423	-	-	-
Federal sources	4,016,644	4,395,181	378,537	-	-	-	-	-	-
On-behalf contributions from state	11,768,094	11,593,232	(174,862)	-	-	-	-	-	-
Total revenues	95,255,577	110,945,086	15,689,509	6,259,494	6,470,847	211,353	2,320,495	2,385,010	64,515
Expenditures									
Current:									
Instruction									
Regular programs	30,280,846	28,800,247	1,480,399	-	-	-	417,146	376,839	40,307
Special ed programs	7,656,443	6,796,817	859,626	-	-	-	256,103	303,928	(47,825)
Other instructional programs	10,258,375	9,318,339	940,036	-	-	-	224,380	200,732	23,648
On-behalf contributions from state	11,768,094	11,593,232	174,862	-	-	-	-	-	-
Support services									
Pupils	5,003,503	4,794,800	208,703	-	-	-	136,274	160,866	(24,612)
Instructional staff	4,750,350	4,295,862	454,488	-	-	-	211,747	209,614	2,133
General administration	2,421,355	2,463,209	(41,854)	-	-	-	72,974	72,908	66
School administration	5,143,093	4,855,041	288,052	-	-	-	221,818	230,413	(8,595)
Business	3,716,068	3,732,500	(16,532)	-	-	-	168,052	164,597	3,455
Transportation	76,173	53,184	22,989	4,348,737	4,453,169	(104,432)	33,396	35,875	(2,479)
Operations and maintenance	6,729,462	6,619,989	109,473	-	-	-	609,133	618,350	(9,217)
Central	1,965,846	1,820,586	145,260	-	-	-	191,115	158,498	32,619
Community Services	190,528	155,718	34,810	-	-	-	7,683	1,842	5,841
Payments to other governmental units	4,334,064	4,434,321	(100,257)	15,000	-	15,000	10,000	-	10,000
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-	-
Capital outlay	3,148,746	1,122,086	2,026,660	25,000	20,470	4,530	-	-	-
Total expenditures	97,442,746	90,855,831	6,586,915	4,388,737	4,473,639	(84,902)	2,559,821	2,534,480	25,341
Excess (deficiency) of revenues over (under) expenditures	(2,187,169)	20,089,255	22,276,424	1,870,757	1,997,208	126,451	(239,326)	(149,470)	89,856
Other financing sources (uses)									
Transfers in	120,180	8,819	(111,361)	-	-	-	-	-	-
Transfers out	(91,125)	(3,075,280)	(2,984,155)	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-	-
Premium on bonds sold	-	-	-	-	-	-	-	-	-
Total other financing sources and (uses)	29,055	(3,066,461)	(3,095,516)	-	-	-	-	-	-
Net change in fund balances	\$ (2,158,114)	\$ 17,022,794	\$ 19,180,908	\$ 1,870,757	\$ 1,997,208	\$ 126,451	\$ (239,326)	\$ (149,470)	\$ 89,856
Fund balances at beginning of year		103,192,777			3,267,563			989,485	
Fund balances at end of year		\$ 120,215,571			\$ 5,264,771			\$ 840,015	

See accompanying notes to budgetary comparison schedule.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT NUMBER 59
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2012

NOTE 1 - BUDGETS AND BUDGETARY ACCOUNTING

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- A. The administration submits to the Board of Education a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them. All governmental funds have legally adopted budgets on the GAAP basis of accounting.
- B. A public hearing is conducted at a public meeting to obtain taxpayer comments.
- C. By September 30, the budget is legally adopted through passage of a resolution.
- D. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to 10% of the total budget between line items within any fund; however, any revisions that alter the total disbursements of any fund must be approved by the Board of Education after a public hearing. The level of control (level at which expenditures may not exceed budget/appropriations) is the fund.
- E. Formal budgeting integration is employed as a management control device during the year for the governmental and expendable trust funds.
- F. Budgeted amounts presented are those originally adopted by the Board of Education.
- G. Budget/appropriations lapse at year end.

The following funds/accounts have legally adopted budgets: General Fund (Educational Account, Operations and Maintenance Account), Transportation Fund, Debt Service Fund, Working Cash Fund, IMRF/Social Security Fund, and the Capital Projects Fund. The original budget was not amended during the fiscal year.

NOTE 2 - EXCESS OVER BUDGET

The following funds had an excess of actual expenditures over budget for the year ended June 30, 2012:

<u>Fund</u>	<u>Amount</u>
Transportation Fund	\$ 84,902
Debt Service Fund	214
Capital Projects Fund	1,146,488

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

To account for resources traditionally associated with government operations which are not required to be accounted for in another fund, the District maintains the following accounts within the General Fund:

Educational Account - to account for most of the instructional and administrative aspects of the District's operations.

Operations and Maintenance Account - to account for general repair and maintenance of District property.

Working Cash Account - to account for financial resources held by the District which may be temporarily loaned to other funds.

SPECIAL REVENUE FUNDS

To account for proceeds from specific revenue sources which are designated to finance expenditures for specific purposes, the District maintains the following major Special Revenue Funds:

Transportation Fund - to account for activity relating to student transportation to and from school.

Illinois Municipal Retirement/Social Security Fund - to account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund and for the District's portion of pension contributions to the Social Security Administration for noncertified employees.

DEBT SERVICE FUND

Debt Service Fund - to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59
General Fund
Balance Sheet - by Account
June 30, 2012
(With comparative actual totals for June 30, 2011)

	Educational Account	Operations and Maintenance Account	Working Cash Account	Total 2012	Total 2011
Assets					
Cash and investments	\$ 80,728,515	\$ 5,204,669	\$ 19,160,270	\$ 105,093,454	\$ 109,966,027
Cash - restricted for insurance	5,375,796	-	-	5,375,796	3,295,153
Receivables:					
Interest receivable	255,891	-	-	255,891	400,807
Property tax receivable	30,506,476	2,196,719	(2,738)	32,700,457	30,204,900
Accounts receivable	13,807	124,863	-	138,670	23,804
Intergovernmental receivable	4,499,086	284,728	-	4,783,814	5,633,798
Prepays	902	-	-	902	104
Inventory	48,284	-	-	48,284	64,476
Total assets	\$ 121,428,757	\$ 7,810,979	\$ 19,157,532	\$ 148,397,268	\$ 149,589,069
Liabilities and fund balance					
Liabilities					
Accounts payable	\$ 940,512	\$ 658,033	\$ -	\$ 1,598,545	\$ 3,869,602
Salaries and benefits payable	7,884,343	252,356	-	8,136,699	8,194,389
Unearned revenue	2,981,667	57,839	77,410	3,116,916	2,971,167
Deferred property tax revenue	13,845,228	997,293	-	14,842,521	30,099,073
Insurance claims payable	443,928	-	-	443,928	1,253,529
Other current liabilities	34,810	8,278	-	43,088	8,532
Total liabilities	26,130,488	1,973,799	77,410	28,181,697	46,396,292
Fund balance					
Nonspendable:					
Inventory	48,284	-	-	48,284	64,476
Prepays	902	-	-	902	104
Assigned:					
Insurance	4,707,079	-	-	4,707,079	1,800,977
Unassigned	90,542,004	5,837,180	19,080,122	115,459,306	101,327,220
Total fund balance	95,298,269	5,837,180	19,080,122	120,215,571	103,192,777
Total liabilities and fund balance	\$ 121,428,757	\$ 7,810,979	\$ 19,157,532	\$ 148,397,268	\$ 149,589,069

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

General Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - by Account
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Educational Account	Operations and Maintenance Account	Working Cash Account	Total 2012	Total 2011
Revenues					
Local sources					
Property taxes	\$ 75,325,777	\$ 5,563,281	\$ (9,207)	\$ 80,879,851	\$ 61,184,626
Replacement taxes	2,353,454	1,561,065	-	3,914,519	4,516,892
Interest	193,255	18,925	52,839	265,019	750,800
Other local sources	1,939,806	39,915	-	1,979,721	2,091,319
State sources	7,852,499	65,064	-	7,917,563	7,500,900
Federal sources	4,363,011	32,170	-	4,395,181	4,569,526
On-behalf payments received from state	11,593,232	-	-	11,593,232	10,684,396
Total revenues	103,621,034	7,280,420	43,632	110,945,086	91,298,459
Expenditures					
Current:					
Instruction					
Regular programs	28,800,247	-	-	28,800,247	28,073,056
Special ed programs	6,796,817	-	-	6,796,817	6,924,357
Other instructional programs	9,318,339	-	-	9,318,339	9,584,212
State retirement contributions	11,593,232	-	-	11,593,232	10,684,396
Support services					
Pupils	4,794,800	-	-	4,794,800	4,471,076
Instructional staff	4,295,662	-	-	4,295,662	4,507,014
General administration	2,463,209	-	-	2,463,209	2,153,447
School administration	4,855,041	-	-	4,855,041	4,922,558
Business	3,732,600	-	-	3,732,600	3,651,650
Transportation	53,184	-	-	53,184	66,324
Operations and maintenance	(241,117)	6,861,106	-	6,619,989	6,770,304
Central	1,820,586	-	-	1,820,586	1,947,315
Community services	155,718	-	-	155,718	123,430
Payments to other governmental units	4,396,757	37,564	-	4,434,321	3,990,220
Capital outlay	371,478	750,608	-	1,122,086	3,555,019
Total expenditures	83,206,553	7,649,278	-	90,855,831	91,424,378
Excess (deficiency) of revenues over (under) expenditures	20,414,481	(368,858)	43,632	20,089,255	(125,919)
Other financing sources (uses)					
Transfers in	8,819	-	-	8,819	60,682
Transfers out	-	(1,063,762)	(2,011,518)	(3,075,280)	-
Total other financing sources and (uses)	8,819	(1,063,762)	(2,011,518)	(3,066,461)	60,682
Net change in fund balances	20,423,300	(1,432,620)	(1,967,886)	17,022,794	(65,237)
Fund balances at beginning of year	74,874,969	7,269,800	21,048,008	103,192,777	103,258,014
Fund balances at end of year	\$ 95,298,269	\$ 5,837,180	\$ 19,080,122	\$ 120,215,571	\$ 103,192,777

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

General Fund - Educational Account
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final <u>budget</u>	<u>Actual</u>	Variance from budget positive (negative)	2011 <u>Actual</u>
Revenues				
Local sources				
Property taxes				
General levy	\$ 56,952,187	\$ 74,320,725	\$ 17,368,538	\$ 55,534,687
Tort immunity levy	-	(1,361)	(1,361)	(2,911)
Special education levy	780,000	1,006,413	226,413	771,301
Replacement taxes	2,500,000	2,353,454	(146,546)	3,014,702
Regular tuition from pupils or parents	45,000	49,235	4,235	54,865
Regular tuition from other LEA's	13,000	12,880	(120)	14,520
Summer school tuition from pupils or parents	110,020	3,144	(106,876)	82,400
Special education tuition from pupils or parents	200,000	202,154	2,154	291,938
Special education tuition from other LEA's	17,258	31,915	14,657	31,407
Interest	2,533,786	193,255	(2,340,531)	568,041
Sales to pupils - lunch	649,454	683,564	34,110	673,686
Contributions and donations from private sources	65,000	37,228	(27,772)	100,924
Refund of prior years' expenditures	5,000	105,695	100,695	7,292
Proceeds from vendor contracts	-	-	-	698
Textbook sales	-	485	485	-
Local fees	213,406	211,419	(1,987)	206,598
Other local sources	373,500	602,087	228,587	616,292
Total local sources	<u>64,457,611</u>	<u>79,812,292</u>	<u>15,354,681</u>	<u>61,966,440</u>
State sources				
General state aid	4,480,652	4,372,906	(107,746)	3,668,584
Special education - private facility tuition	9,541	30,599	21,058	17,252
Special education - extraordinary	654,313	938,880	284,567	894,923
Special education - personnel	783,000	1,090,197	307,197	1,055,607
Special education - summer school	4,003	5,472	1,469	4,003
Special education - orphanage	16,625	77,866	61,241	69,726
Special education - orphanage - summer	-	2,209	2,209	2,189
Bilingual education - downstate - TPI	722,829	738,853	16,024	1,005,188
National teacher certification	-	8,133	8,133	17,604
State free lunch & breakfast	40,985	59,143	18,158	58,379
School breakfast initiative	-	-	-	422
Early childhood - block grant	312,561	523,655	211,094	435,557
Reading improvement block grant	-	-	-	126,605
School safety & educational improvement block grant	-	-	-	25,440
State library grant	-	4,586	4,586	4,438
Arts and foreign assistance grant	-	-	-	19,533
Total state sources	<u>7,024,509</u>	<u>7,852,499</u>	<u>827,990</u>	<u>7,405,450</u>
Federal sources				
National school lunch program	1,060,189	1,200,112	139,923	1,124,254
School breakfast program	120,217	196,350	76,133	158,471
Child nutrition commodity - salvage	-	135,100	135,100	81,896
Title I - low income	943,516	877,549	(65,967)	1,031,054
Fed - special education - IDEA - flow through/low incidence	1,141,365	1,141,365	-	1,152,269
Fed - special education - IDEA - room & board	-	3,380	3,380	2,285
Title I - low income - ARRA	-	71,174	71,174	23,662
Fed - special education - IDEA - preschool - ARRA	-	4,349	4,349	33,172
McKinney-Vento homeless education - ARRA	-	2,900	2,900	681
General state aid - education jobs - ARRA	-	5,021	5,021	334,024
Medicaid matching funds - administrative outreach	188,919	212,320	23,401	180,910
Title III - english language acquisition	335,205	352,753	17,548	233,110
Title II - teacher quality	227,233	160,638	(66,595)	213,738
Total federal sources	<u>4,016,644</u>	<u>4,363,011</u>	<u>346,367</u>	<u>4,569,526</u>

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

General Fund - Educational Account
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
On-behalf payments received from state	\$ 11,768,094	\$ 11,593,232	\$ (174,862)	\$ 10,684,396
Total revenues	87,266,858	103,621,034	16,354,176	84,625,812
Expenditures				
Current:				
Instruction				
Regular programs				
Salaries	24,301,065	24,332,187	(31,122)	23,059,347
Employee benefits	3,797,519	2,506,186	1,291,333	2,978,782
On-behalf payments to TRS from the State	11,768,094	11,593,232	174,862	10,684,396
Purchased services	348,632	427,180	(78,548)	266,646
Supplies and materials	1,375,220	999,346	375,874	1,309,629
Capital outlay	12,000	9,975	2,025	21,640
Other objects	2,150	2,642	(492)	2,365
Non-capitalized equipment	2,500,346	261,683	2,238,663	2,792,973
Total regular programs	44,105,026	40,132,431	3,972,595	41,115,778
Pre-K programs				
Salaries	339,081	355,821	(16,740)	353,508
Employee benefits	107,679	91,333	16,346	102,778
Supplies and materials	9,300	9,847	(547)	-
Total pre-k programs	456,060	457,001	(941)	456,286
Special education programs				
Salaries	4,126,808	3,931,569	195,239	3,870,445
Employee benefits	817,317	532,352	284,965	705,550
Purchased services	5,300	1,838	3,462	6,304
Supplies and materials	59,950	46,546	13,404	41,886
Non-capitalized equipment	5,000	2,272	2,728	1,798
Total special education programs	5,014,375	4,514,577	499,798	4,625,983
Special education programs pre-k				
Salaries	1,300,451	1,208,887	91,564	1,088,631
Employee benefits	330,376	330,155	221	221,011
Purchased services	-	625	(625)	967
Supplies and materials	5,000	7,875	(2,875)	29,642
Capital outlay	-	-	-	5,213
Other objects	-	60	(60)	60
Non-capitalized equipment	-	993	(993)	-
Total special education programs pre-k	1,635,827	1,548,595	87,232	1,345,524
Educationally deprived/remedial programs				
Salaries	698,469	524,764	173,705	675,896
Employee benefits	288,777	184,657	104,120	258,785
Supplies and materials	23,995	27,489	(3,494)	25,180
Capital outlay	-	-	-	74,625
Total educationally deprived/remedial programs	1,011,241	736,910	274,331	1,034,486
Interscholastic programs				
Salaries	418,735	410,250	8,485	405,796
Employee benefits	-	4,442	(4,442)	4,422
Purchased services	12,925	15,653	(2,728)	13,635

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

General Fund - Educational Account
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
Supplies and materials	\$ 8,370	\$ 17,882	\$ (9,512)	\$ 10,699
Other objects	1,000	1,170	(170)	1,050
Total interscholastic programs	441,030	449,397	(8,367)	435,602
Summer school programs				
Salaries	214,745	23,509	191,236	304,285
Employee benefits	2,311	256	2,055	3,008
Purchased services	225	-	225	40
Supplies and materials	27,225	24,049	3,176	22,903
Total summer school programs	244,506	47,814	196,692	330,236
Gifted programs				
Salaries	599,578	495,026	104,552	563,454
Employee benefits	81,905	56,074	25,831	68,945
Purchased services	2,000	1,080	920	1,803
Supplies and materials	4,500	3,339	1,161	8,674
Other objects	-	-	-	40
Total gifted programs	687,983	555,519	132,464	642,916
Bilingual programs				
Salaries	7,183,441	6,813,319	370,122	6,802,625
Employee benefits	1,358,494	900,984	457,510	1,036,136
Purchased services	800	406	394	724
Supplies and materials	151,621	196,666	(45,045)	147,114
Capital outlay	-	-	-	21,395
Total bilingual programs	8,694,356	7,911,375	782,981	8,007,994
Truant Alternative				
Supplies and materials	-	-	-	201
Private education tuition				
Other objects	190,500	354,234	(163,734)	188,659
Total Instruction	62,480,904	56,707,853	5,773,051	58,183,665
Support services				
Pupils				
Attendance and social work services				
Salaries	993,446	940,746	52,700	886,165
Employee benefits	136,025	99,028	36,997	98,913
Purchased services	40,762	44,376	(3,614)	25,383
Supplies and materials	5,500	5,595	(95)	3,463
Total attendance and social work services	1,175,733	1,089,745	85,988	1,013,924
Health services				
Salaries	720,454	737,110	(16,656)	646,145
Employee benefits	173,013	120,588	52,425	133,493
Purchased services	1,800	873	927	1,066
Supplies and materials	8,078	10,654	(2,576)	12,934
Non-capitalized equipment	4,000	3,485	515	-
Total health services	907,345	872,710	34,635	793,638

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

General Fund - Educational Account
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
Psychological services				
Salaries	\$ 985,580	\$ 1,018,759	\$ (33,179)	\$ 939,106
Employee benefits	187,391	122,500	64,891	133,610
Purchased services	2,000	3,225	(1,225)	1,673
Supplies and materials	3,000	3,744	(744)	3,479
Non-capitalized equipment	2,600	-	2,600	2,505
Total psychological services	1,180,571	1,148,228	32,343	1,080,373
Speech pathology and audiology services				
Salaries	1,332,810	1,260,478	72,332	1,286,771
Employee benefits	183,038	128,871	54,167	133,872
Purchased services	81,538	114,272	(32,734)	3,018
Supplies and materials	7,000	7,303	(303)	7,751
Non-capitalized equipment	4,000	1,996	2,004	1,609
Total speech pathology and audiology services	1,608,386	1,512,920	95,466	1,433,021
Other support services - pupils				
Salaries	107,003	145,901	(38,898)	123,280
Employee benefits	15,215	15,482	(267)	14,604
Purchased services	4,250	7,611	(3,361)	6,066
Supplies and materials	15,000	6,977	8,023	9,892
Other objects	600	707	(107)	391
Total other support services - pupils	142,068	176,678	(34,610)	154,233
Total pupils	5,014,103	4,800,281	213,822	4,475,189
Instructional staff				
Improvement of instruction services				
Salaries	754,838	626,147	128,691	750,392
Employee benefits	182,213	92,382	89,831	147,211
Purchased services	193,031	247,604	(54,573)	186,196
Supplies and materials	33,368	42,764	(9,396)	54,755
Other objects	360	-	360	104
Total improvement of instruction services	1,163,810	1,008,897	154,913	1,138,658
Educational media services				
Salaries	2,533,939	2,502,973	30,966	2,465,228
Employee benefits	626,644	398,641	228,003	496,771
Purchased services	10,000	5,775	4,225	15,946
Supplies and materials	221,047	205,916	15,131	243,656
Capital outlay	500	5,675	(5,175)	-
Other objects	1,050	583	467	621
Non-capitalized equipment	20,500	29,250	(8,750)	8,919
Total educational media services	3,413,680	3,148,813	264,867	3,231,141
Assessment and testing				
Salaries	66,000	40,948	25,052	36,421
Employee benefits	6,300	293	6,007	433
Purchased services	46,000	58,990	(12,990)	34,480
Supplies and materials	75,560	72,646	2,914	74,800
Non-capitalized equipment	60,000	-	60,000	-
Total assessment and testing	253,860	172,877	80,983	146,134
Total instructional staff	4,831,350	4,330,587	500,763	4,515,933

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

General Fund - Educational Account
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
General Administration				
Board of education services				
Salaries	\$ 73,028	\$ 53,083	\$ 19,945	\$ 52,645
Employee benefits	5,587	3,855	1,732	4,209
Purchased services	654,395	724,065	(69,670)	484,330
Supplies and materials	6,500	3,661	2,839	3,178
Other objects	10,000	9,470	530	19,332
Non-capitalized equipment	5,000	-	5,000	2,538
Total board of education services	754,510	794,134	(39,624)	566,232
Executive administration services				
Salaries	527,538	528,474	(936)	504,658
Employee benefits	152,915	160,376	(7,461)	130,079
Purchased services	3,563	3,722	(159)	4,600
Supplies and materials	10,350	8,417	1,933	12,175
Other objects	6,000	5,558	442	6,412
Non-capitalized equipment	2,000	3,543	(1,543)	3,510
Total executive administration services	702,366	710,090	(7,724)	661,434
Special area administrative services				
Salaries	754,425	781,351	(26,926)	724,147
Employee benefits	177,154	215,921	(38,767)	168,179
Purchased services	28,500	32,701	(4,201)	32,684
Supplies and materials	10,400	7,395	3,005	5,954
Other objects	1,000	865	135	865
Non-capitalized equipment	5,000	2,724	2,276	8,570
Total special area administrative services	976,479	1,040,957	(64,478)	940,399
Total general administration	2,428,355	2,542,457	(114,102)	2,159,495
School Administration				
Office of the principal services				
Salaries	3,857,808	3,891,203	(33,395)	3,871,354
Employee benefits	1,209,364	661,661	547,703	975,573
Purchased services	40,044	27,470	12,574	36,753
Supplies and materials	33,878	33,167	711	38,264
Capital outlay	-	-	-	5,183
Other objects	1,999	423	1,576	614
Non-capitalized equipment	500	2,004	(1,504)	12,497
Total school administration	5,143,593	4,615,928	527,665	4,940,238
Business				
Direction of business support services				
Salaries	232,362	232,644	(282)	221,124
Employee benefits	70,487	56,840	13,647	59,108
Purchased services	61,570	54,434	7,136	53,153
Supplies and materials	670	485	185	710
Capital outlay	-	-	-	1,755
Other objects	750	969	(219)	960
Total direction of business support services	365,839	345,372	20,467	336,810

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COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

General Fund - Educational Account
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
Fiscal services				
Salaries	\$ 327,714	\$ 327,931	\$ (217)	\$ 317,281
Employee benefits	78,343	52,849	25,494	59,184
Purchased services	9,360	10,974	(1,614)	8,690
Supplies and materials	1,450	1,160	290	1,736
Other objects	1,050	1,050	-	1,050
Total fiscal services	417,917	393,964	23,953	387,941
Pupil transportation services				
Salaries	4,900	940	3,960	3,153
Employee benefits	221	178	43	158
Purchased services	71,052	68,719	2,333	63,013
Total pupil transportation services	76,173	69,837	6,336	66,324
Food services				
Salaries	521,829	503,213	18,616	504,306
Employee benefits	10,963	9,403	1,560	10,071
Purchased services	1,790,329	1,782,467	7,862	1,721,574
Supplies and materials	17,676	155,178	(137,502)	109,895
Non-capitalized equipment	45,600	32,409	13,191	5,458
Total food services	2,386,397	2,482,670	(96,273)	2,351,304
Internal services				
Salaries	302,696	305,266	(2,570)	353,248
Employee benefits	79,220	28,449	50,771	59,594
Purchased services	170,924	141,503	29,421	137,813
Supplies and materials	38,030	50,372	(12,342)	31,773
Other objects	645	760	(115)	380
Non-capitalized equipment	1,300	-	1,300	1,755
Total internal services	592,815	526,350	66,465	584,563
Total business	3,837,841	3,818,193	19,648	3,725,187
Central				
Planning, research, development and evaluation services				
Salaries	55,000	62,220	(7,220)	142,091
Employee benefits	9,390	1,357	8,033	7,541
Purchased services	47,000	47,283	(283)	-
Supplies and materials	5,200	3,358	1,842	200
Other objects	-	15	(15)	15
Total planning, research, development and evaluation services	116,590	114,233	2,357	149,847
Information services				
Salaries	39,256	39,196	60	38,054
Employee benefits	4,679	3,258	1,421	3,606
Purchased services	56,500	55,349	1,151	51,550
Supplies and materials	200	-	200	-
Other objects	500	240	260	240
Total information services	101,135	98,043	3,092	93,450
Staff services				
Salaries	507,785	529,790	(22,005)	488,976
Employee benefits	176,825	136,168	40,657	140,918

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

General Fund - Educational Account
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
Purchased services	\$ 33,700	\$ 34,271	\$ (571)	\$ 30,613
Supplies and materials	44,000	45,880	(1,880)	41,473
Capital outlay	1,500	-	1,500	-
Other objects	1,000	789	211	943
Total staff services	764,810	746,898	17,912	702,923
Data processing services				
Salaries	546,283	480,057	66,226	541,476
Employee benefits	119,654	70,141	49,513	89,387
Purchased services	83,992	87,750	(3,758)	146,003
Supplies and materials	131,620	117,309	14,311	103,331
Other objects	50	45	5	45
Non-capitalized equipment	10,000	10,845	(845)	5,022
Total data processing services	891,599	766,147	125,452	885,264
Total central	1,864,134	1,714,476	149,658	1,826,462
Other support services				
Salaries	-	7,524	(7,524)	-
Employee benefits	-	1,845	(1,845)	-
Purchased services	103,212	94,451	8,761	120,853
Supplies and materials	-	2,290	(2,290)	-
Total other support services	103,212	106,110	(2,898)	120,853
Total support services	23,238,888	21,941,601	1,297,287	21,778,704
Community services				
Salaries	74,710	73,033	1,677	67,864
Employee benefits	30,850	22,825	8,025	16,171
Purchased services	24,310	24,458	(148)	29,723
Supplies and materials	60,358	35,402	24,956	9,523
Non-capitalized equipment	-	4,624	(4,624)	-
Total community services	190,228	160,342	29,886	123,281
Payments to other governmental units				
Payments for regular programs				
Purchased services	-	-	-	7,931
Payments for special education programs				
Purchased services	1,589,028	1,722,225	(133,197)	1,599,682
Tuitions	2,357,472	2,674,532	(317,060)	2,360,788
Total payments to other governmental units	3,946,500	4,396,757	(450,257)	3,968,401
Provision for contingencies	200,000	-	200,000	-
Total expenditures	90,056,520	83,206,553	6,849,967	84,054,051
Excess (deficiency) of revenues over (under) expenditures	(2,789,662)	20,414,481	23,204,143	571,761
Other financing sources (uses)				
Transfers in	120,180	8,819	(111,361)	60,682
Total other financing sources and (uses)	120,180	8,819	(111,361)	60,682

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

General Fund - Educational Account
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
Net change in fund balance	\$ (2,669,482)	\$ 20,423,300	\$ 23,092,782	\$ 632,443
Fund balance at beginning of year		74,874,969		74,242,526
Fund balance at end of year		\$ 95,298,269		\$ 74,874,969

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

General Fund - Operations and Maintenance Account
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final <u>budget</u>	<u>Actual</u>	Variance from budget positive (negative)	2011 <u>Actual</u>
Revenues				
Local Sources				
Property taxes				
General levy	\$ 5,125,682	\$ 5,564,108	\$ 438,426	\$ 4,651,874
Tort immunity levy	-	(827)	(827)	(1,779)
Replacement taxes	1,658,270	1,561,065	(97,205)	1,502,190
Interest	400,601	18,925	(381,676)	52,891
Local fees	-	39,915	39,915	10,699
Total Local Sources	<u>7,184,553</u>	<u>7,183,186</u>	<u>(1,367)</u>	<u>6,215,875</u>
State Sources				
Misc grant revenue	<u>83,085</u>	<u>65,064</u>	<u>(18,021)</u>	<u>95,450</u>
Federal Sources				
Misc grant revenue	<u>-</u>	<u>32,170</u>	<u>32,170</u>	<u>-</u>
Total revenues	<u>7,267,638</u>	<u>7,280,420</u>	<u>12,782</u>	<u>6,311,325</u>
Expenditures				
Current:				
Operations and maintenance of plant services				
Salaries	3,689,588	3,639,895	49,693	3,546,816
Employee benefits	738,331	790,939	(52,608)	694,590
Purchased services	893,043	1,065,747	(172,704)	933,502
Supplies and materials	1,403,900	1,361,521	42,379	1,591,712
Capital outlay	424,500	702,544	(278,044)	550,120
Other Objects	4,600	3,004	1,596	3,684
Non-capitalized equipment	44,400	48,064	(3,664)	27,934
Total Operations and maintenance of plant services	<u>7,198,362</u>	<u>7,611,714</u>	<u>(413,352)</u>	<u>7,348,358</u>
Total Business	<u>7,198,362</u>	<u>7,611,714</u>	<u>(413,352)</u>	<u>7,348,358</u>
Community services				
Salaries	<u>300</u>	<u>-</u>	<u>300</u>	<u>149</u>
Total Community services	<u>300</u>	<u>-</u>	<u>300</u>	<u>149</u>
Nonprogrammed charges				
Other Objects	<u>37,564</u>	<u>37,564</u>	<u>-</u>	<u>21,820</u>
Total nonprogrammed charges	<u>37,564</u>	<u>37,564</u>	<u>-</u>	<u>21,820</u>
Provision for contingencies	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>-</u>
Total expenditures	<u>7,386,226</u>	<u>7,649,278</u>	<u>(263,052)</u>	<u>7,370,327</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(118,588)</u>	<u>(368,858)</u>	<u>(250,270)</u>	<u>(1,059,002)</u>
Other financing sources (uses)				
Transfers Out	<u>(91,125)</u>	<u>(1,063,762)</u>	<u>(972,637)</u>	<u>-</u>
Total other financing sources and (uses)	<u>(91,125)</u>	<u>(1,063,762)</u>	<u>(972,637)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (209,713)</u>	<u>(1,432,620)</u>	<u>\$ (1,222,907)</u>	<u>(1,059,002)</u>
Fund Balance at Beginning of Year		<u>7,269,800</u>		<u>8,328,802</u>
Fund Balance at End of Year		<u>\$ 5,837,180</u>		<u>\$ 7,269,800</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

General Fund - Working Cash Account
 Schedule of Revenues and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
Revenues				
Local Sources				
Property taxes				
General levy	\$ -	\$ (9,207)	\$ (9,207)	\$ 231,454
Interest	721,081	52,839	(668,242)	129,868
Total revenues	721,081	43,632	(677,449)	361,322
Excess of revenues	721,081	43,632	(677,449)	361,322
Other financing sources (uses)				
Transfers in	-	(2,011,518)	(2,011,518)	-
Total other financing sources and (uses)	-	(2,011,518)	(2,011,518)	-
Net change in fund balance	\$ 721,081	(1,967,886)	\$ (2,688,967)	361,322
Fund Balance at Beginning of Year		21,048,008		20,686,686
Fund Balance at End of Year		\$ 19,080,122		\$ 21,048,008

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

Transportation Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
Revenues				
Local Sources				
Property taxes				
General levy	\$ 4,704,375	\$ 4,485,088	\$ (219,287)	\$ 3,172,278
Regular transportation fees from pupils or parents	8,500	5,735	(2,765)	8,357
Regular transportation fees from other districts	-	4,668	4,668	-
Interest	160,240	8,554	(151,686)	22,860
Total local sources	4,873,115	4,504,045	(369,070)	3,203,495
State Sources				
Early Childhood Block Grant	128,769	83,196	(45,573)	150,618
Transportation - Regular/Vocational	113,041	56,969	(56,072)	331,763
Transportation - Special Education	1,144,569	1,826,637	682,068	1,514,111
Total state sources	1,386,379	1,966,802	580,423	1,996,492
Total revenues	6,259,494	6,470,847	211,353	5,199,987
Expenditures				
Current:				
Support Services				
Pupil transportation services				
Salaries	268,289	259,308	8,981	269,966
Employee benefits	56,681	54,766	1,915	55,886
Purchased services	3,635,807	3,789,885	(154,078)	4,801,944
Supplies and materials	387,700	349,125	38,575	350,185
Capital outlay	25,000	20,470	4,530	24,684
Other Objects	260	85	175	206
Total Support services	4,373,737	4,473,639	(99,902)	5,502,871
Provision for contingencies	15,000	-	15,000	-
Total expenditures	4,388,737	4,473,639	(84,902)	5,502,871
Net Change in Fund Balance	\$ 1,870,757	1,997,208	\$ 126,451	(302,884)
Fund Balance at Beginning of Year		3,267,563		3,570,447
Fund Balance at End of Year		\$ 5,264,771		\$ 3,267,563

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

IMRF/Social Security Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
Revenues				
Local Sources				
Property taxes				
General levy	\$ -	\$ (10,262)	\$ (10,262)	\$ 314,486
Social security/medicare levy	1,740,375	1,921,753	181,378	1,036,478
Replacement taxes	500,000	470,691	(29,309)	250,000
Interest	80,120	2,828	(77,292)	11,273
Total revenues	2,320,495	2,385,010	64,515	1,612,237
Expenditures				
Current:				
Instruction				
Regular programs	399,619	238,953	160,666	345,143
Pre-K programs	17,527	137,886	(120,359)	9,429
Special ed programs	189,858	220,104	(30,246)	186,493
Special ed programs - Pre-K	56,245	83,680	(27,435)	63,258
Educationally deprived/remedial programs	10,000	144	9,856	588
Interscholastic programs	10,575	13,284	(2,709)	12,129
Summer school programs	7,520	747	6,773	13,188
Gifted programs	8,668	5,881	2,787	6,980
Bilingual programs	197,617	180,820	16,797	194,288
Total Instruction	897,629	881,499	16,130	831,496
Pupils				
Attendance and social work services	22,566	22,339	227	20,934
Health services	66,561	89,698	(23,137)	70,662
Psychological services	13,378	12,298	1,080	11,376
Speech pathology and audiology services	18,380	17,681	699	18,348
Other support services	15,389	18,870	(3,481)	14,427
Total Pupils	136,274	160,886	(24,612)	135,747
Instructional staff				
Improvement of instruction services	21,852	18,143	3,709	17,930
Educational media services	189,245	189,839	(594)	175,293
Assessment and testing	650	1,632	(982)	608
Total Instructional staff	211,747	209,614	2,133	193,831
General administration				
Board of education services	1,150	788	362	768
Executive administration services	28,321	28,804	(483)	26,438
Service area administrative services	43,503	43,316	187	38,155
Total General administration	72,974	72,908	66	65,361
School administration				
Office of the principal services	221,818	230,413	(8,595)	210,668
Business				
Direction of business support services	12,921	12,892	29	11,969
Fiscal services	57,150	56,368	782	51,927
Operations and maintenance of plant services	609,133	618,350	(9,217)	573,162
Pupil transportation services	33,396	35,875	(2,479)	34,914
Food services	34,717	42,786	(8,069)	41,122
Internal services	63,264	52,551	10,713	57,916
Total business	810,581	818,822	(8,241)	771,010
Central				
Planning, research, development, and evaluation	21,487	6,651	14,836	20,154
Information services	6,809	6,819	(10)	6,296
Staff services	62,640	61,332	1,308	56,373

(Continued)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

IMRF/Social Security Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
Data processing services	\$ 100,179	\$ 83,694	\$ 16,485	\$ 89,658
Total central	191,115	158,496	32,619	172,481
Community services	7,683	1,842	5,841	9,196
Provision for contingencies	10,000	-	10,000	-
Total expenditures	2,559,821	2,534,480	25,341	2,389,790
Net Change in Fund Balance	\$ (239,326)	(149,470)	\$ 89,856	(777,553)
Fund Balance at Beginning of Year		989,485		1,767,038
Fund Balance at End of Year		\$ 840,015		\$ 989,485

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2012
(With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
Revenues				
Local Sources				
Property taxes				
General levy	\$ 5,118,750	\$ 6,597,103	\$ 1,478,353	\$ 4,871,136
Interest	120,180	8,820	(111,360)	23,981
Total revenues	<u>5,238,930</u>	<u>6,605,923</u>	<u>1,366,993</u>	<u>4,895,117</u>
Expenditures				
Debt service:				
Principal	4,510,000	4,510,000	-	4,350,000
Interest and fees	<u>712,726</u>	<u>712,940</u>	<u>(214)</u>	<u>870,328</u>
Total expenditures	<u>5,222,726</u>	<u>5,222,940</u>	<u>(214)</u>	<u>5,220,328</u>
Excess (deficiency) of revenues over (under) expenditures	<u>16,204</u>	<u>1,382,983</u>	<u>1,366,779</u>	<u>(325,211)</u>
Other financing sources (uses)				
Transfers Out	<u>(120,180)</u>	<u>(8,819)</u>	<u>111,361</u>	<u>(60,682)</u>
Total other financing sources and (uses)	<u>(120,180)</u>	<u>(8,819)</u>	<u>111,361</u>	<u>(60,682)</u>
Net Change in Fund Balances	<u>\$ (103,976)</u>	<u>1,374,164</u>	<u>\$ 1,478,140</u>	<u>(385,893)</u>
Fund Balances at Beginning of Year		<u>3,325,403</u>		<u>3,711,296</u>
Fund Balances at End of Year		<u>\$ 4,699,567</u>		<u>\$ 3,325,403</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

Capital Projects Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2012
 (With comparative actual totals for June 30, 2011)

	Original and final budget	Actual	Variance from budget positive (negative)	2011 Actual
Revenues				
Local sources				
Interest	\$ 9,664	\$ -	\$ (9,664)	\$ 19,326
Federal sources				
Fed - Special Education - IDEA - Flow Through - ARRA	-	-	-	1,127,159
Total revenues	<u>9,664</u>	<u>-</u>	<u>(9,664)</u>	<u>1,146,485</u>
Expenditures				
Current:				
Business				
Facilities acquisition and construction services				
Purchased services	2,500	2,500	-	8,006
Supplies and materials	24,800	23,673	1,127	-
Capital outlay	1,420,266	2,567,881	(1,147,615)	5,819,402
Total expenditures	<u>1,447,566</u>	<u>2,594,054</u>	<u>(1,146,488)</u>	<u>5,827,408</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,437,902)</u>	<u>(2,594,054)</u>	<u>(1,156,152)</u>	<u>(4,680,923)</u>
Other financing sources (uses)				
Transfers in	91,125	3,075,280	2,984,155	-
Total other financing sources and (uses)	<u>91,125</u>	<u>3,075,280</u>	<u>2,984,155</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,346,777)</u>	<u>481,226</u>	<u>\$ 1,828,003</u>	<u>(4,680,923)</u>
Fund Balance at Beginning of Year		<u>612,698</u>		<u>5,293,621</u>
Fund Balance at End of Year		<u>\$ 1,093,924</u>		<u>\$ 612,698</u>

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FIDUCIARY FUNDS - TRUST AND AGENCY FUND

Agency Fund

Student Activity Fund - to account for assets held by the District as an agent for student organizations.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

Agency Funds - Student Activity Funds
Schedule of Changes in Assets and Liabilities
Year Ended June 30, 2012

	July 1, 2011 Balance	Additions	Deletions	June 30, 2012 Balance
Assets				
Cash	\$ 91,969	\$ 110,981	\$ 115,309	\$ 87,641
Total Assets	\$ 91,969	\$ 110,981	\$ 115,309	\$ 87,641
Liabilities				
Due to student organizations				
Friendship Junior High School	\$ 15,749	\$ 19,813	\$ 24,676	\$ 10,886
Grove Junior High School	30,175	44,789	41,798	33,166
Holmes Junior High School	19,149	39,671	41,902	16,918
Salt Creek	-	1,756	1,161	595
Total due to student organizations	65,073	106,029	109,537	61,565
Due to supporting organizations				
Cahill Brown	504	200	-	704
Gifted and Talented Association	588	-	-	588
Jack Keehn Scholarship	5,593	500	-	6,093
Jaylen	2,234	1,095	940	2,389
John Jay Coat Fund	3,199	-	174	3,025
Jan's Memorial Fund	653	-	296	357
Ira Rupley Trust	558	-	60	498
Patrol	1,453	23	760	716
Sarbaugh Trust	105	-	-	105
Special Olympics	7,798	-	797	7,001
Student Store	4,211	3,134	2,745	4,600
Total due to supporting organizations	26,896	4,952	5,772	26,076
Total Liabilities	\$ 91,969	\$ 110,981	\$ 115,309	\$ 87,641

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OTHER SUPPLEMENTARY INFORMATION

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

SCHEDULE OF BONDS OUTSTANDING

June 30, 2012

ISSUE DATED JULY 1, 2003A SERIES

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Principal Paid</u>
2013	4.821%	\$ 4,705,000	\$ 293,062	\$ -
2014	5.000%	1,325,000	66,250	-
TOTAL		\$ 6,030,000	\$ 359,312	\$ -

ISSUE DATED OCTOBER 20, 2009 SERIES

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Principal Paid</u>
2013	3.000%	\$ -	\$ 219,876	\$ -
2014	3.000%	1,885,000	219,876	-
2015	2.500%	3,335,000	163,326	-
2016	3.000%	2,205,000	63,276	-
TOTAL		\$ 7,425,000	\$ 666,354	\$ -

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Statistical Section
(Unaudited)

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents

Schedules

Financial Trends

1 - 6

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

7 - 9

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity

10 - 15

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

16 - 18

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

19 - 23

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

Community Consolidated School District 59

Net Assets by Component

Last Ten Fiscal Years

(accrual basis of accounting)

SCHEDULE 1

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental activities										
Invested in capital assets,										
net of related debt	\$ 68,881,912	\$ 65,660,775	\$ 59,345,607	\$ 61,798,424	\$ 57,978,930	\$ 56,823,122	\$ 54,094,571	\$ 51,296,587	\$ 48,343,234	\$ 85,793,466
Restricted (debt service)	4,528,588	3,088,944	3,422,275	3,048,004	3,002,740	2,708,806	2,406,313	2,185,138	-	-
Restricted (IMRF purposes)	1,318,523	1,962,019	2,389,101	-	-	-	-	-	-	-
Unrestricted	129,914,587	111,044,581	116,963,327	110,264,636	106,064,503	97,089,221	89,931,052	84,389,988	80,975,706	46,038,531
Total net assets	\$ 204,643,610	\$ 181,756,319	\$ 182,120,310	\$ 175,111,064	\$ 167,046,173	\$ 156,621,149	\$ 146,431,936	\$ 137,871,713	\$ 129,318,940	\$ 131,831,997

SOURCE OF INFORMATION: Statement of Net Assets

Community Consolidated School District 59
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years
(accrual basis of accounting)

SCHEDULE 2

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses										
Governmental activities:										
Instruction										
Regular Programs ^k	\$ 29,931,859	\$ 31,791,528	\$ 29,691,214	\$ 26,753,399	\$ 26,259,087	\$ 25,532,859	\$ 25,390,637	\$ 26,256,167	\$ 25,588,906	\$ 27,079,427
Special Education Programs ^j	7,230,195	7,275,285	7,219,361	6,246,973	5,812,435	5,711,151	5,325,135	5,032,011	4,195,485	4,374,129
Other instructional programs ^j	9,528,164	9,732,226	10,039,540	8,640,830	7,655,317	8,908,496	6,297,002	5,900,015	5,488,830	5,384,395
State retirement contributions ^a	11,593,232	10,684,386	10,399,062	7,284,030	4,945,955	3,689,619	2,501,338	4,059,697	4,502,661	4,008,485
Support Services										
Pupils	4,988,735	4,927,169	4,596,881	4,261,415	3,865,893	3,637,060	3,428,564	3,146,608	2,899,188	2,721,110
Instructional Staff	4,572,462	4,799,775	4,599,131	4,390,893	4,283,129	4,038,965	3,673,204	3,713,539	3,401,733	3,548,302
Support Services - General Administration ^a	2,551,409	2,244,743	2,360,231	2,160,274	2,153,701	1,693,919	1,682,559	1,552,447	1,541,594	1,469,569
Support Services - School Administration	5,099,142	5,196,273	5,120,037	4,772,006	4,523,279	4,341,014	4,066,304	3,925,445	3,751,773	3,752,513
Business ^b	4,037,968	3,696,934	3,722,220	2,850,355	2,764,464	3,943,474	2,003,411	2,727,262	2,831,404	2,830,579
Facilities Acquisition and Construction	5,426,819	77,630	247,866	244,705	29,278	1,336,197	3,438,048	1,982,653	1,870,678	4,417,905
Operation & Maintenance of Plant Services	5,770,004	11,117,740	10,733,707	10,289,991	9,977,471	8,322,490	7,352,038	6,173,235	6,173,712	2,012,452
Pupil Transportation Services ^b	4,585,561	5,630,609	5,110,266	4,728,912	4,708,439	4,214,697	4,318,019	4,105,254	3,870,054	3,690,449
Central	2,141,281	2,303,772	2,163,798	2,674,675	2,336,647	2,430,548	2,371,225	1,733,543	1,599,295	1,523,191
Community services	162,208	134,313	181,528	134,158	188,698	162,689	118,713	78,779	86,048	34,991
Payments to other governmental units ^c	4,434,321	3,990,219	3,573,168	3,013,646	2,662,205	2,254,261	1,975,314	2,592,262	2,611,072	2,127,280
Interest on long-term debt	815,770	966,562	1,073,375	1,059,171	1,160,948	1,565,407	1,661,003	1,808,144	1,537,068	1,947,926
Unallocated depreciation	-	-	-	-	-	-	-	-	-	13,236
Total government expenses	\$ 102,869,130	\$ 104,469,174	\$ 100,831,385	\$ 89,504,433	\$ 83,326,946	\$ 79,782,846	\$ 75,602,514	\$ 74,787,061	\$ 71,929,501	\$ 70,915,919
Program Revenues										
Governmental activities:										
Charges for services:										
Special Programs	238,737	323,345	241,965	211,425	390,430	324,003	84,589	117,884	-	-
Business	683,564	673,686	676,494	755,183	799,965	805,125	788,380	790,270	-	-
Other	70,994	160,142	142,544	160,592	191,791	218,577	202,498	452,178	1,448,521	1,377,320
Operating grants and contributions ^a	20,801,435	22,229,839	21,527,652	17,253,293	13,432,201	11,536,171	9,728,212	10,924,636	10,644,172	9,729,201
Capital grants and contributions	-	-	-	-	-	-	-	-	1,214,154	237,126
Total government program revenues ^d	\$ 21,794,730	\$ 23,387,012	\$ 22,588,655	\$ 18,380,493	\$ 14,814,377	\$ 12,883,876	\$ 10,803,679	\$ 12,284,968	\$ 13,306,847	\$ 11,343,647
Net (Expense)/Revenue	\$ (81,074,400)	\$ (81,082,162)	\$ (78,242,730)	\$ (71,123,940)	\$ (68,512,569)	\$ (66,998,970)	\$ (64,798,835)	\$ (62,502,093)	\$ (58,622,654)	\$ (59,572,272)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes levied for general purposes ^a	93,873,533	70,579,004	75,242,779	68,127,537	65,456,909	64,324,268	61,390,041	62,137,186	51,973,956	52,215,764
Payments in lieu of taxes	4,385,210	4,766,892	3,675,835	4,543,723	5,194,188	4,857,231	4,452,034	3,349,025	2,859,042	2,542,552
Unrestricted grants and contributions	4,372,906	3,668,584	2,139,108	1,583,077	1,743,607	1,637,381	1,523,907	1,439,875	1,484,518	872,250
Miscellaneous	986,371	931,003	2,121,230	657,191	609,363	587,363	484,524	286,642	159,469	234,084
Investment earnings ^f	343,671	772,898	2,073,024	4,277,303	5,933,526	5,681,940	1,816,418	3,842,138	(347,388)	6,911,862
Total general revenues and other changes in net assets	\$ 103,961,691	\$ 80,718,171	\$ 85,251,976	\$ 79,188,831	\$ 78,937,593	\$ 77,088,183	\$ 69,666,924	\$ 71,054,866	\$ 56,109,597	\$ 62,776,512
Change in Net Assets	\$ 22,887,291	\$ (363,991)	\$ 7,009,246	\$ 8,064,891	\$ 10,425,024	\$ 10,189,213	\$ 4,868,089	\$ 8,552,773	\$ (2,513,057)	\$ 3,204,240

Community Consolidated School District 59
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years
(accrual basis of accounting)

SCHEDULE 2

Notes: The District began to report accrual information when it implemented GASB Statement 34 in 2003.

^a In 2006, the State of Illinois reduced its funding of the TRS system as part of financial restructuring package. In 2009, the State of Illinois increased its funding from 13.11% to 17.08% and to 23.38% in 2010. Also in 2009, the State of Illinois added funding of 0.84% intended to match contributions to THIS Fund. This funding is also included as a program revenue in Operating grants and contributions. In 2010 the district was the recipient of American Recovery & Reinvestment Act grants.

^b In 2008, depreciation on district capital items was appropriately moved to Operations and Maintenance.

^c In 2006, the District established internal self-contained special education programs in lieu of outside placements, while in 2007 and following the district experienced a growth in outside placements.

^d 2006 reflects a change in method of recording revenue for special education and transportation funding.

^e 2005 marks the first year of tax collections for Series 2003 debt retirement. Also, in FY10, Cook County started collecting 55% of the levy during the Spring collections instead of 45%. This added to Reflects fluctuation of market value as of June 30.

^g In 2008, an end-of-year claim plus new provider (Wausau) which is based on an up front premium basis accounts for the increased expense.

^h In 2008, additional outside placements for special education students, homeless students and suspended students required additional transportation expenditures.

ⁱ Reflects fluctuation of market value at June 30.

^j In 2011, reflects a reduction in health insurance expenditures.

^k In 2011, the District purchased laptop computers for all 6th, 7th and 8th grade students as part of the 1:1 Technology Initiative.

SOURCE OF INFORMATION: Statement of Activities

Community Consolidated School District 59
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

SCHEDULE 3

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Fund										
Nonspendable	\$ 49,186	\$ 64,580	\$ 59,879	\$ 1,690,306	\$ 987,359	\$ 750,181	\$ 1,810,110	\$ 210,359	\$ 221,317	\$ 248,569
Assigned:										
Insurance	4,707,079	1,800,977	121,759	-	-	-	-	-	-	-
Unassigned	115,459,306	101,327,220	82,511,449	78,603,280	76,522,884	71,103,491	64,102,516	60,998,360	57,678,518	58,252,296
Total general fund	\$ 120,215,571	\$ 103,192,777	\$ 82,693,087	\$ 80,293,566	\$ 77,490,243	\$ 71,853,672	\$ 65,912,626	\$ 61,208,719	\$ 57,899,835	\$ 58,500,865
All Other Governmental Funds										
Restricted:										
Debt service	\$ 4,699,567	\$ 3,325,403	\$ 3,711,296	\$ 3,311,096	\$ 3,313,928	\$ 3,050,789	\$ 2,783,085	\$ 2,590,260	\$ -	\$ -
IMRF purposes	1,318,523	1,962,019	2,389,101	-	-	-	-	-	-	-
Assigned:										
Transportation	5,264,771	3,267,563	3,570,447	-	-	-	-	-	-	-
Construction	1,093,924	612,698	5,293,621	-	-	-	-	-	-	-
Unassigned	(478,508)	(972,534)	19,942,864	25,971,810	24,193,854	21,180,345	20,455,083	22,828,723	22,634,013	22,561,927
Total all other governmental funds	\$ 11,898,277	\$ 8,195,149	\$ 34,907,329	\$ 29,282,906	\$ 27,507,782	\$ 24,231,134	\$ 23,238,168	\$ 25,418,983	\$ 22,634,013	\$ 22,561,927
Grand total all fund balances	\$ 132,113,848	\$ 111,387,926	\$ 117,600,416	\$ 109,576,472	\$ 104,998,025	\$ 96,084,806	\$ 89,150,794	\$ 86,627,702	\$ 80,533,848	\$ 81,062,792

SOURCE OF INFORMATION: Governmental Funds Balance Sheet

Note: Due to the implementation of a new GASB statement during FY11, the working cash fund was reclassified from other governmental funds to the General Fund.

Community Consolidated School District 59
Governmental Funds Revenues
Last Ten Fiscal Years
(modified accrual basis of accounting)

SCHEDULE 4

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Local sources:										
Property taxes ^a	\$ 93,873,533	\$ 70,579,004	\$ 75,242,779	\$68,127,595	\$65,456,892	\$ 64,324,268	\$ 61,390,041	\$ 62,137,186	\$ 51,973,956	\$ 52,215,764
Replacement taxes	4,385,210	4,766,892	3,675,835	4,543,723	5,194,187	4,857,231	4,452,034	3,349,025	2,859,042	2,542,552
Interest ^b	285,221	828,240	2,073,024	4,277,534	5,886,757	5,681,940	1,816,418	3,924,033	(311,140)	7,467,096
Other	1,990,124	2,099,676	3,486,542	1,799,540	2,009,770	1,933,432	1,567,495	1,646,974	2,809,604	1,848,530
Total local sources	100,534,088	78,273,812	84,478,180	78,748,392	78,547,606	76,796,871	69,225,988	71,057,218	57,331,462	64,073,942
State sources:										
Unrestricted State Aid	4,372,906	3,668,584	2,139,108	1,583,077	1,743,607	1,637,381	1,523,907	1,439,875	1,464,518	872,250
Restricted State Aid	5,511,459	5,828,808	4,088,516	5,784,276	5,557,964	4,957,482	4,600,853	4,159,600	4,135,234	3,994,817
TRS On-behalf payments	11,593,232	10,684,396	10,399,062	7,284,030	4,945,955	3,689,619	2,501,338	4,059,697	4,502,661	4,008,485
Total state sources	21,477,597	20,181,788	16,626,686	14,651,383	12,247,526	10,284,482	8,626,098	9,659,172	10,102,413	8,875,552
Federal sources:										
Restricted Federal Aid ^c	4,395,181	5,696,685	5,290,934	3,923,502	2,614,385	2,390,673	2,456,257	2,705,339	2,025,277	1,725,899
Total federal sources	4,395,181	5,696,685	5,290,934	3,923,502	2,614,385	2,390,673	2,456,257	2,705,339	2,025,277	1,725,899
Total revenues	\$ 126,406,866	\$ 104,152,285	\$ 106,395,800	\$ 97,323,277	\$ 93,409,517	\$ 89,472,026	\$ 80,308,343	\$ 83,421,729	\$ 69,459,152	\$ 74,675,393

SOURCE OF INFORMATION: Governmental Funds Statement of Revenues, Expenditures, and changes in Fund Balance.

Notes:

^a 2005 marks the first year of tax collections for Series 2003 debt retirement. Also, in FY10, Cook County started collecting 55% of the levy during the Spring collections instead of 45%. This added to the 55% for the fall collection of the previous year gave us almost 110% total for the fiscal year. Because of the timing of the release of the Fall 2011 tax bills, payments were received earlier than usual causing the recognition of approximately 80% of the 2011 tax levy receipts in FY12, rather than the usual 45%

^b Reflects fluctuation of market value as of June 30.

^c Fiscal Years 2010 and 2011 Federal Aid include funds from the American Recovery and Reinvestment Act of 2009 (ARRA).

Community Consolidated School District 59
Governmental Funds Expenditures and Debt Service Ratio
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

SCHEDULE 5

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Instruction										
Regular Programs	\$ 40,770,318	\$ 39,112,024	\$ 38,460,136	\$ 33,841,115	\$ 29,767,476	\$ 29,009,815	\$ 26,400,428	\$ 27,244,014	\$ 26,554,828	\$ 25,465,498
Special Programs	7,100,745	7,174,696	7,168,263	6,246,221	5,745,381	5,628,062	5,214,696	5,236,763	4,462,874	4,323,648
Other Instructional Programs ^a	9,519,071	9,810,797	10,024,811	8,640,640	7,626,422	6,945,306	6,260,184	5,900,362	5,483,784	5,364,397
Support Services										
Pupils	4,955,686	4,606,823	4,576,374	4,244,616	3,769,804	3,613,310	3,354,745	3,139,796	2,882,828	2,710,015
Instructional Staff ^b	4,505,276	4,700,845	4,555,578	4,341,338	4,081,727	4,039,869	3,567,068	3,705,882	3,383,693	3,522,547
Support Services - General Administration	2,536,117	2,218,808	2,344,964	2,145,568	2,147,688	1,690,830	1,677,072	1,541,011	1,546,842	1,460,217
Support Services - School Administration	5,085,454	5,133,226	5,106,947	4,748,386	4,500,734	4,316,086	4,001,691	3,923,408	3,746,234	3,745,273
Business ^d	15,703,937	16,745,481	16,175,201	15,204,488	14,995,850	14,384,014	13,765,290	12,918,421	12,716,696	12,441,677
Central	1,979,082	2,119,796	2,253,733	2,036,674	1,765,380	1,764,200	1,768,345	1,723,237	1,558,152	1,500,398
Community services	157,560	132,626	180,501	134,142	188,698	162,689	118,713	78,776	86,047	34,990
Payments to other governmental units ^c	4,434,321	3,990,220	3,573,168	3,013,646	2,662,205	2,254,261	2,063,734	2,592,862	2,948,711	2,471,230
Capital outlay	3,710,437	9,399,105	6,667,114	3,350,770	2,248,533	3,641,433	5,100,486	4,190,501	4,197,721	7,137,809
Debt service										
Principal	4,510,000	4,350,000	4,210,000	4,080,000	3,970,000	3,944,944	3,898,545	3,830,535	103,387	1,561,565
Interest	712,940	870,328	872,335	917,226	1,026,400	1,143,195	1,231,597	1,302,307	883,253	1,893,600
Total expenditures	\$ 105,680,944	\$ 110,364,775	\$ 106,169,125	\$ 92,744,830	\$ 84,486,298	\$ 82,538,014	\$ 78,412,592	\$ 77,327,875	\$ 70,555,050	\$ 73,632,864
Debt service as a percentage of noncapital expenditures	5.4%	5.5%	5.4%	5.9%	6.5%	6.9%	7.5%	7.5%	1.5%	5.5%
Debt service as a percentage of total expenditures	4.9%	4.7%	4.8%	5.4%	5.9%	6.2%	6.5%	6.6%	1.4%	4.7%

SOURCE OF INFORMATION: Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance

Notes:

- ^a Reflects no growth in programming with a reduction in insurance benefit expenditures.
- ^b The years 2003-2006 the District experienced several retirements influenced instructional staff salaries. Since then, the increases have been incurred due to regular movement in salary schedules.
- ^c District established internal self-contained special education programs in lieu of outside placements in 2005 and 2006 but they have increase in subsequent years.
- ^d District bid transportation services for FY12 and realized significant savings from the prior transportation provider.

Community Consolidated School District 59
Combined Schedule of Revenues, Expenditures, and Changes in Fund Balance
Last Ten Years
(modified accrual basis of accounting)

SCHEDULE 6

	General	Trans & IMR/Soc Sec	Debt Service	Capital Projects	Total
Beginning Balance July 1, 2003	\$ 76,147,572	\$ 4,915,220	\$ -	\$ -	\$ 81,062,792
Revenues	64,201,347	5,257,795	-	-	69,459,142
Expenditures	64,062,940	5,302,058	1,190,042	-	70,555,040
Transfers	26,912	(650,000)	623,088	-	-
Other	-	-	566,954	-	566,954
Ending Balance June 30, 2004	\$ 76,312,891	\$ 4,220,957	\$ -	\$ -	\$ 80,533,848
Beginning Balance July 1, 2004	\$ 76,312,891	\$ 4,220,957	\$ -	\$ -	\$ 80,533,848
Revenues	69,389,357	6,442,907	7,589,465	-	83,421,729
Expenditures	66,634,135	5,694,535	4,999,205	-	77,327,875
Transfers	606,434	(606,434)	-	-	-
Ending Balance June 30, 2005	\$ 79,674,547	\$ 4,362,895	\$ 2,590,260	\$ -	\$ 86,627,702
Beginning Balance July 1, 2005	\$ 79,674,547	\$ 4,362,895	\$ 2,590,260	\$ -	\$ 86,627,702
Revenues	68,662,957	6,366,596	5,278,790	-	80,308,343
Expenditures	67,272,115	6,144,512	4,995,965	-	78,412,592
Transfers	594,725	(504,725)	(90,000)	-	-
Other	627,341	-	-	-	627,341
Ending Balance June 30, 2006	\$ 82,287,455	\$ 4,080,254	\$ 2,783,085	\$ -	\$ 89,150,794
Beginning Balance July 1, 2006	\$ 82,287,455	\$ 4,080,254	\$ 2,783,085	\$ -	\$ 89,150,794
Revenues	77,318,591	6,761,372	5,392,063	-	89,472,026
Expenditures	71,508,635	6,033,464	4,995,915	-	82,538,014
Transfers	628,444	(500,000)	(128,444)	-	-
Ending Balance June 30, 2007	\$ 88,725,855	\$ 4,308,162	\$ 3,050,789	\$ -	\$ 96,084,806
Beginning Balance July 1, 2007	\$ 88,725,855	\$ 4,308,162	\$ 3,050,789	\$ -	\$ 96,084,806
Revenues	80,314,769	7,840,806	5,253,942	-	93,409,517
Expenditures	73,032,641	6,467,257	4,996,400	-	84,496,298
Ending Balance June 30, 2008	\$ 96,007,983	\$ 5,681,711	\$ 3,308,331	\$ -	\$ 104,998,025
Beginning Balance July 1, 2008	\$ 96,007,983	\$ 5,681,711	\$ 3,308,331	\$ -	\$ 104,998,025
Revenues	84,917,831	7,139,974	5,265,472	-	97,323,277
Expenditures	81,129,178	6,618,426	4,997,226	-	92,744,830
Transfers	265,481	-	(265,481)	-	-
Ending Balance June 30, 2009	\$ 100,062,117	\$ 6,203,259	\$ 3,311,096	\$ -	\$ 109,576,472
Beginning Balance July 1, 2009	\$ 100,062,117	\$ 6,203,259	\$ 3,311,096	\$ -	\$ 109,576,472
Revenues	94,469,447	6,367,667	5,558,686	-	106,395,800
Expenditures	91,446,970	7,233,441	5,082,335	2,406,379	106,169,125
Transfers	(7,623,849)	-	(76,151)	7,700,000	-
Other	7,797,269	-	-	-	7,797,269
Ending Balance June 30, 2010	\$ 103,258,014	\$ 5,337,485	\$ 3,711,296	\$ 5,293,621	\$ 117,600,416
Beginning Balance July 1, 2010	\$ 103,258,014	\$ 5,337,485	\$ 3,711,296	\$ 5,293,621	\$ 117,600,416
Revenues	91,298,459	6,812,224	4,895,117	1,146,485	104,152,285
Expenditures	91,424,378	7,892,661	5,220,328	5,827,408	110,364,775
Transfers	60,682	-	(60,682)	-	-
Ending Balance June 30, 2011	\$ 103,192,777	\$ 4,257,048	\$ 3,325,403	\$ 612,698	\$ 111,387,926
Beginning Balance July 1, 2011	\$ 103,192,777	\$ 4,257,048	\$ 3,325,403	\$ 612,698	\$ 111,387,926
Revenues	110,945,086	8,855,857	6,605,923	-	126,406,866
Expenditures	90,855,831	7,008,119	5,222,940	2,594,054	105,680,944
Transfers	(3,066,461)	-	(8,819)	3,075,280	-
Ending Balance June 30, 2012	\$ 120,215,571	\$ 6,104,786	\$ 4,699,567	\$ 1,093,924	\$ 132,113,848
Beginning Balance July 1, 2012	\$ 120,215,571	\$ 6,104,786	\$ 4,699,567	\$ 1,093,924	\$ 132,113,848
Revenues	85,030,086	6,750,059	5,204,880	-	96,985,025
Expenditures	84,652,406	7,447,056	5,221,538	1,356,370	98,677,370
Transfers	(85,758)	-	(86,130)	171,888	-
Estimated Ending Balance June 30, 2013	\$ 120,507,493	\$ 5,407,789	\$ 4,596,779	\$ (90,558)	\$ 130,421,503

SOURCE OF INFORMATION: Governmental Funds Statement of Revenues, Expenditures & changes in Fund Balance and District 59 FY 2013 Final Budget Document

* FY 2013 figures represent budget numbers.

Community Consolidated School District 59
Composition of Equalized Assessed Valuation
By Classification of Property
Last Ten Years

SCHEDULE 7

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Residential	\$ 791,345,211	\$ 784,476,875	\$ 902,647,902	\$ 971,885,266	\$ 1,003,595,262	\$ 1,194,724,568	\$ 1,290,588,959	\$ 1,382,880,612	\$ 1,285,645,078	\$ 1,189,098,243
Farm	30,048	30,048	30,048	30,048	30,048	30,048	30,048	18,778	16,909	16,909
Commercial	776,847,699	765,553,559	831,329,328	883,731,913	839,170,188	964,795,778	965,966,345	850,205,280	766,288,576	651,236,516
Industrial	1,315,069,972	1,286,646,998	1,388,619,006	1,475,139,272	1,454,763,950	1,665,916,438	1,897,871,354	1,470,303,063	1,420,635,772	1,247,290,075
Railroad	741,849	796,704	844,717	780,660	774,706	836,711	942,852	1,139,193	1,460,448	1,576,817
Total	\$ 2,884,034,779	\$ 2,837,506,184	\$ 3,124,470,999	\$ 3,311,567,149	\$ 3,298,634,134	\$ 3,826,307,533	\$ 3,955,199,568	\$ 3,704,546,926	\$ 3,474,026,783	\$ 3,099,218,660
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The table below shows the effect of the multiplier and exemptions in tax years 2002 through 2011.

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Assessed Value	\$ 7,335,449,882	\$ 7,201,553,324	\$ 8,708,163,844	\$ 9,759,912,058	\$ 9,531,735,909	\$ 10,881,635,993	\$ 11,780,957,433	\$ 12,484,693,595	\$ 11,464,288,384	\$ 9,206,538,951
Equalization factor	2.4689	2.4598	2.5757	2.7320	2.7076	2.6439	2.5786	3.3701	3.3000	2.9706
Pre-exemption EAV	\$ 2,971,140,857	\$ 2,927,698,725	\$ 3,380,892,124	\$ 3,572,442,188	\$ 3,520,363,388	\$ 3,826,307,533	\$ 3,955,199,568	\$ 3,704,546,926	\$ 3,474,026,783	\$ 3,099,218,660
Homeschools Exemption	58,844,168	61,580,301	188,007,328	199,369,339	160,943,488	362,437,351	322,389,698	278,519,805	188,205,695	94,275,450
Senior Citizen Exemption	10,292,500	10,210,000	12,993,000	13,012,668	15,001,000	15,791,751	18,542,829	18,346,823	16,650,430	17,130,727
Veterans Exemption	-	-	-	-	-	39,698	39,698	36,920	32,551	-
Senior Tax Freeze	-	-	-	-	-	-	-	-	-	-
Exemption Relinquishing	20,029,350	18,402,240	45,420,797	48,493,031	45,784,766	76,349,253	85,380,704	92,482,733	71,852,888	52,066,343
Disabled Veterans	-	-	-	-	-	-	-	15,000	10,000	-
Persons Disabled	-	-	-	-	-	62,000	136,000	224,000	268,000	302,000
Disabled Veterans	-	-	-	-	-	17,500	10,000	17,500	40,000	52,500
Total	\$ 2,884,034,779	\$ 2,837,506,184	\$ 3,124,470,999	\$ 3,311,567,150	\$ 3,298,634,134	\$ 3,826,307,533	\$ 3,955,199,568	\$ 3,704,546,926	\$ 3,474,026,783	\$ 3,099,218,660
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SOURCE OF INFORMATION: Office of the County Clerk, Cook County, IL

Community Consolidated School District 59
School District Tax Rates by Purpose and Levies Extended
Last Ten Years

SCHEDULE 8

	MAX RATE										effective for the 2005 levy **	1996-2004
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011		
Rates Extended*												
Educational	\$ 1.7100	\$ 1.5363	\$ 1.5363	\$ 1.5099	\$ 1.5855	\$ 1.3982	\$ 1.4159	\$ 1.5454	\$ 1.6695	\$ 1.9295	\$ 3.5000	\$ 2.1287
Special Education	0.0200	0.0185	0.0185	0.0187	0.0188	0.0209	0.0202	0.0216	0.0230	0.0258	0.4000	0.1511
Liability Insurance	None	0.0088	0.0080	0.0075	0.0076	0.0065	-	-	-	-	None	-
Operations and Maintenance	0.2500	0.1762	0.0761	0.1071	0.0878	0.1126	0.1243	0.1164	0.1297	0.1409	0.5500	0.0516
Transportation	0.1200	0.1737	0.0976	0.0921	0.0909	0.0653	0.0632	0.0675	0.1151	0.1049	None	-
Working Cash	0.0500	0.1075	0.0304	0.0211	0.0227	0.0137	0.0133	0.0142	-	-	0.0500	0.0403
Social Security	None	0.0352	0.0352	0.0211	0.0152	0.0183	0.0202	0.0189	0.0189	0.0189	None	-
Illinois Municipal Retirement	None	0.0211	0.0192	0.0091	0.0152	0.0183	0.0202	0.0189	-	-	None	-
Limited Bonds	None	0.1850	0.1679	0.1594	0.1590	0.1371	0.1327	0.1416	0.1511	0.1693	None	-
Total	\$ 2.1500	\$ 2.1267	\$ 1.9712	\$ 1.9330	\$ 2.0127	\$ 1.7909	\$ 1.8100	\$ 1.9445	\$ 2.1287	\$ 2.4220	\$ 4.5000	\$ 2.1287

Levies Extended

Total Levies Extended	\$ 75,063,073	\$ 73,962,030	\$ 72,053,437	\$ 71,589,112	\$ 68,528,168	\$ 66,401,505	\$ 64,012,593	\$ 61,614,588	\$ 60,353,756	\$ 53,498,845
Total Collections	\$ 59,900,858	\$ 73,113,327	\$ 73,642,597	\$ 70,182,992	\$ 67,356,299	\$ 65,194,192	\$ 62,261,182	\$ 59,715,142	\$ 58,261,100	\$ 52,413,403
Percentage of Extensions Collected	79.80%	98.85%	102.21%	98.04%	98.29%	98.18%	97.26%	96.92%	98.19%	97.97%

SOURCE OF INFORMATION: Cook County Levy, Rate and Extension Reports for 2002 - 2011

* Tax Rates are expressed in dollars per \$100 of Assessed Valuation

**Community Consolidated School District 59
Direct and Overlapping Tax Rates 2005-2011**

SCHEDULE 9

<u>Taxing Agency</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Direct Rates:							
Community Consolidated SD #59	2.422	2.129	1.945	1.810	1.791	1.810	1.933
Overlapping Rates:							
County of Cook	0.462	0.423	0.394	0.415	0.446	0.500	0.533
Cook County Forest Preserve District	0.058	0.051	0.049	0.051	0.053	0.057	0.060
Cook TB Sanitorium	-	-	-	-	-	0.005	0.005
Consolidated Elections	0.025	-	0.021	-	0.012	-	0.014
Elk Grove Township	0.056	0.049	0.044	0.041	0.040	0.044	0.044
Elk GroveTwp General Assistance	0.012	0.011	0.010	0.009	0.008	0.009	0.009
Elk Grove Twp Road & Bridge	0.013	0.011	0.010	0.009	0.009	0.009	0.009
Metro Water Reclamation							
District of Chicago	0.32	0.274	0.261	0.252	0.263	0.284	0.315
Northwest Mosquito Abatement Dist.	0.01	0.009	0.008	0.008	0.008	0.009	0.009
Village of Arlington Heights**	1.385	1.254	1.108	1.072	1.134	1.277	1.187
City of Des Plaines**	1.389	1.279	1.174	1.091	1.116	1.222	1.143
Des Plaines Spec. Serv. Area 5	0.581	0.522	0.489	0.529	0.585	0.710	0.765
Des Plaines Spec. Serv. Area 9	0.366	0.33	0.334	0.295	0.309	-	-
Des Plaines Spec. Serv. Area 10	0.791	0.303	0.349	0.309	0.323	-	-
Village of Mount Prospect**	0.791	-	1.204	1.173	1.189	1.328	1.293
Mount Prospect Spec. Serv. Area 5	1.518	1.348	0.095	0.096	0.101	0.118	0.117
Village of Mount Prospect - Bond	0.114	0.105	-	-	-	-	0.026
City of Rolling Meadows**	1.706	1.417	1.158	1.030	1.026	1.054	1.036
Rolling Meadows Spec. Serv. Area 3	0.233	0.207	0.176	0.137	0.106	0.088	-
Village of Elk Grove Village**	1.015	0.866	0.749	0.657	0.658	0.694	0.678
Rolling Meadows Park District	0.546	0.486	0.420	0.411	0.418	0.449	0.429
Arlington Heights Park District	0.496	0.45	0.392	0.379	0.404	0.461	0.453
Mount Prospect Park District	0.502	0.453	0.411	0.407	0.411	0.474	0.459
Elk Grove Park District	0.634	0.563	0.524	0.490	0.491	0.550	0.532
Elk Grove Rural Fire Protection - Bond	1.121	1.055	1.032	0.971	0.895	1.039	0.841
Forest View Fire Protection District	0.139	0.146	0.159	0.201	0.250	0.312	0.318
Roselle Fire Protection District	0.546	0.546	0.493	0.262	0.280	0.321	0.295
Arlington Heights HSD #214	2.067	1.839	1.636	1.587	1.621	1.823	1.759
Harper Community College #512	0.334	0.295	0.258	0.256	0.260	0.288	0.281

*Tax rates are expressed in dollars per one hundred dollars of equalized assessed valuations.

**Rates of municipalities include library funds.

SOURCE OF INFORMATION: Cook County Clerk

Community Consolidated School District 59
Outstanding Debt by Type
Last Ten Fiscal Years

SCHEDULE 10

<u>Fiscal Year</u>	<u>Governmental Activities</u>			<u>Total Primary Government</u>	<u>Percentage of Personal Income^a</u>	<u>Per Capita^a</u>
	<u>State Tech Loans</u>	<u>General Obligation Bonds</u>	<u>Capital Leases</u>			
2012	\$ -	\$ 13,455,000	\$ -	\$ 13,455,000	1.24%	404
2011	-	17,965,000	-	17,965,000	1.67%	542
2010	-	22,315,000	-	22,315,000	2.02%	674
2009	-	19,100,000	-	19,100,000	1.76%	578
2008	-	23,180,000	-	23,180,000	2.15%	700
2007	-	27,150,000	-	27,150,000	2.87%	818
2006	-	31,015,000	106,317	31,121,317	3.24%	924
2005	77,238	34,795,000	216,827	35,089,065	3.63%	1,036
2004	323,374	38,515,000	327,362	39,165,736	4.01%	1,142
2003	657,679	34,945,000	430,749	36,033,428	3.64%	1,038

SOURCE OF INFORMATION: Notes to the Financial Statements, Long-Term Debt

^a See Schedule 18 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**Community Consolidated School District 59
Direct General Obligation Bonded Debt**

SCHEDULE 11

Principal Due (Mar 1)	Series 2003 Bonds	Series 2009 Bonds	Total
2013	\$ 4,705,000	\$ -	\$ 4,705,000
2014	1,325,000	1,885,000	3,210,000
2015	-	3,335,000	3,335,000
2016	-	2,205,000	2,205,000
	<u>\$ 6,030,000</u>	<u>\$ 7,425,000</u>	<u>\$ 13,455,000</u>

**Community Consolidated School District 59
Tax Levies for Direct Bonded Debt**

Tax Year	Series 2003 Debt Service	Series 2009 Debt Service	Total Outstanding Debt Service
2012	\$ 4,998,062	\$ 219,876	\$ 9,262,728
2013	1,391,250	2,104,876	5,766,602
2014	-	3,498,326	2,268,276
2015	-	2,268,276	-
	<u>\$ 6,389,312</u>	<u>\$ 8,091,354</u>	

SOURCE OF INFORMATION: Official Statement for Community Consolidated School District Number 59 General Obligation Limited Tax School Bonds, Series 2003 and 2009

**Community Consolidated School District 59
Schedule of Bonds Outstanding**

SCHEDULE 12

Fiscal Year	Bond Rate	Bonds Issued	Bonds Paid/ Refunded	Bonds Payable From Tax Levies	Interest Payable
<i>Issue Dated July 1, 2003 Series</i>					
2013	4.821%	\$ 4,705,000	\$ -	\$ 4,705,000	\$ 293,062
2014	5.000%	1,325,000	-	1,325,000	66,250
		<u>\$ 6,030,000</u>	<u>\$ -</u>	<u>\$ 6,030,000</u>	<u>\$ 359,312</u>
<i>Issue Dated October 20, 2009 Series</i>					
2013		\$ -	\$ -	-	\$ 219,876
2014	3.000%	1,885,000	-	1,885,000	219,876
2015	3.000%	3,335,000	-	3,335,000	163,326
2016	2.500%	575,000	-	575,000	63,276
2016	3.000%	1,630,000	-	1,630,000	-
		<u>\$ 7,425,000</u>	<u>\$ -</u>	<u>\$ 7,425,000</u>	<u>\$ 666,354</u>

SOURCE OF INFORMATION: Official Statement for Community Consolidated School District
Number 59 General Obligation Limited Tax School Bonds, Series 2003 and 2009

**Community Consolidated School District 59
Security for Direct General Obligation Bonds**

SCHEDULE 13

Levy Year	Outstanding Debt Service	Plus: Debt Service On The 2003 Limited Bonds	Plus: Debt Service On The 2009 Limited Bonds	Total Debt Service	Debt Service Fund Balance	Aggregate Debt Service Extension Base	Coverage
2011	\$ -	\$ 4,999,500	\$ 219,876	\$ 5,219,376	\$ 219,376	\$ 5,000,000	1.00
2012	-	4,998,062	219,876	5,217,938	217,938	5,000,000	1.00
2013	-	1,391,250	2,104,876	3,496,126	-	5,000,000	1.43
2014	-	-	3,498,326	3,498,326	-	5,000,000	1.43
2015	-	-	2,268,276	2,268,276	-	5,000,000	2.20

SOURCE OF INFORMATION: Official Statement for Community Consolidated School District Number 59 General Obligation Limited Tax School Bonds, Series 2003 and 2009

Community Consolidated School District 59
Legal Debt Margin and Impact of Overlapping Debt
Last Ten Fiscal Years

SCHEDULE 14

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Population	33,272	33,161	33,124	33,019	33,092	33,208	33,604	33,876	34,290	34,708
Estimated Full Market Value of Taxable Property	\$ 10,422,080,349	\$ 11,113,840,778	\$ 11,865,598,704	\$ 11,478,922,599	\$ 10,561,090,164	\$ 10,561,090,164	\$ 10,717,326,564	\$ 10,142,676,372	\$ 8,783,096,175	\$ 8,913,422,571
Equalized Assessed valuation (EAV)	\$ 3,099,218,660	\$ 3,474,026,783	\$ 3,704,546,926	\$ 3,955,199,568	\$ 3,826,307,533	\$ 3,298,634,134	\$ 3,332,134,179	\$ 3,311,567,149	\$ 3,124,470,999	\$ 2,837,506,163
Statutory debt limitation (6.9% of EAV)	\$ 213,846,088	\$ 239,707,848	\$ 255,613,738	\$ 272,908,770	\$ 264,015,220	\$ 227,605,755	\$ 229,917,258	\$ 228,498,133	\$ 215,588,499	\$ 195,787,925
Bonded Debt June 30	13,455,000	17,965,000	22,315,000	19,100,000	23,180,000	27,150,000	31,015,000	35,089,065	39,165,737	1,088,428
Legal bonded debt margin	\$ 200,391,088	\$ 221,742,848	\$ 233,298,738	\$ 253,808,770	\$ 240,835,220	\$ 200,455,755	\$ 198,902,258	\$ 193,409,068	\$ 176,422,762	\$ 194,699,497
Total net debt:										
as a percentage of Debt Limit	6.29%	7.49%	8.73%	7.00%	8.76%	11.93%	13.49%	15.36%	18.17%	0.56%
as a percentage of Full Mkt Value	0.13%	0.16%	0.19%	0.17%	0.22%	0.26%	0.29%	0.35%	0.45%	0.01%
as a percentage of EAV	0.43%	0.52%	0.60%	0.48%	0.61%	0.82%	0.93%	1.06%	1.25%	0.04%
per capita \$	404.39	541.75	673.68	578.45	700.47	817.57	920.49	1,035.81	1,142.19	31.36
General Obligation Bonded Debt:										
District	\$ 13,455,000	\$ 17,965,000	\$ 22,315,000	\$ 19,100,000	\$ 23,180,000	\$ 27,150,000	\$ 31,015,000	\$ 35,089,065	\$ 39,165,737	\$ 1,088,428
Overlapping	244,096,005	233,403,602	256,084,529	216,921,208	203,493,128	184,247,563	185,359,069	195,641,434	205,945,295	205,945,285
Total District and Overlapping	\$ 257,551,005	\$ 251,368,602	\$ 278,399,529	\$ 236,021,208	\$ 226,673,128	\$ 211,397,563	\$ 216,374,069	\$ 230,730,499	\$ 245,111,032	\$ 207,033,723
as a percentage of Full Mkt Value	2.47%	2.26%	2.35%	2.06%	2.15%	2.00%	2.02%	2.27%	2.79%	2.32%
as a percentage of EAV	8.31%	7.24%	7.52%	5.97%	5.92%	6.41%	6.49%	6.97%	7.84%	7.30%
per capita \$	7,740.77	7,580.25	8,404.77	7,148.04	6,849.79	6,365.86	6,421.74	6,811.03	7,148.18	5,965.01

(1) SOURCE OF INFORMATION: Direct and Overlapping General Obligation Bonded Debt (Schedule 15) and Office of the County Clerk, Cook County, IL

Note: Statutory Debt limitation is established by the Illinois General Assembly and promulgated by the Illinois Compiled Statutes.

Community Consolidated School District 59
Direct and Overlapping General Obligation Bonded Debt

SCHEDULE 15

<u>Taxing District</u>	<u>2011 Equalized Assessed Valuation</u>	<u>Outstanding Bonds</u>	<u>Applicable to District</u>	
			<u>Percent</u>	<u>Amount</u>
Community Consolidated School Dist. 59	\$ 3,099,218,660	\$ 13,455,000	100.000%	\$ 13,455,000
<u>Overlapping Districts:</u>				
Cook County	152,069,051,716	3,709,260,000	2.041%	75,705,997
Cook County Forest Preserve	152,069,051,716	139,425,000 (3)	2.041%	2,845,664
Metropolitan Water Reclamation District	149,048,493,249	2,446,220,030	2.082%	50,930,301
<u>Municipalities:</u>				
Village of Arlington Heights	3,093,768,989	48,445,000 (2)	13.660%	6,617,587
City of Des Plaines	2,184,333,304	875,000 (2)	16.574%	145,023
Village of Elk Grove Village	2,113,893,660	48,790,000	77.012%	37,574,155
Village of Mount Prospect	1,694,952,801	38,485,000	26.361%	10,145,031
City of Rolling Meadows	906,793,995	14,385,000 (2)	7.261%	1,044,495
<u>Park Districts:</u>				
Arlington Heights Park District	2,964,612,539	17,175,000 (3)	14.986%	2,573,846
Elk Grove Park District	1,857,753,871	10,150,000	83.396%	8,464,694
Mt. Prospect Park District	1,794,142,635	7,160,000 (3)	57.862%	4,142,919
Rolling Meadows Park District	725,257,238	1,200,000 (3)	9.150%	109,800
<u>School Districts:</u>				
Arlington Heights High School 214	9,423,021,782	48,305,000 (5)	32.890%	15,887,515
Harper Community College 512	20,628,324,840	185,775,000 (3)	15.023%	27,908,978
Total Direct and Overlapping General Obligation Bonded Debt				<u><u>\$ 257,551,005</u></u>

(1) Includes IEPA Revolving Loan Fund Bonds

(2) Excludes self-supporting bonds

(3) Excludes outstanding principal amounts of General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.

(4) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.

(5) Excludes outstanding Debt Certificates

Sources: Offices of the Cook County Clerk, Comptroller and Treasurer of the Metropolitan Water Reclamation District

**Community Consolidated School District 59
Principal Property Tax Payers
Current Year and Nine Years Ago**

SCHEDULE 16

2009				2003			
<u>Taxpayer</u>	<u>Taxable Value</u>	<u>Rank</u>	<u>Percentage of Total Village Taxable Assessed Valuation</u>	<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Village Taxable Assessed Valuation</u>
Crane & Norcross	\$ 68,245,887	1	2.20%	Continental Towers	\$ 41,354,949	1	0.57%
1701 W. Golf Rd Holdings	31,882,565	2	1.03%	Trammel Crow Co.	32,641,557	2	0.45%
Draper & Kramer RIC	29,155,001	3	0.94%	United Airlines	31,979,331	3	0.44%
MLRP & Wille Road LLC	28,998,950	4	0.94%	Crane & Norcross	26,834,860	4	0.37%
Golf Plaza I & II	17,181,725	5	0.55%	Home Properties Colony	25,166,400	5	0.35%
Home Properties Colony & Hoi	16,095,492	6	0.52%	Marvin F Poer & Co.	24,555,039	6	0.34%
United Air Lines	15,833,889	7	0.51%	Hamilton Partners	22,777,505	7	0.32%
John Buck Co.	15,150,987	8	0.49%	Washington Capital	20,615,790	8	0.29%
ADP Inc R Singer	14,462,779	9	0.47%	Draper & Kramer	18,170,078	9	0.25%
FSP Property Mgmt	13,961,241	10	0.45%	BBKI Northwest PT	17,704,135	10	0.25%
	\$ 250,968,515		8.10%		\$ 261,799,644		3.64%

*The figures above are totals of numerous parcels with 2011 equalized assessed valuations of approximately \$400,000 and over as recorded in the Cook County Assessor's office. They were compiled from a meticulous page by page search of a listing of such records. It is possible, however, that certain parcels may have been overlooked.

Source: Cook County Clerk's and Elk Grove Assessor's Offices

Community Consolidated School District 59
Principal Employers
Current Year and Nine Years Ago

SCHEDULE 17

2010				2003			
Employer	Rank	# of Employees	Employees as a percentage of Village Employment	Employer	Rank	# of Employees	Employees as a percentage of Village Employment
Northwest Community Healthcare	1	4,100	4.10%	United Airlines	1	3,732	3.73%
Alexian Bros. Medical Center	2	3,100	3.10%	Northwest Community Hospital	2	3,300	3.30%
Northrop Grumman Corp.	3	2,350	2.35%	Motorola, Inc.	3	3,000	3.00%
O-Z Gedney Co. LLC	4	2,000	2.00%	3Com Corp	4	2,600	2.60%
UOP, LLC	5	2,000	2.00%	Northrop Grumman Crop	5	2,600	2.60%
Swissport USA, Inc.	6	1,500	1.50%	Alexian Bros. Medical Center	6	2,500	2.50%
Automatic Data Processing	7	1,500	1.50%	UOP, LLC	7	2,000	2.00%
Holy Family Medical Center	8	1,036	1.04%	Field Container Co.	8	1,750	1.75%
Wesley-Jessen Corp.	9	1,000	1.00%	High School District 214	9	1,600	1.60%
Wirtz Beverage Illinois, LLC	10	1,000	1.00%	Siemens Building Technologies	10	1,500	1.50%
TOTAL			19.59%				24.58%
TOTAL EMPLOYMENT (Est.)			100,000				100,000

Source of Information: 2011 Illinois Manufacturers' Directory, 2011 Illinois Service Directory, 2011 Harris Illinois Industrial Directory

Community Consolidated School District 59
Demographic and Economic Statistics
Last Ten Calendar Years

SCHEDULE 18

<u>Calendar Year</u>	<u>Population</u>		<u>Total Personal Income</u>		<u>Income Per Capita</u>	<u>Unemployment Rate</u>
2011	33,272	\$	1,082,238,344	\$	32,527	7.8%
2010	33,161		1,078,627,847		32,527	8.5%
2009	33,124		1,104,354,160		33,340	8.7%
2008	33,019		1,086,853,404		32,916	4.8%
2007	33,092		1,077,806,440		32,570	4.0%
2006	33,208		946,926,120		28,515	4.5%
2005	33,694		960,784,410		28,515	5.5%
2004	33,876		965,974,140		28,515	5.7%
2003	34,290		977,779,350		28,515	5.9%
2002	34,708		989,698,620		28,515	5.5%

SOURCE OF INFORMATION: Village of Elk Grove Village, IL CAFR

Community Consolidated School District 59
Operating Statistics,
Last Ten Fiscal Years

SCHEDULE 19

Fiscal Year	Average Daily Attendance (1)	Operating Cost (2)	Operating Cost per Pupil	Percentage Change	Allowable Tuition Costs (2)	Tuition Charge per Pupil	Percentage Change	Teacher FTE (3)*	Pupil-Teacher Ratio (3)*	Low Income Rate (3)*
2003	5,821	57,937,658	9,953	7.78%	56,215,619	9,657	11.60%	448.2	16.5	25.57%
2004	5,630	58,581,029	10,405	4.54%	56,694,755	10,070	4.27%	451.3	17.3	27.79%
2005	5,642	62,016,126	10,992	5.64%	59,481,947	10,543	4.69%	403.0	17.5	28.85%
2006	5,458	63,998,992	11,726	6.68%	60,763,926	11,133	5.60%	423.0	16.2	32.63%
2007	5,467	68,067,803	12,451	6.18%	64,974,026	11,885	6.75%	423.0	15.7	33.33%
2008	5,481	69,636,409	12,705	2.04%	64,796,288	11,822	-0.53%	443.0	14.9	36.20%
2009	5,474	74,529,309	13,615	7.16%	68,586,632	12,530	5.98%	453.0	14.4	39.90%
2010	5,630	79,043,025	14,039	3.11%	73,973,115	13,138	4.86%	444.0	15.0	40.90%
2011	5,659	79,399,054	14,031	-0.06%	72,966,761	12,894	-1.86%	448.0	15.1	49.20%
2012	5,835	78,615,589	13,473	-3.97%	72,540,591	12,432	-3.58%	N/A	N/A	N/A

SOURCE OF INFORMATION:

- (1) General State Aid Claim
- (2) ISBE Annual Financial Report
- (3) Illinois District Report Card

**Community Consolidated School District 59
Peak Enrollment, Average Daily Membership
and Average Daily Attendance**

SCHEDULE 20

Fiscal Year Ended June 30,	Peak Enrollment (1)	Average Daily Membership (2) (ADM)	Average Daily Attendance (3) (ADA)	Percent of ADA to ADM
2012	6,469	6,014	5,835	97.02%
2011	6,263	5,841	5,659	96.88%
2010	6,211	5,769	5,630	97.60%
2009	6,040	5,616	5,474	97.48%
2008	6,123	5,685	5,481	96.42%
2007	6,120	5,650	5,467	96.77%
2006	6,064	5,612	5,458	97.26%
2005	6,235	5,770	5,642	97.77%
2004	6,322	5,973	5,630	94.26%
2003	6,437	5,946	5,821	97.90%

(1) Peak enrollment figures are quoted as of October 1 of the applicable fiscal year and includes the pre-school and tuition students.

(2) Districtwide Enrollment Projections including Actual Enrollments adjusted for half day students.

(3) Annual General State Aid Claim.

**Community Consolidated School District 59
Historical and Projected Enrollment by Grade**

SCHEDULE 21

Fiscal Year Ended June 30,	K	1	2	3	4	5	6	7	8	Total
2013*	713	762	701	736	689	679	730	637	682	6,329
2012	732	708	748	693	663	740	637	699	652	6,272
2011	660	710	674	666	725	636	679	644	670	6,064
2010	677	669	665	728	634	672	657	677	654	6,033
2009	618	662	729	606	652	633	650	644	692	5,886
2008	622	737	629	662	636	654	650	706	653	5,949
2007	708	628	656	630	661	642	710	636	680	5,951
2006	591	670	637	682	624	704	640	669	642	5,859
2005	653	636	701	644	704	674	691	671	699	6,073
2004	624	694	662	717	667	724	692	718	702	6,200
2003	646	683	722	681	696	679	709	702	719	6,237

SOURCE OF INFORMATION: District 59 Student Enrollment Projections and Demographic Census. Excludes pre-school students.

While the District offers a pre-school program, their enrollment is not provided in this schedule.

* Projected Enrollment

**Community Consolidated School District 59
Staffing**

SCHEDULE 22

Position	Total	POSITIONS BY EMPLOYEE GROUPS				
		Admin	Non-Neg	Certified	Classified	Cameo
Building Administrators	23.0	23.0	-	-	-	-
Custodians	48.0	-	-	-	-	48.0
District Administrators	12.6	12.6	-	-	-	-
Educational Services (Certified)	41.4	-	-	41.4	-	-
Maintenance	12.0	-	-	-	-	12.0
Non-negotiated	29.0	-	29.0	-	-	-
Nurse/Health Care Assistant	15.0	-	-	3.0	12.0	-
Secretary	47.6	-	-	-	47.6	-
Teacher Assistant	131.6	-	-	-	131.6	-
Teacher Elementary	277.0	-	-	277.0	-	-
Teacher Junior High	139.0	-	-	139.0	-	-
Teacher Special Education	52.5	-	-	52.5	-	-
TOTAL	828.7	35.6	29.0	512.9	191.2	60.0
	Percent of Total Staff	4.3%	3.5%	61.9%	23.1%	7.2%

Community Consolidated School District 59
School Building Information
Last Ten Fiscal Years

SCHEDULE 23

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Elementary										
Brentwood (1963)										
Square feet	54,148	54,148	54,148	54,148	54,148	54,148	54,148	54,148	54,148	54,148
Capacity (1)	492	492	492	492	492	492	492	492	492	492
Enrollment (2)	441	395	368	360	363	385	377	407	405	465
Percent of Capacity	89.59%	80.24%	74.76%	73.13%	73.78%	78.25%	76.63%	82.72%	82.32%	94.51%
Byrd (1967)										
Square feet	48,193	48,193	48,193	48,193	48,193	48,193	48,193	48,193	48,193	48,193
Capacity	438	438	438	438	438	438	438	438	438	438
Enrollment	388	355	389	394	371	367	343	339	329	339
Percent of Capacity	88.56%	81.03%	88.79%	89.93%	84.68%	83.77%	78.29%	77.38%	75.09%	77.38%
Clearmont (1961)										
Square feet	54,675	54,675	54,675	54,675	54,675	54,675	54,675	54,675	54,675	54,675
Capacity	497	497	497	497	497	497	497	497	497	497
Enrollment	457	444	403	342	343	335	323	326	329	339
Percent of Capacity	91.94%	89.33%	81.08%	68.81%	69.01%	67.40%	64.98%	65.59%	66.19%	68.20%
Devonshire (1963)										
Square feet	48,767	48,767	48,767	48,767	48,767	48,767	48,767	48,767	48,767	48,767
Capacity	443	443	443	443	443	443	443	443	443	443
Enrollment	387	378	378	367	340	320	321	349	349	357
Percent of Capacity	87.29%	85.26%	85.26%	82.78%	76.69%	72.18%	72.41%	78.72%	78.72%	80.53%
Forest View (1962)										
Square feet	56,796	56,796	56,796	56,796	56,796	56,796	56,796	56,796	56,796	56,796
Capacity	516	516	516	516	516	516	516	516	516	516
Enrollment	303	334	357	307	328	338	361	392	374	393
Percent of Capacity	58.68%	64.69%	69.14%	59.46%	63.53%	65.08%	69.92%	75.92%	72.43%	76.11%
Frost (1964)										
Square feet	47,643	47,643	47,643	47,643	47,643	47,643	47,643	47,643	47,643	47,643
Capacity	433	433	433	433	433	433	433	433	433	433
Enrollment	386	368	379	360	370	390	397	418	442	460
Percent of Capacity	89.12%	84.97%	87.50%	83.12%	85.43%	90.04%	91.66%	96.51%	102.05%	106.21%
John Jay (1967)										
Square feet	42,436	42,436	42,436	42,436	46,500	46,500	46,500	46,500	46,500	46,500
Capacity	386	386	386	386	423	423	423	423	423	423
Enrollment	310	322	345	338	338	316	305	318	322	373
Percent of Capacity	80.36%	83.47%	89.43%	87.61%	79.96%	74.75%	72.15%	75.23%	76.17%	88.24%
Low (1965)										
Square feet	62,212	62,212	62,212	62,212	62,212	62,212	62,212	62,212	75,713	75,713
Capacity	566	566	566	566	566	566	566	566	688	688
Enrollment	345	331	346	309	347	378	366	393	379	377
Percent of Capacity	61.00%	58.53%	61.18%	54.64%	61.35%	66.84%	64.71%	69.49%	55.06%	54.77%
Ridge (1959)										
Square feet	39,781	39,781	39,781	39,781	39,926	39,926	39,926	39,926	39,926	48,426
Capacity	362	362	362	362	363	363	363	363	363	422
Enrollment	314	347	352	308	312	315	290	290	259	340
Percent of Capacity	86.83%	95.95%	97.33%	85.17%	85.96%	86.79%	79.90%	79.90%	71.36%	80.56%
Rupley (1958)										
Square feet	50,882	50,882	50,882	50,882	50,882	50,882	50,882	50,882	50,882	59,382
Capacity	463	463	463	463	463	463	463	463	463	540
Enrollment	380	367	352	336	323	371	425	438	453	413
Percent of Capacity	82.15%	79.34%	76.10%	72.64%	69.83%	80.21%	91.88%	94.69%	97.93%	76.50%
Salt Creek (1968)										
Square feet	74,057	74,057	74,057	74,057	74,057	74,057	74,057	74,057	74,057	74,057
Capacity	673	673	673	673	673	673	673	673	673	673
Enrollment	572	574	549	551	554	500	452	419	430	436
Percent of Capacity	84.96%	85.26%	81.55%	81.84%	82.29%	74.27%	67.14%	62.24%	63.87%	64.76%
Junior High										
Friendship (1971)										
Square feet	101,668	101,668	101,668	101,668	101,668	101,668	101,668	101,668	101,668	101,668
Capacity	813	813	813	813	813	813	813	813	813	813
Enrollment	681	636	639	623	652	657	635	639	666	662
Percent of Capacity	83.73%	78.20%	78.56%	76.60%	80.16%	80.78%	78.07%	78.56%	81.88%	81.39%
Grove (1960)										
Square feet	116,274	116,274	116,274	116,274	116,274	116,274	116,274	116,274	116,274	116,274
Capacity	930	930	930	930	930	930	930	930	930	930
Enrollment	966	990	942	926	946	913	913	889	844	862
Percent of Capacity	103.85%	106.43%	101.27%	99.55%	101.70%	98.15%	98.15%	95.57%	90.73%	92.67%
Holmes (1966)										
Square feet	86,492	86,492	86,492	86,492	86,492	86,492	86,492	86,492	86,492	86,492
Capacity	692	692	692	692	692	692	692	692	692	692
Enrollment	483	486	480	402	428	439	438	460	483	508
Percent of Capacity	69.80%	70.24%	69.37%	58.10%	61.86%	63.45%	63.30%	66.48%	69.80%	73.42%

SOURCE OF INFORMATION:

(1)

88.

Pupil capacity based on 110 square feet per pupil for grades K-5 and 125 square feet per pupil for grades 6-8. These square footage per student assumptions are used as general parameters by architects when developing models for school design

(2) Enrollment is calculated by adjusting the Fall Housing Report numbers at the elementary level for half-day students.