

COMPREHENSIVE ANNUAL FINANCIAL
REPORT

OF

**COMMUNITY CONSOLIDATED
SCHOOL DISTRICT 89**

GLEN ELLYN, ILLINOIS

As of and for the Year Ended June 30, 2018

Officials Issuing Report

Dr. Emily K. Tammaru, Superintendent
Maureen A. Jones, Assistant Superintendent for Finance and
Operations

Department Issuing Report

Business Services

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

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December 13, 2018

Citizens of School District 89,
President, and Members of the Board of Education
Community Consolidated School District No. 89
22 W 600 Butterfield Road
Glen Ellyn, Illinois 60137

The Comprehensive Annual Financial Report of Community Consolidated School District 89 (the "District") for the fiscal year ended June 30, 2018 is submitted herewith. This report was prepared by the District's Business Office. The audit was completed on December 13, 2018, and the report was subsequently issued. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation including all disclosures rests with the District. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

Generally Accepted Accounting Principals (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement the MD&A and to be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

THE REPORTING ENTITY

A component unit is an organization for which the District is financially accountable or other organizations that, because of the nature or significance of their relationship with the District, would cause the District's financial statements to be misleading or incomplete if they were omitted from the reporting entity. Using these criteria, management has determined that the District has no component units, nor is it a component unit of any other organization.

(continued)

Board of Education

Tim Jedlicka
Jay Lerch
Haydee Núñez
Scott Pope
Beth Powers
La Sridhar
Ben Yates

Superintendent

Emily K. Tammaru, Ed.D.

**Assistant Superintendent
for Learning**

Robert Langman, Ed.D.

**Assistant Superintendent
for Finance & Operations**

Maureen A. Jones, CSBO

Arbor View School

David Bruno, Ed.D., Principal

Briar Glen School

Mitch Dubinsky, Principal

Park View School

Barb Peterson, Principal

Westfield School

Stacey Hewick, Principal

Glen Crest Middle School

Kim Price, Principal

John Batiste, Assistant Principal

BASIS OF ACCOUNTING AND REPORTING

The Comprehensive Annual Financial Report (CAFR) is presented in three sections:

- 1) **The Introductory Section** includes this transmittal letter, the District's organizational chart and a list of principal officials.
- 2) **The Financial Section** includes the general-purpose financial statements and the combining, individual fund and account group financial statements and schedules, as well as the independent auditor's report.
- 3) **The Statistical Section** includes a number of tables of non-audited data depicting the financial history of the District for the past ten years, demographics and other miscellaneous information.

The District's accounts are organized as separate accounting entities called funds. District resources are allocated to and accounted for in individual funds as required by the State of Illinois. Each fund has specific functions based upon the purposes for which the District's resources are to be expended. This allows for a more controlled process of spending activities. For all governmental fund types, the District reports are prepared on a modified accrual basis of accounting, which is applied to the District's budget and account records. For more information regarding the modified accrual method of accounting, refer to the Notes section.

Baker Tilly Virchow Krause, LLP. has been the District's auditing firm since 2010-11.

SERVICE AREA AND HISTORY OF THE DISTRICT

The District is a consolidated elementary (K-8) school district, in DuPage County, Illinois. The District includes small portions of Lombard and Wheaton, with the majority of students coming from incorporated and unincorporated areas of southern Glen Ellyn. The District comprises an area of approximately ten square miles, located twenty-five miles west of Chicago's Loop. The District's general boundaries are I-355 on the East, Butterfield Road on the South, President Street on the West and Roosevelt Road on the North. O'Hare Airport is approximately 20 minutes from the District. The District operates two K-5 elementary schools, two preK-5 elementary schools and one 6-8 middle school. Graduates of the district attend Glenbard South High School in Glenbard High School District 87, located within the boundaries of District 89.

The governing body consists of a seven member Board of Education elected by the registered voters of the District, on a staggered four-year term basis. Based on the legislative authority codified in The School Code of Illinois, the Board of Education has the following powers:

- a. the corporate power to sue and be sued in all courts;
- b. the power to levy and collect taxes and to issue bonds;
- c. the power to contract for appointed administrators, teachers, and other personnel as well as for goods and services.

The District is over 150 years old; initially, two separate school districts were established. The district numbers and specific boundaries changed until the final consolidation in 1952. In 1843, Milton Township elected its first School Trustees and they set the boundaries for six separate school districts. District 89 was initially Douglas (subsequently Wagner) School District 3 and District 39 (Bonaparte) was initially District 4. In 1920, the two districts were consolidated and given the number 89. In 1925, the year prior to opening Wagner School, Bonaparte District 39 detached from District 89. They remained separate until 1952 when District 39 dissolved and annexed into District 89. There were 95 students in the District in 1952. The student population grew steadily until 1973 when it reached its peak enrollment of 2,894. The enrollment declined until 1983 when it hit 2,080. The student count then rose steadily until 1995 when it hit 2,661. The enrollment began to decline in 1995 but has recently seen an increase. For fiscal year 2018 enrollment was 2,198. A demographic study,

updated in 2016, indicated that enrollment would increase through 2023-24 to an estimated total of 2,370 students and then level off.

ECONOMIC CONDITION AND OUTLOOK

The District tax base is (83.22%) residential, (16.73%) commercial and (0.05%) industrial, railroad and farm property. The commercial portion of the District consists largely of retail and office space. Amber Ridge subdivision, a twenty-two single family home development, was the largest development in the school district in the last decade. The District benefited from \$4M in new property in 2014, \$5M in new property in 2015 and another \$4M in new property in 2016 due in part to this subdivision. However, in 2017, the district experienced only \$1.7M in new property value, which is indicative of the makeup of the tax base in D89. Because there is very limited open space within the school district boundaries, future growth will be mainly a function of turnover of existing property. Brookhaven subdivision, a development of ten family home sites, commenced lot sales and construction in 2018. Another subdivision within district boundaries for thirty-one townhomes is currently being considered for development.

District 89's major revenue source continues to be local property taxes. Although our school district is impacted by the 1994 Property Tax Extension Limitation Act (i.e. the Tax Cap), the District has been able to maintain positive fund balances within all fund accounts. The legislation limits the extension increase to the lesser of the consumer price index (CPI-U) or five percent on existing property. The use of the CPI-U in property tax calculations is intended to "slow down" the increases in a school district's levy request. The trailing influence of the CPI and the economic downturn are still having an impact. The CPI for calendar year 2015 was 0.8%, which limited the 2016 property tax levy collected in calendar year 2017, the major revenue source for the 2017-18 school year. New construction is exempted from the Tax Cap. New property for the 2016 levy was \$4,155,628 or (.57%). Annual CPI-U increases since 1995 have averaged 2.23%, however the past five years have averaged only 1.36%.

Part of the Tax Cap law allowed for Districts to establish a Debt Service Extension Base (DSEB) the year Tax Caps were implemented. Once established, a school district may issue non-referendum debt for an amount not to exceed the DSEB payments in the base year. The amount was based on a district's tax levy for the Debt Service Fund in 1994. District 89 did not have any debt outstanding in 1994 and does not benefit from a DSEB. All bonded debt issued by District 89 must be issued through the referendum process.

Although the decline in the student population over the past twenty years assisted the District in maintaining financial solvency, recent large enrollment spikes and structural deficits have caused concern for the long-term financial health of the District. Over the past several years, the Board of Education enacted over \$2.9M in spending cuts which allowed the District to maintain financial solvency. However, the District's most recent financial projections reflect deficits for the immediate future with larger deficits projected dependent upon enrollment. Much of the 2017-18 school year was spent investigating enrollment and financial trends in D89 by a Superintendent appointed Community Finance Committee. In July of 2018, the Community Finance Committee made the recommendation to the C89 Board of Education to place an operating rate referendum question on the November of 2018 election ballot. After several community engagement sessions, phone and internet polling, in August of 2018, the Board of Education made the formal decision to place a 0.40% operating rate referendum question on the November election ballot. The District has not placed a rate referendum on the ballot since 1986.

BOARD LEADERSHIP

Effective with the CCSD89 Board of Education Reorganization Meeting held on Monday, May 1, 2017, the following Board Members were nominated and elected into office: Beth Powers (2021) President, Haydee Núñez (2021) Vice President and Scott Pope (2019) Secretary Pro-Tempore. The term of office is for two years. On February 12, 2018, Ben Yates (2021) was appointed as a Board Member when a prior member

stepped down. Tim Jedlicka (2019), James Lerch (2021), and Lavanya Sridhar (2021) also serve as Board Members.

MAJOR INITIATIVES

The District is proud of its dedication to continuous improvement and to anticipating and preparing for the expanding expectations of parents and students. Strong instructional programs are regularly reviewed to ensure their continued rigor and effectiveness.

District 89 serves an increasingly diverse student population. The District serves a total of 222 English Language Learners speaking more than thirty-five different languages at home. A cohesive curriculum, improved instructional materials and a local assessment database help to better serve these students. In addition, the district is providing staff development opportunities targeted at assessment literacy, writing, technology and social emotional learning in order to increase learning for all students.

Technology continues to be an integral component of education. During the 2017-2018 school year, the District continued to increase the number of Chrome Books, and lap top computers purchased to increase technology integration into all levels of learning. The technology committee continued to provide professional development in the use of hardware, and Google Applications for Education throughout the school year focusing on utilizing Google Drive and Google Classroom in the classroom. Additionally, the district replaced approximately 180 lap top computers, to ensure teachers are able to properly integrate technology into their teaching and learning.

During the 2017-2018 school year math, exploratory and social studies were curricular areas that received a great deal of focus and study. The district Math Committee continued the work of curricular development during the school year. The committee sought feedback from teachers to guide finalizing a realigned scope and sequence for all grade levels. This work will continue in the 2018-2019 school year as implementation continues and the district moves towards Algebra readiness for all 8th grade students. The committee will focus on vertical alignment discussions (K-8) and development of more inquiry based lesson opportunities. Another curricular area of focus was Social Studies. The committee spent the school year developing a standards-based scope and sequence for all grade levels K-8. The teachers on the committee then provided informational sessions to other teachers as they developed inquiry-based units/lesson plans to be used. At the end of the school year, all teachers were given the new curriculum with full implementation occurring in the 2018-2019 school year. Finally, the Exploratory department at the middle school spent the year planning and developing a new standards-based curriculum for 6th and 7th grade students. Working with professionals from Illinois institute of Technology, the teachers worked to develop a scaffolded scope and sequence which integrates the elements of STEAM into all lessons. The 2018-2019 school year will focus on the implementation of the 6th and 7th grade curriculum while developing a new 8th grade curriculum.

During the 2017-2018 school year, District 89 continued with the tradition of excellence, performing above national averages on the Northwest Evaluation Association's (NWEA) Measure of Academic Progress (MAP) assessment. Students in first through eighth grade take the test three times per year in Reading and Math, while students in Kindergarten take the assessment two times per year in both areas. The test measures both proficiency and growth. District 89 performs well above the national mean, often close to two grade levels above the national average. Students in third through eighth grades took the Partnership for Assessment of Readiness for College and Careers (PARCC) assessment in reading and mathematics. As with the MAP assessment, District 89 performed well above the state of Illinois and cross-state means on the PARCC assessment.

Teachers have fully implemented the new learning standards driven by the Common Core and have created new units of study aligned to those standards. Additionally, a focused effort continues to be given to the

districts Social Emotional Learning (SEL) standards and implementation. Teachers integrated SEL into their daily lesson plans to ensure all students learn in a safe and nurturing learning environment. The district continues to use data to drive all instructional decisions, maximizing the learning potential of all. Additionally, the district is continuing efforts to incorporate STEAM based learning opportunities into the elementary Learning Media Centers (LMC) with the implementation of “Maker Space” in all elementary schools during the 2017-2018 school year.

To meet the needs of all children, the District continues to offer a broad curriculum including fine and applied arts, foreign language, technology, challenge, physical education and life skills. A community pre-school enriches the early childhood experience for special education students, age three to five, and also provides other parents with a quality tuition-based pre-school experience for their children.

During the 2017-2018 school year, District initiatives centered on technology integration, SEL, STEAM, social studies, science and math development; the use of pre and post assessments to inform instruction, and how to incorporate inquiry based learning opportunities to differentiate and meet the needs of all learners.

A commitment to continuous improvement, world-class achievement and the collection, maintenance and analysis of data to demonstrate improved student achievement is evident at all schools. Each staff explores and adopts quality systems at its individual pace. These improvement systems are outlined in each school's School Improvement Plan. In addition to school improvement plans, each grade level within the buildings wrote specific, measurable, attainable, realistic and timely (SMART) goals to support the building school improvement plan.

During the 2017-2018 school year the district developed a comprehensive three year professional development plan in order to support continued growth. From this plan, the district was able to develop a learning focused two-year mentoring program for new teachers in the 2018-2019 school year. The mentor program will support the success of new teachers in District 89 by providing them with guidance, support and learning opportunities through their first two years of teaching.

SERVICE EFFORTS AND ACCOMPLISHMENTS

District 89 is a member of the Cooperative Association for Special Education (CASE), a seven member district cooperative providing services for children ages three through twenty-one in need of special education programming. Through CASE, the District is a member of the Low Incidence Cooperative Agreement (LICA), a cooperative program providing services to hearing and visually impaired students.

The District is a pivotal member of the Consortium for Education Change (CEC) and provides leadership in this group of districts seeking excellence by embracing appropriate innovations for improvement. As a keystone of this effort, the District with the teacher organization has created a Compact for Quality, which is a set of beliefs that govern the relationship between the District and the teaching staff. The Compact is sweeping in its scope and rewards innovation, improvement and trust. The Compact has been recognized by the CEC for the cultivation of the relationships that allowed its development and for its innovative substance.

Finally, the District is an active and contributing member of the Illinois Association of School Administrators (IASA), the Illinois Principal's Association (IPA), the Illinois Association of School Business Officials (IASBO) and the Legislative Education Network of DuPage (LEND).

BUSINESS OPERATIONS AND FACILITIES

Business Office. The Business Office continually updates the long-term financial plan, presenting financial projections and possible strategies for addressing financial needs. Board members are made aware of emerging issues related to possible legislation and trends. The Business Office also prepares a comprehensive budget document. The budget and its supporting documents reflect the wide-scoped efforts to bring alignment to the District's financial and instructional goals.

Buildings. The District's buildings are maintained in excellent condition. The oldest owned building in the District, Arbor View Elementary School, was built in 1959; the newest school is Briar Glen Elementary School, built in 1971. The District substantially upgraded and improved building structures through a \$24.8M bond referendum in 2007. The bonds were sold in two separate issuances in 2008 and 2009. The work included repairs and upgrades to heating ventilating and air conditioning, as well as technology infrastructure, electrical, plumbing, life safety, security, and other building systems. The District re-surveyed the buildings for life safety issues in 2017, with no significant violations or findings.

The District continually updates the long-range facility plan which addresses the replacement of boilers, roofs, HVAC and other infrastructure needs over the next five to ten year period. During the 2017-18 school year, the Administration contracted with the District architect, Legat Architects, to engage in a complete and thorough long-term facilities plan. This differs from a life safety survey in that it encompasses a larger scope beyond just safety and code violations. The long-term facilities plan was presented to the Board of Education at the January, 2018 Board meeting. The final plan identifies between \$15M and \$25M in potential projects for the immediate and long-term care of the District's largest physical assets – the buildings. The plan is designed to address preventative maintenance issues, structural improvements, safety and technology advancements as well as replacement of obsolete and depreciated mechanical systems.

The District has historically depended on debt issuance every ten to twelve years to finance large scope building projects. The 2008 bond issue will be repaid with the 2021 levy, allowing for an additional building referendum to be considered to coordinate with the expiration of those bonds.

During the 2017-18 school year, the District made several minor improvements to the buildings including minor concrete and sealcoating work as well as gym lights at the middle school. Any large scale projects were postponed in light of the estimated \$1M deficit.

Operations. The District continues to participate in the National School Lunch Program. This program allows for federal and state reimbursement for lunches served for Districts which opt-in to the program. The program has allowed the District to decrease its food service operations deficit by nearly \$450,000 since inception. In 2017-18 school year, the food service program nearly broke even.

During the late spring of 2017, D89 was informed by Septran, our main special education transportation provider, that they would no longer be able to service the D89 contract. The Administration allowed Septran out of the contract due to the poor performance for the entire 2016-17 school year. After a bid process, Hopewell Inc., which was already servicing a smaller portion of our special education transportation contract, was awarded the entire contract. During the 2017-18 school year, it was apparent that Hopewell was unable to consolidate routes in the manner that Septran had. Although the costs of special education transportation rose substantially during the 2017-18 school year, the service issues were minimal and the Administration was satisfied with the quality of service Hopewell was able to provide.

Contracts. The Board of Education and the CCSD89 Education Association's prior contractual arrangement ran through the end of the 2016-2017 school year. The parties were able to come to terms on a five-year employment agreement in February of 2018. The contract will be in effect through the end of the 2021-2022

school year.

FINANCIAL INFORMATION

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which are appropriate to local governmental units of this type. The presentation allows the reader to obtain an overview of the District's financial operations by viewing the government-wide financial statements in the front section of this report. Detailed presentations of the government-wide financial statements, fund financial statements and individual fund statements are available throughout the remainder of the report.

Management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

In addition, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Projected financial plans are adopted for the capital outlay funds.

Budgetary control is maintained at line item levels and built up into program and/or cost centers before being combined to form totals by fund. All actual activity compared to budget is reported in aggregate to the District's Board on a monthly basis. The management analyzes monthly reports which compare each line item account balance to the annual budget with accumulation to the fund, and total District levels. The District also maintains an encumbrance accounting system as one technique in accomplishing budgetary control. The District's legal level of budgetary control is at the fund level.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

The basis of accounting and the various funds utilized by the District are described in Note 1 of the financial statements. Additional information on the District's budgetary accounting can also be found in Note 1.

The District prepares its financial statements following GASB 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." GASB 34 creates basic financial statements for reporting on the District's financial activities as follows:

Government-wide financial statements. These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements include the Statement of Net Position and the Statement of Activities.

Fund financial statements. These statements present information for individual major funds rather than by fund type. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the government-wide financial statements.

As part of this model, management is responsible for preparing a Management's Discussion and Analysis of the District. This discussion is located in the basic financial statements, providing an assessment of District finances for fiscal year 2018, with comparisons to 2017.

OTHER INFORMATION

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

Certificate of Excellence. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2017. The Certificate of Excellence is a prestigious national award recognizing conformance with the highest standards for preparation of school district reports.

The Certificate of Excellence is valid for a one-year period. We believe our current report continues to conform to the ASBO Certificate of Excellence program requirements, and we are submitting it again this year.

Closing Comment. The purpose of this Comprehensive Annual Financial Report is to provide the Board of Education, District Administration and other interested parties a meaningful report of the District's financial condition as of June 30, 2018.

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

We would also like to thank members of the Board of Education for their interest and support in conducting the financial affairs of the District for the 2018 fiscal year.

Respectfully submitted,



Dr. Emily K. Tammaru
Superintendent of Schools



Maureen A. Jones
Assistant Superintendent for Finance &
Operations/CSBO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Community Consolidated School District 89

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

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

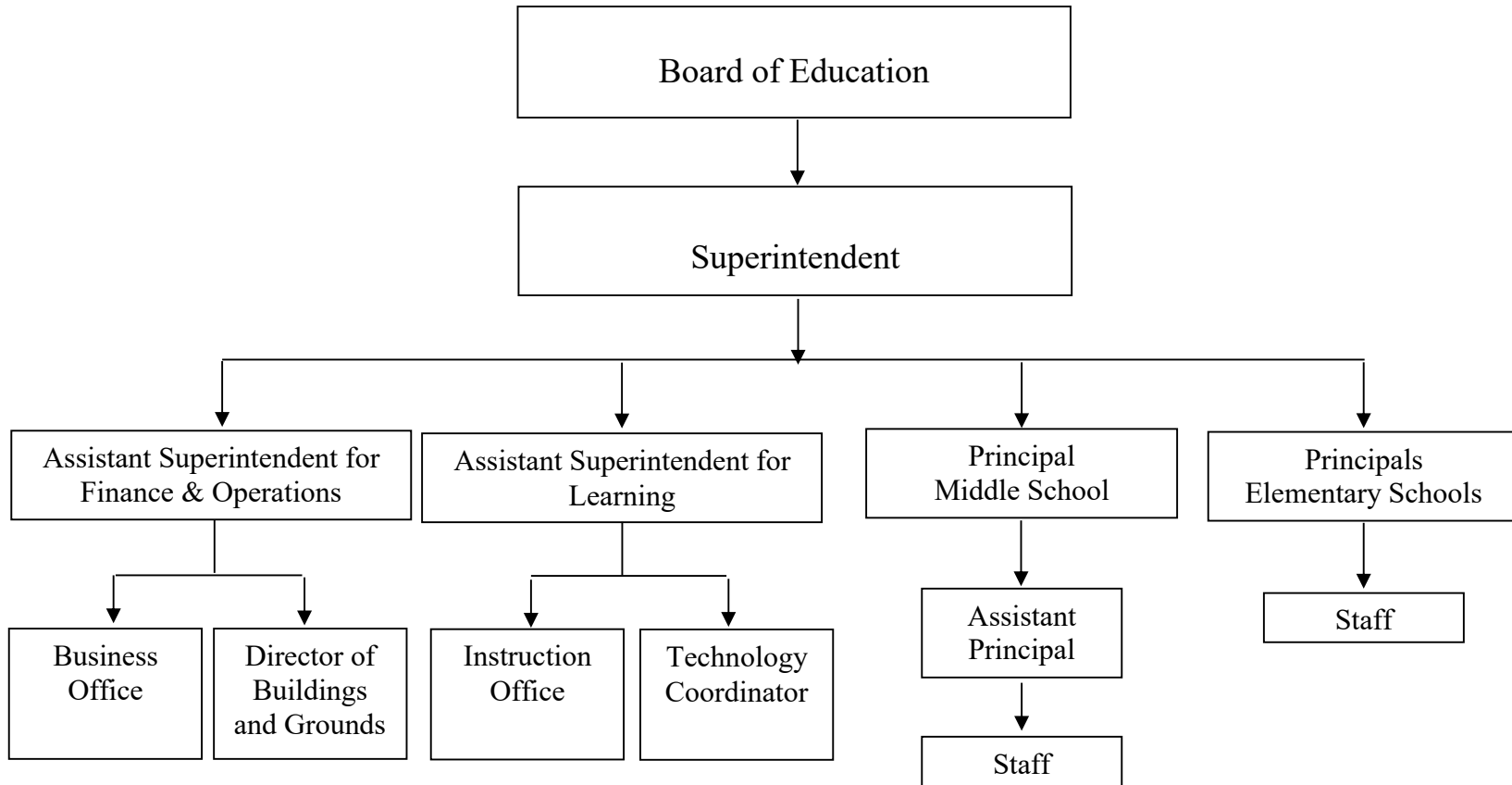


Charles E. Peterson, Jr., SFO, RSBA, MBA
President

John D. Musso, CAE
Executive Director

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
Comprehensive Annual Financial Report
June 30, 2018

ORGANIZATIONAL CHART



COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

Officers and Officials

**Comprehensive Annual Financial Report for
the Fiscal Year Ended June 30, 2018**

Board of Education

Beth Powers, President

Haydee Nunez, Vice President

Scott Pope

Tim Jedlicka

Jay Lerch

Ben Yates

La Sridhar

District Administrators

Dr. Emily K. Tammaru, Superintendent

Robert Langman, Assistant Superintendent, Instruction

Maureen A. Jones, Assistant Superintendent for Finance and Operations, CSBO

Official Issuing Report

Maureen A. Jones, Assistant Superintendent for Finance and Operations, CSBO

Department Issuing Report

Business Office

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Community Consolidated School District 89
Glen Ellyn, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Community Consolidated School District 89, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Community Consolidated School District 89'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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 over financial reporting relevant to Community Consolidated School District 89'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 Community Consolidated School District 89'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.

To the Board of Education
Community Consolidated School District 89

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 Community Consolidated School District 89 as of June 30, 2018 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3, Community Consolidated School District 89 adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective July 1, 2017. Net position has been restated as of June 30, 2018 as a result. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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.

Supplementary Information

Our audit for the year ended June 30, 2018 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Community Consolidated School District 89's basic financial statements. The supplementary information for the year ended June 30, 2018 as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2018, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2018.

To the Board of Education
Community Consolidated School District 89

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Community Consolidated School District 89 as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated November 7, 2017, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The supplementary information for the year ended June 30, 2017 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 2017 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2017 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2017.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Community Consolidated School District 89's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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.

Prior-Year Comparative Information

We have previously audited Community Consolidated School District 89's 2017 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated November 7, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2018 on our consideration of Community Consolidated School District 89'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 Community Consolidated School District 89's internal control over financial reporting and compliance.



Oak Brook, Illinois
December 13, 2018

Community Consolidated School District 89

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2018

The discussion and analysis of Community Consolidated School District 89's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2018. The management of the District encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and 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

- > The District's total assets were \$52.2 million compared to \$53.5 million in the prior year.
- > The Districts total deferred outflows of resources were \$3.7 million.
- > The District's total liabilities were \$38.7 million.
- > The District's total deferred inflows of resources were \$16.6 million.
- > Long term liabilities decreased by \$1.2 million due to the repayment of \$2 million in long-term debt which was partially offset by \$0.8 million increase in the net pension liability.
- > In total, net position decreased by \$19.4. This represents a 97% decrease from 2017 and was due to the implementation of GASB Statement No. 75 on the financial statements for 2018. Prior year information has not been updated for the District's implementation of GASB Statement No. 75 in fiscal year 2018.
- > General revenues accounted for \$28.7 in revenue or 49% of all revenues. Program specific revenues in the form of charges for services and fees and operating grants accounted for \$30.3 or 51% of total revenues of \$59.0.
- > The District had \$60.3 in expenses related to government activities. However, only \$30.3 of these expenses were offset by program specific charges and grants.
- > State aid formula grants were up 67% or \$0.6 million from the prior year. This is due to the change in the State Aid formula to the Evidence Based Funding formula as well as the final payment on the prior year's mandated categorical payments. This will not repeat in future years and was a one-time occurrence.
- > Expenses for total governmental activities increased by \$19.5 or 48% over the prior year. This is mainly attributed to the increase in state retirement contributions line item as required by GASB Statement No. 75.
- > Program revenues increased by \$16.4 million, or 118% over FY 2017, due in large part to the recognition of the district's OPEB liability pursuant to GASB Statement No. 75. Prior year information has not been updated for the District's implementation of GASB Statement No. 75 in fiscal year 2018.
- > Total capital assets net of depreciation decreased by \$0.7 million or 2.9% and were \$23.0 million at June 30, 2018.

Community Consolidated School District 89

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2018

- > Accumulated depreciation was \$28.5 and \$28.3 at June 30, 2018 and June 30, 2017 respectively. The District's total capital assets were \$51.5 million as of June 30, 2018.

Overview of the Financial Statements

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

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

This report also contains 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/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

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.

Community Consolidated School District 89

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2018

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 five 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 Fund, Operations and Maintenance Fund, Transportation Fund, IMRF/Social Security Fund and Debt Service Fund, all of which 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.

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 and other postemployment benefits to its employees.

Community Consolidated School District 89
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2018

Government-Wide Financial Analysis

The District's combined net position was lower on June 30, 2018 than it was the year before, decreasing from \$20.0 to \$0.6. This can be attributed in part to the large increase in the long-term debt outstanding of \$29.1 due to the implementation of GASB Statement No. 75, which requires that the school district recognize the long-term post-employment pension liability on its government-wide financial statements for the first time on June 30, 2018. This new recognized debt represents the District's portion of the State of Illinois' legal obligation to the Teacher's Retirement System for the District. See Note 7, 10 and 13 for further detail and comparison to June 30, 2017 balances. A decrease in total assets of \$1.2 further contributed to the decline in net position.

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

	<u>2017*</u>	<u>2018</u>
Assets:		
Current and other assets	\$ 29.7	\$ 29.2
Capital Assets	<u>23.8</u>	<u>23.0</u>
Total assets	<u>53.5</u>	<u>52.2</u>
Total deferred outflows of resources	<u>1.7</u>	<u>3.7</u>
Liabilities:		
Current liabilities	0.8	1.2
Long-term debt outstanding	<u>20.7</u>	<u>37.5</u>
Total liabilities	<u>21.5</u>	<u>38.7</u>
Total deferred inflows of resources	<u>13.7</u>	<u>16.6</u>
Net position:		
Net investment in capital assets	8.2	9.4
Restricted	2.7	3.3
Unassigned	<u>9.1</u>	<u>(12.1)</u>
Total net position	<u>\$ 20.0</u>	<u>\$ 0.6</u>

* Prior year information has not been updated for the District's implementation of GASB Statement No. 75 in fiscal year 2018.

Expenses in the governmental activities of the District of \$60.3 exceeded revenues by \$1.3. This was attributable primarily to \$0.6 increase in pupil transportation expenditures over the prior fiscal year as well as a \$0.6 increase in student tuition expenditures for outplaced District special education students and related programs.

Community Consolidated School District 89
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2018

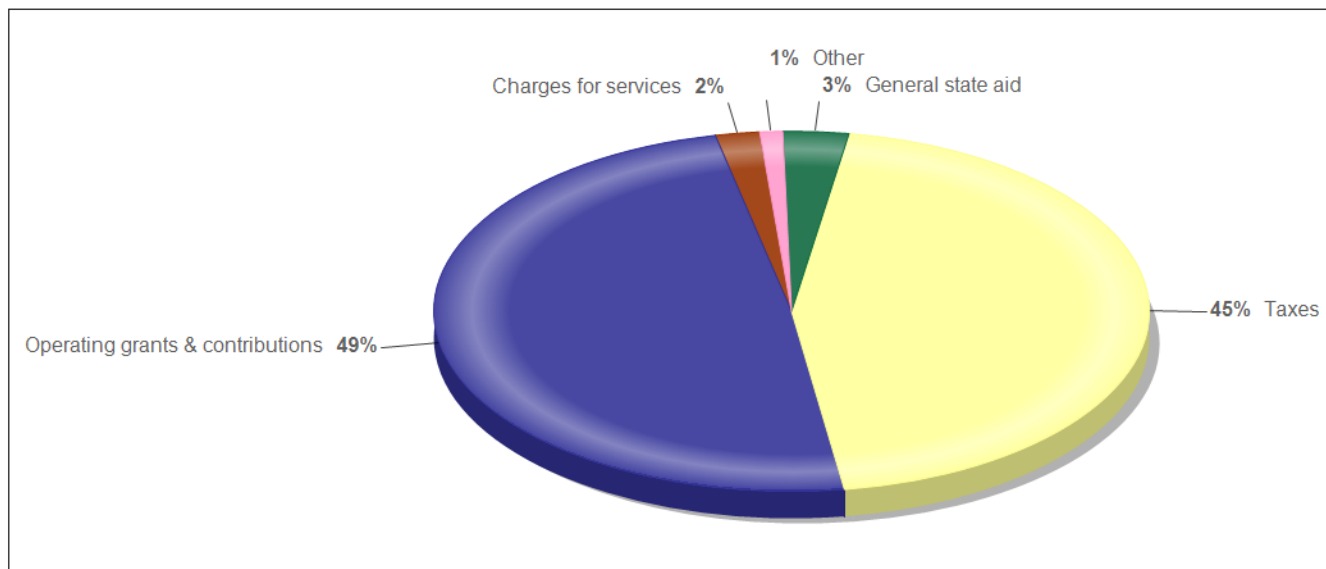
Table 2 Changes in Net Position (in millions of dollars)		
	<u>2017*</u>	<u>2018</u>
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 1.1	\$ 1.2
Operating grants & contributions	12.8	29.1
<i>General revenues:</i>		
Taxes	26.0	26.5
General state aid	0.9	1.5
Other	<u>0.8</u>	<u>0.7</u>
Total revenues	<u>41.6</u>	<u>59.0</u>
Expenses:		
Instruction	29.8	48.3
Pupil & instructional staff services	3.5	3.9
Administration & business	3.0	3.5
Transportation	1.3	1.9
Operations & maintenance	2.4	2.2
Other	<u>0.8</u>	<u>0.5</u>
Total expenses	<u>40.8</u>	<u>60.3</u>
Excess (deficiency) of revenues over expenses before special items	<u>0.8</u>	<u>(1.3)</u>
Increase (decrease) in net position	<u><u>\$ 0.8</u></u>	<u><u>\$ (1.3)</u></u>

* Prior year information has not been updated for the District's implementation of GASB Statement No. 75 in fiscal year 2018.

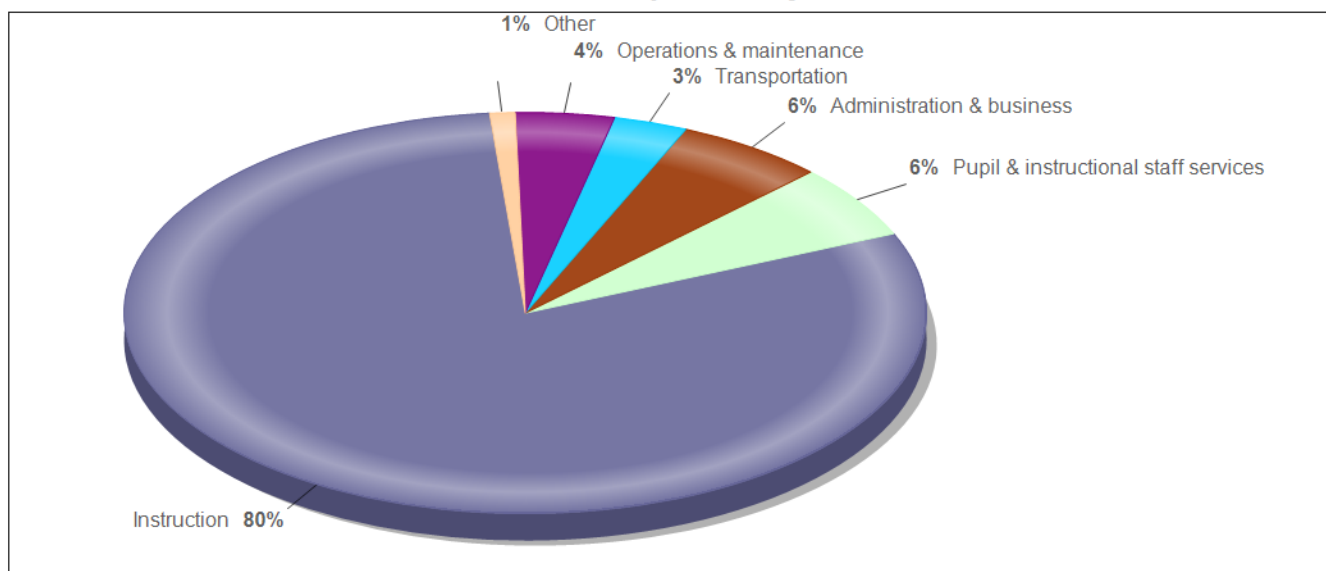
Property taxes accounted for the largest portion of the District's revenues, contributing 45%. The District's revenues included a substantial increase of \$16.3 in the operating grants and contributions category due to the recognition of the District's proportionate share of the mandated state retirement contributions for the first time this fiscal year due to the implementation of GASB Statement No. 75. Prior year information has not been updated for the District's implementation of GASB Statement No. 75 in fiscal year 2018. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$60.3, mainly related to instructing and caring for the students and student transportation at 90%.

Community Consolidated School District 89
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2018

District-Wide Revenues by Source



District-Wide Expenses by Function



Financial Analysis of the District's Funds

The District's Governmental Funds balance was stable at \$14.6.

Community Consolidated School District 89

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2018

The General Fund (Educational, Tort Immunity and Working Cash) reflects a fund balance decrease of \$1.5 million for the year ended June 30, 2018. The District received approximately \$320K in additional revenues than budgeted. Investment income was over budget by about \$75K. Student fees and textbook fees were over budget by about \$44K. The Refund of Prior Year's Expenditures category was \$70K over budget due to the change in practice adopted by our special education cooperative mid-2017 for reimbursement of expenses to member districts. State revenue was about \$273K over budget due to the uncertainty of the final payment on the 2016-2017 mandated categorical grants; these amounts were not budgeted, but were ultimately paid by the state in the 2017-2018 fiscal year. Federal revenue was \$100K higher than budgeted due in part to a rollover in Title I funds from the 2016-2017 year which rolled over into the 2017-2018 grant. Additionally, \$48K in federal revenues were recognized, but not budgeted, for federal commodities received in-kind for the National School Lunch Program. Total revenues for the General Fund increased by \$133K or .56% over the prior year.

Total expenditures for the General Fund increased by \$1.8 million or 7.87% over the prior year. The District overspent budgeted expenditures by \$609K for the 2017-2018 fiscal year. The majority of this variance can be attributed to the over expenditure of payments for extra special education staff necessary to service special needs students as well as for payments to other districts and private placements for special education programs. When other financing sources and uses are accounted for, the net reduction in fund balance amounted to \$1.5 million. The General Fund carried a fund balance of \$10.9 million at year end.

The Operations and Maintenance Fund reflects an increase in fund balance of \$722K after transfers out for debt service repayment. Revenues were \$250K higher than the prior year and over budget by \$106K. The majority of this is attributable to an increase made to the tax levy to rectify a relatively low fund balance from the prior year; the levy was adjusted to increase the taxes in this fund to combat the low fund balance. Total expenditures for the Operations and Maintenance Fund decreased by \$225K or 9.73% from the prior year. The fund carried a fund balance of \$1.3 million at year end.

The Transportation fund reflects a decrease in fund balance of \$433K at June 30, 2018. Revenues were \$98K over budget and \$387K higher than the prior year. Last year, when expenditures in this fund greatly increased, and we anticipated they would increase again due to a contract changeover, we adjusted the tax levy to account for the extra anticipated expenditures. Expenditures were \$478K over budget and \$525K higher than the prior year. This was due in large part to the special education transportation contract. At the end of the 2016-2017 school year, Septran gave the District very short notice canceling the special education transportation contract. Hopewell took over the contract, but was unable to consolidate routes in the same manner that Septran had without sacrificing service. The changeover of the contract resulted in a second year 50% increase in costs paid for these services. The fund carried a fund balance of \$433K at year end.

The Municipal Retirement/Social Security Fund decreased by \$27K during the year. Expenditures were under budget by \$20K and \$37K higher than the prior year. The fund carried a fund balance of \$471K at year end.

Community Consolidated School District 89

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2018

General Fund Budgetary Highlights

The District overspent projected expenditures by \$609K for the 2017-2018 fiscal year. The largest majority of this variance can be attributed to the over expenditure for payments for special education programs and students. We overspent our budget for outplaced students as well as for internal staff servicing special education programs.

The District's general fund revenues exceeded budget by \$320K for the 2017-2018 fiscal year. This can be attributed in most part to higher than budgeted interest income and student fees, as well as unanticipated state payments on prior year mandated categorical grants.

Capital Assets and Debt Administration

Capital assets

By the end of 2018, the District had compiled a total investment of \$51.5 (\$23.0 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$1.5. More detailed information about capital assets can be found in Note 6 of the basic financial statements.

Table 3 Capital Assets (net of depreciation) (in millions of dollars)		
	<u>2017</u>	<u>2018</u>
Land	\$ 0.4	\$ 0.4
Land improvements	0.3	0.2
Buildings	21.9	21.0
Equipment and furniture	<u>1.2</u>	<u>1.4</u>
Total	<u>\$ 23.8</u>	<u>\$ 23.0</u>

Long-term debt

The District retired \$6.6 in bonds and issued \$4.2 in bonds in 2018. Capital leases and other were reduced by \$3.0. At the end of fiscal 2018, the District had a debt margin of \$41.7. More detailed information on long-term debt can be found in Note 7 of the basic financial statements. Please note prior year information has not been updated for the District's implementation of GASB Statement No. 75 in fiscal year 2018.

Table 4 Outstanding Long-Term Debt (in millions of dollars)		
	<u>2017</u>	<u>2018</u>
General Obligation Bonds	\$ 16.2	\$ 13.9
Capital leases and other	<u>22.5</u>	<u>23.6</u>
Total	<u>\$ 38.7</u>	<u>\$ 37.5</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:

Community Consolidated School District 89

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2018

Increased enrollment causing deficit spending to persist for next year and the foreseeable future.

Reduction of District 89 to a “Tier 3” from a “Tier 4” school district under State Evidence Based Funding formula due to deficit spending.

Continued proration of state funding of remaining categorical payments.

Discussion at State level regarding pension costs being shifted over to school districts.

Continued discussion of legislation at State level calling for property tax freezes.

Continued property tax appeals board cases settled years in arrears causing refund of property tax revenues from prior years to be made out of current receipts.

Long term facilities plan which may require additional financing sources outside of the District’s operational budget (bond referendum).

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:

Maureen A. Jones, Assistant Superintendent for Finance and Operations
Community Consolidated School District 89
22W600 Butterfield Road
Glen Ellyn, Illinois 60137

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

STATEMENT OF NET POSITION

AS OF JUNE 30, 2018

	GOVERNMENTAL ACTIVITIES
Assets	
Cash and investments	\$ 16,398,561
Receivables (net of allowance for uncollectibles):	
Property taxes	12,382,810
Replacement taxes	30,361
Intergovernmental	326,889
Other assets	1,247
Capital assets:	
Land	409,080
Depreciable buildings, property and equipment, net	<u>22,635,316</u>
Total assets	<u>52,184,264</u>
Deferred outflows of resources	
Deferred charge on refunding	307,236
Deferred outflows related to pensions	2,423,057
Deferred outflows related to OPEB	<u>993,358</u>
Total deferred outflows of resources	<u>3,723,651</u>
Liabilities	
Accounts payable	335,465
Payroll deductions payable	349,868
Interest payable	112,643
Unearned student fees	354,175
Long-term liabilities:	
Other long-term liabilities - due within one year	2,650,619
Other long-term liabilities - due after one year	<u>34,876,991</u>
Total liabilities	<u>38,679,761</u>
Deferred inflows of resources	
Property taxes levied for a future period	13,350,941
Deferred inflows related to pension	1,341,687
Deferred inflows related to OPEB	<u>1,974,393</u>
Total deferred inflows of resources	<u>16,667,021</u>
Net position	
Net investment in capital assets	9,385,994
Restricted for:	
Tort immunity	41,472
Operations and maintenance	1,275,209
Student transportation	581,397
Debt service	1,400,816
Unrestricted	<u>(12,123,755)</u>
Total net position	<u>\$ 561,133</u>

See Notes to Basic Financial Statements

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2018

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE		NET (EXPENSES)
		CHARGES FOR SERVICES	OPERATING	REVENUE AND
			GRANTS AND CONTRIBUTIONS	CHANGES IN NET POSITION
			GOVERNMENTAL	
			ACTIVITIES	
Governmental activities				
Instruction:				
Regular programs	\$ 12,888,491	\$ 643,199	\$ 48,612	\$ (12,196,680)
Special programs	6,440,830	197,949	515,148	(5,727,733)
Other instructional programs	1,300,202	-	36,022	(1,264,180)
State retirement contributions	27,740,415	-	27,740,415	-
Support Services:				
Pupils	1,622,797	-	3,716	(1,619,081)
Instructional staff	2,343,449	-	22,736	(2,320,713)
General administration	801,775	-	-	(801,775)
School administration	1,531,319	-	-	(1,531,319)
Business	1,158,022	255,622	149,566	(752,834)
Transportation	1,874,743	43,414	589,415	(1,241,914)
Operations and maintenance	2,196,272	62,609	-	(2,133,663)
Central	201,793	-	-	(201,793)
Community services	6,433	-	-	(6,433)
Interest and fees	287,648	-	-	(287,648)
Total governmental activities	\$ 60,394,189	\$ 1,202,793	\$ 29,105,630	(30,085,766)

General revenues:

Taxes:

Real estate taxes, levied for general purposes	19,233,246
Real estate taxes, levied for specific purposes	4,482,469
Real estate taxes, levied for debt service	2,614,828
Personal property replacement taxes	178,191
State aid-formula grants	1,529,441
Investment income	159,225
Miscellaneous	542,334

Total general revenues 28,739,734

Change in net position (1,346,032)

Net position, beginning of year (as restated) 1,907,165

Net position, end of year \$ 561,133

See Notes to Basic Financial Statements

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
GOVERNMENTAL FUNDS

BALANCE SHEET

AS OF JUNE 30, 2018

WITH COMPARATIVE TOTALS AS OF JUNE 30, 2017

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
Assets				
Cash and investments	\$ 12,357,348	\$ 1,399,814	\$ 535,924	\$ 494,719
Receivables (net allowance for uncollectibles):				
Property taxes	8,960,221	1,415,008	451,146	311,959
Replacement taxes	30,361	-	-	-
Intergovernmental	178,356	-	148,533	-
Other assets	-	1,024	-	223
Total assets	<u>\$ 21,526,286</u>	<u>\$ 2,815,846</u>	<u>\$ 1,135,603</u>	<u>\$ 806,901</u>
Liabilities, deferred inflows of resources, and fund balance				
Liabilities				
Accounts payable	\$ 307,755	\$ 982	\$ 26,728	\$ -
Payroll deductions payable	295,443	14,017	41,060	(652)
Unearned student fees	354,175	-	-	-
Total liabilities	<u>957,373</u>	<u>14,999</u>	<u>67,788</u>	<u>(652)</u>
Deferred inflows of resources				
Property taxes levied for a future period	9,660,763	1,525,638	486,418	336,349
Unavailable state and federal aid receivable	41,768	-	148,533	-
Total deferred inflows of resources	<u>9,702,531</u>	<u>1,525,638</u>	<u>634,951</u>	<u>336,349</u>
Fund balance				
Restricted	41,472	1,275,209	432,864	471,204
Unassigned	10,824,910	-	-	-
Total fund balance	<u>10,866,382</u>	<u>1,275,209</u>	<u>432,864</u>	<u>471,204</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 21,526,286</u>	<u>\$ 2,815,846</u>	<u>\$ 1,135,603</u>	<u>\$ 806,901</u>

See Notes to Basic Financial Statements

DEBT SERVICE FUND	TOTAL	
	2018	2017
\$ 1,610,756	\$ 16,398,561	\$ 16,474,053
1,244,476	12,382,810	12,410,650
-	30,361	34,204
-	326,889	648,649
-	1,247	1,951
<u>\$ 2,855,232</u>	<u>\$ 29,139,868</u>	<u>\$ 29,569,507</u>

\$ -	\$ 335,465	\$ 181,363
-	349,868	62,002
<u>-</u>	<u>354,175</u>	<u>342,861</u>
<u>-</u>	<u>1,039,508</u>	<u>586,226</u>

1,341,773	13,350,941	13,012,388
<u>-</u>	<u>190,301</u>	<u>279,356</u>
<u>1,341,773</u>	<u>13,541,242</u>	<u>13,291,744</u>

1,513,459	3,734,208	3,337,247
<u>-</u>	<u>10,824,910</u>	<u>12,354,290</u>
<u>1,513,459</u>	<u>14,559,118</u>	<u>15,691,537</u>

<u>\$ 2,855,232</u>	<u>\$ 29,139,868</u>	<u>\$ 29,569,507</u>
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COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION AS OF JUNE 30, 2018

Total fund balances - governmental funds		\$ 14,559,118
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Net capital assets used in governmental activities and included in the Statement of Net Position do not require the expenditure of financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet.		23,044,396
Certain revenues receivable by the District and recognized in the Statement of Net Position do not provide current financial resources and are included as deferred inflows of resources in the Governmental Funds Balance Sheet.		190,301
Deferred outflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		2,423,057
Deferred outflows of resources related to OPEB do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		993,358
Deferred charge on refunding included in the Statement of Net Position is not available to pay for current period expenditures and, therefore, is not included in the Governmental Funds Balance Sheet.		307,236
Deferred inflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		(1,341,687)
Deferred inflows of resources related to OPEB do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		(1,974,393)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.		
Balances at June 30, 2018 are:		
Bonds payable	\$ (13,480,000)	
Debt certificates	(190,000)	
Unamortized bond premium	(183,238)	
Net OPEB liability	(18,210,083)	
Net pension liability	(5,151,130)	
Capital leases	(302,400)	
Compensated absences	<u>(10,759)</u>	
		(37,527,610)
Interest on long-term liabilities accrued in the Statement of Net Position will not be paid with current financial resources and, therefore, is not recognized in the Governmental Funds Balance Sheet.		<u>(112,643)</u>
Net position of governmental activities		<u>\$ 561,133</u>

See Notes to Basic Financial Statements

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2017

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
Revenues				
Property taxes	\$ 19,275,150	\$ 2,917,055	\$ 875,231	\$ 648,279
Corporate personal property replacement taxes	169,191	-	-	9,000
State aid	29,626,670	-	490,819	-
Federal aid	606,637	-	-	-
Investment income	120,686	15,937	4,450	3,572
Other	<u>1,634,496</u>	<u>67,217</u>	<u>43,414</u>	<u>-</u>
Total revenues	<u>51,432,830</u>	<u>3,000,209</u>	<u>1,413,914</u>	<u>660,851</u>
Expenditures				
Current:				
Instruction:				
Regular programs	11,430,980	-	-	142,031
Special programs	4,268,395	-	-	199,658
Other instructional programs	1,249,662	-	-	19,846
State retirement contributions	27,740,415	-	-	-
Support Services:				
Pupils	1,514,782	-	-	46,391
Instructional staff	2,035,705	-	-	83,957
General administration	685,145	-	-	18,061
School administration	1,163,938	-	-	57,868
Business	896,617	10,255	-	29,388
Transportation	-	-	1,847,301	6,466
Operations and maintenance	-	2,016,417	-	60,565
Central	146,394	-	-	23,970
Community services	6,433	-	-	-
Payments to other districts and gov't units	1,564,704	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	<u>393,264</u>	<u>60,231</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>53,096,434</u>	<u>2,086,903</u>	<u>1,847,301</u>	<u>688,201</u>
Excess (deficiency) of revenues over expenditures	<u>(1,663,604)</u>	<u>913,306</u>	<u>(433,387)</u>	<u>(27,350)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers (out)	(126,704)	(191,367)	-	-
Principal on bonds sold	-	-	-	-
Proceeds from capital lease	<u>302,400</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>175,696</u>	<u>(191,367)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(1,487,908)	721,939	(433,387)	(27,350)
Fund balance, beginning of year	<u>12,354,290</u>	<u>553,270</u>	<u>866,251</u>	<u>498,554</u>
Fund balance, end of year	<u>\$ 10,866,382</u>	<u>\$ 1,275,209</u>	<u>\$ 432,864</u>	<u>\$ 471,204</u>

See Notes to Basic Financial Statements

DEBT SERVICE FUND	TOTAL	
	2018	2017
\$ 2,614,828	\$ 26,330,543	\$ 25,839,721
-	178,191	216,466
-	30,117,489	12,967,733
-	606,637	655,078
14,580	159,225	73,455
-	1,745,127	1,860,395
<u>2,629,408</u>	<u>59,137,212</u>	<u>41,612,848</u>
-	11,573,011	10,963,088
-	4,468,053	3,875,811
-	1,269,508	1,357,582
-	27,740,415	11,114,422
-	1,561,173	1,433,121
-	2,119,662	2,022,501
-	703,206	697,525
-	1,221,806	1,229,283
-	936,260	971,880
-	1,853,767	1,326,509
-	2,076,982	2,287,914
-	170,364	192,869
-	6,433	9,348
-	1,564,704	1,237,581
6,533,201	6,533,201	2,154,795
564,991	564,991	573,944
-	453,495	186,358
<u>7,098,192</u>	<u>64,817,031</u>	<u>41,634,531</u>
<u>(4,468,784)</u>	<u>(5,679,819)</u>	<u>(21,683)</u>
318,071	318,071	316,114
-	(318,071)	(316,114)
4,245,000	4,245,000	-
-	302,400	-
<u>4,563,071</u>	<u>4,547,400</u>	<u>-</u>
94,287	(1,132,419)	(21,683)
<u>1,419,172</u>	<u>15,691,537</u>	<u>15,713,220</u>
<u>\$ 1,513,459</u>	<u>\$ 14,559,118</u>	<u>\$ 15,691,537</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

Net change in fund balances - total governmental funds		\$ (1,132,419)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which current depreciation expense and other adjustments to fixed assets exceed capital outlay in the current period.		(742,896)
Certain revenues included in the Statement of Activities do not provide current financial resources and, therefore, are included as deferred inflows of resources in the fund statements.		(89,055)
The issuance of long-term debt (bonds, capital leases, etc.) provides current financial resources to the governmental funds, while its principal repayment consumes current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This is the amount by which proceeds from current year long-term financing arrangements exceeded current year principal repayments.		1,985,801
Governmental funds report the effects of premiums, discounts and similar items when the debt is issued. However, these amounts are deferred and amortized in the Statement of Activities. This is the amount of the current year, net effect of these differences.		231,273
In the Statement of Activities, certain items are considered deferred inflows or outflows of resources whereas they are not reported in the governmental funds as they do not require the current use of resources		
Deferred outflow of resources due to deferred refunding charges	\$ (61,448)	
Deferred outflows related to OPEB	870,467	
Deferred inflows related to OPEB	(1,974,393)	
Deferred outflows related to pensions	1,157,460	
Deferred inflows related to pensions	<u>(683,663)</u>	
		(691,577)
In the Statement of Activities, operating expenses are measured by the amounts incurred during the year. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources:		
Interest payable	\$ 107,518	
Compensated absences	36	
Net OPEB liability	(178,525)	
Net pension liability	<u>(836,188)</u>	
		<u>(907,159)</u>
Change in net position of governmental activities		<u><u>\$ (1,346,032)</u></u>

See Notes to Basic Financial Statements

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

AGENCY FUND

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES AS OF JUNE 30, 2018

	<u>AGENCY STUDENT ACTIVITY FUND</u>
Assets	
Cash and investments	\$ <u>270,419</u>
Total assets	\$ <u><u>270,419</u></u>
Liabilities	
Due to student groups	\$ <u>270,419</u>
Total liabilities	\$ <u><u>270,419</u></u>

See Notes to Basic Financial Statements

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Community Consolidated School District 89 (the "District") is governed by an elected Board of Education. The Board of Education maintains final responsibility for all budgetary, taxing, and debt matters. 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:

Reporting Entity

This report includes all of the funds of the District. The reporting entity for the District consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The District has not identified any organizations that meet this criteria.

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.

Governmental Funds Financial Statements

Governmental funds financial statements are organized and operated on the basis of funds and are used to account for the District's general governmental activities. 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. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund balance, revenues and expenditures. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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 available if they are collected within 60 days after 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.

Major Governmental Funds

General Fund - the general operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state government aid.

Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes, other than those accounted for in the Debt Service Fund, Capital Projects Funds or Fiduciary Funds.

Operations and Maintenance Fund - accounts for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes.

Transportation Fund - accounts for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

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

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

Other Fund Types

Fiduciary Funds - account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Agency Funds - include Student Activity Funds, Convenience Accounts and Other Agency Funds. These funds are custodial in nature and do not present results of operations or have a measurement focus. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational or cultural purposes. Convenience Accounts account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc.

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.

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.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

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.

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.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2017 levy resolution was approved during the December 19, 2017 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.

The tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the 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. The CPI rates applicable to the 2017 and 2016 tax levies were 2.1% and 0.7%, respectively.

Property taxes are collected by the County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

The 2017 property tax levy is recognized as a receivable in fiscal 2018, net of estimated uncollectible amounts approximating 0.3% and less amounts already received. The District considers that the first installment of the 2017 levy is to be used to finance operations in fiscal 2018. The District has determined that the second installment of the 2017 levy is to be used to finance operations in fiscal 2019 and has included the corresponding receivable and deferred inflow of resources.

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.

Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, other equipment and food service equipment are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$1,500 and an estimated useful life of more than 1 year. 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.

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

<i>Assets</i>	<i>Years</i>
Buildings and building improvements	20-40 years
Land Improvements	20 years
Furniture, equipment, and vehicles	5-20 years

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arise from advance refunding of debt. The difference between the cost of the securities placed in trust for future payment of refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide statements.

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 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, 2018 are determined on the basis of current salary rates and include salary related payments.

Under current policy, only 12-month employees are entitled to vacation time.

Administrative personnel are required to use their vacation days accrued within 2 months after the end of the fiscal year in which they were earned. All other staff are required to use vacation days accrued within 14 months after the end of the fiscal year in which they were earned.

All certified employees receive 12 sick days per year, in accordance with the agreement between the Board of Education and the District 89 Education Association. Upon retirement, a certified employee may apply up to 340 days of unused and uncompensated sick leave toward service credit for TRS. Days in excess of the number reported to TRS are compensated at one-half of the then existing substitute rate of pay. When a certified employee resigns from the District, for other than retirement, all unused sick days are reported to TRS.

Education support personnel receive up to 13 sick days per year, which accumulate indefinitely. Upon retirement, employees may apply up to 240 unused sick days toward an additional year of IMRF service. The District does not reimburse employees for any days in excess of the 240 IMRF credit days.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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. The balance at year end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position.

In the fund financial statements, governmental funds recognize bond premiums and discounts 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.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

Equity is classified as net position in the government-wide financial statements and displayed in three components:

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 improvement of those assets less than any unspent debt proceeds.

Restricted net position - Consists of net position with constraints placed on its use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

Equity is classified as fund balance in the fund financial statements and displayed in five components:

Nonspendable - includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually (principal endowment) (e.g. inventory, pre-paid items, permanent scholarships).

Restricted - includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, Capital Projects, State and Federal Grant Funds).

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Committed - includes amounts constrained for a specific purpose by a government using its highest level of decision making authority, the Board of Education. This formal action (a resolution) must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Board of Education board that originally created the commitment.

Assigned - includes general fund amounts constrained for a specific purpose by the Board of Education or by an official that has been delegated authority to assign amounts. The Board of Education has declared that the Superintendent or the Superintendent's designee may assign amounts for a specific purpose. The Board of Education may also take official action to assign amounts. Additionally, all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended in the General Fund is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. In all other funds (Special Revenue, Debt Service, Capital Projects), assigned fund balance will be spent first, followed by committed fund balance, and then restricted fund balance.

The District has a formal minimum fund balance policy for its "Operating" funds, which are defined as the Educational Accounts, Working Cash Accounts, Operations and Maintenance Fund, Transportation Fund and the IMRF/Social Security Fund. The policy states the following:

1. The District should have the ability to maintain a positive cash position throughout the fiscal year and to avoid external borrowing for operational expenditures.
2. A minimum reserve level of 50% of the next year's projected annual expenditures of the Operating Funds as of June 30th should be maintained (using the cash basis of accounting).
3. A minimum reserve level in the Operating Funds of 10% should be maintained after deferring the first installment of annual property tax collections received prior to June 30th to the following fiscal year.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

If the fund balance of the Operating Funds is such that 1) the District cannot maintain a positive cash position without external borrowing, or 2) one of both of the minimum reserve levels cannot be maintained, then the administration shall recommend a course of action to the Board of Education to address the situation.

At June 30, 2018 the District was at a 48.35% cash basis fund balance of accounting to the next year's projected annual expenditures of the Operating Funds ratio. The District's administration and Board of Education considered this matter and subsequently in November of 2018 voters of the community approved a referendum for a property tax increase.

At June 30, 2018 the District was in compliance with the minimum reserve level of the Operating Funds of 10% after deferring the first installment of annual property tax collections received prior to June 30th to the following fiscal year.

The restricted fund balances at June 30, 2018 are for the purpose of the respective funds, as described above in the Major Governmental Funds section.

Comparative Data

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2017, from which such summarized information was derived.

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.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of Expenditures over Budget

For the year ended June 30, 2018, expenditures exceeded budget in the General Fund, Transportation Fund, and Debt Service Fund by \$608,675, \$576,559, and \$4,244,763, respectively. These excesses were funded by available financial resources.

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES

In June 2015, the GASB issued statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended*, and No. 57, *OPEB Measurements by Agency Employers and Agent Multiple-Employer Plans*, for OPEB. This standard was implemented July 1, 2017.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 4 - DEPOSITS AND INVESTMENTS

At year end, the District's cash and investments was comprised of the following:

	Government- wide	Fiduciary	Total
Cash and investments	\$ 16,398,561	\$ 270,419	\$ 16,668,980
Total	<u>\$ 16,398,561</u>	<u>\$ 270,419</u>	<u>\$ 16,668,980</u>

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

	Cash and investments
Deposits with financial institutions	\$ 16,201,886
ISDLAF + money market fund	179,836
Illinois funds	3,316
IIT funds	36,942
Other investments	<u>247,000</u>
Total	<u>\$ 16,668,980</u>

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. The District's investments are measured using the market valuation method and valuation inputs as follows:

Investment Type	Level 1	Level 2	Level 3	Total
Negotiable certificates of deposit	\$ -	\$ 247,000	\$ -	\$ 247,000
Total	<u>\$ -</u>	<u>\$ 247,000</u>	<u>\$ -</u>	<u>\$ 247,000</u>

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair market value losses from increasing interest rate.

At year end, the District had the following investments subject to interest rate risk:

	Fair Value	Investment Maturity (In Years)			
		Less than one	1-5	6-10	More than 10
Negotiable Certificates of Deposit	\$ 247,000	\$ -	\$ 247,000	\$ -	\$ -
Total	<u>\$ 247,000</u>	<u>\$ -</u>	<u>\$ 247,000</u>	<u>\$ -</u>	<u>\$ -</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 4 - DEPOSITS AND INVESTMENTS - (CONTINUED)

Credit Risk. Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. State Statutes limit the investments in commercial paper and corporate bonds to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The District's investment policy limits the investment in commercial paper to no more than 10% of a corporation's outstanding obligation and in total no more than one-third of the District's investments (including certificates of deposit) may be in commercial paper. The District policy has no other limit on its investment choices. As of June 30, 2018, the Negotiable Certificates of Deposit were unrated.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) and the Illinois Institutional Investors Fund (IIIT) are not-for-profit investment trusts formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. Neither is registered with the SEC as an investment company. Investments are each rated AAAM and are valued at share price, which is the price for which the investment could be sold.

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

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District does not specifically limit the amount the District may invest in any one issuer.

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 limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2018, the bank balance of the District's deposit with financial institutions totaled \$15,670,299; which was fully collateralized.

Custodial Credit Risk - Investments. With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring all investments be secured by private insurance or collateral.

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.

NOTE 5 - INTERFUND TRANSFERS

During the year, the Board of Education transferred \$191,367 from the Operations and Maintenance Fund to the Debt Service Fund for the payment of the principal and interest due on the District's debt certificates.

Additionally, the Board of Education transferred \$126,704 from the General Fund to the Debt Service Fund to provide a funding source for capital lease principal and interest payments.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 5 - INTERFUND TRANSFERS - (CONTINUED)**NOTE 6 - CAPITAL ASSETS**

Capital asset activity for the District for the year ended June 30, 2018 was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Adjustments</i>	<i>Ending Balance</i>
<u>Capital assets not being depreciated:</u>					
Land	\$ 409,080	\$ -	\$ -	\$ -	\$ 409,080
Total capital assets not being depreciated	<u>409,080</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>409,080</u>
<u>Capital assets being depreciated:</u>					
Land improvements	1,989,351	32,611	-	21,696	2,043,658
Buildings	45,273,082	27,620	-	122,003	45,422,705
Equipment	<u>4,419,241</u>	<u>380,990</u>	<u>1,694,532</u>	<u>551,910</u>	<u>3,657,609</u>
Total capital assets being depreciated	<u>51,681,674</u>	<u>441,221</u>	<u>1,694,532</u>	<u>695,609</u>	<u>51,123,972</u>
<u>Less Accumulated Depreciation for:</u>					
Land improvements	1,710,341	88,278	-	1,086	1,799,705
Buildings	23,329,050	1,065,606	-	5,951	24,400,607
Equipment	<u>3,264,071</u>	<u>306,970</u>	<u>1,694,532</u>	<u>411,835</u>	<u>2,288,344</u>
Total accumulated depreciation	<u>28,303,462</u>	<u>1,460,854</u>	<u>1,694,532</u>	<u>418,872</u>	<u>28,488,656</u>
Net capital assets being depreciated	<u>23,378,212</u>	<u>(1,019,633)</u>	<u>-</u>	<u>276,737</u>	<u>22,635,316</u>
Net governmental activities capital assets	<u>\$ 23,787,292</u>	<u>\$ (1,019,633)</u>	<u>\$ -</u>	<u>\$ 276,737</u>	<u>\$ 23,044,396</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 6 - CAPITAL ASSETS - (CONTINUED)

During the year, the District adjusted the estimated cost and depreciation of its capital assets as a result of engaging an outside appraisal company. The impact of this adjustment has been included in depreciation expense in the government-wide financial statements. Depreciation expense was recognized in the operating activities of the District as follows:

Governmental Activities	Depreciation
Regular programs	\$ 855,715
Special programs	197,648
Instructional staff	78,035
Business	158,242
Transportation	12,583
Operations and maintenance	123,949
Central	<u>34,682</u>
Total depreciation expense - governmental activities	<u>\$ 1,460,854</u>

NOTE 7 - 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, 2018:

	Beginning Balance (as restated)	Additions	Deletions	Ending Balance	Due Within One Year
General obligation bonds	\$ 15,460,000	\$ 4,245,000	\$ 6,225,000	\$ 13,480,000	\$ 2,375,000
Debt certificates	375,000	-	185,000	190,000	190,000
Unamortized premium	<u>414,511</u>	<u>-</u>	<u>231,273</u>	<u>183,238</u>	<u>-</u>
Total bonds payable	<u>16,249,511</u>	<u>4,245,000</u>	<u>6,641,273</u>	<u>13,853,238</u>	<u>2,565,000</u>
Net OPEB liability	18,031,558	388,484	209,959	18,210,083	-
Capital leases	123,201	302,400	123,201	302,400	74,860
Net pension liability	4,314,942	2,650,283	1,814,095	5,151,130	-
Compensated absences	<u>10,795</u>	<u>67,565</u>	<u>67,601</u>	<u>10,759</u>	<u>10,759</u>
Total long-term liabilities - governmental activities	<u>\$ 38,730,007</u>	<u>\$ 7,653,732</u>	<u>\$ 8,856,129</u>	<u>\$ 37,527,610</u>	<u>\$ 2,650,619</u>

The obligations for the compensated absences, net OPEB liability, and net pension liability will be repaid from the General Fund and Municipal Retirement/Social Security Fund.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 7 - LONG TERM LIABILITIES - (CONTINUED)

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

Purpose	Interest Rates	Original Indebtedness	Carrying Amount
Series 2015 General Obligation Refunding Bonds dated May 13, 2013 are due in annual installments through February 1, 2023	2.00% - 3.00%	\$ 9,670,000	\$ 9,235,000
Series 2018 General Obligation Refunding Bonds, dated April 2, 2018 are due in annual installments through February 1, 2020	2.30% - 2.50%	<u>4,245,000</u>	<u>4,245,000</u>
Total		<u>\$ 13,915,000</u>	<u>\$ 13,480,000</u>

During the year, the District issued \$4,245,000 of general obligation bonds with an average interest rate of 2.43% to refund \$3,285,000 of outstanding 2009 Series general obligation bonds with an average interest rate of 5.00% and \$890,000 of outstanding 2008 Series general obligation bonds with an average interest rate of 4.00%. The net proceeds were used to prepay the outstanding debt.

The cash flow requirements on the refunded debt prior to the current refunding was \$4,466,700 from August 1, 2018 through February 1, 2020. The cash flow requirements on the 2018 Series general obligation bonds are \$4,378,614 from August 1, 2018 through February 1, 2020. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$84,821.

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

	Principal	Interest	Total
2019	\$ 2,375,000	\$ 28,864	\$ 2,403,864
2020	2,495,000	251,750	2,746,750
2021	3,180,000	192,000	3,372,000
2022	3,450,000	128,400	3,578,400
2023	<u>1,980,000</u>	<u>59,400</u>	<u>2,039,400</u>
Total	<u>\$ 13,480,000</u>	<u>\$ 660,414</u>	<u>\$ 14,140,414</u>

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2018, the statutory debt limit for the District was \$55,688,703, providing a debt margin of \$41,716,303.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 7 - LONG TERM LIABILITIES - (CONTINUED)

Debt Certificates The obligations for the debt certificates will be repaid from the Debt Services Fund after transfer from the Operations & Maintenance Fund. Debt certificates currently outstanding are as follows:

Purpose	Interest Rates	Original Indebtedness	Carrying Amount
Series 2013 Debt Certificates dated November 5, 2013 are due in annual installments through February 1, 2019	1.70%	\$ 920,000	\$ 190,000
Total		<u>\$ 920,000</u>	<u>\$ 190,000</u>

Annual debt service requirements to maturity for the debt certificates are as follows for governmental type activities:

	Principal	Interest	Total
2019	\$ 190,000	\$ 3,230	\$ 193,230
Total	<u>\$ 190,000</u>	<u>\$ 3,230</u>	<u>\$ 193,230</u>

Capital Leases. The District has entered into a lease agreement as lessee for financing the acquisition of copier and computer equipment. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. At June 30, 2018, \$302,400 of amounts included in capital assets were acquired via capital leases. These capital assets had accumulated depreciation of \$75,600 at June 30, 2018. The obligations for the capital leases will be repaid with annual transfers from the General Fund (Educational Accounts) to the Debt Service Fund. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2018, are as follows:

	Amount
2019	\$ 77,659
2020	77,659
2021	77,659
2022	<u>77,659</u>
Total minimum lease payments	310,636
Less: amount representing interest	<u>(8,236)</u>
Present value of minimum lease payments	<u>\$ 302,400</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 8 - RISK MANAGEMENT

The District is exposed to various risks of loss related to workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the Collective Liability Insurance Cooperative (CLIC) a public entity risk pool. The District pays annual premiums to the pool for casualty property and liability coverage. The arrangements with the pool provides 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 is also a member of EBC to protect from risks of loss regarding employee health. EBC was formed in 1984 as a voluntary cooperative agency of Illinois Public School Districts and Joint Agreements. The purpose of EBC is to administer some or all of the employee benefit programs offered by the member districts to their employees and employees' dependents. EBC administers the payment of claims that arise under the benefit programs offered by each member district. Additionally, EBC offers to its members, group life insurance coverage obtained through an outside insurance company. Monthly medical and dental contributions are estimated by the Plan's administrator in advance of each membership year based upon each district's plan of coverage, estimated enrollment, estimated claim costs and service fees.

Complete financial statements for EBC can be obtained from its treasurer at 1105 North Hunt Club Road, Gurnee, IL 60031.

The District purchases insurance coverage from private insurance companies for all risks not covered through CLIC or EBC. There have been no significant reductions in insurance coverage nor has there been any settlements in excess of available insurance coverages in any of the past three fiscal years.

NOTE 9 - JOINT AGREEMENTS

The District and six other districts within DuPage County have entered into a joint agreement (the Cooperative Association for Special Education or "C.A.S.E.") to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the policy board.

Complete financial statements for C.A.S.E. can be obtained from the Administrative Offices at 22W600 Butterfield Road, Glen Ellyn, Illinois 60137.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS

Teachers' Health Insurance Security

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

The 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."

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

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 1.18% of pay during the year ended June 30, 2018. State of Illinois contributions were \$179,940, and the District recognized revenues and expenditures of this amount during the year.

Contributions. The District also makes contributions to THIS Fund. The District's THIS Fund contribution was 0.88% during the year ended June 30, 2018. The percentage of employer required contributions in the future will not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. For the year ended June 30, 2018, the District paid \$134,193 to the THIS Fund, respectively, which was 100 percent of the required contribution for the year.

THIS Fiduciary Net Position. Detailed information about the THIS Fund's fiduciary net position as of June 30, 2017 is available in the separately issued THIS Annual Financial Report.

Net OPEB Liability. At June 30, 2018, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for the state's retiree insurance 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 OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collection net OPEB liability	\$ 16,502,702
State's proportionate share of the collective net OPEB liability associated with the District	<u>21,672,148</u>
Total	<u>\$ 38,174,850</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2017 and 2016, the District's proportion was 0.063595% and 0.060490%, respectively.

Actuarial Assumptions. The net OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary Increases	3.25% to 9.25%
Investment Rate of Return	0.00%
Healthcare Cost Trend Rates - Initial	Non-Medicare - 8.00%; Post-Medicare - 9.00%
Healthcare Cost Trend Rates - Ultimate	4.50% with additional 0.59% added to non-Medicare costs
Fiscal Year the Ultimate Rate is Reached	2020

Mortality rates were based on the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disabled annuitants, mortality rates were based on the RP-Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2014.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2014.

Discount Rate. At June 30, 2017, the discount rate used to measure the total OPEB liability was a blended rate of 3.56%, which was a change from the June 30, 2016 rate of 2.85%. Since THIS is financed on a pay-as-you-go basis, the discount rate is based on the 20-year general obligation bond index.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.56%) or 1-percentage-point higher (4.56%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB Liability	<u>\$ 19,803,214</u>	<u>\$ 16,502,702</u>	<u>\$ 13,861,857</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (initial rate of 7.00% decreasing to an ultimate rate of 4.09%) for non-Medicare coverage and initial rate of 8.00% decreasing to an ultimate rate of 3.50% for Medicare coverage) or 1-percentage-point higher (initial rate of 9.00% decreasing to an ultimate rate of 6.09%) for non-Medicare coverage and initial rate of 10.00% decreasing to an ultimate rate of 5.50% for Medicare coverage) than the current healthcare cost trend rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability	\$ 13,319,410	\$ 16,502,702	\$ 21,071,898

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2018, the District recognized OPEB expense of \$1,338,243 and on-behalf revenue and expenditures of \$179,940 for support provided by the state. At June 30, 2018, the District's deferred outflows of resources and deferred inflows of resources related to OPEBs were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 9,347
Changes in Assumptions	-	1,964,864
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	182
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	726,405	-
District Contributions Subsequent to the Measurement Date	134,193	-
Total	\$ 860,598	\$ 1,974,393

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net OPEB liability for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB (\$1,247,988) will be recognized in OPEB expense as follows in these reporting years:

Year Ending June 30,	Amount
2019	\$ (191,721)
2020	(191,721)
2021	(191,721)
2022	(191,719)
2023	(191,675)
Thereafter	(289,431)
Total	\$ (1,247,988)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Post-Retirement Health Benefit Plan

Plan Description. The District administers a single-employer defined benefit healthcare plan ("the Post-Retirement Health Benefit Plan"). The plan provides health insurance contributions for eligible retirees and their spouses through the District's plan, which covers both active and retired members. Benefit provisions are established through contractual agreements and state that eligible retirees and their spouses receive healthcare insurance at established contribution rates. The Post-Retirement Health Benefit Plan does not issue a publicly available financial report.

Educational support employees who contribute to the Illinois Municipal Retirement Fund (IMRF) are eligible for post-retirement medical coverage. For retirement benefits, the member must have worked at least 8 years and must be at least 55 years old. If the member was hired after 1/1/2011 the requirement is age 62 with 10 years of service. Certified employees who contribute to the Teachers' Retirement Service (TRS) are eligible for a subsidized benefit once they retire with 15 years and have attained 55 years of age. Both teachers and support staff may elect COBRA coverage for dental benefits.

The District offers a special retirement subsidy for certified employees who retire after age 55 with 15 years of service. The subsidy is that the District will pay 90% of the TCHP premium cost for single coverage under the type of coverage they select. Retirees may elect to cover themselves and their spouses, as long as the spouse had been covered for at least one year before the employee retired. The retiree must pay the difference between the "Employee plus spouse" rate and the "Employee only" rate. The subsidy for current retirees continues to age 65 but at least for five years. Effective July 2008, the subsidy will extend for five years, irrespective of the age at retirement. The retired Superintendent is entitled to receive, at his retirement, 90% of the TCHP premium from the period July 1, 2016 through June 30, 2021 or, if he chooses medical coverage elsewhere, a subsidy not to exceed \$111.77 per month for the same time period. Staff workers who retire under the terms of IMRF may elect to continue to participate in the District's plan but no subsidy is provided in such case. Coverage ends at age 65.

Contributions and Benefits Provided. Contribution requirements are established through contractual agreements and may only be amended through negotiations with the board. 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. The District contributes 90 percent of the current year premiums for a family and a single plan, respectively, for eligible retired plan members and their spouses. For the year ended 2018, the District contributed \$75,766 to the plan.

Employees Covered by Benefit Terms. At June 30, 2018, the actuarial valuation date, the following employees were covered by the benefit terms:

Retired Plan Members	18
Active Employees Not Yet Eligible	-
Active Employees Fully Eligible	181
Total	199

OPEB Liability. The District's total OPEB liability of \$1,707,381 was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.

Inflation	2.00%
Election at Retirement	100% certified; 2% non-certified
Discount Rate	3.90%
Healthcare Cost Trend Rate - Initial	5.00%

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Healthcare Cost Trend Rate - Ultimate 4.00%
Fiscal Year the Ultimate Rate is Reached 2019

The discount rate was based on General Obligation Bond rate for 20-year bonds as of June 30, 2018.

Mortality rates were based on RP-2014 Total Dataset Headcount-weighted mortality base rates from 2006 projected to 2018 with scale MP-2017.

Changes in Total OPEB Liability. The District's changes in total OPEB liability for the year ended June 30, 2018 was as follows:

	Total OPEB Liability
Balance at June 30, June 30, 2017	\$ 1,496,220
Service Cost	68,373
Interest	62,584
Differences Between Expected and Actual Experience	144,359
Changes in Assumptions and Other Inputs	11,611
Benefit Payments	<u>(75,766)</u>
Net Changes	<u>211,161</u>
Balance at June 30, 2018	<u><u>\$ 1,707,381</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.90%) or 1-percentage-point higher (4.90%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	<u>\$ 1,829,546</u>	<u>\$ 1,707,381</u>	<u>\$ 1,596,034</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%) than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	<u>\$ 1,572,727</u>	<u>\$ 1,707,381</u>	<u>\$ 1,862,327</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2018, the District recognized OPEB expense of \$130,957. The District reported deferred outflows and inflows of resources related to OPEB from the following sources:

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Assumption Changes	\$ 132,760	\$ -
	<u>\$ 132,760</u>	<u>\$ -</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the total OPEB liability for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB (\$132,760) will be recognized in OPEB expense as follows:

The amounts reported as deferred outflows and inflows of resources related to OPEB (\$132,760) will be recognized in OPEB expense as follows:

<i>Year Ending June 30,</i>	<i>Amount</i>
2019	\$ 23,210
2020	23,210
2021	23,210
2022	23,210
2023	23,210
Thereafter	<u>16,710</u>
Total	<u>\$ 132,760</u>

NOTE 11 - 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.

Teachers' Retirement System

Plan Description. The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/financial-reports>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Benefits Provided. TRS provides retirement, disability, and death benefits. *Tier 1* members have TRS or reciprocal system service prior to January 1, 2011. *Tier 1* 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 2 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 2* are identical to those of *Tier 1*. Death benefits are payable under a formula that is different from *Tier 1*.

Essentially all *Tier 1* 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 2* 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.

Public Act 100-0023, enacted in 2017, creates an optional *Tier 3* hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2019.

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 percent 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 District, is submitted to TRS by the District.

On Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2018, 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 \$27,560,475 in pension contributions from the State of Illinois.

2.2 Formula Contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2018, were \$168,197, and are deferred because they were paid after the June 30, 2017 measurement date.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Federal and Trust Fund Contributions. When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018. Previously, employer contributions for employees paid from federal and special trust funds were at the same rate as the state contribution rate to TRS and were much higher.

For the year ended June 30, 2018, the District pension contribution was 10.10 percent of salaries paid from federal and special trust funds. Contributions for the year ended June 30, 2018, were \$8,929, which was equal to the District's required contribution. These contributions are deferred because they were paid after the June 30, 2017 measurement date.

Salary increases over 6 percent. The District is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. For the year ended June 30, 2018, the District paid \$17,242 to TRS for employer contributions due on salary increases in excess of 6 percent.

TRS Fiduciary Net Position. Detailed information about the TRS's fiduciary net position as of June 30, 2017 is available in the separately issued TRS Comprehensive Annual Financial Report.

Net Pension Liability. At June 30, 2018, 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 collective net pension liability	\$ 4,560,278
State's proportionate share of the collective net pension liability associated with the District	<u>280,042,848</u>
Total	<u>\$ 284,603,126</u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016, and rolled forward to June 30, 2017. 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, 2017, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2017 and 2016, the District's proportion was 0.00596910 percent and 0.00291034 percent, respectively.

Summary of Significant Accounting Policies. For purposes of measuring the collective net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TRS and additions to/deductions from TRS fiduciary net position have been determined on the same basis as they are reported by TRS. 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.

Actuarial Assumptions. The assumptions used to measure the total pension liability in the June 30, 2017 actuarial valuation included (a) 7.00% investment rate of return net of pension plan investment expense, including inflation, (b) projected salary increases varies by amount of service credit, and (c) inflation of 2.50%.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Mortality. Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully-generational basis using projection table MP-2014. The same assumptions were used in the June 30, 2016 valuation.

Long-Term Expected Real Rate of Return. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return 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:

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Long-Term Expected Real Rate of Return</i>
U.S. equities large cap	14.40 %	6.94 %
U.S. equities small/mid cap	3.60 %	8.09 %
International equities developed	14.40 %	7.46 %
Emerging market equities	3.60 %	10.15 %
U.S. bonds core	10.70 %	2.44 %
International debt developed	5.30 %	1.70 %
Real estate	15.00 %	5.44 %
Commodities (real return)	11.00 %	4.28 %
Hedge funds (absolute return)	8.00 %	4.16 %
Private equity	14.00 %	10.63 %

Discount Rate. At June 30, 2017, the discount rate used to measure the total pension liability was a blended rate of 7.00 percent, which was a change from the June 30, 2016 rate of 6.83 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, 2017 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. *Tier 1's* liability is partially funded by *Tier 2* members, as the *Tier 2* member contribution is higher than the cost of *Tier 2* 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. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2016, the discount rate used to measure the total pension liability was 6.83 percent. The discount rate was lower than the actuarially-assumed rate of return on investments that year as well because TRS's fiduciary net position and the subsidy provided by *Tier 2* were not sufficient to cover all projected benefit payments.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Discount Rate Sensitivity. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the collective net pension liability	<u>\$ 5,602,897</u>	<u>\$ 4,560,278</u>	<u>\$ 3,706,286</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2018, the District recognized pension expense of \$641,436 and on-behalf revenue of \$27,560,475 for support provided by the state. At June 30, 2018, the District's deferred outflows of resources and deferred inflows of resources related to pensions were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 49,530	\$ 2,105
Net difference between projected and actual earnings on pension plan investments	3,128	-
Assumption changes	304,366	131,041
Changes in proportion and differences between District contributions and proportionate share of contributions	1,709,695	365,550
District contributions subsequent to the measurement date	<u>177,127</u>	<u>-</u>
Total	<u><u>\$ 2,243,846</u></u>	<u><u>\$ 498,696</u></u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$1,568,023) will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2019	\$ 246,173
2020	420,085
2021	473,812
2022	373,785
2023	<u>54,168</u>
Total	<u><u>\$ 1,568,023</u></u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Illinois Municipal Retirement Fund

Plan Description. 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 managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer pension 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. The report may be obtained on-line at www.imrf.org.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Public Act 96-0889 created a second tier for IMRF's Regular Plan. IMRF assigns a benefit tier to a member when he or she is enrolled in IMRF. The tier is determined by the member's first IMRF participation date. If the member first participated in IMRF before January 1, 2011, they participate in *Regular Tier 1*. If the member first participated in IMRF on or after January 1, 2011, they participate in *Regular Tier 2*.

For *Regular Tier 1*, pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under *Regular Tier 1*, the pension is increased by 3% of the original amount on January 1 every year after retirement. For *Regular Tier 2*, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under *Regular Tier 2*, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of 3% of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Plan Membership. At December 31, 2017, the measurement date, membership of the plan was as follows:

Retirees and beneficiaries	123
Inactive, non-retired members	200
Active members	89
Total	<u>412</u>

Contributions. As set by statute, District employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's actuarially determined contribution rate for calendar year 2017 was 13.60 percent of annual covered payroll. 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 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies. For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. 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.

Actuarial Assumptions. The assumptions used to measure the total pension liability in the December 31, 2017 annual actuarial valuation included (a) 7.50% investment rate of return, (b) projected salary increases from 3.75% to 14.50%, including inflation, and (c) price inflation of 2.75%. The retirement age is based on experience-based table of rates that are specific to the type of eligibility condition. The tables were 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-2017 (base year 2015). 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-2017 (base year 2015). 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, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

Asset Class	Target Allocation	Projected Returns/Risk	
		One Year Arithmetic	Ten Year Geometric
Equities	37.00 %	8.30 %	6.85 %
International equities	18.00 %	8.45 %	6.75 %
Fixed income	28.00 %	3.05 %	3.00 %
Real estate	9.00 %	6.90 %	5.75 %
Alternatives	7.00 %		
Private equity		12.45 %	7.35 %
Hedge funds		5.35 %	5.05 %
Commodities		4.25 %	2.65 %
Cash equivalents	1.00 %	2.25 %	2.25 %

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Discount Rate. The discount rate used to measure the total pension liability for IMRF was 7.50%. The discount rate calculated using the December 31, 2016 measurement date was 7.50%. The projection of cash flows used to determine the discount rate assumed that member 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 member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

Discount Rate Sensitivity. The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 7.50% as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 15,550,622	\$ 14,079,103	\$ 12,836,758
Plan fiduciary net position	<u>13,488,251</u>	<u>13,488,251</u>	<u>13,488,251</u>
Net pension liability/(asset)	<u>\$ 2,062,371</u>	<u>\$ 590,852</u>	<u>\$ (651,493)</u>

Changes in Net Pension Liability/(Asset). The District's changes in net pension liability/(asset) for the calendar year ended December 31, 2017 was as follows:

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
Balances at December 31, 2016	\$ 14,048,381	\$ 12,030,748	\$ 2,017,633
Service cost	251,672	-	251,672
Interest on total pension liability	1,031,676	-	1,031,676
Differences between expected and actual experience of the total pension liability	53,786	-	53,786
Change of assumptions	(469,328)	-	(469,328)
Benefit payments, including refunds of employee contributions	(837,084)	(837,084)	-
Contributions - employer	-	310,704	(310,704)
Contributions - employee	-	102,807	(102,807)
Net investment income	-	2,176,686	(2,176,686)
Other (net transfer)	<u>-</u>	<u>(295,610)</u>	<u>295,610</u>
Balances at December 31, 2017	<u>\$ 14,079,103</u>	<u>\$ 13,488,251</u>	<u>\$ 590,852</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2018, the District recognized pension expense of \$241,167. The District's deferred outflows and inflows of resources related to pension were from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Differences between expected and actual experience	\$ 21,915	\$ -
Assumption changes	-	191,224
Net difference between projected and actual earnings on pension plan investments	-	651,767
Contributions subsequent to the measurement date	<u>157,296</u>	<u>-</u>
Total	<u><u>\$ 179,211</u></u>	<u><u>\$ 842,991</u></u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$ (821,076)) will be recognized in pension expense as follows:

<i>Year Ending December 31,</i>	<i>Amount</i>
2018	\$ (226,900)
2019	(87,020)
2020	(246,887)
2021	<u>(260,269)</u>
Total	<u><u>\$ (821,076)</u></u>

NOTE 12 - 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 the terms of the grants. Management believes such disallowance, if any, would be immaterial.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 13 - RESTATEMENT

Net position has been restated due to the implementation of GASB Statement No. 75. The restatement is necessary to record the prior year net OPEB liability.

	Governmental Activities
Net position as previously reported, June 30, 2017	\$ 19,958,124
Adjustment to record the net OPEB liability as of June 30, 2017 for THIS	(16,535,338)
Adjustment to record deferred outflows of resources related to OPEB as of June 30, 2017 for THIS	122,891
Adjustment to record the net OPEB liability as of June 30, 2017 for the District's plan	(1,496,220)
Adjustment to remove the OPEB obligation reported as of June 30, 2017	<u>(142,292)</u>
Net position as restated, June 30, 2017	<u>\$ 1,907,165</u>

NOTE 14 - EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 83, *Asset Retirement Obligations*, GASB Statement No. 84, *Fiduciary Activities*, GASB Statement No. 85, *Omnibus 2017*, GASB Statement No. 86, *Certain Debt Extinguishment Issues*, GASB Statement No. 87, *Leases*, GASB Statement No. 88, *Certain Disclosures Related to Debt Including Direct Borrowings and Direct Placements*, GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, and GASB Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*. Application of these standards may restate portions of these financial statements.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY
AND RELATED RATIOS
Four Most Recent Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability				
Service cost	\$ 251,672	\$ 254,952	\$ 229,449	\$ 261,688
Interest	1,031,676	998,564	911,656	871,030
Differences between expected and actual experience	53,786	(41,426)	790,344	(433,097)
Changes of assumptions	(469,328)	(128,320)	84,763	624,934
Benefit payments, including refunds of member contributions	<u>(837,084)</u>	<u>(767,624)</u>	<u>(746,972)</u>	<u>(688,891)</u>
Net change in total pension liability	30,722	316,146	1,269,240	635,664
Total pension liability - beginning	<u>14,048,381</u>	<u>13,732,235</u>	<u>12,462,995</u>	<u>11,827,331</u>
Total pension liability - ending (a)	<u>\$ 14,079,103</u>	<u>\$ 14,048,381</u>	<u>\$ 13,732,235</u>	<u>\$ 12,462,995</u>
Plan fiduciary net position				
Employer contributions	\$ 310,704	\$ 277,153	\$ 269,095	\$ 252,790
Employee contributions	102,807	105,577	109,517	98,307
Net investment income	2,176,686	783,947	56,220	680,668
Benefit payments, including refunds of member contributions	(837,084)	(767,624)	(746,972)	(688,891)
Other (net transfer)	<u>(295,610)</u>	<u>188,850</u>	<u>326,810</u>	<u>(242,095)</u>
Net change in plan fiduciary net position	1,457,503	587,903	14,670	100,779
Plan fiduciary net position - beginning	<u>12,030,748</u>	<u>11,442,845</u>	<u>11,428,175</u>	<u>11,327,396</u>
Plan fiduciary net position - ending (b)	<u>\$ 13,488,251</u>	<u>\$ 12,030,748</u>	<u>\$ 11,442,845</u>	<u>\$ 11,428,175</u>
Employer's net pension liability - ending (a) - (b)	<u>\$ 590,852</u>	<u>\$ 2,017,633</u>	<u>\$ 2,289,390</u>	<u>\$ 1,034,820</u>
Plan fiduciary net position as a percentage of the total pension liability	95.80%	85.64%	83.33%	91.70%
Covered-employee payroll	\$ 2,284,588	\$ 2,113,387	\$ 2,088,536	\$ 1,995,189
Employer's net pension liability as a percentage of covered-employee payroll	25.86%	95.47%	109.62%	51.87%

Notes to Schedule:

The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available. Actuary valuations are as of December 31st, which is 6 months prior to the end of the fiscal year.

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF EMPLOYER CONTRIBUTIONS Four Most Recent Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 310,704	\$ 277,276	\$ 260,858	\$ 252,791
Contributions in relation to the actuarially determined contribution	<u>(310,704)</u>	<u>(277,153)</u>	<u>(269,095)</u>	<u>(252,790)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ 123</u>	<u>\$ (8,237)</u>	<u>\$ 1</u>
Covered-employee payroll	\$ 2,284,588	\$ 2,113,387	\$ 2,088,536	\$ 1,995,189
Contributions as a percentage of covered-employee payroll	13.60%	13.11%	12.88%	12.67%

Notes to Schedule:

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

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 each year, which are 6 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 percentage of payroll, closed
Remaining amortization period	26 years
Asset valuation method	5-Year Smoothed Market, 20% corridor
Inflation	2.75% - approximate
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
Mortality	RP-2014 Employee Mortality Table, adjusted to match current IMRF experience

Other information:

There were no benefit changes during the year.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND DISTRICT CONTRIBUTIONS Four Most Recent Fiscal Years

	2018	2017	2016	2015
District's proportion of the net pension liability	0.0059690957%	0.0029103419%	0.0030734845%	0.0030063773%
District's proportionate share of the net pension liability	\$ 4,560,278	\$ 2,297,309	\$ 2,013,678	\$ 2,213,857
State's proportionate share of the net pension liability	<u>280,042,848</u>	<u>111,513,156</u>	<u>92,241,077</u>	<u>87,102,318</u>
Total net pension liability	<u>\$ 284,603,126</u>	<u>\$ 113,810,465</u>	<u>\$ 94,254,755</u>	<u>\$ 89,316,175</u>
Covered-employee payroll	\$ 15,249,182	\$ 14,566,958	\$ 14,035,790	\$ 14,165,681
District's proportionate share of the net pension liability as a percentage of covered payroll	29.91%	15.77%	14.35%	15.63%
Plan fiduciary net position as a percentage of the total pension liability	39.30%	36.40%	41.50%	43.00%
Contractually required contribution	\$ 92,012	\$ 245,862	\$ 113,148	\$ 112,896
Contributions in relation to the contractually required contribution	<u>(177,127)</u>	<u>(245,862)</u>	<u>(113,148)</u>	<u>(113,360)</u>
Contribution deficiency (excess)	<u>\$ (85,115)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (464)</u>
Contributions as a percentage of covered employee payroll	1.1616%	1.6878%	0.8061%	0.8002%

Notes to Schedule:

The District implemented GASB 68 in 2015. Information for fiscal years prior to 2015 is not applicable.

Actuary valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pension liability is reported.

Key Assumptions:

Long-term expected rate of return	7.00%	7.00%	7.50%	7.50%
Municipal bond index	3.58%	2.85%	3.73%	N/A
Single equivalent discount rate	7.00%	6.83%	7.47%	7.50%
Inflation rate	3.00%	2.50%	3.00%	3.00%
Projected salary increases	3.75% to 9.75%	3.25% to 9.25%	3.75% to 9.75%	5.75%
	composite approximates 5.25%	varying by service	varying by service	

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
POSTEMPLOYMENT HEALTH BENEFIT PLAN
SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY
AND RELATED RATIOS
Most Recent Fiscal Year

	<u>2018</u>
Total OPEB liability	
Service cost	\$ 68,373
Interest	62,584
Changes of benefit terms	-
Differences between expected and actual experience	144,359
Changes of assumptions	11,611
Benefit payments, including refunds of member contributions	<u>(75,766)</u>
Net change in total OPEB liability	211,161
Total OPEB liability - beginning	<u>1,496,220</u>
Total OPEB liability - ending	<u>\$ 1,707,381</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	 0.00%
 Covered-employee payroll	 \$ 12,877,796
 District's net pension liability as a percentage of covered-employee payroll	 13.26%

Notes to Schedule:

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89**POSTEMPLOYMENT HEALTH BENEFIT PLAN****SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Most Recent Fiscal Year

	<u>2018</u>
Actuarially determined contribution	\$ 158,338
Contributions in relation to the actuarially determined contribution	<u>(75,766)</u>
Contribution deficiency (excess)	<u>\$ 82,572</u>
Covered-employee payroll	\$ 12,877,796
Contributions as a percentage of covered-employee payroll	0.59%

Notes to Schedule:

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

Valuation date:

Actuary valuations are as of June 30 of the fiscal year in which the net OPEB liability is reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Straight line
Remaining amortization period	9 years
Election at retirement	100.00%
Salary increases	2.00%
Investment rate of return	3.90%
Healthcare cost trend rate - initial	5.00%
Healthcare cost trend rate - ultimate	4.00%
Mortality	RP-2014 CHBCA

Other information:

There were no benefit changes during the year.

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89**TEACHERS' HEALTH INSURANCE SECURITY FUND****SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY AND DISTRICT CONTRIBUTIONS**

Most Recent Fiscal Year

	<u>2018</u>
District's proportion of the net OPEB liability	0.063595%
District's proportionate share of the net OPEB liability	\$ 16,502,702
State's proportionate share of the net OPEB liability	<u>21,672,148</u>
Total net OPEB liability	<u>\$ 38,174,850</u>
Covered-employee payroll	\$ 14,566,958
District's proportionate share of the net OPEB liability as a percentage of covered payroll	113.29%
Plan fiduciary net position as a percentage of the total pension liability	-0.17%
Contractually required contribution	\$ 134,193
Contributions in relation to the contractually required contribution	<u>(387,314)</u>
Contribution deficiency (excess)	<u>\$ (253,121)</u>
Contributions as a percentage of covered employee payroll	2.6589%

Notes to Schedule:

The District implemented GASB 68 in fiscal year 2018. Information for fiscal years prior to 2018 is not applicable.

Actuary valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Key Assumptions:

Long-term expected rate of return	0.00%
Municipal bond index	3.56%
Single equivalent discount rate	3.56%
Inflation rate	2.75%
Healthcare cost trend rates - initial	Medicare - 8.00%
	Non-Medicare - 9.00%
Healthcare cost trend rates - ultimate	4.50%
Mortality	RP-2014 Tables

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 19,474,395	\$ 18,726,558	\$ (747,837)	\$ 19,227,010
Tort immunity levy	-	41,472	41,472	-
Special education levy	42,825	507,120	464,295	42,046
Corporate personal property replacement taxes	155,000	169,191	14,191	207,466
Regular tuition from pupils or parents (in state)	165,000	132,934	(32,066)	150,670
Summer school - tuition from pupils or parents (in state)	-	-	-	2,808
Special education - tuition from other LEA's (in state)	250,000	197,949	(52,051)	130,484
Investment income	45,000	120,686	75,686	56,822
Sales to pupils - lunch	247,000	255,622	8,622	269,509
Fees	149,700	181,475	31,775	173,836
Rentals - regular textbook	149,500	161,386	11,886	157,154
Contributions and donations from private sources	33,500	51,348	17,848	27,420
Refund of prior years' expenditures	417,000	486,718	69,718	684,523
Other	125,000	167,064	42,064	153,490
Total local sources	21,253,920	21,199,523	(54,397)	21,283,238
State sources				
Evidence based funding formula	1,472,222	1,529,441	57,219	863,578
Special education - private facility tuition	125,000	158,550	33,550	129,884
Special education - extraordinary	-	63,701	63,701	253,539
Special education - personnel	-	76,125	76,125	320,065
Special education - orphanage - individual	12,500	12,653	153	26,571
Special education - summer school	-	1,145	1,145	-
CTE - Student organizations	1,500	-	(1,500)	-
CTE - Other	-	1,273	1,273	-
Bilingual education - downstate - TPI	-	41,432	41,432	26,936
State free lunch & breakfast	1,550	1,935	385	611
Total state sources	1,612,772	1,886,255	273,483	1,621,184
Federal sources				
National school lunch program	149,500	147,971	(1,529)	148,186
Title I - Low income	182,416	248,971	66,555	194,235
Title IV - Safe & drug free schools - formula	-	3,716	3,716	-
Title IV - Other	10,000	-	(10,000)	-
Federal - special education - IDEA - flow-through/low incident	26,220	26,220	-	82,174
Federal - special education - IDEA - room & board	-	7,571	7,571	24,771
Title III - English language acquisition	23,702	34,749	11,047	8,164
Title II - Teacher quality	23,863	22,736	(1,127)	54,830

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Medicaid matching funds - administrative outreach	\$ 20,000	\$ 49,344	\$ 29,344	\$ 45,718
Medicaid matching funds - fee-for-service program	70,000	16,747	(53,253)	69,796
Other restricted revenue from federal sources	-	48,612	48,612	27,204
Total federal sources	505,701	606,637	100,936	655,078
Total revenues	23,372,393	23,692,415	320,022	23,559,500
Expenditures				
Instruction				
Regular programs				
Salaries	9,549,109	9,542,436	6,673	8,980,138
Employee benefits	1,680,035	1,525,134	154,901	1,465,048
Purchased services	157,555	124,115	33,440	157,507
Supplies and materials	236,881	224,175	12,706	220,071
Capital outlay	-	304,566	(304,566)	-
Non-capitalized equipment	14,749	15,120	(371)	3,966
Total	11,638,329	11,735,546	(97,217)	10,826,730
Pre-K programs				
Salaries	96,079	73,771	22,308	93,106
Employee benefits	16,045	13,783	2,262	15,260
Supplies and materials	6,450	6,019	431	6,019
Total	118,574	93,573	25,001	114,385
Special education programs				
Salaries	1,716,611	1,760,176	(43,565)	1,617,694
Employee benefits	477,336	574,145	(96,809)	463,833
Purchased services	74,360	96,138	(21,778)	97,082
Supplies and materials	34,188	18,736	15,452	22,429
Non-capitalized equipment	1,000	-	1,000	-
Total	2,303,495	2,449,195	(145,700)	2,201,038
Special education programs Pre-K				
Salaries	361,999	391,755	(29,756)	338,122
Employee benefits	72,517	82,359	(9,842)	72,709
Purchased services	-	2,725	(2,725)	-
Supplies and materials	4,492	4,365	127	21,578
Total	439,008	481,204	(42,196)	432,409

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Remedial and supplemental programs K-12				
Salaries	\$ 641,061	\$ 571,923	\$ 69,138	\$ 580,477
Employee benefits	140,912	152,703	(11,791)	163,148
Purchased services	500	1,350	(850)	13,211
Supplies and materials	950	1,918	(968)	5,144
Capital outlay	-	-	-	59,434
Total	<u>783,423</u>	<u>727,894</u>	<u>55,529</u>	<u>821,414</u>
Interscholastic programs				
Salaries	85,488	89,187	(3,699)	79,786
Employee benefits	535	1,161	(626)	1,638
Purchased services	<u>5,000</u>	<u>1,910</u>	<u>3,090</u>	<u>4,330</u>
Total	<u>91,023</u>	<u>92,258</u>	<u>(1,235)</u>	<u>85,754</u>
Summer school programs				
Salaries	35,825	26	35,799	6,801
Employee benefits	-	<u>1,602</u>	<u>(1,602)</u>	<u>1,095</u>
Total	<u>35,825</u>	<u>1,628</u>	<u>34,197</u>	<u>7,896</u>
Gifted programs				
Salaries	395,554	399,478	(3,924)	387,650
Employee benefits	67,304	67,346	(42)	63,209
Purchased services	2,500	-	2,500	-
Supplies and materials	<u>550</u>	<u>1,328</u>	<u>(778)</u>	<u>1,904</u>
Total	<u>465,908</u>	<u>468,152</u>	<u>(2,244)</u>	<u>452,763</u>
Bilingual programs				
Salaries	580,615	488,562	92,053	566,556
Employee benefits	99,754	86,364	13,390	108,613
Supplies and materials	<u>950</u>	<u>19,125</u>	<u>(18,175)</u>	<u>1,403</u>
Total	<u>681,319</u>	<u>594,051</u>	<u>87,268</u>	<u>676,572</u>
Special education programs K-12 - private tuition				
Other objects	<u>450,000</u>	<u>610,102</u>	<u>(160,102)</u>	<u>309,936</u>
Total	<u>450,000</u>	<u>610,102</u>	<u>(160,102)</u>	<u>309,936</u>
Total instruction	<u>17,006,904</u>	<u>17,253,603</u>	<u>(246,699)</u>	<u>15,928,897</u>

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Support services				
Pupils				
Attendance and social work services				
Salaries	\$ 466,288	\$ 508,676	\$ (42,388)	\$ 478,756
Employee benefits	39,991	51,650	(11,659)	44,744
Purchased services	500	-	500	55
Supplies and materials	1,150	1,898	(748)	2,286
Total	507,929	562,224	(54,295)	525,841
Guidance services				
Salaries	520	-	520	-
Supplies and materials	500	-	500	-
Total	1,020	-	1,020	-
Health services				
Salaries	268,612	264,400	4,212	260,409
Employee benefits	87,698	106,900	(19,202)	97,733
Purchased services	3,500	3,956	(456)	4,637
Supplies and materials	5,100	3,078	2,022	7,906
Total	364,910	378,334	(13,424)	370,685
Psychological services				
Salaries	242,260	236,695	5,565	189,809
Employee benefits	27,255	35,215	(7,960)	24,940
Purchased services	4,460	7,666	(3,206)	3,652
Supplies and materials	500	2,480	(1,980)	773
Total	274,475	282,056	(7,581)	219,174
Speech pathology and audiology services				
Salaries	245,372	257,271	(11,899)	240,316
Employee benefits	32,332	32,211	121	29,661
Purchased services	1,000	699	301	306
Supplies and materials	850	1,987	(1,137)	2,229
Total	279,554	292,168	(12,614)	272,512
Total pupils	1,427,888	1,514,782	(86,894)	1,388,212

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Instructional staff				
Improvement of instructional services				
Salaries	\$ 197,424	\$ 226,700	\$ (29,276)	\$ 219,741
Employee benefits	36,200	39,236	(3,036)	46,204
Purchased services	50,725	42,467	8,258	37,436
Supplies and materials	9,000	2,601	6,399	3,495
Other objects	<u>1,000</u>	<u>444</u>	<u>556</u>	<u>1,884</u>
Total	<u>294,349</u>	<u>311,448</u>	<u>(17,099)</u>	<u>308,760</u>
Educational media services				
Salaries	849,217	887,374	(38,157)	836,589
Employee benefits	207,162	200,606	6,556	186,085
Purchased services	169,535	163,532	6,003	122,403
Supplies and materials	234,950	404,110	(169,160)	322,148
Capital outlay	244,700	88,698	156,002	48,723
Non-capitalized equipment	<u>28,000</u>	<u>68,635</u>	<u>(40,635)</u>	<u>165,307</u>
Total	<u>1,733,564</u>	<u>1,812,955</u>	<u>(79,391)</u>	<u>1,681,255</u>
Total instructional staff	<u>2,027,913</u>	<u>2,124,403</u>	<u>(96,490)</u>	<u>1,990,015</u>
General administration				
Board of education services				
Purchased services	295,002	245,993	49,009	291,859
Supplies and materials	7,100	7,183	(83)	7,576
Other objects	15,000	15,852	(852)	14,232
Termination benefits	<u>17,500</u>	<u>17,242</u>	<u>258</u>	<u>8,599</u>
Total	<u>334,602</u>	<u>286,270</u>	<u>48,332</u>	<u>322,266</u>
Executive administration services				
Salaries	262,345	276,407	(14,062)	270,247
Employee benefits	49,316	95,710	(46,394)	48,638
Purchased services	16,544	12,862	3,682	14,905
Supplies and materials	19,000	9,187	9,813	20,230
Other objects	<u>3,000</u>	<u>4,709</u>	<u>(1,709)</u>	<u>2,456</u>
Total	<u>350,205</u>	<u>398,875</u>	<u>(48,670)</u>	<u>356,476</u>
Total general administration	<u>684,807</u>	<u>685,145</u>	<u>(338)</u>	<u>678,742</u>
School administration				
Office of the principal services				
Salaries	882,060	897,544	(15,484)	889,285
Employee benefits	262,577	237,511	25,066	242,443
Purchased services	14,340	6,893	7,447	9,022
Supplies and materials	<u>31,194</u>	<u>21,990</u>	<u>9,204</u>	<u>29,146</u>
Total	<u>1,190,171</u>	<u>1,163,938</u>	<u>26,233</u>	<u>1,169,896</u>
Total school administration	<u>1,190,171</u>	<u>1,163,938</u>	<u>26,233</u>	<u>1,169,896</u>

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Business				
Direction of business support services				
Salaries	\$ 141,905	\$ 151,131	\$ (9,226)	\$ 144,623
Employee benefits	33,219	33,483	(264)	32,630
Purchased services	45,510	65,372	(19,862)	47,911
Supplies and materials	1,000	1,921	(921)	1,177
Capital outlay	1,000	-	1,000	1,516
Other objects	<u>2,000</u>	<u>455</u>	<u>1,545</u>	<u>1,375</u>
Total	<u>224,634</u>	<u>252,362</u>	<u>(27,728)</u>	<u>229,232</u>
Fiscal services				
Salaries	120,974	114,646	6,328	111,033
Employee benefits	30,946	31,644	(698)	34,254
Purchased services	13,000	11,432	1,568	8,588
Supplies and materials	15,000	15,105	(105)	23,035
Capital outlay	-	-	-	3,524
Other objects	10,000	4,467	5,533	349
Non-capitalized equipment	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>-</u>
Total	<u>191,420</u>	<u>177,294</u>	<u>14,126</u>	<u>180,783</u>
Operation and maintenance of plant services				
Supplies and materials	<u>-</u>	<u>-</u>	<u>-</u>	<u>33</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>33</u>
Food services				
Salaries	123,594	59,128	64,466	88,505
Employee benefits	17,954	2,722	15,232	11,912
Supplies and materials	<u>375,000</u>	<u>401,273</u>	<u>(26,273)</u>	<u>413,314</u>
Total	<u>516,548</u>	<u>463,123</u>	<u>53,425</u>	<u>513,731</u>
Internal services				
Supplies and materials	<u>5,000</u>	<u>3,838</u>	<u>1,162</u>	<u>9,515</u>
Total	<u>5,000</u>	<u>3,838</u>	<u>1,162</u>	<u>9,515</u>
Total business	937,602	896,617	40,985	933,294

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Central				
Information services				
Salaries	\$ 61,000	\$ 59,483	\$ 1,517	\$ 49,196
Purchased services	540	540	-	540
Other objects	500	-	500	-
Total	62,040	60,023	2,017	49,736
Staff services				
Salaries	66,580	57,252	9,328	58,525
Employee benefits	18,364	9,873	8,491	17,618
Purchased services	3,000	2,889	111	2,610
Total	87,944	70,014	17,930	78,753
Data processing services				
Purchased services	5,000	1,133	3,867	1,079
Supplies and materials	15,000	15,224	(224)	41,242
Total	20,000	16,357	3,643	42,321
Total central	169,984	146,394	23,590	170,810
Total support services	6,438,365	6,531,279	(92,914)	6,330,969
Community services				
Purchased services	2,075	6,433	(4,358)	9,348
Total community services	2,075	6,433	(4,358)	9,348
Payments to other districts and governmental units				
Payments for special education programs - tuition				
Other objects	1,300,000	1,564,704	(264,704)	1,237,581
Total	1,300,000	1,564,704	(264,704)	1,237,581
Total payments to other districts and governmental units	1,300,000	1,564,704	(264,704)	1,237,581
Total expenditures	24,747,344	25,356,019	(608,675)	23,506,795
Excess (deficiency) of revenues over expenditures	(1,374,951)	(1,663,604)	(288,653)	52,705

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-
GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Other financing sources (uses)				
Proceeds from capital lease	\$ -	\$ 302,400	\$ 302,400	\$ -
Transfer to debt service fund to pay principal on capital leases	(123,201)	(123,201)	-	(119,795)
Transfer to debt service fund to pay interest on capital leases	<u>(3,503)</u>	<u>(3,503)</u>	<u>-</u>	<u>(6,909)</u>
Total other financing sources (uses)	<u>(126,704)</u>	<u>175,696</u>	<u>302,400</u>	<u>(126,704)</u>
Net change in fund balance	<u>\$ (1,501,655)</u>	<u>(1,487,908)</u>	<u>\$ 13,747</u>	<u>(73,999)</u>
Fund balance, beginning of year		<u>12,354,290</u>		<u>12,428,289</u>
Fund balance, end of year		<u>\$ 10,866,382</u>		<u>\$ 12,354,290</u>

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

OPERATIONS AND MAINTENANCE FUND

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

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 2,824,378	\$ 2,917,055	\$ 92,677	\$ 2,642,052
Investment income	4,500	15,937	11,437	6,466
Rentals	64,200	62,609	(1,591)	66,670
Impact fees from municipal or county governments	-	4,268	4,268	-
Other	1,000	340	(660)	-
Total local sources	<u>2,894,078</u>	<u>3,000,209</u>	<u>106,131</u>	<u>2,715,188</u>
State sources				
Other restricted revenue from state sources	-	-	-	34,650
Total state sources	-	-	-	34,650
Total revenues	<u>2,894,078</u>	<u>3,000,209</u>	<u>106,131</u>	<u>2,749,838</u>
Expenditures				
Support services				
Business				
Direction of business support services				
Salaries	7,884	8,396	(512)	8,035
Employee benefits	<u>1,742</u>	<u>1,859</u>	<u>(117)</u>	<u>1,823</u>
Total	<u>9,626</u>	<u>10,255</u>	<u>(629)</u>	<u>9,858</u>
Operation and maintenance of plant services				
Salaries	296,939	292,910	4,029	285,159
Employee benefits	27,943	29,578	(1,635)	28,422
Purchased services	1,392,501	1,163,280	229,221	1,337,792
Supplies and materials	509,000	528,242	(19,242)	566,808
Capital outlay	159,615	60,231	99,384	73,161
Other objects	10,000	-	10,000	-
Non-capitalized equipment	<u>10,000</u>	<u>2,407</u>	<u>7,593</u>	<u>10,589</u>
Total	<u>2,405,998</u>	<u>2,076,648</u>	<u>329,350</u>	<u>2,301,931</u>
Total business	<u>2,415,624</u>	<u>2,086,903</u>	<u>328,721</u>	<u>2,311,789</u>
Total support services	<u>2,415,624</u>	<u>2,086,903</u>	<u>328,721</u>	<u>2,311,789</u>
Total expenditures	<u>2,415,624</u>	<u>2,086,903</u>	<u>328,721</u>	<u>2,311,789</u>
Excess (deficiency) of revenues over expenditures	<u>478,454</u>	<u>913,306</u>	<u>434,852</u>	<u>438,049</u>

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89**OPERATIONS AND MAINTENANCE FUND**

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

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Other financing sources (uses)				
Transfer to debt service fund to pay principal on debt certificates	\$ (185,000)	\$ (185,000)	\$ -	\$ (180,000)
Transfer to debt service fund to pay interest on debt certificates	(6,375)	(6,367)	8	(9,410)
Total other financing sources (uses)	(191,375)	(191,367)	8	(189,410)
Net change in fund balance	<u>\$ 287,079</u>	721,939	<u>\$ 434,860</u>	248,639
Fund balance, beginning of year		<u>553,270</u>		<u>304,631</u>
Fund balance, end of year		<u>\$ 1,275,209</u>		<u>\$ 553,270</u>

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2018
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 789,142	\$ 875,231	\$ 86,089	\$ 783,232
Regular transportation fees from other LEAs (in state)	35,000	1,760	(33,240)	9,058
Regular transportation fees from other sources (out of state)	-	41,654	41,654	34,773
Investment income	<u>2,000</u>	<u>4,450</u>	<u>2,450</u>	<u>2,013</u>
Total local sources	<u>826,142</u>	<u>923,095</u>	<u>96,953</u>	<u>829,076</u>
State sources				
Transportation - regular/vocational	99,583	151,607	52,024	13,024
Transportation - special education	<u>390,000</u>	<u>339,212</u>	<u>(50,788)</u>	<u>184,453</u>
Total state sources	<u>489,583</u>	<u>490,819</u>	<u>1,236</u>	<u>197,477</u>
Total revenues	<u>1,315,725</u>	<u>1,413,914</u>	<u>98,189</u>	<u>1,026,553</u>
Expenditures				
Support Services				
Business				
Pupil transportation services				
Salaries	27,075	55,574	(28,499)	50,180
Employee benefits	2,017	1,962	55	2,763
Purchased services	1,236,650	1,788,666	(552,016)	1,268,994
Supplies and materials	<u>5,000</u>	<u>1,099</u>	<u>3,901</u>	<u>-</u>
Total	<u>1,270,742</u>	<u>1,847,301</u>	<u>(576,559)</u>	<u>1,321,937</u>
Total business	<u>1,270,742</u>	<u>1,847,301</u>	<u>(576,559)</u>	<u>1,321,937</u>
Total support services	<u>1,270,742</u>	<u>1,847,301</u>	<u>(576,559)</u>	<u>1,321,937</u>
Total expenditures	<u>1,270,742</u>	<u>1,847,301</u>	<u>(576,559)</u>	<u>1,321,937</u>
Net change in fund balance	<u>\$ 44,983</u>	<u>(433,387)</u>	<u>\$ (478,370)</u>	<u>(295,384)</u>
Fund balance, beginning of year		<u>866,251</u>		<u>1,161,635</u>
Fund balance, end of year		<u>\$ 432,864</u>		<u>\$ 866,251</u>

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

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

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 316,593	\$ 320,918	\$ 4,325	\$ 326,359
Social security/medicare only levy	316,593	327,361	10,768	326,359
Corporate personal property replacement taxes	9,000	9,000	-	9,000
Investment income	<u>1,500</u>	<u>3,572</u>	<u>2,072</u>	<u>1,718</u>
Total local sources	<u>643,686</u>	<u>660,851</u>	<u>17,165</u>	<u>663,436</u>
Total revenues	<u>643,686</u>	<u>660,851</u>	<u>17,165</u>	<u>663,436</u>
Expenditures				
Instruction				
Regular programs	156,224	142,031	14,193	136,358
Employee benefits	1,352	1,008	344	1,319
Special education programs	122,125	136,791	(14,666)	117,308
Employee benefits	33,948	29,025	4,923	25,358
Educationally deprived/remedial programs	46,310	33,842	12,468	27,782
Interscholastic programs	-	2,933	(2,933)	1,687
Summer school programs	1,139	31	1,108	488
Gifted programs	5,637	5,542	95	5,370
Bilingual programs	<u>14,580</u>	<u>10,332</u>	<u>4,248</u>	<u>11,348</u>
Total instruction	<u>381,315</u>	<u>361,535</u>	<u>19,780</u>	<u>327,018</u>
Support services				
Pupils				
Attendance and social work services	6,710	7,155	(445)	6,760
Health services	35,120	32,234	2,886	32,070
Psychological services	2,803	3,380	(577)	2,697
Speech pathology and audiology services	<u>3,457</u>	<u>3,622</u>	<u>(165)</u>	<u>3,382</u>
Total pupils	<u>48,090</u>	<u>46,391</u>	<u>1,699</u>	<u>44,909</u>
Instructional staff				
Improvement of instructional staff	7,122	7,588	(466)	7,497
Educational media services	<u>77,348</u>	<u>76,369</u>	<u>979</u>	<u>73,712</u>
Total instructional staff	<u>84,470</u>	<u>83,957</u>	<u>513</u>	<u>81,209</u>
General administration				
Board of education services	-	-	-	33
Executive administration services	<u>18,437</u>	<u>18,061</u>	<u>376</u>	<u>18,750</u>
Total general administration	<u>18,437</u>	<u>18,061</u>	<u>376</u>	<u>18,783</u>

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89**MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND**

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

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
School administration				
Office of the principal services	\$ 59,767	\$ 57,868	\$ 1,899	\$ 59,387
Total school administration	59,767	57,868	1,899	59,387
Business				
Direction of business support services	2,507	2,156	351	2,061
Fiscal services	29,833	22,889	6,944	22,521
Operations and maintenance of plant services	60,171	60,565	(394)	59,111
Pupil transportation services	513	6,466	(5,953)	4,572
Food services	12,424	4,343	8,081	9,219
Total business	105,448	96,419	9,029	97,484
Central				
Information services	116	12,398	(12,282)	10,378
Staff services	10,743	11,572	(829)	11,681
Total central	10,859	23,970	(13,111)	22,059
Total support services	327,071	326,666	405	323,831
Total expenditures	708,386	688,201	20,185	650,849
Net change in fund balance	\$ (64,700)	(27,350)	\$ 37,350	12,587
Fund balance, beginning of year		498,554		485,967
Fund balance, end of year		\$ 471,204		\$ 498,554

See Auditors' Report and Notes to Required Supplementary Information

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

Except for the exclusion of on-behalf payments from other governments, discussed below, the budgeted amounts for the Governmental Funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

The Board of Education follows these procedures in establishing the budgetary data reflected in the general purpose 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. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.
4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
6. All budget appropriations lapse at the end of the fiscal year.

The budget amounts shown in the financial statements are as originally adopted because there were no amendments during the past fiscal year.

Budget Reconciliations

The Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds (GAAP basis) includes "on-behalf" payments received and made for the amounts contributed by the State of Illinois for the employer's share of the Teachers Retirement System pension. The District does not budget for these amounts in the Educational Accounts of the General Fund. The differences between the budget and GAAP basis are as follows:

	<i>Revenues</i>	<i>Expenditures</i>
General Fund Budgetary Basis	\$ 23,692,415	\$ 25,356,019
To adjust for on-behalf payments received	27,740,415	-
To adjust for on-behalf payments made	-	27,740,415
General Fund GAAP Basis	<u>\$ 51,432,830</u>	<u>\$ 53,096,434</u>

Excess of Expenditures over Budget

For the year ended June 30, 2018, expenditures exceeded budget in the General Fund and Transportation Fund by \$608,675 and \$576,559, respectively. These excesses were funded by available financial resources.

See Auditors' Report

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 2,604,423	\$ 2,614,828	\$ 10,405	\$ 2,492,663
Investment income	<u>1,500</u>	<u>14,580</u>	<u>13,080</u>	<u>6,436</u>
Total local sources	<u>2,605,923</u>	<u>2,629,408</u>	<u>23,485</u>	<u>2,499,099</u>
Total revenues	<u>2,605,923</u>	<u>2,629,408</u>	<u>23,485</u>	<u>2,499,099</u>
Expenditures				
Debt services				
Payments on long term debt				
Interest on long term debt	494,228	539,712	(45,484)	573,644
Principal payments on long term debt	<u>2,358,201</u>	<u>6,533,201</u>	<u>(4,175,000)</u>	<u>2,154,795</u>
Total	<u>2,852,429</u>	<u>7,072,913</u>	<u>(4,220,484)</u>	<u>2,728,439</u>
Other debt service				
Purchased services	<u>1,000</u>	<u>25,279</u>	<u>(24,279)</u>	<u>300</u>
Total	<u>1,000</u>	<u>25,279</u>	<u>(24,279)</u>	<u>300</u>
Total debt services	<u>2,853,429</u>	<u>7,098,192</u>	<u>(4,244,763)</u>	<u>2,728,739</u>
Total expenditures	<u>2,853,429</u>	<u>7,098,192</u>	<u>(4,244,763)</u>	<u>2,728,739</u>
Excess (deficiency) of revenues over expenditures	<u>(247,506)</u>	<u>(4,468,784)</u>	<u>(4,221,278)</u>	<u>(229,640)</u>
Other financing sources (uses)				
Principal on debt certificates issued	-	4,245,000	4,245,000	-
Transfer to debt service to pay principal and interest on capital leases	123,201	123,201	-	119,795
Transfer to debt service to pay interest on capital leases	3,503	3,503	-	6,909
Transfer to debt service to pay principal on debt certificates	185,000	185,000	-	180,000
Transfer to debt service to pay interest on debt certificates	<u>6,375</u>	<u>6,367</u>	<u>(8)</u>	<u>9,410</u>
Total other financing sources (uses)	<u>318,079</u>	<u>4,563,071</u>	<u>4,244,992</u>	<u>316,114</u>
Net change in fund balance	<u>\$ 70,573</u>	94,287	<u>\$ 23,714</u>	86,474
Fund balance, beginning of year		<u>1,419,172</u>		<u>1,332,698</u>
Fund balance, end of year		<u>\$ 1,513,459</u>		<u>\$ 1,419,172</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

GENERAL FUND

COMBINING BALANCE SHEET

AS OF JUNE 30, 2018

	EDUCATIONAL ACCOUNTS	TORT IMMUNITY AND JUDGMENT ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
Assets				
Cash and investments	\$ 10,142,317	\$ 44,477	\$ 2,170,554	\$ 12,357,348
Receivables (net allowance for uncollectibles):				
Property taxes	8,921,785	38,436	-	8,960,221
Replacement taxes	30,361	-	-	30,361
Intergovernmental	<u>178,356</u>	<u>-</u>	<u>-</u>	<u>178,356</u>
Total assets	<u>\$ 19,272,819</u>	<u>\$ 82,913</u>	<u>\$ 2,170,554</u>	<u>\$ 21,526,286</u>
Liabilities, deferred inflows of resources, and fund balance				
Liabilities				
Accounts payable	\$ 307,755	\$ -	\$ -	\$ 307,755
Payroll deductions payable	295,443	-	-	295,443
Unearned student fees	<u>354,175</u>	<u>-</u>	<u>-</u>	<u>354,175</u>
Total liabilities	<u>957,373</u>	<u>-</u>	<u>-</u>	<u>957,373</u>
Deferred inflows of resources				
Property taxes levied for a future period	9,619,322	41,441	-	9,660,763
Unavailable state and federal aid receivable	<u>41,768</u>	<u>-</u>	<u>-</u>	<u>41,768</u>
Total deferred inflows of resources	<u>9,661,090</u>	<u>41,441</u>	<u>-</u>	<u>9,702,531</u>
Fund balance				
Restricted	-	41,472	-	41,472
Unassigned	<u>8,654,356</u>	<u>-</u>	<u>2,170,554</u>	<u>10,824,910</u>
Total fund balance	<u>8,654,356</u>	<u>41,472</u>	<u>2,170,554</u>	<u>10,866,382</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 19,272,819</u>	<u>\$ 82,913</u>	<u>\$ 2,170,554</u>	<u>\$ 21,526,286</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2018

	EDUCATIONAL ACCOUNTS	TORT IMMUNITY AND JUDGMENT ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
Revenues				
Property taxes	\$ 19,233,246	\$ 41,472	\$ 432	\$ 19,275,150
Corporate personal property replacement taxes	169,191	-	-	169,191
State aid	29,626,670	-	-	29,626,670
Federal aid	606,637	-	-	606,637
Investment income	120,686	-	-	120,686
Other	1,634,496	-	-	1,634,496
Total revenues	<u>51,390,926</u>	<u>41,472</u>	<u>432</u>	<u>51,432,830</u>
Expenditures				
Current:				
Instruction:				
Regular programs	11,430,980	-	-	11,430,980
Special programs	4,268,395	-	-	4,268,395
Other instructional programs	1,249,662	-	-	1,249,662
State retirement contributions	27,740,415	-	-	27,740,415
Support Services:				
Pupils	1,514,782	-	-	1,514,782
Instructional staff	2,035,705	-	-	2,035,705
General administration	685,145	-	-	685,145
School administration	1,163,938	-	-	1,163,938
Business	896,617	-	-	896,617
Central	146,394	-	-	146,394
Community services	6,433	-	-	6,433
Payments to other districts and gov't units	1,564,704	-	-	1,564,704
Capital outlay	393,264	-	-	393,264
Total expenditures	<u>53,096,434</u>	<u>-</u>	<u>-</u>	<u>53,096,434</u>
Excess (deficiency) of revenues over expenditures	<u>(1,705,508)</u>	<u>41,472</u>	<u>432</u>	<u>(1,663,604)</u>
Other financing sources (uses)				
Transfers (out)	(126,704)	-	-	(126,704)
Proceeds from capital lease	302,400	-	-	302,400
Total other financing sources (uses)	<u>175,696</u>	<u>-</u>	<u>-</u>	<u>175,696</u>
Net change in fund balance	(1,529,812)	41,472	432	(1,487,908)
Fund balance, beginning of year	10,184,168	-	2,170,122	12,354,290
Fund balance, end of year	<u>\$ 8,654,356</u>	<u>\$ 41,472</u>	<u>\$ 2,170,554</u>	<u>\$ 10,866,382</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2017 ACTUAL
Revenues				
Local sources				
General levy	\$ 19,474,395	\$ 18,726,126	\$ (748,269)	\$ 19,227,010
Special education levy	42,825	507,120	464,295	42,046
Corporate personal property replacement taxes	155,000	169,191	14,191	207,466
Regular tuition from pupils or parents (in state)	165,000	132,934	(32,066)	150,670
Summer school - tuition from pupils or parents (in state)	-	-	-	2,808
Special education - tuition from other LEA's (in state)	250,000	197,949	(52,051)	130,484
Investment income	45,000	120,686	75,686	56,822
Sales to pupils - lunch	247,000	255,622	8,622	269,509
Fees	149,700	181,475	31,775	173,836
Rentals - regular textbook	149,500	161,386	11,886	157,154
Contributions and donations from private sources	33,500	51,348	17,848	27,420
Refund of prior years' expenditures	417,000	486,718	69,718	684,523
Other	<u>125,000</u>	<u>167,064</u>	<u>42,064</u>	<u>153,490</u>
Total local sources	<u>21,253,920</u>	<u>21,157,619</u>	<u>(96,301)</u>	<u>21,283,238</u>
State sources				
Evidence based funding formula	1,472,222	1,529,441	57,219	863,578
Special education - private facility tuition	125,000	158,550	33,550	129,884
Special education - extraordinary	-	63,701	63,701	253,539
Special education - personnel	-	76,125	76,125	320,065
Special education - orphanage - individual	12,500	12,653	153	26,571
Special education - summer school	-	1,145	1,145	-
CTE - Student organizations	1,500	-	(1,500)	-
CTE - Other	-	1,273	1,273	-
Bilingual education - downstate - TPI	-	41,432	41,432	26,936
State free lunch & breakfast	<u>1,550</u>	<u>1,935</u>	<u>385</u>	<u>611</u>
Total state sources	<u>1,612,772</u>	<u>1,886,255</u>	<u>273,483</u>	<u>1,621,184</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-
GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Federal sources				
National school lunch program	\$ 149,500	\$ 147,971	\$ (1,529)	\$ 148,186
Title I - Low income	182,416	248,971	66,555	194,235
Title IV - Safe & drug free schools - formula	-	3,716	3,716	-
Title IV - Other	10,000	-	(10,000)	-
Federal - special education - IDEA - flow-through/low incident	26,220	26,220	-	82,174
Federal - special education - IDEA - room & board	-	7,571	7,571	24,771
Title III - English language acquisition	23,702	34,749	11,047	8,164
Title II - Teacher quality	23,863	22,736	(1,127)	54,830
Medicaid matching funds - administrative outreach	20,000	49,344	29,344	45,718
Medicaid matching funds - fee-for-service program	70,000	16,747	(53,253)	69,796
Other restricted revenue from federal sources	-	48,612	48,612	27,204
Total federal sources	505,701	606,637	100,936	655,078
Total revenues	23,372,393	23,650,511	278,118	23,559,500

Expenditures

Instruction

Regular programs

Salaries	9,549,109	9,542,436	6,673	8,980,138
Employee benefits	1,680,035	1,525,134	154,901	1,465,048
Purchased services	157,555	124,115	33,440	157,507
Supplies and materials	236,881	224,175	12,706	220,071
Capital outlay	-	304,566	(304,566)	-
Non-capitalized equipment	<u>14,749</u>	<u>15,120</u>	<u>(371)</u>	<u>3,966</u>
Total	<u>11,638,329</u>	<u>11,735,546</u>	<u>(97,217)</u>	<u>10,826,730</u>

Pre-K programs

Salaries	96,079	73,771	22,308	93,106
Employee benefits	16,045	13,783	2,262	15,260
Supplies and materials	<u>6,450</u>	<u>6,019</u>	<u>431</u>	<u>6,019</u>
Total	<u>118,574</u>	<u>93,573</u>	<u>25,001</u>	<u>114,385</u>

Special education programs

Salaries	1,716,611	1,760,176	(43,565)	1,617,694
Employee benefits	477,336	574,145	(96,809)	463,833
Purchased services	74,360	96,138	(21,778)	97,082
Supplies and materials	34,188	18,736	15,452	22,429
Non-capitalized equipment	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Total	<u>2,303,495</u>	<u>2,449,195</u>	<u>(145,700)</u>	<u>2,201,038</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Special education programs Pre-K				
Salaries	\$ 361,999	\$ 391,755	\$ (29,756)	\$ 338,122
Employee benefits	72,517	82,359	(9,842)	72,709
Purchased services	-	2,725	(2,725)	-
Supplies and materials	<u>4,492</u>	<u>4,365</u>	<u>127</u>	<u>21,578</u>
Total	<u>439,008</u>	<u>481,204</u>	<u>(42,196)</u>	<u>432,409</u>
Remedial and supplemental programs K - 12				
Salaries	641,061	571,923	69,138	580,477
Employee benefits	140,912	152,703	(11,791)	163,148
Purchased services	500	1,350	(850)	13,211
Supplies and materials	950	1,918	(968)	5,144
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,434</u>
Total	<u>783,423</u>	<u>727,894</u>	<u>55,529</u>	<u>821,414</u>
Interscholastic programs				
Salaries	85,488	89,187	(3,699)	79,786
Employee benefits	535	1,161	(626)	1,638
Purchased services	<u>5,000</u>	<u>1,910</u>	<u>3,090</u>	<u>4,330</u>
Total	<u>91,023</u>	<u>92,258</u>	<u>(1,235)</u>	<u>85,754</u>
Summer school programs				
Salaries	35,825	26	35,799	6,801
Employee benefits	<u>-</u>	<u>1,602</u>	<u>(1,602)</u>	<u>1,095</u>
Total	<u>35,825</u>	<u>1,628</u>	<u>34,197</u>	<u>7,896</u>
Gifted programs				
Salaries	395,554	399,478	(3,924)	387,650
Employee benefits	67,304	67,346	(42)	63,209
Purchased services	2,500	-	2,500	-
Supplies and materials	<u>550</u>	<u>1,328</u>	<u>(778)</u>	<u>1,904</u>
Total	<u>465,908</u>	<u>468,152</u>	<u>(2,244)</u>	<u>452,763</u>
Bilingual programs				
Salaries	580,615	488,562	92,053	566,556
Employee benefits	99,754	86,364	13,390	108,613
Supplies and materials	<u>950</u>	<u>19,125</u>	<u>(18,175)</u>	<u>1,403</u>
Total	<u>681,319</u>	<u>594,051</u>	<u>87,268</u>	<u>676,572</u>
Special education programs K -12 - private tuition				
Other objects	<u>450,000</u>	<u>610,102</u>	<u>(160,102)</u>	<u>309,936</u>
Total	<u>450,000</u>	<u>610,102</u>	<u>(160,102)</u>	<u>309,936</u>
Total instruction	<u>17,006,904</u>	<u>17,253,603</u>	<u>(246,699)</u>	<u>15,928,897</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2017 ACTUAL
Support services				
Pupils				
Attendance and social work services				
Salaries	\$ 466,288	\$ 508,676	\$ (42,388)	\$ 478,756
Employee benefits	39,991	51,650	(11,659)	44,744
Purchased services	500	-	500	55
Supplies and materials	1,150	1,898	(748)	2,286
Total	507,929	562,224	(54,295)	525,841
Guidance services				
Salaries	520	-	520	-
Supplies and materials	500	-	500	-
Total	1,020	-	1,020	-
Health services				
Salaries	268,612	264,400	4,212	260,409
Employee benefits	87,698	106,900	(19,202)	97,733
Purchased services	3,500	3,956	(456)	4,637
Supplies and materials	5,100	3,078	2,022	7,906
Total	364,910	378,334	(13,424)	370,685
Psychological services				
Salaries	242,260	236,695	5,565	189,809
Employee benefits	27,255	35,215	(7,960)	24,940
Purchased services	4,460	7,666	(3,206)	3,652
Supplies and materials	500	2,480	(1,980)	773
Total	274,475	282,056	(7,581)	219,174
Speech pathology and audiology services				
Salaries	245,372	257,271	(11,899)	240,316
Employee benefits	32,332	32,211	121	29,661
Purchased services	1,000	699	301	306
Supplies and materials	850	1,987	(1,137)	2,229
Total	279,554	292,168	(12,614)	272,512
Total pupils	1,427,888	1,514,782	(86,894)	1,388,212

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-
GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Instructional staff				
Improvement of instructional services				
Salaries	\$ 197,424	\$ 226,700	\$ (29,276)	\$ 219,741
Employee benefits	36,200	39,236	(3,036)	46,204
Purchased services	50,725	42,467	8,258	37,436
Supplies and materials	9,000	2,601	6,399	3,495
Other objects	<u>1,000</u>	<u>444</u>	<u>556</u>	<u>1,884</u>
Total	<u>294,349</u>	<u>311,448</u>	<u>(17,099)</u>	<u>308,760</u>
Educational media services				
Salaries	849,217	887,374	(38,157)	836,589
Employee benefits	207,162	200,606	6,556	186,085
Purchased services	169,535	163,532	6,003	122,403
Supplies and materials	234,950	404,110	(169,160)	322,148
Capital outlay	244,700	88,698	156,002	48,723
Non-capitalized equipment	<u>28,000</u>	<u>68,635</u>	<u>(40,635)</u>	<u>165,307</u>
Total	<u>1,733,564</u>	<u>1,812,955</u>	<u>(79,391)</u>	<u>1,681,255</u>
Total instructional staff	<u>2,027,913</u>	<u>2,124,403</u>	<u>(96,490)</u>	<u>1,990,015</u>
General administration				
Board of education services				
Purchased services	295,002	245,993	49,009	291,859
Supplies and materials	7,100	7,183	(83)	7,576
Other objects	15,000	15,852	(852)	14,232
Termination benefits	<u>17,500</u>	<u>17,242</u>	<u>258</u>	<u>8,599</u>
Total	<u>334,602</u>	<u>286,270</u>	<u>48,332</u>	<u>322,266</u>
Executive administration services				
Salaries	262,345	276,407	(14,062)	270,247
Employee benefits	49,316	95,710	(46,394)	48,638
Purchased services	16,544	12,862	3,682	14,905
Supplies and materials	19,000	9,187	9,813	20,230
Other objects	<u>3,000</u>	<u>4,709</u>	<u>(1,709)</u>	<u>2,456</u>
Total	<u>350,205</u>	<u>398,875</u>	<u>(48,670)</u>	<u>356,476</u>
Total general administration	<u>684,807</u>	<u>685,145</u>	<u>(338)</u>	<u>678,742</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
School administration				
Office of the principal services				
Salaries	\$ 882,060	\$ 897,544	\$ (15,484)	\$ 889,285
Employee benefits	262,577	237,511	25,066	242,443
Purchased services	14,340	6,893	7,447	9,022
Supplies and materials	31,194	21,990	9,204	29,146
Total	1,190,171	1,163,938	26,233	1,169,896
Total school administration	1,190,171	1,163,938	26,233	1,169,896
Business				
Direction of business support services				
Salaries	141,905	151,131	(9,226)	144,623
Employee benefits	33,219	33,483	(264)	32,630
Purchased services	45,510	65,372	(19,862)	47,911
Supplies and materials	1,000	1,921	(921)	1,177
Capital outlay	1,000	-	1,000	1,516
Other objects	2,000	455	1,545	1,375
Total	224,634	252,362	(27,728)	229,232
Fiscal services				
Salaries	120,974	114,646	6,328	111,033
Employee benefits	30,946	31,644	(698)	34,254
Purchased services	13,000	11,432	1,568	8,588
Supplies and materials	15,000	15,105	(105)	23,035
Capital outlay	-	-	-	3,524
Other objects	10,000	4,467	5,533	349
Non-capitalized equipment	1,500	-	1,500	-
Total	191,420	177,294	14,126	180,783
Operation and maintenance of plant services				
Supplies and materials	-	-	-	33
Total	-	-	-	33
Food services				
Salaries	123,594	59,128	64,466	88,505
Employee benefits	17,954	2,722	15,232	11,912
Supplies and materials	375,000	401,273	(26,273)	413,314
Total	516,548	463,123	53,425	513,731

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Internal services				
Supplies and materials	\$ 5,000	\$ 3,838	\$ 1,162	\$ 9,515
Total	5,000	3,838	1,162	9,515
Total business	937,602	896,617	40,985	933,294
Central				
Information services				
Salaries	61,000	59,483	1,517	49,196
Purchased services	540	540	-	540
Other objects	500	-	500	-
Total	62,040	60,023	2,017	49,736
Staff services				
Salaries	66,580	57,252	9,328	58,525
Employee benefits	18,364	9,873	8,491	17,618
Purchased services	3,000	2,889	111	2,610
Total	87,944	70,014	17,930	78,753
Data processing services				
Purchased services	5,000	1,133	3,867	1,079
Supplies and materials	15,000	15,224	(224)	41,242
Total	20,000	16,357	3,643	42,321
Total central	169,984	146,394	23,590	170,810
Total support services	6,438,365	6,531,279	(92,914)	6,330,969
Community services				
Purchased services	2,075	6,433	(4,358)	9,348
Total community services	2,075	6,433	(4,358)	9,348
Payments to other districts and governmental units				
Payments for special education programs - tuition				
Other objects	1,300,000	1,564,704	(264,704)	1,237,581
Total	1,300,000	1,564,704	(264,704)	1,237,581
Total payments to other districts and governmental units	1,300,000	1,564,704	(264,704)	1,237,581
Total expenditures	24,747,344	25,356,019	(608,675)	23,506,795
Excess (deficiency) of revenues over expenditures	(1,374,951)	(1,705,508)	(330,557)	52,705

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-
GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

WWW.COMPTONRECORDS.COM/REPORTS FOR THE YEAR ENDED 2018, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Other financing sources (uses)				
Proceeds from capital lease	\$ -	\$ 302,400	\$ 302,400	\$ -
Transfer to debt service fund to pay principal on capital leases	(123,201)	(123,201)	-	(119,795)
Transfer to debt service fund to pay interest on capital leases	<u>(3,503)</u>	<u>(3,503)</u>	<u>-</u>	<u>(6,909)</u>
Total other financing sources (uses)	<u>(126,704)</u>	<u>175,696</u>	<u>302,400</u>	<u>(126,704)</u>
Net change in fund balance	<u><u>\$ (1,501,655)</u></u>	(1,529,812)	<u><u>\$ (28,157)</u></u>	(73,999)
Fund balance, beginning of year		<u>10,184,168</u>		<u>10,258,167</u>
Fund balance, end of year		<u>\$ 8,654,356</u>		<u>\$ 10,184,168</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89**TORT IMMUNITY AND JUDGMENT ACCOUNTS**

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

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

		2018		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2017 ACTUAL
Revenues				
Local sources				
Tort immunity levy	\$ -	\$ 41,472	\$ 41,472	\$ -
Total local sources	-	41,472	41,472	-
Total revenues	-	41,472	41,472	-
Expenditures				
Total expenditures	-	-	-	-
Net change in fund balance	\$ -	41,472	\$ 41,472	-
Fund balance, beginning of year		-		-
Fund balance, end of year		\$ 41,472		\$ -

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89**WORKING CASH ACCOUNTS**

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

FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Revenues				
Local sources				
General levy	\$ -	\$ 432	\$ 432	\$ -
Total local sources	-	432	432	-
Total revenues	-	432	432	-
Expenditures				
Total expenditures	-	-	-	-
Net change in fund balance	<u>\$ -</u>	432	<u>\$ 432</u>	-
Fund balance, beginning of year		<u>2,170,122</u>		<u>2,170,122</u>
Fund balance, end of year		<u>\$ 2,170,554</u>		<u>\$ 2,170,122</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89**AGENCY FUND - ACTIVITY FUNDS****SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018**

	BALANCE JUNE 30, 2017	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2018
Assets				
Cash	<u>\$ 169,532</u>	<u>\$ 295,999</u>	<u>\$ 195,112</u>	<u>\$ 270,419</u>
Liabilities				
Due to Student Groups				
Arbor View	\$ 19,848	\$ 132,508	\$ 40,639	\$ 111,717
Brian Glen	29,698	9,562	17,235	22,025
Park View	1,462	31,513	29,523	3,452
Westfield	45,004	32,064	27,171	49,897
Elementary Schools	31,119	46,106	34,481	42,744
Glen Crest	<u>42,401</u>	<u>44,246</u>	<u>46,063</u>	<u>40,584</u>
Total Liabilities	<u>\$ 169,532</u>	<u>\$ 295,999</u>	<u>\$ 195,112</u>	<u>\$ 270,419</u>

Statistical Section

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

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Governmental activities				
Net investment				
in capital assets	\$ 9,385,994	\$ 8,158,264	\$ 7,621,495	\$ 6,958,647
Restricted	3,298,894	2,668,469	2,594,302	2,627,479
Unrestricted	<u>(12,123,755)</u>	<u>9,131,391</u>	<u>8,939,104</u>	<u>8,865,768</u>
Total governmental activities				
net position	<u>\$ 561,133</u>	<u>\$ 19,958,124</u>	<u>\$ 19,154,901</u>	<u>\$ 18,451,894</u>

NOTE: In 2015, the District implemented GASB Statements 68 & 71 on pensions. The implementation of this accounting principle required restatement of 2014 net position amounts. In 2018, the District implemented GASB Statement 75 on OPEBs. The implementation of this accounting principle required restatement of 2017 net position amounts.

Fiscal years prior to 2014 were not adjusted for the effects of implementing GASB 68 & GASB 71. Fiscal years prior to 2018 were not adjusted for the effects of implementing GASB 75.

2014	2013	2012	2011	2010	2009
\$ 6,561,877	\$ 6,514,479	\$ 12,772,397	\$ 12,477,851	\$ 12,516,304	\$ 11,939,019
2,673,796	3,102,165	3,045,147	2,787,854	2,389,655	2,563,203
<u>8,805,223</u>	<u>11,753,302</u>	<u>11,965,221</u>	<u>11,556,736</u>	<u>10,514,114</u>	<u>10,975,695</u>
<u>\$ 18,040,896</u>	<u>\$ 21,369,946</u>	<u>\$ 27,782,765</u>	<u>\$ 26,822,441</u>	<u>\$ 25,420,073</u>	<u>\$ 25,477,917</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2018	2017	2016
GOVERNMENT-WIDE EXPENSES:			
Instructional services:			
Regular programs (1)	\$ 12,888,491	\$ 11,915,000	\$ 11,682,951
Special programs	6,440,830	5,403,083	4,930,431
Other programs	1,300,202	1,372,571	1,314,789
State Retirement Contributions (1)	27,740,415	11,114,422	7,707,350
Supporting services:			
Students	1,622,797	1,436,897	1,402,034
Instructional staff	2,343,449	2,081,989	2,076,018
District administration	801,775	647,218	800,618
School administration	1,531,319	1,184,135	1,158,876
Business	1,158,022	1,120,454	1,238,475
Operations and maintenance of facilities	2,196,272	2,435,279	2,495,756
Transportation	1,874,743	1,343,577	905,028
Food service (2)	-	-	-
Staff (2)	-	-	-
Central (2)	201,793	255,266	254,596
Community services	6,433	9,348	-
Non-programmed charges	-	-	-
Interest on long-term liabilities	287,648	490,453	560,460
Change in estimated useful lives of capital assets	-	-	-
Total Government-Wide Expenses	<u>\$ 60,394,189</u>	<u>\$ 40,809,692</u>	<u>\$ 36,527,382</u>
PROGRAM REVENUES:			
Charges for services	\$ 1,202,793	\$ 1,148,452	\$ 1,477,533
Operating grants and contributions	29,105,630	12,759,300	9,294,838
Capital grants and contributions	-	-	-
Total program revenues	<u>\$ 30,308,423</u>	<u>\$ 13,907,752</u>	<u>\$ 10,772,371</u>
NET EXPENSE	<u>\$ (30,085,766)</u>	<u>\$ (26,901,940)</u>	<u>\$ (25,755,011)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION			
Taxes:			
General purpose (2)	\$ -	\$ -	\$ -
Transportation (2)	-	-	-
Retirement (2)	-	-	-
Real estate taxes, levied for general purposes (2)	19,233,246	19,269,056	19,115,866
Real estate taxes, levied for specific purposes (2)	4,482,469	4,078,002	3,863,349
Real estate taxes, levied for debt service	2,614,828	2,492,663	2,405,359
Personal property replacement taxes (2)	178,191	216,466	195,987
Federal and state aid formula grants	1,529,441	863,578	742,821
Earnings on investments	159,225	73,455	31,659
Miscellaneous	542,334	711,943	102,977
Total general revenues	<u>\$ 28,739,734</u>	<u>\$ 27,705,163</u>	<u>\$ 26,458,018</u>
Change in net position	<u>\$ (1,346,032)</u>	<u>\$ 803,223</u>	<u>\$ 703,007</u>

(1) Includes effect of on-behalf payments required by GASB #24, prior to FY 2011.

(2) Prior to FY2011, the District recorded supporting services expenses and general revenues to different categories than those listed here.

NOTE: In 2015, the District implemented GASB Statements 68 & 71 on pensions. The implementation of this accounting principle required restatement of 2014 net position amounts. Fiscal years prior to 2014 were not adjusted for the effects of implementing GASB 68 & GASB 71. In 2018, the District implemented GASB Statement 75 for OPEBs. The implementation of this accounting principle required restatement of 2017 net position amounts. Fiscal years prior to 2018 were no adjusted for the effects of implementing GASB 75.

	2015	2014	2013	2012	2011	2010	2009
\$	11,660,243	\$ 11,956,060	\$ 11,115,060	\$ 11,345,922	\$ 10,013,502	\$ 13,938,876	\$ 12,925,070
	5,276,353	5,171,085	5,328,347	4,374,584	4,023,243	4,022,833	3,471,292
	1,228,251	1,179,102	1,099,241	949,116	961,578	677,512	819,811
	7,157,151	5,087,366	3,823,298	3,318,961	2,984,905	-	-
	1,314,930	1,236,240	1,228,564	1,167,773	1,096,650	1,014,150	999,044
	2,165,606	1,972,395	1,853,447	1,315,899	1,589,701	1,795,668	1,970,734
	755,019	731,879	708,271	714,133	615,750	744,185	589,784
	1,191,929	1,167,717	1,162,344	1,101,246	1,213,339	1,225,346	1,486,469
	1,141,276	1,142,849	1,098,613	1,210,545	743,417	555,146	703,347
	2,408,411	2,545,140	2,086,353	2,154,173	2,026,596	2,392,843	2,125,448
	862,121	911,514	951,994	876,866	1,164,853	1,158,421	1,089,462
	-	-	-	-	-	145,318	238,791
	-	-	-	-	-	146,801	46,748
	162,250	126,825	140,186	150,199	129,218	-	-
	960	1,293	1,595	1,648	11,765	19,769	1,681
	-	-	-	15,535	-	-	-
	869,341	1,075,139	888,737	918,613	971,056	992,661	801,026
	-	-	6,502,926	-	-	-	-
\$	<u>36,193,841</u>	<u>\$ 34,304,604</u>	<u>\$ 37,988,976</u>	<u>\$ 29,615,213</u>	<u>\$ 27,545,573</u>	<u>\$ 28,829,529</u>	<u>\$ 27,268,707</u>
\$	1,739,137	\$ 1,650,102	\$ 1,665,004	\$ 1,447,685	\$ 757,682	\$ 577,435	\$ 947,325
	8,809,452	6,786,948	5,507,587	4,910,328	4,912,526	4,933,571	4,645,851
	-	-	-	13,152	-	-	4,503
\$	<u>10,548,589</u>	<u>\$ 8,437,050</u>	<u>\$ 7,172,591</u>	<u>\$ 6,371,165</u>	<u>\$ 5,670,208</u>	<u>\$ 5,511,006</u>	<u>\$ 5,597,679</u>
\$	<u>(25,645,252)</u>	<u>\$ (25,867,554)</u>	<u>\$ (30,816,385)</u>	<u>\$ (23,244,048)</u>	<u>\$ (21,875,365)</u>	<u>\$ (23,318,523)</u>	<u>\$ (21,671,028)</u>
\$	-	\$ -	\$ -	\$ -	\$ -	\$ 19,135,968	\$ 18,668,252
	-	-	-	-	-	553,287	560,807
	-	-	-	-	-	582,831	502,206
	18,856,298	18,778,800	17,911,157	17,617,818	16,837,061	-	-
	3,692,076	3,641,490	3,409,649	3,420,178	3,405,043	-	-
	2,316,018	2,244,851	2,086,400	2,010,459	1,887,790	1,852,110	1,793,271
	214,081	199,060	192,528	196,829	206,175	-	-
	770,455	820,356	711,952	888,964	853,821	731,682	685,062
	17,843	14,400	26,004	15,024	57,462	90,036	621,237
	189,479	73,236	65,876	55,100	30,381	314,765	492,180
\$	<u>26,056,250</u>	<u>\$ 25,772,193</u>	<u>\$ 24,403,566</u>	<u>\$ 24,204,372</u>	<u>\$ 23,277,733</u>	<u>\$ 23,260,679</u>	<u>\$ 23,323,015</u>
\$	<u>410,998</u>	<u>\$ (95,361)</u>	<u>\$ (6,412,819)</u>	<u>\$ 960,324</u>	<u>\$ 1,402,368</u>	<u>\$ (57,844)</u>	<u>\$ 1,651,987</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2018	2017	2016	2015
General Fund:				
Reserved	\$ 41,472	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Unassigned	<u>10,824,910</u>	<u>12,354,290</u>	<u>12,428,289</u>	<u>12,612,187</u>
Total general fund	<u>\$ 10,866,382</u>	<u>\$ 12,354,290</u>	<u>\$ 12,428,289</u>	<u>\$ 12,612,187</u>
 All other governmental funds				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Debt service fund	-	-	-	-
Capital projects fund	-	-	-	-
Restricted	<u>3,692,736</u>	<u>3,337,247</u>	<u>3,284,931</u>	<u>3,269,450</u>
Total all other governmental funds	<u>\$ 3,692,736</u>	<u>\$ 3,337,247</u>	<u>\$ 3,284,931</u>	<u>\$ 3,269,450</u>

NOTE: In 2011 the District implemented GASB Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions. The implementation of this accounting principle required the Educational Fund and Working Cash Fund to be consolidated into the General Fund. Additional fund balance classifications were also implemented to remain in compliance with the reporting requirements of GASB 54.

Fiscal years prior to 2011 were not adjusted for the effects of implementing GASB 54.

2014	2013	2012	2011	2010	2009
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	10,826,485	11,503,658
<u>12,528,942</u>	<u>12,477,001</u>	<u>12,524,335</u>	<u>12,309,227</u>	<u>-</u>	<u>-</u>
<u>\$ 12,528,942</u>	<u>\$ 12,477,001</u>	<u>\$ 12,524,335</u>	<u>\$ 12,309,227</u>	<u>\$ 10,826,485</u>	<u>\$ 11,503,658</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	2,688,331	2,806,099
-	-	-	-	1,013,951	965,434
-	-	-	-	788,942	12,564,321
<u>3,354,730</u>	<u>3,476,162</u>	<u>3,436,275</u>	<u>3,193,354</u>	<u>-</u>	<u>-</u>
<u>\$ 3,354,730</u>	<u>\$ 3,476,162</u>	<u>\$ 3,436,275</u>	<u>\$ 3,193,354</u>	<u>\$ 4,491,224</u>	<u>\$ 16,335,854</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
GOVERNMENTAL FUNDS REVENUES
 LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Revenues:				
Local Sources:				
Taxes	\$ 26,508,734	\$ 26,056,187	\$ 25,580,561	\$ 25,078,473
Earnings on investments	159,225	73,455	31,659	17,843
Other local sources	<u>1,745,127</u>	<u>1,860,395</u>	<u>1,580,510</u>	<u>1,928,616</u>
Total local sources	28,413,086	27,990,037	27,192,730	27,024,932
State sources	30,117,489	12,967,733	9,210,118	8,990,168
Federal sources	<u>606,637</u>	<u>655,078</u>	<u>548,252</u>	<u>589,739</u>
Total revenues	<u>\$ 59,137,212</u>	<u>\$ 41,612,848</u>	<u>\$ 36,951,100</u>	<u>\$ 36,604,839</u>

	2014	2013	2012	2011	2010	2009
\$	24,864,201	\$ 23,599,734	\$ 23,245,284	\$ 22,336,069	\$ 22,124,196	\$ 21,524,536
	14,400	26,004	15,024	57,462	90,036	621,237
	<u>1,723,338</u>	<u>1,730,880</u>	<u>1,515,937</u>	<u>788,063</u>	<u>892,200</u>	<u>1,444,008</u>
	26,601,939	25,356,618	24,776,245	23,181,594	23,106,432	23,589,781
	7,145,088	5,881,641	5,390,437	5,057,397	4,899,253	4,816,108
	<u>490,433</u>	<u>628,105</u>	<u>370,090</u>	<u>429,291</u>	<u>766,000</u>	<u>514,805</u>
\$	<u>34,237,460</u>	<u>\$ 31,866,364</u>	<u>\$ 30,536,772</u>	<u>\$ 28,668,282</u>	<u>\$ 28,771,685</u>	<u>\$ 28,920,694</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
 LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Current:				
Instruction				
Regular programs (1)	\$ 11,573,011	\$ 10,963,088	\$ 10,751,528	\$ 10,692,046
Special programs	4,468,053	3,875,811	3,455,722	3,549,805
Other instructional programs	1,269,508	1,357,582	1,307,311	1,227,429
State retirement contributions (1)	<u>27,740,415</u>	<u>11,114,422</u>	<u>7,707,350</u>	<u>7,157,151</u>
Total instruction	<u>45,050,987</u>	<u>27,310,903</u>	<u>23,221,911</u>	<u>22,626,431</u>
Supporting Services (2)				
Pupils	1,561,173	1,433,121	1,372,412	1,290,402
Instructional staff	2,119,662	2,022,501	1,952,904	2,024,492
General administration	703,206	697,525	806,378	749,696
School administration	1,221,806	1,229,283	1,161,274	1,158,018
Business	936,260	971,880	1,021,509	934,005
Central	170,364	192,869	191,362	114,137
Community services	6,433	9,348	-	960
Payments to other districts and gov't units	1,564,704	1,237,581	1,138,221	1,409,452
Instruction	-	-	-	-
Operations and maintenance	2,076,982	2,287,914	2,305,719	2,213,799
Transportation	1,853,767	1,326,509	890,177	844,051
IMRF/Social security benefits	-	-	-	-
Capital projects	-	-	-	-
Total supporting services	<u>12,214,357</u>	<u>11,408,531</u>	<u>10,839,956</u>	<u>10,739,012</u>
Other:				
Debt service				
Principal	6,533,201	2,154,795	2,111,483	1,723,263
Interest, fees and bond issuance costs	564,991	573,944	574,856	1,014,538
Capital outlay	<u>453,495</u>	<u>186,358</u>	<u>371,311</u>	<u>660,907</u>
Total other	<u>7,551,687</u>	<u>2,915,097</u>	<u>3,057,650</u>	<u>3,398,708</u>
Total expenditures	<u>\$ 64,817,031</u>	<u>\$ 41,634,531</u>	<u>\$ 37,119,517</u>	<u>\$ 36,764,151</u>
Debt service as a percentage of noncapital expenditures	11.03%	6.58%	7.31%	7.58%

(1) Includes effect of on-behalf payments required by GASB #24, prior to FY 2011.

(2) Prior to FY2011, the District recorded supporting services expenditures to different categories than those listed here.

	2014	2013	2012	2011	2010	2009
\$	10,989,269	\$ 10,195,856	\$ 10,185,570	\$ 9,657,266	\$ 13,074,490	\$ 12,293,695
	3,529,623	3,714,538	3,335,845	3,072,827	3,123,529	2,777,234
	1,179,102	1,099,241	949,116	961,578	676,931	817,527
	<u>5,087,366</u>	<u>3,823,298</u>	<u>3,318,961</u>	<u>2,984,905</u>	<u>-</u>	<u>-</u>
	<u>20,785,360</u>	<u>18,832,933</u>	<u>17,789,492</u>	<u>16,676,576</u>	<u>16,874,950</u>	<u>15,888,456</u>
	1,236,240	1,228,564	1,167,773	1,096,650	-	-
	1,885,287	1,755,054	1,686,312	1,554,059	-	-
	731,879	708,271	714,133	615,750	-	-
	1,166,388	1,163,833	1,102,735	1,219,053	-	-
	964,562	928,555	1,057,175	666,869	-	-
	87,749	102,914	116,980	111,504	-	-
	1,293	1,595	1,648	11,765	-	-
	1,379,832	1,401,401	864,964	850,551	-	-
	-	-	-	-	6,097,527	6,121,019
	2,399,154	1,952,171	2,035,193	1,977,020	2,185,714	1,961,332
	897,337	938,471	864,814	1,159,056	1,150,785	1,080,537
	-	-	-	-	513,261	498,261
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>600</u>
	<u>10,749,721</u>	<u>10,180,829</u>	<u>9,611,727</u>	<u>9,262,277</u>	<u>9,947,287</u>	<u>9,661,749</u>
	2,455,356	1,421,025	1,465,587	1,218,541	1,127,022	1,933,820
	937,619	958,589	985,706	1,030,953	1,083,937	738,955
	<u>771,637</u>	<u>480,435</u>	<u>601,358</u>	<u>295,063</u>	<u>12,260,292</u>	<u>10,283,969</u>
	<u>4,164,612</u>	<u>2,860,049</u>	<u>3,052,651</u>	<u>2,544,557</u>	<u>14,471,251</u>	<u>12,956,744</u>
\$	<u>35,699,693</u>	<u>\$ 31,873,811</u>	<u>\$ 30,453,870</u>	<u>\$ 28,483,410</u>	<u>\$ 41,293,488</u>	<u>\$ 38,506,949</u>
	9.71%	7.58%	8.21%	7.62%	9.47%	7.50%

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Excess of revenues over (under) expenditures	\$ (5,679,819)	\$ (21,683)	\$ (168,417)	\$ (159,312)
Other financing sources (uses)				
Proceeds from borrowing	-	-	-	-
Proceeds from refunding	4,245,000	-	-	9,670,000
Premium on bonds sold	-	-	-	293,182
Payments to escrow agent	-	-	-	(9,805,905)
Transfers in	318,071	316,114	314,097	551,322
Transfers out	(318,071)	(316,114)	(314,097)	(551,322)
Capital lease value	<u>302,400</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>4,547,400</u>	<u>-</u>	<u>-</u>	<u>157,277</u>
Net change in fund balances	<u>\$ (1,132,419)</u>	<u>\$ (21,683)</u>	<u>\$ (168,417)</u>	<u>\$ (2,035)</u>

2014	2013	2012	2011	2010	2009
\$ (1,462,233)	\$ (7,447)	\$ 82,902	\$ 184,872	\$ (12,521,803)	\$ (9,586,255)
-	-	-	-	-	15,185,909
920,000	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
545,964	327,791	669,382	396,261	428,190	445,134
(545,964)	(327,791)	(669,382)	(396,261)	(428,190)	(445,134)
<u>472,742</u>	<u>-</u>	<u>375,127</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,392,742</u>	<u>-</u>	<u>375,127</u>	<u>-</u>	<u>-</u>	<u>15,185,909</u>
<u>\$ (69,491)</u>	<u>\$ (7,447)</u>	<u>\$ 458,029</u>	<u>\$ 184,872</u>	<u>\$ (12,521,803)</u>	<u>\$ 5,599,654</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN TAX LEVY YEARS

LEVY YEAR	ASSESSED VALUATION			TOTAL ASSESSED VALUE	TOTAL DIRECT RATE	ESTIMATED ACTUAL VALUE
	RESIDENTIAL	FARMS	COMMERCIAL AND INDUSTRIAL			
2017	\$ 671,680,246	\$ -	\$ 135,402,400	\$ 807,082,646	3.3184	2,421,247,938
2016	641,035,545	-	131,496,569	772,532,114	3.3789	2,317,596,342
2015	606,935,803	-	126,832,568	733,768,371	3.5010	2,201,305,113
2014	598,006,765	-	121,366,151	719,372,916	3.5149	2,158,118,748
2013	607,202,080	-	128,508,650	735,710,730	3.3612	2,207,132,190
2012	636,992,670	2,687	133,103,905	770,099,262	3.1426	2,310,297,786
2011	687,965,863	3,317	132,278,087	820,247,267	2.8555	2,460,741,801
2010	743,936,335	3,016	136,863,365	880,802,716	2.6035	2,642,408,148
2009	772,047,843	2,742	143,351,702	915,402,287	2.4238	2,746,206,861
2008	773,170,758	2,494	138,907,550	912,080,802	2.4132	2,736,242,406

Source: DuPage County Clerk

Note: The county assesses property at approximately 33.3% of actual value for all types of real property. Estimated actual value is calculated by dividing assessed value by that percentage. Tax rates are per \$100 of assessed value. This Total Direct Rate includes Bond & Interest Fund.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
 LAST TEN TAX LEVY YEARS

DISTRICT DIRECT RATES	2017	2016	2015	2014	2013
Educational	\$ 2.2700	\$ 2.4975	\$ 2.6226	\$ 2.6496	\$ 2.5496
Special Education	0.1208	0.0054	0.0058	0.0055	0.0054
Operations and Maintenance	0.3792	0.3622	0.3404	0.3340	0.2990
Tort immunity	0.0103	-	-	-	-
Transportation	0.1209	0.1012	0.1074	0.1040	0.1022
Illinois Municipal Retirement	0.0410	0.0406	0.0464	0.0445	0.0475
Social Security	0.0426	0.0406	0.0464	0.0445	0.0475
Working Cash	0.0001	-	-	-	-
Debt services	0.3335	0.3314	0.3320	0.3328	0.3100
Total direct	3.3184	3.3789	3.5010	3.5149	3.3612

OVERLAPPING RATES

TAXING DISTRICTS

DuPage County	0.1749	0.1848	0.1971	0.2057	0.2040
DuPage County Forest Preserve	0.1306	0.1514	0.1622	0.1691	0.1657
DuPage Airport Authority	0.0166	0.0176	0.0188	0.0196	0.0178
Milton Township	0.0449	0.0457	0.0475	0.4840	0.0468
Milton Township Road District	0.0734	0.0748	0.0778	0.0793	0.0767

MUNICIPALITIES

Village of Glen Ellyn & Library	0.8347	0.8555	0.8943	0.9315	0.9182
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MISCELLANEOUS DISTRICTS

Glen Ellyn Mosquito Abatement	0.0106	0.0107	0.0111	0.0115	0.0111
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PARK DISTRICTS

Glen Ellyn Park District	0.3090	0.3981	0.4435	0.4534	0.4377
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SCHOOL DISTRICTS

Township High School District No. 87	2.3402	2.4030	2.5173	2.5824	2.4877
Community College District 502	0.2431	0.2626	0.2786	0.2975	0.2956

Source: DuPage County Clerk

Note: Tax rates are per \$100 of assessed value.

2012	2011	2010	2009	2008
\$ 2.3912	\$ 2.1914	\$ 1.9795	\$ 1.8430	\$ 1.8425
0.0052	0.0013	0.0012	0.0012	0.0012
0.2688	0.2403	0.2339	0.2450	0.2500
-	-	-	-	0.0012
0.1152	0.1065	0.1033	0.0600	0.0610
0.0384	0.0272	0.0264	0.0302	0.0185
0.0416	0.0362	0.0354	0.0393	0.0391
-	-	-	-	-
<u>0.2822</u>	<u>0.2526</u>	<u>0.2238</u>	<u>0.2051</u>	<u>0.1997</u>
<u>3.1426</u>	<u>2.8555</u>	<u>2.6035</u>	<u>2.4238</u>	<u>2.4132</u>

0.1929	0.1773	0.166	0.155	0.156
0.1542	0.1414	0.132	0.122	0.121
0.0168	0.0169	0.016	0.015	0.016
0.0439	0.0406	0.037	0.035	0.035
0.0720	0.0651	0.060	0.056	0.056
0.8489	0.769	0.693	0.647	0.600
0.0103	0.009	0.008	0.008	0.008
0.4114	0.371	0.338	0.318	0.312
2.2868	2.020	1.838	1.675	1.651
0.2681	0.250	0.235	0.213	0.186

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

PRINCIPAL PROPERTY TAXPAYERS IN THE DISTRICT * CURRENT LEVY YEAR AND NINE YEARS AGO

TAXPAYER	TYPE OF BUSINESS, PROPERTY	2017 EQUALIZED ASSESSED VALUATION	PERCENTAGE OF DISTRICT'S TOTAL 2017 EQUALIZED ASSESSED VALUATION
1. FF Realty	Apartments	\$ 18,418,690	2.28%
2. Clover Creek Apartments	Apartments	10,129,040	1.26%
3. Market Plaza 450 LLC	Strip Shopping Center	9,842,360	1.22%
4. Arbors Properties of Glen Ellyn	Apartments	8,842,280	1.10%
5. Brookdale Living Community	Retirement Community	7,883,330	0.98%
6. Friedkin Realty Group	Apartments	6,966,020	0.86%
7. Baker Hill Station LLC	Baker Hill shopping center	6,833,200	0.85%
8. Glen Hill North LLC	Office building	5,145,130	0.64%
9. Butterfield Associates	Hillcrest Apartments	4,468,460	0.55%
10. Wal Mart Property Tax Dep	Walmart store	4,130,420	0.51%
		<u>\$ 82,658,930</u>	10.25%

TAXPAYER	TYPE OF BUSINESS, PROPERTY	2008 EQUALIZED ASSESSED VALUATION	PERCENTAGE OF DISTRICT'S TOTAL 2008 EQUALIZED ASSESSED VALUATION
1. F&F Realty (Village II)	Apartment Complex	\$13,515,440	1.56%
2. Glen Ellyn Plaza	Strip Shopping Center	8,940,360	1.03%
3. Scott Retzliff & Assoc.	Baker Hill Shopping Center	7,759,170	0.90%
4. Red Mortgage Capital	Clover Creek Apartments	7,572,580	0.87%
5. Stahelin Enterprise LP	Office Building	6,232,970	0.72%
6. Bassman FBT LLC	Roosevelt Hills Office Building	5,708,406	0.66%
7. Brookdale Living Community	Retirement Community	5,701,970	0.66%
8. Berkshire Property Advisors	Apartments	5,036,900	0.58%
9. Central DuPage Health System	Healthcare	4,663,730	0.54%
10. AVI I LLC	Briarcliff Apartments	4,528,550	0.52%
Total		<u>\$69,660,076</u>	8.04%

**For tax year 2017, the figures above are totals of numerous parcel valuations with equalized assessed valuations of \$300,000 and over as recorded in the County Assessors' office. It is possible, however, that certain parcels may have been overlooked.

NOTE: 2017 was the most recent year available

Sources: Offices of the DuPage County Clerk

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN TAX LEVY YEARS

LEVY YEAR	TAXES LEVIED FOR THE LEVY YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2017	\$ 26,782,231	\$ 14,319,075	53.46%	\$ -	\$ 14,319,075	53.46%
2016	26,103,088	13,614,129	52.16%	12,367,503	25,981,632	99.53%
2015	25,689,232	12,951,350	50.42%	12,682,062	25,633,412	99.78%
2014	25,285,239	12,365,742	48.90%	12,817,185	25,182,927	99.60%
2013	24,728,709	12,280,349	49.66%	12,304,098	24,584,447	99.42%
2012	24,201,139	11,793,568	48.73%	12,339,502	24,133,070	99.72%
2011	23,422,161	11,654,597	49.76%	11,622,244	23,276,841	99.38%
2010	22,931,699	11,356,779	49.52%	11,372,517	22,729,296	99.12%
2009	22,187,520	10,747,032	48.44%	11,420,151	22,167,183	99.91%
2008	22,010,334	10,291,679	46.76%	11,690,265	21,981,944	99.87%

Source: DuPage County Levy, Rate and Extension Reports for 2008-2017

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

YEAR	GENERAL OBLIGATION BONDS	CAPITAL LEASES	DEBT CERTIFICATES	TOTAL	PERCENTAGE OF PERSONAL INCOME	OUTSTANDING DEBT PER CAPITA
2018	\$ 13,480,000	\$ 302,400	\$ 190,000	\$ 13,972,400	1.73%	\$ 498
2017	15,460,000	123,201	375,000	15,958,201	1.06%	566
2016	17,315,000	242,996	555,000	18,112,996	1.22%	642
2015	19,135,000	359,479	730,000	20,224,479	1.41%	728
2014	20,005,000	472,742	910,000	21,387,742	1.52%	770
2013	21,290,000	125,356	1,035,000	22,450,356	1.62%	812
2012	22,440,000	246,381	1,185,000	23,871,381	1.73%	863
2011	23,460,000	178,541	1,330,000	24,968,541	1.88%	910
2010	24,360,000	350,382	1,470,000	26,180,382	1.95%	948
2009	25,165,000	-	1,605,000	26,770,000	2.49%	992

Note: See Demographic and Economic Statistics table for personal and population data.

Source: DuPage County Clerk and District Financial Records

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
RATIOS OF OUTSTANDING DEBT BY TYPE (GENERAL BONDED DEBT)
 LAST TEN FISCAL YEARS

FISCAL YEAR	GENERAL BONDED DEBT	LESS: AMOUNTS AVAILABLE TO REPAY PRINCIPAL	NET GENERAL BONDED DEBT	PERCENTAGE OF NET GENERAL BONDED DEBT TO ESTIMATED ACTUAL VALUATION	NET GENERAL BONDED DEBT PER CAPITA
2018	\$ 13,480,000	\$ 1,610,756	\$ 11,869,244	1.47%	\$ 423
2017	15,460,000	1,478,190	13,981,810	1.81%	496
2016	17,315,000	1,079,985	16,235,015	2.21%	576
2015	19,135,000	1,095,550	18,039,450	2.51%	650
2014	20,005,000	891,509	19,113,491	2.60%	689
2013	21,290,000	769,350	20,520,650	2.66%	742
2012	22,440,000	1,104,603	21,335,397	2.60%	772
2011	23,460,000	1,042,729	22,417,271	2.55%	817
2010	24,360,000	1,013,951	23,346,049	2.55%	857
2009	25,165,000	965,434	24,199,566	2.65%	896

Source: DuPage County Clerk and District Financial Records

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
(As of June 30, 2018)

	2017 REAL ESTATE VALUATION	ASSESSED VALUE IN DISTRICT	OUTSTANDING BONDS		APPLICABLE TO DISTRICT PERCENT	AMOUNT
DuPage County	\$38,205,550,236	\$807,082,652	\$31,845,000	(1)(3)	2.112%	\$672,718
DuPage County Forest Preserve	38,205,550,236	807,082,652	111,711,749	(1)(2)	2.112%	2,359,883
Municipalities:						
Village of Downers Grove	2,439,033,014	114,980	63,365,000	(4)	0.005%	2,987
Village of Glen Ellyn	1,416,792,966	325,351,793	19,250,000		22.964%	4,420,563
City of Wheaton	2,107,089,396	150,848,685	19,675,000		7.159%	1,408,553
Miscellaneous:						
DuPage Special Service Area #19	11,607,290	11,607,290	1,368,999		100.000%	1,368,999
Wheaton Sanitary District	2,093,416,327	12,200,793	0	(3)	0.583%	
Park Districts:						
Butterfield	278,121,309	115,123,399	2,916,537	(1)	41.393%	1,207,249
Downers Grove	2,363,776,224	105,690	9,275,000	(1)	0.004%	415
Glen Ellyn	1,663,184,056	305,517,969	3,030,000		18.369%	556,595
Lombard	1,329,443,720	38,644,570	5,441,289		2.907%	158,169
Wheaton	2,325,245,877	162,565,015	22,524,650	(1)	6.991%	1,574,767
School Districts:						
High School District #87	5,412,038,529	807,082,652	51,230,000	(1)(3)	14.913%	7,639,791
Community College District #502	43,214,502,099	807,082,652	151,525,000	(1)	1.868%	\$ 2,829,911
Total Overlapping General Obligation Bonded Debt						24,200,598
Glen Ellyn Community Consolidated School District Number 89	807,082,646	807,082,646	13,480,000		100.000%	\$ 13,480,000
Total Direct and Overlapping General Obligation Bonded Debt						\$ 37,680,598

- (1) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.
(2) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.
(3) Excludes Certificates of Indebtedness
(4) Includes outstanding Tax Increment Finance bonds.

Source: DuPage County Clerk's Office

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed Valuation	\$ 807,082,646	
Debt Limit - 6.9% of Assessed Valuation		\$ 55,688,703
Total Debt Outstanding	\$ 13,972,400	
Net Subject to 6.9% Limit		<u>13,972,400</u>
Total Debt Margin		<u>\$ 41,716,303</u>

	2018	2017	2016	2015
Debt Limit	\$ 55,688,703	\$ 55,688,703	\$ 50,630,018	\$ 49,636,731
Total Net Debt Applicable to Limit	<u>13,972,400</u>	<u>13,972,400</u>	<u>18,112,996</u>	<u>20,224,479</u>
Legal Debt Margin	<u>\$ 41,716,303</u>	<u>\$ 41,716,303</u>	<u>\$ 32,517,022</u>	<u>\$ 29,412,252</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	25%	25%	36%	41%

Fiscal Year					
2014	2013	2012	2011	2010	2009
\$ 50,764,040	\$ 53,136,849	\$ 56,597,061	\$ 60,775,387	\$ 63,162,758	\$ 62,933,575
<u>21,387,742</u>	<u>22,450,356</u>	<u>23,625,000</u>	<u>24,790,000</u>	<u>24,816,049</u>	<u>25,804,566</u>
<u>\$ 29,376,298</u>	<u>\$ 30,686,493</u>	<u>\$ 32,972,061</u>	<u>\$ 35,985,387</u>	<u>\$ 38,346,709</u>	<u>\$ 37,129,009</u>
42%	42%	42%	41%	39%	41%

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN CALENDAR YEARS

YEAR	POPULATION	PERSONAL INCOME	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2017	28,045	\$ 1,567,967,905	\$ 55,909	3.8%
2016	28,201	1,505,538,088	52,564	4.5%
2015	28,201	1,480,157,686	52,486	4.6%
2014	27,763	1,434,764,077	51,679	5.3%
2013	27,761	1,404,428,990	50,590	6.5%
2012	27,650	1,381,753,450	49,973	6.4%
2011	27,648	1,378,252,800	49,850	7.2%
2010	27,450	1,336,513,050	48,689	7.0%
2009	27,236	1,327,074,100	48,725	7.3%
2008	26,999	1,074,101,217	39,783	10.3%

SOURCE:

The Village of Glen Ellyn statistics were used in this table as listed below.

Population - U.S. Census Bureau

Per capita personal income - U.S. Census Bureau, American FactFinder, and American Community Survey 5-Year Estimates and QuickFacts from the US Census Bureau

Unemployment rate - Illinois Department of Employment Security

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89**PRINCIPAL EMPLOYERS**

CURRENT YEAR AND NINE YEARS AGO

2018

EMPLOYER	TYPE OF BUSINESS	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
College of DuPage	Public College	2,175	34.6%
MarionJoy Rehabilitation Hospital	Hospital	950	15.1%
Wheaton College	Christian Liberal Arts College and Graduate School	865	13.7%
Glenbard School District 87	Public High Schools	850	13.5%
First Trust Portfolios L.P.	Software Development	500	7.9%
Pepperidge Farm, Inc.	Baked Goods	375	6.0%
Wyndemere Senior Living Campus	Retirement Community & Rehabilitation	367	5.8%
Acosta Sales & Marketing	Food Wholesalers	325	5.2%
Univar USA Inc.	Chemical Preparations	300	4.8%
City of Wheaton	Local Government	296	4.7%
Andy Frain Services, Inc.	Commercial Security Guards	250	4.0%

*Includes full and part-time.

The 2017 directories listed below list the number of employees in the previous year (2016).

The estimated number of persons employed in the District in 2017 is 6,294.

Sources: (1) 2018 Illinois Manufacturers and Services Directories
 (2) 2018 Illinois Services Directory
 (3) Employer Official Website and/or Financial Reports
 (4) Reference USA

2009

EMPLOYER		EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
College of DuPage	Community College	2,600	18%
Good Samaritan Hospital	Hospital	2,500	18%
GCA Services	School maintenance	2,000	14%
Sara Lee	Corporate headquarters, cakes and bakery products	1,200	9%
FTD Inc.	Direct flower and gift marketing	509	4%
Acosta Sales and Marketing Co.	Food brokers	500	4%

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89

NUMBER OF EMPLOYEES BY TYPE

LAST TEN FISCAL YEARS

	2017- 2018	2016- 2017	2015- 2016	2014- 2015
General Administration:				
Superintendent	1	1	1	1
Assistant Superintendent	2	2	2	2
District Administrators	3	3	3	3
School Administration:				
Principals and Assistants	6	6	6	6
Total Administration	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>
Instruction:				
Pre-K	4	4	3	3
K-5, Gifted	62	60	58	53
Jr. High	29	28	31	34
Art, Music, PE, Health	20	20	20	19
Special Program:				
Special Ed	12	11	11	11
Psychologists	4	3	3	2
Other student support	28	28	29	29
Total teachers	<u>158</u>	<u>154</u>	<u>155</u>	<u>151</u>
Support Services:				
Clerical 10/12 Month	19	19	18	18
Aides	66	54	49	46
Nurses (RNs)	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>
Total support staff	90	78	72	69
Total staff	<u>260</u>	<u>244</u>	<u>239</u>	<u>233</u>

Source: District Payroll Records

2013- 2014	2012- 2013	2011- 2012	2010- 2011	2009- 2010	2008- 2009
1	1	1	1	1	1
2	2	2	2	2	2
3	3	3	3	3	2
6	6	6	6	6	7
<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>
3	3	3	3	4	3
54	53	54	52	53	59
35	34	34	35	39	34
19	20	20	19	15	17
13	14	14	10	16	17
1	1	1	1	1	1
31	30	30	34	35	28
<u>156</u>	<u>155</u>	<u>156</u>	<u>154</u>	<u>162</u>	<u>157</u>
18	18	18	21	19	19
60	68	61	61	70	59
5	5	5	6	6	6
83	91	84	88	95	84
<u>251</u>	<u>258</u>	<u>252</u>	<u>254</u>	<u>269</u>	<u>253</u>

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
OPERATING STATISTICS
 LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT (ADA)	EXPENSES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF	PUPIL - TEACHER RATIO
2018	2,102	\$ 25,826,921	\$ 12,284	-3.25%	158	13.3
2017	2,036	25,851,316	12,697	2.89%	154	13.2
2016	2,006	24,748,180	12,340	-4.39%	155	12.9
2015	1,911	24,666,135	12,907	2.57%	151	12.7
2014	1,972	23,963,850	12,583	2.33%	156	12.7
2013	1,937	23,824,617	12,297	0.84%	155	12.5
2012	1,908	23,271,657	12,194	5.06%	156	12.2
2011	1,932	22,429,896	11,607	-5.18%	154	12.5
2010	1,908	23,355,682	12,241	7.69%	162	11.8
2009	1,984	22,552,217	11,367	2.80%	157	12.6

Source: DuPage County Clerk and District Financial Records

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 89
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Arbor View Elementary (1959)				
Square Feet, Main Building	42,384	42,384	42,384	42,384
Capacity (Students)	424	424	424	424
Enrollment - Fall Housing	296	358	355	301
Briar Glen Elementary (1971)				
Square Feet, Main Building	53,849	53,849	53,849	53,849
Capacity (Students)	538	538	538	538
Enrollment - Fall Housing	508	383	327	312
Park View Elementary (1965)				
Square Feet, Main Building	47,756	47,756	47,756	47,756
Capacity (Students)	475	478	478	478
Enrollment - Fall Housing	464	470	463	470
Westfield Elementary (1967)				
Square Feet, Main Building	49,990	49,990	49,990	49,990
Capacity (Students)	500	500	500	500
Enrollment - Fall Housing	317	323	303	289
Glen Crest Middle (1962)				
Square Feet, Main Building	123,254	123,254	123,254	123,254
Capacity (Students)	1,027	1,027	1,027	1,027
Enrollment - Fall Housing	683	674	653	639
Administration Center (1999)				
Square Feet	9,000	9,000	9,000	9,000
Maintenance Garage				
Square Feet	2,607	2,607	2,607	2,607

Source: District Building Records

2014	2013	2012	2011	2010	2009
42,384	42,384	42,384	42,384	42,384	42,384
424	424	424	424	424	424
307	318	341	343	343	320
53,849	53,849	53,849	53,849	53,849	53,849
538	538	538	538	538	538
309	296	305	306	306	328
47,756	47,756	47,756	47,756	47,756	47,756
478	478	478	478	478	478
431	414	389	372	372	365
49,990	49,990	49,990	49,990	49,990	49,990
500	500	500	500	500	500
303	282	274	302	302	316
123,254	123,254	123,254	123,254	123,254	123,254
1,027	1,027	1,027	1,027	1,027	1,027
622	658	688	737	737	745
9,000	9,000	9,000	9,000	9,000	9,000
2,607	2,607	2,607	2,607	2,607	2,607