



COMMUNITY CONSOLIDATED
SCHOOL DISTRICT 59

COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT

Prepared By The Business Services Department
For the fiscal year ended June 30, 2015

**Community Consolidated School District 59
Arlington Heights, Illinois**

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2015

Officials Issuing Report

Dr. Art Fessler, Superintendent of Schools
Vickie Nissen, CSBO/Assistant Superintendent for Business Services

Department Issuing Report

Business Office

Community Consolidated School District 59

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2015

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For the Year Ended June 30, 2015

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INTRODUCTORY SECTION

Community Consolidated School District 59
Principal Officers and Advisors

Board of Education

Sharon Roberts	President
Janice Krinsky	Vice President
Karen Osmanski	Secretary
Sunil Bhawe	Member
Timothy Burns	Member
Mardell Schumacher	Member
Barbara Somogyi	Member

Township Board of School Trustees

Arthur A Niewiardowski	President
Dale Niewiardowski	Member
Charles Serchuk	Member

Township School Treasurer

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

Dr. Arthur J. Fessler	Superintendent
Tom Luedloff	Assistant Superintendent
Ruth Gloede	CSBO/Assistant Superintendent
Ben Grey	Assistant Superintendent of
Veronica Lake	Assistant Superintendent for
Maureen McAbee	Assistant Superintendent for

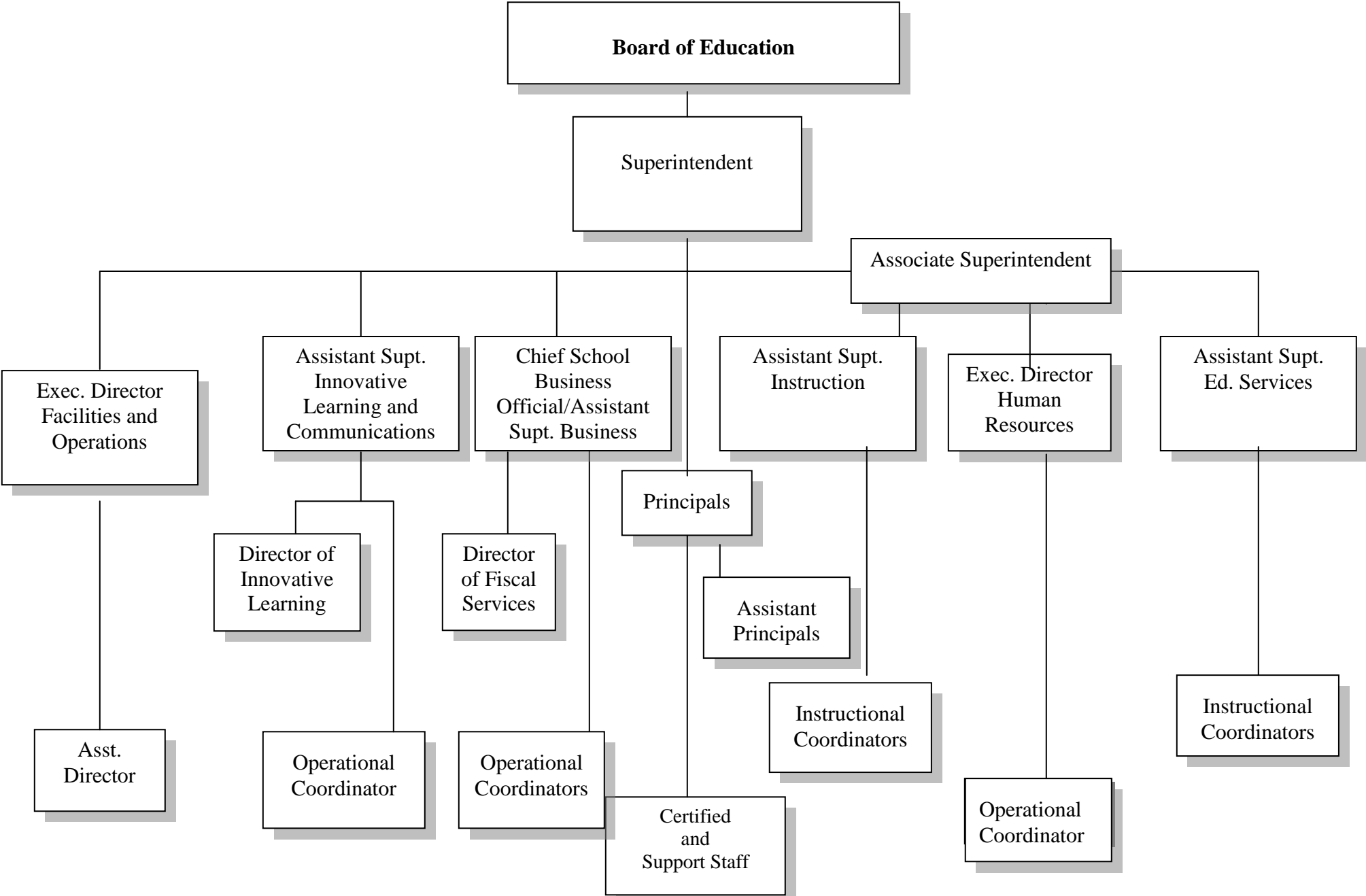
Official Issuing Report

Vickie Nissen	CSBO/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

January 20, 2016

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, 2015 is submitted herewith. The audit fieldwork was completed on October 15, 2015 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 fund financial statements 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.

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 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 Miller, Cooper & Co., Ltd.

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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 Auditor's 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 2014/15 school year, 6,693 K-8 students attended the District's eleven elementary (Grades K-5) and three junior high (Grades 6-8) schools. The 2014/15 enrollment represents a 2.26% increase over the previous year. Enrollment projections show gradually increasing enrollment, projected to peak at 6,896 students in 2018/19.

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 43%, was unchanged from 43% in prior school year. The second largest group is the White population at 39%, decreasing from 40% in the prior school year. The Asian and Black and Multi-racial/ethnic group populations were relatively unchanged at 11%, 3% and 1%. The Native American/Alaskan population remained as the smallest ethnic group with 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 three choice programs. The Ridge Family Center for Learning is a K-5 school operating on a balanced calendar. Salt Creek Elementary School offers a dual language English/Spanish program. Clearmont Elementary School offers a dual language English/Polish program. Families may choose to attend these programs rather than their neighborhood school. Enrollment in these programs is 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.

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In addition to the elementary and junior high programs, the District offers an Early Childhood program for qualifying students aged 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 students are screened throughout the school year. The overall enrollment is approximately 240 students.

The District's 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.

Economic conditions, changes in Cook County assessment classification practices, and calculations of the equalizer by the Illinois Department of Revenue have resulted in a declining equalized assessed valuation (EAV). Over the past three years, the District's EAV declined from \$3.1 billion in 2011 to \$2.5 billion in 2014. 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 2014, commercial and industrial properties comprised 61% of the EAV, and residential comprised 39%. Nevertheless, a very favorable location adjacent to O'Hare International Airport, convenient transportation, and a major industrial park with 3,600 businesses continues to provide a substantial tax base. As a result, the aggregate tax rate for District 59 (3.1760%) 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 was met by the voter-authorized Bond and Interest levy. This debt was retired in March 2014. 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. This debt is scheduled to retire in March 2016. In October 2014, the District issued 8,980,000 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. This debt is scheduled to retire March 2022. In February 2015, the District issued \$9,500,000 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. This debt is scheduled to retire March 2022.

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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 six years, additions have been constructed at Juliette Low, Rupley, Ridge and Robert Frost Schools. During fiscal year 2015, the Board of Education authorized the construction of an Early Learning Center addition to Holmes Junior High, with an expected completion date of August, 2015. These additions were in response to enrollment growth as well as expanded early childhood, English Language Learners, and special education programming. All additions were funded by American Recovery and Reinvestment Act funds, interfund transfers of existing fund balances, and/or the partial abatement of the Working Cash fund which includes the bond proceeds. 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:

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FACILITY	CONSTRUCTION AND RENOVATIONS	TOTAL SQUARE FOOTAGE
	As of June, 2014	
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
FORESTVIEW	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
JOHNJAY	ORIGINAL 1967, ADDITION#1 1969,RENOVATED (PHASE 1) 8/1991,RENOVATED (PHASE 2) 8/ 1992, SOUNDPROOFED 8/ 1998, ADDITION 2006	46,500
JULIETTELOW	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 1) 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 1973RENOVATED (PHASE 1) 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

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The District continues to maintain its excellent financial condition and a AAA bond rating from Standard and Poors. 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 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 pronouncements 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 A-1 of the notes 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

District 59's Board of Education vision is: One District One Population One Core Purpose. The District's mission is to provide the skills, knowledge and experiences that will prepare students to be successful for life. The Board adopted Strategic Plan places emphasis on five key Strategic Directions: 1) Student Growth – Educating the whole child academically, physically and emotionally; 2) Community and Community Relations – Create and maintain open, two-way communication both internally and externally to foster collaboration, trust, and understanding in an effort to move all stakeholders to advocacy of student success; 3) Recruit and Retain Distinguished Staff – Attract, hire, nurture, supervise, and retain high-quality staff while employing best-practice human relations strategies, processes, and services; 4) Long-Term Financial Stability and Fiscal Integrity – Ensure long-term financial stability and fiscal integrity by aligning the human, financial, and physical resources with the District 59 mission.

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 District seeks to maintain an estimated unassigned (in the Educational Fund and Working Cash Fund) and restricted (in the Operations and Maintenance Fund and Transportation Fund) 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 Working Cash Fund) and restricted (in the Operations and Maintenance Fund and Transportation Fund) 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 must be subsequently removed by Board resolution. A committed fund balance may not reduce the remaining aggregate estimated unassigned (in the Educational Fund and Working Cash Fund) and restricted (in the Operations and Maintenance Fund and Transportation Fund) 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 thirty-third 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 statements in the front section of the report. Detailed presentations of these 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 have been made by an independent auditor. The auditors' opinion, as prepared by Miller Cooper & Co., Ltd., 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, 2014, the 32nd 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.

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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, 2015.

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 2015 fiscal year.

Respectfully submitted,



Dr. Arthur Fessler
Superintendent of Schools



Ms. Vickie Nissen
CSBO/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, 2014*

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



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

FINANCIAL STATEMENTS

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
Community Consolidated School District 59
Arlington Heights, Illinois

Report on the Financial Statements

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 59, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Community Consolidated School District 59's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Community Consolidated School District 59's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2015, and the respective changes in financial position thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note P to the audited financial statements, deferred outflows, long-term liabilities, and net position as of July 1, 2014 have been restated as a result of an adjustment due to the implementation of the Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27*, and Statement No. 71, *Pension Transition For Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Illinois Municipal Retirement Fund data on pages 66 through 67, Teachers' Retirement System data on pages 68 through 69, the other postemployment benefits data on page 70, and the budgetary comparison schedules and notes to the required supplementary information on pages 71 through 95 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic 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 basic financial statements, and other knowledge we obtained during our audit of the basic 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.

Other Matters (Continued)

Other Information

Our audit for the year ended June 30, 2015 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other schedules listed in the table of contents, in the introductory section, the supplementary financial information, other supplementary information and the statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information for the year ended June 30, 2015 has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information for the year ended June 30, 2015 is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2015.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District, as of and for the year ended June 30, 2014 (not presented herein), and have issued our report thereon dated October 15, 2014, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Transportation Fund, Municipal Retirement/Social Security Fund, Debt Service Fund, and Capital Projects Fund with comparative actual amounts for the year ended June 30, 2014 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Transportation Fund, Municipal Retirement/Social Security Fund, Debt Service Fund, and Capital Projects Fund with comparative actual amounts have been subjected to the auditing procedures applied in the audit of the 2014 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Transportation Fund, Municipal Retirement/Social Security Fund, Debt Service Fund, and Capital Projects Fund is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2014.

Other Matters (Continued)

Other Information (Continued)

The introductory and statistical sections have not been subjected to the audit procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2015, 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* in considering the District's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.

Miller, Cooper & Co., Ltd.

Certified Public Accountants

Deerfield, Illinois
January 20, 2016

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, 2015. 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 experienced a decrease in the FY15 financial position. It reported a \$7.4 million (3.72%) decrease in net position when compared to the prior year mainly due to implementation of GASB Statement No. 68.

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 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 assessment appeals and the subsequent issuance of refunds, positioning the District in an anticipatory position with regard to expenditure planning.
- The District updates its long-term financial projections semi-annually incorporating Board planning discussions and long-term financial 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.

Community Consolidated School District 59 Management's Discussion and Analysis

Overview of the Financial Statements

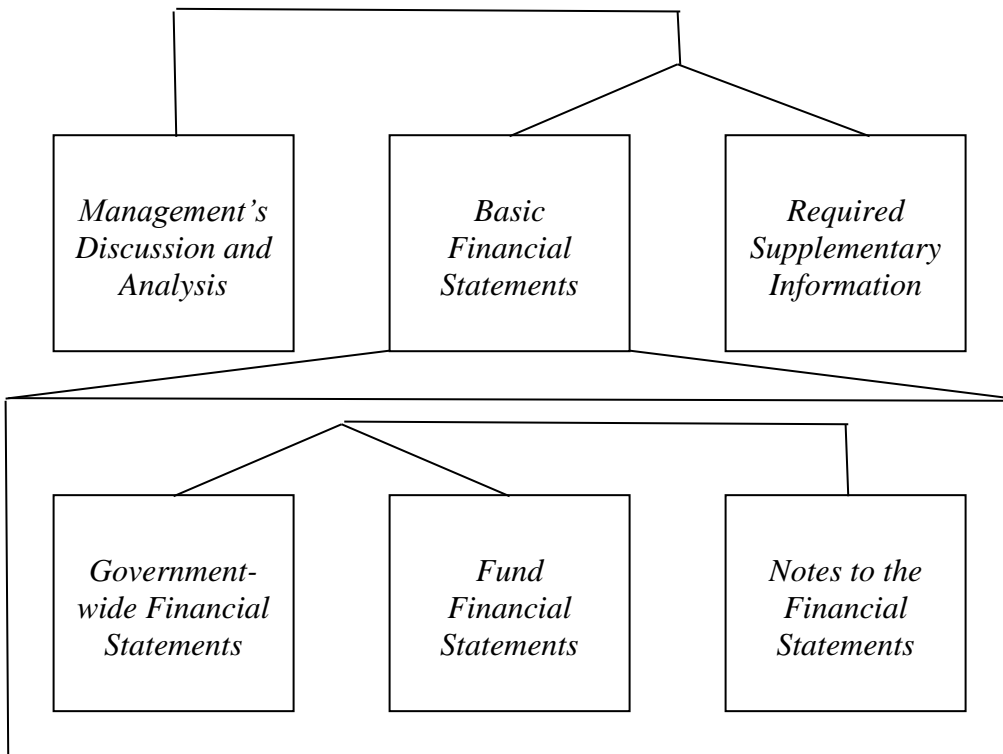
This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- 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.
- 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			
<i>Major Features of the Government-wide and Fund Financial Statements</i>			
	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 position.	1) Balance Sheet.	1) Statement of fiduciary net position.
	2) Statement of activities.	2) Statement of revenues, expenditures, and changes in fund balances.	2) Statement of changes in fiduciary net position.
<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 position includes all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources. 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 position* and how they have changed. Net position – the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – are one way to measure the District financial health or *position*.

Community Consolidated School District 59 Management's Discussion and Analysis

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

Other Information

New Accounting pronouncement: The Governmental Accounting Standards Board (GASB) has issued Statement No. 68, *Accounting and Financial Reporting for Pensions* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* - an Amendment of GASB Statement No. 68, was implemented by the District during the fiscal year ending June 30, 2015. These statements relate to pension liabilities as measured by employer or nonemployer contributions, if any, made by state or local government employer or nonemployer contributing entity to a defined benefit pension plan. Specific changes to the District's financial statement relate to the recognition of net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense.

Community Consolidated School District 59 Management's Discussion and Analysis

Financial Analysis of the District as a Whole

Net Position: The District experienced a decrease in the FY15 financial position. It reported a \$7.4 million (3.72%) decrease in net position when compared to the prior year as a result of the following (See Figure A-3):

- The District's total assets increased \$18.5 million, or 7.7%.
 - Current assets increased \$3.8 million or 2.4%.
 - Capital assets increased \$14.7 million due to building a new Early Learning Center.
- The District's total liabilities increased \$33.3 million to \$58 million from \$24.7 million. This includes an increase in debt from the sale of \$18.5 million in General Obligation Bonds used to pay for the Early Learning Center, compensated absences, early retirement incentives, and other postemployment benefits and the pension liabilities for IMRF and TRS due to the implementation of GASB Statement No. 68.
- The net change in deferred outflows and inflows resulted in a \$7.3 million increase. Deferred outflows and inflows related to pensions are recorded for the first time this year due to the implementation of GASB Statement No. 68 and GASB Statement No. 71 at \$4.4 million and \$1.4 million respectively, netting to a \$3 million change from the prior year. Also, property taxes levied for a future period decreased \$4.3 million.

Figure A-3

Condensed Statements of Net Position (in millions of dollars) Governmental Activities

	<u>2013/14*</u>	<u>2014/15</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Assets:				
Current Assets	\$161.1	\$164.9	\$3.8	2.4%
Capital Assets	<u>78.0</u>	<u>92.7</u>	<u>14.7</u>	18.8%
Total Assets	239.1	257.6	18.5	7.7%
Deferred Outflows of Resources:				
Deferred outflows related to pensions:	0.0	4.4	4.4	NA
Liabilities:				
Long-term debt outstanding	7.9	41.9	34.0	430.4%
Other liabilities	<u>16.8</u>	<u>16.1</u>	<u>(0.7)</u>	-4.2%
Total Liabilities	24.7	58.0	33.3	134.8%
Deferred Inflow of Resources:				
Property taxes levied for a future period	14.4	10.1	(4.3)	-29.9%
Deferred inflows related to pensions	<u>0.0</u>	<u>1.4</u>	<u>1.4</u>	NA
	14.4	11.5	(2.9)	-20.1%
Net Position				
Net investment in capital assets	72.4	73.5	1.1	1.5%
Restricted	15.1	21.7	6.6	43.7%
Unrestricted	<u>112.5</u>	<u>97.3</u>	<u>(15.2)</u>	-13.5%
TOTAL NET POSITION	\$200.0	\$192.5	(\$7.5)	-3.8%

*Amounts are as originally reported and not restated due to the implementation of GASB Statement No. 68 and GASB Statement No. 71.

Community Consolidated School District 59
Management's Discussion and Analysis

Changes in Net Position: The District's total revenues of \$131.8 million exceeded total expenditures of \$126.6 million by \$5.2 million. Total revenues increased \$15.6 million, or 13.4%, compared with a 5.5% increase in total expenditures, or \$6.6 million. The change in revenues included operating grants and contributions that increased \$8.5 million primarily due to the recording of the State of Illinois On-behalf Contribution to the state teacher pension system, reflecting a \$7.7 million increase. Instruction program expenditures increased \$4.6 million or 6.3%, which includes the increase of a \$7.7 million in the State of Illinois On-behalf expense to the state teacher pension system. This leaves a decrease of \$3.2 million in regular programs salaries, benefits, etc. (See Figure A-4).

Figure A-4

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

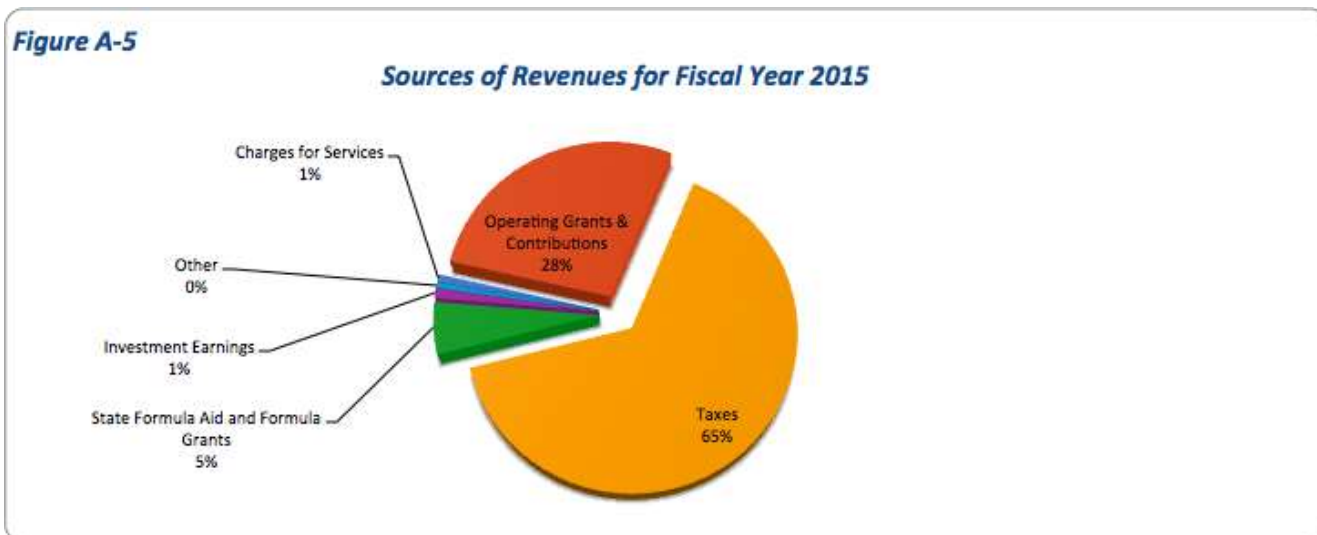
	Governmental Activities		Percentage Change
	<u>2013/14*</u>	<u>2014/15</u>	
REVENUE			
Program Revenues			
Charges for Services	\$ 1.3	\$ 1.0	-23.1%
Operating Grants and Contributions	27.9	36.5	30.8%
General Revenues			
Taxes	78.4	85.4	8.9%
State Aid Formula Grant	6.2	7.0	12.9%
Other	<u>2.4</u>	<u>1.9</u>	-20.8%
TOTAL REVENUE	116.2	131.8	13.4%
EXPENSES			
Instruction	73.6	78.2	6.3%
Pupil and Instructional Services	10.5	11.6	10.5%
Administration and Business	14.2	13.8	-2.8%
Transportation	5.1	5.3	3.9%
Operations and Maintenance	11.3	11.8	4.4%
Other	<u>5.3</u>	<u>5.9</u>	11.3%
TOTAL EXPENSES	120.0	126.6	5.5%
INCREASE (DECREASE) IN NET POSITION	(3.8)	5.2	-236.8%
NET POSITION			
Beginning of year		187.3	
End of year		\$ 192.5	2.8%

*Amounts are as originally reported and not restated due to the implementation of GASB Statement No. 68 and GASB Statement No. 71.

Community Consolidated School District 59 Management's Discussion and Analysis

Governmental Activities

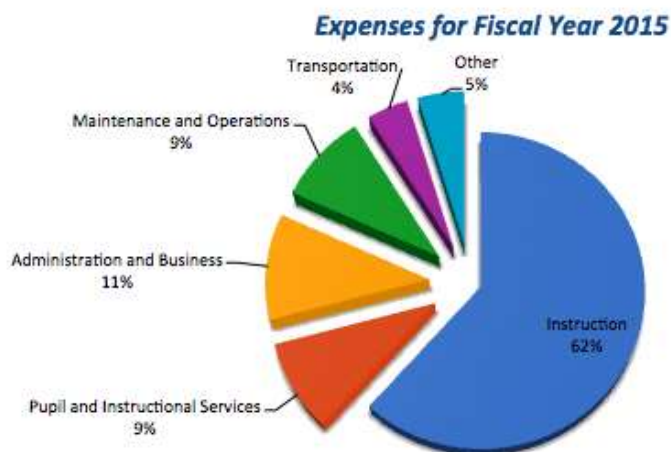
Revenue (See Figure A-5): Total District revenue for fiscal year 2015 was \$131.8 million. General revenues (\$94.3 million) are comprised of tax revenue, general state aid, investment earnings, and other non-restricted funds and comprise 72% of total revenue. Approximately 65% of the District's total 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 28% of total revenue. Examples of revenue sources within these categories include federal grant programs, state special education reimbursements, the reporting of the state's on-behalf contribution to the Teacher Retirement System (TRS), charges for services, and reimbursement programs for food services and transportation services.



Expenses (See Figure A-6): Fiscal year 2015 expenditures totaled \$126.6 million. The operation of the District's instructional program and its related support functions comprise 70.7% 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 including the Capital Projects Fund, for a total 9.3% of overall expenses. The costs associated with daily transporting approximately 4,600 students total 4.2% of the District's overall expenses. Within the category of "Other", nonprogrammed charges accounts for \$2.5 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 account for the balance of "Other" expenditures, making up 2.7% of total expenditures. Administrative services, which include school, central, and the school nutrition program, comprise 10.8% of total expenditures.

Community Consolidated School District 59 Management's Discussion and Analysis

Figure A-6



Net Costs: Figure A-7 presents the costs of six major District activities: instruction, pupil and support instructional services, administration and business, 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		Pct. Chg.	Net Cost of Services		Pct. Chg.
	<u>2013/14*</u>	<u>2014/15</u>		<u>2013/14*</u>	<u>2014/15</u>	
Instruction	\$73.6	\$78.2	6.3%	\$49.0	\$45.5	-7.1%
Pupil and Instructional Services	10.5	11.6	10.5%	10.4	11.0	5.8%
Administration and Business	14.2	13.8	-2.8%	11.7	11.4	-2.6%
Operations and Maintenance	11.3	11.8	4.4%	11.3	11.8	4.4%
Transportation	5.1	5.3	3.9%	3.1	3.3	6.5%
Other	5.3	5.9	11.3%	5.3	6.0	13.2%
TOTAL	\$120.0	\$126.6	5.5%	\$90.8	\$89.0	-2.0%

*Amounts are as originally reported and not restated due to the implementation of GASB Statement No. 68 and GASB Statement No. 71.

The total costs of the District's activities during 2014/15 totaled \$126.6 million, a 5.5% increase over the prior year.

Community Consolidated School District 59 Management's Discussion and Analysis

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 \$134 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 \$2.3 million.
- Operations and Maintenance Fund revenues exceeded expenditures by \$2.6 million.
- The Transportation Fund expenditures exceeded revenues by \$26,917.
- The Municipal Retirement/Social Security Fund revenues exceeded expenditures by \$191,406.
- The Series 2009 and the Series 2014 Debt Service Fund debt obligation was met by a debt service levy.

General Fund Budgetary Highlights

The General Fund is comprised of the Educational and Working Cash Accounts.

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 \$114.5 million reflects an increase of \$2.3 million, or 2%, from the prior year's fund balance of \$112.2 million.

Revenue: Total revenue in the General Fund came in higher than the District's budget by \$9.9 million or 9.9% mainly due to the timing of property tax receipts.

Within the category of local sources, property taxes were greater than budgeted by \$3.2 million. Other local sources was less than budgeted by \$0.9 million and include receipts from school and meal fees, Cobra and retiree insurance payments, contributions, local grants, outdoor education fees, and facility rentals.

The reported State revenues, excluding the TRS on-behalf contribution, met budget estimates.

At the federal level, the revenue exceeded budget by \$0.6 million. The majority of this difference was attributed to \$0.2 million in additional School Nutrition program revenue and \$0.2 Title I grant revenue.

Expenditures: Actual expenditures, excluding TRS on-behalf contribution were \$2.7 million, or 3.2%, under budget. Prudent financial management by budget managers for regular education programs of over \$2 million, savings in payments for special education programs of \$0.2 million, and budgeting \$.2 million for contingencies made up the savings.

Community Consolidated School District 59 Management's Discussion and Analysis

Capital Assets

By the end of fiscal year 2015, the District had invested \$183 million in a broad range of capital assets, including land, construction in progress, buildings, land improvements, vehicles, equipment and intangible assets. When netted with depreciation, the total capital assets equaled \$92.7 million, an increase of 18.8%. (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, building additions, land purchases, land improvements, vehicle purchases, and general equipment purchases netted an increase of \$18.4 million during fiscal year 2015. Accumulated depreciation to buildings, land improvements, vehicles, equipment and intangible assets totaled approximately \$90.4 million. The net impact of the increased value of capital assets and the depreciated value accounted for a \$14.7 million increase in the value of capital assets for fiscal year 2015.

Figure A-8

Capital Assets (net of depreciation, in millions of dollars)			
	Government Activities		Pct. Chg.
	<u>2013/14</u>	<u>2014/15</u>	
Capital Assets not being depreciated	\$ 3.6	\$ 20.0	455.6%
Net Capital Assets being depreciated	74.4	72.7	-2.3%
TOTAL	\$ 78.0	\$ 92.7	18.8%

In the 2014/15 school year, the District built the Early Learning Center attached to Holmes Junior High School which is scheduled to open in the fall of 2015 showing the Board's commitment to early education.

The District regularly updates its enrollment forecasts and incorporates these forecasts into its facility planning. In addition, future Board facility discussions will include the current administration building. Other capital improvements are primarily focused on improving building efficiency, classroom learning spaces, addressing school security, and maintaining existing facilities and their infrastructure.

Community Consolidated School District 59 Management's Discussion and Analysis

Debt Administration

At year-end, the District had \$42.1 million in general obligation bonds and other long-term liabilities 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 Liabilities (in millions of dollars)

	Total School District		
	<u>2013/14*</u>	<u>2014/15</u>	<u>Change</u>
General Obligation Bonds	\$5.5	\$20.7	\$15.2
Unamortized Premiums	0.1	2.3	2.2
Early Retirement Incentives	0.4	0.5	0.1
Other Post-employment Benefits	0.5	0.7	0.2
Net Pension Obligation(IMRF and TRS)	14.6	17.7	3.1
Compensated absences	0.2	0.2	-
TOTAL	\$21.3	\$ 42.1	\$ 20.8

*Amounts are as originally reported and not restated due to the implementation of GASB Statement No. 68 and GASB Statement No. 71.

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. On October 1, 2014, the District issued \$9.9 million General Obligation Limited Tax School Bonds, Series 2014 and in January 2015 issued \$10.5 General Obligation Limited Tax School Bonds, Series 2015, both to increase the Working Cash Fund and to pay costs associated with the issuance of the bonds. The funds allocated in the Working Cash Fund were designated to pay for the construction of the Early Learning Center.

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 and/or pro-ration formulas at the State level that would be intended to reduce the inequities in funding between school districts in Illinois.
- The funding shortfall for state pension funds including the Teacher's Retirement System (TRS) that would shift additional funding obligations to the local school district.
- Unfunded mandates generated by legislative actions, such as changes to state and federal health insurance laws and breakfast programs.
- The uncertain future of property values which may negatively impact equalized assessed value (EAV) growth.
- Historically low Consumer Price Index that limits property tax revenues.

Community Consolidated School District 59 Management's Discussion and Analysis

- 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.
- State tax laws that create incentives for businesses that could erode the funding of the taxing bodies.
- Legislative initiatives that are based on the assumption that schools are too dependent on property taxes as a source of revenue.

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 POSITION - GOVERNMENTAL ACTIVITIES
June 30, 2015

ASSETS	
Cash and investments	\$ 119,931,910
Receivables (net of allowance for uncollectibles):	
Interest	214,228
Property taxes	36,506,819
Replacement taxes	799,858
Accounts	336,931
Intergovernmental	7,189,216
Prepaid items	868
Capital assets:	
Land	3,098,076
Construction in progress	16,986,834
Depreciable buildings, property, and equipment, net	<u>72,602,274</u>
Total assets	<u>257,667,014</u>
DEFERRED OUTFLOW OF RESOURCES	
Deferred outflows related to pensions	<u>4,428,061</u>
Total deferred inflows	<u>4,428,061</u>
LIABILITIES	
Accounts payable	6,123,219
Salaries and benefits payable	9,237,357
Claims payable	406,039
Interest payable	278,172
Unearned revenue	98,602
Long-term liabilities:	
Due within one year	3,055,752
Due after one year	<u>38,872,093</u>
Total liabilities	<u>58,071,234</u>
DEFERRED INFLOW OF RESOURCES	
Property taxes levied for a future period	10,061,616
Deferred inflows related to pensions	<u>1,416,576</u>
Total deferred inflows	<u>11,478,192</u>
NET POSITION	
Net investment in capital assets	73,495,350
Restricted for:	
Operations and maintenance	5,950,086
Debt service	3,151,061
Student transportation	8,335,629
Retirement benefits	655,949
Capital projects	3,629,937
Unrestricted	<u>97,327,637</u>
Total net position	<u>\$ 192,545,649</u>

The accompanying notes are an integral part of this statement.

Community Consolidated School District 59

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2015

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 30,358,492	\$ 315,591	\$ 2,067,528	\$ (27,975,373)
Special programs	12,075,638	226,954	3,993,370	(7,855,314)
Other instructional programs	10,748,481	28,230	1,048,195	(9,672,056)
State retirement contributions	24,911,598	-	24,911,598	-
Support services:				
Pupils	5,669,155	-	-	(5,669,155)
Instructional staff	5,982,375	-	598,461	(5,383,914)
General administration	2,870,516	-	-	(2,870,516)
School administration	6,417,794	-	-	(6,417,794)
Business	4,491,807	468,005	1,867,195	(2,156,607)
Transportation	5,317,432	4,960	2,030,241	(3,282,231)
Operations and maintenance	11,820,804	800	-	(11,820,004)
Central	2,661,865	-	-	(2,661,865)
Other supporting services	32,586	-	-	(32,586)
Community services	178,945	-	-	(178,945)
Nonprogrammed charges - excluding special education	2,465,805	-	-	(2,465,805)
Interest and fees	624,608	-	-	(624,608)
	<u>\$ 126,627,901</u>	<u>\$ 1,044,540</u>	<u>\$ 36,516,588</u>	<u>\$ (89,066,773)</u>
Total governmental activities				
General revenues:				
Taxes:				
				65,139,846
				11,593,115
				3,789,011
				4,872,601
				6,946,234
				1,286,247
				634,940
				<u>94,261,994</u>
				5,195,221
				<u>187,350,428</u>
				\$ 192,545,649
				<u>\$ 192,545,649</u>

The accompanying notes are an integral part of this statement.

Community Consolidated School District 59

Governmental Funds

BALANCE SHEET

June 30, 2015

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
ASSETS				
Cash and investments	\$ 102,010,823	\$ 3,690,464	\$ 5,064,956	\$ 373,282
Receivables (net of allowance for uncollectibles):				
Interest	214,228	-	-	-
Property taxes	29,712,239	2,725,713	1,545,100	864,966
Replacement taxes	40,644	487,392	-	271,822
Accounts	64,888	271,489	554	-
Intergovernmental	4,180,810	-	3,008,406	-
Prepaid Items	<u>868</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 136,224,500</u>	<u>\$ 7,175,058</u>	<u>\$ 9,619,016</u>	<u>\$ 1,510,070</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 1,705,326	\$ 344,193	\$ 827,869	\$ 256,697
Salaries and benefits payable	8,640,134	275,534	7,703	313,986
Claims payable	406,039	-	-	-
Unearned revenue	<u>98,602</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>10,850,101</u>	<u>619,727</u>	<u>835,572</u>	<u>570,683</u>
DEFERRED INFLOWS				
Unavailable interest revenue	78,523	-	-	-
Unavailable grant revenue	2,416,456	-	2,591,268	-
Property taxes levied for a future period	<u>8,322,236</u>	<u>605,245</u>	<u>447,815</u>	<u>283,438</u>
Total deferred inflows	<u>10,817,215</u>	<u>605,245</u>	<u>3,039,083</u>	<u>283,438</u>
FUND BALANCES				
Nonspendable	868	-	-	-
Restricted	-	5,950,086	5,744,361	655,949
Assigned	7,291,976	-	-	-
Unassigned	<u>107,264,340</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>114,557,184</u>	<u>5,950,086</u>	<u>5,744,361</u>	<u>655,949</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 136,224,500</u>	<u>\$ 7,175,058</u>	<u>\$ 9,619,016</u>	<u>\$ 1,510,070</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Total
\$ 2,173,314	\$ 6,619,071	\$ 119,931,910
-	-	214,228
1,658,801	-	36,506,819
-	-	799,858
-	-	336,931
-	-	7,189,216
-	-	868
<u>\$ 3,832,115</u>	<u>\$ 6,619,071</u>	<u>\$ 164,979,830</u>
\$ -	\$ 2,989,134	\$ 6,123,219
-	-	9,237,357
-	-	406,039
-	-	98,602
<u>-</u>	<u>2,989,134</u>	<u>15,865,217</u>
-	-	78,523
-	-	5,007,724
402,882	-	10,061,616
<u>402,882</u>	<u>-</u>	<u>15,147,863</u>
-	-	868
3,429,233	3,629,937	19,409,566
-	-	7,291,976
-	-	107,264,340
<u>3,429,233</u>	<u>3,629,937</u>	<u>133,966,750</u>
<u>\$ 3,832,115</u>	<u>\$ 6,619,071</u>	<u>\$ 164,979,830</u>

Community Consolidated School District 59
 RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
 FUNDS TO THE STATEMENT OF NET POSITION
For the Year Ended June 30, 2015

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds		\$ 133,966,750
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.		92,687,184
Certain grant receivables are not available to pay for current expenditures are unavailable in the governmental funds.		5,007,724
Certain revenue receivable (interest) are recognized in the statement of net position do not provide current financial resources and are unavailable in the governmental funds.		78,523
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:		
Deferred outflows of resources related to pensions	\$ 2,948,193	
Deferred outflows of 2015 employer contributions related to pensions	<u>1,479,868</u>	4,428,061
Deferred inflows of resources related to pensions		(1,416,576)
Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, accordingly, is not recognized in the governmental funds balance sheet.		(278,172)
Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet.		<u>(41,927,845)</u>
Net position of governmental activities		<u>\$ 192,545,649</u>

The accompanying notes are an integral part of this statement.

Community Consolidated School District 59

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2015

	General	Operations and Maintenance	Transportation	Municipal Retirement / SOC. SEC.
Revenues				
Property taxes	\$ 65,139,846	\$ 6,489,025	\$ 3,331,086	\$ 1,773,004
Replacement taxes	247,595	2,969,112	-	1,655,894
State aid	35,500,184	229,857	1,809,177	-
Federal aid	5,746,848	-	-	-
Interest	1,079,913	92,458	74,348	22,651
Other	1,647,615	26,905	4,960	-
Total revenues	109,362,001	9,807,357	5,219,571	3,451,549
Expenditures				
Current:				
Instruction:				
Regular programs	29,892,063	-	-	414,830
Special programs	9,298,959	-	-	447,986
Other instructional programs	10,522,043	-	-	254,231
State retirement contributions	24,911,598	-	-	-
Support services:				
Pupils	5,385,526	-	-	211,888
Instructional staff	5,436,699	-	-	287,408
General administration	2,748,580	-	-	114,900
School administration	6,110,686	-	-	319,945
Business	3,899,321	130,164	-	227,288
Transportation	2,222	-	5,246,488	39,901
Operations and maintenance	2,659	7,017,924	-	737,785
Central	2,286,353	-	-	200,864
Other supporting services	32,586	-	-	-
Community services	164,739	-	-	3,117
Nonprogrammed charges	4,769,429	39,631	-	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	93,889	1,377,125	-	-
Total expenditures	105,557,352	8,564,844	5,246,488	3,260,143
Excess (deficiency) of revenues over expenditures	3,804,649	1,242,513	(26,917)	191,406
Other financing sources (uses)				
Transfers in	33,707	22,104,201	-	-
Transfers (out)	(22,104,201)	(20,704,201)	-	-
Debt issuance	18,480,000	-	-	-
Premium on bonds sold	2,118,694	-	-	-
Total other financing sources (uses)	(1,471,800)	1,400,000	-	-
Net change in fund balance	2,332,849	2,642,513	(26,917)	191,406
Fund balance, beginning of year	112,224,335	3,307,573	5,771,278	464,543
Fund balance, end of year	\$ 114,557,184	\$ 5,950,086	\$ 5,744,361	\$ 655,949

The accompanying notes are an integral part of this statement.

	Debt Service	Capital Projects	Total
\$	3,789,011	\$ -	\$ 80,521,972
	-	-	4,872,601
	-	-	37,539,218
	-	-	5,746,848
	36,122	-	1,305,492
	-	-	1,679,480
	<u>3,825,133</u>	<u>-</u>	<u>131,665,611</u>
	-	-	30,306,893
	-	-	9,746,945
	-	-	10,776,274
	-	-	24,911,598
	-	-	5,597,414
	-	-	5,724,107
	-	-	2,863,480
	-	-	6,430,631
	-	99,103	4,355,876
	-	-	5,288,611
	-	-	7,758,368
	-	-	2,487,217
	-	-	32,586
	-	-	167,856
	-	-	4,809,060
	3,335,000	-	3,335,000
	301,134	-	301,134
	<u>-</u>	<u>16,975,161</u>	<u>18,446,175</u>
	<u>3,636,134</u>	<u>17,074,264</u>	<u>143,339,225</u>
	188,999	(17,074,264)	(11,673,614)
	-	20,704,201	42,842,109
	(33,707)	-	(42,842,109)
	-	-	18,480,000
	<u>-</u>	<u>-</u>	<u>2,118,694</u>
	<u>(33,707)</u>	<u>20,704,201</u>	<u>20,598,694</u>
	155,292	3,629,937	8,925,080
	<u>3,273,941</u>	<u>-</u>	<u>125,041,670</u>
\$	<u>3,429,233</u>	<u>\$ 3,629,937</u>	<u>\$ 133,966,750</u>

Community Consolidated School District 59

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2015

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds \$ 8,925,080

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period. 14,717,035

Certain revenues included in the statement of activities do not provide current financial resources and, therefore, are deferred in the fund statements. 157,511

Changes in deferred outflows and inflows or resources related to pensions are reported only in the statement of activities:

Deferred outflow and inflows or resources related to IMRF pension 2,978,664

Deferred outflow and inflows or resources related to TRS pension (743,648)

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. (223,730)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. (20,615,691)

Change in net position of governmental activities \$ 5,195,221

The accompanying notes are an integral part of this statement.

Community Consolidated School District 59

Fiduciary Funds

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2015

	Agency Fund	Private Purpose Trust Fund
<hr/>		
ASSETS		
Cash and investments	\$ <u>54,075</u>	\$ <u>15,930</u>
LIABILITIES		
Due to student groups	<u>54,075</u>	<u>-</u>
NET POSITION HELD IN TRUST FOR EXTERNAL PARTIES	\$ <u>-</u>	\$ <u>15,930</u>

The accompanying notes are an integral part of this statement.

Community Consolidated School District 59
Fiduciary Funds - Private Purpose Trust Fund
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2015

	Private Purpose Trust Fund
<hr/>	
ADDITIONS	
Contributions by external parties	\$ 400
DEDUCTIONS	
Scholarships paid	<u> 1,520</u>
Change in net position	(1,120)
Net position, beginning of year	<u> 17,050</u>
Net position, end of year	<u>\$ 15,930</u>

The accompanying notes are an integral part of this statement.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE A - 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, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

1. Reporting Entity

The District is located in Cook County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all personnel, budgetary, taxing, and debt matters.

The District includes all funds of its operations that are controlled by or dependent upon the District as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will, and fiscal dependency. The accompanying financial statements include only those funds of the District, as there are no organizations for which it has financial accountability.

Also, the District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

2. New Accounting Pronouncement

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, which was implemented by the District during the fiscal year ended June 30, 2015. This Statement established standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense on the government-wide financial statements related to pension liabilities. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute the present value to periods of employee service.

The Governmental Accounting Standards Board (GASB) has issued Statement No. 71, *Pension Transition For Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*, and was implemented by the District during the fiscal year ended June 30, 2015. This Statement established standards for measuring amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Specific changes to the District's financial statements relate to the recognition of net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. See Note E and Note P for the effects of this restatement.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fund Accounting

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental and fiduciary.

Governmental funds are used to account for all of the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (debt service funds) and the acquisition or construction of major capital facilities (capital projects fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund. The District considers all governmental funds to be major.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District.

4. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Government-Wide and Fund Financial Statements (Continued)

a. General Fund

The *General Fund* includes the Educational Account and the Working Cash Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources held by the District to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid within one year. As allowed by the School Code of Illinois, this Fund may be permanently abolished and become part of the Educational Account, or it may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Account of at least .05% of the District's current equalized assessed valuation.

b. Special Revenue Funds

The special revenue funds are used to account and report for the proceeds of specific revenue sources (other than those accounted for in the debt service, capital projects or fiduciary funds) that are legally restricted or committed to expenditures for specified purposes.

Each of the District's special revenue funds has been established as a separate fund in accordance with the fund structure required by the state of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's special revenue funds is as follows:

Operations and Maintenance Fund - accounts for all revenues and expenditures made for operations, repair, and maintenance of the District's building and land. Revenues consist primarily of local property taxes.

Transportation Fund - accounts for all revenues and expenditures made for student transportation. Revenues are derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund - accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for noncertified employees. Revenues to finance contributions is derived primarily from local property taxes and personal property replacement taxes.

c. Debt Service Fund

The *Debt Service Fund* - accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue source is local property taxes levied specifically for debt service.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Government-Wide and Fund Financial Statements (Continued)

d. Capital Projects Fund

Capital Projects Fund - accounts for financial resources to be used for the acquisition or construction of major capital facilities. Revenues are derived from bond issues or transfers from other funds.

e. Fiduciary Fund

The fiduciary fund accounts for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

The Agency Funds - includes Student Activity Funds. These funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated, and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational, or cultural purposes. These funds account for activities such as student yearbook, and student clubs and council.

The Private Purpose Trust Funds - is accounted for on the flow of economic resources measurement focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The Private Purpose Trust Funds account for scholarship and memorial trust funds, the principal of which may not be spent.

5. Fund Balance

In the fund financial statements, governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash, such as prepaid items or inventories.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, or laws and regulations of other governments, or are imposed by law through enabling legislation. Special revenue funds are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any other purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. As of June 30, 2015, the District has no committed fund balances.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Fund Balance (Continued)

- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the Board of Education or the individual to which the Board of Education delegates the authority to assign amounts to be used for specific purposes. Under the District's *Fund Balance Policy*, the District Superintendent has the authority to assign fund balances.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, assigned balances, and, finally, they act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

Governmental fund balances reported on the fund financial statements at June 30, 2015 are as follows:

The nonspendable fund balance in the General Fund consists of \$868 for prepaid items. The assigned fund balance in the General Fund is comprised of \$7,291,976 for self-insurance. The remaining restricted fund balances are for the purpose of the restricted funds as described above.

6. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements and the Private Purpose Trust Funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and additions are recorded when earned, and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are used to account for the District's general governmental activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting, as are the fiduciary fund statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers most revenues available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if vouchered by year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences, claims, and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Property and replacement taxes, interest, and intergovernmental revenue associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports unearned and unavailable revenue on its financial statements. Unearned and unavailable revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability or deferred inflow of resources for unearned or unavailable revenue is removed from the balance sheet and revenue is recognized. Governmental Funds also defer revenue recognition in connection with resources received, but not yet earned.

7. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position/fund balance that applies to a future period(s). At June 30, 2015, the District has deferred outflows of resources related to pensions. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting period(s). At June 30, 2015, the District has deferred inflows of resources related to unavailable interest revenue, grant revenue, property taxes and pensions.

8. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

9. Deposits and Investments

State statutes require the District to use the custodial services of the Township School Treasurer. Investments are stated at fair value. All investment income, including changes in 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.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the Municipal Retirement/Social Security Fund, with the balance at the discretion of the District.

11. Prepaid Items

Prepaid items are recorded at cost and recognized over the term of the underlying agreements. Reported prepaid expenditures are equally offset by fund balance reserves, which indicate that they do not constitute "available spendable resources" even though the balances are a component of current net position.

12. Capital Assets

Capital assets, which include land, land improvements, buildings, equipment, vehicles, and intangible assets are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost or group cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

Construction in progress is stated at cost and includes engineering, design, material, and labor incurred for planned construction. No provision for depreciation is made on construction in progress until the asset is completed and placed in service.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Depreciation of capital assets is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	30 - 40
Land improvements	20
Vehicles	5
Equipment	5 - 15

The District has capitalized an intangible asset, computer software, that is included with equipment. 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.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Accumulated Unpaid Vacation and Sick Pay

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 compensated absences liability is reported on the Government-wide financial statements.

14. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount or loss on refunding. Bond issuance costs are reported as an expense in the period the costs are incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

15. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

16. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows and deferred outflows, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

17. Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net assets are either: (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, (2) imposed by law through constitutional provisions, or (3) imposed by enabling legislation. All of the District's restricted net position was restricted as a result of enabling legislation.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources, as the resources are needed.

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Government Funds Balance Sheet and the Government-wide Statement of Net Position

The governmental funds balance sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet." The details of this difference are as follows:

Bonds payable	\$ 20,685,000
Unamortized premiums	2,289,559
Compensated absences	201,668
IMRF net pension liability	8,435,005
TRS net pension liability	9,290,253
Other postemployment benefits	508,666
Early retirement incentives	<u>517,694</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position of governmental activities	<u>\$ 41,927,845</u>

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances - total governmental funds and change in net position of governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$ 18,446,174
Depreciation expense	(3,727,689)
Loss on disposal of capital assets	<u>(1,450)</u>
Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	\$ <u><u>14,717,035</u></u>

Another element of that reconciliation states that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds." The details of this difference are as follows:

Principal on bonds sold	\$ (18,480,000)
Premium on bonds sold	(2,349,219)
Principal repayments on bonds payable	3,335,000
IMRF pension expense, net	(4,060,466)
TRS pension expense, net	908,895
Other postemployment benefits, net	8,511
Compensated absences, net	(20,227)
Early retirement incentives, net	(88,966)
Unamortized premium	<u>130,781</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities.	\$ <u><u>(20,615,691)</u></u>

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE C - DEPOSITS AND INVESTMENTS

The Treasurer's investment policy is in line with State Statutes. The investments that the Treasurer may purchase are limited by Illinois law to the following: (1) securities that 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 association 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.

At June 30, 2015, the District's cash and investments consisted of the following:

	<u>Governmental</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	\$ 119,931,910	\$ 70,005	\$ 120,001,915

For disclosure purposes, this amount is segregated as follows:

	<u>Total</u>
Cash on hand	\$ 4,200
Deposits with financial institutions	62,040,269
Illinois School District Liquid Asset Fund Plus	11
Illinois Funds	200,652
Other investments	57,756,783
	\$ 120,001,915

At June 30, 2015, other investments consisted of the following fixed income holdings:

Investment Type	Fair Value	Investment Maturity			
		Less Than One Year	One to Five Years	Six to Ten Years	Eleven Years Plus
FHLB	\$26,737,076	\$ 26,737,076	\$ -	\$ -	\$ -
FHLMC	3,662,984	248,793	1,620,236	428,338	1,365,617
FNMA	22,657,739	11,845,363	604,966	4,858,585	5,348,825
FFCB	4,398,985	2,427,161	1,971,824	-	-
HUD	299,999	299,999	-	-	-
	\$57,756,783	\$ 41,558,392	\$ 4,197,026	\$ 5,286,923	\$ 6,714,442

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

1. Cash and Investments Under the Custody of the Township Treasurer

As explained in Note A-9, the Illinois Compiled Statutes require the District to utilize the custodial services of the Township School Treasurer (the Treasurer). As such, the Treasurer is the lawful custodian of these school funds. The Treasurer is appointed by the School Trustees, an independently elected body, to serve the school districts in the township. The investment policies are established by the Treasurer, as prescribed by the Illinois School Code. The Treasurer is the direct recipient of property taxes, replacement taxes, and most state and federal aid, and disburses school funds upon lawful order to the School Board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below.

District cash and investments (other than the Fiduciary Funds and petty cash) are held by the Township Treasurer. Cash for all funds is not deemed available for purposes other than those for which these balances are intended.

The Treasurer's office operates as an investment advisor. At June 30, 2015, the fair value of all cash and investments held by the Township Treasurer's Office was \$119,927,710.

2. Interest Rate Risk

The District's investment policy, which is the same as the Treasurer's office, 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's 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.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

3. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized rating organizations (NRSROs). The District's investment policy authorizes investments in any type of security as permitted by State statute. As of June 30, 2015, the District's other investments had ratings with their applicable rating agency as follows:

<u>Investment</u>	<u>Moody's Investor</u>	<u>Standard & Poor's</u>
Federal Home Loan Bank (FHLB)	Aaa	AA+
Federal Home Loan Mortgage Corp (FHLMC)	Aaa	AA+
Federal National Mortgage Association (FNMA)	Aaa	AA+
Federal Farm Credit Banks (FFCB)	Aaa	AA+
Housing and Urban Development Corp (HUD)	Not Available	Not Available

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an unrated, not-for-profit investment trust formed pursuant to the Illinois School Code and managed by a Board of Trustees elected from participating members. It is not registered with the SEC as an investment company, but operates 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.

The Illinois Funds, a state investment pool, was rated AAAM by Standard & Poor's. The State Treasurer is the regulatory oversight agency for the pool and the State Treasurer is audited by the Illinois Auditor General to ensure that all state statutes are being followed. Each member owns a prorated share of each investment or deposit, which is held in the name of the fund. The fair value of the position in the external investment pool is the same as the value of the pool shares.

4. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize the 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, 2015, 26% of the District's other investments are in Federal Home Loan Bank and 22% are in Federal National Mortgage Association.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

5. Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2015, the bank balances of the District's deposits with financial institutions total \$62,001,058. There were no uninsured balances at June 30, 2015.

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.

6. Cash in the Custody of the District

At June 30, 2015, the carrying value of the District's Fiduciary Funds was \$70,005, all of which was deposited with a financial institutions.

NOTE D - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on December 8, 2014. The District's property tax is levied each year on all taxable real property located in the District and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

The Cook County Assessor is responsible for the assessment of all taxable real property within Cook County except for certain railroad property, which is assessed directly by the state. One-third of the County is reassessed every year by the Assessor.

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the state. Each year, the Illinois Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment between counties at one-third of market value. This factor (the equalization factor) is then applied to the assessed valuation to compute the valuation of property to which tax rate will be applied (the equalized assessed valuation). The equalization factor for Cook County was 2.7253 for 2014.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE D - PROPERTY TAXES RECEIVABLE (Continued)

The County Clerk adds the equalized assessed valuation of all real property in the County to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2014 tax levy was \$2,481,051,592.

Property taxes are collected by the Cook County Collector/Treasurer, who remits the District's share of collections to the School Treasurer. Taxes levied in one year become due and payable in two installments on March 1 and approximately August 1 during the following year. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment is based on the current levy, assessment, and equalization, and any changes from the prior year will be reflected in the second installment bill.

The portion of the 2014 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectibles of 2%. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Such time, thereafter, does not exceed 60 days. Net taxes receivable less the amount expected to be collected within 60 days is reflected as deferred inflow - property taxes levied for a future period.

NOTE E - PENSION LIABILITIES

1. Teachers' Retirement System of the State of Illinois

Plan Description

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. TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. 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 TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <http://trs.illinois.gov/pubs/cafr>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 877-0890, option 2.

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service. Disability and death benefits are also provided.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

Benefits Provided (Continued)

Tier II members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I retirees receive an annual three percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Contributions

The state of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90 percent of the total actuarial liabilities of the System by the end of fiscal year 2045.

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2015, was 9.4 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2015, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$24,403,835 in pension contributions from the state of Illinois.

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2015, were \$288,728, and are deferred because they were paid after the June 30, 2014 measurement date.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

Contributions (Continued)

Federal and Special Trust Fund Contributions

When TRS members are paid from federal and special trust funds administered by the employer, there is a statutory requirement for the employer to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that has been in effect since 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. Public Act 98-0674 now requires the two rates to be the same.

For the year ended June 30, 2015, the employer pension contribution was 33.00 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2015, salaries totaling \$1,149,372 were paid from federal and special trust funds that required employer contributions of \$379,293. These contributions are deferred because they were paid after the June 30, 2014 measurement date.

Early Retirement Cost Contributions

Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2015, the District paid \$0 to TRS for employer ERO contributions.

The District is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2015, the District paid \$1,127 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 9,290,253
State's proportionate share of the net pension liability associated with the District	<u>303,113,255</u>
Total	<u>\$ 312,403,508</u>

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013, and rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2014, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2014, the District's proportion was 0.0152653926 percent.

The net pension liability as of the beginning of this first measurement period under GASB Statement No. 68 was measured as of June 30, 2013, and the total pension liability was based on the June 30, 2013, actuarial valuation without any roll-up. The District's proportion of the net pension liability as of June 30, 2013, was based on the District's share of contributions to TRS for the measurement year ended June 30, 2013, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2013, the District's proportion was 0.0171491725 percent.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the year ended June 30, 2015, the District recognized pension expense of \$25,137,112 and revenue of \$24,403,835 for support provided by the state. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,907	\$ -
Net difference between projected and actual earnings on pension plan investments	-	466,906
Changes in proportion and differences between District contributions and proportionate share of contributions	-	949,670
	<u>4,907</u>	<u>1,416,576</u>
Total deferred amounts to be recognized in pension expense in the future periods		
	<u>668,021</u>	<u>-</u>
District contributions subsequent to the measurement date		
	<u>\$ 672,928</u>	<u>\$ 1,416,576</u>

The District reported \$668,021 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	<u>Net Deferred Inflows of Resources</u>
2016	\$ 346,038
2017	346,038
2018	346,038
2019	346,038
2020	27,517
Thereafter	<u>-</u>
Total	<u>\$ 1,411,669</u>

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 percent
Salary increases	5.75 percent, average, including inflation
Investment rate of return	7.50 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 White Collar Table with projections using scale AA that vary by member group.

For GASB disclosure purposes, the actuarial assumptions for the years ended June 30, 2014 and 2013 were assumed to be the same. However, for funding purposes, the actuarial valuations for those two years were different. The actuarial assumptions used in the June 30, 2014 valuation were based on updates to economic assumptions adopted in 2014 which lowered the investment return assumption from 8.0 percent to 7.5 percent. The salary increase and inflation assumptions were also lowered. The actuarial assumptions used in the June 30, 2013 valuation were based on the 2012 actuarial experience analysis and first adopted in the June 30, 2012 valuation. The investment return assumption was lowered from 8.5 percent to 8.0 percent and the salary increase and inflation assumptions were also lowered. Mortality assumptions were adjusted to anticipate continued improvement in mortality.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. large cap	18 %	8.23 %
Global equity (excluding U.S.)	18	8.58
Aggregate bonds	16	2.27
U.S. TIPS	2	3.52
NCREIF	11	5.81
Opportunistic real estate	4	9.79
ARS	8	3.27
Risk parity	8	5.57
Diversified inflation strategy	1	3.96
Private equity	<u>14</u>	13.03
Total	<u>100 %</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Therefore, the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	<u>1% Decrease</u> <u>(6.50%)</u>	<u>Current</u> <u>Discount</u> <u>(7.50%)</u>	<u>1% Increase</u> <u>(8.50%)</u>
District's proportionate share of the net pension liability	\$ 11,473,008	\$ 9,290,253	\$ 7,482,685

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2014 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

2. Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed with the Illinois Municipal Retirement Fund (IMRF), the administer of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the *Benefits Provided* section below. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That report is available for download at www.imrf.org.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of 3% of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2014, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	323
Inactive plan members entitled to but not yet receiving benefits	338
Active plan members	288
	<hr/>
Total	949
	<hr/> <hr/>

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% 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 District's annual contribution rate for calendar year 2014 was 12.71%. For the fiscal year ended June 30, 2015 the District contributed \$1,579,894 to the plan. The District 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The District's net pension liability was measured as of December 31, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2014:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Inflation Rate	3.50%
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.48%
Projected Retirement Age	Experience-based table of rates, specific to the type of eligibility condition, last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (continued)

Mortality

For non-disabled retirees, the IMRF-specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF-specific mortality table was used with fully generational projections scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38%	7.60%
International Equity	17%	7.80%
Fixed Income	27%	3.00%
Real Estate	8%	6.15%
Alternative Investments	9%	5.25-8.50%
Cash Equivalents	1%	2.25%
Total	100%	

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

2. **Illinois Municipal Retirement Fund** (Continued)

Single Discount Rate

A Single Discount Rate of 7.48% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

- a. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
- b. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.56%, and the resulting single discount rate is 7.48%.

Changes in Net Pension Liability

The following table shows the components of the change in the District's net pension liability for the calendar year ended December 31, 2014:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2013	\$ 62,334,183	\$ 57,959,644	\$ 4,374,539
Changes for the year:			
Service cost	1,434,533	-	1,434,533
Interest on the total pension liability	4,610,842	-	4,610,842
Difference between expected and actual experience of the total pension liability	630,917	-	630,917
Changes of assumptions	2,892,473	-	2,892,473
Contributions - Employer	(2,982,954)	1,522,951	(4,505,905)
Contributions - Employees	-	559,405	(559,405)
Net Investment Income	-	3,508,070	(3,508,070)
Benefit payments, including refunds of employee contributions	-	(2,982,954)	2,982,954
Other (net transfer)	-	(82,127)	82,127
Net changes	6,585,811	2,525,345	4,060,466
Balances at December 31, 2014	\$ 68,919,994	\$ 60,484,989	\$ 8,435,005

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

2. **Illinois Municipal Retirement Fund** (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate.

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.48%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

	<u>1% Lower (6.48%)</u>	<u>Current Discount Rate (7.48%)</u>	<u>1% Higher (8.48%)</u>
Net pension liability	\$ 16,936,469	\$ 8,435,005	\$ 1,381,677

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2015, the District recognized pension expense of \$2,640,131. At June 30, 2015, the District reported deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>	
Differences between expected and actual experience	\$ 412,145
Change of assumptions	1,889,500
Net difference between projected and actual earnings on pension plan investments	<u>641,641</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>2,943,286</u>
<i>Pension contributions made subsequent to the measurement date</i>	<u>811,847</u>
Total deferred amounts related to pensions	<u>\$ 3,755,133</u>

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE E - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Net Deferred Outflows of Resources
2016	\$ 1,382,155
2017	1,240,311
2018	160,410
2019	160,410
2020	-
Thereafter	-
Total	\$ <u>2,943,286</u>

NOTE F - OTHER POSTEMPLOYMENT BENEFITS

1. Teachers' Health Insurance Security (THIS)

The District 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 not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (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 the 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.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

On behalf contributions to the 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 the THIS Fund from active members which were 1.02 percent of pay during the year ended June 30, 2015. State of Illinois contributions were \$507,763, and the District recognized revenue and expenditures of this amount during the year.

District contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.76 percent during the year ended June 30, 2015. For the year ended June 30, 2015, the District paid \$378,333 to the THIS Fund, which was 100 percent of the required contribution.

Further Information on the THIS Fund

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The current reports are listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

2. Retiree Health Plan

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.

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 \$296,055 for fiscal year 2015.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. **Retiree Health Plan (Continued)**

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 2015, the District's annual estimated OPEB cost was \$287,544.

	<u>June 30, 2015</u>
Annual required contribution	\$ 284,096
Interest on net OPEB obligation	20,687
Adjustment to annual required contribution	<u>(17,239)</u>
Annual OPEB cost	287,544
Contributions made	<u>(296,055)</u>
Increase in net OPEB obligation	(8,511)
Net OPEB obligation, beginning of year	<u>517,177</u>
Net OPEB obligation, end of year	<u>\$ 508,666</u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2015 and the two preceding fiscal years were as follows:

<u>Actuarial Valuation Date</u>		<u>Annual OPEB Cost</u>	<u>Percentage Annual OPEB Cost Contributed</u>		<u>Net OPEB Obligation</u>
6/30/15	\$	287,544	56.5%	\$	508,666
6/30/14		281,007	54.3		517,177
6/30/13		298,615	77.1		387,553

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (Continued)

Funding Status and Funding Progress

As of July 1, 2014 (the most recent date available), the actuarial accrued liability for benefits was \$3,760,086, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) and the ratio of the unfunded actuarial accrued liability to the covered payroll were not available.

The projection of future benefit payments for an ongoing plan involved estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Methods and Assumptions (Continued)

The following simplifying assumptions were made:

Participants:	
Active fully eligible to retire	88
Actives not yet fully eligible to retire	786
Retirees	26
Actuarial valuation date	July 1, 2014
Data collection date	July 2015
Actuarial cost method	Entry age normal
Amortization period	Level percentage of pay, open
Remaining amortization	30 years
Actuarial assumptions:	
Investment rate of return	4.00%
Projected salary increases	4.00%
Healthcare inflation rate	All district medical plans: 5% for all years
Mortality, turnover, disability, retirement ages	Similar rates
Percentage of active employees assumed to elect benefit	15%
Marital status	50% single coverage, 50% single plus spouse

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE G - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
Capital assets, not being depreciated				
Land	\$ 3,098,076	\$ -	\$ -	\$ 3,098,076
Construction in progress	522,628	17,380,241	916,035	16,986,834
 Total capital assets not being depreciated	 3,620,704	 17,380,241	 916,035	 20,084,910
 Capital assets, being depreciated				
Buildings	130,476,341	1,646,487	-	132,122,828
Land improvements	2,355,827	212,813	28,797	2,539,843
Vehicles	740,198	-	-	740,198
Equipment	26,835,188	67,668	2,182	26,900,674
Intangible assets	702,433	55,000	-	757,433
 Total capital assets being depreciated	 161,109,987	 1,981,968	 30,979	 163,060,976
 Less accumulated depreciation for:				
Buildings	60,259,892	3,105,947	-	63,365,839
Land improvements	1,405,536	93,474	27,357	1,471,653
Vehicles	597,103	53,910	-	651,013
Equipment	23,839,954	442,006	2,172	24,279,788
Intangible assets	658,057	32,352	-	690,409
 Total accumulated depreciation	 86,760,542	 3,727,689	 29,529	 90,458,702
 Total capital assets being depreciated, net	 74,349,445	 (1,745,721)	 1,450	 72,602,274
Governmental activities capital assets, net	\$ 77,970,149	\$ 15,634,520	\$ 917,485	\$ 92,687,184

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE G - CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities		
General Government		
Instructional staff		
Regular programs	\$	33,262
Special programs		3,213
Support services		
Pupils		567
Instructional staff		1,824
General administration		261
School administration		1,303
Business administration		756
Operations and Maintenance		3,663,177
Transportation		1,243
Central		<u>22,084</u>
Total depreciation from governmental activities	\$	<u><u>3,727,689</u></u>

NOTE H - LONG-TERM LIABILITIES

During the year ended June 30, 2015, the following is the long-term liability activity for the District:

	Balance July 1, 2014 (as restated)	Issued	Retired	Balance June 30, 2015
Bonds payable:				
General obligation bonds	\$ 5,540,000	\$ 18,480,000	\$ 3,335,000	\$ 20,685,000
Unamortized Premium - 2009	71,121	-	51,261	19,860
Unamortized Premium - 2014	-	928,113	79,520	848,593
Unamortized Premium - 2015	-	1,421,106	-	1,421,106
Total bonds payable	<u>5,611,121</u>	<u>20,829,219</u>	<u>3,465,781</u>	<u>22,974,559</u>
Early retirement incentives	428,728	286,877	197,911	517,694
Other postemployment benefits	517,177	299,110	151,383	664,904
Compensated absences	181,441	642,556	622,329	201,668
IMRF net pension liability**	4,374,539	9,650,892	5,590,426	8,435,005
TRS net pension liability**	<u>10,199,148</u>	<u>1,341,071</u>	<u>2,249,966</u>	<u>9,290,253</u>
Total long-term liabilities - governmental activities	<u>\$ 21,312,154</u>	<u>\$ 33,049,725</u>	<u>\$ 12,277,796</u>	<u>\$ 42,084,083</u>

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE H - LONG-TERM LIABILITIES (Continued)

**Beginning balance is shown as restated. See Note E and Note P.

At June 30, 2015, amounts due within one year on the outstanding long-term liabilities were as follows:

General obligation bonds	\$	2,680,000
Early retirement incentives		174,084
Compensated absences		<u>201,668</u>
Total long-term liabilities due within one year - governmental activities	\$	<u><u>3,055,752</u></u>

The obligations for future health claims and retiree health plan will be repaid from the General Fund. Portions of the early retirement incentives and all compensated absences payments will be repaid from the fund from which the employee's salary is charged.

1. General Obligation Bonds

At June 30, 2015, the District's future cash flow requirements for retirement of bond principal and interest were as follows:

Year Ending	Principal	Interest	Total
<u>June 30</u>	<u> </u>	<u> </u>	<u> </u>
2016	\$ 2,680,000	\$ 818,340	\$ 3,498,340
2017	2,770,000	729,400	3,499,400
2018	2,850,000	646,300	3,496,300
2019	2,950,000	547,450	3,497,450
2020	3,065,000	430,550	3,495,550
Thereafter	<u>6,370,000</u>	<u>443,750</u>	<u>6,813,750</u>
Total	<u>\$ 20,685,000</u>	<u>\$ 3,615,790</u>	<u>\$ 24,300,790</u>

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$3,429,233 in the Debt Service Fund to service the outstanding bonds payable.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE H - LONG-TERM LIABILITIES (Continued)

1. General Obligation Bonds Payable (Continued)

In prior years, the District defeased certain general obligation and other bonds 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, 2015, a total of \$13,395,000 of bonds outstanding is considered defeased.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2015, the statutory debt limit for the District was \$171,192,560 of which \$150,507,560 is potentially available.

NOTE I - OPERATING LEASES

The District leases equipment under noncancelable operating leases. The total costs for such leases were \$144,644 for the year ended June 30, 2015. At June 30, 2015, future minimum lease payments for these leases were as follows:

Year Ending June 30	Total
2016	\$ <u>60,839</u>

NOTE J - 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 \$150,000 per covered employee in the aggregate as provided by stop-loss provisions incorporated in the plan.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE J - RISK MANAGEMENT (Continued)

The District has recorded an unpaid claims liability for claims that have occurred but are not settled and for claims incurred but not recorded (IBNR). This liability is based upon estimates from an annual actuarial study, based on historical trends. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Such accrued liabilities are necessarily based on estimates; thus, the District's ultimate liability may exceed or be less than the amounts accrued.

For the two years ended June 30, 2015 and June 30, 2014, changes in the liability for unpaid claims are summarized as follows:

	<u>Claims Payable</u> <u>June 30, 2014</u>	<u>Current Year</u> <u>Claims and</u> <u>Changes in</u> <u>Estimates</u>	<u>Claims</u> <u>Payments</u>	<u>Claims Payable</u> <u>June 30, 2015</u>
Fiscal Year 2015	\$ <u>407,136</u>	\$ <u>7,855,843</u>	\$ <u>7,856,940</u>	\$ <u>406,039</u>
Fiscal Year 2014	\$ <u>435,234</u>	\$ <u>7,254,204</u>	\$ <u>7,282,302</u>	\$ <u>407,136</u>

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 K - RETIREMENT INCENTIVES

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, 2015, the District's liability for increases due to intent to retire is \$517,694.

NOTE L - INTERFUND TRANSFERS

The District transferred \$33,707 from the Debt Service Fund to the General Fund. The amount transferred represents interest earned on investments.

The District transferred \$20,704,201 from the Working Cash Fund to the Operations and Maintenance Fund. The amount transferred represents an abatement of the Working Cash Fund.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE L - INTERFUND TRANSFERS (Continued)

The District transferred \$20,704,201 from the Operations and Maintenance Fund to the Capital Projects Fund. The amount transferred represents the principal on debt issued that is intended for capital projects.

The District transferred \$1,400,000 from the Working Cash Fund to the Operations and Maintenance Fund. The amount transferred is intended to cover current year expenditures.

NOTE M - JOINT AGREEMENTS

The District is a member of the Northwest Suburban Special Education Organization (NSSEO), a joint agreement that provides certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, NSSEO should not be included as a component unit of the District.

NOTE N - CONTINGENCIES

1. Litigation

The District, in the normal course of business, is subject to various ongoing property tax appeals and objections, and general litigation. Although the outcome of these matters is not presently determinable, the resolution of these matters, should the outcome be unfavorable, could have a significant impact on future tax revenues.

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

NOTE O - CONSTRUCTION COMMITMENTS

The District has certain contracts for construction projects at June 30, 2015. Commitments under these contracts approximate \$4,500,000 at June 30, 2015 for renovation and expansion purposes.

NOTE P - RESTATEMENT

The implementation of GASB 68 and GASB 71 (Note E) required the District to record the net pension liability for TRS and IMRF. As a result of this implementation, net position as of July 1, 2014 decreased by \$12,097,590, net pension liability (included in long-term liabilities) increased by \$13,418,721 and deferred outflows increased by \$1,321,131.

Community Consolidated School District 59

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2015

NOTE Q - SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 20, 2016, the date these financial statements were available to be issued. Management has determined that no events or transactions, other than the transaction described below, have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Community Consolidated School District 59
SCHEDULES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
 Illinois Municipal Retirement Fund
June 30, 2015

Calendar year ended December 31, 2014

Total pension liability	
Service cost	\$ 1,434,533
Interest on the total pension liability	4,610,842
Difference between expected and actual experience of the total pension liability	630,917
Assumption changes	2,892,473
Benefit payments and refunds	<u>(2,982,954)</u>
Net change in total pension liability	6,585,811
Total pension liability, beginning	<u>62,334,183</u>
Total pension liability, ending	<u><u>\$ 68,919,994</u></u>
Plan fiduciary net position	
Contributions, employer	\$ 1,522,951
Contributions, employee	559,405
Net investment income	3,508,070
Benefit payments, including refunds of employee contributions	(2,982,954)
Other (net transfer)	<u>(82,127)</u>
Net change in plan fiduciary net position	2,525,345
Plan fiduciary net position, beginning	<u>57,959,644</u>
Plan fiduciary net position, ending	<u><u>\$ 60,484,989</u></u>
Net pension liability (asset)	<u><u>\$ 8,435,005</u></u>
Plan fiduciary net position as a percentage of the total pension liability	87.76 %
Covered Valuation Payroll	\$ 12,422,912
Net pension liability as a percentage of covered valuation payroll	67.90 %

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 and, therefore, 10 years of information is not available.

Community Consolidated School District 59
SCHEDULE OF CONTRIBUTIONS
 Illinois Municipal Retirement Fund
June 30, 2015

<u>Calendar Year</u> Ending <u>December 31,</u>	<u>Actuarially</u> Determined <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> Deficiency <u>(Excess)</u>	<u>Covered</u> Valuation <u>Payroll</u>	<u>Actual Contribution</u> as a % of <u>Covered Valuation Payroll</u>
2014	\$ 1,552,864	* \$ 1,522,951	\$ 29,913	\$ 12,422,912	12.26 %

* Estimated based on contribution rate of 12.50% and covered valuation payroll of \$12,422,912.

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 and, therefore, 10 years of information is not available.

Community Consolidated School District 59
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE
 SHARE OF THE NET PENSION LIABILITY
 Teachers' Retirement System of the State of Illinois
June 30, 2015

District's proportion of the net pension liability	0.0156539260 %
District's proportionate share of the net pension liability	\$ 9,290,253
State's proportionate share of the net pension liability (asset) associated with the District	<u>303,113,255</u>
Total	<u>\$ 312,403,508</u>
District's covered-employee payroll	\$ 48,167,534
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	19.29 %
Plan fiduciary net position as a percentage of the total pension liability	43.00 %

Note 1: The amounts presented were determined as of the prior fiscal-year end.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 and, therefore, 10 years of information is not available.

Community Consolidated School District 59
SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Retirement System of the State of Illinois
June 30, 2015

Contractually required contribution	\$ 542,797
Contributions in relation to the contractually required contribution	<u>544,662</u>
Contribution deficiency (excess)	<u><u>\$ (1,865)</u></u>
District's covered-employee payroll	\$ 48,167,534
Contributions as a percentage of covered-employee payroll	1.13 %

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 and, therefore, 10 years of information is not available.

Community Consolidated School District 59
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS
June 30, 2015

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2)-(1)]/(5)
6/30/15	\$ -	\$ 3,760,086	0.00 %	\$ 3,760,086	\$ 60,677,024	6.20 %
6/30/14	-	3,049,862	0.00	3,049,862	NA	NA
6/30/13	-	3,049,862	0.00	3,049,862	NA	NA

N/A - Information not available.

Community Consolidated School District 59

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 60,954,421	\$ 64,198,988	\$ 3,244,567	\$ 58,998,215
Special education levy	919,998	940,858	20,860	867,102
Corporate personal property replacement taxes	250,000	247,595	(2,405)	1,112,575
Regular tuition from pupils or parents	55,567	72,445	16,878	60,307
Regular tuition from other districts	18,000	14,330	(3,670)	13,660
Regular tuition from other sources (in state)	-	50	50	8,930
Summer school tuition from pupils or parents	-	28,230	28,230	30,870
Special education tuition from pupils or parents	219,470	212,005	(7,465)	107,620
Special education tuition from other districts	-	14,949	14,949	45,787
Interest on investments	2,224,907	908,989	(1,315,918)	1,020,108
Gain or loss on sale of investments	-	170,924	170,924	855,140
Sales to pupils - lunch	711,827	468,005	(243,822)	672,979
Contributions and donations from private sources	40,000	38,939	(1,061)	43,083
Refund of prior years' expenditures	10,000	21,403	11,403	17,608
Local fees	240,000	181,216	(58,784)	249,452
Other	<u>162,731</u>	<u>596,010</u>	<u>433,279</u>	<u>233,310</u>
Total local sources	<u>65,806,921</u>	<u>68,114,969</u>	<u>2,308,048</u>	<u>64,336,746</u>
State sources				
General State Aid	7,385,189	6,946,234	(438,955)	6,177,081
Special Education - Private Facility Tuition	135,651	192,346	56,695	135,651
Special Education - Extraordinary	884,768	867,050	(17,718)	884,768
Special Education - Personnel	1,159,504	1,200,644	41,140	1,159,685
Special Education - Orphanage - Individual	8,828	21,094	12,266	18,506

(Continued)

Community Consolidated School District 59

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Special Education - Summer School	\$ 5,855	\$ 5,584	\$ (271)	\$ 5,855
Bilingual Ed. - Downstate - T.P.I. and T.P.E.	690,000	747,498	57,498	604,504
State Free Lunch and Breakfast	25,324	18,750	(6,574)	26,800
Early Childhood - Block Grant	358,788	372,210	13,422	371,716
Other state sources	4,943	217,176	212,233	4,850
On Behalf Payments to TRS from the State	<u>17,838,402</u>	<u>24,911,598</u>	<u>7,073,196</u>	<u>17,259,924</u>
Total state sources	<u>28,497,252</u>	<u>35,500,184</u>	<u>7,002,932</u>	<u>26,649,340</u>
Federal sources				
National School Lunch Program	1,406,164	1,539,454	133,290	1,333,727
Special Breakfast Program	180,444	308,991	128,547	218,804
Food Service - Other	-	-	-	136,727
Title I - Low Income	1,386,388	1,613,482	227,094	1,357,310
Federal - Special Education - Pre-School Flow Through	-	53,031	53,031	50,631
Federal - Special Education - I.D.E.A. - Flow Through	1,195,274	1,142,243	(53,031)	1,127,610
Title III - English Language Acquisition	306,064	300,697	(5,367)	343,632
Title II - Teacher Quality	154,471	151,428	(3,043)	155,416
Medicaid Matching Funds - Administrative Outreach	300,000	250,073	(49,927)	213,633
Medicaid Matching Funds - Fee-For-Service-Program	<u>190,000</u>	<u>379,882</u>	<u>189,882</u>	<u>300,643</u>
Total federal sources	<u>5,128,005</u>	<u>5,746,848</u>	<u>618,843</u>	<u>5,238,133</u>
Total revenues	<u>99,432,178</u>	<u>109,362,001</u>	<u>9,929,823</u>	<u>96,224,219</u>

(Continued)

Community Consolidated School District 59

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Expenditures				
Instruction				
Regular programs				
Salaries	\$ 25,888,148	\$ 24,522,433	\$ 1,365,715	\$ 25,032,751
Employee benefits	3,577,281	3,047,193	530,088	2,988,556
On-behalf payments to TRS from the state	17,838,402	24,911,598	(7,073,196)	17,259,924
Purchased services	284,577	252,699	31,878	260,477
Supplies and materials	2,106,281	1,423,215	683,066	4,487,109
Capital outlay	-	-	-	7,657
Other objects	1,000	3,902	(2,902)	3,219
Non-capitalized equipment	469,790	207,417	262,373	1,268,894
Total	<u>50,165,479</u>	<u>54,368,457</u>	<u>(4,202,978)</u>	<u>51,308,587</u>
Pre-K programs				
Salaries	367,033	354,831	12,202	362,493
Employee benefits	55,845	72,750	(16,905)	79,361
Purchased services	100	-	100	93
Supplies and materials	7,200	7,623	(423)	16,889
Total	<u>430,178</u>	<u>435,204</u>	<u>(5,026)</u>	<u>458,836</u>
Special education programs				
Salaries	4,642,112	4,489,841	152,271	4,577,866
Employee benefits	897,096	834,411	62,685	827,019
Purchased services	5,300	2,859	2,441	7,437
Supplies and materials	83,132	39,801	43,331	53,234
Non-capitalized equipment	5,500	11,789	(6,289)	6,209
Total	<u>5,633,140</u>	<u>5,378,800</u>	<u>254,340</u>	<u>5,471,765</u>

(Continued)

Community Consolidated School District 59

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Special education programs pre-K				
Salaries	\$ 1,533,707	\$ 1,547,551	\$ (13,844)	\$ 1,433,311
Employee benefits	295,203	317,417	(22,214)	271,583
Purchased services	426	766	(340)	785
Supplies and materials	23,500	15,411	8,089	20,317
Other objects	-	-	-	60
Non-capitalized equipment	-	-	-	599
Total	1,852,836	1,881,145	(28,309)	1,726,655
Remedial and Supplemental programs K-12				
Salaries	1,027,400	971,942	55,458	542,968
Employee benefits	235,176	455,254	(220,078)	260,885
Supplies and materials	24,000	4,920	19,080	26,414
Total	1,286,576	1,432,116	(145,540)	830,267
Interscholastic programs				
Salaries	345,088	372,781	(27,693)	412,543
Employee benefits	-	4,870	(4,870)	5,875
Purchased services	4,450	14,417	(9,967)	16,447
Supplies and materials	28,238	27,690	548	28,339
Other objects	3,000	4,952	(1,952)	3,041
Total	380,776	424,710	(43,934)	466,245
Summer school programs				
Salaries	207,660	174,481	33,179	193,029
Employee benefits	2,123	1,733	390	1,722
Purchased services	-	-	-	561
Supplies and materials	20,700	5,498	15,202	6,433
Other objects	-	-	-	945
Total	230,483	181,712	48,771	202,690

(Continued)

Community Consolidated School District 59

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Gifted programs				
Salaries	\$ 501,968	\$ 433,096	\$ 68,872	\$ 480,570
Employee benefits	69,003	44,568	24,435	63,150
Purchased services	-	500	(500)	500
Supplies and materials	<u>5,000</u>	<u>893</u>	<u>4,107</u>	<u>6,289</u>
Total	<u>575,971</u>	<u>479,057</u>	<u>96,914</u>	<u>550,509</u>
Bilingual programs				
Salaries	7,819,321	8,122,381	(303,060)	7,442,477
Employee benefits	1,171,464	1,188,480	(17,016)	1,066,614
Purchased services	400	157	243	80
Supplies and materials	103,175	125,546	(22,371)	150,108
Other objects	<u>-</u>	<u>-</u>	<u>-</u>	<u>40</u>
Total	<u>9,094,360</u>	<u>9,436,564</u>	<u>(342,204)</u>	<u>8,659,319</u>
Special education programs K-12 - private tuition				
Other objects	<u>320,000</u>	<u>606,898</u>	<u>(286,898)</u>	<u>431,944</u>
Total instruction	<u>69,969,799</u>	<u>74,624,663</u>	<u>(4,654,864)</u>	<u>70,106,817</u>
Support services				
Pupils				
Attendance and social work services				
Salaries	1,128,979	1,140,551	(11,572)	1,084,817
Employee benefits	138,749	123,721	15,028	133,725
Purchased services	65,300	67,616	(2,316)	72,280
Supplies and materials	6,000	5,588	412	6,302
Non-capitalized equipment	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>11,682</u>
Total	<u>1,344,028</u>	<u>1,337,476</u>	<u>6,552</u>	<u>1,308,806</u>

(Continued)

Community Consolidated School District 59

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Health services				
Salaries	\$ 787,266	\$ 830,933	\$ (43,667)	\$ 801,750
Employee benefits	171,336	142,021	29,315	148,645
Purchased services	39,400	14,684	24,716	67,733
Supplies and materials	11,200	10,751	449	11,656
Other objects	-	120	(120)	420
Non-capitalized equipment	-	2,345	(2,345)	13,726
Total	1,009,202	1,000,854	8,348	1,043,930
Psychological services				
Salaries	954,733	808,123	146,610	846,267
Employee benefits	136,574	116,346	20,228	123,175
Purchased services	11,500	36,441	(24,941)	41,374
Supplies and materials	3,000	6,347	(3,347)	2,794
Total	1,105,807	967,257	138,550	1,013,610
Speech pathology and audiology services				
Salaries	1,639,855	1,673,316	(33,461)	1,590,517
Employee benefits	203,574	207,256	(3,682)	183,931
Purchased services	3,500	53,876	(50,376)	3,789
Supplies and materials	8,000	9,176	(1,176)	7,093
Total	1,854,929	1,943,624	(88,695)	1,785,330

(Continued)

Community Consolidated School District 59

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Other support services - pupils				
Salaries	\$ 130,938	\$ 105,602	\$ 25,336	\$ 187,831
Employee benefits	11,837	11,551	286	18,383
Purchased services	7,944	2,912	5,032	12,131
Supplies and materials	25,000	15,912	9,088	4,682
Other objects	2,000	338	1,662	472
Non-capitalized equipment	-	-	-	1,597
Total	<u>177,719</u>	<u>136,315</u>	<u>41,404</u>	<u>225,096</u>
Total pupils	<u>5,491,685</u>	<u>5,385,526</u>	<u>106,159</u>	<u>5,376,772</u>
Instructional staff				
Improvement of instruction services				
Salaries	1,551,202	1,334,045	217,157	724,801
Employee benefits	222,359	193,673	28,686	124,374
Purchased services	186,550	231,010	(44,460)	254,390
Supplies and materials	89,425	113,260	(23,835)	52,693
Other objects	-	261	(261)	844
Non-capitalized equipment	-	2,636	(2,636)	-
Total	<u>2,049,536</u>	<u>1,874,885</u>	<u>174,651</u>	<u>1,157,102</u>
Educational media services				
Salaries	2,473,351	2,593,430	(120,079)	2,623,439
Employee benefits	541,913	526,840	15,073	504,779
Purchased services	15,000	9,841	5,159	3,945
Supplies and materials	175,846	170,528	5,318	195,030
Other objects	2,350	390	1,960	360
Non-capitalized equipment	-	-	-	35,680
Total	<u>3,208,460</u>	<u>3,301,029</u>	<u>(92,569)</u>	<u>3,363,233</u>

(Continued)

Community Consolidated School District 59

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Assessment and testing				
Salaries	\$ 84,500	\$ 78,611	\$ 5,889	\$ 90,544
Employee benefits	-	909	(909)	343
Purchased services	52,000	17,402	34,598	45,333
Supplies and materials	<u>114,317</u>	<u>163,863</u>	<u>(49,546)</u>	<u>85,931</u>
Total	<u>250,817</u>	<u>260,785</u>	<u>(9,968)</u>	<u>222,151</u>
Total instructional staff	<u>5,508,813</u>	<u>5,436,699</u>	<u>72,114</u>	<u>4,742,486</u>
General administration				
Board of education services				
Salaries	110,063	114,401	(4,338)	111,583
Employee benefits	9,966	9,521	445	9,079
Purchased services	688,000	440,897	247,103	466,705
Supplies and materials	3,200	3,318	(118)	6,010
Other objects	25,000	33,597	(8,597)	19,687
Non-capitalized equipment	<u>-</u>	<u>10,581</u>	<u>(10,581)</u>	<u>3,493</u>
Total	<u>836,229</u>	<u>612,315</u>	<u>223,914</u>	<u>616,557</u>
Executive administration services				
Salaries	756,615	815,224	(58,609)	560,192
Employee benefits	212,614	240,624	(28,010)	164,452
Purchased services	13,091	21,380	(8,289)	15,937
Supplies and materials	12,200	18,664	(6,464)	20,994
Other objects	10,000	16,459	(6,459)	12,961
Non-capitalized equipment	<u>-</u>	<u>1,649</u>	<u>(1,649)</u>	<u>-</u>
Total	<u>1,004,520</u>	<u>1,114,000</u>	<u>(109,480)</u>	<u>774,536</u>

(Continued)

Community Consolidated School District 59

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Special area administrative services				
Salaries	\$ 795,081	\$ 805,011	\$ (9,930)	\$ 873,414
Employee benefits	222,761	186,203	36,558	254,373
Purchased services	24,540	14,971	9,569	32,105
Supplies and materials	14,317	14,989	(672)	15,878
Other objects	500	1,091	(591)	584
Non-capitalized equipment	-	-	-	1,267
Total	1,057,199	1,022,265	34,934	1,177,621
Total general administration	2,897,948	2,748,580	149,368	2,568,714
School administration				
Office of the principal services				
Salaries	4,510,035	4,661,004	(150,969)	4,169,991
Employee benefits	1,419,903	1,352,095	67,808	1,097,857
Purchased services	28,171	33,193	(5,022)	26,052
Supplies and materials	41,390	49,981	(8,591)	31,775
Other objects	2,000	3,389	(1,389)	2,510
Non-capitalized equipment	8,400	11,024	(2,624)	2,172
Total school administration	6,009,899	6,110,686	(100,787)	5,330,357
Business				
Direction of business support services				
Salaries	275,521	278,108	(2,587)	258,028
Employee benefits	71,642	67,029	4,613	58,966
Purchased services	58,200	56,896	1,304	59,120
Supplies and materials	950	821	129	807
Other objects	1,030	500	530	996
Total	407,343	403,354	3,989	377,917

(Continued)

Community Consolidated School District 59

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Fiscal services				
Salaries	\$ 355,822	\$ 352,345	\$ 3,477	\$ 346,604
Employee benefits	66,321	61,853	4,468	612
Purchased services	12,180	15,292	(3,112)	18,993
Supplies and materials	8,214	12,074	(3,860)	1,702
Capital outlay	21,830	20,522	1,308	-
Other objects	<u>1,835</u>	<u>1,770</u>	<u>65</u>	<u>1,922</u>
Total	<u>466,202</u>	<u>463,856</u>	<u>2,346</u>	<u>369,833</u>
Pupil transportation services				
Salaries	3,760	2,193	1,567	2,820
Employee benefits	-	29	(29)	33
Purchased services	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>49,868</u>
Total	<u>13,760</u>	<u>26,656</u>	<u>(12,896)</u>	<u>52,721</u>
Food services				
Salaries	702,213	595,956	106,257	550,210
Employee benefits	9,003	12,529	(3,526)	11,503
Purchased services	1,770,976	1,708,317	62,659	1,794,760
Supplies and materials	22,164	22,919	(755)	154,881
Non-capitalized equipment	<u>5,000</u>	<u>37,065</u>	<u>(32,065)</u>	<u>2,609</u>
Total	<u>2,557,164</u>	<u>2,376,786</u>	<u>180,378</u>	<u>2,513,963</u>

(Continued)

Community Consolidated School District 59

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Internal services				
Salaries	\$ 307,227	\$ 325,361	\$ (18,134)	\$ 306,112
Employee benefits	50,936	52,875	(1,939)	45,217
Purchased services	201,477	240,205	(38,728)	242,424
Supplies and materials	35,000	55,401	(20,401)	32,888
Other objects	1,555	2,005	(450)	970
Non-capitalized equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,000</u>
Total	<u>596,195</u>	<u>675,847</u>	<u>(79,652)</u>	<u>631,611</u>
Total business	<u>4,040,664</u>	<u>3,949,158</u>	<u>91,506</u>	<u>3,946,045</u>
Central				
Planning, research, development and evaluation services				
Salaries	140,725	140,070	655	17,160
Employee benefits	42,348	41,874	474	156
Purchased services	46,500	51,351	(4,851)	28,102
Supplies and materials	4,500	139	4,361	1,240
Other objects	<u>-</u>	<u>-</u>	<u>-</u>	<u>30</u>
Total	<u>234,073</u>	<u>234,064</u>	<u>9</u>	<u>46,688</u>
Information services				
Salaries	82,800	136,521	(53,721)	48,285
Employee benefits	23,798	23,144	654	4,016
Purchased services	64,200	122,550	(58,350)	89,522
Supplies and materials	3,200	11,702	(8,502)	4,198
Capital outlay	-	-	-	5,350
Other objects	-	1,554	(1,554)	-
Non-capitalized equipment	<u>9,000</u>	<u>6,209</u>	<u>2,791</u>	<u>7,661</u>
Total	<u>182,998</u>	<u>301,680</u>	<u>(118,682)</u>	<u>159,032</u>

(Continued)

Community Consolidated School District 59

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Staff services				
Salaries	\$ 610,874	\$ 598,169	\$ 12,705	\$ 524,036
Employee benefits	151,517	143,824	7,693	135,229
Purchased services	32,870	37,484	(4,614)	33,825
Supplies and materials	59,136	76,684	(17,548)	58,563
Capital outlay	10,809	15,488	(4,679)	7,500
Other objects	600	366	234	538
Non-capitalized equipment	<u>-</u>	<u>1,770</u>	<u>(1,770)</u>	<u>-</u>
Total	<u>865,806</u>	<u>873,785</u>	<u>(7,979)</u>	<u>759,691</u>
Data processing services				
Salaries	608,214	480,819	127,395	609,309
Employee benefits	87,987	67,574	20,413	92,137
Purchased services	80,927	44,788	36,139	69,185
Supplies and materials	185,869	161,181	24,688	126,989
Other objects	50	-	50	195
Non-capitalized equipment	<u>178,000</u>	<u>137,950</u>	<u>40,050</u>	<u>97,106</u>
Total	<u>1,159,247</u>	<u>925,757</u>	<u>233,490</u>	<u>994,921</u>
Total central	<u>2,442,124</u>	<u>2,335,286</u>	<u>106,838</u>	<u>1,960,332</u>
Other supporting services				
Salaries	15,000	20,575	(5,575)	11,009
Employee benefits	5,467	7,148	(1,681)	843
Purchased services	-	-	-	230,929
Supplies and materials	<u>12,550</u>	<u>4,863</u>	<u>7,687</u>	<u>4,104</u>
Total	<u>33,017</u>	<u>32,586</u>	<u>431</u>	<u>246,885</u>
Total support services	<u>26,424,150</u>	<u>25,998,521</u>	<u>425,629</u>	<u>24,171,591</u>

(Continued)

Community Consolidated School District 59
 General Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2015
 With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Community services				
Salaries	\$ 104,863	\$ 85,824	\$ 19,039	\$ 86,802
Employee benefits	35,543	23,526	12,017	25,158
Purchased services	27,741	34,392	(6,651)	24,782
Supplies and materials	23,552	20,997	2,555	21,660
Non-capitalized equipment	-	-	-	1,267
Total	<u>191,699</u>	<u>164,739</u>	<u>26,960</u>	<u>159,669</u>
Payments for special education programs				
Purchased services	<u>1,942,294</u>	<u>2,303,624</u>	<u>(361,330)</u>	<u>2,062,407</u>
Total	<u>1,942,294</u>	<u>2,303,624</u>	<u>(361,330)</u>	<u>2,062,407</u>
Payments for regular programs - tuition				
Other objects	<u>-</u>	<u>17,386</u>	<u>(17,386)</u>	<u>20,459</u>
Payments for special education programs - tuition				
Other objects	<u>2,522,197</u>	<u>2,448,419</u>	<u>73,778</u>	<u>2,150,199</u>
Total payments to other districts and other government units	<u>4,464,491</u>	<u>4,769,429</u>	<u>(304,938)</u>	<u>4,233,065</u>
Provision for contingencies	<u>200,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>
Total expenditures	<u>101,250,139</u>	<u>105,557,352</u>	<u>(4,307,213)</u>	<u>98,671,142</u>
Excess (deficiency) of revenues over expenditures	<u>(1,817,961)</u>	<u>3,804,649</u>	<u>5,622,610</u>	<u>(2,446,923)</u>

(Continued)

Community Consolidated School District 59
 General Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2015
 With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Other financing sources (uses)				
Permanent transfer from Working Cash Fund - abatement	\$ (21,200,000)	\$ (20,704,201)	\$ 495,799	\$ -
Permanent transfer from Working Cash Fund - interest	-	(1,400,000)	(1,400,000)	-
Permanent transfer of interest	67,364	33,707	(33,657)	32,628
Debt issuance	19,800,000	18,480,000	(1,320,000)	-
Premium on bonds sold	<u>-</u>	<u>2,118,694</u>	<u>2,118,694</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,332,636)</u>	<u>(1,471,800)</u>	<u>(139,164)</u>	<u>32,628</u>
Net change to fund balance	<u>\$ (3,150,597)</u>	2,332,849	<u>\$ 5,483,446</u>	(2,414,295)
Fund balance, beginning of year		<u>112,224,335</u>		<u>114,638,630</u>
Fund balance, end of year		<u>\$ 114,557,184</u>		<u>\$ 112,224,335</u>

(Concluded)

Community Consolidated School District 59
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2015
With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 5,566,796	\$ 6,489,025	\$ 922,229	\$ 5,832,657
Corporate personal property replacement taxes	2,997,950	2,969,112	(28,838)	1,920,000
Interest on investments	77,717	87,419	9,702	60,271
Gain or loss on sale of investments	-	5,039	5,039	51,376
Rentals	-	800	800	731
Contributions and donations from private sources	-	-	-	250
Refund of prior years' expenditures	-	557	557	126
Other	<u>125,000</u>	<u>25,548</u>	<u>(99,452)</u>	<u>100,002</u>
Total local sources	<u>8,767,463</u>	<u>9,577,500</u>	<u>810,037</u>	<u>7,965,413</u>
State sources				
Other	<u>105,000</u>	<u>229,857</u>	<u>124,857</u>	<u>-</u>
Total state sources	<u>105,000</u>	<u>229,857</u>	<u>124,857</u>	<u>-</u>
Total revenues	<u>8,872,463</u>	<u>9,807,357</u>	<u>934,894</u>	<u>7,965,413</u>
Expenditures				
Facilities acquisition and construction services				
Purchased services	-	123,857	(123,857)	145,858
Supplies and materials	-	4,157	(4,157)	1,300,852
Capital outlay	-	1,339,404	(1,339,404)	2,227,402
Non-capitalized equipment	<u>-</u>	<u>2,150</u>	<u>(2,150)</u>	<u>11,786</u>
Total	<u>-</u>	<u>1,469,568</u>	<u>(1,469,568)</u>	<u>3,685,898</u>

(Continued)

Community Consolidated School District 59
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2015
With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Operation and maintenance of plant services				
Salaries	\$ 3,761,552	\$ 3,739,557	\$ 21,995	\$ 3,721,666
Employee benefits	722,737	683,185	39,552	701,801
Purchased services	1,226,134	1,043,537	182,597	902,419
Supplies and materials	1,870,001	1,538,846	331,155	1,456,389
Capital outlay	2,096,601	37,721	2,058,880	690,812
Other objects	4,000	2,955	1,045	5,126
Non-capitalized equipment	15,000	9,844	5,156	11,120
Total	<u>9,696,025</u>	<u>7,055,645</u>	<u>2,640,380</u>	<u>7,489,333</u>
Total business	<u>9,696,025</u>	<u>8,525,213</u>	<u>1,170,812</u>	<u>11,175,231</u>
Total support services	<u>9,696,025</u>	<u>8,525,213</u>	<u>1,170,812</u>	<u>11,175,231</u>
Payments to other districts and Government units				
Payments to other governmental units (in-state)				
Payments for special education programs				
Other objects	<u>39,632</u>	<u>39,631</u>	<u>1</u>	<u>38,135</u>
Total	<u>39,632</u>	<u>39,631</u>	<u>1</u>	<u>38,135</u>
Total other payments	<u>39,632</u>	<u>39,631</u>	<u>1</u>	<u>38,135</u>
Provision for contingencies	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>-</u>
Total expenditures	<u>9,885,657</u>	<u>8,564,844</u>	<u>1,320,813</u>	<u>11,213,366</u>
Excess (deficiency) of revenues over expenditures	<u>(1,013,194)</u>	<u>1,242,513</u>	<u>2,255,707</u>	<u>(3,247,953)</u>

(Continued)

Community Consolidated School District 59
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2015
With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Other financing sources (uses)				
Permanent transfer from Working Cash Fund - abatement	\$ 21,200,000	\$ 20,704,201	\$ (495,799)	\$ -
Permanent transfer from Working Cash Fund - interest	-	1,400,000	1,400,000	-
Transfer to Capital Projects Fund	<u>(19,800,000)</u>	<u>(20,704,201)</u>	<u>(904,201)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,400,000</u>	<u>1,400,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 386,806</u>	2,642,513	<u>\$ 2,255,707</u>	(3,247,953)
Fund balance, beginning of year		<u>3,307,573</u>		<u>6,555,526</u>
Fund balance, end of year		<u>\$ 5,950,086</u>		<u>\$ 3,307,573</u>

(Concluded)

Community Consolidated School District 59

Transportation Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Revenues				
Local sources				
General levy	\$ 3,189,628	\$ 3,331,086	\$ 141,458	\$ 3,127,536
Regular transportation fees from pupils or parents	20,163	4,960	(15,203)	5,118
Interest on investments	115,580	65,555	(50,025)	53,865
Gain or loss on sale of investments	<u>-</u>	<u>8,793</u>	<u>8,793</u>	<u>45,909</u>
Total local sources	<u>3,325,371</u>	<u>3,410,394</u>	<u>85,023</u>	<u>3,232,428</u>
State sources				
Transportation - Regular/Vocational	39,913	67,933	28,020	40,053
Transportation - Special Education	1,594,316	1,666,975	72,659	1,594,317
Early Childhood - Block Grant	<u>96,131</u>	<u>74,269</u>	<u>(21,862)</u>	<u>83,203</u>
Total state sources	<u>1,730,360</u>	<u>1,809,177</u>	<u>78,817</u>	<u>1,717,573</u>
Federal sources				
Title I - Low Income	<u>45,000</u>	<u>-</u>	<u>(45,000)</u>	<u>-</u>
Total federal sources	<u>45,000</u>	<u>-</u>	<u>(45,000)</u>	<u>-</u>
Total revenues	<u>5,100,731</u>	<u>5,219,571</u>	<u>118,840</u>	<u>4,950,001</u>

(Continued)

Community Consolidated School District 59

Transportation Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Expenditures				
Support services				
Business				
Pupil transportation services				
Salaries	\$ 260,772	\$ 263,294	\$ (2,522)	\$ 261,861
Employee benefits	52,842	40,521	12,321	51,101
Purchased services	4,705,028	4,656,351	48,677	4,353,607
Supplies and materials	408,500	281,088	127,412	365,015
Capital outlay	42,500	-	42,500	-
Other objects	250	254	(4)	99
Non-capitalized equipment	<u>5,000</u>	<u>4,980</u>	<u>20</u>	<u>4,968</u>
Total	<u>5,474,892</u>	<u>5,246,488</u>	<u>228,404</u>	<u>5,036,651</u>
Total support services	<u>5,474,892</u>	<u>5,246,488</u>	<u>228,404</u>	<u>5,036,651</u>
Provision for contingencies	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>-</u>
Total expenditures	<u>5,489,892</u>	<u>5,246,488</u>	<u>243,404</u>	<u>5,036,651</u>
Net change in fund balance	<u>\$ (389,161)</u>	(26,917)	<u>\$ 362,244</u>	(86,650)
Fund balance, beginning of year		<u>5,771,278</u>		<u>5,857,928</u>
Fund balance, end of year		<u>\$ 5,744,361</u>		<u>\$ 5,771,278</u>

(Concluded)

Community Consolidated School District 59
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2015
With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 836,989	\$ 879,075	\$ 42,086	\$ 778,297
Social security/Medicare only levy	854,067	893,929	39,862	815,291
Corporate personal property replacement taxes	1,671,977	1,655,894	(16,083)	1,500,000
Interest on investments	11,533	21,943	10,410	4,404
Gain or loss on sale of investments	-	708	708	3,332
Total local sources	<u>3,374,566</u>	<u>3,451,549</u>	<u>76,983</u>	<u>3,101,324</u>
Total revenues	<u>3,374,566</u>	<u>3,451,549</u>	<u>76,983</u>	<u>3,101,324</u>
Expenditures				
Instruction				
Regular programs	419,775	264,721	155,054	243,245
Pre-K programs	26,850	150,109	(123,259)	157,152
Special education programs	306,452	257,863	48,589	236,022
Special education programs pre-K	110,104	190,123	(80,019)	169,586
Remedial and supplemental programs K-12	14,027	-	14,027	-
Interscholastic programs	14,000	13,552	448	14,139
Summer school programs	9,000	10,099	(1,099)	12,117
Gifted programs	7,273	6,010	1,263	6,541
Bilingual programs	259,824	224,570	35,254	203,346
Total instruction	<u>1,167,305</u>	<u>1,117,047</u>	<u>50,258</u>	<u>1,042,148</u>

(Continued)

Community Consolidated School District 59
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2015
With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Support services				
Pupils				
Attendance and social work services	\$ 28,213	\$ 27,867	\$ 346	\$ 25,827
Health services	104,333	115,318	(10,985)	105,620
Psychological services	17,229	12,666	4,563	11,490
Speech pathology and audiology services	32,552	35,079	(2,527)	32,579
Other support services -pupils	<u>24,799</u>	<u>20,958</u>	<u>3,841</u>	<u>31,462</u>
Total pupils	<u>207,126</u>	<u>211,888</u>	<u>(4,762)</u>	<u>206,978</u>
Instructional staff				
Improvement of instruction services	20,685	18,663	2,022	11,016
Educational media services	212,421	266,557	(54,136)	228,821
Assessment and testing	<u>4,000</u>	<u>2,188</u>	<u>1,812</u>	<u>5,028</u>
Total instructional staff	<u>237,106</u>	<u>287,408</u>	<u>(50,302)</u>	<u>244,865</u>
General administration				
Board of education services	1,604	1,689	(85)	1,617
Executive administration services	40,882	60,707	(19,825)	34,147
Special area administrative services	<u>50,471</u>	<u>52,504</u>	<u>(2,033)</u>	<u>49,859</u>
Total general administration	<u>92,957</u>	<u>114,900</u>	<u>(21,943)</u>	<u>85,623</u>
School administration				
Office of the principal services	<u>243,371</u>	<u>319,945</u>	<u>(76,574)</u>	<u>330,981</u>
Total school administration	<u>243,371</u>	<u>319,945</u>	<u>(76,574)</u>	<u>330,981</u>

(Continued)

Community Consolidated School District 59
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2015
With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015		Variance From Final Budget	2014 Actual
	Original and Final Budget	Actual		
Business				
Direction of business support services	\$ 16,612	\$ 15,918	\$ 694	\$ 15,198
Fiscal services	61,839	70,832	(8,993)	67,126
Operation and maintenance of plant services	743,739	737,785	5,954	705,882
Pupil transportation services	31,827	39,901	(8,074)	40,011
Food services	35,075	58,725	(23,650)	53,293
Internal services	<u>53,034</u>	<u>81,813</u>	<u>(28,779)</u>	<u>59,138</u>
Total business	<u>942,126</u>	<u>1,004,974</u>	<u>(62,848)</u>	<u>940,648</u>
Central				
Planning, research, development and evaluation services	2,026	2,224	(198)	288
Information services	21,627	27,570	(5,943)	9,462
Staff services	65,373	74,580	(9,207)	73,921
Data processing services	<u>114,172</u>	<u>96,490</u>	<u>17,682</u>	<u>124,886</u>
Total central	<u>203,198</u>	<u>200,864</u>	<u>2,334</u>	<u>208,557</u>
Total support services	<u>1,925,884</u>	<u>2,139,979</u>	<u>(214,095)</u>	<u>2,017,652</u>
Community services	<u>8,283</u>	<u>3,117</u>	<u>5,166</u>	<u>2,117</u>
Provision for contingencies	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>-</u>
Total expenditures	<u>3,121,472</u>	<u>3,260,143</u>	<u>(138,671)</u>	<u>3,061,917</u>
Net change in fund balance	<u>\$ 253,094</u>	191,406	<u>\$ (61,688)</u>	39,407
Fund balance, beginning of year		<u>464,543</u>		<u>425,136</u>
Fund balance, end of year		<u>\$ 655,949</u>		<u>\$ 464,543</u>

(Concluded)

Community Consolidated School District 59
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2015

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level.

The Board of Education 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 commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December of each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- e) 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 a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- f) The budget amounts shown in the financial statements were originally adopted by the Board of Education on August 11, 2014.
- g) All budget appropriations lapse at the end of the fiscal year.

2. EXPENDITURES IN EXCESS OF BUDGETS

The following funds had expenditures in excess of budgets at June 30, 2015:

Fund	Variance
General	\$ 4,223,195
Municipal Retirement/Social Security	138,671
Debt Service	134,543
Capital Projects	1,049,349

The District had expenditures in excess of the budget in the General fund as a result of higher than anticipated on-behalf payments to TRS from the State of Illinois. These expenditures in excess of budget were not material violations of finance-related legal or contractual provisions.

Community Consolidated School District 59
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2015

3. TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Changes of Assumptions

Amounts reported in 2014 reflect an investment rate of return of 7.5 percent, an inflation rate of 3.0 percent and real return of 4.5 percent, and a salary increase assumption of 5.75 percent. In 2013, assumptions used were an investment rate of return of 8.0 percent, an inflation rate of 3.25 percent and real return of 4.75 percent, and salary increases of 6.00 percent. However, the total pension liability at the beginning and end of the year was calculated using the same assumptions, so the difference due to actuarial assumptions was not calculated or allocated.

Community Consolidated School District 59
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2015

4. SUMMARY OF ACUTARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2014 IMRF CONTRIBUTION RATE*

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine the 2014 Contribution Rate:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular members): 29-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	4.00%
Price Inflation	3.0% - approximate; no explicit price inflation assumption is used in this valuation.
Salary Increases	4.40% to 16.00%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2011 calculation pursuant to an experience study of the period 2008-2010.
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2012 actuarial valuation.

SUPPLEMENTARY FINANCIAL INFORMATION

Community Consolidated School District 59

General Fund

COMBINING BALANCE SHEET

June 30, 2015

	Educational Account	Working Cash Account	Total
ASSETS			
Cash and investments	\$ 83,967,721	\$ 18,043,102	\$ 102,010,823
Receivables (net of allowance for uncollectibles):			
Interest	214,228	-	214,228
Property taxes	29,712,239	-	29,712,239
Replacement taxes	40,644	-	40,644
Accounts	64,888	-	64,888
Intergovernmental	4,180,810	-	4,180,810
Prepaid items	868	-	868
Total assets	\$ 118,181,398	\$ 18,043,102	\$ 136,224,500
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 1,705,326	\$ -	\$ 1,705,326
Salaries and benefits payable	8,640,134	-	8,640,134
Claims payable	406,039	-	406,039
Unearned revenue	98,602	-	98,602
Total liabilities	10,850,101	-	10,850,101
DEFERRED INFLOWS			
Unavailable interest revenue	78,523	-	78,523
Unavailable grant revenue	2,416,456	-	2,416,456
Property taxes levied for a future period	8,322,236	-	8,322,236
Total deferred inflows	10,817,215	-	10,817,215
FUND BALANCES			
Nonspendable	868	-	868
Assigned	7,291,976	-	7,291,976
Unassigned	89,221,238	18,043,102	107,264,340
Total fund balance	96,514,082	18,043,102	114,557,184
Total liabilities, deferred inflows, and fund balance	\$ 118,181,398	\$ 18,043,102	\$ 136,224,500

Community Consolidated School District 59

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2015

	Educational Account	Working Cash Account	Total
Revenues			
Property taxes	\$ 65,141,503	\$ (1,657)	\$ 65,139,846
Replacement taxes	247,595	-	247,595
State aid	35,500,184	-	35,500,184
Federal aid	5,746,848	-	5,746,848
Interest	801,468	278,445	1,079,913
Other	1,647,615	-	1,647,615
Total revenues	109,085,213	276,788	109,362,001
Expenditures			
Current:			
Instruction:			
Regular programs	29,892,063	-	29,892,063
Special programs	9,298,959	-	9,298,959
Other instructional programs	10,522,043	-	10,522,043
State retirement contributions	24,911,598	-	24,911,598
Support services:			
Pupils	5,385,526	-	5,385,526
Instructional staff	5,436,699	-	5,436,699
General administration	2,748,580	-	2,748,580
School administration	6,110,686	-	6,110,686
Business	3,899,321	-	3,899,321
Transportation	2,222	-	2,222
Operations and maintenance	2,659	-	2,659
Central	2,286,353	-	2,286,353
Other supporting services	32,586	-	32,586
Community services	164,739	-	164,739
Nonprogrammed charges	4,769,429	-	4,769,429
Capital outlay	93,889	-	93,889
Total expenditures	105,557,352	-	105,557,352
Excess (deficiency) of revenues over expenditures	3,527,861	276,788	3,804,649
Other financing sources (uses)			
Transfers in	33,707	-	33,707
Transfers out	-	(22,104,201)	(22,104,201)
Debt issuance	-	18,480,000	18,480,000
Premium on bonds sold	-	2,118,694	2,118,694
Total other financing sources	33,707	(1,505,507)	(1,471,800)
Net change in fund balance	3,561,568	(1,228,719)	2,332,849
Fund balance, beginning of year	92,952,514	19,271,821	112,224,335
Fund balance, end of year	\$ 96,514,082	\$ 18,043,102	\$ 114,557,184

Community Consolidated School District 59
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2015
With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Revenues				
Local sources				
General levy	\$ 2,595,003	\$ 3,789,011	\$ 1,194,008	\$ 3,478,612
Interest on investments	67,364	31,134	(36,230)	31,889
Gain or loss on sale of investments	-	4,988	4,988	25,627
Total local sources	<u>2,662,367</u>	<u>3,825,133</u>	<u>1,162,766</u>	<u>3,536,128</u>
Total revenues	<u>2,662,367</u>	<u>3,825,133</u>	<u>1,162,766</u>	<u>3,536,128</u>
Expenditures				
Debt service				
Debt services - interest				
Bonds - interest	<u>166,591</u>	<u>297,950</u>	<u>(131,359)</u>	<u>286,123</u>
Total debt service - interest	<u>166,591</u>	<u>297,950</u>	<u>(131,359)</u>	<u>286,123</u>
Principal payments on long-term debt	<u>3,335,000</u>	<u>3,335,000</u>	<u>-</u>	<u>3,210,000</u>
Other debt service				
Other objects	<u>-</u>	<u>3,184</u>	<u>(3,184)</u>	<u>3,415</u>
Total	<u>-</u>	<u>3,184</u>	<u>(3,184)</u>	<u>3,415</u>
Total debt service	<u>3,501,591</u>	<u>3,636,134</u>	<u>(134,543)</u>	<u>3,499,538</u>
Total expenditures	<u>3,501,591</u>	<u>3,636,134</u>	<u>(134,543)</u>	<u>3,499,538</u>

(Continued)

Community Consolidated School District 59
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2015
With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Excess (deficiency) of revenues over expenditures	\$ (839,224)	\$ 188,999	\$ 1,028,223	\$ 36,590
Other financing uses				
Permanent transfer of interest - out	(67,364)	(33,707)	33,657	(32,628)
Total other financing uses	(67,364)	(33,707)	33,657	(32,628)
Net change in fund balance	<u>\$ (906,588)</u>	155,292	<u>\$ 1,061,880</u>	3,962
Fund balance, beginning of year		<u>3,273,941</u>		<u>3,269,979</u>
Fund balance, end of year		<u>\$ 3,429,233</u>		<u>\$ 3,273,941</u>

(Concluded)

Community Consolidated School District 59

Capital Projects Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2015

With Comparative Actual Amounts for the Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Expenditures				
Support services				
Facilities acquisition and construction services				
Purchased services	\$ 224,915	\$ 57,355	\$ 167,560	\$ -
Supplies and materials	-	41,748	(41,748)	-
Capital outlay	<u>15,800,000</u>	<u>16,975,161</u>	<u>(1,175,161)</u>	<u>-</u>
Total support services	<u>16,024,915</u>	<u>17,074,264</u>	<u>(1,049,349)</u>	<u>-</u>
Total expenditures	<u>16,024,915</u>	<u>17,074,264</u>	<u>(1,049,349)</u>	<u>-</u>
Deficiency of revenues over expenditures	<u>(16,024,915)</u>	<u>(17,074,264)</u>	<u>(1,049,349)</u>	<u>-</u>
Other financing sources				
Transfer from Operations and Maintenance Fund	<u>19,800,000</u>	<u>20,704,201</u>	<u>904,201</u>	<u>-</u>
Total other financing sources	<u>19,800,000</u>	<u>20,704,201</u>	<u>904,201</u>	<u>-</u>
Net change in fund balance	<u>\$ 3,775,085</u>	3,629,937	<u>\$ (145,148)</u>	-
Fund balance, beginning of year		-		-
Fund balance, end of year		<u>\$ 3,629,937</u>		<u>\$ -</u>

Community Consolidated School District 59
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2015

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
Assets				
Cash	\$ 69,790	\$ 112,414	\$ 128,129	\$ 54,075
Total assets	<u>\$ 69,790</u>	<u>\$ 112,414</u>	<u>\$ 128,129</u>	<u>\$ 54,075</u>
Liabilities				
Due to student groups				
Friendship Jr High School	\$ 17,152	\$ 28,237	\$ 28,074	\$ 17,315
Grove Jr High School	23,106	55,568	65,123	13,551
Holmes Jr High School	24,096	25,931	32,095	17,932
Salt Creek	1,112	414	277	1,249
Total due to student groups	<u>65,466</u>	<u>110,150</u>	<u>125,569</u>	<u>50,047</u>
Due to supporting organizations				
Ecology Club	-	414	-	414
Gifted and Talented Association	588	-	-	588
Jan's Memorial Fund	31	-	-	31
Patrol	984	15	999	-
Student Council	665	1,221	-	1,886
Student Store	2,056	614	1,561	1,109
Total due to supporting organizations	<u>4,324</u>	<u>1,850</u>	<u>2,560</u>	<u>3,614</u>
Total liabilities	<u>\$ 69,790</u>	<u>\$ 112,414</u>	<u>\$ 128,129</u>	<u>\$ 54,075</u>

STATISTICAL SECTION
(Unaudited)

Statistical Section

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.

Contents

Page

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. 103

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax. 110

Debt Capacity

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. 113

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. 119

Operating Information

These schedules contain information about the District's service and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs. 121

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Community Consolidated School District 59

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Governmental activities										
Net investment in capital assets	\$ 73,495,350	\$ 72,430,149	\$ 70,809,782	\$ 68,881,912	\$ 65,660,775	\$ 59,345,607	\$ 61,798,424	\$ 57,978,930	\$ 56,823,122	\$ 54,094,571
Restricted For:										
Operations and maintenance	5,950,086	3,307,573 *	-	-	-	-	-	-	-	-
Debt service	3,151,061	3,219,499	3,174,604	4,528,588	3,088,944	3,422,275	3,048,004	3,002,740	2,708,806	2,406,313
Student transportation	8,335,629	8,067,214 *	-	-	-	-	-	-	-	-
Capital projects	3,629,937	-	-	-	-	-	-	-	-	-
Retirement benefits	655,949	464,543	844,800	1,318,523	1,962,019	2,389,101	-	-	-	-
Unrestricted	<u>97,327,637</u>	<u>112,503,702</u>	<u>128,996,800</u>	<u>129,914,587</u>	<u>111,044,581</u>	<u>116,963,327</u>	<u>110,264,636</u>	<u>106,064,503</u>	<u>97,089,221</u>	<u>89,931,052</u>
Total net assets	<u>\$192,545,649</u>	<u>\$199,992,680</u>	<u>\$203,825,986</u>	<u>\$204,643,610</u>	<u>\$181,756,319</u>	<u>\$182,120,310</u>	<u>\$175,111,064</u>	<u>\$167,046,173</u>	<u>\$156,621,149</u>	<u>\$146,431,936</u>

* Operations and maintenance and student transportation funds were not designated as restricted prior to the year ended June 30, 2014.

Community Consolidated School District 59
 CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses										
Governmental activities:										
Instruction										
Regular Programs ^{a, g}	\$ 30,358,492	\$ 35,244,296	\$ 31,135,330	\$ 29,931,859	\$ 31,791,528	\$ 29,691,214	\$ 26,753,399	\$ 26,259,087	\$ 25,532,859	\$ 25,390,637
Special Education Programs	12,075,638	10,980,062	7,730,988	7,230,195	7,275,285	7,219,361	6,245,973	5,812,435	5,711,151	5,325,135
Other Instructional Programs ^b	10,748,481	10,122,805	10,409,386	9,528,164	9,732,226	10,039,540	8,640,830	7,655,317	6,908,496	6,297,002
State retirement contributions ^c	24,911,598	17,259,924	13,298,931	11,593,232	10,684,396	10,399,062	7,284,030	4,945,955	3,689,619	2,501,338
Support Services										
Pupils	5,669,155	5,584,877	5,063,173	4,988,735	4,627,169	4,596,881	4,261,415	3,865,893	3,637,060	3,428,564
Instruction staff ^j	5,982,375	4,994,377	4,754,920	4,572,462	4,799,775	4,599,131	4,390,893	4,283,129	4,038,965	3,673,204
Support Services - General Administration	2,870,516	2,654,743	2,766,607	2,551,409	2,244,743	2,360,231	2,160,274	2,153,701	1,693,919	1,682,559
Support Services - School Administration ^j	6,417,794	5,663,503	5,545,972	5,099,142	5,196,273	5,120,037	4,772,006	4,523,279	4,341,014	4,066,304
Business ^{d, e}	4,491,807	5,772,738	4,014,008	4,037,968	3,896,934	3,722,220	2,850,355	2,764,464	3,943,474	2,003,411
Facilities Acquisition and Construction ^e	-	-	797,140	5,426,819	77,630	247,866	244,705	29,278	1,336,197	3,438,048
Operation and Maintenance	11,820,804	11,324,351	10,538,008	5,770,004	11,117,740	10,733,707	10,289,991	9,977,471	8,322,490	7,352,038
Pupil Transportation Services	5,317,432	5,133,424	4,867,638	4,585,561	5,630,609	5,110,266	4,728,912	4,708,439	4,214,697	4,318,019
Central	2,661,865	2,232,673	2,317,703	2,141,281	2,303,772	2,163,798	2,674,675	2,336,647	2,430,548	2,371,225
Other supporting services ^f	32,586	246,885	-	-	-	-	-	-	-	-
Community services	178,945	161,786	156,080	162,208	134,313	181,528	134,158	188,698	162,689	118,713
Payments to other governmental units ^g	-	-	4,314,496	4,434,321	3,990,219	3,573,168	3,013,646	2,662,205	2,254,261	1,975,314
Nonprogrammed charges - excluding special education ^g	2,465,805	2,170,658	-	-	-	-	-	-	-	-
Interest on long-term debt	624,608	469,292	633,367	815,770	966,562	1,073,375	1,059,171	1,160,948	1,565,407	1,661,003
Total government expenses	\$ 126,627,901	\$ 120,016,394	\$ 108,343,747	\$ 102,869,130	\$ 104,469,174	\$ 100,831,385	\$ 89,504,433	\$ 83,326,946	\$ 79,782,846	\$ 75,602,514
Program Revenues										
Governmental activities:										
Charges for services										
Operating grants and contributions ^a	1,044,540	1,255,145	1,043,525	993,295	1,157,173	1,061,003	1,127,200	1,382,176	1,347,705	1,075,467
Operating grants and contributions ^a	36,516,588	27,934,584	23,191,959	20,801,435	22,229,839	21,527,652	17,253,293	13,432,201	11,536,171	9,728,212
Total government program revenues ^d	\$ 37,561,128	\$ 29,189,729	\$ 24,235,484	\$ 21,794,730	\$ 23,387,012	\$ 22,588,655	\$ 18,380,493	\$ 14,814,377	\$ 12,883,876	\$ 10,803,679
Net (Expense)/Revenue	\$ (89,066,773)	\$ (90,826,665)	\$ (84,108,263)	\$ (81,074,400)	\$ (81,082,162)	\$ (78,242,730)	\$ (71,123,940)	\$ (68,512,569)	\$ (66,898,970)	\$ (64,798,835)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes ^h										
Property taxes levied for general purposes	65,139,846	59,865,317	73,518,112	93,873,533	70,579,004	75,242,779	68,127,537	65,456,909	64,324,268	61,390,041
Real estate taxes, levied for specific purposes	11,593,115	10,553,781	-	-	-	-	-	-	-	-
Real estate taxes, levied for debt service	3,789,011	3,478,612	-	-	-	-	-	-	-	-
Personal property replacement taxes	4,872,601	4,532,575	-	-	-	-	-	-	-	-
State aid-formula grants	6,946,234	6,177,081	-	-	-	-	-	-	-	-
Payments in lieu of taxes	-	-	4,480,589	4,385,210	4,766,892	3,675,835	4,543,723	5,194,188	4,857,231	4,452,034
Unrestricted grants and contributions	-	-	5,113,913	4,372,906	3,668,584	2,139,108	1,583,077	1,743,607	1,637,381	1,523,907
Miscellaneous	634,940	273,688	1,230,757	986,371	931,003	2,121,230	657,191	609,363	587,363	484,524
Investment earnings ⁱ	1,286,247	2,112,305	(987,176)	343,671	772,688	2,073,024	4,277,303	5,933,526	5,681,940	1,816,418
Total general revenues and other changes in net assets	\$ 94,261,994	\$ 86,993,359	\$ 83,356,195	\$ 103,961,691	\$ 80,718,171	\$ 85,251,976	\$ 79,188,831	\$ 78,937,593	\$ 77,088,183	\$ 69,666,924
Change in Net Position	\$ 5,195,221	\$ (3,833,306)	\$ (752,068)	\$ 22,887,291	\$ (363,991)	\$ 7,009,246	\$ 8,064,891	\$ 10,425,024	\$ 10,189,213	\$ 4,868,089

Community Consolidated School District 59
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

^a Variances due to student 1:1 device implementation in a rotation schedule.

^b Fiscal year 2011 reflects a reduction in health insurance expenditures due to plan design changes and employee contribution increases.

^c Expenditure fluctuations are due to rate variances which are set by the State of Illinois.

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

^e In 2014, facilities acquisition and construction was moved to Business.

^f In 2014, other supporting services was segregated from Central.

^g In 2014, Payments to other government units, which included tuition for General Education and Special Education Students, moved to Special Programs and Nonprogrammed charges - excluding special education.

^h In 2014, taxes were specifically reported by designation

ⁱ Reflects fluctuations of market value at June 30.

^j In FY2015, an additional teacher support position was added.

^k In FY2015, all elementary schools added an assistant principal position.

Community Consolidated School District 59
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund										
Nonspendable	\$ 868	\$ 37,621	\$ 51,768	\$ 49,186	\$ 64,580	\$ 59,879	\$ 1,690,306	\$ 967,359	\$ 750,181	\$ 1,810,110
Assigned:										
Insurance	7,291,976	6,342,798	5,471,109	4,707,079	1,800,977	121,759	-	-	-	-
Unassigned	107,264,340	105,843,916	115,671,279	115,459,306	101,327,220	82,511,449	78,603,260	76,522,884	71,103,491	64,102,516
Total general fund	<u>\$ 114,557,184</u>	<u>\$ 112,224,335</u>	<u>\$ 121,194,156</u>	<u>\$ 120,215,571</u>	<u>\$ 103,192,777</u>	<u>\$ 82,693,087</u>	<u>\$ 80,293,566</u>	<u>\$ 77,490,243</u>	<u>\$ 71,853,672</u>	<u>\$ 65,912,626</u>
All Other Governmental Funds										
Restricted:										
Operations and Maintenance	\$ 5,950,086	\$ 3,307,573	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	5,744,361	5,771,278	-	-	-	-	-	-	-	-
Municipal Retirement/Social Security	655,949	464,543	844,800	1,318,523	1,962,019	2,389,101	-	-	-	-
Debt service	3,429,233	3,273,941	3,269,979	4,699,567	3,325,403	3,711,296	3,311,096	3,313,928	3,050,789	2,783,085
Capital Project	3,629,937	-	-	-	-	-	-	-	-	-
Assigned:										
Transportation	-	-	5,857,928	5,264,771	3,267,563	3,570,447	-	-	-	-
Construction	-	-	-	1,093,924	612,698	5,293,621	-	-	-	-
Unassigned	-	-	(419,664)	(478,508)	(972,534)	19,942,864	25,971,810	24,193,854	21,180,345	20,455,083
Total all other governmental funds	<u>\$ 19,409,566</u>	<u>\$ 12,817,335</u>	<u>\$ 9,553,043</u>	<u>\$ 11,898,277</u>	<u>\$ 8,195,149</u>	<u>\$ 34,907,329</u>	<u>\$ 29,282,906</u>	<u>\$ 27,507,782</u>	<u>\$ 24,231,134</u>	<u>\$ 23,238,168</u>
Grand total all fund balances	<u>\$ 133,966,750</u>	<u>\$ 125,041,670</u>	<u>\$ 130,747,199</u>	<u>\$ 132,113,848</u>	<u>\$ 111,387,926</u>	<u>\$ 117,600,416</u>	<u>\$ 109,576,472</u>	<u>\$ 104,998,025</u>	<u>\$ 96,084,806</u>	<u>\$ 89,150,794</u>

Note: District implemented GASB Statement No. 54 in fiscal year 2011.
 Note: Operations and maintenance fund was reclassified from the General Fund to other governmental funds.
 Note: During 2014, all funds were reclassified from assigned to restricted.

Community Consolidated School District 59
 GOVERNMENTAL FUNDS REVENUES
 LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Local sources:										
Property taxes (a)	\$ 80,521,972	\$ 73,897,710	\$ 73,518,112	\$ 93,873,533	\$ 70,579,004	\$ 75,242,779	\$ 68,127,595	\$ 65,456,892	\$ 64,324,268	\$ 61,390,041
Replacement taxes	4,872,601	4,532,575	4,480,589	4,385,210	4,766,892	3,675,835	4,543,723	5,194,187	4,857,231	4,452,034
Interest (b)	1,305,492	2,151,921	(917,704)	285,221	828,240	2,073,024	4,277,534	5,886,757	5,681,940	1,816,418
Other	<u>1,679,480</u>	<u>1,589,833</u>	<u>2,213,282</u>	<u>1,990,124</u>	<u>2,099,676</u>	<u>3,486,542</u>	<u>1,799,540</u>	<u>2,009,770</u>	<u>1,933,432</u>	<u>1,567,495</u>
Total local sources	<u>88,379,545</u>	<u>82,172,039</u>	<u>79,294,279</u>	<u>100,534,088</u>	<u>78,273,812</u>	<u>84,478,180</u>	<u>78,748,392</u>	<u>78,547,606</u>	<u>76,796,871</u>	<u>69,225,988</u>
State sources:										
Unrestricted State Aid (d)	6,946,234	6,177,081	5,113,913	4,372,906	3,668,584	2,139,108	1,583,077	1,743,607	1,637,381	1,523,907
Restricted State Aid	5,681,386	4,929,908	5,868,676	5,511,459	5,828,808	4,088,516	5,784,276	5,557,964	4,957,482	4,600,853
TRS On-behalf payments (e)	<u>24,911,598</u>	<u>17,259,924</u>	<u>13,298,931</u>	<u>11,593,232</u>	<u>10,684,396</u>	<u>10,399,062</u>	<u>7,284,030</u>	<u>4,945,955</u>	<u>3,689,619</u>	<u>2,501,338</u>
Total state sources	<u>37,539,218</u>	<u>28,366,913</u>	<u>24,281,520</u>	<u>21,477,597</u>	<u>20,181,788</u>	<u>16,626,686</u>	<u>14,651,383</u>	<u>12,247,526</u>	<u>10,284,482</u>	<u>8,626,098</u>
Federal sources:										
Restricted Federal Aid (c)	<u>5,746,848</u>	<u>5,238,133</u>	<u>5,023,982</u>	<u>4,395,181</u>	<u>5,696,685</u>	<u>5,290,934</u>	<u>3,923,502</u>	<u>2,614,385</u>	<u>2,390,673</u>	<u>2,456,257</u>
Total federal sources	<u>5,746,848</u>	<u>5,238,133</u>	<u>5,023,982</u>	<u>4,395,181</u>	<u>5,696,685</u>	<u>5,290,934</u>	<u>3,923,502</u>	<u>2,614,385</u>	<u>2,390,673</u>	<u>2,456,257</u>
Total revenues	<u>\$ 131,665,611</u>	<u>\$ 115,777,085</u>	<u>\$ 108,599,781</u>	<u>\$ 126,406,866</u>	<u>\$ 104,152,285</u>	<u>\$ 106,395,800</u>	<u>\$ 97,323,277</u>	<u>\$ 93,409,517</u>	<u>\$ 89,472,026</u>	<u>\$ 80,308,343</u>

Notes:

^a 2005 marks the first year of tax collections for Series 2003 debt retirement. 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.

^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).

^d In 2014, the District received a large increase in the State of Illinois Poverty Grant due to substantial growth in low income students.

^e In 2015, there was an increase related to the implementation of GASB 68.

Community Consolidated School District 59
 GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
 LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Expenditures										
Current:										
Instruction:										
Regular Programs (g)	\$ 30,306,893	\$ 34,900,239	\$ 30,504,158	\$ 29,177,086	\$ 28,427,628	\$ 28,061,074	\$ 26,357,085	\$ 24,821,521	\$ 25,320,196	\$ 23,899,090
Special Programs (f)	9,746,945	8,866,239	7,696,246	7,100,745	7,174,696	7,168,263	6,246,221	5,745,381	5,628,062	5,214,696
Other Instructional Programs (a)	10,776,274	10,114,906	10,332,747	9,519,071	9,810,797	10,024,811	8,640,640	7,626,422	6,945,306	6,260,184
TRS On-behalf payments (b)	24,911,598	17,259,924	13,298,931	11,593,232	10,684,396	10,399,062	7,284,030	4,945,955	3,689,619	2,501,338
Support Services:										
Pupils	5,597,414	5,583,750	5,049,079	4,955,686	4,606,823	4,576,374	4,244,616	3,769,804	3,613,310	3,354,745
Instructional Staff	5,724,107	4,987,351	4,699,030	4,505,276	4,700,845	4,555,578	4,341,338	4,081,727	4,039,869	3,567,066
General Administration	2,863,480	2,654,337	2,749,484	2,536,117	2,218,808	2,344,964	2,145,568	2,147,688	1,690,830	1,677,072
School Administration	6,430,631	5,661,338	5,487,396	5,085,454	5,133,226	5,106,947	4,748,386	4,500,734	4,316,086	4,001,691
Business (c)	4,355,876	5,546,575	16,073,884	15,703,937	16,745,481	16,175,201	15,204,488	14,995,850	14,384,014	13,765,290
Transportation (c)(e)	5,288,611	5,129,383	-	-	-	-	-	-	-	-
Operations & Maintenance (c)	7,758,368	7,504,403	-	-	-	-	-	-	-	-
Central	2,487,217	2,156,039	2,139,624	1,979,082	2,119,796	2,253,733	2,036,674	1,765,380	1,764,200	1,768,345
Other supporting services (d)	32,586	246,885	-	-	-	-	-	-	-	-
Community services	167,856	161,786	155,132	157,560	132,626	180,501	134,142	188,698	162,689	118,713
Nonprogrammed charges (f)	4,809,060	4,271,200	-	-	-	-	-	-	-	-
Payments to other governmental units (f)	-	-	4,314,496	4,434,321	3,990,220	3,573,168	3,013,646	2,662,205	2,254,261	2,053,734
Principal	3,335,000	3,210,000	4,705,000	4,510,000	4,350,000	4,210,000	4,080,000	3,970,000	3,944,944	3,898,545
Interest and other	301,134	289,538	516,353	712,940	870,328	872,335	917,226	1,026,400	1,143,195	1,231,597
Capital outlay (h)	<u>18,446,175</u>	<u>2,938,721</u>	<u>2,244,870</u>	<u>3,710,437</u>	<u>9,399,105</u>	<u>6,667,114</u>	<u>3,350,770</u>	<u>2,248,533</u>	<u>3,641,433</u>	<u>5,100,486</u>
Total expenditures	<u>\$ 143,339,225</u>	<u>\$ 121,482,614</u>	<u>\$ 109,966,430</u>	<u>\$ 105,680,944</u>	<u>\$ 110,364,775</u>	<u>\$ 106,169,125</u>	<u>\$ 92,744,830</u>	<u>\$ 84,496,298</u>	<u>\$ 82,538,014</u>	<u>\$ 78,412,592</u>
Debt service as a percentage of noncapital expenditures	<u>3.0%</u>	<u>3.0%</u>	<u>5.1%</u>	<u>5.4%</u>	<u>5.5%</u>	<u>5.4%</u>	<u>5.9%</u>	<u>6.5%</u>	<u>6.9%</u>	<u>7.5%</u>
Debt service as a percentage of total expenditures	<u>2.5%</u>	<u>2.9%</u>	<u>4.7%</u>	<u>4.9%</u>	<u>4.7%</u>	<u>4.8%</u>	<u>5.4%</u>	<u>5.9%</u>	<u>6.2%</u>	<u>6.5%</u>

Notes:

^a Reflects no growth in programming with a reduction in insurance benefit expenditures.

^b TRS On-behalf payment rate is set by the State of Illinois.

^c In 2014, transportation and operations and maintenance were segregated from business.

^d In 2014, other supporting services was segregated from central.

^e District bid transportation services for FY12 and realized significant savings from the prior transportation provider.

^f In 2014, payments to other governmental units which included tuition for general education and special education students, moved to special programs and nonprogrammed charges.

^g Variances due to student 1:1 device implementations in a rotation schedule.

^h An addition to Homes Junior High was added in FY2015 for the District preschool program. Previously, the program was distributed among five elementary schools.

Community Consolidated School District 59
 COMBINED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 LAST TEN FISCAL YEARS

	General	O&M, Trans & IMRF/Soc Sec	Debt Service	Capital Projects	Total
Beginning Balance July 1, 2005	\$ 64,796,833	\$ 19,240,609	\$ 2,590,260	\$ -	\$ 86,627,702
Revenues	62,618,768	12,410,785	5,278,790	-	80,308,343
Expenditures	56,914,196	16,502,431	4,995,965	-	78,412,592
Transfers	(2,642,553)	2,732,553	(90,000)	-	-
Other	627,341	-	-	-	627,341
<i>Ending Balance June 30, 2006</i>	<i>\$ 68,486,193</i>	<i>\$ 17,881,516</i>	<i>\$ 2,783,085</i>	<i>\$ -</i>	<i>\$ 89,150,794</i>
Beginning Balance July 1, 2006	\$ 68,486,193	\$ 17,881,516	\$ 2,783,085	\$ -	\$ 89,150,794
Revenues	71,021,212	13,058,751	5,392,063	-	89,472,026
Expenditures	62,162,076	15,380,023	4,995,915	-	82,538,014
Transfers	(547,233)	675,677	(128,444)	-	-
Other	-	-	-	-	-
<i>Ending Balance June 30, 2007</i>	<i>\$ 76,798,096</i>	<i>\$ 16,235,921</i>	<i>\$ 3,050,789</i>	<i>\$ -</i>	<i>\$ 96,084,806</i>
Beginning Balance July 1, 2007	\$ 76,798,096	\$ 16,235,921	\$ 3,050,789	\$ -	\$ 96,084,806
Revenues	72,900,679	15,254,896	5,253,942	-	93,409,517
Expenditures	65,123,661	14,376,237	4,996,400	-	84,496,298
Transfers	-	-	-	-	-
Other	-	-	-	-	-
<i>Ending Balance June 30, 2008</i>	<i>\$ 84,575,114</i>	<i>\$ 17,114,580</i>	<i>\$ 3,308,331</i>	<i>\$ -</i>	<i>\$ 104,998,025</i>
Beginning Balance July 1, 2008	\$ 84,575,114	\$ 17,114,580	\$ 3,308,331	\$ -	\$ 104,998,025
Revenues	77,083,887	14,973,918	5,265,472	-	97,323,277
Expenditures	72,898,314	14,849,290	4,997,226	-	92,744,830
Transfers	265,481	-	(265,481)	-	-
Other	-	-	-	-	-
<i>Ending Balance June 30, 2009</i>	<i>\$ 89,026,168</i>	<i>\$ 17,239,208</i>	<i>\$ 3,311,096</i>	<i>\$ -</i>	<i>\$ 109,576,472</i>
Beginning Balance July 1, 2009	\$ 89,026,168	\$ 17,239,208	\$ 3,311,096	\$ -	\$ 109,576,472
Revenues	87,844,345	12,992,769	5,558,686	-	106,395,800
Expenditures	82,114,721	16,565,690	5,082,335	2,406,379	106,169,125
Transfers	173,420	-	(76,151)	7,700,000	7,797,269
Other	-	-	-	-	-
<i>Ending Balance June 30, 2010</i>	<i>\$ 94,929,212</i>	<i>\$ 13,666,287</i>	<i>\$ 3,711,296</i>	<i>\$ 5,293,621</i>	<i>\$ 117,600,416</i>
Beginning Balance July 1, 2010	\$ 94,929,212	\$ 13,666,287	\$ 3,711,296	\$ 5,293,621	\$ 117,600,416
Revenues	84,987,134	13,123,549	4,895,117	1,146,485	104,152,285
Expenditures	84,054,051	15,262,988	5,220,328	5,827,408	110,364,775
Transfers	60,682	-	(60,682)	-	-
Other	-	-	-	-	-
<i>Ending Balance June 30, 2011</i>	<i>\$ 95,922,977</i>	<i>\$ 11,526,848</i>	<i>\$ 3,325,403</i>	<i>\$ 612,698</i>	<i>\$ 111,387,926</i>
Beginning Balance July 1, 2011	\$ 95,922,977	\$ 11,526,848	\$ 3,325,403	\$ 612,698	\$ 111,387,926
Revenues	103,664,666	16,136,277	6,605,923	-	126,406,866
Expenditures	83,206,553	14,657,397	5,222,940	2,594,054	105,680,944
Transfers	(2,002,699)	(1,063,762)	(8,819)	3,075,280	-
Other	-	-	-	-	-
<i>Ending Balance June 30, 2012</i>	<i>\$ 114,378,391</i>	<i>\$ 11,941,966</i>	<i>\$ 4,699,567</i>	<i>\$ 1,093,924</i>	<i>\$ 132,113,848</i>
Beginning Balance July 1, 2012	\$ 114,378,391	\$ 11,941,966	\$ 4,699,567	\$ 1,093,924	\$ 132,113,848
Revenues	88,842,315	15,942,280	3,815,186	-	108,599,781
Expenditures	88,605,497	15,051,463	5,221,353	1,088,117	109,966,430
Transfers	23,421	5,807	(23,421)	(5,807)	-
Other	-	-	-	-	-
<i>Ending Balance June 30, 2013</i>	<i>\$ 114,638,630</i>	<i>\$ 12,838,590</i>	<i>\$ 3,269,979</i>	<i>\$ -</i>	<i>\$ 130,747,199</i>
Beginning Balance July 1, 2013	\$ 114,638,630	\$ 12,838,590	\$ 3,269,979	\$ -	\$ 130,747,199
Revenues	96,224,219	16,016,738	3,536,128	-	115,777,085
Expenditures	98,671,142	19,311,934	3,499,538	-	121,482,614
Transfers	32,628	-	(32,628)	-	-
Other	-	-	-	-	-
<i>Ending Balance June 30, 2014</i>	<i>\$ 112,224,335</i>	<i>\$ 9,543,394</i>	<i>\$ 3,273,941</i>	<i>\$ -</i>	<i>\$ 125,041,670</i>
Beginning Balance July 1, 2014	\$ 112,224,335	\$ 9,543,394	\$ 3,273,941	\$ -	\$ 125,041,670
Revenues	109,362,001	18,478,477	3,825,133	-	131,665,611
Expenditures	105,557,352	17,071,475	3,636,134	17,074,264	143,339,225
Transfers	(22,070,494)	1,400,000	(33,707)	20,704,201	-
Other	20,598,694	-	-	-	20,598,694
<i>Ending Balance June 30, 2015</i>	<i>\$ 114,557,184</i>	<i>\$ 12,350,396</i>	<i>\$ 3,429,233</i>	<i>\$ 3,629,937</i>	<i>\$ 133,966,750</i>
Beginning Balance July 1, 2015*	\$ 114,557,184	\$ 12,350,396	\$ 3,429,233	\$ 3,629,937	\$ 133,966,750
Revenues	83,130,598	16,394,576	47,347	-	99,572,521
Expenditures	86,812,853	17,105,464	3,500	4,092,450	108,014,267
Transfers	(1,952,653)	1,500,000	26,978	500,000	74,325
Other	-	-	-	-	-
<i>Estimated Ending Balance June 30, 2016</i>	<i>\$ 108,922,276</i>	<i>\$ 13,139,508</i>	<i>\$ 3,500,058</i>	<i>\$ 37,487</i>	<i>\$ 125,599,329</i>

* FY2016 figures represent budget numbers.

Community Consolidated School District 59
 COMPOSITION OF EQUALIZED ASSESSED VALUATION
 BY CLASSIFICATION OF PROPERTY
 LAST TEN YEARS

	2005		2006		2007		2008		2009		2010		2011		2012		2013		2014											
Residential	\$	971,885,256	29.3%	\$	1,003,595,262	30.4%	\$	1,194,724,558	31.2%	\$	1,290,588,959	32.6%	\$	1,382,880,612	37.3%	\$	1,285,645,078	37.0%	\$	1,199,098,243	38.7%	\$	1,100,428,136	38.9%	\$	882,763,897	36.3%	\$	976,163,192	39.3%
Farm		30,048	0.0%		30,048	0.0%		30,048	0.0%		18,778	0.0%		16,909	0.0%		16,909	0.0%		16,909	0.0%		17,336	0.0%		16,041	0.0%		16,041	0.0%
Commercial		863,731,913	26.1%		839,470,168	25.4%		964,799,778	25.2%		965,966,345	24.4%		850,205,280	23.0%		766,268,576	22.1%		651,236,616	21.0%		596,141,024	21.1%		553,906,337	22.8%		549,097,886	22.1%
Industrial		1,475,139,272	44.5%		1,454,763,950	44.1%		1,665,916,438	43.5%		1,697,671,364	42.9%		1,470,303,063	39.7%		1,420,635,772	40.9%		1,247,290,075	40.2%		1,133,367,153	40.0%		993,025,306	40.8%		953,483,445	38.4%
Railroad		780,660	0.0%		774,706	0.0%		836,711	0.0%		942,852	0.0%		1,139,193	0.0%		1,460,448	0.0%		1,576,817	0.1%		1,730,380	0.1%		2,148,504	0.1%		2,291,028	0.1%
Total	\$	3,311,567,149	100.0%	\$	3,298,634,134	100.0%	\$	3,826,307,533	100.0%	\$	3,955,199,568	100.0%	\$	3,704,546,926	100.0%	\$	3,474,026,783	100.0%	\$	3,099,218,660	100.0%	\$	2,831,683,602	100.0%	\$	2,431,861,380	100.0%	\$	2,481,051,592	100.0%

The table below shows the effect of the multiplier and exemptions in tax years 2005 through 2014.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Assessed Value	\$ 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	\$ 7,944,571,514	\$ 6,870,230,758	\$ 6,223,021,658
Equalization factor										
pre-exemption	2,7320	2,7076	2,8439	2,9786	3,3701	3,3000	2,9706	2,8056	2,6621	2,3700
EAV	\$ 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	\$ 2,831,683,602	\$ 2,580,756,079	\$ 2,625,747,535
Homeowners Exemption	199,369,339	160,943,488	362,437,351	322,389,698	278,519,605	168,205,695	94,275,450	104,902,446	104,590,649	99,798,923
Senior Citizen Homestead Exemption	13,012,668	15,001,000	15,791,751	18,542,829	18,346,823	16,650,430	17,130,727	23,220,878	22,443,625	22,276,887
Veterans Exemption			39,698	39,698	36,920	32,551	-	-	-	-
Senior tax										
Freeze returning	48,493,031	45,784,766	76,349,253	85,380,704	92,482,733	71,852,688	52,056,343	44,162,998	21,392,717	22,122,919
Veterans	-	-	-	-	15,000	10,000	-	-	5,000	-
Persons	-	-	62,000	136,000	224,000	268,000	302,000	373,857	397,708	407,214
Veterans	-	-	17,500	10,000	17,500	40,000	52,500	57,500	65,000	90,000
Total	\$ 3,311,567,150	\$ 3,298,634,134	\$ 3,371,609,980	\$ 3,528,700,639	\$ 3,314,904,345	\$ 3,216,967,419	\$ 2,935,401,640	\$ 2,658,965,923	\$ 2,431,861,380	\$ 2,481,051,592

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

	1996-2004	effective for the 2005 levy **	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Rates Extended*												
Educational	\$ 1.7100	\$ 3.5000	\$ 2.5392	\$ 2.5289	\$ 2.1436	\$ 1.9295	\$ 1.6695	\$ 1.5454	\$ 1.4159	\$ 1.3982	\$ 1.5855	\$ 1.5099
Special Education	0.0200	0.4000	0.0373	0.0370	0.0318	0.0258	0.0230	0.0216	0.0202	0.0209	0.0188	0.0187
Liability Insurance	None	None	-	-	-	-	-	-	-	0.0065	0.0076	0.0075
Operations and Maintenance	0.2500	0.5500	0.2460	0.2538	0.1916	0.1409	0.1297	0.1164	0.1243	0.1126	0.0978	0.1071
Transportation	0.1200	None	0.1330	0.1316	0.1236	0.1049	0.1151	0.0675	0.0632	0.0653	0.0909	0.0921
Working Cash	0.0500	0.0500	-	-	-	-	-	0.0142	0.0133	0.0137	0.0227	0.0211
Social Security	None	None	0.0363	0.0358	0.0288	0.0516	0.0403	0.0189	0.0202	0.0183	0.0152	0.0091
Illinois Municipal Retirement	None	None	0.0361	0.0339	0.0238	-	-	0.0189	0.0202	0.0183	0.0152	0.0091
Limited Bonds			0.1481	0.1510	0.1296	0.1693	0.1511	0.1416	0.1327	0.1371	0.1590	0.1584
Total	\$ 2.1500	\$ 4.5000	\$ 3.1760	\$ 3.1720	\$ 2.6728	\$ 2.4220	\$ 2.1287	\$ 1.9445	\$ 1.8100	\$ 1.7909	\$ 2.0127	\$ 1.9330

Levies Extended

Total Levies Extended	\$ 78,796,621	\$ 77,138,643	\$ 75,690,903	\$ 75,063,073	\$ 73,962,030	\$ 72,053,437	\$ 71,589,112	\$ 68,529,168	\$ 66,401,505	\$ 64,012,593
Total Collections	\$ 67,054,662	\$ 74,554,621	\$ 75,230,345	\$ 72,922,233	\$ 71,979,931	\$ 73,256,491	\$ 70,027,807	\$ 67,235,817	\$ 65,166,953	\$ 62,261,182
Percentage of Extensions Collected	85.10%	96.65%	99.39%	97.15%	97.32%	101.67%	97.82%	98.11%	98.14%	97.26%

SOURCE OF INFORMATION: Cook County Levy, Rate and Extension Reports for 2005 - 2014

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

Community Consolidated School District 59
PROPERTY TAX RATES - DIRECT AND OVERLAPPING TAX RATES
LAST SIX TAX LEVY YEARS

<u>TAXING AGENCY</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Community Consolidated SD #59	3.176	3.172	2.673	2.422	2.129	1.945
County of Cook	0.568	0.560	0.531	0.462	0.423	0.394
Cook County Forest Preserve District	0.069	0.069	0.063	0.058	0.051	0.049
Consolidated Elections	-	0.031	-	0.025	-	0.021
Elk Grove Township	0.076	0.077	0.064	0.056	0.049	0.044
Elk Grove Twp General Assistance	0.017	0.017	0.014	0.012	0.011	0.010
Elk Grove Twp Road & Bridge	0.018	0.017	0.014	0.013	0.011	0.010
Metro Water Reclamation						
District of Chicago	0.430	0.417	0.370	0.320	0.274	0.261
Northwest Mosquito Abatement Dist.	0.013	0.013	0.011	0.010	0.009	0.008
Village of Arlington Heights**	1.816	1.818	1.532	1.385	1.254	1.108
City of Des Plaines**	1.750	1.776	1.483	1.389	1.279	1.174
Des Plaines Spec. Serv. Area 5	0.692	0.727	0.596	0.581	0.522	0.489
Des Plaines Spec. Serv. Area 9	0.431	0.425	0.388	0.366	0.330	0.334
Des Plaines Spec. Serv. Area 10	0.352	0.361	0.384	0.791	0.303	0.349
Des Plaines Spec. Serv. Area 13	0.636	0.664	0.501	0.434	-	-
Village of Mount Prospect**	2.034	2.036	1.697	1.518	1.348	1.204
Mount Prospect Spec. Serv. Area 5	0.138	0.140	0.122	0.114	0.105	0.095
City of Rolling Meadows**	2.225	2.241	1.917	1.706	1.417	1.158
Rolling Meadows Spec. Serv. Area 3	0.266	0.268	0.253	0.233	0.207	0.176
Village of Elk Grove Village**	1.286	1.306	1.147	1.015	0.866	0.749
Rolling Meadows Park District	0.711	0.709	0.607	0.546	0.486	0.420
Arlington Heights Park District	0.636	0.633	0.545	0.496	0.450	0.392
Mount Prospect Park District	0.654	0.657	0.557	0.502	0.453	0.411
Elk Grove Park District	0.810	0.805	0.711	0.634	0.563	0.524
Elk Grove Rural Fire Protection	1.329	1.296	1.096	1.121	1.055	1.033
Forest View Fire Protection District	0.188	0.042	0.033	0.139	0.146	0.159
Roselle Fire Protection District	0.638	0.660	0.559	0.546	0.546	0.493
Arlington Heights HSD #214	2.776	2.768	2.324	2.067	1.839	1.636
Harper Community College #512	0.451	0.444	0.373	0.334	0.295	0.258

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

**Rates of municipalities include library funds.

Note: Six years of information is presented and District will continued to add to the schedule until ten years are available.

Source: Cook County Clerk

Community Consolidated School District 59
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	Capital Leases			
2015	\$ 20,685,000	\$ -	\$ 20,685,000	1.83%	\$ 620
2014	5,540,000	-	5,540,000	0.49%	166
2013	8,750,000	-	8,750,000	0.84%	262
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

(a) See page 121 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

Principal Due (Mar 1)	Series 2009, 2014, 2015 Bonds
2016	\$ 2,680,000
2017	2,770,000
2018	2,850,000
2019	2,950,000
2020	3,065,000
Thereafter	6,370,000
	<hr/>
	\$ <u>20,685,000</u>

Community Consolidated School District 59
TAX LEVIES FOR DIRECT BONDED DEBT

Tax Year	Series 2009, 2014, 2015 Debt Service
2016	\$ 3,498,340
2017	3,499,400
2018	3,496,300
2019	3,497,450
2020	3,495,550
Thereafter	6,813,750
	<hr/>
	\$ <u>24,300,790</u>

SOURCE OF INFORMATION: Debt Retirement Schedule for Community Consolidated School District Number 59 General Obligation Limited Tax School Bonds, Series 2009, 2014 and 2015.

Community Consolidated School District 59
SCHEDULE OF BONDS OUTSTANDING

Issue Dated October 20, 2009 Series

Fiscal Year	Bond Rate	Bonds Issued	Bonds Paid/ Refunded	Bonds Payable From Tax Levies	Interest Payable
2016	2.500%	575,000	-	575,000	63,270
2016	3.000%	1,630,000	-	1,630,000	-
		<u>\$ 2,205,000</u>	<u>\$ -</u>	<u>\$ 2,205,000</u>	<u>\$ 63,270</u>

Issue Dated October 1, 2014 Series

2016	2.000%	310,000	-	310,000	323,100
2017	3.000%	1,475,000	-	1,475,000	316,900
2018	3.000%	1,515,000	-	1,515,000	272,650
2019	4.000%	1,560,000	-	1,560,000	227,200
2020	4.000%	1,625,000	-	1,625,000	164,800
2021	4.000%	1,690,000	-	1,690,000	99,800
2022	4.000%	805,000	-	805,000	32,200
		<u>\$ 8,980,000</u>	<u>\$ -</u>	<u>\$ 8,980,000</u>	<u>\$ 1,436,650</u>

Issue Dated February 17, 2015 Series

2016	2.000%	165,000	-	165,000	431,970
2017	3.000%	1,295,000	-	1,295,000	412,500
2018	4.000%	1,335,000	-	1,335,000	373,650
2019	1.000%	375,000	-	375,000	320,250
2019	5.000%	1,015,000	-	1,015,000	
2020	5.000%	1,440,000	-	1,440,000	265,750
2021	5.000%	1,515,000	-	1,515,000	193,750
2022	5.000%	2,360,000	-	2,360,000	118,000
		<u>\$ 9,500,000</u>	<u>\$ -</u>	<u>\$ 9,500,000</u>	<u>\$ 2,115,870</u>

SOURCE OF INFORMATION: Official Statement for Community Consolidated School District Number 59 General Obligation Limited Tax School Bonds, Series 2009, 2014 & 2015.

Community Consolidated School District 59
SECURITY FOR DIRECT GENERAL OBLIGATION BONDS

Levy Year	Outstanding Debt Service	Plus: Debt Service On The 2009 Limited Bonds	Plus: Debt Service On The 2014 Limited Bonds	Plus: Debt Service On The 2015 Limited Bonds	Total Debt Service	Debt Service Fund Balance	Aggregate Debt Service Extension Base	Coverage
2014	\$ -	\$ 31,638	\$ 161,550	\$ 224,070	\$ 417,258	\$ -	\$ 5,000,000	11.98
2015	-	2,236,632	630,000	579,150	3,445,782	-	5,000,000	1.45
2016	-	-	1,769,775	1,688,075	3,457,850	-	5,000,000	1.45
2017	-	-	1,764,925	1,681,950	3,446,875	-	5,000,000	1.45
2018	-	-	1,756,000	1,683,000	3,439,000	-	5,000,000	1.45
2019	-	-	1,757,300	1,669,750	3,427,050	-	5,000,000	1.46
2020	-	-	1,756,000	1,670,875	3,426,875	-	5,000,000	1.46
2021	-	-	821,100	2,419,000	3,240,100	-	5,000,000	1.54

SOURCE OF INFORMATION: Official Statement for Community Consolidated School District Number 59 General Obligation Limited Tax School Bonds, Series 2009, 2014 and 2015.

Community Consolidated School District 59
 LEGAL DEBT MARGIN AND IMPACT OF OVERLAPPING DEBT
 LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Population	33,379	33,419	33,350	33,272	33,161	33,124	33,019	33,092	33,208	33,694
Estimated Full Market Value of Taxable Property	\$ 7,877,242,605	\$ 7,742,268,237	\$ 8,495,050,806	\$ 10,422,080,349	\$ 11,113,640,778	\$ 11,865,598,704	\$ 11,478,922,599	\$ 10,561,090,164	\$ 10,717,326,564	\$ 10,717,326,564
Equalized Assessed valuation (EAV)	\$ 2,481,051,592	\$ 2,431,861,380	\$ 2,831,683,602	\$ 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
Statutory debt limitation (6.9% of EAV)	\$ 171,192,560	\$ 167,798,435	\$ 195,386,169	\$ 213,846,088	\$ 239,707,848	\$ 255,613,738	\$ 272,908,770	\$ 264,015,220	\$ 227,605,755	\$ 229,917,258
Bonded Debt June 30	<u>20,685,000</u>	<u>5,540,000</u>	<u>8,750,000</u>	<u>13,455,000</u>	<u>17,965,000</u>	<u>22,315,000</u>	<u>26,525,000</u>	<u>30,605,000</u>	<u>34,575,000</u>	<u>38,440,000</u>
Legal bonded debt margin	<u>\$ 150,507,560</u>	<u>\$ 162,258,435</u>	<u>\$ 186,636,169</u>	<u>\$ 200,391,088</u>	<u>\$ 221,742,848</u>	<u>\$ 233,298,738</u>	<u>\$ 246,383,770</u>	<u>\$ 233,410,220</u>	<u>\$ 193,030,755</u>	<u>\$ 191,477,258</u>
Total net debt:										
as a percentage of Debt Limit	12.08%	3.30%	4.48%	6.29%	7.49%	8.73%	9.72%	11.59%	15.19%	16.72%
as a percentage of Full Mkt Value	0.26%	0.07%	0.10%	0.13%	0.16%	0.19%	0.23%	0.29%	0.32%	0.36%
as a percentage of EAV	0.83%	0.23%	0.31%	0.43%	0.52%	0.60%	0.67%	0.80%	1.05%	1.15%
per capita	\$ 619.70	\$ 165.77	\$ 262.37	\$ 404.39	\$ 541.75	\$ 673.68	\$ 803.33	\$ 924.85	\$ 1,041.16	\$ 1,140.86
General Obligation Bonded Debt:										
District	\$ 20,685,000	\$ 5,540,000	\$ 8,750,000	\$ 13,455,000	\$ 17,965,000	\$ 22,315,000	\$ 19,100,000	\$ 30,605,000	\$ 34,575,000	\$ 38,440,000
Overlapping	<u>256,757,408</u>	<u>260,079,413</u>	<u>275,682,525</u>	<u>244,096,005</u>	<u>233,403,602</u>	<u>256,084,529</u>	<u>216,921,208</u>	<u>203,493,128</u>	<u>184,247,563</u>	<u>185,359,069</u>
Total District and Overlapping	\$ 277,442,408	\$ 265,619,413	\$ 284,432,525	\$ 257,551,005	\$ 251,368,602	\$ 278,399,529	\$ 236,021,208	\$ 234,098,128	\$ 218,822,563	\$ 223,799,069
as a percentage of Full Mkt Value	3.52%	3.43%	3.35%	2.47%	2.26%	2.35%	2.06%	2.22%	2.04%	2.09%
as a percentage of EAV	11.18%	10.92%	10.04%	8.31%	7.24%	7.52%	5.97%	6.12%	6.63%	6.72%
per capita	\$ 8,311.88	\$ 7,948.16	\$ 8,528.71	\$ 7,740.77	\$ 7,580.25	\$ 8,404.77	\$ 7,148.04	\$ 7,074.16	\$ 6,589.45	\$ 6,642.10

(1) SOURCE OF INFORMATION: Direct and Overlapping General Obligation Bonded Debt 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
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2015

<u>Taxing District</u>	<u>Outstanding Bonds</u>	<u>Applicable to District</u>	
		<u>Percent</u>	<u>Amount</u>
Community Consolidated School Dist. 59	\$20,685,000	100.000%	\$20,685,000
<u>Overlapping Districts:</u>			
Cook County	3,466,976,750	1.938%	67,190,009
Cook County Forest Preserve	118,610,000 (3)	1.938%	2,298,662
Metropolitan Water Reclamation District	2,619,000,317 (1)	1.976%	51,751,446
<u>Municipalities:</u>			
Village of Arlington Heights	39,615,000 (2)	13.218%	5,236,311
City of Des Plaines	645,000 (2)	16.193%	104,445
Village of Elk Grove Village	79,370,000	76.373%	60,617,250
Village of Mount Prospect	48,075,000	26.710%	12,840,833
City of Rolling Meadows	12,530,000 (5)	7.771%	973,706
<u>Park Districts:</u>			
Arlington Heights Park District	22,825,000 (4)	14.433%	3,294,332
Elk Grove Park District	10,650,000	83.469%	8,889,449
Mt. Prospect Park District	7,112,000 (3)	57.192%	4,067,495
Rolling Meadows Park District	2,115,000	9.815%	207,587
<u>School Districts:</u>			
Arlington Heights High School 214	42,800,000 (4)	32.862%	14,064,936
Harper Community College 512	170,935,000	14.743%	<u>25,200,947</u>
TOTAL DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT			<u>\$277,422,408</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) Excludes outstanding Debt Certificates
- (5) Includes self-supporting bonds

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 IN THE DISTRICT
CURRENT TAX LEVY YEAR AND NINE YEARS AGO

Taxpayer	Type of Business, Property	2014 Equalized Assessed Value	Percent of District's Total EAV
Crane & Norcross	Management company for numerous industrial properties	49,723,190	2.00%
WSC ASP CT Holding SVII & GSP CT Holdings	Commercial building over three stories and industrial properties	28,600,669	1.15%
Tarantula Ventures LLC	Industrial property	25,623,143	1.03%
United Air Lines	Commercial building over three stories	23,039,425	0.93%
MLRP & Wille Road LLC	Numerous industrial properties	22,415,595	0.90%
Draper & Kramer RIC	Numerous industrial properties	19,635,862	0.79%
Home Properties Colony & Home Properties of NewYork	Apartments	18,412,861	0.74%
Arthur J. Rogers & Co.	Numerous industrial properties	17,485,415	0.70%
Golf Plaza I & II	Shopping center, bank building & one-story store	13,805,868	0.56%
25 Nrthwst Pnt Bvd 400	Commercial building over three stories	<u>12,709,674</u>	<u>0.51%</u>
		<u>\$231,451,702</u>	<u>9.33%</u>

<u>Taxpayer</u>	<u>Type of Business, Property</u>	<u>2005 Equalized Assessed Value</u>	<u>Percent of District's Total EAV</u>
Prime Group Realty	Commercial building over three stories and industrial properties	\$68,770,117	2.08%
Crane & Norcross	Management company for numerous industrial properties	50,813,064	1.53%
Centerpoint Properties	Numerous industrial properties	45,264,639	1.37%
United Air Lines	Commercial building over three stories	38,671,411	1.17%
Draper & Kramer RIC	Numerous industrial properties	31,556,786	0.95%
Home Properties Colony	Apartments	28,963,079	0.87%
AMB Property RE Tax	Numerous industrial properties	27,399,113	0.83%
B.H. Management Services	Apartments	25,159,207	0.76%
Albertsons Prop Tax	Supermarkets, shopping center and industrial property	21,841,425	0.66%
FSP Prop Mgmt	Commercial building over three stories	<u>20,195,616</u>	<u>0.61%</u>
		<u>\$358,634,457</u>	<u>10.83%</u>

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

Community Consolidated School District 59

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

2015		
Employer	Employees	Percentage of Total Employment
Northwest Community Healthcare (HQ)	4,100	12.58%
Alexian Bros. Medical Center	3,100	9.51%
Northrop Grumman Corp. (Div HQ)	1,900	5.83%
High School District #214	1,651	5.06%
UOP, LLC	1,500	4.60%
Automatic Data Processing	1,500	4.60%
Holy Family Medical Center	1,036	3.18%
Clearbrook	1,000	3.07%
Swissport USA, Inc.	1,000	3.07%
Oakton Community College	990	3.04%
	17,777	54.53%
2006		
Employer	Employees	Percentage of Total Employment
United Airlines	3,732	9.80%
Northwest Community Hospital	3,300	8.66%
Motorola	3,000	7.88%
OZ Gedney Co., LLC	3,000	7.88%
Alexian Bros Medical Center	2,717	7.13%
Broadwing Communications, LLC	2,000	5.25%
UOP, LLC	2,000	5.25%
Field Container	1,700	4.46%
John B. Sanfilipino & Sons, Inc	1,400	3.68%
Automatic Data Processing	1,400	3.68%
	24,249	63.67%

Source of information: 2015 Illinois Manufacturers' Directory, 2015 Illinois Services Directory, ReferenceUSA.com, Village/Company/Organization Website, and Illinois Department of Employment Security.

Community Consolidated School District 59
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN CALENDAR YEARS

Calendar Year	Population	Total Personal Income	Income Per Capita	Unemployment Rate
2014	33,379	\$ 1,128,176,821	\$ 33,799	5.8%
2013	33,419	1,130,230,580	33,820	7.4%
2012	33,350	1,046,756,450	31,387	7.4%
2011	33,272	1,043,680,524	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%

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

Community Consolidated School District 59

OPERATING STATISTICS
LAST TEN FISCAL YEARS

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) *	Average Class Size (3) *	Low Income Rate (3) *
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	14,030	-0.06%	72,966,761	12,893	-1.87%	448.0	15.1	49.20%
2012	5,835	78,615,599	13,473	-3.97%	72,540,591	12,432	-3.57%	451.0	15.5	51.50%
2013	5,913	84,463,713	14,286	6.03%	76,992,761	13,022	4.74%	471.0	19.7	52.20%
2014	5,841	87,820,965	15,036	5.25%	77,170,503	13,212	1.46%	481.0	19.0	54.00%
2015	6,226	86,531,108	13,898	-7.57%	78,720,129	12,644	-4.30%	476.0	17.0	62.00%

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

Fiscal Year Ended June 30,	Peak Enrollment (1)	Average Daily Membership (2) (ADM)	Average Daily Attendance (3) (ADA)	Percent of ADA to ADM
2015	6,933	6,579	6,226	94.63%
2014	6,767	6,288	5,841	92.89%
2013	6,690	6,220	5,913	95.06%
2012	6,469	6,014	5,835	97.03%
2011	6,263	5,841	5,659	96.89%
2010	6,211	5,769	5,630	97.59%
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%

- (1) Fall Housing Report. Includes the pre-school and tuition students.
- (2) Includes calculations for Full Day Kindergarten
- (3) Annual General State Aid Claim.

Community Consolidated School District 59
HISTORICAL AND PROJECTED ENROLLMENT BY GRADE

Fiscal Year Ended June 30,	K	1	2	3	4	5	6	7	8	Total
2018*	705	765	801	752	815	792	773	747	746	6,896
2017*	714	775	764	807	789	777	742	747	719	6,834
2016*	724	739	809	780	772	751	741	723	689	6,728
2015	696	795	777	765	749	743	711	696	761	6,693
2014	737	764	772	727	742	697	691	757	658	6,545
2013	724	775	713	750	703	699	749	652	702	6,467
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	707	629	657	629	661	642	710	636	680	5,951
2006	591	670	637	682	624	704	640	669	642	5,859

SOURCE OF INFORMATION: ISBE Fall Housing Report and CCSD 59 Demographic Study. 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

Position	Total	POSITIONS BY EMPLOYEE GROUPS				
		Admin	Non-Neg	Certified	Classified	Cameo
Building Administrators	31.0	31.0				
Custodians	50.0					50.0
District Administrators	14.6	14.6				
Educational Services (Certified)	45.2			45.2		
Maintenance	11.0					11.0
Non-negotiated	24.8		24.8			
Nurse/Health Care Assistant	14.0			2.0	12.0	
Secretary	48.0				48.0	
Teacher Assistant	140.5				140.5	
Teacher Elementary	280.5			280.5		
Teacher Junior High	140.1			140.1		
Teacher Ad Building Coaches/DEA President	13.0			13.0		
Teacher Special Education	56.0			56.0		
TOTAL	868.7	45.6	24.8	536.8	200.5	61.0
	Percent of Total Staff	5.2%	2.9%	61.8%	23.1%	7.0%

SOURCE OF INFORMATION: District Software Skyward

Community Consolidated School District 59
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</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)	360	363	385	377	407	405	465	443	422	422
Percent of Capacity	73.13%	73.74%	78.21%	76.59%	82.68%	82.27%	94.46%	89.99%	85.73%	85.73%
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	394	371	367	343	339	329	339	329	361	361
Percent of Capacity	89.93%	84.68%	83.77%	78.29%	77.38%	75.09%	77.38%	75.09%	82.40%	82.40%
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	342	343	335	323	326	329	339	376	410	410
Percent of Capacity	68.81%	69.01%	67.40%	64.98%	65.59%	66.19%	68.20%	75.65%	82.49%	82.49%
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	367	340	320	321	349	349	357	416	422	422
Percent of Capacity	82.78%	76.69%	72.18%	72.41%	78.72%	78.72%	80.53%	93.83%	95.19%	95.19%
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	307	328	336	361	392	374	393	397	422	422
Percent of Capacity	59.46%	63.53%	65.08%	69.92%	75.92%	72.43%	76.11%	76.89%	81.73%	81.73%
Frost (1964)										
Square feet	47,643	47,643	47,643	47,643	47,643	47,643	47,643	56,643	56,643	56,643
Capacity	433	433	433	433	433	433	433	515	515	515
Enrollment	360	370	390	397	418	442	460	493	481	481
Percent of Capacity	83.12%	85.43%	90.04%	91.66%	96.51%	102.05%	106.21%	95.74%	93.41%	93.41%
John Jay (1967)										
Square feet	42,436	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500
Capacity	386	423	423	423	423	423	423	423	423	423
Enrollment	338	338	316	305	318	322	373	358	360	360
Percent of Capacity	87.61%	79.96%	74.75%	72.15%	75.23%	76.17%	88.24%	84.69%	85.16%	85.16%
Low (1965)										
Square feet	62,212	62,212	62,212	62,212	62,212	75,713	75,713	75,713	75,713	75,713
Capacity	566	566	566	566	566	688	688	688	688	688
Enrollment	309	347	378	366	393	379	377	403	395	395
Percent of Capacity	54.64%	61.35%	66.84%	64.71%	69.49%	55.06%	54.77%	58.55%	57.39%	57.39%
Ridge (1959)										
Square feet	39,781	39,926	39,926	39,926	39,926	39,926	46,426	46,426	46,426	46,426
Capacity	362	363	363	363	363	363	422	422	422	422
Enrollment	308	312	315	290	246	259	340	276	266	266
Percent of Capacity	85.17%	85.96%	86.79%	79.90%	67.78%	71.36%	80.56%	65.39%	63.03%	63.03%
Rupley (1958)										
Square feet	50,882	50,882	50,882	50,882	50,882	50,882	59,382	59,382	59,382	59,382
Capacity	463	463	463	463	463	463	540	540	540	540
Enrollment	336	323	371	425	438	453	413	470	468	468
Percent of Capacity	72.64%	69.83%	80.21%	91.88%	94.69%	97.93%	76.50%	87.06%	86.69%	86.69%
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	551	554	500	452	419	430	436	403	432	432
Percent of Capacity	81.84%	82.29%	74.27%	67.14%	62.24%	63.87%	64.76%	59.86%	64.17%	64.17%
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	623	652	657	635	639	666	662	729	719	719
Percent of Capacity	76.60%	80.16%	80.78%	78.07%	78.56%	81.88%	81.39%	89.63%	88.40%	88.40%
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	926	946	913	913	889	844	862	832	855	855
Percent of Capacity	99.55%	101.70%	98.15%	98.15%	95.57%	90.73%	92.67%	89.44%	91.92%	91.92%
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	402	428	439	438	460	483	508	542	532	532
Percent of Capacity	58.10%	61.86%	63.45%	63.30%	66.48%	69.80%	73.42%	78.33%	76.89%	76.89%

SOURCE OF INFORMATION:

- (1) 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.