

Community Consolidated School District 15
Palatine, Illinois

Annual Financial Report

Year Ended June 30, 2016

Community Consolidated School District 15

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2016

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MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
Community Consolidated School District 15
Palatine, 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 15 (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

The District'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.

(Continued)

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, 2016, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 13, the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois pension data on pages 63 through 66, the other postemployment benefits data on page 67, budgetary comparison schedules and notes to the required supplementary information on pages 68 through 92 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 Information

Our audit 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 as supplementary financial information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Information (Continued)

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, 2016 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, 2016 is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2016.

We also have 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, 2015 (not presented herein), and have issued our report thereon dated November 4, 2015, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund with comparative actual amounts for the year ended June 30, 2015 are presented for purposes of additional analysis and are 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 2015 basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund have been subjected to the auditing procedures applied in the audit of the 2015 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 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 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2015.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2016 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.



Certified Public Accountants

Deerfield, Illinois
November 2, 2016

Community Consolidated School District 15

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2016

The discussion and analysis of Community Consolidated School District 15's (the "District") financial performance provides an overall review of the District's financial activities, for the year ended June 30, 2016. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- > In total, net position decreased by \$1.5. This represents a 2.4% decrease from 2015.
- > General revenues accounted for \$132.8 in revenue or 67.8% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$63.2 or 32.2% of total revenues of \$196.0.
- > The District had \$197.5 in expenses related to government activities. However, only \$63.2 of these expenses were offset by program specific charges and grants.
- > The District purchased 12 buses for replacement for the 2015-16 school year for a total cost of \$0.8.
- > The District continued to pay down its long-term debt retiring \$6.3 in fiscal 2016, while issuing \$15.7 in Series 2016 General Obligation bonds.
- > The 2015-16 Budget was amended on June 15, 2016.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components:

- > Government-wide financial statements,
- > Fund financial statements, and
- > Notes to basic financial statements.

This report also contains required supplementary information and supplementary financial information, in addition to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Community Consolidated School District 15

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2016

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The District's governmental activities include instructional services (regular education, special education and other), supporting services, operation and maintenance of facilities and transportation services.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds (the District maintains no proprietary funds).

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a school district's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains eight individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund (includes Educational Account and Working Cash Account), Operations and Maintenance Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Debt Service Fund, Tort Immunity and Judgment Fund, Capital Projects Fund, and Fire Prevention and Safety Fund, all of which are considered to be major funds.

The District adopts an annual budget for each of the governmental funds, listed above. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with this budget.

Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the District. Fiduciary (agency) funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The Fiduciary (agency) fund statements are reported using the accrual basis of accounting.

Notes to basic financial statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Community Consolidated School District 15
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2016

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide other postemployment benefits, and pension data related to Illinois Municipal Retirement Fund and Teachers' Retirement System.

Government-Wide Financial Analysis

The District's combined net position was lower on June 30, 2016, than it was the year before, decreasing to \$62.1.

Community Consolidated School District 15
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2016

<i>Table 1</i>		
<i>Condensed Statements of Net Position</i>		
<i>(in millions of dollars)</i>		
	<u>2016</u>	<u>2015</u>
Assets:		
Current and other assets	\$ 150.2	\$ 134.5
Capital assets	<u>72.2</u>	<u>64.8</u>
Total assets	<u>222.4</u>	<u>199.3</u>
Deferred outflow of resources:		
Deferred outflows related to pensions	<u>12.6</u>	<u>6.6</u>
Liabilities:		
Current liabilities	22.6	16.3
Long-term liabilities	<u>90.2</u>	<u>66.1</u>
Total liabilities	<u>112.8</u>	<u>82.4</u>
Deferred inflow of resources:		
Deferred inflows related to pensions	3.4	3.5
Property taxes levied for a future period	<u>56.7</u>	<u>56.4</u>
Total deferred inflow of resources	<u>60.1</u>	<u>59.9</u>
Net position:		
Net investment in capital assets	37.5	37.9
Restricted	26.1	17.4
Unrestricted	<u>(1.5)</u>	<u>8.3</u>
Total net position	<u>\$ 62.1</u>	<u>\$ 63.6</u>

Community Consolidated School District 15
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2016

Revenues in the governmental activities of the District of \$196.0 fell below expenditures by \$1.5.

<i>Table 2</i>		
<i>Changes in Net Position</i>		
<i>(in millions of dollars)</i>		
	<u>2016</u>	<u>2015</u>
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 2.7	\$ 2.5
Operating grants and contributions	60.5	57.6
<i>General revenues:</i>		
Taxes	121.3	120.7
General state aid	9.4	8.7
Other	2.1	0.8
Total revenues	<u>196.0</u>	<u>190.3</u>
Expenses:		
Instruction	132.3	123.8
Pupil and instructional staff services	19.2	16.4
Administration and business	17.9	17.8
Transportation	10.9	10.5
Operations and maintenance	13.2	12.8
Other	4.0	4.0
Total expenses	<u>197.5</u>	<u>185.3</u>
Increase (decrease) in net position	<u>\$ (1.5)</u>	<u>\$ 5.0</u>

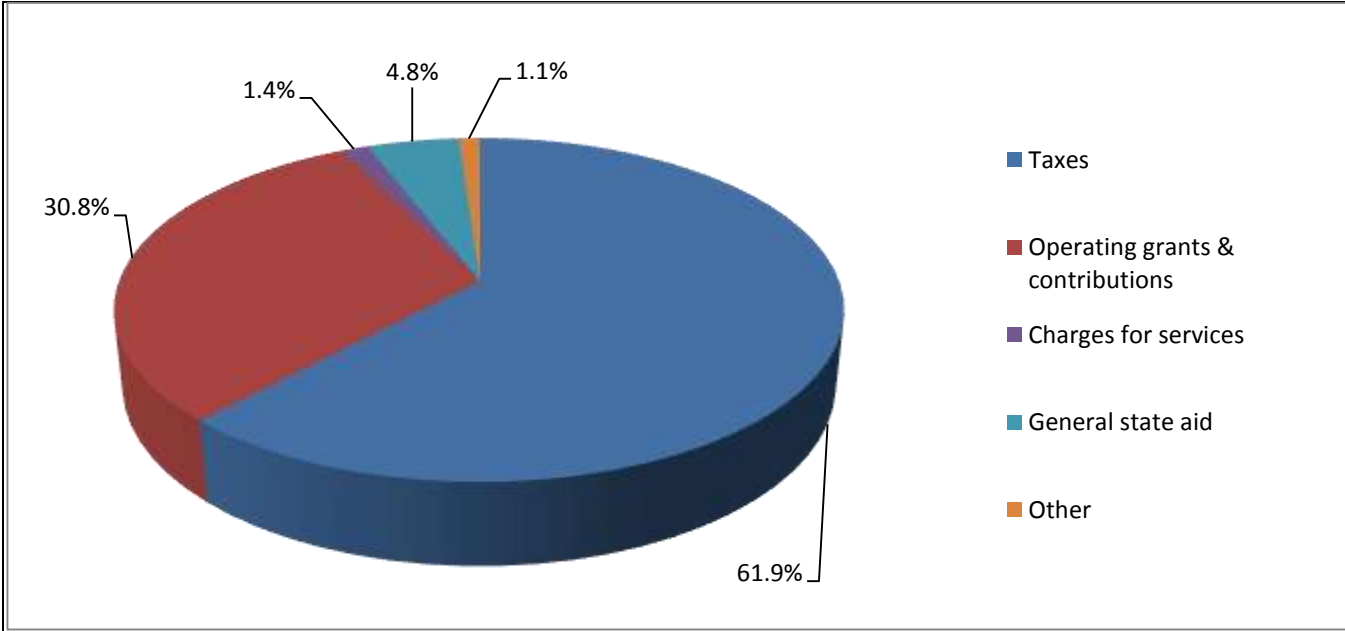
Taxes accounted for the largest portion of the District's revenues, contributing 61.9%. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$197.5, mainly related to instructing and caring for the students and student transportation.

The instructional programs of the District account for \$132.3 of all expenditures. This does not include an additional \$19.2 of instructional support.

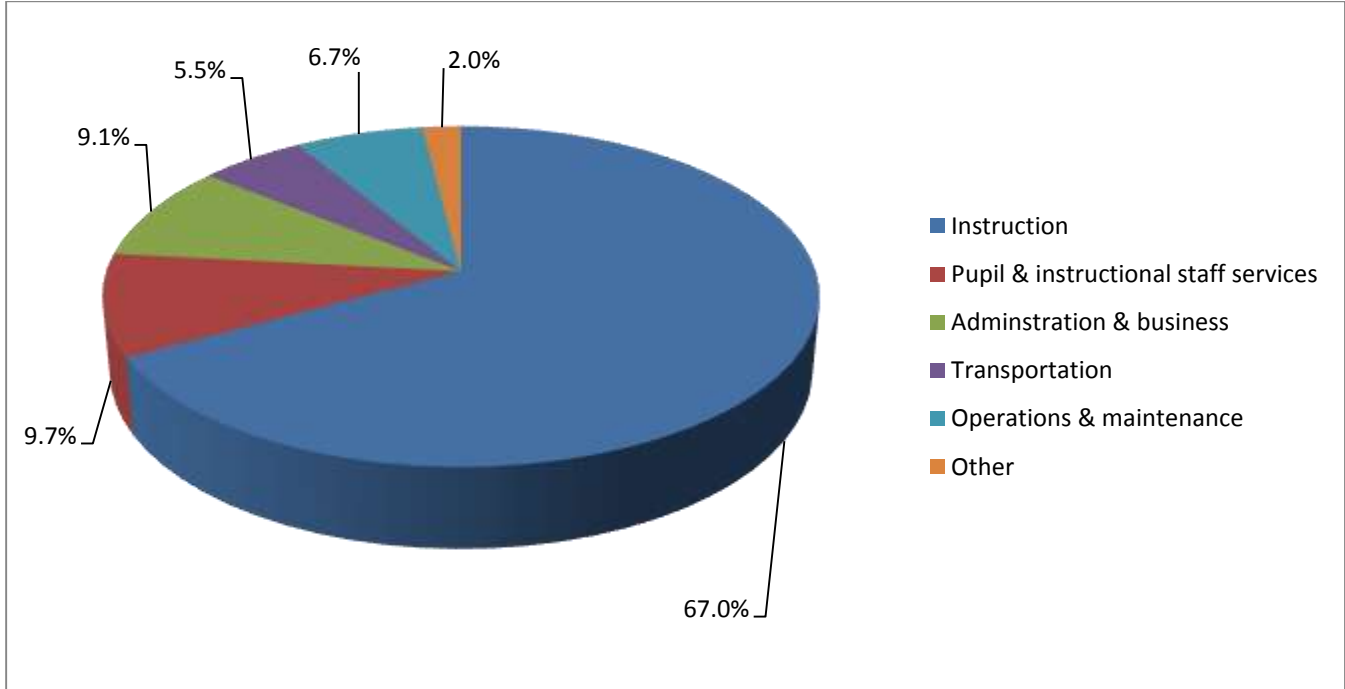
Direct services to students not including operations and maintenance total 93% of the District's expenditures.

**Community Consolidated School District 15
 Management's Discussion and Analysis (Unaudited)
 As of and for the Year Ended June 30, 2016**

Government-Wide Revenues by Source



Government-Wide Expenses by Function



Community Consolidated School District 15

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2016

Financial Analysis of the District's Funds

The District's Governmental Funds fund balance increased from \$61.98 to \$71.09.

- > The General Fund fund balance increased to \$44.87, with the Educational Account increasing by \$0.28 and the Working Cash Account staying at a balance of \$0.11.
- > The Operations and Maintenance Fund fund balance decreased by \$1.33, which included a \$3.4 transfer to the Capital Projects Fund to fund certain approved capital projects.
- > The Debt Service Fund fund balance decreased by \$1.83 from the prior year.
- > The Transportation Fund fund balance decreased by \$0.41. The decrease in fund balance can be attributed to a budgeted excess of expenditures over revenues.
- > The Municipal Retirement/Social Security Fund fund balance increased by \$0.18.
- > The Capital Projects Fund balance increased by \$1.41 and finished with a fund balance of \$1.66. The Fire Prevention and Safety Fund increased by \$11.13 due to the issuance of \$15.67 in Life Safety Bonds.
- > The Tort Immunity and Judgment Fund fund balance decreased by \$0.32 from the prior year.
- > The combined fund balances, excluding the Debt Service and Fire Prevention and Safety Funds, decreased by \$0.19 from the prior year.

General Fund Budgetary Highlights

The General Fund had a positive budget variance of \$0.14 for fiscal year 2016. The District's General Fund had a negative revenue variance of \$0.91 (excluding on behalf payments to TRS from the State). The factors contributing to this variance included property taxes in the General Fund were \$0.2 under budget; total state aid came in \$0.59 below the budgeted amounts; E-rate funds were \$0.29 under budget due to delays in the program at the federal level; and federal aid being over budget by \$0.36 primarily due to larger than expected Medicaid receipts.

The positive expenditure variance of \$1.05 (excluding on behalf payments to TRS from the State) is due mainly to the budget, department, and grant managers not expending all of their appropriated budgets. This variance was spread across multiple areas and types of expenditures. Amongst the areas and types of expenditures were, the General Fund's total salaries were under budget by \$0.53; the technology department services were under budget by \$0.87; the department of instruction came in under budget by \$0.44; and the food services department were under budget by \$0.16. This was offset by the General Fund's total benefits being over budget by \$0.97. The remaining expenditure variance consists of many small amounts in other areas.

Capital Assets and Debt Administration

Capital assets

By the end of 2016, the District had compiled a total investment of \$167.4 (\$72.2 net of accumulated depreciation) in a broad range of capital assets including buildings, site improvements, land, construction in progress, and equipment. Total depreciation expense for the year was \$4.0. More detailed information about capital assets can be found in Note G of the basic financial statements.

Community Consolidated School District 15
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2016

Table 3		
Capital Assets (net of depreciation)		
(in millions of dollars)		
	<u>2016</u>	<u>2015</u>
Land	\$ 7.8	\$ 7.8
Construction in progress	9.7	0.9
Buildings	47.0	48.3
Site improvements	1.8	1.7
Equipment	2.0	1.9
Vehicles	3.8	4.1
Food service equipment	0.1	0.1
Total	<u>\$ 72.2</u>	<u>\$ 64.8</u>

Long-term liabilities

The District retired \$6.3 in bonds and accreted \$1.2 in bonds in 2016. Also, the District issued \$15.7 in Series 2016 General Obligation bonds to fund various life safety projects. At the end of fiscal year 2016, the District had a debt margin of \$177.0. More detailed information on long-term liabilities can be found in Note H of the basic financial statements.

Table 4		
Outstanding Long-Term Liabilities		
(in millions of dollars)		
	<u>2016</u>	<u>2015</u>
General Obligation Bonds	\$ 45.8	\$ 32.6
Other	44.4	33.5
Total	<u>\$ 90.2</u>	<u>\$ 66.1</u>

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following circumstances that will significantly affect financial operations in the future:

Revenues from local property taxes account for 61.2% of total revenue. As taxpayers continue to be negatively impacted by the economy, the District can expect to continue to see tax collection rates less than 100%. The District experienced a tax collection rate of 97.8% for this fiscal year, many factors such as when the county sends out tax bills, changes in property values and home foreclosures will continue to affect future tax collection rates. District expects future tax collections to be consistent with its historical collection average of between 96% and 99%.

In addition, the District continues to refund property tax collections for previous years due to tax rate objections, Property Tax Appeal Board (PTAB) decisions, or Circuit Court decisions. The District paid out \$2.9 in fiscal year 2016 for property tax refunds. For comparison purposes, the District paid out \$2.9 in fiscal year 2015; \$2.6 in fiscal year 2014; \$2.3 in fiscal year 2013; \$2.4 in fiscal year 2012; \$4.9 in fiscal year 2011 and \$5.1 in fiscal year 2010.

Community Consolidated School District 15 Management's Discussion and Analysis (Unaudited) As of and for the Year Ended June 30, 2016

The Property Tax Extension Limitation Act (PTELA) continues to limit the growth of tax revenue, the major source of revenue for the district. The 2015 levy, which will be collected during 2016-17 fiscal year was based on a 0.8% Consumer Price Index (CPI) for 2014. The 2016 levy which will be used to fund operations in the 2017-18 fiscal year will be based on the 2015 CPI of 0.7%.

State funding in the General Fund is approximately 12.3%. Budget deficiencies for the state of Illinois continue to be a concern for future time periods as program funding levels and timely payments from the state are in question.

The Board of Education has approved to spend \$3.0 annually on capital improvement projects. In conjunction with the issuance of \$15.7 in Life Safety Bonds, the Board approved over \$14.0 in projects to be completed during the summer of 2016 to begin addressing items identified in the District's most recent Life Safety Facility Audit. The projects included various plumbing, mechanical, electrical, roof replacements, carpeting and asbestos projects at eleven of the District's schools plus the District's Administration Building. The eleven schools receiving work in the summer of 2016 were Thomas Jefferson, Frank C. Whiteley, Marion Jordan, Stuart R. Paddock, Lake Louise, Winston Campus Elementary, Walter R. Sundling, Winston Campus Junior High, Jane Addams, Virginia Lake, and Lincoln. The District plans to perform similar types of projects at the remaining schools during the summer of 2017 with the issuance of approximately \$8.6 in Life Safety Bonds in the 2016-17 fiscal year. Beyond the summer of 2017, the Board will continue to consider appropriate facility improvement projects as specified in the District's Life Safety Facility Audit or as other capital improvement needs arise.

The District's most recent demographics study which was completed in July 2008 indicated decreasing enrollment for the last few fiscal years. However, the District's actual enrollment increased for three straight fiscal years ending with fiscal year 2013. Enrollment for this fall is showing a slight decrease in students which follows the small decreases in enrollment for 2014, 2015, and 2016. The possibility of future increased student enrollment and the accompanying costs associated with educating a larger student body have the potential to negatively affect the future financial position of the District.

The District has reached a new collective bargaining agreement with the Classroom Teachers' Council (CTC) that will expire August 31, 2026, in addition to the agreement with the District Transportation Union (DTU) that expires June 30, 2020. The District's collective bargaining agreement with the Educational Support Personnel Association (ESPA) will expire June 30, 2017. The District also has an agreement with the Service Employees International Union (SEIU) that will expire June 30, 2017. These agreements will help the District to remain in a strong financial position.

The administration in collaboration with the Board of Education will continue to review, study, and analyze all financial operations while maintaining high quality educational programs.

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, 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 financial information, contact the Business Office:

Michael M. Adamczyk, Chief School Business Official
Community Consolidated School District 15
580 N. First Bank Drive
Palatine, Illinois 60067

BASIC FINANCIAL STATEMENTS

Community Consolidated School District 15
 STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
June 30, 2016

ASSETS	
Cash and investments	\$ 85,189,073
Receivables (net of allowance for uncollectibles):	
Property taxes	58,305,232
Replacement taxes	289,923
Accounts	28,853
Intergovernmental	4,826,068
Tuition	154,797
Inventory	86,560
Prepaid items	1,440,447
Capital assets:	
Land	7,827,932
Construction in progress	9,658,905
Depreciable buildings, property, and equipment, net	<u>54,672,478</u>
Total assets	<u>222,480,268</u>
DEFERRED OUTFLOW OF RESOURCES	
Deferred outflows related to pensions	<u>12,623,367</u>
Total deferred outflows	<u>12,623,367</u>
LIABILITIES	
Accounts payable	7,656,365
Salaries and wages payable	12,349,849
Claims payable	2,131,145
Payroll deductions payable	182,873
Other current liabilities	204,817
Interest payable	82,971
Long-term liabilities:	
Due within one year	7,998,456
Due after one year	<u>82,224,953</u>
Total liabilities	<u>112,831,429</u>
DEFERRED INFLOW OF RESOURCES	
Property taxes levied for a future period	56,705,165
Deferred inflows related to pensions	<u>3,401,298</u>
Total deferred inflows	<u>60,106,463</u>
NET POSITION	
Net investment in capital assets	37,544,941
Restricted For:	
Operations and maintenance	1,424,611
Debt service	3,169,812
Student transportation	5,596,186
Retirement benefits	2,658,057
Capital projects	12,806,173
Tort immunity	486,362
Unrestricted	<u>(1,520,399)</u>
Total net position	<u>\$ 62,165,743</u>

The accompanying notes are an integral part of this statement.

Community Consolidated School District 15

STATEMENT OF ACTIVITIES For the Year Ended June 30, 2016

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	\$ 58,533,587	\$ 944,041	\$ 2,393,142	\$ (55,196,404)
Special programs	19,406,188	152,746	8,794,551	(10,458,891)
Other instructional programs	12,847,136	-	918,496	(11,928,640)
State retirement contributions	41,448,694	-	41,448,694	-
Support services:				
Pupils	10,455,758	-	-	(10,455,758)
Instructional staff	8,747,639	-	290,592	(8,457,047)
General administration	5,241,911	-	-	(5,241,911)
School administration	7,120,247	-	-	(7,120,247)
Business	5,584,001	1,346,480	2,650,344	(1,587,177)
Transportation	10,914,106	208,892	4,000,612	(6,704,602)
Operations and maintenance	13,243,145	58,145	-	(13,185,000)
Central	1,749,387	-	-	(1,749,387)
Other supporting services	275,146	-	-	(275,146)
Community services	362,530	-	-	(362,530)
Nonprogrammed charges - excluding special education	278,983	-	-	(278,983)
Interest and fees	<u>1,307,326</u>	<u>-</u>	<u>-</u>	<u>(1,307,326)</u>
 Total governmental activities	 <u>\$ 197,515,784</u>	 <u>\$ 2,710,304</u>	 <u>\$ 60,496,431</u>	 <u>\$ (134,309,049)</u>
 General revenues:				
Taxes:				
Real estate taxes, levied for general purposes				91,965,975
Real estate taxes, levied for specific purposes				23,069,975
Real estate taxes, levied for debt service				4,839,755
Personal property replacement taxes				1,405,432
State aid-formula grants				9,435,240
Investment earnings				173,040
Miscellaneous				<u>1,921,548</u>
Total general revenues				<u>132,810,965</u>
 Change in net position				 (1,498,084)
 Net position, beginning of year				 <u>63,663,827</u>
 Net position, end of year				 <u>\$ 62,165,743</u>

The accompanying notes are an integral part of this statement.

Community Consolidated School District 15

Governmental Funds
BALANCE SHEET
June 30, 2016

	General	Operations and Maintenance	Tort Immunity and Judgment	Transportation
ASSETS				
Cash and investments	\$ 53,839,784	\$ 1,523,321	\$ 478,705	\$ 4,590,518
Receivables (net of allowance for uncollectibles):				
Property taxes	44,689,627	6,183,361	464,819	2,065,913
Replacement taxes	-	289,923	-	-
Accounts	-	15,004	-	-
Intergovernmental	3,824,909	-	-	1,001,159
Tuition	151,125	-	-	3,672
Inventory	28,772	57,788	-	-
Prepaid items	1,440,447	-	-	-
	<u>\$ 103,974,664</u>	<u>\$ 8,069,397</u>	<u>\$ 943,524</u>	<u>\$ 7,661,262</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 1,153,149	\$ 426,217	\$ 4,682	\$ 53,049
Salaries and wages payable	12,349,849	-	-	-
Claims payable	2,131,145	-	-	-
Payroll deductions payable	9,853	1,533	-	2,980
Other current liabilities	-	204,817	-	-
	<u>15,643,996</u>	<u>632,567</u>	<u>4,682</u>	<u>56,029</u>
DEFERRED INFLOWS				
Property taxes levied for a future period	<u>43,464,101</u>	<u>6,012,219</u>	<u>452,480</u>	<u>2,009,047</u>
	<u>43,464,101</u>	<u>6,012,219</u>	<u>452,480</u>	<u>2,009,047</u>
FUND BALANCES				
Nonspendable	1,469,219	57,788	-	-
Restricted	-	1,366,823	486,362	5,596,186
Assigned	5,342,090	-	-	-
Unassigned	38,055,258	-	-	-
	<u>44,866,567</u>	<u>1,424,611</u>	<u>486,362</u>	<u>5,596,186</u>
Total fund balance	<u>44,866,567</u>	<u>1,424,611</u>	<u>486,362</u>	<u>5,596,186</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 103,974,664</u>	<u>\$ 8,069,397</u>	<u>\$ 943,524</u>	<u>\$ 7,661,262</u>

The accompanying notes are an integral part of this statement.

Municipal Retirement / Soc. Sec.	Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 2,756,419	\$ 3,188,734	\$ 1,858,333	\$ 16,953,259	\$ 85,189,073
2,559,297	2,342,215	-	-	58,305,232
-	-	-	-	289,923
-	-	13,849	-	28,853
-	-	-	-	4,826,068
-	-	-	-	154,797
-	-	-	-	86,560
-	-	-	-	1,440,447
<u>\$ 5,315,716</u>	<u>\$ 5,530,949</u>	<u>\$ 1,872,182</u>	<u>\$ 16,953,259</u>	<u>\$ 150,320,953</u>
\$ -	\$ -	\$ 213,765	\$ 5,805,503	\$ 7,656,365
-	-	-	-	12,349,849
-	-	-	-	2,131,145
168,507	-	-	-	182,873
-	-	-	-	204,817
<u>168,507</u>	<u>-</u>	<u>213,765</u>	<u>5,805,503</u>	<u>22,525,049</u>
<u>2,489,152</u>	<u>2,278,166</u>	<u>-</u>	<u>-</u>	<u>56,705,165</u>
<u>2,489,152</u>	<u>2,278,166</u>	<u>-</u>	<u>-</u>	<u>56,705,165</u>
-	-	-	-	1,527,007
2,658,057	3,252,783	1,658,417	11,147,756	26,166,384
-	-	-	-	5,342,090
-	-	-	-	38,055,258
<u>2,658,057</u>	<u>3,252,783</u>	<u>1,658,417</u>	<u>11,147,756</u>	<u>71,090,739</u>
<u>\$ 5,315,716</u>	<u>\$ 5,530,949</u>	<u>\$ 1,872,182</u>	<u>\$ 16,953,259</u>	<u>\$ 150,320,953</u>

Community Consolidated School District 15
 RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
 FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2016

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

Total fund balances - governmental funds	\$	71,090,739
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.		72,159,315
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	\$ 10,293,190	
Deferred outflows of 2016 employer contributions related to pensions	<u>2,330,177</u>	12,623,367
Deferred inflows of resources related to pensions		(3,401,298)
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.		(82,971)
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>(90,223,409)</u>
Net position of governmental activities	\$	<u><u>62,165,743</u></u>

The accompanying notes are an integral part of this statement.

Community Consolidated School District 15

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)

For the Year Ended June 30, 2016

	General	Operations and Maintenance	Tort Immunity and Judgment	Transportation	Municipal Retirement / Soc. Sec.
Revenues					
Property taxes	\$ 91,965,975	\$ 12,594,905	\$ 972,568	\$ 4,206,272	\$ 5,296,230
Replacement taxes	802,683	477,749	-	-	125,000
State aid	56,303,782	-	-	4,000,612	-
Federal aid	9,627,277	-	-	-	-
Interest	121,172	10,872	1,872	14,399	6,983
Other	2,924,109	273,294	644	211,545	-
Total revenues	161,744,998	13,356,820	975,084	8,432,828	5,428,213
Expenditures					
Current:					
Instruction:					
Regular programs	54,817,365	-	-	-	973,398
Special programs	18,673,174	-	-	-	714,320
Other instructional programs	12,592,201	-	-	-	240,506
State retirement contributions	41,448,694	-	-	-	-
Support services:					
Pupils	9,807,393	-	-	-	362,791
Instructional staff	8,030,570	-	-	-	193,241
General administration	2,828,371	-	1,292,558	-	144,000
School administration	6,826,579	-	-	-	285,873
Business	4,918,203	2,103	-	-	327,126
Transportation	28,367	-	-	8,039,761	895,217
Operations and maintenance	-	11,048,441	-	-	961,877
Central	1,424,005	-	-	-	131,862
Other supporting services	152	-	-	-	-
Community services	310,564	-	-	-	13,661
Nonprogrammed charges	278,831	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and other	-	-	-	-	-
Capital outlay	223,312	238,561	-	807,540	-
Total expenditures	162,207,781	11,289,105	1,292,558	8,847,301	5,243,872
Excess (deficiency) of revenues over expenditures	(462,783)	2,067,715	(317,474)	(414,473)	184,341
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers (out)	-	(3,400,000)	-	-	-
Proceeds from capital lease	745,875	-	-	-	-
Debt issuance	-	-	-	-	-
Premium on debt issuance	-	-	-	-	-
Total other financing sources (uses)	745,875	(3,400,000)	-	-	-
Net change in fund balance	283,092	(1,332,285)	(317,474)	(414,473)	184,341
Fund balance, beginning of year	44,583,475	2,756,896	803,836	6,010,659	2,473,716
Fund balance, end of year	\$ 44,866,567	\$ 1,424,611	\$ 486,362	\$ 5,596,186	\$ 2,658,057

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 4,839,755	\$ -	\$ -	\$ 119,875,705
-	-	-	1,405,432
-	-	-	60,304,394
-	-	-	9,627,277
12,515	495	4,732	173,040
<u>6,310</u>	<u>1,215,950</u>	<u>-</u>	<u>4,631,852</u>
<u>4,858,580</u>	<u>1,216,445</u>	<u>4,732</u>	<u>196,017,700</u>
-	-	-	55,790,763
-	-	-	19,387,494
-	-	-	12,832,707
-	-	-	41,448,694
-	-	-	10,170,184
-	-	-	8,223,811
-	-	-	4,264,929
-	-	-	7,112,452
-	769,295	1,560,714	7,577,441
-	-	-	8,963,345
-	-	-	12,010,318
-	-	-	1,555,867
-	-	275,146	275,298
-	-	-	324,225
-	-	-	278,831
6,255,000	-	-	6,255,000
433,177	-	-	433,177
<u>-</u>	<u>2,440,876</u>	<u>5,564,966</u>	<u>9,275,255</u>
<u>6,688,177</u>	<u>3,210,171</u>	<u>7,400,826</u>	<u>206,179,791</u>
<u>(1,829,597)</u>	<u>(1,993,726)</u>	<u>(7,396,094)</u>	<u>(10,162,091)</u>
-	3,400,000	-	3,400,000
-	-	-	(3,400,000)
-	-	-	745,875
-	-	15,675,000	15,675,000
-	-	2,850,146	2,850,146
<u>-</u>	<u>3,400,000</u>	<u>18,525,146</u>	<u>19,271,021</u>
(1,829,597)	1,406,274	11,129,052	9,108,930
<u>5,082,380</u>	<u>252,143</u>	<u>18,704</u>	<u>61,981,809</u>
<u>\$ 3,252,783</u>	<u>\$ 1,658,417</u>	<u>\$ 11,147,756</u>	<u>\$ 71,090,739</u>

Community Consolidated School District 15

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, 2016

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

Net change in fund balances - total governmental funds	\$ 9,108,930
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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.	7,544,582
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The net effect of various miscellaneous transactions involving capital assets is to decrease net position.	(142,259)
--	-----------

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

Deferred outflow and inflows of resources related to IMRF pension	3,385,504
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Deferred outflow and inflows of resources related to TRS pension	2,767,015
--	-----------

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.	(57,979)
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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.	<u>(24,103,877)</u>
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Change in net position of governmental activities	<u>\$ (1,498,084)</u>
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The accompanying notes are an integral part of this statement.

Community Consolidated School District 15
Agency Fund
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2016

	<u>Student Activity Fund</u>
ASSETS	
Cash and investments	<u>\$ 1,192,382</u>
LIABILITIES	
Due to student groups	<u>\$ 1,192,382</u>

The accompanying notes are an integral part of this statement.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Community Consolidated School District 15 (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. 72, *Fair Value Measurement and Application*, issued in February 2015, which was implemented by the District during the fiscal year ended June 30, 2016. This Statement addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value investments.

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.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fund Accounting (Continued)

Governmental funds are used to account for 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 funds). 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.

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.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 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 and personal property replacement taxes.

Tort Immunity and Judgment Fund - accounts for all revenues derived from a specific property tax levy and state reimbursement grants and expenditures of these monies for risk management activities. 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 are derived primarily from local property taxes and personal property replacement taxes.

c. Debt Service

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 and transfers from other funds.

d. Capital Projects Funds

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

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

d. Capital Projects Funds (Continued)

Fire Prevention and Safety Fund - accounts for State-approved life safety projects financed through bond issues or local property taxes levied specifically for such purposes.

e. Fiduciary Funds

The Fiduciary Funds account 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. These 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. It accounts for activities such as student yearbook, student clubs and council, and scholarships.

Convenience accounts - account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, or other programs within the District.

5. Fund Balance

The 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, as well as debt service and capital project funds, are by definition restricted for those specified purposes.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Fund Balance (Continued)

- 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, 2016, the District has no committed fund balances.
- 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. The Board of Education delegated this authority to the Chief School Business Official.
- 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, 2016, are as follows:

The nonspendable fund balance in the General Fund consists of \$1,469,219 for prepaid items and inventory. The nonspendable fund balance in the Operations and Maintenance Fund consists of \$57,788 for inventory. The assigned fund balance in the General Fund is comprised of \$5,342,090 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 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 revenue, as soon as all eligibility requirements imposed by the provider have been met.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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. 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.

Property taxes, 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. At June 30, 2016, 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. At June 30, 2016, the District has deferred inflows of resources related to property taxes levied for a future period and pensions.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Investments are stated at cost, amortized cost, or net asset value (NAV) per share as disclosed in the related notes. No amortization is made to interest income for discounted federal securities. Gains and losses on the sale of investments are recorded as interest income, at the date of sale or maturity.

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. Inventory

Inventory of governmental funds are recorded at cost on a first-in, first-out basis. Inventory consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure, in the governmental funds, when purchased.

12. Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in the financial statements. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

13. Capital Assets

Capital assets, which include land, construction in progress, buildings, site improvements, machinery and equipment, vehicles and food service equipment are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual 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 acquisition value at the date of donation.

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.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Capital Assets (Continued)

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 and site improvements	20 - 50
Machinery, equipment, vehicles, and food service equipment	3 - 10

14. Accumulated Unpaid Vacation and Sick Pay

Employees who work a twelve-month year are entitled to be compensated for vacation time. Vacations are usually taken within the calendar year. Any remaining, unused vacation is forfeited October 1st following the end of the fiscal year. At June 30, 2016, accumulated unpaid vacation pay was \$195,202.

All certified employees receive a specified number of sick days per year depending on the years of service, in accordance with the agreement between the Board of Education and the District. Employees do not receive payment for unused sick days, except for the 12-month custodial staff, who upon retirement are paid for any days in excess of 240 days, at a rate of \$25.00 per day. Accrued but unpaid sick days at June 30, 2016 were insignificant and have not been reflected as a liability.

15. 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 and losses on refunding of bonds are deferred and amortized over the life of the applicable bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount or loss on refunding. Bond issuance costs are expensed in the period of issuance.

In the fund financial statements, governmental funds recognize bond premiums and discounts, losses on refunding, and 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. Bond issuance costs are reported as debt service expenditures.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

16. 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. Investments are reported at fair value.

17. 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.

18. Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position 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 they are needed.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

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:

General obligation bonds	\$ 42,494,920
Bond premium	3,353,990
Capital leases	591,689
Compensated absences	195,202
IMRF net pension liability	14,914,828
TRS net pension liability	18,362,511
Other postemployment benefits	6,124,762
Health claims payable	2,521,507
Retirement incentive program	<u>1,664,000</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position of governmental activities	<u>\$ 90,223,409</u>

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	\$ 11,591,518
Depreciation expense	<u>(4,046,936)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	<u>\$ 7,544,582</u>

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

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 (Continued)

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 repayments		
General obligation bonds	\$	6,255,000
Capital lease		154,186
Bond issue		(15,675,000)
Premiums on bond issue, net		(2,731,390)
Capital lease proceeds		(745,875)
Accretion on general obligation bonds		(1,172,125)
IMRF pension expense, net		(6,610,455)
TRS pension expense, net		(2,877,019)
Other postemployment benefits, net		(233,209)
Compensated absences, net		(38,759)
Health claims payable, net		(8,494)
Retirement incentive program, net		(503,750)
Unamortized premium		83,013
		<hr/>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities.		\$ <u>(24,103,877)</u>

NOTE C - DEPOSITS AND INVESTMENTS

The District's investment policy is in line with State Statutes. The investments that the District 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) interest-bearing savings accounts, interest-bearing certificates of deposit or time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; (4) short-term discount obligations of corporations organized in the United States with assets exceeding \$500,000,000; (5) interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation or school district; (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, 2016, the District's cash and investments consisted of the following:

	<u>Governmental</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	\$ <u>85,189,073</u>	\$ <u>1,192,382</u>	\$ <u>86,381,455</u>

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

For disclosure purposes, this amount is segregated into the following components as follows:

	<u>Total</u>
Cash on hand	\$ 329
Deposits with financial institutions*	62,733,233
Illinois School District Liquid Asset Fund	212,843
Illinois School District Liquid Asset Fund - Term Series	21,000,000
Illinois Funds	<u>2,435,050</u>
	<u>\$ 86,381,455</u>

* Includes accounts held in demand and savings accounts, but primarily consists of certificates of deposit and money market accounts which are valued at cost.

1. Interest Rate Risk

The District's investment policy seeks to ensure preservation of capital, in the District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the policy requires the District'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.

2. 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 statistical rating organizations (NRSROs). The District's investment policy authorizes investments in any type of security as permitted by State statute.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) and the Illinois School District Liquid Asset Fund - Term Series are unrated, not-for-profit investment trusts formed pursuant to the Illinois School Code and managed by a Board of Trustees elected from participating members. They are not registered with the SEC as an investment company, but operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments are rated AAAM and are valued at NAV per share, which is the price for which the investment could be sold. There were no unfunded commitments and no redemption limitations or notice periods.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Credit Risk (Continued)

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are rated AAAM and are valued at NAV per share, which is the price for which the investment could be sold. There were no unfunded commitments and no redemption limitations or notice periods.

3. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration 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's Investment Officer to meet the District's ongoing need for safety, liquidity, and rate of return.

4. 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, 2016, the bank balances of the District's deposits with financial institutions total \$87,078,054, all of which was insured or collateralized.

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 9, 2015. 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 2.6685 for 2015.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

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 District's extension of the 2015 tax levy, was \$3,047,081,719.

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 August 1 or 30 days after the second installment tax bill is mailed 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 2015 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectibles of 1%. 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. Net taxes receivable less the amount expected to be collected within 60 days is reflected as deferred inflows of resources - property taxes levied for a future period in the accompanying financial statements.

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.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE E - PENSION LIABILITIES (Continued)

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

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.

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, 2016, 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, 2016, 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 \$40,602,419 in pension contributions from the state of Illinois.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE E - PENSION LIABILITIES (Continued)

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

Contributions (Continued)

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, 2016, were \$458,729, and are deferred because they were paid after the June 30, 2015 measurement date.

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, 2016, the employer pension contribution was 36.06 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2016, salaries totaling \$1,656,458 were paid from federal and special trust funds that required employer contributions of \$597,319. These contributions are deferred because they were paid after the June 30, 2015 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, 2016, 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, 2016, the District paid \$27,830 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 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

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, 2016, 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	\$ 18,362,511
State's proportionate share of the net pension liability associated with the District	<u>495,583,969</u>
Total	<u>\$ 513,946,480</u>

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014, and rolled forward to June 30, 2015. 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, 2015, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2015, the District's proportion was 0.0280300574 percent, which was an increase of 0.0025848853 percent from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$41,764,163 and revenue of \$40,602,419 for support provided by the state. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

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)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 6,824	\$ 20,128
Net difference between projected and actual earnings on pension plan investments	363,657	642,994
Changes in assumptions	253,935	-
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>1,316,388</u>	<u>2,027,003</u>
 Total deferred amounts to be recognized in pension expense in the future periods	 <u>1,940,804</u>	 <u>2,690,125</u>
 District contributions subsequent to the measurement date	 <u>1,056,048</u>	 <u>-</u>
 Total deferred amounts related to pensions	 <u>\$ 2,996,852</u>	 <u>\$ 2,690,125</u>

The District reported \$1,056,048 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2017. 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)/Outflows of Resources</u>
2017	\$ (376,459)
2018	(376,459)
2019	(376,459)
2020	380,056
2021	-
Thereafter	<u>-</u>
Total	<u>\$ (749,321)</u>

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

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, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 percent
Salary increases	varies by amount of service credit
Investment rate of return	7.50 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully-generational basis using projection table MP-2014.

The actuarial assumptions for the years ended June 30, 2015 and 2014 were different. The actuarial assumptions used in the June 30, 2015 valuation were based on the 2015 actuarial experience analysis. The investment return assumption remained at 7.5 percent, salary increase assumptions were lowered, retirement rates were increased, mortality updates were made and other assumptions were revised. 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 from their 2013 levels.

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 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

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 %	7.53 %
Global equity (excluding U.S.)	18	7.88
Aggregate bonds	16	1.57
U.S. TIPS	2	2.82
NCREIF	11	5.11
Opportunistic real estate	4	9.09
ARS	8	2.57
Risk parity	8	4.87
Diversified inflation strategy	1	3.26
Private equity	14	12.33
Total	<u>100 %</u>	

Discount Rate

At June 30, 2015, the discount rate used to measure the total pension liability was a blended rate of 7.47 percent, which was a change from the June 30, 2014 rate of 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 at June 30, 2015 was not 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. Despite the subsidy, all projected future payments were not covered, so a slightly lower 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 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

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)

Discount Rate (Continued)

At June 30, 2014, the discount rate used to measure the total pension liability was 7.50 percent. The discount rate was the same as the actuarially-assumed rate of return on investments that year because TRS's fiduciary net position and the subsidy provided by Tier II were sufficient to cover all projected benefit payments.

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 7.47 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 (6.47 percent) or 1-percentage-point higher (8.47 percent) than the current rate:

	<u>1% Decrease (6.47%)</u>	<u>Current Discount (7.47%)</u>	<u>1% Increase (8.47%)</u>
District's proportionate share of the net pension liability	\$ 22,691,562	\$ 18,362,511	\$ 14,812,573

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2015 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE E - PENSION LIABILITIES (Continued)

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 administrator of an agent 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.

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.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE E - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Employees Covered by Benefit Terms

As of December 31, 2015, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	767
Inactive plan members entitled to but not yet receiving benefits	1,120
Active plan members	<u>799</u>
Total	<u><u>2,686</u></u>

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 2015 was 11.73%. For the fiscal year ended June 30, 2016, the District contributed \$2,480,713 to the plan. The District 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, 2015. 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, 2015:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Inflation Rate	2.75%
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.47%
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 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE E - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Mortality

For non-disabled retirees, 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 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%	7.39%
International Equity	17%	7.59%
Fixed Income	27%	3.00%
Real Estate	8%	6.00%
Alternative Investments	9%	2.75-8.15%
Cash Equivalents	1%	2.25%
Total	100%	

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE E - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Single Discount Rate

A Single Discount Rate of 7.47% 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 3.57%, and the resulting single discount rate is 7.47%.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE E - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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, 2015:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
	<u> </u>	<u> </u>	<u> </u>
Balances at December 31, 2014	\$ 116,883,255	\$ 108,578,882	\$ 8,304,373
Changes for the year:			
Service cost	2,480,476	-	2,480,476
Interest on the total pension liability	8,642,367	-	8,642,367
Difference between expected and actual experience of the total pension liability	(1,108,127)	-	(1,108,127)
Changes of assumptions	271,397	-	271,397
Contributions - employer	-	2,523,412	(2,523,412)
Contributions - employees	-	980,331	(980,331)
Net investment income	-	537,963	(537,963)
Benefit payments, including refunds of employee contributions	(5,476,178)	(5,476,178)	-
Other (net transfer)	-	(366,048)	366,048
Net changes	<u>4,809,935</u>	<u>(1,800,520)</u>	<u>6,610,455</u>
 Balances at December 31, 2015	 <u>\$ 121,693,190</u>	 <u>\$ 106,778,362</u>	 <u>\$ 14,914,828</u>

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 7.47%, 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:

	1% Lower (6.47%)	Current Discount Rate (7.47%)	1% Higher (8.47%)
	<u> </u>	<u> </u>	<u> </u>
Net pension liability	\$ 29,597,484	\$ 14,914,828	\$ 2,755,700

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

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

For the year ended June 30, 2016, the District recognized pension expense of \$5,723,232. At June 30, 2016, 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>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ -	\$ 711,173
Change of assumptions	1,460,154	-
Net difference between projected and actual earnings on pension plan investments	<u>6,892,232</u>	<u>-</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>8,352,386</u>	<u>711,173</u>
Pension contributions made subsequent to the measurement date	<u>1,274,129</u>	<u>-</u>
Total deferred amounts related to pensions	<u><u>\$ 9,626,515</u></u>	<u><u>\$ 711,173</u></u>

The District reported \$1,274,129 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2017. 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 Outflows of Resources</u>
2017	2,741,183
2018	1,600,250
2019	1,796,228
2020	1,503,552
2021	-
Thereafter	<u>-</u>
Total	<u><u>\$ 7,641,213</u></u>

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE E - PENSION LIABILITIES (Continued)

3. Summary of Pension Items

Below is a summary of the various pension items:

	<u>TRS</u>	<u>IMRF</u>	<u>Total</u>
Deferred outflows of resources:			
Employer contributions	\$ 1,056,048	\$ 1,274,129	\$ 2,330,177
Experience	6,824	-	6,824
Assumptions	253,935	1,460,154	1,714,089
Proportionate share	1,316,388	-	1,316,388
Investments	363,657	6,892,232	7,255,889
	<u>\$ 2,996,852</u>	<u>\$ 9,626,515</u>	<u>\$ 12,623,367</u>
Net pension liability	<u>\$ 18,362,511</u>	<u>\$ 14,914,828</u>	<u>\$ 33,277,339</u>
Deferred inflows of resources:			
Investments	\$ 642,994	\$ -	\$ 642,994
Experience	20,128	711,173	731,301
Proportionate share	2,027,003	-	2,027,003
	<u>\$ 2,690,125</u>	<u>\$ 711,173</u>	<u>\$ 3,401,298</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. 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.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

On behalf contributions to 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 1.07 percent of pay during the year ended June 30, 2016. State of Illinois contributions were \$846,275, and the District recognized revenue and expenditures of this amount during the year.

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.80 percent during the year ended June 30, 2016. For the year ended June 30, 2016, the District paid \$632,729 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 administers a single-employer defined benefit healthcare plan (the "Retiree Health Plan"). The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement, provided they are on the group health insurance plan at the time of retirement, until the age of 65. Retirees may be responsible to contribute a portion of the premium toward the cost of their insurance. Retirees may also access dental benefits on a "direct pay" basis. For 2014 (most recent date available), a total of 1,875 former employees or spouses accessed a postemployment benefit through the District.

As of June 30, 2016, the following employees were covered by the benefit terms:

Actives	1,722
Retirees and dependents	<u>182</u>
	<u><u>1,904</u></u>

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (Continued)

Funding Policy - Retirement Incentive Option Plan ("RIOP") Retirees

Retirees under RIOP shall not be eligible to remain on the District's insurance plan. In consideration thereof, the District shall make four year cash payments as a contribution toward the Teachers' Retirement Incentive Program or other non-District insurance following retirement in the amount of \$375/month for single and an additional \$250/month for a teacher's spouse. In lieu of monthly insurance contributions, the retiree may elect a cash payment made in a lump sum payment within 30 days following retirement, in the amounts of \$11,250 for single and \$7,500 for a teacher's spouse. This agreement covers employees who retire through June 30, 2016.

Funding Policy - Voluntary Separation Option Plan ("VSOP") Retirees

Retirees under this plan have the option to continue insurance coverage at 50% of full cost for health and dental coverage. Under the Classroom Teachers' Council negotiated agreement in 2006, staff retiring under VSOP also had the option to receive the entire district contribution in one lump sum for 5 years or age 65 or to take a monthly stipend for 5 years or age 65 in lieu of district insurance coverage. This agreement was in full effect until June 2009.

A subset of VSOP retirees receive 100% subsidy for medical, dental, and vision coverage. These employees were identified accordingly, on the census.

Funding Policy - Regular Retirees

Retirees not eligible for RIOP or VSOP coverage must pay the full cost for medical, dental, and vision coverage.

Annual OPEB Cost and Net OPEB Obligation

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation to the Retiree Health Plan:

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (Continued)

	<u>June 30, 2016</u>
Annual required contribution	\$ 885,139
Interest on net OPEB obligation	235,662
Adjustment to annual required contribution	<u>(227,316)</u>
Annual OPEB cost	893,485
Contributions made	<u>660,276</u>
Increase in net OPEB obligation	233,209
Net OPEB obligation, beginning of year	<u>5,891,553</u>
Net OPEB obligation, end of year	<u><u>\$ 6,124,762</u></u>

Annual OPEB Cost and Net OPEB Obligation (Continued)

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2016 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>
7/1/15	\$ 893,485	74%	\$ 6,124,762
7/1/14	455,024	139%	5,891,553
7/1/13	665,546	131%	6,068,841

Funding Status and Funding Progress

As of July 1, 2015, the actuarial accrued liability for benefits was \$9,854,049, 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 that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (Continued)

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.

The following simplifying assumptions were made:

Contribution rates:	
District	N/A
Plan members	0.00%
Actuarial valuation date	July 1, 2015
Actuarial cost method	Entry age normal
Amortization period	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	N/A
Actuarial assumptions:	
Investment rate of return*	4.00%
Projected salary increases	3.00%
Healthcare inflation rate	7.00% initial 4.00% ultimate (0.15% reduction per year)
Mortality, Turnover, Disability, Retirement Ages	RP-2014 Mortality Table backed off to 2006 and projected generationally with Scale MP-2015.
Percentage of active employees assumed to elect benefit	0% of active employees in RIOP (TRS) plan currently electing health coverage are assumed to elect health coverage upon retirement. 20% of active employees in ESPA, SEIU, EXECs, and OTHER (IMRF) plans currently electing health coverage are assumed to elect health coverage upon retirement

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (Continued)

Methods and Assumptions (Continued)

Employer provided benefits

100% of active employees in RIOP (TRS) plans currently electing health coverage are assumed to elect a \$4,500/\$7,500 employee/employee plus spouse 4-year annuity

100% of participants in ESPA, SEIU, and EXECS (IMRF) plans currently electing health coverage are assumed to elect a \$3,000 employee only 3-year annuity.

* Based on 2.50% long-term inflation rate and 1.5% real rate of return.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE G - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2016 was as follows:

	Balance July 1, 2015	Increases / Transfers	Decreases / Transfers	Balance June 30, 2016
Capital assets, not being depreciated				
Land	\$ 7,827,932	\$ -	\$ -	\$ 7,827,932
Construction in progress	900,623	9,403,647	645,365	9,658,905
 Total capital assets not being depreciated	 8,728,555	 9,403,647	 645,365	 17,486,837
 Capital assets, being depreciated				
Site improvements	4,649,983	246,876	-	4,896,859
Buildings	112,045,778	1,334,305	-	113,380,083
Machinery and equipment	18,970,418	368,323	-	19,338,741
Vehicles	12,458,165	839,213	1,422,568	11,874,810
Food service equipment	377,189	44,519	-	421,708
 Total capital assets being depreciated	 148,501,533	 2,833,236	 1,422,568	 149,912,201
 Less accumulated depreciation for:				
Site improvements	2,929,278	150,155	-	3,079,433
Buildings	63,774,796	2,664,820	-	66,439,616
Machinery and equipment	17,074,408	272,336	-	17,346,744
Vehicles	8,399,019	946,884	1,280,309	8,065,594
Food service equipment	295,595	12,741	-	308,336
 Total accumulated depreciation	 92,473,096	 4,046,936	 1,280,309	 95,239,723
 Total capital assets being depreciated, net	 56,028,437	 (1,213,700)	 142,259	 54,672,478
Governmental activities capital assets, net	\$ 64,756,992	\$ 8,189,947	\$ 787,624	\$ 72,159,315

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

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	\$	1,762,293
Support services		
Pupils		881,147
Operations and maintenance		297,013
Transportation		1,034,999
Food service		<u>71,484</u>
Total depreciation from governmental activities	\$	<u><u>4,046,936</u></u>

NOTE H - LONG-TERM LIABILITIES

1. Changes in General Long-term Liabilities

During the year ended June 30, 2016, the following is the long-term liability activity for the District:

	Balance July 1, 2015	Additions/ Accretion	Reductions	Balance June 30, 2016
Bonds payable:				
General obligation bonds	\$ 31,902,795	\$ 16,847,125	\$ 6,255,000	\$ 42,494,920
Bond premium - 2014 Bonds	705,613	-	83,013	622,600
Bond premium - 2016 Bonds	-	2,850,146	118,756	2,731,390
Total Bonds Payable	<u>32,608,408</u>	<u>19,697,271</u>	<u>6,456,769</u>	<u>45,848,910</u>
Capital lease	-	745,875	154,186	591,689
Health claims payable	2,513,013	20,444,453	20,435,959	2,521,507
Retirement incentive program	1,160,250	1,037,750	534,000	1,664,000
Other postemployment benefits	5,891,553	893,485	660,276	6,124,762
Compensated absences	156,443	806,275	767,516	195,202
IMRF net pension liability	8,304,373	11,760,288	5,149,833	14,914,828
TRS net pension liability	<u>15,485,492</u>	<u>3,879,319</u>	<u>1,002,300</u>	<u>18,362,511</u>
Total long-term liabilities - governmental activities	<u>\$ 66,119,532</u>	<u>\$ 59,264,716</u>	<u>\$ 35,160,839</u>	<u>\$ 90,223,409</u>

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE H - LONG-TERM LIABILITIES (Continued)

1. Changes in General Long-term Liabilities (Continued)

The obligations for future health claims, retirement incentive program, retiree health plan, and compensated absences will be repaid from the General Fund.

At June 30, 2016, amounts due within one year on the outstanding long-term liabilities were as follows:

Bonds payable:	
General obligation bonds	\$ 4,495,000
Capital lease	144,247
Reserve for future health claims	2,521,507
Retirement incentive programs	642,500
Compensated absences	<u>195,202</u>
Total long-term liabilities due within one year - governmental activities	\$ <u><u>7,998,456</u></u>

2. General Obligation Bonds Payable

General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Carrying Amount</u>	<u>Face Amount</u>
2001 Limited Tax Capital Appreciation Bonds	4.99% - 5.69%	\$ 19,649,920	\$ 22,475,000
2014 Refunding Series Bonds	3.00%	8,930,000	8,930,000
2016 GO Series Bonds	5.00%	<u>13,915,000</u>	<u>13,915,000</u>
		\$ <u><u>42,494,920</u></u>	\$ <u><u>45,320,000</u></u>

During the fiscal year ended June 30, 2016, the District issued \$15,675,000 of General Obligation Bonds, Series 2016. This bond issuance was used to fund fire prevention and life safety capital projects throughout the District.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE H - LONG-TERM LIABILITIES (Continued)

2. General Obligation Bonds Payable (Continued)

The District defeased the debt 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, 2016, a total of \$1,975,000 of bonds outstanding is considered defeased.

At June 30, 2016, the District's future cash flow requirements for retirement of bond principal and interest were as follows:

Year Ending June 30	Principal	Interest	Total
2017	\$ 4,495,000	\$ 995,650	\$ 5,490,650
2018	4,495,000	995,650	5,490,650
2019	4,495,000	995,650	5,490,650
2020	4,495,000	995,650	5,490,650
2021	4,495,000	995,650	5,490,650
2022-2026	16,910,000	3,329,850	20,239,850
2027-2028	<u>5,935,000</u>	<u>291,375</u>	<u>6,226,375</u>
Total	<u>\$ 45,320,000</u>	<u>\$ 8,599,475</u>	<u>\$ 53,919,475</u>

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$3,252,783 in the Debt Service Fund to service the outstanding bonds payable.

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, 2016, the statutory debt limit for the District was \$210,248,639 of which \$177,004,139 is potentially available.

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE H - LONG-TERM LIABILITIES (Continued)

3. Capital Lease

The District entered into a lease for various computer equipment. Annual payments of principal and interest at a rate of 1.68% are required through July 1, 2019. Future minimum payments are as follows:

Year Ending June 30	Total
2017	\$ 154,186
2018	154,186
2019	154,186
2020	154,186
	<u>616,744</u>
Less amount related to interest:	<u>25,055</u>
Capital lease payable	<u>\$ 591,689</u>

4. Early Retirement Incentive Benefits

As described in Note F, the District participates in a Retirement Incentive Option Plan ("RIOP") and Voluntary Separation Option Plan ("VSOP") (see Note F). Annual benefits payable are as follows:

Year Ending June 30	Total
2017	\$ 642,500
2018	466,500
2019	330,000
2020	225,000
Total	<u>\$ 1,664,000</u>

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE I - OPERATING LEASES

The District leases equipment under noncancelable operating leases. The total costs for such leases were \$171,444 for the year ended June 30, 2016. At June 30, 2016, future minimum lease payments for these leases were as follows:

Year Ending June 30	Total
2017	\$ 168,004
2018	168,004
2019	168,004
2020	9,921
Total	\$ 513,933

NOTE J - INTERFUND TRANSFERS

The District transferred \$3,400,000 from the Operations and Maintenance Fund to the Capital Projects Fund. The amount transferred represents funding for capital projects.

NOTE K - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District purchases insurance from private insurance companies for general liability and other coverages not included below. Premiums have been recorded as expenditures in the appropriate funds. The District is self-insured for medical and dental, workers' compensation, and unemployment compensation coverage that is provided to District personnel. A third party administrator administers claims for a monthly fee per participant. Expenditures are recorded as incurred in the form of direct contributions from the District to the third party administrator for payment of employee health, worker's compensation, and unemployment compensation claims and administration fees. The District's liability will not exceed \$240,000 per employee for medical coverage, as provided by stop-loss provisions incorporated into the plan. There is no aggregate stop-loss provision incorporated in the plan. The District's liability will not exceed \$300,000 per employee and \$1,000,000 in the aggregate for workers' compensation coverage, as provided by stop-loss provisions incorporated into the plan.

At June 30, 2016, total unpaid claims, including an estimate of claims that have been incurred but not reported to the administrative agent, totaled \$4,652,652. The estimates are developed based on reports prepared by the administrative agent. The District does not allocate overhead costs or other nonincremental costs to the claims liability. For the two years ended June 30, 2016 and 2015, changes in the liability for unpaid claims are summarized as follows:

Community Consolidated School District 15

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE K - RISK MANAGEMENT (Continued)

	June 30, 2016	June 30, 2015
Claims payable beginning of year	\$ 4,350,738	\$ 3,462,069
Current year claims and changes in estimates	20,737,873	18,137,459
Claims payments	<u>(20,435,959)</u>	<u>(17,248,790)</u>
Claims payable end of year	<u>\$ 4,652,652</u>	<u>\$ 4,350,738</u>

At June 30, 2016, this includes \$2,521,507 of estimated incurred but not reported claims and \$2,131,145 of known reported claims.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. Settled claims have not exceeded commercial insurance coverage for the past three fiscal years.

NOTE L - CONTINGENCIES

1. Litigation

The District is a defendant in various tax protest lawsuits and other litigation. Although the outcome of these lawsuits is not presently determinable, it is possible that the outcome could have an adverse effect on the financial condition of the District. With regard to other pending matters, the eventual outcome and related liability, if any, are not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs.

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 M - CONSTRUCTION COMMITMENTS

The District has entered into certain contracts for construction in the next fiscal year. Commitments under these contracts approximate \$8,430,000, at June 30, 2016.

NOTE N - SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 2, 2016, the date these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Community Consolidated School District 15

MULTIYEAR SCHEDULES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Illinois Municipal Retirement Fund

June 30, 2016

Calendar year ended December 31,

	<u>2015</u>	<u>2014</u>
Total pension liability		
Service cost	\$ 2,480,476	\$ 2,592,705
Interest on the total pension liability	8,642,367	7,902,341
Difference between expected and actual experience of the total pension liability	(1,108,127)	(104,887)
Assumption changes	271,397	4,959,313
Benefit payments and refunds	(5,476,178)	(5,068,822)
Net change in total pension liability	<u>4,809,935</u>	<u>10,280,650</u>
Total pension liability, beginning	<u>116,883,255</u>	<u>106,602,605</u>
Total pension liability, ending	<u>\$ 121,693,190</u>	<u>\$ 116,883,255</u>
 Plan fiduciary net position		
Contributions, employer	\$ 2,523,412	\$ 2,609,683
Contributions, employee	980,331	1,000,950
Net investment income	537,963	6,234,662
Benefit payments, including refunds of employee contributions	(5,476,178)	(5,068,822)
Other (net transfer)	(366,048)	865,734
Net change in plan fiduciary net position	<u>(1,800,520)</u>	<u>5,642,207</u>
Plan fiduciary net position, beginning	<u>108,578,882</u>	<u>102,936,675</u>
Plan fiduciary net position, ending	<u>\$ 106,778,362</u>	<u>\$ 108,578,882</u>
 Net pension liability	 <u>\$ 14,914,828</u>	 <u>\$ 8,304,373</u>
 Plan fiduciary net position as a percentage of the total pension liability	 87.74 %	 92.90 %
 Covered Valuation Payroll	 \$ 21,350,975	 \$ 21,864,600
 Net pension liability as a percentage of covered valuation payroll	 69.86 %	 37.98 %

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 15
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
 Illinois Municipal Retirement Fund
June 30, 2016

<u>Calendar Year</u> Ending <u>December 31,</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> <u>(Excess)</u>	<u>Covered</u> <u>Valuation</u> <u>Payroll</u>	<u>Actual Contribution</u> <u>as a % of</u> <u>Covered Valuation Payroll</u>
2015	\$ 2,504,469	* \$ 2,523,412	\$ (18,943)	\$ 21,350,975	11.82 %
2014	2,599,701	2,609,683	(9,982)	21,864,600	11.94

* Estimated based on contribution rate of 11.73% and covered valuation payroll of \$21,350,975.

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 15
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
Teachers' Retirement System of the State of Illinois
June 30, 2016

Fiscal year ended June 30,

	<u>2015</u>		<u>2014</u>	
District's proportion of the net pension liability	0.0280300574	%	0.0254451721	%
District's proportionate share of the net pension liability	\$ 18,362,511	\$	15,485,492	
State's proportionate share of the net pension liability associated with the District	<u>495,583,969</u>		<u>445,814,176</u>	
Total	<u>\$ 513,946,480</u>	\$	<u>461,299,668</u>	
District's covered-employee payroll	\$ 76,909,767	\$	74,922,034	
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	23.88	%	20.67	%
Plan fiduciary net position as a percentage of the total pension liability	41.50	%	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 15
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
 Teachers' Retirement System of the State of Illinois
June 30, 2016

Fiscal year ended June 30,

	2015	2014
Contractually required contribution	\$ 986,480	\$ 925,806
Contributions in relation to the contractually required contribution	982,172	907,871
Contribution deficiency	\$ 4,308	\$ 17,935
District's covered-employee payroll	\$ 76,909,767	\$ 74,922,034
Contributions as a percentage of covered-employee payroll	1.28 %	1.21 %

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 15
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS
June 30, 2016

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)
7/1/16	\$ -	\$ 9,854,049	0.00	\$ 9,854,049	N/A	N/A
7/1/15	-	4,537,995	0.00	4,537,995	N/A	N/A
7/1/14	-	4,537,995	0.00	4,537,995	95,138,345	4.8

Note: A skip valuation was performed for the fiscal year ended June 30, 2015.

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
General levy	\$91,248,325	\$ 91,248,325	\$91,061,030	\$ (187,295)	\$90,716,677
Special education levy	915,120	915,120	904,945	(10,175)	913,389
Corporate personal property replacement taxes	802,683	802,683	802,683	-	802,683
Regular tuition from pupils or parents	-	-	-	-	4,811
Regular tuition from other sources (out of state)	38,000	38,000	21,218	(16,782)	25,930
Special education tuition from other districts	140,000	140,000	152,746	12,746	165,592
Interest on investments	125,250	125,250	121,172	(4,078)	104,122
Sales to pupils - lunch	790,000	790,000	877,221	87,221	565,748
Sales to pupils - breakfast	17,750	17,750	20,715	2,965	12,482
Sales to pupils - a la carte	315,000	315,000	399,625	84,625	568,101
Sales to adults	10,000	10,000	13,213	3,213	11,541
Other food service	22,000	22,000	35,706	13,706	55,661
Admissions - athletic	75,000	75,000	77,109	2,109	70,306
Admissions - other	500	500	550	50	1,238
Rentals - regular textbook	740,000	740,000	820,440	80,440	755,408
Rentals	10,187	10,187	9,324	(863)	9,641
Refund of prior years' expenditures	5,000	5,000	29,016	24,016	9,157
Proceeds from vendors' contracts	613,000	613,000	323,671	(289,329)	224,512
Local fees	29,500	29,500	24,724	(4,776)	4,839
Other	<u>175,000</u>	<u>175,000</u>	<u>118,831</u>	<u>(56,169)</u>	<u>171,947</u>
Total local sources	<u>96,072,315</u>	<u>96,072,315</u>	<u>95,813,939</u>	<u>(258,376)</u>	<u>95,193,785</u>

(Continued)

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
State sources					
General State Aid	\$ 9,645,274	\$ 9,645,274	\$ 9,435,240	\$ (210,034)	\$ 8,746,553
Special Education - Private					
Facility Tuition	413,427	413,427	440,199	26,772	405,555
Special Education - Extraordinary	1,594,893	1,594,893	1,627,486	32,593	1,564,496
Special Education - Personnel	2,591,698	2,591,698	2,471,342	(120,356)	2,546,179
Special Education - Orphanage - Individual	209,289	209,289	157,541	(51,748)	209,361
Special Education - Orphanage - Summer Individual	14,225	14,225	15,249	1,024	14,275
Special Education - Summer School	13,088	13,088	13,016	(72)	13,134
Bilingual Ed. - Downstate - T.P.I. and T.P.E.	913,892	913,892	662,125	(251,767)	879,510
State Free Lunch and Breakfast	25,000	25,000	25,472	472	31,020
Other state sources	20,130	20,130	7,418	(12,712)	323,614
On Behalf Payments to TRS from the State	<u>25,149,893</u>	<u>-</u>	<u>41,448,694</u>	<u>41,448,694</u>	<u>36,677,254</u>
Total state sources	<u>40,590,809</u>	<u>15,440,916</u>	<u>56,303,782</u>	<u>40,862,866</u>	<u>51,410,951</u>
Federal sources					
National School Lunch Program	2,200,000	2,200,000	2,186,073	(13,927)	2,278,178
Special Milk Program	1,100	1,100	758	(342)	1,053
Special Breakfast Program	400,000	400,000	413,669	13,669	397,080
Summer Food Service Program	15,000	15,000	24,372	9,372	21,664
Title I - Low Income	2,115,347	2,115,347	2,393,142	277,795	2,417,155
Federal - Special Education - Pre-School Flow Through	109,743	109,743	120,660	10,917	96,161
Federal - Special Education - I.D.E.A. - Flow Through	2,790,993	2,790,993	2,561,615	(229,378)	2,616,542

(Continued)

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016				
	Original Budget	Final Budget	Actual	Variance From Final Budget	2015 Actual
Emergency Immigrant Assistance	\$ 23,250	\$ 23,250	\$ 19,500	\$ (3,750)	\$ 17,599
Title III - English Language Acquisition	354,750	354,750	236,871	(117,879)	337,383
Title II - Teacher Quality	258,848	258,848	283,174	24,326	236,507
Medicaid Matching Funds - Administrative Outreach	250,000	250,000	313,089	63,089	329,944
Medicaid Matching Funds - Fee-For-Service-Program	750,000	750,000	1,074,354	324,354	1,529,771
Other federal sources	-	-	-	-	9,712
Total federal sources	<u>9,269,031</u>	<u>9,269,031</u>	<u>9,627,277</u>	<u>358,246</u>	<u>10,288,749</u>
Total revenues	<u>145,932,155</u>	<u>120,782,262</u>	<u>161,744,998</u>	<u>40,962,736</u>	<u>156,893,485</u>
Expenditures					
Instruction					
Regular programs					
Salaries	44,814,707	44,814,707	44,479,577	335,130	44,628,055
Employee benefits	7,575,665	7,575,665	7,915,416	(339,751)	6,767,437
On-behalf payments to TRS from the state	25,149,893	-	41,448,694	(41,448,694)	36,677,254
Purchased services	53,126	53,126	39,409	13,717	33,294
Supplies and materials	2,656,601	2,656,601	2,258,679	397,922	1,424,484
Capital outlay	-	-	-	-	26,065
Other objects	10,993	10,993	395	10,598	10,532
Non-capitalized equipment	<u>141,987</u>	<u>141,987</u>	<u>123,889</u>	<u>18,098</u>	<u>209,441</u>
Total	<u>80,402,972</u>	<u>55,253,079</u>	<u>96,266,059</u>	<u>(41,012,980)</u>	<u>89,776,562</u>

(Continued)

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Special education programs					
Salaries	\$ 11,996,342	\$ 11,996,342	\$ 11,998,927	\$ (2,585)	\$ 12,606,356
Employee benefits	2,958,154	2,958,154	3,355,666	(397,512)	2,843,250
Purchased services	180,545	180,545	201,327	(20,782)	185,592
Supplies and materials	105,636	105,636	69,727	35,909	89,046
Other objects	1,317,418	1,317,418	1,284,533	32,885	1,073,401
Non-capitalized equipment	<u>31,977</u>	<u>31,977</u>	<u>20,247</u>	<u>11,730</u>	<u>20,640</u>
Total	<u>16,590,072</u>	<u>16,590,072</u>	<u>16,930,427</u>	<u>(340,355)</u>	<u>16,818,285</u>
Remedial and Supplemental programs K-12					
Salaries	927,058	927,058	1,026,428	(99,370)	1,073,647
Employee benefits	468,137	468,137	517,820	(49,683)	488,894
Purchased services	-	-	-	-	129
Supplies and materials	<u>45,153</u>	<u>45,153</u>	<u>198,499</u>	<u>(153,346)</u>	<u>133,944</u>
Total	<u>1,440,348</u>	<u>1,440,348</u>	<u>1,742,747</u>	<u>(302,399)</u>	<u>1,696,614</u>
Interscholastic programs					
Salaries	680,811	680,811	642,866	37,945	588,824
Employee benefits	8,787	8,787	8,808	(21)	7,852
Purchased services	16,259	16,259	21,625	(5,366)	18,831
Supplies and materials	34,170	34,170	21,488	12,682	24,405
Other objects	<u>1,900</u>	<u>1,900</u>	<u>1,448</u>	<u>452</u>	<u>1,085</u>
Total	<u>741,927</u>	<u>741,927</u>	<u>696,235</u>	<u>45,692</u>	<u>640,997</u>

(Continued)

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Summer school programs					
Salaries	\$ 170,010	\$ 170,010	\$ 145,153	\$ 24,857	\$ 174,930
Employee benefits	1,207	1,207	1,082	125	1,238
Supplies and materials	<u>3,832</u>	<u>3,832</u>	<u>1,629</u>	<u>2,203</u>	<u>1,295</u>
Total	<u>175,049</u>	<u>175,049</u>	<u>147,864</u>	<u>27,185</u>	<u>177,463</u>
Gifted programs					
Salaries	1,143,787	1,143,787	1,109,661	34,126	1,107,867
Employee benefits	179,545	179,545	172,530	7,015	170,634
Supplies and materials	<u>5,535</u>	<u>5,535</u>	<u>5,176</u>	<u>359</u>	<u>4,895</u>
Total	<u>1,328,867</u>	<u>1,328,867</u>	<u>1,287,367</u>	<u>41,500</u>	<u>1,283,396</u>
Bilingual programs					
Salaries	8,342,709	8,342,709	8,194,460	148,249	8,013,294
Employee benefits	1,616,741	1,616,741	1,649,465	(32,724)	1,403,335
Purchased services	84,350	84,350	141,559	(57,209)	107,835
Supplies and materials	<u>542,599</u>	<u>542,599</u>	<u>475,251</u>	<u>67,348</u>	<u>435,539</u>
Total	<u>10,586,399</u>	<u>10,586,399</u>	<u>10,460,735</u>	<u>125,664</u>	<u>9,960,003</u>
Total instruction	<u>112,415,143</u>	<u>87,265,250</u>	<u>127,531,434</u>	<u>(40,266,184)</u>	<u>120,353,320</u>
Support services					
Pupils					
Attendance and social work services					
Salaries	2,344,511	2,344,511	2,888,387	(543,876)	2,420,912
Employee benefits	369,637	369,637	477,302	(107,665)	361,618
Purchased services	713	713	740	(27)	396
Supplies and materials	<u>3,831</u>	<u>3,831</u>	<u>672</u>	<u>3,159</u>	<u>1,670</u>
Total	<u>2,718,692</u>	<u>2,718,692</u>	<u>3,367,101</u>	<u>(648,409)</u>	<u>2,784,596</u>

(Continued)

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Guidance services					
Salaries	\$ 283,060	\$ 283,060	\$ 295,314	\$ (12,254)	\$ 367,964
Employee benefits	<u>32,328</u>	<u>32,328</u>	<u>49,789</u>	<u>(17,461)</u>	<u>42,489</u>
Total	<u>315,388</u>	<u>315,388</u>	<u>345,103</u>	<u>(29,715)</u>	<u>410,453</u>
Health services					
Salaries	1,519,586	1,519,586	1,474,399	45,187	1,427,309
Employee benefits	265,238	265,238	292,364	(27,126)	242,737
Purchased services	336,787	336,787	377,339	(40,552)	450,335
Supplies and materials	30,484	30,484	21,113	9,371	25,578
Capital outlay	-	-	714	(714)	-
Non-capitalized equipment	<u>13,525</u>	<u>13,525</u>	<u>3,098</u>	<u>10,427</u>	<u>8,281</u>
Total	<u>2,165,620</u>	<u>2,165,620</u>	<u>2,169,027</u>	<u>(3,407)</u>	<u>2,154,240</u>
Psychological services					
Salaries	1,202,281	1,202,281	1,094,033	108,248	1,222,030
Employee benefits	194,765	194,765	178,211	16,554	180,455
Purchased services	1,475	1,475	365	1,110	19,965
Supplies and materials	5,000	5,000	4,336	664	2,970
Non-capitalized equipment	<u>540</u>	<u>540</u>	<u>-</u>	<u>540</u>	<u>-</u>
Total	<u>1,404,061</u>	<u>1,404,061</u>	<u>1,276,945</u>	<u>127,116</u>	<u>1,425,420</u>

(Continued)

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Speech pathology and audiology services					
Salaries	\$ 2,209,387	\$ 2,209,387	\$ 2,245,380	\$ (35,993)	\$ 2,163,861
Employee benefits	307,779	307,779	314,129	(6,350)	276,726
Purchased services	66,170	66,170	68,027	(1,857)	75,956
Supplies and materials	9,500	9,500	13,258	(3,758)	9,765
Non-capitalized equipment	<u>23,687</u>	<u>23,687</u>	<u>9,137</u>	<u>14,550</u>	<u>7,776</u>
Total	<u>2,616,523</u>	<u>2,616,523</u>	<u>2,649,931</u>	<u>(33,408)</u>	<u>2,534,084</u>
Total pupils	<u>9,220,284</u>	<u>9,220,284</u>	<u>9,808,107</u>	<u>(587,823)</u>	<u>9,308,793</u>
Instructional staff					
Improvement of instruction services					
Salaries	1,037,554	1,037,554	1,479,548	(441,994)	1,050,957
Employee benefits	273,202	273,202	352,739	(79,537)	293,018
Purchased services	317,179	317,179	276,369	40,810	225,826
Supplies and materials	146,352	146,352	117,334	29,018	174,787
Other objects	1,600	1,600	891	709	-
Non-capitalized equipment	<u>6,415</u>	<u>6,415</u>	<u>2,007</u>	<u>4,408</u>	<u>7,674</u>
Total	<u>1,782,302</u>	<u>1,782,302</u>	<u>2,228,888</u>	<u>(446,586)</u>	<u>1,752,262</u>
Educational media services					
Salaries	2,862,740	2,862,740	2,803,927	58,813	2,671,929
Employee benefits	396,461	396,461	428,578	(32,117)	348,544
Purchased services	625,565	625,565	506,910	118,655	569,444
Supplies and materials	296,837	296,837	227,121	69,716	236,026
Capital outlay	-	-	-	-	3,453
Non-capitalized equipment	<u>2,208,153</u>	<u>2,208,153</u>	<u>1,532,207</u>	<u>675,946</u>	<u>571,308</u>
Total	<u>6,389,756</u>	<u>6,389,756</u>	<u>5,498,743</u>	<u>891,013</u>	<u>4,400,704</u>

(Continued)

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Assessment and testing					
Salaries	\$ 154,000	\$ 154,000	\$ 135,497	\$ 18,503	\$ 146,650
Employee benefits	10,302	10,302	10,633	(331)	17,977
Purchased services	114,808	114,808	119,625	(4,817)	119,000
Supplies and materials	<u>62,250</u>	<u>62,250</u>	<u>37,184</u>	<u>25,066</u>	<u>60,371</u>
Total	<u>341,360</u>	<u>341,360</u>	<u>302,939</u>	<u>38,421</u>	<u>343,998</u>
Total instructional staff	<u>8,513,418</u>	<u>8,513,418</u>	<u>8,030,570</u>	<u>482,848</u>	<u>6,496,964</u>
General administration					
Board of education services					
Salaries	514,231	514,231	596,438	(82,207)	565,776
Employee benefits	70,821	70,821	80,587	(9,766)	391,425
Purchased services	292,135	292,135	347,832	(55,697)	218,120
Supplies and materials	7,662	7,662	5,480	2,182	3,970
Other objects	4,500	4,500	18,898	(14,398)	19,491
Non-capitalized equipment	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>	<u>-</u>
Total	<u>893,349</u>	<u>893,349</u>	<u>1,049,235</u>	<u>(155,886)</u>	<u>1,198,782</u>
Executive administration services					
Salaries	829,149	829,149	811,233	17,916	839,143
Employee benefits	116,591	116,591	115,806	785	109,104
Purchased services	20,588	20,588	87,189	(66,601)	32,910
Supplies and materials	55,358	55,358	18,361	36,997	25,208
Other objects	4,682	4,682	6,521	(1,839)	6,361
Non-capitalized equipment	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>5,020</u>
Total	<u>1,028,368</u>	<u>1,028,368</u>	<u>1,039,110</u>	<u>(10,742)</u>	<u>1,017,746</u>

(Continued)

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Special area administrative services					
Salaries	\$ 634,884	\$ 634,884	\$ 593,548	\$ 41,336	\$ 627,733
Employee benefits	105,623	105,623	146,478	(40,855)	82,213
Other objects	-	-	-	-	720
Total	<u>740,507</u>	<u>740,507</u>	<u>740,026</u>	<u>481</u>	<u>710,666</u>
Total general administration	<u>2,662,224</u>	<u>2,662,224</u>	<u>2,828,371</u>	<u>(166,147)</u>	<u>2,927,194</u>
School administration					
Office of the principal services					
Salaries	5,572,184	5,572,184	5,671,457	(99,273)	5,633,126
Employee benefits	966,532	966,532	1,024,757	(58,225)	910,945
Purchased services	120,761	120,761	119,662	1,099	67,745
Supplies and materials	14,475	14,475	10,703	3,772	14,916
Capital outlay	-	-	80	(80)	-
Non-capitalized equipment	<u>500</u>	<u>500</u>	<u>-</u>	<u>500</u>	<u>-</u>
Total school administration	<u>6,674,452</u>	<u>6,674,452</u>	<u>6,826,659</u>	<u>(152,207)</u>	<u>6,626,732</u>

(Continued)

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Business					
Fiscal services					
Salaries	\$ 751,758	\$ 751,758	\$ 758,720	\$ (6,962)	\$ 758,198
Employee benefits	115,976	115,976	125,171	(9,195)	109,640
Purchased services	66,364	66,364	87,922	(21,558)	194,421
Supplies and materials	101,440	101,440	110,598	(9,158)	108,935
Capital outlay	40,000	40,000	6,341	33,659	-
Other objects	2,000	2,000	2,356	(356)	1,591
Non-capitalized equipment	<u>2,000</u>	<u>2,000</u>	<u>130</u>	<u>1,870</u>	<u>298</u>
Total	<u>1,079,538</u>	<u>1,079,538</u>	<u>1,091,238</u>	<u>(11,700)</u>	<u>1,173,083</u>
Pupil transportation services					
Salaries	40,000	40,000	28,353	11,647	24,137
Employee benefits	<u>-</u>	<u>-</u>	<u>14</u>	<u>(14)</u>	<u>108</u>
Total	<u>40,000</u>	<u>40,000</u>	<u>28,367</u>	<u>11,633</u>	<u>24,245</u>
Food services					
Salaries	1,054,919	1,054,919	1,081,299	(26,380)	1,043,875
Employee benefits	479,477	479,477	507,631	(28,154)	428,867
Purchased services	42,974	42,974	42,079	895	62,526
Supplies and materials	1,708,100	1,708,100	1,612,065	96,035	1,644,867
Capital outlay	100,000	100,000	44,519	55,481	-
Other objects	1,000	1,000	1,604	(604)	995
Non-capitalized equipment	<u>27,000</u>	<u>27,000</u>	<u>18,623</u>	<u>8,377</u>	<u>52,386</u>
Total	<u>3,413,470</u>	<u>3,413,470</u>	<u>3,307,820</u>	<u>105,650</u>	<u>3,233,516</u>

(Continued)

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance From Final Budget	
Internal services					
Salaries	\$ 276,665	\$ 276,665	\$ 288,170	\$ (11,505)	\$ 280,882
Employee benefits	61,743	61,743	65,992	(4,249)	57,905
Purchased services	198,476	198,476	179,594	18,882	134,311
Supplies and materials	64,969	64,969	36,249	28,720	49,803
Capital outlay	116,399	116,399	171,046	(54,647)	203,565
Non-capitalized equipment	<u>5,930</u>	<u>5,930</u>	<u>-</u>	<u>5,930</u>	<u>170</u>
Total	<u>724,182</u>	<u>724,182</u>	<u>741,051</u>	<u>(16,869)</u>	<u>726,636</u>
Total business	<u>5,257,190</u>	<u>5,257,190</u>	<u>5,168,476</u>	<u>88,714</u>	<u>5,157,480</u>
Central					
Planning, research, development and evaluation services					
Salaries	5,000	5,000	1,895	3,105	5,020
Purchased services	<u>9,390</u>	<u>9,390</u>	<u>-</u>	<u>9,390</u>	<u>7,575</u>
Total	<u>14,390</u>	<u>14,390</u>	<u>1,895</u>	<u>12,495</u>	<u>12,595</u>
Information services					
Salaries	128,954	128,954	125,119	3,835	162,554
Employee benefits	16,682	16,682	10,655	6,027	14,739
Purchased services	54,684	54,684	56,997	(2,313)	59,855
Supplies and materials	4,750	4,750	749	4,001	721
Other objects	1,020	1,020	340	680	425
Non-capitalized equipment	<u>2,500</u>	<u>2,500</u>	<u>-</u>	<u>2,500</u>	<u>5,051</u>
Total	<u>208,590</u>	<u>208,590</u>	<u>193,860</u>	<u>14,730</u>	<u>243,345</u>

(Continued)

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Staff services					
Salaries	\$ 663,673	\$ 663,673	\$ 635,218	\$ 28,455	\$ 631,081
Employee benefits	99,808	99,808	92,861	6,947	102,694
Purchased services	78,670	78,670	73,875	4,795	109,932
Supplies and materials	21,071	21,071	15,475	5,596	26,033
Capital outlay	-	-	612	(612)	1,850
Other objects	4,080	4,080	992	3,088	1,892
Non-capitalized equipment	15,446	15,446	-	15,446	-
Total	882,748	882,748	819,033	63,715	873,482
Data processing services					
Salaries	263,519	263,519	255,381	8,138	258,351
Employee benefits	37,122	37,122	34,931	2,191	34,813
Purchased services	50,568	50,568	107,616	(57,048)	84,272
Supplies and materials	133,040	133,040	10,403	122,637	40,023
Non-capitalized equipment	-	-	1,498	(1,498)	-
Total	484,249	484,249	409,829	74,420	417,459
Total central	1,589,977	1,589,977	1,424,617	165,360	1,546,881
Other supporting services					
Purchased services	500	500	-	500	-
Total	500	500	-	500	-
Total support services	33,918,045	33,918,045	34,086,800	(168,755)	32,064,044

(Continued)

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Community services					
Salaries	\$ 210,040	\$ 210,040	\$ 166,165	\$ 43,875	\$ 161,719
Employee benefits	27,343	27,343	27,089	254	26,390
Purchased services	138,958	138,958	102,182	36,776	114,583
Supplies and materials	17,514	17,514	15,128	2,386	24,055
Non-capitalized equipment	-	-	-	-	813
Total community services	<u>393,855</u>	<u>393,855</u>	<u>310,564</u>	<u>83,291</u>	<u>327,560</u>
Payments to other districts and government units					
Payments for other programs - transfers					
Purchased services	<u>237,500</u>	<u>237,500</u>	<u>278,983</u>	<u>(41,483)</u>	<u>271,403</u>
Total payments to other districts and other government units	<u>237,500</u>	<u>237,500</u>	<u>278,983</u>	<u>(41,483)</u>	<u>271,403</u>
Total expenditures	<u>146,964,543</u>	<u>121,814,650</u>	<u>162,207,781</u>	<u>(40,393,131)</u>	<u>153,016,327</u>
Excess (deficiency) of revenues over expenditures	<u>(1,032,388)</u>	<u>(1,032,388)</u>	<u>(462,783)</u>	<u>569,605</u>	<u>3,877,158</u>
Other financing sources (uses)					
Capital lease proceeds	1,173,063	1,173,063	745,875	(427,188)	-
Permanent transfer to Operations and Maintenance Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,000,000)</u>
Total other financing sources (uses)	<u>1,173,063</u>	<u>1,173,063</u>	<u>745,875</u>	<u>(427,188)</u>	<u>(2,000,000)</u>
Net change to fund balance	<u>\$ 140,675</u>	<u>\$ 140,675</u>	283,092	<u>\$ 142,417</u>	1,877,158
Fund balance, beginning of year			<u>44,583,475</u>		<u>42,706,317</u>
Fund balance, end of year			<u>\$44,866,567</u>		<u>\$44,583,475</u>

(Concluded)

Community Consolidated School District 15
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
General levy	\$ 12,433,225	\$ 12,433,225	\$ 12,594,905	\$ 161,680	\$11,833,350
Corporate personal property replacement taxes	802,683	802,683	477,749	(324,934)	831,228
Interest on investments	22,500	22,500	10,872	(11,628)	8,177
Rentals	85,000	85,000	48,821	(36,179)	50,480
Impact fees from municipal or county governments	1,103	1,103	-	(1,103)	-
Proceeds from vendors' contracts	150,000	150,000	147,140	(2,860)	153,070
Other	<u>90,000</u>	<u>90,000</u>	<u>77,333</u>	<u>(12,667)</u>	<u>84,172</u>
Total local sources	<u>13,584,511</u>	<u>13,584,511</u>	<u>13,356,820</u>	<u>(227,691)</u>	<u>12,960,477</u>
Total revenues	<u>13,584,511</u>	<u>13,584,511</u>	<u>13,356,820</u>	<u>(227,691)</u>	<u>12,960,477</u>
Expenditures					
Support services					
Facilities acquisition and construction services					
Purchased services	<u>1,995</u>	<u>1,995</u>	<u>2,103</u>	<u>(108)</u>	<u>2,877</u>
Total	<u>1,995</u>	<u>1,995</u>	<u>2,103</u>	<u>(108)</u>	<u>2,877</u>

(Continued)

Community Consolidated School District 15
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Operation and maintenance of plant services					
Salaries	\$ 5,130,727	\$ 5,130,727	\$ 5,023,670	\$ 107,057	\$ 5,186,284
Employee benefits	918,111	918,111	904,028	14,083	893,809
Purchased services	1,460,570	1,460,570	1,808,646	(348,076)	1,785,118
Supplies and materials	3,009,879	3,009,879	3,251,112	(241,233)	3,324,899
Capital outlay	461,355	461,355	238,561	222,794	541,275
Other objects	-	-	1,215	(1,215)	-
Non-capitalized equipment	<u>87,504</u>	<u>87,504</u>	<u>59,770</u>	<u>27,734</u>	<u>70,392</u>
 Total	 <u>11,068,146</u>	 <u>11,068,146</u>	 <u>11,287,002</u>	 <u>(218,856)</u>	 <u>11,801,777</u>
 Total support services	 <u>11,070,141</u>	 <u>11,070,141</u>	 <u>11,289,105</u>	 <u>(218,964)</u>	 <u>11,804,654</u>
 Total expenditures	 <u>11,070,141</u>	 <u>11,070,141</u>	 <u>11,289,105</u>	 <u>(218,964)</u>	 <u>11,804,654</u>
 Excess of revenues over expenditures	 <u>2,514,370</u>	 <u>2,514,370</u>	 <u>2,067,715</u>	 <u>(446,655)</u>	 <u>1,155,823</u>
 Other financing sources (uses)					
Permanent transfer from General Fund	-	-	-	-	2,000,000
Transfer to Capital Projects Fund	<u>(3,400,000)</u>	<u>(3,400,000)</u>	<u>(3,400,000)</u>	<u>-</u>	<u>(4,400,000)</u>
 Total other financing sources (uses)	 <u>(3,400,000)</u>	 <u>(3,400,000)</u>	 <u>(3,400,000)</u>	 <u>-</u>	 <u>(2,400,000)</u>
 Net change in fund balance	 <u>\$ (885,630)</u>	 <u>\$ (885,630)</u>	 <u>(1,332,285)</u>	 <u>\$ (446,655)</u>	 <u>(1,244,177)</u>
 Fund balance, beginning of year			 <u>2,756,896</u>		 <u>4,001,073</u>
 Fund balance, end of year			 <u>\$ 1,424,611</u>		 <u>\$ 2,756,896</u>

(Concluded)

Community Consolidated School District 15
Tort Immunity and Judgment Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016		Actual	Variance	2015 Actual
	Original Budget	Final Budget		From Final Budget	
Revenues					
Local sources					
General levy	\$ 1,005,081	\$ 1,005,081	\$ 972,568	\$ (32,513)	\$ 1,133,504
Interest on investments	1,300	1,300	1,872	572	1,531
Other	<u>-</u>	<u>-</u>	<u>644</u>	<u>644</u>	<u>642</u>
Total local sources	<u>1,006,381</u>	<u>1,006,381</u>	<u>975,084</u>	<u>(31,297)</u>	<u>1,135,677</u>
Total revenues	<u>1,006,381</u>	<u>1,006,381</u>	<u>975,084</u>	<u>(31,297)</u>	<u>1,135,677</u>
Expenditures					
Support services - general administration					
Workers' compensation or workers' occupational disability payments					
Purchased services	<u>600,000</u>	<u>600,000</u>	<u>693,287</u>	<u>(93,287)</u>	<u>550,897</u>
Total	<u>600,000</u>	<u>600,000</u>	<u>693,287</u>	<u>(93,287)</u>	<u>550,897</u>
Unemployment insurance payments					
Purchased services	<u>75,000</u>	<u>75,000</u>	<u>12,151</u>	<u>62,849</u>	<u>39,943</u>
Total	<u>75,000</u>	<u>75,000</u>	<u>12,151</u>	<u>62,849</u>	<u>39,943</u>
Insurance payments (regular or self-insured)					
Purchased services	<u>543,641</u>	<u>543,641</u>	<u>584,695</u>	<u>(41,054)</u>	<u>516,757</u>
Total	<u>543,641</u>	<u>543,641</u>	<u>584,695</u>	<u>(41,054)</u>	<u>516,757</u>

(Continued)

Community Consolidated School District 15
Tort Immunity and Judgment Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016		Actual	Variance	2015 Actual
	Original Budget	Final Budget		From Final Budget	
Risk management and claims services payments					
Purchased services	\$ 5,000	\$ 5,000	\$ 2,425	\$ 2,575	\$ 2,355
Total	<u>5,000</u>	<u>5,000</u>	<u>2,425</u>	<u>2,575</u>	<u>2,355</u>
Total support services	<u>1,223,641</u>	<u>1,223,641</u>	<u>1,292,558</u>	<u>(68,917)</u>	<u>1,109,952</u>
Total expenditures	<u>1,223,641</u>	<u>1,223,641</u>	<u>1,292,558</u>	<u>(68,917)</u>	<u>1,109,952</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (217,260)</u>	<u>\$ (217,260)</u>	(317,474)	<u>\$ (100,214)</u>	25,725
Fund balance, beginning of year			<u>803,836</u>		<u>778,111</u>
Fund balance, end of year			<u>\$ 486,362</u>		<u>\$ 803,836</u>

(Concluded)

Community Consolidated School District 15
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016				
	Original Budget	Final Budget	Actual	Variance From Final Budget	2015 Actual
Revenues					
Local sources					
General levy	\$ 4,156,816	\$ 4,156,816	\$ 4,206,272	\$ 49,456	\$ 4,092,236
Regular transportation fees from pupils or parents	125,000	125,000	152,536	27,536	142,477
Regular transportation fees from other sources - in state	45,000	45,000	52,471	7,471	41,140
Regular transportation fees from other sources - out of state	5,000	5,000	-	(5,000)	-
Special education transportation fees from other districts	-	-	3,885	3,885	6,277
Interest on investments	17,500	17,500	14,399	(3,101)	11,129
Other	25,000	25,000	2,653	(22,347)	-
Total local sources	<u>4,374,316</u>	<u>4,374,316</u>	<u>4,432,216</u>	<u>57,900</u>	<u>4,293,259</u>
State sources					
Transportation - Regular/Vocational	2,080,714	2,080,714	2,062,171	(18,543)	2,195,836
Transportation - Special Education	2,395,924	2,395,924	1,938,441	(457,483)	2,406,948
Transportation - Other	-	-	-	-	23,850
Total state sources	<u>4,476,638</u>	<u>4,476,638</u>	<u>4,000,612</u>	<u>(476,026)</u>	<u>4,626,634</u>
Total revenues	<u>8,850,954</u>	<u>8,850,954</u>	<u>8,432,828</u>	<u>(418,126)</u>	<u>8,919,893</u>

(Continued)

Community Consolidated School District 15
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016		Actual	Variance	2015 Actual
	Original Budget	Final Budget		From Final Budget	
Expenditures					
Support services					
Pupil transportation services					
Salaries	\$ 5,018,749	\$ 5,018,749	\$ 4,709,979	\$ 308,770	\$ 4,663,760
Employee benefits	1,843,790	1,843,790	1,717,921	125,869	1,753,115
Purchased services	592,884	592,884	707,717	(114,833)	669,872
Supplies and materials	1,165,904	1,165,904	893,497	272,407	1,110,421
Capital outlay	836,163	836,163	807,540	28,623	940,964
Non-capitalized equipment	<u>1,530</u>	<u>1,530</u>	<u>10,647</u>	<u>(9,117)</u>	<u>-</u>
Total expenditures	<u>9,459,020</u>	<u>9,459,020</u>	<u>8,847,301</u>	<u>611,719</u>	<u>9,138,132</u>
Deficiency of revenues over expenditures	<u>\$ (608,066)</u>	<u>\$ (608,066)</u>	(414,473)	<u>\$ 193,593</u>	(218,239)
Fund balance, beginning of year			<u>6,010,659</u>		<u>6,228,898</u>
Fund balance, end of year			<u>\$ 5,596,186</u>		<u>\$ 6,010,659</u>

(Concluded)

Community Consolidated School District 15
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
General levy	\$ 2,295,555	\$ 2,295,555	\$ 2,267,668	\$ (27,887)	\$ 2,286,227
Social security/medicare only levy	3,046,264	3,046,264	3,028,562	(17,702)	3,023,425
Corporate personal property replacement taxes	125,000	125,000	125,000	-	125,000
Interest on investments	<u>7,500</u>	<u>7,500</u>	<u>6,983</u>	<u>(517)</u>	<u>6,053</u>
Total local sources	<u>5,474,319</u>	<u>5,474,319</u>	<u>5,428,213</u>	<u>(46,106)</u>	<u>5,440,705</u>
Total revenues	<u>5,474,319</u>	<u>5,474,319</u>	<u>5,428,213</u>	<u>(46,106)</u>	<u>5,440,705</u>
Expenditures					
Instruction					
Regular programs	1,089,812	1,089,812	973,398	116,414	1,027,146
Special education programs	762,993	762,993	691,559	71,434	709,451
Special education programs pre-K	14,110	14,110	-	14,110	-
Remedial and supplemental programs K-12	23,845	23,845	22,761	1,084	23,905
Interscholastic programs	12,583	12,583	10,100	2,483	10,054
Summer school programs	17,216	17,216	12,680	4,536	17,101
Gifted programs	16,585	16,585	15,376	1,209	15,147
Bilingual programs	<u>243,920</u>	<u>243,920</u>	<u>202,350</u>	<u>41,570</u>	<u>226,345</u>
Total instruction	<u>2,181,064</u>	<u>2,181,064</u>	<u>1,928,224</u>	<u>252,840</u>	<u>2,029,149</u>

(Continued)

Community Consolidated School District 15
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016				
	Original Budget	Final Budget	Actual	Variance From Final Budget	2015 Actual
Support services					
Pupils					
Attendance and social work services	\$ 42,107	\$ 42,107	\$ 43,734	\$ (1,627)	\$ 37,999
Guidance services	7,416	7,416	6,664	752	5,396
Health services	288,759	288,759	262,637	26,122	259,010
Psychological services	19,293	19,293	18,291	1,002	20,790
Speech pathology and audiology services	<u>32,036</u>	<u>32,036</u>	<u>31,465</u>	<u>571</u>	<u>30,376</u>
Total pupils	<u>389,611</u>	<u>389,611</u>	<u>362,791</u>	<u>26,820</u>	<u>353,571</u>
Instructional staff					
Improvement of instruction services	21,936	21,936	29,049	(7,113)	22,700
Educational media services	173,158	173,158	162,259	10,899	154,826
Assessment and testing	<u>1,819</u>	<u>1,819</u>	<u>1,933</u>	<u>(114)</u>	<u>2,030</u>
Total instructional staff	<u>196,913</u>	<u>196,913</u>	<u>193,241</u>	<u>3,672</u>	<u>179,556</u>
General administration					
Board of education services	32,689	32,689	28,579	4,110	28,919
Executive administration services	69,058	69,058	78,052	(8,994)	80,243
Special area administrative services	<u>19,859</u>	<u>19,859</u>	<u>37,369</u>	<u>(17,510)</u>	<u>37,087</u>
Total general administration	<u>121,606</u>	<u>121,606</u>	<u>144,000</u>	<u>(22,394)</u>	<u>146,249</u>
School administration					
Office of the principal services	<u>297,389</u>	<u>297,389</u>	<u>285,873</u>	<u>11,516</u>	<u>294,006</u>
Total school administration	<u>297,389</u>	<u>297,389</u>	<u>285,873</u>	<u>11,516</u>	<u>294,006</u>

(Continued)

Community Consolidated School District 15
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016				
	Original Budget	Final Budget	Actual	Variance From Final Budget	2015 Actual
Business					
Fiscal services	\$ 89,189	\$ 89,189	\$ 84,886	\$ 4,303	\$ 89,262
Operation and maintenance of plant services	980,266	980,266	961,877	18,389	1,002,649
Pupil transportation services	988,552	988,552	895,217	93,335	903,056
Food services	203,912	203,912	188,051	15,861	187,496
Internal services	<u>53,499</u>	<u>53,499</u>	<u>54,189</u>	<u>(690)</u>	<u>53,236</u>
Total business	<u>2,315,418</u>	<u>2,315,418</u>	<u>2,184,220</u>	<u>131,198</u>	<u>2,235,699</u>
Central					
Planning, research, development and evaluation services	73	73	366	(293)	372
Information services	33,531	33,531	24,216	9,315	31,502
Staff services	65,142	65,142	63,799	1,343	63,855
Data processing services	<u>50,938</u>	<u>50,938</u>	<u>43,481</u>	<u>7,457</u>	<u>44,735</u>
Total central	<u>149,684</u>	<u>149,684</u>	<u>131,862</u>	<u>17,822</u>	<u>140,464</u>
Total support services	<u>3,470,621</u>	<u>3,470,621</u>	<u>3,301,987</u>	<u>168,634</u>	<u>3,349,545</u>
Community services	<u>14,807</u>	<u>14,807</u>	<u>13,661</u>	<u>1,146</u>	<u>13,997</u>
Total expenditures	<u>5,666,492</u>	<u>5,666,492</u>	<u>5,243,872</u>	<u>422,620</u>	<u>5,392,691</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (192,173)</u>	<u>\$ (192,173)</u>	184,341	<u>\$ 376,514</u>	48,014
Fund balance, beginning of year			<u>2,473,716</u>		<u>2,425,702</u>
Fund balance, end of year			<u>\$ 2,658,057</u>		<u>\$ 2,473,716</u>

(Concluded)

Community Consolidated School District 15
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2016

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 September 9, 2015 and amended on June 15, 2016.
- g) All budget appropriations lapse at the end of the fiscal year.

Community Consolidated School District 15
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2016

2. EXPENDITURES IN EXCESS OF BUDGETS

The following funds had excess of expenditures over budget as follows:

<u>Funds</u>	<u>Variance</u>
General	\$ 40,393,131
Operations and Maintenance	218,964
Tort	68,917
Fire Prevention and Safety	4,679,750

The expenditures in excess of budget are not in violation of any legal or contractual provisions. The expenditures in excess of budget on the General Fund were mainly attributable to the District budgeting for on-behalf contributions to the Teachers' Retirement System of the State of Illinois in the original budget but not in the amended budget.

3. TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Changes of Assumptions

Amounts reported in 2015 reflect an investment rate of return of 7.50 percent, an inflation rate of 3.00 percent and real return of 4.50 percent, and salary increases that vary by service credit. In 2014, assumptions used were an investment rate of return of 7.50 percent, an inflation rate of 3.00 percent and real return of 4.50 percent, and salary increases of 5.75 percent.

Community Consolidated School District 15
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2016

4. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2015 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 2015 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, 2013 actuarial valuation.

SUPPLEMENTARY FINANCIAL INFORMATION

Community Consolidated School District 15

General Fund

COMBINING BALANCE SHEET

June 30, 2016

	Educational Account	Working Cash Account	Total
ASSETS			
Cash and investments	\$ 53,728,797	\$ 110,987	\$ 53,839,784
Receivables (net of allowance for uncollectibles):			
Property taxes	44,689,627	-	44,689,627
Intergovernmental	3,824,909	-	3,824,909
Tuition	151,125	-	151,125
Inventory	28,772	-	28,772
Prepaid items	<u>1,440,447</u>	<u>-</u>	<u>1,440,447</u>
Total assets	<u>\$ 103,863,677</u>	<u>\$ 110,987</u>	<u>\$ 103,974,664</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 1,153,149	\$ -	\$ 1,153,149
Salaries and wages payable	12,349,849	-	12,349,849
Claims payable	2,131,145	-	2,131,145
Payroll deductions payable	<u>9,853</u>	<u>-</u>	<u>9,853</u>
Total liabilities	<u>15,643,996</u>	<u>-</u>	<u>15,643,996</u>
DEFERRED INFLOWS			
Property taxes levied for a future period	<u>43,464,101</u>	<u>-</u>	<u>43,464,101</u>
Total deferred inflows	<u>43,464,101</u>	<u>-</u>	<u>43,464,101</u>
FUND BALANCES			
Nonspendable	1,469,219	-	1,469,219
Assigned	5,342,090	-	5,342,090
Unassigned	<u>37,944,271</u>	<u>110,987</u>	<u>38,055,258</u>
Total fund balance	<u>44,755,580</u>	<u>110,987</u>	<u>44,866,567</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 103,863,677</u>	<u>\$ 110,987</u>	<u>\$ 103,974,664</u>

Community Consolidated School District 15

General Fund

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

For the Year Ended June 30, 2016

	Educational Account	Working Cash Account	Total
Revenues			
Property taxes	\$ 91,965,975	\$ -	\$ 91,965,975
Replacement taxes	802,683	-	802,683
State aid	56,303,782	-	56,303,782
Federal aid	9,627,277	-	9,627,277
Interest	120,947	225	121,172
Other	2,924,109	-	2,924,109
	<u>161,744,773</u>	<u>225</u>	<u>161,744,998</u>
Expenditures			
Current:			
Instruction:			
Regular programs	54,817,365	-	54,817,365
Special programs	18,673,174	-	18,673,174
Other instructional programs	12,592,201	-	12,592,201
State retirement contributions	41,448,694	-	41,448,694
Support services:			
Pupils	9,807,393	-	9,807,393
Instructional staff	8,030,570	-	8,030,570
General administration	2,828,371	-	2,828,371
School administration	6,826,579	-	6,826,579
Business	4,918,203	-	4,918,203
Transportation	28,367	-	28,367
Central	1,424,005	-	1,424,005
Other supporting services	152	-	152
Community services	310,564	-	310,564
Nonprogrammed charges	278,831	-	278,831
Capital outlay	223,312	-	223,312
	<u>162,207,781</u>	<u>-</u>	<u>162,207,781</u>
Excess of revenues over expenditures	<u>(463,008)</u>	<u>225</u>	<u>(462,783)</u>
Other financing sources (uses)			
Proceeds from capital lease	745,875	-	745,875
	<u>745,875</u>	<u>-</u>	<u>745,875</u>
Net change in fund balance	282,867	225	283,092
Fund balance, beginning of year	44,472,713	110,762	44,583,475
Fund balance, end of year	<u>\$ 44,755,580</u>	<u>\$ 110,987</u>	<u>\$ 44,866,567</u>

Community Consolidated School District 15
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
General levy	\$ 4,885,850	\$ 4,885,850	\$ 4,839,755	\$ (46,095)	\$ 4,912,224
Interest on investments	17,000	17,000	12,515	(4,485)	10,249
Other	<u>-</u>	<u>-</u>	<u>6,310</u>	<u>6,310</u>	<u>543</u>
Total revenues	<u>4,902,850</u>	<u>4,902,850</u>	<u>4,858,580</u>	<u>(44,270)</u>	<u>4,923,016</u>
Expenditures					
Bonds - interest	<u>300,250</u>	<u>433,402</u>	<u>432,702</u>	<u>700</u>	<u>211,290</u>
Total debt service - interest	<u>300,250</u>	<u>433,402</u>	<u>432,702</u>	<u>700</u>	<u>211,290</u>
Principal payments on long-term debt	<u>4,495,000</u>	<u>6,255,000</u>	<u>6,255,000</u>	<u>-</u>	<u>4,625,000</u>
Other debt service					
Other objects	<u>-</u>	<u>-</u>	<u>475</u>	<u>(475)</u>	<u>130,706</u>
Total	<u>-</u>	<u>-</u>	<u>475</u>	<u>(475)</u>	<u>130,706</u>
Total debt service	<u>4,795,250</u>	<u>6,688,402</u>	<u>6,688,177</u>	<u>225</u>	<u>4,966,996</u>
Total expenditures	<u>4,795,250</u>	<u>6,688,402</u>	<u>6,688,177</u>	<u>225</u>	<u>4,966,996</u>
Excess (deficiency) of revenues over expenditures	<u>107,600</u>	<u>(1,785,552)</u>	<u>(1,829,597)</u>	<u>(44,045)</u>	<u>(43,980)</u>

(Continued)

Community Consolidated School District 15
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance From Final Budget	
Other financing sources (uses)					
Debt issuance	\$ -	\$ -	\$ -	\$ -	\$ 9,060,000
Premium on debt issuance	-	-	-	-	788,627
Deposit with escrow agent	-	-	-	-	(9,718,271)
Total other financing sources	-	-	-	-	130,356
Net change in fund balance	<u>\$ 107,600</u>	<u>\$ (1,785,552)</u>	(1,829,597)	<u>\$ (44,045)</u>	86,376
Fund balance, beginning of year			<u>5,082,380</u>		<u>4,996,004</u>
Fund balance, end of year			<u>\$ 3,252,783</u>		<u>\$ 5,082,380</u>

(Concluded)

Community Consolidated School District 15

Capital Projects Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016				
	Original Budget	Final Budget	Actual	Variance From Final Budget	2015 Actual
Revenues					
Local sources					
Interest on investments	\$ 100	\$ 100	\$ 495	\$ 395	\$ 51
Impact fees from municipal or county governments	75,000	75,000	418,202	343,202	94,034
Payments of surplus moneys from TIF districts	<u>325,600</u>	<u>325,600</u>	<u>797,748</u>	<u>472,148</u>	<u>471</u>
Total local sources	<u>400,700</u>	<u>400,700</u>	<u>1,216,445</u>	<u>815,745</u>	<u>94,556</u>
Total revenues	<u>400,700</u>	<u>400,700</u>	<u>1,216,445</u>	<u>815,745</u>	<u>94,556</u>
Expenditures					
Support services					
Facilities acquisition and construction services					
Purchased services	1,168,288	1,168,288	769,295	398,993	1,004,157
Supplies and materials	-	-	-	-	209,851
Capital outlay	<u>2,469,929</u>	<u>2,469,929</u>	<u>2,440,876</u>	<u>29,053</u>	<u>2,980,935</u>
Total support services	<u>3,638,217</u>	<u>3,638,217</u>	<u>3,210,171</u>	<u>428,046</u>	<u>4,194,943</u>

(Continued)

Community Consolidated School District 15

Capital Projects Fund

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

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Total expenditures	<u>\$ 3,638,217</u>	<u>\$ 3,638,217</u>	<u>\$ 3,210,171</u>	<u>\$ 428,046</u>	<u>\$ 4,194,943</u>
Deficiency of revenues over expenditures	<u>(3,237,517)</u>	<u>(3,237,517)</u>	<u>(1,993,726)</u>	<u>1,243,791</u>	<u>(4,100,387)</u>
Other financing sources					
Transfer in from Operations and Maintenance	<u>3,400,000</u>	<u>3,400,000</u>	<u>3,400,000</u>	<u>-</u>	<u>4,400,000</u>
Total other financing sources	<u>3,400,000</u>	<u>3,400,000</u>	<u>3,400,000</u>	<u>-</u>	<u>4,400,000</u>
Net change in fund balance	<u>\$ 162,483</u>	<u>\$ 162,483</u>	1,406,274	<u>\$ 1,243,791</u>	299,613
Fund balance (deficit), beginning of year			<u>252,143</u>		<u>(47,470)</u>
Fund balance, end of year			<u>\$ 1,658,417</u>		<u>\$ 252,143</u>

(Concluded)

Community Consolidated School District 15
 Fire Prevention and Safety Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2016
 With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance From Final Budget	
Revenues					
Local sources					
Interest on investments	\$ 50	\$ 6,375	\$ 4,732	\$ (1,643)	\$ 40
Total local sources	<u>50</u>	<u>6,375</u>	<u>4,732</u>	<u>(1,643)</u>	<u>40</u>
Total revenues	<u>50</u>	<u>6,375</u>	<u>4,732</u>	<u>(1,643)</u>	<u>40</u>
Expenditures					
Support services					
Purchased services	-	2,445,930	1,560,714	885,216	-
Capital outlay	<u>-</u>	<u>-</u>	<u>5,564,966</u>	<u>(5,564,966)</u>	<u>-</u>
Total	<u>-</u>	<u>2,445,930</u>	<u>7,125,680</u>	<u>(4,679,750)</u>	<u>-</u>
Other support services					
Other objects	<u>-</u>	<u>275,146</u>	<u>275,146</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>275,146</u>	<u>275,146</u>	<u>-</u>	<u>-</u>
Total support services	<u>-</u>	<u>2,721,076</u>	<u>7,400,826</u>	<u>(4,679,750)</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>2,721,076</u>	<u>7,400,826</u>	<u>(4,679,750)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>50</u>	<u>(2,714,701)</u>	<u>(7,396,094)</u>	<u>(4,681,393)</u>	<u>40</u>

(Continued)

Community Consolidated School District 15
 Fire Prevention and Safety Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2016
 With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			Variance From Final Budget	2015 Actual
	Original Budget	Final Budget	Actual		
Other financing sources					
Debt issuance	\$ -	\$ 15,675,000	\$ 15,675,000	\$ -	\$ -
Premium on debt issuance	-	<u>2,850,146</u>	<u>2,850,146</u>	-	-
Total other financing sources	<u>-</u>	<u>18,525,146</u>	<u>18,525,146</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 50</u>	<u>\$ 15,810,445</u>	\$ 11,129,052	<u>\$ (4,681,393)</u>	\$ 40
Fund balance, beginning of year			<u>18,704</u>		<u>18,664</u>
Fund balance, end of year			<u>\$ 11,147,756</u>		<u>\$ 18,704</u>

(Concluded)

Community Consolidated School District 15
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2016

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Assets				
Cash and investments	\$ 1,157,253	\$ 942,970	\$ 907,841	\$ 1,192,382
Liabilities				
Due to student groups				
Schools				
Jane Addams	\$ 14,714	\$ 17,778	\$ 16,134	\$ 16,358
Central Road	28,147	49,856	26,506	51,497
Winston Churchill	15,861	14,593	27,429	3,025
Kimball Hill	6,571	6,124	4,013	8,682
Hunting Ridge	15,045	28,057	31,171	11,931
Thomas Jefferson	44,335	30,422	28,695	46,062
Marion Jordan	15,509	31,173	29,017	17,665
Lake Louise	12,284	14,459	18,286	8,457
Lincoln	8,536	32,266	26,946	13,856
Stuart R. Paddock	22,999	48,738	42,181	29,556
Pleasant Hill	26,326	26,677	30,553	22,450
Plum Grove Jr. High	(4,634)	86,589	70,638	11,317
Gray M. Sanborn	27,349	23,845	22,503	28,691
Carl Sandburg Jr. High	40,541	23,045	20,676	42,910
W. R. Sundling Jr. High	35,743	114,353	113,386	36,710
Virginia Lake	16,059	12,441	17,466	11,034
F. C. Whiteley	24,674	20,605	18,417	26,862
Willow Bend	25,271	23,462	21,700	27,033
Winston Park Jr. High	40,646	58,801	55,621	43,826
Special Olympics	28,572	7,258	10,128	25,702
Transportation	1,879	1,332	1,969	1,242
The Learning Academy	4,923	2,967	1,158	6,732
Total schools	451,350	674,841	634,593	491,598
General				
Interest on Savings	60,907	1,335	-	62,242
Alan E. Hoover Memorial				
Student Health Fund	38,852	76	2,415	36,513
CARE program	595,647	266,378	270,518	591,507
Other	10,497	340	315	10,522
Total general	705,903	268,129	273,248	700,784
Total liabilities	\$ 1,157,253	\$ 942,970	\$ 907,841	\$ 1,192,382

Community Consolidated School District 15
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS PAYABLE
Year Ended June 30, 2016

Maturity as follows for the Year Ended June 30	Working Cash, Series 2001 Capital			General Obligation, Refunding Series 2014			General Obligation, Refunding Series 2016			Total
	Appreciation Bonds			Principal	Interest	Total	Principal	Interest	Total	
2017	\$ 4,495,000	\$ -	\$ 4,495,000	\$ -	\$ 299,900	\$ 299,900	\$ -	\$ 695,750	\$ 695,750	\$ 5,490,650
2018	4,495,000	-	4,495,000	-	299,900	299,900	-	695,750	695,750	5,490,650
2019	4,495,000	-	4,495,000	-	299,900	299,900	-	695,750	695,750	5,490,650
2020	4,495,000	-	4,495,000	-	299,900	299,900	-	695,750	695,750	5,490,650
2021	4,495,000	-	4,495,000	-	299,900	299,900	-	695,750	695,750	5,490,650
2022	-	-	-	2,865,000	240,025	3,105,025	300,000	688,250	988,250	4,093,275
2023	-	-	-	2,990,000	136,200	3,126,200	420,000	670,250	1,090,250	4,216,450
2024	-	-	-	3,075,000	46,125	3,121,125	555,000	645,875	1,200,875	4,322,000
2025	-	-	-	-	-	-	3,865,000	535,375	4,400,375	4,400,375
2026	-	-	-	-	-	-	2,840,000	367,750	3,207,750	3,207,750
2027	-	-	-	-	-	-	3,075,000	219,875	3,294,875	3,294,875
2028	-	-	-	-	-	-	2,860,000	71,500	2,931,500	2,931,500
	<u>\$ 22,475,000</u>	<u>\$ -</u>	<u>\$ 22,475,000</u>	<u>\$ 8,930,000</u>	<u>\$ 1,921,850</u>	<u>\$ 10,851,850</u>	<u>\$ 13,915,000</u>	<u>\$ 6,677,625</u>	<u>\$ 20,592,625</u>	<u>\$ 53,919,475</u>