

**Community Consolidated School  
District 62  
Des Plaines, Illinois**

**Annual Financial Report**

For the year ended  
**June 30, 2017**



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

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### *Independent Auditor's Report*

Board of Education  
Community Consolidated School District 62  
Des Plaines, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Community Consolidated School District 62 (the District) as of and for the year ended June 30, 2017, 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**

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.

#### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

#### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Community Consolidated School District 62 as of June 30, 2017, 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 other required supplementary information as listed in the table of contents 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 combining and individual fund financial statements and schedules and other supplementary information as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information 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 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The other supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

We have also audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended June 30, 2016, which are not presented with the accompanying financial statements, and we expressed 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 schedules of revenues, expenditures and changes in fund balances - budget and actual, related to the 2016 financial statements 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 2016 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2016 schedules of revenues, expenditures and changes in fund balances - budget and actual are fairly stated in material respects in relation to the basic financial statements from which they have been derived.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2017, on our consideration of Community Consolidated School District 62'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.

A handwritten signature in black ink that reads "Klein Hall CPAs". The signature is written in a cursive, flowing style.

Klein Hall CPAs  
Aurora, Illinois  
September 20, 2017

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Management's Discussion and Analysis  
For the Year Ended June 30, 2017

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The discussion and analysis of Community Consolidated School District 62's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2017. 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 increased by \$5.9. This represents a 5% increase from 2016.
- General revenues accounted for \$75.4 in revenue or 73% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$28.1 or 27% of total revenues of \$103.5. This represents a 1% increase in revenues over the prior year.
- The District had \$97.6 in expenses related to government activities. However, only \$28.1 of these expenses were offset by program specific charges and grants. Total expenses were \$3.4 over the prior year, which includes \$4.8 for interest payments. The increase for all expenses is a 4% increase over the prior year. The increase for expenses, less bond expenses, is a 4% increase over the prior year.
- The District maintained a AA+ long-term debt rating from Standards & Poor's related to the taxable obligation Alternative Revenue Bonds issued in the fall of 2009.
- The District retired the 2012 bond issue during FY2017
- Due to the current market conditions, interest income again was a nominal portion of the revenue stream. Over the past year, the District worked with the Township Treasurer to obtain the best rates possible.
- Revenues for FY2017 were impacted because of delayed or non-payment of portions of the state mandated categorical grants.
- Property tax receipts for FY2017 were reduced related to successful property tax objections filed in PTAB and circuit courts.
- The District abated \$9,534,576 in the 2016 debt service levy.
- The District maintained their "Financial Recognition" status under the ISBE rating scale for the 12th consecutive year.

### Overview of the Financial Statements

This discussion and analysis are 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 other supplementary 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 plus deferred outflows and liabilities plus deferred inflows, 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.



## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Management's Discussion and Analysis  
For the Year Ended June 30, 2017

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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 is 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.

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

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

Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary 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 accounting used for fiduciary funds is much like that for the government-wide financial statements.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Management's Discussion and Analysis  
For the Year Ended June 30, 2017

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*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.

*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 pension benefits to its non-certified employees.

**District-Wide Financial Analysis**

The District's combined net position were higher on June 30, 2017, than they were the year before, increasing 5% to \$117.0.

**Table 1**  
**Condensed Statements of Net Position**  
**(in millions of dollars)**

|                                  | 2017            | 2016            |
|----------------------------------|-----------------|-----------------|
| <b>Assets</b>                    |                 |                 |
| Current and other assets         | \$ 157.7        | \$ 153.4        |
| Capital assets                   | 88.3            | 91.1            |
| Total assets                     | <u>246.0</u>    | <u>244.5</u>    |
| <b>Deferred outflows</b>         |                 |                 |
| Pension deferrals                | 7.0             | 8.3             |
| Total deferred outflows          | <u>7.0</u>      | <u>8.3</u>      |
| <b>Liabilities</b>               |                 |                 |
| Current liabilities              | 1.1             | 1.2             |
| Long-Term debt outstanding       | 97.1            | 107.8           |
| Total liabilities                | <u>98.2</u>     | <u>109.0</u>    |
| <b>Deferred inflows</b>          |                 |                 |
| Deferred revenue                 | 31.8            | 31.4            |
| Pension deferrals                | 6.0             | 1.3             |
| Total deferred inflows           | <u>37.8</u>     | <u>32.7</u>     |
| <b>Net position</b>              |                 |                 |
| Net investment in capital assets | 4.2             | 2.0             |
| Restricted                       | 17.2            | 16.0            |
| Unrestricted                     | 95.6            | 93.1            |
| Total net position               | <u>\$ 117.0</u> | <u>\$ 111.1</u> |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Management's Discussion and Analysis

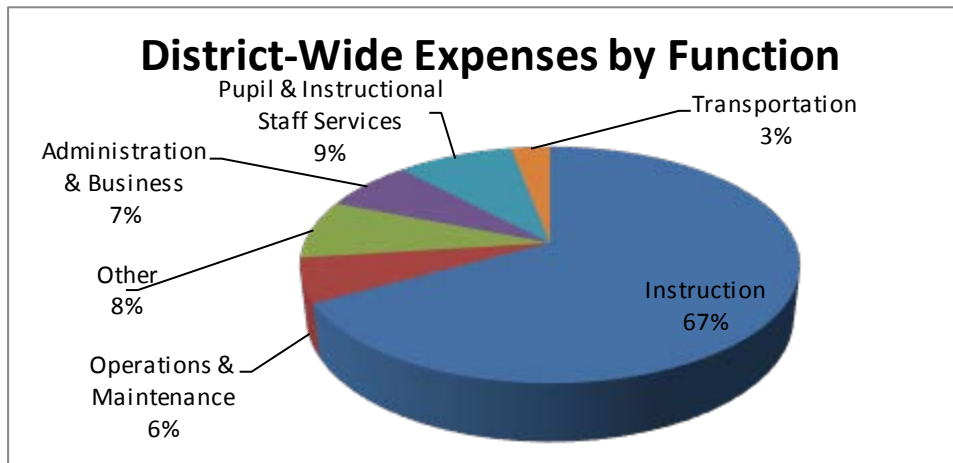
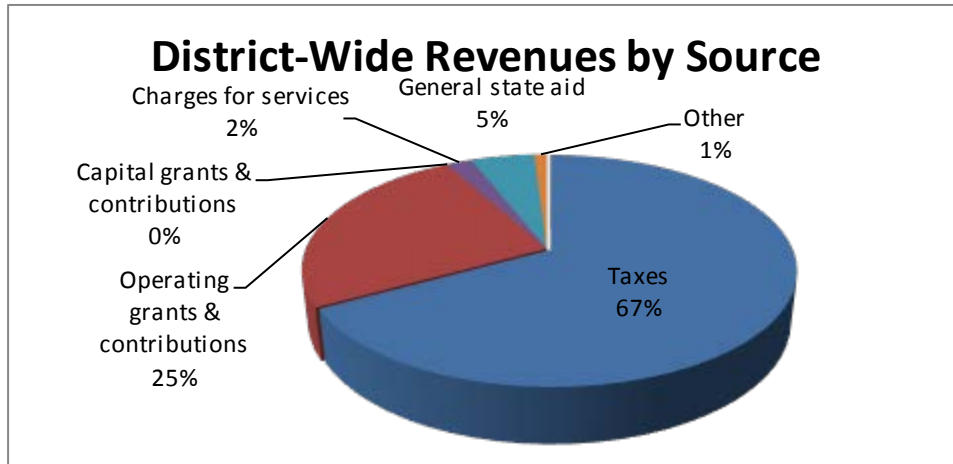
For the Year Ended June 30, 2017

Expenses in the governmental activities of the District of \$97.6 were under revenues by \$5.9.

**Table 2**  
**Changes in Net Position**  
**(in millions of dollars)**

|                                      | <u>2017</u>     | <u>2016</u>     |
|--------------------------------------|-----------------|-----------------|
| <b>Revenues</b>                      |                 |                 |
| <i>Program Revenues</i>              |                 |                 |
| Charges for services                 | \$ 2.2          | \$ 2.8          |
| Operating grants & contributions     | 25.9            | 23.8            |
| Capital grants & contributions       | -               | -               |
| <i>General Revenues</i>              |                 |                 |
| Taxes                                | 69.0            | 68.3            |
| General state aid                    | 5.7             | 5.1             |
| Other                                | 0.7             | 2.1             |
| Total Revenues                       | <u>103.5</u>    | <u>102.1</u>    |
| <b>Expenses</b>                      |                 |                 |
| Instructional                        | 65.5            | 64.9            |
| Pupil & instructional staff services | 8.4             | 9.0             |
| Administration & Business            | 7.2             | 8.2             |
| Transportation                       | 3.0             | 3.1             |
| Operations & Maintenance             | 5.9             | 2.2             |
| Other                                | 7.6             | 6.8             |
| Total Expenses                       | <u>97.6</u>     | <u>94.2</u>     |
| Increase in net position             | 5.9             | 7.9             |
| Net position- beginning              | 111.1           | 103.2           |
| Net position- ending                 | <u>\$ 117.0</u> | <u>\$ 111.1</u> |

Property taxes accounted for the largest portion of the District's revenues, contributing 67%. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$97.6, mainly related to instructing and caring for the students and student transportation of 79% and operations and maintenance of 6%.



## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Management's Discussion and Analysis

For the Year Ended June 30, 2017

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### Financial Analysis of the District's Funds

The District's Governmental Funds balance increased from \$120.7 to \$123.7. The District continues to implement a conservative approach to budgeting, which includes effectively managing resources and expenses. While the District budgets for current and potential program costs, it also plans for anticipated staffing increases for the delivery of required programs, the District evaluates the cost of programming and staffing on a routine basis and only approves budgetary expenses it deems necessary. As a result, the District is able to reduce expenditures and preserve resources.

### General Fund Budgetary Highlights

Revenues and expenditures were over budget by \$18.1 and \$4.1, respectively. This was mainly due to \$15.3 of on-behalf payments made by the State of Illinois to the Teachers Retirement System on the District's behalf that are not budgeted in the revenues or expenditures of the District. Without taking the on-behalf payment into consideration, expenditures would have been under budget by \$11.2.

The district has not historically budgeted for the State on-behalf payments due to budgeting on the cash basis. Because there is a "net neutral outcome" for the on-behalf payments for the revenue and expenditure sides, the District does not inflate their budget for these amounts. The financial statements are prepared using the modified accrual basis of accounting, so the on-behalf payments are recorded during the audit process. Further, due to the State's financial crisis, the District believes there is no guarantee that the State will make the TRS on-behalf payments. In the event the State does not take a "pension holiday" and makes the on-behalf TRS payment for the district, it is adjusted for during the audit adjustments.

### Capital Assets and Debt Administration

#### *Capital assets*

By the end of 2017, the District had compiled a total investment of \$129.7 (\$88.3 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$3.2. More detailed information about capital assets can be found in Note 4 of the basic financial statements.

**Table 3**  
**Capital assets (net of depreciation)**  
**(in millions of dollars)**

|                   | 2017           | 2016           |
|-------------------|----------------|----------------|
| Land              | \$ 0.8         | \$ 0.8         |
| Land improvements | 6.6            | 7.1            |
| Buildings         | 79.4           | 81.8           |
| Equipment         | 1.5            | 1.4            |
| Total             | <u>\$ 88.3</u> | <u>\$ 91.1</u> |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Management's Discussion and Analysis

For the Year Ended June 30, 2017

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*Long-term debt*

The District retired \$5.0 in bonds in 2017. At the end of fiscal 2017, the District had a debt margin of \$39.4. More detailed information on long-term debt can be found in Note 5 of the basic financial statements.

**Table 4**  
**Outstanding Long-Term Debt**  
**(in millions of dollars)**

|                                   | <u>2017</u>    | <u>2016</u>     |
|-----------------------------------|----------------|-----------------|
| General Obligation Bonds          | \$ 84.1        | \$ 89.1         |
| Net Pension Liabilities and Other | <u>13.0</u>    | <u>18.7</u>     |
| Total                             | <u>\$ 97.1</u> | <u>\$ 107.8</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:

- Delayed or non-payment of portions of the state mandated categorical grants.
- Reduction in property tax revenues related to successful property tax objections filed in PTAB and Circuit courts.

**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:

Community Consolidated School District 62  
777 Algonquin Road  
Des Plaines, Illinois 60016

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

## Statement of Net Position

June 30, 2017

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|   | Governmental<br>Activities   |
|---|------------------------------|
| <b>Assets</b>   |                              |
| Cash and investments                                  | \$ 121,844,207               |
| Receivables   |                              |
| Property taxes  | 31,797,215                   |
| Interest  | 308,340                      |
| Due from other governments                            | 3,696,790                    |
| Other receivables                                     | 23,138                       |
| Prepaid items   | 91,756                       |
| Capital assets  |                              |
| Land  | 793,100                      |
| Other capital assets, net of accumulated depreciation | <u>87,485,402</u>            |
| Total assets  | <u>246,039,948</u>           |
| <b>Deferred Outflows</b>                              |                              |
| Deferred outflows related to pensions                 | <u>6,994,505</u>             |
| <b>Liabilities</b>                                    |                              |
| Accounts payable                                      | 662,585                      |
| Accrued interest payable                              | 368,600                      |
| Payroll deductions payable                            | 41,492                       |
| Due to activity funds                                 | 4,180                        |
| Noncurrent liabilities                                |                              |
| Due within one year                                   | 5,506,546                    |
| Due in more than one year                             | <u>91,610,955</u>            |
| Total liabilities                                     | <u>98,194,358</u>            |
| <b>Deferred Inflows</b>                               |                              |
| Property taxes levied for subsequent year             | 31,797,215                   |
| Deferred inflows related to pensions                  | <u>6,041,050</u>             |
| Total deferred inflows                                | <u>37,838,265</u>            |
| <b>Net Position</b>                                   |                              |
| Net investment in capital assets                      | 4,158,502                    |
| Restricted for  |                              |
| Tort immunity   | 1,517,567                    |
| Debt service  | 5,018,019                    |
| Capital projects                                      | 3,226,244                    |
| Transportation  | 6,190,013                    |
| Employee retirement                                   | 1,211,814                    |
| Fire prevention and safety                            | 29,741                       |
| Unrestricted  | <u>95,649,930</u>            |
| <b>Total net position</b>                             | <u><u>\$ 117,001,830</u></u> |

*See accompanying notes to basic financial statements*

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Statement of Activities  
Year Ended June 30, 2017

| Functions                               | Expenses      | Program Revenues     |                                    | Capital Grants and Contributions | Net (Expense) Revenue and Changes in Net Position |
|---|---------------|----------------------|------------------------------------|----------------------------------|---|
|   |               | Charges for Services | Operating Grants and Contributions |                                  |   |
| <b>Governmental Activities</b>          |               |                      |                                    |                                  |   |
| Instructional services                  |               |                      |                                    |                                  |   |
| Regular programs                        | \$ 27,461,252 | \$ 1,574,212         | \$ 3,540,658                       | \$ -                             | \$ (22,346,382)                                   |
| Special programs                        | 12,638,968    | 70,915               | 3,776,261                          | -                                | (8,791,792)                                       |
| Other programs                          | 10,077,158    | 161,091              | 760                                | -                                | (9,915,307)                                       |
| State retirement contributions          | 15,321,679    | -                    | 15,321,679                         | -                                | -   |
| Support services                        |               |                      |                                    |                                  |   |
| Pupils                                  | 4,870,851     | -                    | -                                  | -                                | (4,870,851)                                       |
| Instructional staff                     | 3,327,298     | -                    | 138,368                            | -                                | (3,188,930)                                       |
| General administration                  | 1,901,985     | -                    | -                                  | -                                | (1,901,985)                                       |
| School administration                   | 2,808,378     | -                    | -                                  | -                                | (2,808,378)                                       |
| Business                                | 2,607,729     | 274,967              | 869,183                            | -                                | (1,463,579)                                       |
| Operation and maintenance of facilities | 5,878,930     | 12,869               | -                                  | -                                | (5,866,061)                                       |
| Transportation                          | 3,010,631     | 119,320              | 824,844                            | -                                | (2,066,467)                                       |
| Central                                 | 1,052,307     | -                    | -                                  | -                                | (1,052,307)                                       |
| Community services                      | 377,013       | -                    | -                                  | -                                | (377,013)   |
| Payments to other districts             | 1,397,482     | -                    | -                                  | -                                | (1,397,482)                                       |
| Interest on long-term liabilities       | 4,822,695     | -                    | 1,441,300                          | -                                | (3,381,395)                                       |
| Total school district                   | \$ 97,554,356 | \$ 2,213,374         | \$ 25,913,053                      | \$ -                             | (69,427,929)                                      |

**General revenues**

|   |                       |
|---|-----------------------|
| Property taxes levied for                                 |                       |
| General purposes  | 60,548,144            |
| Transportation  | 2,436,233             |
| Retirement  | 2,469,888             |
| Corporate personal property replacement taxes             | 3,589,897             |
| Federal and state aid not restricted to specific purposes | 5,652,700             |
| Earnings on investments                                   | 231,389               |
| Miscellaneous   | 426,508               |
| Total general revenues                                    | <u>75,354,759</u>     |
| Change in net position                                    | 5,926,830             |
| Net position - beginning                                  | <u>111,075,000</u>    |
| Net position - ending                                     | <u>\$ 117,001,830</u> |

See accompanying notes to basic financial statements



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Balance Sheet  
 Governmental Funds  
 June 30, 2017

|  | General               | Debt Service        | Capital Projects    | Other Governmental Funds | Total Governmental Funds |
|--|-----------------------|---------------------|---------------------|--------------------------|--------------------------|
| <b>ASSETS</b>  |                       |                     |                     |                          |                          |
| Cash and investments   | \$ 106,380,492        | \$ 5,018,019        | \$ 3,220,296        | \$ 7,225,400             | \$ 121,844,207           |
| Receivables  |                       |                     |                     |                          |                          |
| Property taxes   | 29,508,869            | -                   | -                   | 2,288,346                | 31,797,215               |
| Interest   | 302,392               | -                   | 5,948               | -                        | 308,340                  |
| Due from other governments                                   | 3,145,328             | -                   | -                   | 551,462                  | 3,696,790                |
| Other receivables  | -                     | -                   | -                   | 23,138                   | 23,138                   |
| Prepaid items  | 91,756                | -                   | -                   | -                        | 91,756                   |
| <b>Total Assets</b>  | <b>\$ 139,428,837</b> | <b>\$ 5,018,019</b> | <b>\$ 3,226,244</b> | <b>\$ 10,088,346</b>     | <b>\$ 157,761,446</b>    |
| <b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>       |                       |                     |                     |                          |                          |
| <b>Liabilities</b>   |                       |                     |                     |                          |                          |
| Accounts payable   | \$ 569,884            | \$ -                | \$ -                | \$ 92,701                | \$ 662,585               |
| Payroll deductions payable                                   | 41,492                | -                   | -                   | -                        | 41,492                   |
| Due to activity funds  | 4,180                 | -                   | -                   | -                        | 4,180                    |
| <b>Total Liabilities</b>                                     | <b>615,556</b>        | <b>-</b>            | <b>-</b>            | <b>92,701</b>            | <b>708,257</b>           |
| <b>Deferred Inflows</b>                                      |                       |                     |                     |                          |                          |
| Other deferred revenues                                      | 1,272,244             | -                   | -                   | 275,731                  | 1,547,975                |
| Property taxes levied for subsequent year                    | 29,508,869            | -                   | -                   | 2,288,346                | 31,797,215               |
| <b>Total Deferred Inflows</b>                                | <b>30,781,113</b>     | <b>-</b>            | <b>-</b>            | <b>2,564,077</b>         | <b>33,345,190</b>        |
| <b>Fund Balances</b>   |                       |                     |                     |                          |                          |
| Nonspendable   |                       |                     |                     |                          |                          |
| Prepaid Items  | 91,756                | -                   | -                   | -                        | 91,756                   |
| Restricted   |                       |                     |                     |                          |                          |
| Tort immunity  | 1,425,811             | -                   | -                   | -                        | 1,425,811                |
| Debt service   | -                     | 5,018,019           | -                   | -                        | 5,018,019                |
| Capital projects   | -                     | -                   | 3,226,244           | -                        | 3,226,244                |
| Transportation   | -                     | -                   | -                   | 6,190,013                | 6,190,013                |
| Employee retirement  | -                     | -                   | -                   | 1,211,814                | 1,211,814                |
| Fire prevention and safety                                   | -                     | -                   | -                   | 29,741                   | 29,741                   |
| Unassigned   | 106,514,601           | -                   | -                   | -                        | 106,514,601              |
| <b>Total Fund Balances</b>                                   | <b>108,032,168</b>    | <b>5,018,019</b>    | <b>3,226,244</b>    | <b>7,431,568</b>         | <b>123,707,999</b>       |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b> | <b>\$ 139,428,837</b> | <b>\$ 5,018,019</b> | <b>\$ 3,226,244</b> | <b>\$ 10,088,346</b>     | <b>\$ 157,761,446</b>    |

See accompanying notes to basic financial statements.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Reconciliation of the Balance Sheet of Governmental Funds  
 To the Statement of Net Position  
 June 30, 2017

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**Total fund balances - governmental funds** \$ 123,707,999

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

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The cost of the assets is \$129,725,679 and the accumulated depreciation is \$41,447,177. 88,278,502

Some of the School District's governmental revenues will be collected after fiscal year-end but are not available soon enough to pay for the current period's expenditures and are therefore not accrued in the governmental funds. 1,547,975

Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due. (368,600)

Deferred inflows and outflows of resources related to pensions are not reported in governmental funds

|                   |             |
|-------------------|-------------|
| Deferred outflows | 6,994,505   |
| Deferred inflows  | (6,041,050) |

Long-term liabilities included in the Statement of Net Position are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet.

|  |               |
|--|---------------|
| Bonds payable                                | (84,120,000)  |
| Net pension liabilities                      | (11,758,702)  |
| Net other postemployment benefits obligation | (1,037,253)   |
| Compensated absences                         | (201,546)     |
|  | (117,117,501) |

**Net position of governmental activities** \$ 117,001,830

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Year Ended June 30, 2017

|  | General               | Debt<br>Service     | Capital<br>Projects | Other<br>Governmental<br>Funds | Totals<br>Governmental<br>Funds |
|--|-----------------------|---------------------|---------------------|--------------------------------|---------------------------------|
| <b>REVENUES</b>                                      |                       |                     |                     |                                |                                 |
| Local sources  | \$ 66,291,966         | \$ 15,509           | \$ 446,303          | \$ 5,161,655                   | \$ 71,915,433                   |
| State sources  | 23,390,791            | -                   | -                   | 824,844                        | 24,215,635                      |
| Federal sources                                      | 4,360,843             | 1,441,300           | -                   | -                              | 5,802,143                       |
| <b>Total Revenues</b>                                | <b>94,043,600</b>     | <b>1,456,809</b>    | <b>446,303</b>      | <b>5,986,499</b>               | <b>101,933,211</b>              |
| <b>EXPENDITURES</b>                                  |                       |                     |                     |                                |                                 |
| Current operating                                    |                       |                     |                     |                                |                                 |
| Instruction  | 61,175,970            | -                   | -                   | 1,289,610                      | 62,465,580                      |
| Support services                                     | 21,052,384            | -                   | 259,141             | 3,856,762                      | 25,168,287                      |
| Community services                                   | 337,799               | -                   | -                   | 39,214                         | 377,013                         |
| Non-programmed charges                               | 1,397,482             | -                   | -                   | -                              | 1,397,482                       |
| Debt service   |                       |                     |                     |                                |                                 |
| Principal  | -                     | 5,005,000           | -                   | -                              | 5,005,000                       |
| Interest and other                                   | -                     | 4,529,576           | -                   | -                              | 4,529,576                       |
| <b>Total Expenditures</b>                            | <b>83,963,635</b>     | <b>9,534,576</b>    | <b>259,141</b>      | <b>5,185,586</b>               | <b>98,942,938</b>               |
| Excess (deficiency) of revenues<br>over expenditures | 10,079,965            | (8,077,767)         | 187,162             | 800,913                        | 2,990,273                       |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                       |                     |                     |                                |                                 |
| Transfers in   | -                     | 7,986,456           | -                   | -                              | 7,986,456                       |
| Transfers out  | (7,986,456)           | -                   | -                   | -                              | (7,986,456)                     |
| <b>Total other financing sources (uses)</b>          | <b>(7,986,456)</b>    | <b>7,986,456</b>    | <b>-</b>            | <b>-</b>                       | <b>-</b>                        |
| Net changes in fund balance                          | 2,093,509             | (91,311)            | 187,162             | 800,913                        | 2,990,273                       |
| Fund Balances<br>at beginning of year                | 105,938,659           | 5,109,330           | 3,039,082           | 6,630,655                      | 120,717,726                     |
| <b>FUND BALANCES<br/>AT END OF YEAR</b>              | <b>\$ 108,032,168</b> | <b>\$ 5,018,019</b> | <b>\$ 3,226,244</b> | <b>\$ 7,431,568</b>            | <b>\$ 123,707,999</b>           |

See accompanying notes to basic financial statements.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances of Governmental Funds to the Statement of Activities  
Year Ended June 30, 2017

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**Net change in fund balances - total governmental funds** \$ 2,990,273

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$1,500 are capitalized and the cost is allocated over their estimated lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

|                      |                    |
|----------------------|--------------------|
| Capital outlays      | 336,357            |
| Depreciation expense | <u>(3,211,170)</u> |

Because some of the governmental revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are not accrued in the governmental funds.

1,547,975

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:

|   |                    |
|---|--------------------|
| Change in other post employment benefits obligation     | (189,057)          |
| Change in accrued interest on debt                      | (368,600)          |
| Change in compensated absences payable                  | 46,730             |
| Change in net pension liability                         | 5,704,327          |
| Change in deferred inflows/outflows related to pensions | <u>(6,010,486)</u> |

The governmental funds report bond and loan proceeds as an other financing source, while repayment of bond and loan principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of bonds and loans and related items is as follows:

|                                      |               |
|--------------------------------------|---------------|
| Repayment of bond and loan principal | 5,005,000     |
| Amortization of bond premium         | <u>75,481</u> |

**Change in net position of governmental activities** \$ 5,926,830

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Agency Fund - Activity Fund

Statement of Fiduciary Assets and Liabilities

June 30, 2017

---

**Assets**

|      |                   |
|------|-------------------|
| Cash | <u>\$ 110,970</u> |
|------|-------------------|

**Liabilities**

|                      |                   |
|----------------------|-------------------|
| Due to organizations | <u>\$ 110,970</u> |
|----------------------|-------------------|

*See accompanying notes to basic financial statements.*

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Notes to Basic Financial Statements

June 30, 2017

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Community Consolidated School District 62 (the "District") operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District:

#### a. Reporting Entity

Accounting principles generally accepted in the United States of America require that the financial statements of the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Government Accounting Standards Board Statements have been considered and there are no agencies or entities which should be presented with the District. Using the same criteria, the District is not included as a component unit of any other governmental entity.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. This report does not contain any component units.

#### b. 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 legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The following summarizes the fund types used by the District:

Governmental funds include the following fund types:

**General Fund** - The General Fund, which consists of the legally mandated Educational Account, Operations and Maintenance Account, Tort Immunity Account and Working Cash Account, is used to account for the revenues and expenditures, which are used in providing education in the District. It is used to account for all financial resources except those accounted for in other funds.

**Educational Account** – These accounts are used for most of the instructional and administrative aspects of the District's operations, as well as providing school lunch services to students. The revenue consists primarily of local property taxes, state government aid and student registration fees and lunch receipts from the District food service program.

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Notes to Basic Financial Statements (Continued)

June 30, 2017

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Operations and Maintenance Account** – These accounts are used for expenditures made for operation, repair and maintenance of District property. Revenue consists primarily of local property taxes.

**Tort Immunity Account** – This fund accounts for revenues and expenditures related to tort immunity. Revenue is primarily derived from local property taxes.

**Working Cash Account** – This fund accounts for financial resources held by the District to be used as loans for working capital requirements to any other fund for which taxes are levied. The Working Cash Account was established and has been used to respond to fluctuations in cash flow resulting from unpredictable property tax collections. The earnings of the fund are allowed to be transferred to another fund under the Illinois Compiled Statutes. The principal of the fund, accumulated from bond issues, can be used as a source from which the District borrows money to support temporary deficiencies in other funds, or may be partially or fully transferred to the General Fund's Educational Account, upon Board approval.

**Special Revenue Funds** - Special Revenue Funds account for the proceeds of specific revenue sources (other than Debt Service and Capital Projects Funds) that are legally restricted to expenditures for specified purposes. The District's Special Revenue Funds are the Transportation and Municipal Retirement/Social Security Funds.

**Transportation Fund** – This fund accounts for the revenue and expenditures relating to student transportation, both to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

**Municipal Retirement/Social Security Fund** – This fund accounts for the District's portion of the pension contributions to the Illinois Municipal Retirement Fund for noncertified employees and social security contributions for applicable certified and noncertified employees. Revenue to finance the contributions is derived primarily from local property taxes.

**Debt Service Funds** - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

**Debt Service Fund** - The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. Since there are no legal requirements on bond indentures, which mandate that a separate fund be established for each bond issue, the District maintains one Debt Service Fund for all bond issues.

**Capital Projects Funds** - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Notes to Basic Financial Statements (Continued)

June 30, 2017

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Capital Projects Fund** – Capital Projects Funds include both the Capital Projects Fund and the Fire Prevention and Safety Fund. The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities. The Fire Prevention and Safety Fund accounts for financial resources to be used for acquisitions and construction projects, which qualify as Fire Prevention and Safety expenditures.

#### **Fiduciary Fund Type**

**Agency Funds** - The Agency Funds (Activity Funds) account for assets held by the District in trustee capacity or as an agent for student organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. In accordance with GASB 34, fiduciary funds are not included in the government-wide financial statements.

The District reports the following funds as major governmental funds:

General Fund

Debt Service Fund (elected to be treated as major by the District)

Capital Projects Fund (elected to be treated as major by the District)

#### **Net Position**

##### **Government-Wide Statements**

Net position is classified and displayed in three components:

1. Net investment in capital assets. Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.
2. Restricted. Consists of restricted assets reduced by liabilities and deferred inflows or resources related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
3. Unrestricted. Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

The District has adopted a policy to net the interfund receivables and payables for combined totals used to determine the major funds. Consequently, the interfund loan balances, which net to zero, are not utilized to determine major funds.



## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Notes to Basic Financial Statements (Continued)

June 30, 2017

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### c. Basis of Presentation

##### Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District's operating activities are all considered "governmental activities", that is, activities normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered "business activities".

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) amounts paid by the recipient of goods or services offered by the program 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 instead as general revenues.

Separate financial statements are provided for all governmental funds and fiduciary funds; the fiduciary funds are excluded from the government-wide financial statements.

#### d. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus, while the fiduciary fund statements do not have a measurement focus. The government-wide financial statements and the fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized 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 pay liabilities of the current period. For this purpose, the District considers all revenues except for property taxes available if they are collected within 60 days after year-end. The state is currently behind on payments to local government agencies resulting in current year state aid collections after 60 days of year end. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmatured principal and interest on general long-term debt are recognized when due; and certain compensated absences, claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

On-behalf payments (payments made by a third party for the benefit of the district, such as payments made by the state to the Teachers' Retirement System) have been recognized in the financial statements.

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Notes to Basic Financial Statements (Continued)

June 30, 2017

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property taxes, replacement taxes, certain state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and recognized as revenue at that time.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until earned.

#### All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates

#### e. Assets, Liabilities and Net Position or Equity

##### i. Deposits and Investments

State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly-rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments are stated at fair value. Changes in fair value of investments are included as investment income.

##### ii. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". These amounts are eliminated in the governmental activities column in the statement of net position. Receivables are expected to be collected within one year.

##### iii. Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position/balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position/balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

##### iv. Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2016 levy resolution was approved during the December 19, 2016 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Notes to Basic Financial Statements (Continued)

June 30, 2017

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by approval of the voters of the District.

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation.

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments: the first due on March 1 and the second due on the later of August 1 or 30 days after the second installment tax bill is mailed (typically, this is due in late August or early September). 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. Property taxes are normally collected by the District within 60 days of the due date.

The 2016 property tax levy is recognized as a receivable in fiscal 2017, net of estimated uncollectible amounts approximating 1%. The District considers that the first installment of the 2016 levy is to be used to finance operations in fiscal 2017. The District has determined that the second installment of the 2016 levy is to be used to finance operations in fiscal 2018 and has deferred the corresponding receivable.

v. Personal Property Replacement Taxes

Personal property replacement taxes are first allocated to the Municipal Retirement/Social Security Fund, and the balance is allocated to the remaining funds at the discretion of the District.

vi. Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid assets.

vii. Capital Assets

Capital assets, which include land, land improvements, buildings, building improvements, vehicles, equipment, and construction in progress 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 \$1,500 and an estimated useful life of 1 year or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

| Assets           | Years |
|------------------|-------|
| Buildings        | 50    |
| Land Improvement | 20-40 |
| Vehicles         | 10    |
| Equipment        | 5-15  |

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

viii. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2017 are determined on the basis of current salary rates and include salary related payments.

ix. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the applicable bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

x. 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 positions of the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF), together "the Plans," and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. 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.

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Notes to Basic Financial Statements (Continued)

June 30, 2017

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### xi. Eliminations and Reclassifications

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

### 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### a. Excess of Expenditures over Budget

For the year ended June 30, 2017, expenditures exceeded budget amount in the following Fund:

|   | Budget               | Actual               | Excess              |
|---|----------------------|----------------------|---------------------|
| General Fund - Educational Account                | \$ 72,168,729        | \$ 78,035,531        | \$ 5,866,802        |
| General Fund - Operations and Maintenance Account | 7,277,100            | 5,516,563            | (1,760,537)         |
| General Fund - Tort Immunity Account              | 423,405              | 411,541              | (11,864)            |
| Total General Fund                                | <u>\$ 79,869,234</u> | <u>\$ 83,963,635</u> | <u>\$ 4,094,401</u> |

The General Fund – Educational Account budget excess is due to \$15,321,679 in payments to TRS made on-behalf of the District by the State of Illinois that are reflect as revenue and expense in the District’s financial statements, but are not budgeted.

### 3. DEPOSITS AND INVESTMENTS

Investments held by the District which are short-term highly liquid investments having a remaining maturity of one year or less at the time of purchase are reported by the District at amortized cost. All other investments are reported at fair value. Gains or losses on the sale of investments are recognized upon realization. The District has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

#### a. Cash & Investments under the custody of the Township Treasurer

Under the Illinois Compiled Statutes, the Maine Township School Treasurer is the lawful custodian of all school funds. The Treasurer is appointed by the Township School Trustees, an independently elected body, to serve the school districts in the township. The Treasurer is the direct recipient of property taxes, replacement taxes and most state and federal aid and disburses school funds upon lawful order of the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below. For these purposes, the Treasurer is permitted to combine monies from more than one fund of a single district and to combine monies of more than one district in the township. Monies combined under these circumstances, as well as investment earnings, are accounted for separately for each fund and/or district.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

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**3. DEPOSITS AND INVESTMENTS (Continued)**

Cash and investments, other than the student activity and convenience accounts, petty cash, and imprest funds, are part of a common pool for all school districts and cooperatives within the township. The Treasurer maintains records that segregate the cash and investment balance by district or cooperative. Income from investments is distributed monthly based upon the District's percentage participation in the pool. All cash for all funds, including cash applicable to the Bond and Interest Fund and the Illinois Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

The Treasurer's investment policies are established by the Maine Township School Trustees as prescribed by the Illinois School Code and the Illinois Compiled Statutes. The Treasurer is authorized to invest in obligations of the U.S. Treasury, backed by the full faith and credit of the U.S. Government, certificates of deposit issued by commercial banks and savings and loan associations, and commercial paper rated within the three highest classifications by at least two standard rating services (subject to certain limitations).

The Treasurer's Office operates as a non-rated, external investment pool. The fair value of the District's investment in the Treasurer's pool is determined by the District's proportionate share of the fair value of the investments held by the Treasurer's office.

The Treasurer also holds money market type investments, certificates of deposits and other deposits with financial institutions. As of June 30, 2017, the fair value of all investments held by the Treasurer's office was \$449,771,974 and the fair value of the District's proportionate share of the pool was \$121,844,207.

Because all cash and investments are pooled by a separate legal governmental agency (Treasurer), categorization by risk category is not determinable. Further information about whether investments are insured, collateralized, or uncollateralized is available from the Treasurer's financial statements.

**b. Cash & Investments in the custody of the District**

Deposits of the student activity, which are held in the District's custody, consist of deposits with financial institutions. The following is a summary of such deposits:

|                                      | Carrying Value    | Bank Balance      |
|--------------------------------------|-------------------|-------------------|
| Deposits with financial institutions | \$ 110,970        | \$ 106,113        |
| Total                                | <u>\$ 110,970</u> | <u>\$ 106,113</u> |

*Custodial Credit Risk - Deposits.* With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy states that the Treasurer shall maintain funds only in financial institutions that collateralize all funds in excess of FDIC or insurable limits.

Separate cash and investment accounts are not maintained for all District funds; instead, the individual funds maintain their invested and uninvested balances in the common checking and investment accounts, with accounting records being maintained to show the portion of the common account balance attributable to each participating fund.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

**4. CAPITAL ASSETS**

Capital asset activity for the District for the year ended June 30, 2017 was as follows:

|  | Beginning<br>Balance | Increases      | Decreases | Ending<br>Balance |
|--|----------------------|----------------|-----------|-------------------|
| Capital assets not being depreciated       |                      |                |           |                   |
| Land                                       | \$ 793,100           | \$ -           | \$ -      | \$ 793,100        |
| Total capital assets not being depreciated | 793,100              | -              | -         | 793,100           |
| Capital assets being depreciated           |                      |                |           |                   |
| Land improvements                          | 9,959,081            | 24,447         | -         | 9,983,528         |
| Buildings                                  | 108,320,915          | 115,179        | -         | 108,436,094       |
| Equipment                                  | 10,316,226           | 196,731        | -         | 10,512,957        |
| Total capital assets being depreciated     | 128,596,222          | 336,357        | -         | 128,932,579       |
| Less Accumulated Depreciation for          |                      |                |           |                   |
| Land improvements                          | 2,881,789            | 496,885        | -         | 3,378,674         |
| Buildings                                  | 26,517,284           | 2,495,723      | -         | 29,013,007        |
| Equipment                                  | 8,836,934            | 218,562        | -         | 9,055,496         |
| Total accumulated depreciation             | 38,236,007           | 3,211,170      | -         | 41,447,177        |
| Net capital assets being depreciated       | 90,360,215           | (2,874,813)    | -         | 87,485,402        |
| Net governmental activities capital assets | \$ 91,153,315        | \$ (2,874,813) | \$ -      | \$ 88,278,502     |

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

|  |                     |
|--|---------------------|
| Regular programs                                     | \$ 2,312,042        |
| Special programs                                     | 192,670             |
| Other instructional programs                         | 80,279              |
| Instructional staff                                  | 72,251              |
| General administration                               | 40,140              |
| Business   | 256,894             |
| Operations and maintenance                           | 224,782             |
| Central  | 32,112              |
| Total depreciation expense - governmental activities | <u>\$ 3,211,170</u> |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

**5. LONG-TERM LIABILITIES**

*Changes in General Long-term Liabilities.* The following is the long-term liability activity for the District for the year ended June 30, 2017:

|  | Beginning<br>Balance  | Additions         | Deletions            | Ending<br>Balance    | Due Within<br>One Year |
|--|-----------------------|-------------------|----------------------|----------------------|------------------------|
| General obligation bonds                                   | \$ 89,125,000         | \$ -              | \$ 5,005,000         | \$ 84,120,000        | \$ 5,305,000           |
| Premium on bonds   | 75,481                | -                 | 75,481               | -                    | -                      |
| Net OPEB obligation  | 848,196               | 189,057           | -                    | 1,037,253            | -                      |
| Net pension liability                                      | 17,463,029            | -                 | 5,704,327            | 11,758,702           | -                      |
| Compensated absences                                       | 248,276               | 201,546           | 248,276              | 201,546              | 201,546                |
| <b>Total long-term liabilities governmental activities</b> | <b>\$ 107,759,982</b> | <b>\$ 390,603</b> | <b>\$ 11,033,084</b> | <b>\$ 97,117,501</b> | <b>\$ 5,506,546</b>    |

The obligations for the compensated absences, OPEB, and net pension liability will be repaid from the General Fund – Educational and Operations & Maintenance Accounts.

*General Obligation Bonds.* The obligations for the General Obligation Bonds will be repaid from the Debt Service Fund. General Obligation Bonds currently outstanding are as follows:

| Purpose  | Interest Rates | Original<br>Indebtedness | Carrying<br>Amount |
|--|----------------|--------------------------|--------------------|
| Series 2009 GO Bonds dated November 10, 2009 are due in annual installments through December 1, 2029 | 4.19% - 6.01%  | \$ 84,120,000            | \$ 84,120,000      |

The 2009 bonds are alternate revenue source bonds payable from general revenues of the District, including personal property replacement taxes, general state aid, and interest earnings. These pledges will remain until all bonds are retired or mature in fiscal year 2030. The total amount of the pledge as of June 30, 2017 is \$116,827,684, which constitutes the remaining principal and interest on the bonds. During the current fiscal year, the principal and interest on the bonds was approximately 25% of the pledged revenues.



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

**5. LONG-TERM LIABILITIES (Continued)**

Annual debt service requirements to maturity for general obligation bonds and debt certificates are as follows for governmental type activities:

| Fiscal Year | Principal            | Interest             | Total                 |
|-------------|----------------------|----------------------|-----------------------|
| 2018        | \$ 5,305,000         | \$ 4,312,035         | \$ 9,617,035          |
| 2019        | 5,455,000            | 4,081,104            | 9,536,104             |
| 2020        | 5,615,000            | 3,833,851            | 9,448,851             |
| 2021        | 5,785,000            | 3,570,675            | 9,355,675             |
| 2022        | 5,970,000            | 3,290,484            | 9,260,484             |
| 2023-2027   | 33,040,000           | 11,519,792           | 44,559,792            |
| 2028-2032   | 22,950,000           | 2,099,742            | 25,049,742            |
| Total       | <u>\$ 84,120,000</u> | <u>\$ 32,707,683</u> | <u>\$ 116,827,683</u> |

The District is subject to the *Illinois Compiled Statutes* which limits the amount of bond indebtedness, to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2017, the statutory debt limit for the District was \$118,547,888 providing a debt margin of \$39,445,907 after taking into account amounts available in the Debt Service Fund.

**6. RISK MANAGEMENT**

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the following public entity risk pools: School Employee Loss Fund (SELF) for workers' compensation claims; and Suburban School Cooperative Insurance Pool (SSCIP) for property damage and injury claims. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years.

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

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Notes to Basic Financial Statements (Continued)

June 30, 2017

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### 7. OTHER POST-EMPLOYMENT BENEFITS

#### a. Teacher 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 were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage Plans.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to THIS Fund.

**On Behalf Contributions to THIS Fund.** The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.12% of pay during the year ended June 30, 2017. State of Illinois contributions were \$438,105, and the district recognized revenue and expenditures of this amount during the year.

**Employer contributions to THIS Fund.** The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.84% during the year ended June 30, 2017. For the year ended June 30, 2017, the District paid \$328,579 to the THIS Fund, which was 100% of the required contribution.

**Further Information on 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."

#### b. Post-Retirement Benefit Plan

The District's group health insurance plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. This results in another postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy. TRS retiree's that elect to retain District health insurance must pay the full cost of the health insurance. Benefit provisions and contribution requirements are established through collective bargaining agreements, state law, or individual contracts and may be amended only through a change in state law or negotiations between board and union or individuals, respectively. The District makes the same monthly health insurance contribution on behalf of the retiree as it makes on behalf of all other active employees during that year. Administrative costs of these are financed through investment earning.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

**7. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

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 parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and 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 Post-Retirement Benefit Plan, and changes in the District's net OPEB obligation to the Post-Retirement Benefit Plan:

|   | 2017                       | 2016                     |
|---|----------------------------|--------------------------|
| Annual required contribution                    | \$ 259,602                 | \$ 255,176               |
| Interest on net OPEB Obligation                 | 42,410                     | 33,179                   |
| Adjustment to annual required contribution      | <u>(53,847)</u>            | <u>(42,127)</u>          |
| Annual OPEB cost                                | 248,165                    | 246,228                  |
| Contributions made                              | <u>(59,108)</u>            | <u>(61,619)</u>          |
| Increase in net OPEB Obligation (Asset)         | 189,057                    | 184,609                  |
| Net OPEB Obligation (Asset) - Beginning of Year | <u>848,196</u>             | <u>663,587</u>           |
| Net OPEB Obligation (Asset) - End of Year       | <u><u>\$ 1,037,253</u></u> | <u><u>\$ 848,196</u></u> |

District's annual OPEB cost, the percentage of annual OPEB cost contributed to the Post-Retirement Benefit Plan, and the net OPEB obligation for June 30, 2017 is as follows:

| Fiscal Year Ended | Annual OPEB<br>Cost | Percentage of<br>Annual OPEB<br>Cost<br>Contributed | Net OPEB<br>Obligation<br>(Asset) |
|-------------------|---------------------|---|-----------------------------------|
| June 30, 2017     | \$ 248,165          | 23.82%  | \$ 1,037,253                      |
| June 30, 2016     | 246,228             | 25.03%  | 848,196                           |
| June 30, 2015     | 235,284             | 20.58%  | 663,587                           |

The funded status of the Post-Retirement Benefit Plan as of July 1, 2016, the most recent actuarial valuation date, is as follows:

|   |                            |
|---|----------------------------|
| Actuarial accrued liability (AAL)                 | \$ 2,100,019               |
| Actuarial value of plan assets                    | -                          |
| Unfunded Actuarial Accrued Liability (UAAL)       | <u><u>\$ 2,100,019</u></u> |
| Funded ratio (actuarial value of plan assets/AAL) | 0.00%                      |

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Notes to Basic Financial Statements (Continued)

June 30, 2017

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### 7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial valuations of an ongoing plan involve estimates for 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 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.

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

In the July 1, 2016 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 5 percent investment rate of return and an annual healthcare cost trend rate of 6 percent initially, trending down to an ultimate 5 percent increase for 2018 and later years. The period selected for amortizing the unfunded actuarial liability in determining the ARC is the maximum limit of 30 years. Amortization reflects a level dollar method.

### 8. EMPLOYEE RETIREMENT SYSTEMS

The retirement plans of the District include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the District. IMRF is funded through property taxes and a perpetual lien of the District's corporate personal property replacement tax. Each retirement system is discussed below.

#### a. Teachers' Retirement System of the State of Illinois (TRS)

##### *Plan Description*

The District participates in the 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 non-annuitants 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 62

Notes to Basic Financial Statements (Continued)

June 30, 2017

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### 8. EMPLOYEE RETIREMENT SYSTEMS (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 3 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. On July 1, 2016, the rate dropped to 9.0% of pay due to the expiration of the Early Retirement Option (ERO). 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 District. For the year ended June 30, 2017, 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 \$14,883,574 in pension contributions from the State of Illinois.

**2.2 formula contributions.** The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2017 were \$226,876, and are deferred because they were paid after the June 30, 2016 measurement date.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

**8. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that 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, 2017, the employer pension contribution was 38.54% of salaries paid from federal and special trust funds. For the year ended June 30, 2017, salaries totaling \$498,037 were paid from the federal and special trust funds that required employer contributions of \$191,943. These contributions are deferred because they were paid after the June 30, 2016 measurement date.

**Employer 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 District 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% and applies when the member is age 55 at retirement. For the year ended June 30, 2017, the employer made no payments to TRS for employer ERO contributions.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6% 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, 2017, the District made no payments to TRS for employer contributions due on salary increases in excess of 6% and made no payments for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2017, 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                              | \$ 4,469,616          |
| State's proportionate share of the net pension liability<br>associated with the District | 138,106,226           |
| Total  | <u>\$ 142,575,842</u> |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

**8. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 and rolled forward to June 30, 2016. 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, 2016, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2016, the District's proportion was 0.00566%, which was an decrease of 0.00999 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$14,883,574 and revenue of \$14,883,574 for support provided by the state. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | Deferred<br>Outflows of<br>Resources | Deferred Inflows<br>of Resources |
|---|--------------------------------------|----------------------------------|
| Difference between expected and actual experience   | \$ 33,049                            | \$ 3,031                         |
| Changes in assumptions  | 383,873                              | -                                |
| Net difference between projected and actual earnings on pension plan investments                              | 126,275                              | -                                |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 2,686,733                            | 5,888,050                        |
| District contributions subsequent to the measurement date   | 418,819                              | -                                |
|   | <u>3,648,749</u>                     | <u>5,891,081</u>                 |
| Total   | <u>\$ 3,648,749</u>                  | <u>\$ 5,891,081</u>              |

\$418,819 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending<br>June 30 | Net Deferred<br>Outflows of<br>Resources |
|------------------------|--|
| 2017                   | \$ (488,719)                             |
| 2018                   | (488,719)                                |
| 2019                   | (291,384)                                |
| 2020                   | (1,143,839)                              |
| 2021                   | (248,490)                                |
|                        | <u>(2,661,151)</u>                       |
| Total                  | <u>\$ (2,661,151)</u>                    |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

**8. EMPLOYEE RETIREMENT SYSTEMS (Continued)***Actuarial Assumptions*

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                           |  |
|---------------------------|--|
| Inflation                 | 2.50%  |
| Salary increases          | Varies by amount of service credit                                 |
| Investment rate of return | 7.00%, 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.

For the June 30, 2016 valuation, the investment return assumption was lowered from 7.50% to 7.00%. Salary increase assumptions were lowered from their 2015 levels. Other assumptions were based on the 2015 experience analysis which increased retirement rates, improved mortality assumptions, and made other changes.

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:

| Asset Class                      | Target Allocation | Long-Term Expected<br>Real Rate of Return |
|----------------------------------|-------------------|---|
| U.S. equities large cap          | 14.4%             | 6.94%                                     |
| U.S. equities small/mid cap      | 3.6%              | 8.09%                                     |
| International equities developed | 14.4%             | 7.46%                                     |
| Emerging market equities         | 3.6%              | 10.15%                                    |
| U.S. bonds core                  | 10.7%             | 2.44%                                     |
| International debt developed     | 5.3%              | 1.70%                                     |
| Real estate                      | 15.0%             | 5.44%                                     |
| Commodities (real return)        | 11.0%             | 4.28%                                     |
| Hedge funds (absolute return)    | 8.0%              | 4.16%                                     |
| Private Equity                   | 14.0%             | 10.63%                                    |
|                                  | 100%              |   |



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

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**8. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

*Discount rate*

At June 30, 2016, the discount rate used to measure the total pension liability was a blended rate of 6.83 percent, which was a change from the June 30, 2015 rate of 7.47 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, 2016 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 or return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2015, the discount rate used to measure the total pension liability was 7.47 percent. The discount rate was lower than the actuarially-assumed rate of return on investments that year because TRS's fiduciary net position and the subsidy provided by Tier II were not sufficient to cover all projected benefit payments.

*Sensitivity of the employer'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 6.83%, 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 (5.83%) or 1-percentage-point higher (7.83%) than the current rate:

|  | 1% Decrease<br>(5.83%) | Current<br>Discount Rate<br>(6.83%) | 1% Increase<br>(7.83%) |
|--|------------------------|-------------------------------------|------------------------|
| District's proportionate share of<br>the net pension liability | \$ 5,466,522           | \$ 4,469,616                        | \$ 3,655,408           |

*TRS fiduciary net position*

Detailed information about the TRS's fiduciary net position as of June 30, 2016 is available in the separately issued TRS Comprehensive Annual Financial Report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

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**8. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**b. Illinois Municipal Retirement Fund (IMRF)**

*Plan Description and Benefits*

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

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

*Plan Membership*

As of June 30, 2017, the following employees were covered by the benefit terms:

|  |              |
|--|--------------|
| Inactive employees or beneficiaries currently receiving benefits | 286          |
| Inactive employees entitled to but not yet receiving benefits    | 423          |
| Active employees   | 291          |
| Total  | <u>1,000</u> |

*Contributions*

As set by statute, the District's Regular Plan Members are required to contribute 4.50% 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 actual contribution rate for calendar year 2016 was 13.17% of covered payroll. For fiscal year ended 2017, the District contributed \$1,313,742 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

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**8. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

*Net Pension Liability*

The District's net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions*

The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                             |   |
|-----------------------------|---|
| Actuarial cost method       | Entry Age Normal  |
| Asset valuation method      | Market Value of Assets  |
| Price Inflation             | 2.75%   |
| Salary increases            | 3.75% to 14.50%   |
| 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 2014 valuation pursuant to an experience study of the period 2011-2013.  |
| 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 projection scale MP-2014 (base year 2014). The IMRS specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 Employee Mortality Table with adjustments to match current IMRF experience. |
| Other Information:<br>Notes | There were no benefit changes during the year.  |

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 are summarized in the following table:

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

**8. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

| <u>Asset Class</u>      | <u>Target Allocation</u> | <u>Long-Term Expected<br/>Real Rate of Return</u> |
|-------------------------|--------------------------|---|
| Equities                | 38.0%                    | 6.85%   |
| International equities  | 17.0%                    | 6.75%   |
| Fixed income            | 27.0%                    | 3.00%   |
| Real estate             | 8.0%                     | 5.75%   |
| Alternative Investments | 9.0%                     | 2.65-7.35%  |
| Cash                    | 1.0%                     | 2.25%   |
|                         | <u>100.0%</u>            |   |

*Discount Rate*

The discount rate used to measure the total pension liability for IMRF was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

**8. EMPLOYEE RETIREMENT SYSTEMS (Continued)***Changes in Net Pension Liability*

|  | Total Pension<br>Liability<br>(A) | Plan Fiduciary<br>Net Position<br>(B) | Net Pension<br>Liability<br>(A) - (B) |
|--|-----------------------------------|---------------------------------------|---------------------------------------|
| Balances at December 31, 2015  | \$ 49,247,197                     | \$ 42,111,976                         | \$ 7,135,221                          |
| Changes for the year:  |                                   |                                       |                                       |
| Service Cost   | 1,060,456                         | -                                     | 1,060,456                             |
| Interest on the Total Pension Liability  | 3,641,028                         | -                                     | 3,641,028                             |
| Changes of Benefit Terms   | -                                 | -                                     | -                                     |
| Differences Between Expected and Actual<br>Experience of the Total Pension Liability | 646,984                           | -                                     | 646,984                               |
| Changes of Assumptions   | (121,505)                         | -                                     | (121,505)                             |
| Contributions - Employer   | -                                 | 1,258,974                             | (1,258,974)                           |
| Contributions - Employees  | -                                 | 445,643                               | (445,643)                             |
| Net Investment Income  | -                                 | 2,891,624                             | (2,891,624)                           |
| Benefit Payments, including Refunds<br>of Employee Contributions                     | (2,201,170)                       | (2,201,170)                           | -                                     |
| Other (Net Transfer)   | -                                 | 476,857                               | (476,857)                             |
| Net Changes  | 3,025,793                         | 2,871,928                             | 153,865                               |
| Balances at December 31, 2016  | \$ 52,272,990                     | \$ 44,983,904                         | \$ 7,289,086                          |

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

The following presents the net pension liabilities of the District, calculated using the discount rate, as well as what the District's net pension liabilities would be if they were calculated using discount rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

|                               | 1% Decrease<br>(6.50%) | Current<br>Discount Rate<br>(7.50%) | 1% Increase<br>(8.50%) |
|-------------------------------|------------------------|-------------------------------------|------------------------|
| Net pension liability (asset) | \$ 13,824,044          | \$ 7,289,086                        | \$ 1,869,661           |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Notes to Basic Financial Statements (Continued)

June 30, 2017

**8. EMPLOYEE RETIREMENT SYSTEMS (Continued)***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

For the year ended June 30, 2017, the District recognized pension expense of \$2,080,450. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience                                | \$ 410,634                           | \$ 72,851                           |
| Changes in assumptions   | 16,165                               | 77,118                              |
| Net difference between projected and actual earnings on pension plan investments | 2,222,592                            | -                                   |
| Total deferred amounts to be recognized in pension expense in future periods     | <u>2,649,391</u>                     | <u>149,969</u>                      |
| Contributions subsequent to the measurement date                                 | <u>696,365</u>                       | -                                   |
| Total  | <u><u>\$ 3,345,756</u></u>           | <u><u>\$ 149,969</u></u>            |

\$696,365 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the 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:

| Year Ending<br>December 31 | Net Deferred<br>Outflows of<br>Resources |
|----------------------------|--|
| 2017                       | \$ 896,743                               |
| 2018                       | 903,018                                  |
| 2019                       | 646,453                                  |
| 2020                       | <u>53,208</u>                            |
| Total                      | <u><u>\$ 2,499,422</u></u>               |

**9. STATE AND FEDERAL AID CONTINGENCIES**

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowance, if any, would be immaterial.

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Notes to Basic Financial Statements (Continued)

June 30, 2017

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### 10. INTERFUND TRANSERS

During the year, the Board transferred \$7,986,456 from the General Fund to the Debt Service Fund for funding payments on long-term debt.

State law allows for the above transfer.

### 11. FUND BALANCE REPORTING

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance.

#### A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

#### B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The District has several revenue sources received within different funds that also fall into these categories.

##### 1. Special Education

Revenues received and the related expenditures of this restricted tax levy are accounted for in the Educational Account. Expenditures exceeded revenue for this purpose, resulting in no restricted fund balance.

##### 2. Tort Immunity Account

Expenditures disbursed and the related revenues received are accounted for in the Tort Immunity Account. Revenues received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$1,425,811.

##### 3. State and Federal Grants

Proceeds from state and federal grants and the related expenditures have been included in the General Fund and various Special Revenue Funds. At June 30, 2017, expenditures exceeded revenue from state and federal grants, resulting in no restricted balances.

##### 4. Capital Projects Funds

Expenditures and the related revenues received are accounted for in the Capital Projects and Fire Prevention and Safety Funds. All equity within these funds are restricted for the associated capital expenditures within these funds.

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Notes to Basic Financial Statements (Continued)

June 30, 2017

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### 11. FUND BALANCE REPORTING (Continued)

#### C. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the School Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

#### D. Assigned Fund Balance

The assigned fund balance classification refers to the amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

#### E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds.

#### F. Expenditures of Fund Balance

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



**Community Consolidated School District 62**  
 Schedule of Changes in The Employer's Net Pension Liability  
 And Related Ratios  
 Illinois Municipal Retirement Fund  
 Last Three Calendar Years

|   | 2016                 | 2015                 | 2014                 |
|---|----------------------|----------------------|----------------------|
| <b>TOTAL PENSION LIABILITY</b>  |                      |                      |                      |
| Service Cost  | \$ 1,060,456         | \$ 1,033,627         | \$ 1,061,948         |
| Interest  | 3,641,028            | 3,480,923            | 3,162,766            |
| Changes of Benefit Terms  | -                    | -                    | -                    |
| Differences Between Expected and Actual Experience                                | 646,984              | (262,151)            | 64,414               |
| Changes of Assumptions  | (121,505)            | 58,171               | 1,958,960            |
| Benefit Payments, Including Refunds of<br>Member Contributions                    | (2,201,170)          | (2,041,675)          | (1,818,054)          |
| Net Change in Total Pension Liability   | 3,025,793            | 2,268,895            | 4,430,034            |
| Total Pension Liability - Beginning   | 49,247,197           | 46,978,302           | 42,548,268           |
| <b>TOTAL PENSION LIABILITY - ENDING</b>   | <b>\$ 52,272,990</b> | <b>\$ 49,247,197</b> | <b>\$ 46,978,302</b> |
| <b>PLAN FIDUCIARY NET POSITION</b>  |                      |                      |                      |
| Contributions - Employer  | \$ 1,258,974         | \$ 1,223,513         | \$ 1,235,166         |
| Contributions - Member  | 445,643              | 422,099              | 414,485              |
| Net Investment Income   | 2,891,624            | 213,478              | 2,452,083            |
| Benefit Payments, Including Refunds of<br>Member Contributions                    | (2,201,170)          | (2,041,675)          | (1,818,054)          |
| Administrative Expense  | 476,857              | (599,147)            | 327,739              |
| Net Change in Plan Fiduciary Net Position   | 2,871,928            | (781,732)            | 2,611,419            |
| Plan Net Position - Beginning   | 42,111,976           | 42,893,708           | 40,282,289           |
| <b>PLAN NET POSITION - ENDING</b>   | <b>\$ 44,983,904</b> | <b>\$ 42,111,976</b> | <b>\$ 42,893,708</b> |
| <b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>                                   | <b>\$ 7,289,086</b>  | <b>\$ 7,135,221</b>  | <b>\$ 4,084,594</b>  |
| Plan Fiduciary Net Position<br>as a Percentage of the Total Pension Liability     | 86.06%               | 85.51%               | 91.31%               |
| Covered-Employee Payroll  | \$ 9,560,424         | \$ 9,315,610         | \$ 9,026,088         |
| Employer's Net Pension Liability<br>as a Percentage of Covered - Employee Payroll | 76.24%               | 76.59%               | 45.25%               |

The District implemented GASB Statement No. 68 in fiscal year 2015.  
 Information prior to fiscal year 2015 is not available.

**Community Consolidated School District 62**

Schedule of Employer Contributions

Illinois Municipal Retirement Fund

Last Three Fiscal Years

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to Actuarially Determined Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|-------------|-------------------------------------|--|----------------------------------|-----------------|--|
| 2015        | \$ 1,235,671                        | \$ 1,235,166   | \$ 505                           | \$ 9,026,088    | 13.68%   |
| 2016        | 1,244,726                           | 1,244,726  | -                                | 9,464,807       | 13.15%   |
| 2017        | 1,298,620                           | 1,298,620  | -                                | 9,946,116       | 13.06%   |

**Notes to Schedule**

Valuation date Actuarially determined contribution rates are calculated as of December 31 of 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 contribution rates

|                               |   |
|-------------------------------|---|
| Actuarial cost method         | Aggregate entry age normal  |
| Amortization method           | Level percent of payroll, closed  |
| Remaining amortization period | Non-taxing bodies; 10-year rolling period<br>Taxing bodies (Regular, SLEP, and ECO groups); 27-year closed period until remaining period reaches 15 years (then 15-year rolling period).  |
| Asset valuation method        | 5-year smoothed market; 20% corridor  |
| Wage Growth                   | 3.50%   |
| Price Inflation               | 2.75%- approximate; No explicit price inflation assumption is used in this valuation  |
| Salary increases              | 3.75% to 14.50%, 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 2014 valuation pursuant to an experience study of the period 2011 - 2013.  |
| Mortality                     | For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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, the IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, the IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience. |

**Other Information**

Notes There were no benefit changes during the year.

The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

**Community Consolidated School District 62**  
 Schedule of the District's Proportionate Share of the  
 Net Pension Liability  
 Teachers' Retirement System  
 Last Three Fiscal Years

|   | 2017*                | 2016*                | 2015*                |
|---|----------------------|----------------------|----------------------|
| District's proportion of the net pension liability  | 0.00566%             | 0.01565%             | 0.00869%             |
| District's proportionate share of the net pension liability   | \$ 4,469,616         | \$ 10,327,808        | \$ 5,287,920         |
| State's proportionate share of the net pension liability associated with the District               | 138,106,226          | 551,961,632          | 226,093,384          |
| <b>Total</b>  | <b>\$142,575,842</b> | <b>\$562,289,440</b> | <b>\$231,381,304</b> |
| District's covered payroll  | 38,233,190           | 37,189,242           | 36,282,187           |
| District's proportionate share of the net pension liability as a percentage of it's covered payroll | 11.69%               | 27.77%               | 14.57%               |
| Plan fiduciary net position as a percentage of the total pension liability                          | 36.40%               | 41.50%               | 43.00%               |

\*The amounts presented have a measurement date as of the previous fiscal year end.

**Changes of assumptions**

For the 2016 measurement year, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit.

For the 2015 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

For the 2014 measurement year, the assumed investment rate of return was also 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. However, salary increases were assumed to vary by age.

The District implemented GASB Statement No. 68 in fiscal year 2015.  
 Information prior to fiscal year 2015 is not available.

**Community Consolidated School District 62**

Schedule of Employer Contributions

Teachers' Retirement System

Last Three Fiscal Years

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| Fiscal Year | Contractually Required Contribution | Contributions in Relation to Contractually Required Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|-------------|-------------------------------------|--|----------------------------------|-----------------|--|
| 2015        | \$ 511,195                          | \$ 511,195   | \$ -                             | \$ 37,189,242   | 1.37%  |
| 2016        | 341,644                             | 341,644  | -                                | 38,233,190      | 0.89%  |
| 2017        | 418,819                             | 418,819  | -                                | 39,116,548      | 1.07%  |

The District implemented GASB Statement No. 68 in fiscal year 2015.  
Information prior to fiscal year 2015 is not available.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Schedule of Funding Progress  
 Other Postemployment Benefits  
 June 30, 2017

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| <b>Actuarial<br/>Valuation<br/>Date</b> | <b>Actuarial<br/>Value of<br/>Assets<br/>(a)</b> | <b>Actuarial Accrued<br/>Liability (AAL)<br/>-Unit Credit<br/>(b)</b> | <b>Unfunded<br/>AAL<br/>(UAAL)<br/>(b-a)</b> | <b>Funded<br/>Ratio<br/>(a/b)</b> |
|---|--|---|--|-----------------------------------|
| July 1, 2016                            | \$ -   | \$ 2,100,019  | \$2,100,019                                  | 0.00%                             |
| July 1, 2014                            | -  | 2,013,476   | 2,013,476                                    | 0.00%                             |
| July 1, 2012                            | -  | 1,710,119   | 1,710,119                                    | 0.00%                             |

Valuation done biennially.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
Statement of Revenues, Expenditures and Changes in Fund  
Balances - Budget And Actual - General Fund  
Year Ended June 30, 2017

|   | Original and<br>Final<br>Budget | Actual                       | Variance<br>Over/<br>(Under) |
|---|---------------------------------|------------------------------|------------------------------|
| <b>REVENUES</b>                                   |                                 |                              |                              |
| Local sources                                     | \$ 65,857,000                   | \$ 66,291,966                | \$ 434,966                   |
| State sources                                     | 6,135,000                       | 23,390,791                   | 17,255,791                   |
| Federal sources                                   | 3,947,000                       | 4,360,843                    | 413,843                      |
| <b>Total Revenues</b>                             | <b>75,939,000</b>               | <b>94,043,600</b>            | <b>18,104,600</b>            |
| <b>EXPENDITURES</b>                               |                                 |                              |                              |
| Current operating                                 |                                 |                              |                              |
| Instruction                                       | 52,277,617                      | 61,175,970                   | 8,898,353                    |
| Support services                                  | 26,329,644                      | 21,052,384                   | (5,277,260)                  |
| Community services                                | 227,113                         | 337,799                      | 110,686                      |
| Non-programmed charges                            | 934,860                         | 1,397,482                    | 462,622                      |
| Provision for contingencies                       | 100,000                         | -                            | (100,000)                    |
| <b>Total Expenditures</b>                         | <b>79,869,234</b>               | <b>83,963,635</b>            | <b>4,094,401</b>             |
| Excess (deficiency) of revenues over expenditures | (3,930,234)                     | 10,079,965                   | 14,010,199                   |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                                 |                              |                              |
| Transfers in                                      | 420,000                         | -                            | (420,000)                    |
| Transfers out                                     | (8,406,456)                     | (7,986,456)                  | 420,000                      |
| <b>Total other financing sources (uses)</b>       | <b>(7,986,456)</b>              | <b>(7,986,456)</b>           | <b>-</b>                     |
| Net change in fund balance                        | <u>\$ (11,916,690)</u>          | 2,093,509                    | <u>\$ 14,010,199</u>         |
| Fund balances at beginning of year                |                                 | <u>105,938,659</u>           |                              |
| <b>FUND BALANCES AT END OF YEAR</b>               |                                 | <u><u>\$ 108,032,168</u></u> |                              |

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62

Notes to Required Supplementary Information

June 30, 2017

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### BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Governmental Funds. All encumbrances are canceled at year end, and, if necessary, are reinstated at the beginning of the subsequent fiscal year.

Legal spending control for District moneys is at the fund level, but management control is exercised at budgetary line item levels within each fund. The Board of Education, in accordance with Chapter 105, Section 5/17-1 of the *Illinois Compiled Statutes*, follows these procedures in establishing the budgetary data reflected in the financial statements:

1. 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.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
4. Management is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget, which was not amended, was adopted on September 19, 2016.
5. Formal budgetary integration is employed as a management control device during the year for the Governmental Funds.
6. The District has adopted a legal budget for all its Governmental Funds. Total actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.
7. The budget (all appropriations) lapses at the end of each fiscal year.

**COMMUNITY COSOLIDATED SCHOOL DISTRICT 62**  
 General Fund  
 Combining Balance Sheet by Account  
 June 30, 2017

| <b>ASSETS</b>  | Educational           | Operations<br>and<br>Maintenance | Working<br>Cash      |
|--|-----------------------|----------------------------------|----------------------|
| Cash and investments   | \$ 76,913,906         | \$ 10,249,589                    | \$ 17,794,567        |
| Receivables  |                       |                                  |                      |
| Property taxes   | 24,987,569            | 3,872,984                        | 352,090              |
| Interest   | 208,352               | 32,436                           | 58,223               |
| Due from other governments                                       | 2,578,090             | 567,238                          | -                    |
| Prepaid items  | -                     | -                                | -                    |
| <b>Total Assets</b>  | <b>\$ 104,687,917</b> | <b>\$ 14,722,247</b>             | <b>\$ 18,204,880</b> |
| <b>LIABILITIES, DEFERRED<br/>INFLOWS AND FUND BALANCES</b>       |                       |                                  |                      |
| <b>Liabilities</b>   |                       |                                  |                      |
| Accounts payable   | \$ 547,159            | \$ 22,725                        | \$ -                 |
| Payroll deductions payable                                       | 885,344               | (843,852)                        | -                    |
| Due to activity funds  | 4,180                 | -                                | -                    |
| <b>Total Liabilities</b>   | <b>1,436,683</b>      | <b>(821,127)</b>                 | <b>-</b>             |
| <b>Deferred Inflows</b>  |                       |                                  |                      |
| Other deferred revenues  | 1,272,244             | -                                | -                    |
| Property taxes levied for subsequent year                        | 24,987,569            | 3,872,984                        | 352,090              |
| <b>Total Deferred Inflows</b>                                    | <b>26,259,813</b>     | <b>3,872,984</b>                 | <b>352,090</b>       |
| <b>Fund Balances</b>   |                       |                                  |                      |
| Nonspendable   |                       |                                  |                      |
| Prepaid items  | -                     | -                                | -                    |
| Restricted   |                       |                                  |                      |
| Tort Immunity  | -                     | -                                | -                    |
| Unassigned   | 76,991,421            | 11,670,390                       | 17,852,790           |
| <b>Total Fund Balances</b>                                       | <b>76,991,421</b>     | <b>11,670,390</b>                | <b>17,852,790</b>    |
| <b>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS AND FUND BALANCES</b> | <b>\$ 104,687,917</b> | <b>\$ 14,722,247</b>             | <b>\$ 18,204,880</b> |



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| Tort<br>Immunity    | Total<br>General      |
|---------------------|-----------------------|
| \$ 1,422,430        | \$ 106,380,492        |
| 296,226             | 29,508,869            |
| 3,381               | 302,392               |
| -                   | 3,145,328             |
| 91,756              | 91,756                |
| <u>\$ 1,813,793</u> | <u>\$ 139,428,837</u> |

|          |                |
|----------|----------------|
| \$ -     | \$ 569,884     |
| -        | 41,492         |
| -        | 4,180          |
| <u>-</u> | <u>615,556</u> |

|                |                   |
|----------------|-------------------|
| -              | 1,272,244         |
| 296,226        | 29,508,869        |
| <u>296,226</u> | <u>30,781,113</u> |

|                     |                       |
|---------------------|-----------------------|
| 91,756              | 91,756                |
| 1,425,811           | 1,425,811             |
| -                   | 106,514,601           |
| <u>1,517,567</u>    | <u>108,032,168</u>    |
| <u>\$ 1,813,793</u> | <u>\$ 139,428,837</u> |

**COMMUNITY COSOLIDATED SCHOOL DISTRICT 62**  
 General Fund  
 Combining Statement of Revenues, Expenditures and Changes  
 In Fund Balances by Account  
 Year Ended June 30, 2017

|                                       | Educational                 | Operations<br>and<br>Maintenance | Working<br>Cash             |
|---------------------------------------|-----------------------------|----------------------------------|-----------------------------|
| <b>REVENUES</b>                       |                             |                                  |                             |
| Local sources                         | \$ 54,708,162               | \$ 10,134,379                    | \$ 740,096                  |
| State sources                         | 22,323,000                  | 1,067,791                        | -                           |
| Federal sources                       | 4,360,843                   | -                                | -                           |
| Total Revenues                        | <u>81,392,005</u>           | <u>11,202,170</u>                | <u>740,096</u>              |
| <b>EXPENDITURES</b>                   |                             |                                  |                             |
| Current operating                     |                             |                                  |                             |
| Instruction                           | 61,175,970                  | -                                | -                           |
| Support services                      | 15,124,280                  | 5,516,563                        | -                           |
| Community services                    | 337,799                     | -                                | -                           |
| Non-programmed charges                | 1,397,482                   | -                                | -                           |
| Total Expenditures                    | <u>78,035,531</u>           | <u>5,516,563</u>                 | <u>-</u>                    |
| Excess of revenues over expenditures  | <u>3,356,474</u>            | <u>5,685,607</u>                 | <u>740,096</u>              |
| <b>OTHER FINANCING SOURCES (USES)</b> |                             |                                  |                             |
| Transfers in                          | -                           | 572,137                          | -                           |
| Transfers out                         | (300,000)                   | (7,986,456)                      | (272,137)                   |
| Total other financing sources (uses)  | <u>(300,000)</u>            | <u>(7,414,319)</u>               | <u>(272,137)</u>            |
| Net change in fund balance            | 3,056,474                   | (1,728,712)                      | 467,959                     |
| Fund balances at beginning of year    | <u>73,934,947</u>           | <u>13,399,102</u>                | <u>17,384,831</u>           |
| <b>FUND BALANCES AT END OF YEAR</b>   | <u><u>\$ 76,991,421</u></u> | <u><u>\$ 11,670,390</u></u>      | <u><u>\$ 17,852,790</u></u> |

|    | Tort<br>Immunity | Total<br>General |
|----|------------------|------------------|
| \$ | 709,329          | \$ 66,291,966    |
|    | -                | 23,390,791       |
|    | -                | 4,360,843        |
|    | 709,329          | 94,043,600       |
|    | -                | 61,175,970       |
|    | 411,541          | 21,052,384       |
|    | -                | 337,799          |
|    | -                | 1,397,482        |
|    | 411,541          | 83,963,635       |
|    | 297,788          | 10,079,965       |
|    | -                | 572,137          |
|    | -                | (8,558,593)      |
|    | -                | (7,986,456)      |
|    | 297,788          | 2,093,509        |
|    | 1,219,779        | 105,938,659      |
| \$ | 1,517,567        | \$ 108,032,168   |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Educational Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|  | 2017              |                   | 2016                |                   |
|--|-------------------|-------------------|---------------------|-------------------|
|  | Final Budget      | Actual            | Variance over/under | Actual            |
| <b>REVENUES</b>                          |                   |                   |                     |                   |
| Local Sources                            |                   |                   |                     |                   |
| General tax levy                         | \$ 46,100,000     | \$ 47,732,036     | \$ 1,632,036        | \$ 47,196,610     |
| Special education levy                   | 4,580,000         | 3,337,696         | (1,242,304)         | 3,836,650         |
| Corporate replacement taxes              | -                 | 1,179,739         | 1,179,739           | -                 |
| Tuition                                  | 1,600,000         | 1,550,352         | (49,648)            | 1,626,591         |
| Earnings on investments                  | 701,000           | 182,916           | (518,084)           | 1,155,759         |
| Food services                            | 262,500           | 274,967           | 12,467              | 255,902           |
| Pupil activities                         | 12,000            | 10,155            | (1,845)             | 9,320             |
| Textbooks                                | 250,000           | 84,620            | (165,380)           | 260,116           |
| Other local sources                      | 292,500           | 355,681           | 63,181              | 450,659           |
| <b>Total Local Sources</b>               | <b>53,798,000</b> | <b>54,708,162</b> | <b>910,162</b>      | <b>54,791,607</b> |
| State Sources                            |                   |                   |                     |                   |
| General state aid                        | 2,000,000         | 4,585,669         | 2,585,669           | 2,819,210         |
| Bilingual education                      | 400,000           | 142,180           | (257,820)           | 293,110           |
| Special education                        | 2,025,000         | 1,710,820         | (314,180)           | 2,408,490         |
| School lunch aid                         | 10,000            | 1,652             | (8,348)             | 8,650             |
| Early childhood                          | 500,000           | 561,000           | 61,000              | 654,100           |
| On behalf payments to TRS from the state | -                 | 15,321,679        | 15,321,679          | 14,081,542        |
| Other grants-in-aid                      | -                 | -                 | -                   | 2,762             |
| <b>Total State Sources</b>               | <b>4,935,000</b>  | <b>22,323,000</b> | <b>17,388,000</b>   | <b>20,267,864</b> |
| Federal Sources                          |                   |                   |                     |                   |
| National school lunch program            | 800,000           | 700,390           | (99,610)            | 745,615           |
| School breakfast program                 | 120,000           | 125,116           | 5,116               | 118,738           |
| Child care commodity                     | 45,000            | 42,025            | (2,975)             | 47,355            |
| Title I - Low income                     | 960,000           | 1,347,900         | 387,900             | 1,010,381         |
| IDEA - Flow through                      | 1,227,000         | 1,182,626         | (44,374)            | 1,093,460         |
| Title III - English language acquisition | 200,000           | 217,334           | 17,334              | 198,839           |
| Title II - Teacher quality               | 95,000            | 138,368           | 43,368              | 55,963            |
| Medicaid                                 | 500,000           | 607,084           | 107,084             | 516,279           |
| <b>Total Federal Sources</b>             | <b>3,947,000</b>  | <b>4,360,843</b>  | <b>413,843</b>      | <b>3,786,630</b>  |
| <b>Total Revenues</b>                    | <b>62,680,000</b> | <b>81,392,005</b> | <b>18,712,005</b>   | <b>78,846,101</b> |

(Continued)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
Educational Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|   | 2017          |               | 2016                |               |
|---|---------------|---------------|---------------------|---------------|
|   | Final Budget  | Actual        | Variance over/under | Actual        |
| <b>EXPENDITURES</b>                     |               |               |                     |               |
| Current operating                       |               |               |                     |               |
| Instruction                             |               |               |                     |               |
| Regular programs                        |               |               |                     |               |
| Salaries                                | \$ 21,795,950 | \$ 19,958,894 | \$ (1,837,056)      | \$ 19,374,026 |
| Employee benefits                       | 3,150,000     | 2,643,250     | (506,750)           | 2,728,725     |
| Employee benefits - on behalf payments  | -             | 15,321,679    | 15,321,679          | 14,081,542    |
| Purchased services                      | 676,550       | 498,857       | (177,693)           | 477,860       |
| Supplies and materials                  | 1,083,444     | 1,131,899     | 48,455              | 432,725       |
| Capital outlay                          | 41,000        | 3,480         | (37,520)            | 5,122         |
| Other                                   | 18,500        | 6,680         | (11,820)            | 8,583         |
| Non-capitalized equipment               | 52,132        | 22,497        | (29,635)            | 33,987        |
| Total                                   | 26,817,576    | 39,587,236    | 12,769,660          | 37,142,570    |
| Pre-K programs                          |               |               |                     |               |
| Employee benefits                       | -             | 7             | 7                   | -             |
| Purchased services                      | -             | 91            | 91                  | -             |
| Supplies and materials                  | -             | 400           | 400                 | -             |
| Total                                   | -             | 498           | 498                 | -             |
| Special education programs              |               |               |                     |               |
| Salaries                                | 10,119,020    | 9,255,998     | (863,022)           | 9,195,024     |
| Employee benefits                       | 2,187,600     | 1,771,134     | (416,466)           | 1,940,142     |
| Purchased services                      | 189,600       | 6,014         | (183,586)           | 111,611       |
| Supplies and materials                  | 194,175       | 161,639       | (32,536)            | 177,926       |
| Capital outlay                          | 6,000         | -             | (6,000)             | 3,369         |
| Other                                   | 400           | -             | (400)               | -             |
| Non-capitalized equipment               | 3,000         | 1,274         | (1,726)             | 2,598         |
| Total                                   | 12,699,795    | 11,196,059    | (1,503,736)         | 11,430,670    |
| Remedial and supplemental programs K-12 |               |               |                     |               |
| Salaries                                | 636,096       | 418,024       | (218,072)           | 405,335       |
| Employee benefits                       | 125,000       | 139,835       | 14,835              | 43,685        |
| Purchased services                      | 60,000        | 53,691        | (6,309)             | 54,314        |
| Supplies and materials                  | 100,000       | 95,527        | (4,473)             | 84,006        |
| Capital outlay                          | 12,000        | 3,839         | (8,161)             | 44,116        |
| Non-capitalized equipment               | 20,000        | 14,104        | (5,896)             | 63,818        |
| Total                                   | 953,096       | 725,020       | (228,076)           | 695,274       |

(Continued)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
Educational Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|   | 2017             |                  | 2016                |                  |
|---|------------------|------------------|---------------------|------------------|
|   | Final Budget     | Actual           | Variance over/under | Actual           |
| <b>Interscholastic programs</b>                   |                  |                  |                     |                  |
| Salaries  | \$ 379,000       | \$ 280,531       | \$ (98,469)         | \$ 287,134       |
| Employee benefits                                 | 2,000            | 1,589            | (411)               | 1,605            |
| Purchased services                                | 12,000           | 9,905            | (2,095)             | 9,695            |
| Supplies and materials                            | 8,000            | 8,800            | 800                 | 927              |
| Other   | 3,000            | -                | (3,000)             | -                |
| Non-capitalized equipment                         | 20,000           | -                | (20,000)            | -                |
| <b>Total</b>                                      | <b>424,000</b>   | <b>300,825</b>   | <b>(123,175)</b>    | <b>299,361</b>   |
| <b>Summer school</b>                              |                  |                  |                     |                  |
| Salaries  | 165,000          | 190,868          | 25,868              | 202,944          |
| Employee benefits                                 | -                | 1,439            | 1,439               | 916              |
| Supplies and materials                            | 2,000            | 1,156            | (844)               | 549              |
| <b>Total</b>                                      | <b>167,000</b>   | <b>193,463</b>   | <b>26,463</b>       | <b>204,409</b>   |
| <b>Gifted programs</b>                            |                  |                  |                     |                  |
| Purchased services                                | 1,400            | -                | (1,400)             | -                |
| Supplies and materials                            | 8,000            | 6,270            | (1,730)             | 5,965            |
| Other   | 500              | -                | (500)               | -                |
| <b>Total</b>                                      | <b>9,900</b>     | <b>6,270</b>     | <b>(3,630)</b>      | <b>5,965</b>     |
| <b>Bilingual</b>                                  |                  |                  |                     |                  |
| Salaries  | 4,873,000        | 4,244,270        | (628,730)           | 4,020,581        |
| Employee benefits                                 | 807,000          | 677,448          | (129,552)           | 744,115          |
| Purchased services                                | 158,650          | 218,575          | 59,925              | 183,423          |
| Supplies and materials                            | 48,500           | 69,471           | 20,971              | 64,920           |
| Non-capitalized equipment                         | 2,000            | -                | (2,000)             | -                |
| <b>Total</b>                                      | <b>5,889,150</b> | <b>5,209,764</b> | <b>(679,386)</b>    | <b>5,013,039</b> |
| <b>Truants alternative and optional programs:</b> |                  |                  |                     |                  |
| Salaries  | 1,129,500        | 1,031,512        | (97,988)            | 939,344          |
| Employee benefits                                 | 175,500          | 155,670          | (19,830)            | 159,999          |
| Purchased services                                | 360,100          | 140,730          | (219,370)           | 177,610          |
| Supplies and materials                            | 665,000          | 469,428          | (195,572)           | 329,782          |
| Capital outlay                                    | 205,000          | 187,155          | (17,845)            | 66,826           |
| Other   | 2,000            | -                | (2,000)             | -                |
| Non-capitalized equipment                         | 1,200,000        | 881,538          | (318,462)           | 904,164          |
| <b>Total</b>                                      | <b>3,737,100</b> | <b>2,866,033</b> | <b>(871,067)</b>    | <b>2,577,725</b> |

(Continued)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Educational Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|   | 2017         |            |                     | 2016       |
|---|--------------|------------|---------------------|------------|
|   | Final Budget | Actual     | Variance over/under | Actual     |
| Private tuition                         |              |            |                     |            |
| Pre-K - other                           | \$ 1,580,000 | \$ -       | \$ (1,580,000)      | \$ -       |
| Special education - other               | -            | 1,090,802  | 1,090,802           | 1,140,203  |
| Total                                   | 1,580,000    | 1,090,802  | (489,198)           | 1,140,203  |
| Total Instruction                       | 52,277,617   | 61,175,970 | 8,898,353           | 58,509,216 |
| Support Services                        |              |            |                     |            |
| Pupils                                  |              |            |                     |            |
| Attendance and social work:             |              |            |                     |            |
| Salaries                                | 1,222,500    | 1,207,669  | (14,831)            | 1,071,198  |
| Employee benefits                       | 196,500      | 194,666    | (1,834)             | 184,587    |
| Purchased services                      | 10,000       | 6,842      | (3,158)             | 2,985      |
| Supplies and materials                  | 3,000        | 3,852      | 852                 | 2,926      |
| Other                                   | 700          | 450        | (250)               | 530        |
| Total                                   | 1,432,700    | 1,413,479  | (19,221)            | 1,262,226  |
| Health services                         |              |            |                     |            |
| Salaries                                | 1,259,200    | 1,243,616  | (15,584)            | 1,060,333  |
| Employee benefits                       | 271,300      | 219,359    | (51,941)            | 243,428    |
| Purchased services                      | 251,803      | 83,521     | (168,282)           | 266,679    |
| Supplies and materials                  | 33,300       | 22,015     | (11,285)            | 23,706     |
| Capital outlay                          | 1,000        | -          | (1,000)             | -          |
| Other                                   | 3,400        | 773        | (2,627)             | 873        |
| Non-capitalized equipment               | 7,900        | -          | (7,900)             | 763        |
| Total                                   | 1,827,903    | 1,569,284  | (258,619)           | 1,595,782  |
| Psychological services                  |              |            |                     |            |
| Salaries                                | 681,000      | 675,399    | (5,601)             | 594,549    |
| Employee benefits                       | 99,000       | 85,670     | (13,330)            | 88,220     |
| Purchased services                      | 12,500       | 1,960      | (10,540)            | 3,450      |
| Supplies and materials                  | 12,000       | 2,601      | (9,399)             | 11,080     |
| Other                                   | 500          | 730        | 230                 | -          |
| Total                                   | 805,000      | 766,360    | (38,640)            | 697,299    |
| Speech pathology and audiology services |              |            |                     |            |
| Purchased services                      | 4,300        | 340        | (3,960)             | 1,351      |
| Supplies and materials                  | 10,000       | 7,767      | (2,233)             | 7,999      |
| Non-capitalized equipment               | 3,000        | 2,419      | (581)               | -          |
| Total                                   | 17,300       | 10,526     | (6,774)             | 9,350      |

(Continued)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Educational Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|                                     | 2017         |            | 2016                |            |
|-------------------------------------|--------------|------------|---------------------|------------|
|                                     | Final Budget | Actual     | Variance over/under | Actual     |
| Other supporting services           |              |            |                     |            |
| Salaries                            | \$ 790,000   | \$ 583,037 | \$ (206,963)        | \$ 692,570 |
| Employee benefits                   | 276,200      | 267,200    | (9,000)             | 221,960    |
| Purchased services                  | 52,000       | 664        | (51,336)            | 839        |
| Total                               | 1,118,200    | 850,901    | (267,299)           | 915,369    |
| Total Pupils                        | 5,201,103    | 4,610,550  | (590,553)           | 4,480,026  |
| Instructional staff                 |              |            |                     |            |
| Improvement of instruction services |              |            |                     |            |
| Salaries                            | 1,014,181    | 953,266    | (60,915)            | 824,775    |
| Employee benefits                   | 231,400      | 251,208    | 19,808              | 207,699    |
| Purchased services                  | 355,468      | 324,075    | (31,393)            | 254,160    |
| Supplies and materials              | 238,781      | 100,581    | (138,200)           | 99,785     |
| Capital outlay                      | 10,000       | -          | (10,000)            | 3,026      |
| Other                               | 4,700        | 1,482      | (3,218)             | 1,770      |
| Non-capitalized equipment           | 804,000      | 1,828      | (802,172)           | 1,131,151  |
| Total                               | 2,658,530    | 1,632,440  | (1,026,090)         | 2,522,366  |
| Education media                     |              |            |                     |            |
| Salaries                            | 1,230,000    | 1,174,085  | (55,915)            | 1,126,151  |
| Employee benefits                   | 266,500      | 214,446    | (52,054)            | 238,354    |
| Purchased services                  | 5,000        | 19         | (4,981)             | 118        |
| Supplies and materials              | 120,646      | 76,177     | (44,469)            | 117,078    |
| Total                               | 1,622,146    | 1,464,727  | (157,419)           | 1,481,701  |
| Assessment and testing              |              |            |                     |            |
| Salaries                            | 6,000        | 160        | (5,840)             | 290        |
| Employee benefits                   | -            | 1          | 1                   | 2          |
| Purchased services                  | 146,000      | 55,625     | (90,375)            | 74,086     |
| Supplies and materials              | 15,900       | 2,798      | (13,102)            | 6,475      |
| Capital outlay                      | 2,000        | -          | (2,000)             | -          |
| Total                               | 169,900      | 58,584     | (111,316)           | 80,853     |
| Total Instructional Staff           | 4,450,576    | 3,155,751  | (1,294,825)         | 4,084,920  |

(Continued)



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Educational Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|                                      | 2017         |            | 2016                |            |
|--------------------------------------|--------------|------------|---------------------|------------|
|                                      | Final Budget | Actual     | Variance over/under | Actual     |
| General administration               |              |            |                     |            |
| Board of education                   |              |            |                     |            |
| Employee benefits                    | \$ 600,000   | \$ 431,955 | \$ (168,045)        | \$ 418,248 |
| Purchased services                   | 763,000      | 258,162    | (504,838)           | 411,027    |
| Supplies and materials               | 44,500       | 21,573     | (22,927)            | 37,104     |
| Other                                | 25,000       | 21,850     | (3,150)             | 21,205     |
| Total                                | 1,432,500    | 733,540    | (698,960)           | 887,584    |
| Executive administration             |              |            |                     |            |
| Salaries                             | 291,000      | 302,533    | 11,533              | 391,790    |
| Employee benefits                    | 76,200       | 90,920     | 14,720              | 78,457     |
| Purchased services                   | 36,500       | 68,518     | 32,018              | 43,843     |
| Supplies and materials               | 3,500        | 10,211     | 6,711               | 300        |
| Capital outlay                       | 1,000        | -          | (1,000)             | -          |
| Other                                | 5,000        | 5,004      | 4                   | 1,130      |
| Non-capitalized equipment            | -            | 192        | 192                 | -          |
| Total                                | 413,200      | 477,378    | 64,178              | 515,520    |
| Special area administrative services |              |            |                     |            |
| Salaries                             | 11,500       | 173,638    | 162,138             | 9,970      |
| Employee benefits                    | 4,500        | 3,433      | (1,067)             | 2,323      |
| Purchased services                   | 18,500       | 5,148      | (13,352)            | 11,155     |
| Supplies and materials               | 50,000       | 31,299     | (18,701)            | 38,901     |
| Capital outlay                       | 2,000        | -          | (2,000)             | -          |
| Other                                | 6,000        | 4,103      | (1,897)             | 3,539      |
| Non-capitalized equipment            | 1,500        | 1,320      | (180)               | 800        |
| Total                                | 94,000       | 218,941    | 124,941             | 66,688     |
| Total General Administration         | 1,939,700    | 1,429,859  | (509,841)           | 1,469,792  |
| School administration                |              |            |                     |            |
| Office of the principal              |              |            |                     |            |
| Salaries                             | 2,150,000    | 2,126,307  | (23,693)            | 2,115,157  |
| Employee benefits                    | 669,000      | 529,494    | (139,506)           | 586,153    |
| Purchased services                   | 23,100       | 4,639      | (18,461)            | 8,486      |
| Supplies and materials               | 19,010       | 3,039      | (15,971)            | 8,801      |
| Capital outlay                       | 10,000       | 3,192      | (6,808)             | -          |
| Other                                | 6,550        | 5,153      | (1,397)             | 6,566      |
| Non-capitalized equipment            | 60,000       | -          | (60,000)            | 2,893      |
| Total                                | 2,937,660    | 2,671,824  | (265,836)           | 2,728,056  |
| Total School Administration          | 2,937,660    | 2,671,824  | (265,836)           | 2,728,056  |

(Continued)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
Educational Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|   | 2017         |            | 2016                |            |
|---|--------------|------------|---------------------|------------|
|   | Final Budget | Actual     | Variance over/under | Actual     |
| Business                                    |              |            |                     |            |
| Fiscal services                             |              |            |                     |            |
| Salaries                                    | \$ 498,800   | \$ 462,890 | \$ (35,910)         | \$ 434,108 |
| Employee benefits                           | 23,400       | 123,722    | 100,322             | 98,252     |
| Purchased services                          | 96,800       | 81,636     | (15,164)            | 70,253     |
| Supplies and materials                      | 5,500        | 4,184      | (1,316)             | 4,337      |
| Capital outlay                              | 5,000        | -          | (5,000)             | 1,236      |
| Other                                       | 2,000        | 240        | (1,760)             | 13,006     |
| Non-capitalized equipment                   | 6,000        | 920        | (5,080)             | 475        |
| Total                                       | 637,500      | 673,592    | 36,092              | 621,667    |
| Operation and maintenance of plant services |              |            |                     |            |
| Salaries                                    | 7,000        | -          | (7,000)             | -          |
| Supplies and materials                      | -            | 2,089      | 2,089               | 5          |
| Total                                       | 7,000        | 2,089      | (4,911)             | 5          |
| Pupil transportation services               |              |            |                     |            |
| Salaries                                    | 40,000       | 21,874     | (18,126)            | 35,579     |
| Employee benefits                           | 1,000        | 94         | (906)               | 183        |
| Purchased services                          | 163,000      | 315,490    | 152,490             | 467,771    |
| Total                                       | 204,000      | 337,458    | 133,458             | 503,533    |
| Food services                               |              |            |                     |            |
| Salaries                                    | 330,000      | 256,650    | (73,350)            | 247,500    |
| Employee benefits                           | 1,500        | 1,154      | (346)               | 1,028      |
| Purchased services                          | 1,300,000    | 803,572    | (496,428)           | 811,072    |
| Supplies and materials                      | 20,000       | 26,482     | 6,482               | 247,547    |
| Capital outlay                              | 80,000       | 8,832      | (71,168)            | 3,687      |
| Non-capitalized equipment                   | -            | 1,578      | 1,578               | -          |
| Total                                       | 1,731,500    | 1,098,268  | (633,232)           | 1,310,834  |
| Internal services                           |              |            |                     |            |
| Salaries                                    | 155,000      | 142,399    | (12,601)            | 141,028    |
| Employee benefits                           | 32,200       | 22,813     | (9,387)             | 24,280     |
| Purchased services                          | 72,500       | 39,194     | (33,306)            | 61,421     |
| Supplies and materials                      | 65,000       | 2,981      | (62,019)            | 23,792     |
| Other                                       | -            | 125        | 125                 | 125        |
| Total                                       | 324,700      | 207,512    | (117,188)           | 250,646    |
| Total Business                              | 2,904,700    | 2,318,919  | (585,781)           | 2,686,685  |

(Continued)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Educational Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|   | 2017         |            | 2016                |            |
|---|--------------|------------|---------------------|------------|
|   | Final Budget | Actual     | Variance over/under | Actual     |
| Central                                 |              |            |                     |            |
| Information services                    |              |            |                     |            |
| Salaries                                | \$ 140,000   | \$ 133,433 | \$ (6,567)          | \$ 124,186 |
| Employee benefits                       | 43,500       | 34,439     | (9,061)             | 19,833     |
| Purchased services                      | 77,400       | 69,374     | (8,026)             | 71,039     |
| Supplies and materials                  | 33,500       | 20,760     | (12,740)            | 30,491     |
| Other                                   | 1,000        | 915        | (85)                | 529        |
| Non-capitalized equipment               | 5,000        | 4,450      | (550)               | 5,219      |
| Total                                   | 300,400      | 263,371    | (37,029)            | 251,297    |
| Staff services                          |              |            |                     |            |
| Salaries                                | 490,000      | 443,716    | (46,284)            | 420,603    |
| Employee benefits                       | 142,500      | 95,070     | (47,430)            | 94,677     |
| Purchased services                      | 180,000      | 77,945     | (102,055)           | 63,041     |
| Supplies and materials                  | 16,000       | 19,846     | 3,846               | 11,294     |
| Other                                   | 2,000        | 1,957      | (43)                | 1,915      |
| Total                                   | 830,500      | 638,534    | (191,966)           | 591,530    |
| Data processing services                |              |            |                     |            |
| Salaries                                | 2,500        | -          | (2,500)             | 2,000      |
| Employee benefits                       | -            | -          | -                   | 249        |
| Purchased services                      | 101,000      | 34,274     | (66,726)            | 37,459     |
| Supplies and materials                  | 11,000       | 1,198      | (9,802)             | 1,279      |
| Total                                   | 114,500      | 35,472     | (79,028)            | 40,987     |
| Total Central                           | 1,245,400    | 937,377    | (308,023)           | 883,814    |
| Total Support Services                  | 18,679,139   | 15,124,280 | (3,554,859)         | 16,333,293 |
| Community services                      |              |            |                     |            |
| Salaries                                | 165,100      | 247,909    | 82,809              | 115,263    |
| Employee benefits                       | 7,600        | 22,316     | 14,716              | 7,369      |
| Purchased services                      | 21,600       | 11,282     | (10,318)            | 11,188     |
| Supplies and materials                  | 32,813       | 56,292     | 23,479              | 32,930     |
| Total Community Services                | 227,113      | 337,799    | 110,686             | 166,750    |
| Payments for special education programs |              |            |                     |            |
| Purchased services                      | 10,000       | 11,513     | 1,513               | 13,613     |
| Other                                   | 923,000      | 1,379,969  | 456,969             | 1,061,295  |
| Total                                   | 933,000      | 1,391,482  | 458,482             | 1,074,908  |

(Continued)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Educational Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|  | 2017                  |                             |                      | 2016                        |
|--|-----------------------|-----------------------------|----------------------|-----------------------------|
|  | Final Budget          | Actual                      | Variance over/under  | Actual                      |
| Payments for adult continuing education programs         |                       |                             |                      |                             |
| Purchased services                                       | \$ 1,860              | \$ -                        | \$ (1,860)           | \$ -                        |
| Total  | 1,860                 | -                           | (1,860)              | -                           |
| Payments for CTE programs                                |                       |                             |                      |                             |
| Purchased services                                       | -                     | 6,000                       | 6,000                | -                           |
| Total  | -                     | 6,000                       | 6,000                | -                           |
| Total Payments to Other Districts and Governmental Units | 934,860               | 1,397,482                   | 462,622              | 1,074,908                   |
| Provision for contingencies                              | 50,000                | -                           | (50,000)             | -                           |
| Total Expenditures                                       | 72,168,729            | 78,035,531                  | 5,866,802            | 76,084,167                  |
| Excess (deficiency) of revenues over expenditures        | (9,488,729)           | 3,356,474                   | 12,845,203           | 2,761,934                   |
| <b>OTHER FINANCING SOURCES (USES)</b>                    |                       |                             |                      |                             |
| Transfers out  | (200,000)             | (300,000)                   | (100,000)            | (350,000)                   |
| Total other financing sources (uses)                     | (200,000)             | (300,000)                   | (100,000)            | (350,000)                   |
| Net change in fund balance                               | <u>\$ (9,688,729)</u> | 3,056,474                   | <u>\$ 12,745,203</u> | 2,411,934                   |
| Fund balance at beginning of year                        |                       | <u>73,934,947</u>           |                      | <u>71,523,013</u>           |
| <b>FUND BALANCE AT END OF YEAR</b>                       |                       | <u><u>\$ 76,991,421</u></u> |                      | <u><u>\$ 73,934,947</u></u> |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Operations and Maintenance Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|  | 2017         |              | 2016                |              |
|--|--------------|--------------|---------------------|--------------|
|  | Final Budget | Actual       | Variance over/under | Actual       |
| <b>REVENUES</b>                              |              |              |                     |              |
| Local Sources                                |              |              |                     |              |
| General tax levy                             | \$ 7,930,000 | \$ 8,025,274 | \$ 95,274           | \$ 8,103,670 |
| Corporate replacement taxes                  | 2,200,000    | 1,855,445    | (344,555)           | 2,664,480    |
| Earnings on investments                      | 100,000      | 8,873        | (91,127)            | 194,054      |
| Rentals                                      | 4,000        | 12,869       | 8,869               | 3,631        |
| Other  | 100,000      | 231,918      | 131,918             | 70,596       |
| Total Local Sources                          | 10,334,000   | 10,134,379   | (199,621)           | 11,036,431   |
| State Sources                                |              |              |                     |              |
| General state aid                            | 1,200,000    | 1,067,031    | (132,969)           | 2,286,683    |
| Other  | -            | 760          | 760                 | -            |
| Total State Sources                          | 1,200,000    | 1,067,791    | (132,209)           | 2,286,683    |
| Total Revenues                               | 11,534,000   | 11,202,170   | (331,830)           | 13,323,114   |
| <b>EXPENDITURES</b>                          |              |              |                     |              |
| Current operating                            |              |              |                     |              |
| Support services                             |              |              |                     |              |
| Operations and maintenance of plant services |              |              |                     |              |
| Salaries                                     | 2,989,500    | 2,674,844    | (314,656)           | 2,600,535    |
| Employee benefits                            | 609,000      | 507,510      | (101,490)           | 513,026      |
| Purchased services                           | 976,600      | 988,095      | 11,495              | 707,374      |
| Supplies and materials                       | 1,877,000    | 1,146,379    | (730,621)           | 1,104,198    |
| Capital outlay                               | 720,000      | 105,524      | (614,476)           | 3,695        |
| Other  | 3,000        | 1,045        | (1,955)             | 15           |
| Non-capitalized equipment                    | 52,000       | 24,363       | (27,637)            | 7,378        |
| Total  | 7,227,100    | 5,447,760    | (1,779,340)         | 4,936,221    |
| Pupil transportation services                |              |              |                     |              |
| Capital outlay                               | -            | 68,633       | 68,633              | -            |
| Other  | -            | 170          | 170                 | -            |
| Total  | -            | 68,803       | 68,803              | -            |
| Total Support Services                       | 7,227,100    | 5,516,563    | (1,710,537)         | 4,936,221    |
| Provision for contingencies                  | 50,000       | -            | (50,000)            | -            |
| Total Expenditures                           | 7,277,100    | 5,516,563    | (1,760,537)         | 4,936,221    |
| Excess of revenues over expenditures         | 4,256,900    | 5,685,607    | 1,428,707           | 8,386,893    |

(Continued)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Operations and Maintenance Account  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 Year Ended June 30, 2017 (Continued)

|                                       | 2017                  |                             | 2016                |                             |
|---------------------------------------|-----------------------|-----------------------------|---------------------|-----------------------------|
|                                       | Final Budget          | Actual                      | Variance over/under | Actual                      |
| <b>OTHER FINANCING SOURCES (USES)</b> |                       |                             |                     |                             |
| Transfers in                          | \$ 420,000            | \$ 572,137                  | \$ 152,137          | \$ 609,696                  |
| Transfers out                         | (7,986,456)           | (7,986,456)                 | -                   | (7,985,206)                 |
| Total other financing sources (uses)  | (7,566,456)           | (7,414,319)                 | 152,137             | (7,375,510)                 |
| Net change in fund balance            | <u>\$ (3,309,556)</u> | (1,728,712)                 | <u>\$ 1,580,844</u> | 1,011,383                   |
| Fund balance at beginning of year     |                       | <u>13,399,102</u>           |                     | <u>12,387,719</u>           |
| <b>FUND BALANCE AT END OF YEAR</b>    |                       | <u><u>\$ 11,670,390</u></u> |                     | <u><u>\$ 13,399,102</u></u> |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
Working Cash Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|                                       | 2017              |                             |                     | 2016                        |
|---------------------------------------|-------------------|-----------------------------|---------------------|-----------------------------|
|                                       | Final Budget      | Actual                      | Variance over/under | Actual                      |
| <b>REVENUES</b>                       |                   |                             |                     |                             |
| Local Sources                         |                   |                             |                     |                             |
| General tax levy                      | \$ 700,000        | \$ 730,363                  | \$ 30,363           | \$ 713,712                  |
| Earnings on investments               | 240,000           | 9,733                       | (230,267)           | 409,984                     |
| Total Local Sources                   | 940,000           | 740,096                     | (199,904)           | 1,123,696                   |
| Total Revenues                        | 940,000           | 740,096                     | (199,904)           | 1,123,696                   |
| Excess of revenues over expenditures  | 940,000           | 740,096                     | (199,904)           | 1,123,696                   |
| <b>OTHER FINANCING SOURCES (USES)</b> |                   |                             |                     |                             |
| Transfer out                          | (220,000)         | (272,137)                   | (52,137)            | (259,696)                   |
| Total other financing sources (uses)  | (220,000)         | (272,137)                   | (52,137)            | (259,696)                   |
| Net change in fund balance            | <u>\$ 720,000</u> | 467,959                     | <u>\$ (252,041)</u> | 864,000                     |
| Fund balance at beginning of year     |                   | <u>17,384,831</u>           |                     | <u>16,520,831</u>           |
| <b>FUND BALANCE AT END OF YEAR</b>    |                   | <u><u>\$ 17,852,790</u></u> |                     | <u><u>\$ 17,384,831</u></u> |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
Tort Immunity Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|                                    | 2017              |                     |                     | 2016                |
|------------------------------------|-------------------|---------------------|---------------------|---------------------|
|                                    | Final Budget      | Actual              | Variance over/under | Actual              |
| <b>REVENUES</b>                    |                   |                     |                     |                     |
| Local Sources                      |                   |                     |                     |                     |
| General tax levy                   | \$ 785,000        | \$ 709,304          | \$ (75,696)         | \$ 787,968          |
| Earnings on investments            | -                 | 25                  | 25                  | 3,268               |
| Total Local Sources                | 785,000           | 709,329             | (75,671)            | 791,236             |
| Total Revenues                     | 785,000           | 709,329             | (75,671)            | 791,236             |
| <b>EXPENDITURES</b>                |                   |                     |                     |                     |
| Support services                   |                   |                     |                     |                     |
| General administration             |                   |                     |                     |                     |
| Purchased services                 | 423,405           | 411,541             | (11,864)            | 460,182             |
| Total                              | 423,405           | 411,541             | (11,864)            | 460,182             |
| Total Support Services             | 423,405           | 411,541             | (11,864)            | 460,182             |
| Total Expenditures                 | 423,405           | 411,541             | (11,864)            | 460,182             |
| Net change in fund balance         | <u>\$ 361,595</u> | 297,788             | <u>\$ (63,807)</u>  | 331,054             |
| Fund balance at beginning of year  |                   | <u>1,219,779</u>    |                     | <u>888,725</u>      |
| <b>FUND BALANCE AT END OF YEAR</b> |                   | <u>\$ 1,517,567</u> |                     | <u>\$ 1,219,779</u> |



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
Debt Service Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|   | 2017               |                            | 2016                |                            |
|---|--------------------|----------------------------|---------------------|----------------------------|
|   | Final Budget       | Actual                     | Variance over/under | Actual                     |
| <b>REVENUES</b>                                   |                    |                            |                     |                            |
| Local Sources                                     |                    |                            |                     |                            |
| Earnings on investments                           | \$ 12,000          | \$ 15,509                  | \$ 3,509            | \$ 13,668                  |
| Total Local Sources                               | 12,000             | 15,509                     | 3,509               | 13,668                     |
| Federal Sources                                   |                    |                            |                     |                            |
| Build America bond tax credits                    | 1,442,819          | 1,441,300                  | (1,519)             | 1,442,820                  |
| Total Federal Sources                             | 1,442,819          | 1,441,300                  | (1,519)             | 1,442,820                  |
| Total Revenues                                    | 1,454,819          | 1,456,809                  | 1,990               | 1,456,488                  |
| <b>EXPENDITURES</b>                               |                    |                            |                     |                            |
| Debt service                                      |                    |                            |                     |                            |
| Principal payments                                | 5,005,000          | 5,005,000                  | -                   | 4,825,000                  |
| Interest and fees on bonds                        | 4,529,576          | 4,529,576                  | -                   | 4,708,326                  |
| Total Expenditures                                | 9,534,576          | 9,534,576                  | -                   | 9,533,326                  |
| Excess (deficiency) of revenues over expenditures | (8,079,757)        | (8,077,767)                | 1,990               | (8,076,838)                |
| <b>OTHER FINANCING SOURCES</b>                    |                    |                            |                     |                            |
| Transfers in                                      | 7,986,456          | 7,986,456                  | -                   | 7,985,206                  |
| Total other financing sources                     | 7,986,456          | 7,986,456                  | -                   | 7,985,206                  |
| Net change in fund balance                        | <u>\$ (93,301)</u> | <u>(91,311)</u>            | <u>\$ 1,990</u>     | <u>(91,632)</u>            |
| Fund balance at beginning of year                 |                    | <u>5,109,330</u>           |                     | <u>5,200,962</u>           |
| <b>FUND BALANCE AT END OF YEAR</b>                |                    | <u><u>\$ 5,018,019</u></u> |                     | <u><u>\$ 5,109,330</u></u> |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Capital Project Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|  | 2017                  |                     |                     | 2016                |
|--|-----------------------|---------------------|---------------------|---------------------|
|  | Final Budget          | Actual              | Variance over/under | Actual              |
| <b>REVENUES</b>                                  |                       |                     |                     |                     |
| Local Sources                                    |                       |                     |                     |                     |
| Corporate replacement taxes                      | \$ 1,000,000          | \$ 454,713          | \$ (545,287)        | \$ -                |
| Earnings on investments                          | 4,000                 | (8,410)             | (12,410)            | 7,685               |
| Other  | -                     | -                   | -                   | 112,240             |
| Total Local Sources                              | <u>1,004,000</u>      | <u>446,303</u>      | <u>(557,697)</u>    | <u>119,925</u>      |
| Total Revenues                                   | <u>1,004,000</u>      | <u>446,303</u>      | <u>(557,697)</u>    | <u>119,925</u>      |
| <b>EXPENDITURES</b>                              |                       |                     |                     |                     |
| Support service                                  |                       |                     |                     |                     |
| Business   |                       |                     |                     |                     |
| Facilities acquisition and construction services |                       |                     |                     |                     |
| Purchased services                               | 650,000               | 24,841              | (625,159)           | -                   |
| Supplies and materials                           | -                     | 414                 | 414                 | -                   |
| Capital outlay                                   | <u>1,500,000</u>      | <u>233,886</u>      | <u>(1,266,114)</u>  | <u>870,439</u>      |
| Total  | <u>2,150,000</u>      | <u>259,141</u>      | <u>(1,890,859)</u>  | <u>870,439</u>      |
| Total Support Services                           | <u>2,150,000</u>      | <u>259,141</u>      | <u>(1,890,859)</u>  | <u>870,439</u>      |
| Total Expenditures                               | <u>2,150,000</u>      | <u>259,141</u>      | <u>(1,890,859)</u>  | <u>870,439</u>      |
| Net change in fund balance                       | <u>\$ (1,146,000)</u> | 187,162             | <u>\$ 1,333,162</u> | (750,514)           |
| Fund balance at beginning of year                |                       | <u>3,039,082</u>    |                     | <u>3,789,596</u>    |
| <b>FUND BALANCE AT END OF YEAR</b>               |                       | <u>\$ 3,226,244</u> |                     | <u>\$ 3,039,082</u> |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2017

| <b>ASSETS</b>  | Transportation      | Municipal<br>Retirement/<br>Social<br>Security | Fire<br>Prevention<br>and Safety | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|---------------------|--|----------------------------------|--|
| Cash and investments   | \$ 5,985,939        | \$ 1,209,720                                   | \$ 29,741                        | \$ 7,225,400                               |
| Receivables  |                     |  |                                  |  |
| Property taxes   | 1,036,791           | 1,251,555                                      | -                                | 2,288,346                                  |
| Due from other governments                                       | 551,462             | -  | -                                | 551,462                                    |
| Other receivables  | 21,044              | 2,094  | -                                | 23,138                                     |
| <b>Total Assets</b>  | <b>\$ 7,595,236</b> | <b>\$ 2,463,369</b>                            | <b>\$ 29,741</b>                 | <b>\$ 10,088,346</b>                       |
| <b>LIABILITIES, DEFERRED<br/>INFLOWS AND FUND BALANCES</b>       |                     |  |                                  |  |
| <b>Liabilities</b>   |                     |  |                                  |  |
| Accounts payable   | \$ 92,701           | \$ -   | \$ -                             | \$ 92,701                                  |
| <b>Total Liabilities</b>   | <b>92,701</b>       | <b>-</b>                                       | <b>-</b>                         | <b>92,701</b>                              |
| <b>Deferred Inflows</b>  |                     |  |                                  |  |
| Other deferred revenues  | 275,731             | -  | -                                | 275,731                                    |
| Property taxes levied for subsequent year                        | 1,036,791           | 1,251,555                                      | -                                | 2,288,346                                  |
| <b>Total Deferred Inflows</b>                                    | <b>1,312,522</b>    | <b>1,251,555</b>                               | <b>-</b>                         | <b>2,564,077</b>                           |
| <b>Fund Balance</b>  |                     |  |                                  |  |
| Restricted   |                     |  |                                  |  |
| Transportation   | 6,190,013           | -  | -                                | 6,190,013                                  |
| Employee retirement  | -                   | 1,211,814                                      | -                                | 1,211,814                                  |
| Fire prevention and safety                                       | -                   | -  | 29,741                           | 29,741                                     |
| <b>Total Fund Balance</b>  | <b>6,190,013</b>    | <b>1,211,814</b>                               | <b>29,741</b>                    | <b>7,431,568</b>                           |
| <b>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS AND FUND BALANCES</b> | <b>\$ 7,595,236</b> | <b>\$ 2,463,369</b>                            | <b>\$ 29,741</b>                 | <b>\$ 10,088,346</b>                       |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2017

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|                                     | Transportation      | Municipal<br>Retirement/<br>Social<br>Security | Fire<br>Prevention<br>and Safety | Total<br>Nonmajor<br>Governmental<br>Funds |
|-------------------------------------|---------------------|--|----------------------------------|--|
| <b>REVENUES</b>                     |                     |  |                                  |  |
| Local sources                       | \$ 2,577,407        | \$ 2,570,680                                   | \$ 13,568                        | \$ 5,161,655                               |
| State sources                       | 824,844             | -  | -                                | 824,844                                    |
| Total Revenues                      | 3,402,251           | 2,570,680                                      | 13,568                           | 5,986,499                                  |
| <b>EXPENDITURES</b>                 |                     |  |                                  |  |
| Current operating                   |                     |  |                                  |  |
| Instruction                         | -                   | 1,289,610                                      | -                                | 1,289,610                                  |
| Support services                    | 2,602,969           | 1,241,793                                      | 12,000                           | 3,856,762                                  |
| Community services                  | -                   | 39,214   | -                                | 39,214                                     |
| Total Expenditures                  | 2,602,969           | 2,570,617                                      | 12,000                           | 5,185,586                                  |
| Net change in fund balance          | 799,282             | 63   | 1,568                            | 800,913                                    |
| Fund balances at beginning of year  | 5,390,731           | 1,211,751                                      | 28,173                           | 6,630,655                                  |
| <b>FUND BALANCES AT END OF YEAR</b> | <b>\$ 6,190,013</b> | <b>\$ 1,211,814</b>                            | <b>\$ 29,741</b>                 | <b>\$ 7,431,568</b>                        |

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**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Transportation Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|                                    | 2017         |                     | 2016                |                     |
|------------------------------------|--------------|---------------------|---------------------|---------------------|
|                                    | Final Budget | Actual              | Variance over/under | Actual              |
| <b>REVENUES</b>                    |              |                     |                     |                     |
| Local Sources                      |              |                     |                     |                     |
| General tax levy                   | \$ 2,710,000 | \$ 2,436,233        | \$ (273,767)        | \$ 2,667,069        |
| Regular transportation fees        | 174,000      | 119,320             | (54,680)            | 182,024             |
| Earnings on investments            | 40,000       | 21,854              | (18,146)            | 73,555              |
| Total Local Sources                | 2,924,000    | 2,577,407           | (346,593)           | 2,922,648           |
| State Sources                      |              |                     |                     |                     |
| Transportation - regular           | 70,000       | 11,393              | (58,607)            | 89,379              |
| Transportation - special education | 1,000,000    | 813,451             | (186,549)           | 1,030,005           |
| Total State Sources                | 1,070,000    | 824,844             | (245,156)           | 1,119,384           |
| Total Revenues                     | 3,994,000    | 3,402,251           | (591,749)           | 4,042,032           |
| <b>EXPENDITURES</b>                |              |                     |                     |                     |
| Current operating                  |              |                     |                     |                     |
| Support Services                   |              |                     |                     |                     |
| Pupil Transportation Services      |              |                     |                     |                     |
| Purchased services                 | 3,620,000    | 2,602,969           | (1,017,031)         | 2,560,458           |
| Total Support Services             | 3,620,000    | 2,602,969           | (1,017,031)         | 2,560,458           |
| Total Expenditures                 | 3,620,000    | 2,602,969           | (1,017,031)         | 2,560,458           |
| Net change in fund balance         | \$ 374,000   | 799,282             | \$ 425,282          | 1,481,574           |
| Fund balance at beginning of year  |              | 5,390,731           |                     | 3,909,157           |
| <b>FUND BALANCE AT END OF YEAR</b> |              | <u>\$ 6,190,013</u> |                     | <u>\$ 5,390,731</u> |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
Municipal Retirement/Social Security Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|  | 2017                |                            | 2016                |                            |
|--|---------------------|----------------------------|---------------------|----------------------------|
|  | Final Budget        | Actual                     | Variance over/under | Actual                     |
| <b>REVENUES</b>                            |                     |                            |                     |                            |
| Local Sources                              |                     |                            |                     |                            |
| General tax levy                           | \$ 2,272,000        | \$ 1,366,331               | \$ (905,669)        | \$ 815,932                 |
| Social security/medicare only levy         | -                   | 1,103,557                  | 1,103,557           | 946,847                    |
| Corporate replacement taxes                | 100,000             | 100,000                    | -                   | 585,884                    |
| Earnings on investments                    | 5,000               | 792                        | (4,208)             | 7,675                      |
| Total Local Sources                        | 2,377,000           | 2,570,680                  | 193,680             | 2,356,338                  |
| Total Revenues                             | 2,377,000           | 2,570,680                  | 193,680             | 2,356,338                  |
| <b>EXPENDITURES</b>                        |                     |                            |                     |                            |
| Current operating                          |                     |                            |                     |                            |
| Instruction                                |                     |                            |                     |                            |
| Regular programs                           | 537,000             | 434,669                    | (102,331)           | 438,192                    |
| Special education programs                 | 615,000             | 478,123                    | (136,877)           | 493,536                    |
| Special education programs pre-k           | 27,500              | 47,096                     | 19,596              | 24,050                     |
| Interscholastic programs                   | 12,500              | 5,293                      | (7,207)             | 5,596                      |
| Summer school programs                     | 17,000              | 19,963                     | 2,963               | 21,044                     |
| Bilingual programs                         | 136,100             | 89,284                     | (46,816)            | 89,043                     |
| Truant's alternative and optional programs | 190,000             | 215,182                    | 25,182              | 198,443                    |
| Total Instruction                          | 1,535,100           | 1,289,610                  | (245,490)           | 1,269,904                  |
| Support Services                           |                     |                            |                     |                            |
| Pupils                                     | 234,500             | 260,301                    | 25,801              | 224,249                    |
| Instructional staff                        | 110,600             | 99,296                     | (11,304)            | 95,511                     |
| General administration                     | 36,500              | 20,445                     | (16,055)            | 21,462                     |
| School administration                      | 143,500             | 136,554                    | (6,946)             | 140,980                    |
| Business                                   | 717,000             | 642,379                    | (74,621)            | 628,418                    |
| Central                                    | 82,000              | 82,818                     | 818                 | 77,954                     |
| Total Support Services                     | 1,324,100           | 1,241,793                  | (82,307)            | 1,188,574                  |
| Community services                         | 8,900               | 39,214                     | 30,314              | 19,666                     |
| Total Expenditures                         | 2,868,100           | 2,570,617                  | (297,483)           | 2,478,144                  |
| Net change in fund balance                 | <u>\$ (491,100)</u> | 63                         | <u>\$ 491,163</u>   | (121,806)                  |
| Fund balance at beginning of year          |                     | <u>1,211,751</u>           |                     | <u>1,333,557</u>           |
| <b>FUND BALANCE AT END OF YEAR</b>         |                     | <u><u>\$ 1,211,814</u></u> |                     | <u><u>\$ 1,211,751</u></u> |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**  
 Fire Prevention and Safety Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual  
 Year Ended June 30, 2017 with Comparative Actual Totals for 2016

|                                    | 2017         |                  |                     | 2016             |  |
|------------------------------------|--------------|------------------|---------------------|------------------|--|
|                                    | Final Budget | Actual           | Variance over/under | Actual           |  |
| <b>REVENUES</b>                    |              |                  |                     |                  |  |
| Local Sources                      |              |                  |                     |                  |  |
| General levy                       | \$ 25,000    | \$ 13,471        | \$ (11,529)         | \$ 14,711        |  |
| Earnings on investments            | -            | 97               | 97                  | 35               |  |
| Total Local Sources                | 25,000       | 13,568           | (11,432)            | 14,746           |  |
| Total Revenues                     | 25,000       | 13,568           | (11,432)            | 14,746           |  |
| <b>EXPENDITURES</b>                |              |                  |                     |                  |  |
| Support Services                   |              |                  |                     |                  |  |
| Facilities acquisition             |              |                  |                     |                  |  |
| Purchased services                 | 25,000       | 12,000           | (13,000)            | -                |  |
| Total                              | 25,000       | 12,000           | (13,000)            | -                |  |
| Total support services             | 25,000       | 12,000           | (13,000)            | -                |  |
| Total Expenditures                 | 25,000       | 12,000           | (13,000)            | -                |  |
| Net change in fund balance         | \$ -         | 1,568            | \$ 1,568            | 14,746           |  |
| Fund balance at beginning of year  |              | 28,173           |                     | 13,427           |  |
| <b>FUND BALANCE AT END OF YEAR</b> |              | <u>\$ 29,741</u> |                     | <u>\$ 28,173</u> |  |

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Agency Fund - Activity Fund

Statement of Changes in Assets and Liabilities

Year Ended June 30, 2017

|                       | Balance<br>June 30,<br>2016 | Additions  | Deductions | Balance<br>June 30,<br>2017 |
|-----------------------|-----------------------------|------------|------------|-----------------------------|
| <b>Assets</b>         |                             |            |            |                             |
| Cash                  | \$ 129,708                  | \$ 193,310 | \$ 212,048 | \$ 110,970                  |
| <b>Liabilities</b>    |                             |            |            |                             |
| Due to organizations  |                             |            |            |                             |
| Schools               |                             |            |            |                             |
| Algonquin             | 3,207                       | 38,038     | 41,066     | 179                         |
| Central               | 5,757                       | 3,779      | 4,173      | 5,363                       |
| Chippewa              | 16,927                      | 21,148     | 25,189     | 12,886                      |
| Cumberland            | 4,892                       | 11,054     | 10,623     | 5,323                       |
| Forest                | 2,568                       | 3,273      | 3,458      | 2,383                       |
| Iroquois              | 14,689                      | 29,474     | 37,702     | 6,461                       |
| North                 | 17,011                      | 5,469      | 7,538      | 14,942                      |
| Orchard Place         | 8,512                       | 6,436      | 8,577      | 6,371                       |
| Plainfield            | 7,760                       | 14,578     | 15,396     | 6,942                       |
| South                 | 3,640                       | 7,864      | 8,184      | 3,320                       |
| Terrace               | 2,228                       | 1,146      | 1,267      | 2,107                       |
| Total schools         | 87,191                      | 142,259    | 163,173    | 66,277                      |
| Other funds           |                             |            |            |                             |
| Beverage commission   | 78                          | 51         | -          | 129                         |
| Early LC              | 188                         | 5,024      | 3,751      | 1,461                       |
| ICS                   | 16,033                      | 42,934     | 43,147     | 15,820                      |
| Bank maintenance      | (118)                       | 863        | 828        | (83)                        |
| Fiesta                | 1,965                       | 75         | 194        | 1,846                       |
| Administration social | 1,002                       | 845        | 691        | 1,156                       |
| Forest BD             | -                           | 264        | 264        | -                           |
| D62 foundation        | 1,123                       | 168        | -          | 1,291                       |
| Children benefit      | 21,374                      | 813        | -          | 22,187                      |
| Interest              | 872                         | 14         | -          | 886                         |
| Total other funds     | 42,517                      | 51,051     | 48,875     | 44,693                      |
|                       | \$ 129,708                  | \$ 193,310 | \$ 212,048 | \$ 110,970                  |



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT 62**

Schedule of Assessed Valuations, Property Tax Rates, Extensions and Collections  
Last Five Tax Levy Years

|                            | 2016             | 2015             | 2014             | 2013             | 2012             |
|----------------------------|------------------|------------------|------------------|------------------|------------------|
| Assessed Valuation         | \$ 1,718,085,335 | \$ 1,485,376,988 | \$ 1,532,989,191 | \$ 1,518,202,154 | \$ 1,815,594,984 |
| Tax Rates                  |                  |                  |                  |                  |                  |
| Educational                | 2.8341           | 3.2447           | 3.1263           | 3.1968           | 2.6160           |
| Tort Immunity              | 0.0365           | 0.0562           | 0.0504           | 0.0601           | 0.0179           |
| Special Education          | 0.2465           | 0.2359           | 0.2772           | 0.0983           | 0.0448           |
| Operations and Maintenance | 0.4775           | 0.5500           | 0.5443           | 0.5500           | 0.5500           |
| Transportation             | 0.1278           | 0.1898           | 0.1693           | 0.1639           | 0.1007           |
| Municipal Retirement       | 0.0822           | 0.0904           | 0.0186           | 0.0676           | 0.0548           |
| Social Security            | 0.0721           | 0.0674           | 0.0605           | 0.0676           | 0.0548           |
| Working Cash               | 0.0434           | 0.0500           | 0.0464           | 0.0500           | 0.0500           |
| Fire Prevention and Safety | -                | 0.0019           | -                | -                | 0.0006           |
| Total rates extended       | 3.9201           | 4.4863           | 4.2930           | 4.2543           | 3.4896           |
| Property tax extensions:   |                  |                  |                  |                  |                  |
| Educational                | \$ 48,692,533    | \$ 48,195,525    | \$ 47,925,694    | \$ 48,533,578    | \$ 47,495,453    |
| Tort Immunity              | 627,456          | 834,117          | 772,534          | 912,386          | 325,043          |
| Special Education          | 4,235,331        | 3,503,290        | 4,248,934        | 1,492,997        | 812,609          |
| Operations and Maintenance | 8,203,631        | 8,169,573        | 8,343,362        | 8,350,112        | 9,985,772        |
| Transportation             | 2,196,097        | 2,818,796        | 2,595,782        | 2,488,327        | 1,828,371        |
| Municipal Retirement       | 1,411,777        | 1,342,927        | 285,694          | 1,026,849        | 995,446          |
| Social Security            | 1,239,226        | 1,000,940        | 927,040          | 1,026,849        | 995,446          |
| Working Cash               | 745,785          | 742,688          | 710,731          | 759,101          | 907,797          |
| Fire Prevention and Safety | -                | 28,325           | -                | -                | 10,158           |
| Total levies extended      | \$ 67,351,836    | \$ 66,636,181    | \$ 65,809,771    | \$ 64,590,199    | \$ 63,356,095    |
| Total collections          | \$ 34,881,103    | \$ 66,285,844    | \$ 65,142,489    | \$ 63,795,005    | \$ 62,695,248    |
| Percentage Collected       | 51.8%            | 99.5%            | 99.0%            | 98.8%            | 99.0%            |

Tax rates are expressed in dollars per one hundred of assessed valuation.

Source of information: Cook County Clerk