

**CONSOLIDATED HIGH SCHOOL DISTRICT 230
ORLAND PARK, ILLINOIS**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2017**

CONSOLIDATED HIGH SCHOOL DISTRICT 230

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To the Board of Education
Consolidated High School District 230
Orland Park, Illinois

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Consolidated High School District 230 (District) as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2017, and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Other Information, Other Supplementary Information and Other Supplemental Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The Other Information and Other Supplemental Schedules have 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 them.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended June 30, 2016, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The 2016 Other Supplementary Information 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 2016 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2016 Other Supplementary Information is fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Wermer, Rogers, Doran & Ruyon, LLC

October 12, 2017

**OTHER INFORMATION –
MANAGEMENT’S DISCUSSION AND ANALYSIS**

CONSOLIDATED HIGH SCHOOL DISTRICT 230
MANAGEMENT'S DISCUSSION AND ANALYSIS
as of and for the fiscal year ended June 30, 2017

As management of the Consolidated High School District No. 230 (the District), we offer readers of the District's Annual Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended June 30, 2017.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities at the close of the most recent fiscal year by \$180,749,582 (net position).
- The total net position of the District increased by \$8,460,313 during fiscal year 2017 from \$172,289,269 in fiscal year 2016.
- During the current fiscal year, the fund balance in the District's General Fund increased by \$1,517,422 resulting in an ending fund balance of \$60,749,047.
- The District's long-term obligations decreased by \$10,796,212 to \$17,841,577 from \$28,637,789.

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements presented on pages 10-16 are comprised of two components: 1) Government-wide financial statements, and 2) Fund financial statements, the related notes to financial statements appear on pages 17-44. This report also contains combining and individual fund financial statements and schedules and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader of the District's Annual Financial Report a broad overview of the financial activities in a manner similar to a private sector business. The government-wide financial statements include the statement of net position arising from cash transactions and the statement of activities arising from cash transactions.

The statement of net position arising from cash transactions presents information about all of the District's assets, deferred outflows of resources, and liabilities as reported using the cash basis of accounting. The difference between assets, deferred outflows of resources, and liabilities is reported as net position. Over time, changes 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 arising from cash transactions presents information showing how the net position of the District changed during the current fiscal year. Changes in net position are recorded in the statement of activities using the cash basis of accounting. The cash basis of accounting is described in the notes to the financial statements.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
MANAGEMENT'S DISCUSSION AND ANALYSIS
as of and for the fiscal year ended June 30, 2017

Both of the government-wide financial statements differentiate functions of the District that are supported from taxes and intergovernmental revenues (governmental activities). Governmental activities consolidate governmental funds including general, special revenue, debt service and capital projects funds. The government-wide financial statements can be found on pages 10-11 of this report.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. Fund financial statements for the District include governmental funds and fiduciary funds.

Governmental fund financial statements account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities statements report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The District maintains eight different governmental funds and subfunds. The major funds are the General Fund, Transportation Fund, and Debt Service Fund. The General Fund compiles three subfunds: Education, Operations and Maintenance, and Working Cash. Individual fund information for the nonmajor funds is presented in the combining and individual fund financial statements and schedules section of this report.

The District adopts an annual budget for each of the governmental funds. Budgetary comparison schedules for the General Fund and other major special revenue fund are included in the other information section of this report to demonstrate compliance with the adopted budget. The remaining governmental funds budgetary comparisons are reported in the combining and individual fund financial statements and schedules section of this report. The basic governmental fund financial statements can be found on pages 12-15 of this report.

The District also maintains fiduciary funds in the form of agency funds, which are used to account for resources - exclusively cash - held by the District for the benefit of student groups. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is the same as that used for the government-wide financial statements. The fiduciary fund financial statement can be found on page 16 of this report.

Notes to Financial Statements

The notes to financial statements provide additional information that is essential for a full understanding of the data provided in the basic financial statements. The notes can be found on pages 17-44 of this report.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
MANAGEMENT'S DISCUSSION AND ANALYSIS
as of and for the fiscal year ended June 30, 2017

Government-wide Financial Analysis

The assets of the District are classified as cash, investments and capital assets. Cash and investments are current assets. These assets are available to provide resources for the near-term operations of the District. Capital assets are used in the operations of the District. These are land, improvements, buildings, and equipment. Capital assets are discussed in greater detail in the section entitled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated retirement in the near-term or in the future. Current liabilities include short-term debt obligations to be retired in the 2017-2018 fiscal year. Long-term liabilities such as long-term debt obligations will be retired from resources that will become available after fiscal year 2018.

The assets and deferred outflows of resources of the District's activities exceed liabilities by \$180,749,582 with a net investment of \$103,225,463 in land, improvements, buildings, and equipment to provide the services to the District's public school students, which represents 57 percent of the District's net position. Net position of \$10,035,376, accumulated due to bonded debt property tax levy assessments, have been restricted to provide resources to retire the current general obligation bond principal and related interest payments.

Net Position for Governmental Activities

	June 30, 2017	June 30, 2016	% Change
Assets:			
Current assets	\$ 77,529,445	\$ 77,281,087	0.32%
Capital assets	121,052,477	123,649,030	-2.10%
Total assets	198,581,922	200,930,117	-1.17%
Deferred Outflows of Resources	14,563	58,284	-75.01%
Liabilities:			
Current liabilities	5,326	61,343	-91.32%
Noncurrent liabilities	17,841,577	28,637,789	-37.70%
Total liabilities	17,846,903	28,699,132	-37.81%
Net position:			
Net investment in capital assets	103,225,463	95,069,525	8.58%
Restricted	14,694,768	14,498,054	1.36%
Unrestricted	62,829,351	62,721,690	0.17%
Total net position	\$ 180,749,582	\$ 172,289,269	4.91%

Government-wide Activities

Governmental activities increased the net position of the District by \$8,460,313 thereby accounting for all of the total increase in the net position of the District.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
MANAGEMENT'S DISCUSSION AND ANALYSIS
as of and for the fiscal year ended June 30, 2017

Governmental Activities

	For the Year Ended		
	June 30, 2017	June 30, 2016	% Change
Revenues:			
Program revenues			
Charges for services	\$ 5,131,683	\$ 4,710,950	8.93%
Grants and contributions	56,147,185	42,298,181	32.74%
General revenues			
Property taxes	117,579,415	116,844,951	0.63%
In lieu of taxes	1,229,352	1,106,712	11.08%
TIF Surplus	225,965	-	n/a
General state aid and other unrestricted grants	4,972,621	4,413,542	12.67%
Earnings on investment	441,516	123,322	258.02%
Other income	858,331	244,606	250.90%
Total Revenues	186,586,068	169,742,264	9.92%
Expenses:			
Governmental activities			
Instructional	124,090,632	108,299,447	14.58%
Pupil support	10,408,539	10,042,583	3.64%
Other support	31,079,215	29,887,541	3.99%
Transportation	9,109,332	9,566,412	-4.78%
Administration	2,632,453	2,639,844	-0.28%
Interest expense	805,584	1,286,390	-37.38%
Total expenses	178,125,755	161,722,217	10.14%
Increase in net position	8,460,313	8,020,047	5.49%
Net position at the beginning of the year	172,289,269	164,269,222	4.88%
Net position at the end of the year	\$ 180,749,582	\$ 172,289,269	4.91%

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's ability to meet its financial obligations for future years.

As of the end of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$77,524,119, an increase of \$304,375 from the prior year.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
MANAGEMENT'S DISCUSSION AND ANALYSIS
as of and for the fiscal year ended June 30, 2017

General Fund and Transportation Fund Budgetary Highlights

Revenue

1. Excluding "On-Behalf Payments to State," actual total revenue in the General Fund and Transportation Fund equaled 97.93% of the budget with a final budget of \$127,391,873 and actual revenues of \$124,753,245.
2. The District collected 96.94% of budgeted local property tax revenue with property tax receipts totaling \$103,211,234 compared to a final budget of \$106,469,140. Local property taxes represented 83% of the General and Transportation Fund revenue for the year.

Expenditures

3. Excluding "On-Behalf Payments to State," actual total expenditures in the General Fund and Transportation Fund equaled 96.92% of the budget with a final budget of \$127,163,839 and actual expenditures of \$123,249,987.
4. Excluding "On-Behalf Payments to State", General Fund expenditures were \$3,597,175 below the budget due to the District's continued focus on controlling expenditures.

Capital Assets and Debt Administration

The District's investment in capital assets for its governmental activities as of June 30, 2017 amounted to \$121,052,477 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings and equipment. The total decrease in the District's investment in capital assets for the current fiscal year was \$2,596,553 from \$123,649,030.

Capital Assets				
Net of accumulated depreciation				
	June 30, 2017	June 30, 2016	% Change	
Land	\$ 1,637,802	\$ 1,637,802	0.00%	
Land improvements	6,776,367	6,622,849	2.32%	
Construction in Progress	1,016,666	257,347	295.06%	
Buildings	108,565,886	112,000,105	-3.07%	
Intangible	30,684	51,889	-40.87%	
Equipment	3,025,072	3,079,038	-1.75%	
Total capital assets	\$ 121,052,477	\$ 123,649,030	-2.10%	

Total long-term debt for the District decreased \$10,796,212 during the current fiscal year due to repayment of refunding bond principal. At June 30, 2017, the District had total bonded debt outstanding of \$17,841,577 backed by the full faith and credit of the District. In August, 2017, Standard & Poor's raised its long-term rating and underlying rating to 'Aa1' from 'AA' and commented on our good financial operations and strong reserves. Additional information regarding the District's capital assets and debt can be found in the notes to the financial statements.

CONSOLIDATED HIGH SCHOOL DISTRICT 230
MANAGEMENT'S DISCUSSION AND ANALYSIS
as of and for the fiscal year ended June 30, 2017

Economic Factors and Next Year's Budget

Over the past 10 to 15 years the District has substantially improved its financial condition. When the State created a new financial profile to monitor the financial health of the public schools fourteen years ago, District 230 was given a lower rating termed "Early Warning." The District had been deficit spending causing fund balances to decline. At the end of 2002-2003, the District's General Fund had a negative balance of -\$210,747 with governmental wide net position of \$47,823,835. Today, the General Fund has a balance of \$60,749,047 with governmental wide net position of \$180,749,582.

The District also has a balanced budget for fiscal year 2018 due to continued focus on controlling expenditures. The District now annually achieves the State's highest financial profile rating (Financial Recognition) and as noted in the previous section, Moody's upgraded the District's long-term rating to Aa1.

Although the District is financially sound through FY 2018, there are concerns for the future.

1. The District continues to budget under stringent property tax caps, set at the Consumer Price Index (CPI); whereas, the budget is approximately 80% salary and benefits that often face increases much greater than the CPI. However, the district has had a significant turnover due to retiring personnel. This will result in significant savings in salary.
2. After years of moderate and steady student enrollment increases, enrollment has been declining and is projected to continue to decline for the next several years. Enrollment decline could impact General State Aid (GSA) revenue. In fiscal year 2008, the District received \$11.5 million in GSA revenue. The fiscal year 2018 budget accounts for \$4.4 million in GSA revenue.
3. The District's second major source of revenue comes from the State of Illinois who annually has difficulty finding the resources to adequately fund education. Even though the State has passed a tax increase, the State's financial problems have not been entirely resolved. The threat of a property tax freeze, along with other changes being discussed could have an impact on the district in the coming years. Our finance committee and leadership are developing a plan in to respond to the potential cuts that may be necessary.
4. The long-term financial strength of the District is tied closely to the level of new homes and businesses. There appears to be some cause for a more optimistic view related to new property and the recovery of local property values. The completion of a multi-year road construction project could also result in improvements in this area.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Office of the Superintendent
CONSOLIDATED HIGH SCHOOL DISTRICT NO. 230
15100 South 94th Avenue
Orland Park, IL 60462

BASIC FINANCIAL STATEMENTS

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Statement of Net Position (Modified Cash Basis)
June 30, 2017

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Assets	
Cash and Investments	\$ 77,445,650
Other Assets	83,795
Capital Assets not Being Depreciated	2,654,468
Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>118,398,009</u>
Total Assets	<u>198,581,922</u>
Deferred Outflows of Resources	
Deferred Amount on Refunding of Debt	<u>14,563</u>
Total Deferred Outflows of Resources	<u>14,563</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 198,596,485</u>
LIABILITIES AND NET POSITION	
Liabilities	
Payroll Deductions Payable	\$ 5,326
Long-Term Obligations, Due Within One Year	
General Obligation Bonds Payable	11,035,000
Long-Term Obligations, Due in More Than One Year	
General Obligation Bonds Payable	<u>6,806,577</u>
Total Liabilities	<u>17,846,903</u>
Net Position	
Net Investment in Capital Assets	103,225,463
Restricted for:	
Transportation of Students	3,148,374
Employee Benefits	1,510,023
Debt Service	10,035,376
Capital Projects	995
Unrestricted	<u>62,829,351</u>
Total Net Position	<u>180,749,582</u>
Total Liabilities and Net Position	<u>\$ 198,596,485</u>

See Accompanying Notes to Basic Financial Statements.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Statement of Activities (Modified Cash Basis)
For the Year Ended June 30, 2017

Functions / Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges For Services	Operating Grants and Contributions	Total Governmental Activities
Governmental Activities:				
Instruction	\$ 124,090,632	\$ 2,314,788	\$ 52,920,210	(\$ 68,855,634)
Support Services - Pupils	10,408,539	-	-	(10,408,539)
Other Support Services	31,079,215	2,776,825	130,497	(28,171,893)
Transportation	9,109,332	40,070	3,096,478	(5,972,784)
Administration	2,632,453	-	-	(2,632,453)
Interest on Debt	805,584	-	-	(805,584)
Total Governmental Activities	<u>\$ 178,125,755</u>	<u>\$ 5,131,683</u>	<u>\$ 56,147,185</u>	<u>(116,846,887)</u>
General Revenues:				
Property Taxes				117,579,415
Personal Property Replacement Taxes				1,229,352
Payments of Surplus Moneys from TIF Districts				225,965
General State Aid				4,972,621
Earnings on Investments				441,516
Other General Revenues				<u>858,331</u>
Total General Revenues				<u>125,307,200</u>
Change in Net Position				8,460,313
Net Position, Beginning of Year				<u>172,289,269</u>
Net Position, End of Year				<u>\$ 180,749,582</u>

See Accompanying Notes to Basic Financial Statements.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Governmental Funds

Statement of Assets, Liabilities and Fund Balances (Modified Cash Basis)

June 30, 2017

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Transportation Fund	Debt Service Fund		
ASSETS					
Cash and Investments	\$ 60,670,522	\$ 3,485,661	\$ 10,652,761	\$ 2,636,706	\$ 77,445,650
Other Assets	83,795	-	-	-	83,795
Total Assets	\$ 60,754,317	\$ 3,485,661	\$ 10,652,761	\$ 2,636,706	\$ 77,529,445
LIABILITIES AND FUND BALANCES					
Liabilities					
Payroll Deductions Payable	\$ 5,270	\$ -	\$ -	\$ 56	\$ 5,326
Total Liabilities	5,270	-	-	56	5,326
Fund Balances					
Restricted	-	3,148,374	10,035,376	1,511,018	14,694,768
Assigned	-	337,287	617,385	1,125,632	2,080,304
Unassigned	60,749,047	-	-	-	60,749,047
Total Fund Balances	60,749,047	3,485,661	10,652,761	2,636,650	77,524,119
Total Liabilities and Fund Balances	\$ 60,754,317	\$ 3,485,661	\$ 10,652,761	\$ 2,636,706	\$ 77,529,445

See Accompanying Notes to Basic Financial Statements.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Reconciliation of the Governmental Funds Statement of Assets, Liabilities and Fund Balances
to the Statement of Net Position (Modified Cash Basis)
June 30, 2017

Total Fund Balances - Governmental Funds \$ 77,524,119

*Amounts reported for governmental activities in the
Statement of Net Position are different because:*

Capital assets used in governmental activities are not
financial resources and therefore are not reported in the funds:

Capital Assets	205,704,232	
Accumulated Depreciation	(84,651,755)	
Net Capital Assets		<u>121,052,477</u>

The unamortized deferred amount on refunding reported in the Statement
of Net Position does not require the use of current financial resources
and therefore is not reported as deferred outflows of resources
in governmental funds.

14,563

Some liabilities reported in the Statement of Net Position do not require
the use of current financial resources and therefore are not reported as
liabilities in governmental funds. These liabilities consist of:

General Obligation Bonds Payable	(17,620,000)	
Unamortized Bond Premium	(221,577)	
Total Long-Term Liabilities		<u>(17,841,577)</u>

Net Position of Governmental Activities \$ 180,749,582

See Accompanying Notes to Basic Financial Statements.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Governmental Funds Statement of Revenues Received, Expenditures Disbursed, and Changes in Fund Balances (Modified Cash Basis) For the Year Ended June 30, 2017

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Transportation Fund	Debt Service Fund		
Revenues Received					
Local Sources					
Property Taxes	\$ 98,383,383	\$ 4,827,851	\$ 11,794,572	\$ 2,573,609	\$ 117,579,415
Payments in Lieu of Taxes	599,352	200,000	-	430,000	1,229,352
Tuition	152,983	-	-	-	152,983
Transportation Fees	-	40,070	-	-	40,070
Earnings on Investments	356,265	16,939	52,495	15,817	441,516
Food Services	2,427,578	-	-	-	2,427,578
Pupil Activities	503,941	-	-	-	503,941
Textbooks	1,491,922	-	-	-	1,491,922
Other Revenue	1,645,954	-	-	-	1,645,954
Total Local Sources	105,561,378	5,084,860	11,847,067	3,019,426	125,512,731
State Sources					
Unrestricted Grants-in-aid	4,072,621	900,000	-	-	4,972,621
Restricted Grants-in-aid	3,043,319	3,096,478	-	-	6,139,797
Total State Sources	7,115,940	3,996,478	-	-	11,112,418
Federal Sources	2,994,589	-	-	-	2,994,589
On-Behalf Payments from State	46,966,330	-	-	-	46,966,330
Total Revenues Received	162,638,237	9,081,338	11,847,067	3,019,426	186,586,068
Expenditures Disbursed					
Current:					
Instruction	68,681,632	-	-	1,414,927	70,096,559
Support Services	38,742,459	9,095,502	-	1,530,918	49,368,879
Community Services	450,911	-	-	29,522	480,433
Payments to Other Governments	3,957,523	-	-	-	3,957,523
On-Behalf Payments to State	46,966,330	-	-	-	46,966,330
Debt Service - Interest and Fees	-	-	873,075	-	873,075
Debt Service - Principal Retired	-	-	10,685,000	-	10,685,000
Capital Outlay	2,321,960	-	-	1,531,934	3,853,894
Total Expenditures Disbursed	161,120,815	9,095,502	11,558,075	4,507,301	186,281,693
Net Change in Fund Balances	1,517,422	(14,164)	288,992	(1,487,875)	304,375
Fund Balances, Beginning of Year	59,231,625	3,499,825	10,363,769	4,124,525	77,219,744
Fund Balances, End of Year	\$ 60,749,047	\$ 3,485,661	\$ 10,652,761	\$ 2,636,650	\$ 77,524,119

See Accompanying Notes to Basic Financial Statements.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Reconciliation of the Governmental Funds Statement of Revenues
Received, Expenditures Disbursed, and Changes in Fund Balances
to the Statement of Activities (Modified Cash Basis)
For the Year Ended June 30, 2017

Net Change in Fund Balances - Governmental Funds	\$ 304,375
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are depreciated over their estimated useful lives as depreciation expense. This is the amount expenditures capitalized in the current period.	
	2,459,280
This is the amount of depreciation recorded in the current period.	(5,055,833)
Repayment of debt principal on bonds is an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the Statement of Net Position.	10,685,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.	
Amortization of Deferred Amount on Refunding	(43,721)
Amortization of Deferred Bond Premium	<u>111,212</u>
Change in Net Position of Governmental Activities	<u>\$ 8,460,313</u>

See Accompanying Notes to Basic Financial Statements.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Fiduciary Funds

Statement of Fiduciary Assets and Liabilities (Modified Cash Basis)
June 30, 2017

	<u>Agency Student Activity</u>
ASSETS	
Cash and Investments	\$ 1,166,327
Total Assets	<u>\$ 1,166,327</u>
LIABILITIES	
Due to Activity Fund Organizations	\$ 1,166,327
Total Liabilities	<u>\$ 1,166,327</u>

See Accompanying Notes to Basic Financial Statements.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements For the Year Ended June 30, 2017

1. Summary of Significant Accounting Policies

Consolidated High School District 230 (District) was created on May 5, 1952 as a public school system and is organized under the School Code of the State of Illinois, as amended. The District is governed by an elected seven-member board and operates three high schools providing secondary education, transportation, cafeteria, building maintenance, and general administrative services.

A. Financial Reporting Entity

Accounting principles generally accepted in the United States of America require that the financial statements of the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Government Accounting Standards Board (GASB) Statement No.'s 14, 39, and 61 have been considered and there are no agencies or entities which should be presented with the District. Also, the District is not included as a component unit in any other government reporting entity, as defined by GASB pronouncements.

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

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

The District accounts for its funds and prepares its annual budget on the modified cash basis of accounting measurement focus, which varies from accounting principles generally accepted in the United States of America. With this measurement focus, only current assets and current liabilities arising from cash transactions are included on the balance sheet. Accordingly, revenues are recognized when received rather than when earned, and expenditures are recognized when paid rather than when the obligation is incurred. Consequently, property taxes and other revenues due, as well as amounts owed to vendors and suppliers are not included in the financial statements. Only assets representing a right to receive cash from a previous payment of cash are recorded as assets of a fund. In the same manner, only liabilities resulting from previous cash transactions are recorded as liabilities of a particular fund.

C. Government-wide Financial Statements

The government-wide Statement of Net Position and the Statement of Activities display information about the governmental activities of the District as a whole. Governmental activities are those that are supported primarily by taxes and intergovernmental sources. The effect of interfund activity has been eliminated from these statements. Fiduciary funds are not included in the government-wide statements. Fiduciary funds are reported only in the Fiduciary Fund Statement of Assets and Liabilities at the fund financial statement level.

The government-wide statements are reported using the modified cash basis of accounting measurement focus as explained above. The Statement of Net Position includes all current assets and current liabilities arising from cash transactions and all capital assets, net of accumulated depreciation, and long-term debt and deferred amounts on refundings of debt associated with the operation of the District.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

1. Summary of Significant Accounting Policies

The Statement of Activities reflects both the direct expenses and net cost of each function of the District's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues, such as property taxes and general state aid, are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each District function is self-financing or draws from the general revenues of the District.

D. Fund Financial Statements

The funds of the District are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and presented as nonmajor funds. The fund classifications and a description of each existing fund type follow:

Governmental Funds

Governmental funds are used to account for the District's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general capital assets and the servicing of general long-term debt. An emphasis is placed on major funds. A fund is considered major if it is the primary operating fund of the District (General Fund) or if the fund's total assets, liabilities, revenues, or expenditures of that individual fund are at least 10 percent of the total for all funds. In addition to funds that meet the major fund criteria, any other governmental fund that the District's officials believe is particularly important to financial statement users may be reported as a major fund.

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for and report all financial resources not accounted for and reported in another fund. The District's general fund consists of three accounts: the Educational Account, which records direct costs of instruction and administration, including the District's food service operations, the Operations and Maintenance Account, which reports all costs of maintaining, improving or repairing school building and property, and the Working Cash Account, which reports financial resources held by the District to be used for temporary interfund loans to other District funds/accounts.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District's major special revenue fund is the following:

Transportation Fund, which accounts for the transportation of pupils. Revenues of the Transportation Fund include property taxes, state transportation grants, user charges and interest income.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements For the Year Ended June 30, 2017

1. Summary of Significant Accounting Policies

Debt Service Fund - the Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal, interest, and related costs.

The District also reports the following other fund types/funds:

The Municipal Retirement / Social Security Fund, (a special revenue fund) accounts for the District's share of retirement benefit and social security costs for employees.

Capital Projects Funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The District maintains two capital projects funds (Capital Projects Fund and Fire Prevention and Safety Fund). The Capital Projects Fund accounts for financial resources to be used for the acquisition, construction or renovation of major capital facilities. The Fire Prevention and Safety Fund are used to account for the altering, reconstructing and repairing of the existing school buildings of the District.

Differences occur from the manner in which the fund financial statements and the government-wide statements are prepared due to the inclusion of capital asset and long-term debt activity. The fund financial statements, therefore, include a reconciliation which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

Fiduciary Fund - Fiduciary Fund reporting focuses on assets and liabilities. The District's fiduciary funds are agency funds, the Student Activity Funds. These funds account for assets held by the District as an agent for the students and teachers. The funds are custodial in nature and do not involve the measurement of results of operations. The amounts due to the activity fund organizations are equal to the assets.

E. Assets, Liabilities, Net Position or Equity, and Other Policies

1. Deposits and Investments

State statutes (the Illinois Public Funds Investment Act (30 ILCS 235/2)) and Board policy authorize the District to invest any available funds in: (1) direct obligations of or obligations guaranteed by the United States or its agencies; (2) commercial paper issued by United States corporations rated within the three highest classifications by at least two standard rating services and maturing within 270 days or less; (3) interest bearing savings accounts, certificates of deposit, or other time deposits in federally insured and/or state chartered banks and savings and loans associations; (4) the Illinois School District Liquid Asset Fund Plus (ISDLAF+); (5) the Illinois Funds; (6) money market mutual funds; (7) Bankers' acceptances of banks whose senior obligations are rated in the top two rating categories by two national rating agencies and maintain that rating during the term of the investment; (8) repurchase agreements of government securities; (9) and interest bearing bonds of any county, township, city, village incorporated town, municipality, or school district.

The District also invests in the ISDLAF's Term Series pools. Each Term Series pool is comprised of statute allowable investments including bank deposit products, government securities, and municipal securities each having a designated maturity between 30 and 365 days.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

1. Summary of Significant Accounting Policies

The District's cash and investments are pooled into a common account to maximize interest earnings. The investments are stated at cost. Shares in the Illinois Funds represent investments in external investment pool that are regulated by the State of Illinois; the reported value of the position in the pools is the same as the value of the pool shares.

2. Capital Assets

Capital assets which include land, buildings and equipment are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value) in the Statement of Net Position. The District capitalizes assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Donated capital assets are recorded at their estimated acquisition value at the date of donation. Straight-line depreciation is used based on the following estimated useful lives:

The costs of normal maintenance and repairs that do not add to the value of the asset or significantly extend the asset's life are not capitalized.

Buildings and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20 years
Buildings	50 years
Intangible Assets	10 years
Equipment	3-20 years

3. Long-Term Liabilities

In the Statement of Net Position, long-term debt consisting of general obligation bonds is reported as liabilities. Bond premiums and discounts are recognized over the life of the related bond issue.

In the fund financial statements, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Debt proceeds are reported as "other financing sources" as are applicable premiums or discounts. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures.

4. Interfund Transactions

The District has the following types of interfund transactions:

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as interfund receivables (due from other funds) in lender funds and interfund payables (due to other funds) in borrower funds.

Reimbursements – repayments from the funds responsible for particular expenditure to the funds that initially paid for them. Reimbursements are reported as expenditure in the reimbursing fund and as a reduction of expenditures/expenses in the reimbursed fund.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

1. Summary of Significant Accounting Policies

Transfers – flows of assets (typically cash) without equivalent flows of assets in return and without a requirement for repayment. Transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

5. Fund Balance / Net Position

Fund balances of the District are required to be reported using five separate classifications as listed below. The District may not necessarily utilize each classification in a given fiscal year. Note 12 provides details of fund balances.

Nonspendable fund balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact.

Restricted fund balance - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed fund balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the District's highest level of decision-making authority, the Board of Education.

Assigned fund balance - Amounts that are constrained by the District's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the Board of Education, Superintendent, or another body (such as a Finance Committee), or by an official to whom that authority has been given. With the exception of the General Fund, assigned fund balance is the residual fund balance classification for all governmental funds with positive balances. Interest earnings assigned to a specific fund does not preclude the Board of Education from subsequently transferring interest earnings as allowed by 105 ILCS 5/10-22.44.

Unassigned fund balance - This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed or assigned.

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

6. Eliminations

Eliminations have been made in the Statement of Net Position to remove the "grossing-up" effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables, if any. Similarly, transfers between funds have been eliminated in the Statement of Activities.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements For the Year Ended June 30, 2017

1. Summary of Significant Accounting Policies

7. Use of Resources Policy

The District considers restricted amounts to have been spent first when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Committed, assigned, and unassigned amounts are considered to have been spent in that order when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. Expenditures incurred for a specifically identified purpose will reduce the specific identified classification of fund balance.

8. Use of Estimates and Comparative Data

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates. The financial statements include certain prior year comparative information in order to provide an understanding of changes in the District's financial position and operations.

2. Stewardship, Compliance, and Accountability

Budgets and Budgetary Information

The budget is prepared on the modified cash basis of accounting for all governmental fund types, which is an acceptable method as prescribed by the Illinois Compiled Statutes and is the same basis that is used for financial reporting. This allows for comparability between budget and actual amounts.

The budget appropriations lapse at the end of each fiscal year. The legal level of budgetary control is at the fund level. The District utilizes an encumbrance system. The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of a resolution.
4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements For the Year Ended June 30, 2017

2. Stewardship, Compliance, and Accountability

5. Formal budgetary integration is employed as a management control device during the year.
6. The Board of Education may amend the budget by the same procedures required of its original adoption.

The 2016-17 budget was adopted September 29, 2016. Budgets of certain funds were amended by administration to account for funding changes.

3. Deposits and Investments

Substantially all cash and investments are deposits and investments maintained in pooled accounts held in the name of the District.

Deposits

As of June 30, 2017, the District had deposits with federally insured financial institutions of \$60,189,169, which included \$58,880,690 of certificates of deposit; the book balances of those deposits totaled \$59,939,978.

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2017, all account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000, or collateralized with securities of the U.S. Government.

Investments

Interest Rate Risk

The District's investment policy limits its investment portfolio to maturities within two years of purchase.

Credit Risk

The District's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. Investment choices are not limited beyond the State statutes.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one issuer. The District maintained investments which represented 5 percent or more of total investments at June 30, 2017 (other than U.S. Government and Agency securities) as follows: Federal Home Loan Bank - \$2,280,759. The following schedule reports the carrying amounts and maturities (using the segmented time distribution method) for the District's investments at June 30, 2017. The schedule also includes credit ratings for by Standard & Poor's at June 30, 2017:

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

3. Deposits and Investments

Investment Type	Carrying Amount	Investment Maturities Less Than One Year	Investment Maturities One to Two Years	Percent of Total Investments	Credit Ratings
Pooled Money Market Accounts:					
Illinois School District Liquid Asset Fund					
- Liquid and Max Classes	\$ 6,740,186	\$ 6,740,186	\$ -	36.10%	AAAm
- Savings Deposit Account Money Market	9,651,054	9,651,054	-	51.69%	AAAm
Federal Home Loan Bank	2,280,759	-	2,280,759	12.21%	AA+
	<u>\$ 18,671,999</u>	<u>\$ 16,391,240</u>	<u>\$ 2,280,759</u>	<u>100.00%</u>	

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investments in the Illinois School District Liquid Asset Fund are not subject to custodial credit risk.

The above deposits and investments are presented in the basic financial statements as cash and investments as follows:

Cash - Carrying Amount of District Deposits Per Note Above	\$ 59,939,978
Investments - Carrying Amount of District Investments Per Note Above	<u>18,671,999</u>
Total	<u>\$ 78,611,977</u>
Cash and Investments Per Statement of Net Position	\$ 77,445,650
Cash and Investments Per Statement of Fiduciary Assets and Liabilities	<u>1,166,327</u>
Total	<u>\$ 78,611,977</u>

4. Real Estate Taxes

Property (Real Estate) taxes are levied each year on all taxable real property in the District on or before the last Tuesday in December. The 2016 tax levy was passed by the Board of Education on December 22, 2016, and attached as an enforceable lien on the property as of the preceding January 1. The taxes extended by Cook County become due and collectible in the form of two billings. The first billing is mailed by the County on or about February 1 and is due within 30 days, that billing is based on the prior year tax extension. The second billing is mailed on or about August 1 and is due within 30 days, that billing is based on the actual extension for 2016. Past due taxes are subject to penalties and interest. The County Collector remits to the District its respective share of taxes collected. The District receives the remittances from the County Treasurer approximately one month after collection. Property taxes are recorded upon receipt. The receipts for fiscal year ended June 30, 2017 represent approximately one half of the 2016 tax extension and one half of the 2015 tax extension.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

5. Capital Assets

Capital asset balances and activity for the year ended June 30, 2017, are as follows:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Capital Assets not Being Depreciated				
Land	\$ 1,637,802	\$ -	\$ -	\$ 1,637,802
Construction in Progress	<u>257,347</u>	<u>1,016,666</u>	<u>257,347</u>	<u>1,016,666</u>
Total Capital Assets not Being Depreciated	<u>1,895,149</u>	<u>1,016,666</u>	<u>257,347</u>	<u>2,654,468</u>
Capital Assets Being Depreciated				
Buildings	177,089,403	327,345	-	177,416,748
Improvements Other Than Buildings	13,294,320	744,249	-	14,038,569
Intangible	212,048	-	-	212,048
Equipment	<u>10,926,132</u>	<u>628,367</u>	<u>172,100</u>	<u>11,382,399</u>
Capital Assets Being Depreciated, Gross	<u>201,521,903</u>	<u>1,699,961</u>	<u>172,100</u>	<u>203,049,764</u>
Accumulated Depreciation				
Buildings	(65,089,298)	(3,761,564)	-	(68,850,862)
Improvements Other Than Buildings	(6,671,471)	(590,731)	-	(7,262,202)
Intangible	(160,159)	(21,205)	-	(181,364)
Equipment	<u>(7,847,094)</u>	<u>(682,333)</u>	<u>(172,100)</u>	<u>(8,357,327)</u>
Total Accumulated Depreciation	<u>(79,768,022)</u>	<u>(5,055,833)</u>	<u>(172,100)</u>	<u>(84,651,755)</u>
Total Capital Assets Being Depreciated, Net of Depreciation	<u>121,753,881</u>	<u>(3,355,872)</u>	<u>-</u>	<u>118,398,009</u>
Total Capital Assets, Net of Depreciation	<u>\$ 123,649,030</u>	<u>(\$ 2,339,206)</u>	<u>\$ 257,347</u>	<u>\$ 121,052,477</u>

Depreciation expense was charged to the functions of governmental activities as follows:

Instruction	\$ 2,783,391
Pupil Support	694,766
Other Support	92,617
Administration	<u>1,485,059</u>
Total	<u>\$ 5,055,833</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements For the Year Ended June 30, 2017

6. Long-Term Debt

The following is a summary of activity for the District's long-term debt for the year ended June 30, 2017:

	<u>Balance July 1, 2016</u>	<u>Issuances/ Additions</u>	<u>Retirements/ Deletions</u>	<u>Balance June 30, 2017</u>	<u>Principal Due Within One Year</u>
Bonds Payable:					
General Obligation Bonds	\$ 28,305,000	\$ -	\$ 10,685,000	\$ 17,620,000	\$ 11,035,000
Unamortized Premiums	<u>332,789</u>	<u>-</u>	<u>111,212</u>	<u>221,577</u>	<u>-</u>
Total Bonds Payable	<u>\$ 28,637,789</u>	<u>\$ -</u>	<u>\$ 10,796,212</u>	<u>\$ 17,841,577</u>	<u>\$ 11,035,000</u>

All general long-term debt retirements were made by the Debt Service Fund. The District received property taxes to retire the general obligation bonds. In addition to the unamortized premiums, the District is also amortizing a deferred amount on refunding of previous debt issues. The District amortized \$43,721 of the deferred amount on refunding during the current year leaving a remaining unamortized balance of \$14,563 as of June 30, 2017 which is reported in the Statement of Position as a deferred outflow of resources.

At June 30, 2017 general long-term debt consisted of the following:

General Obligation Bonds

General Obligation School Building Bonds, Series 1998, dated December 1, 1998, issued in the amount of \$9,995,000 in denominations of \$5,000. Principal is payable on December 1, as scheduled, with interest due semiannually on December 1, and June 1, at rates ranging from 4.5% to 5.0%. Final payment was made December 1, 2016.

General Obligation School Refunding Bonds, Series 2007B, dated December 5, 2007, issued in the amount of \$60,935,000 in denominations of \$5,000. Principal is payable on December 1, as scheduled, with interest due semiannually on December 1, and June 1, at rates ranging from 4.0% to 5.0%. Final payment is due December 1, 2017. Remaining principal and interest requirements are as follows:

	<u>Due in Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
	2018	\$ 1,035,000	\$ 20,700	\$ 1,055,700
	Total	<u>\$ 1,035,000</u>	<u>\$ 20,700</u>	<u>\$ 1,055,700</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements For the Year Ended June 30, 2017

6. Long-Term Debt

General Obligation Limited School Bonds, Series 2008, dated January 3, 2008, issued in the amount of \$10,000,000 in denominations of \$5,000. Principal is payable on December 1, as scheduled, with interest due semiannually on December 1, and June 1, at 3.67%. Final payment is due December 1, 2017. Remaining principal and interest requirements are as follows:

Due in Fiscal Year	Principal	Interest	Total Debt Service
2018	\$ 10,000,000	\$ 183,500	\$ 10,183,500
Total	<u>\$ 10,000,000</u>	<u>\$ 183,500</u>	<u>\$ 10,183,500</u>

General Obligation Limited School Bonds, Series 2012A, dated May 22, 2012, issued in the amount of \$6,585,000 in denominations of \$5,000. Principal is payable on December 1, as scheduled, with interest due semiannually on December 1, and June 1, at 3.0%. Final payment is due December 1, 2021. Remaining principal and interest requirements are as follows:

Due in Fiscal Year	Principal	Interest	Total Debt Service
2018	\$ -	\$ 197,550	\$ 197,550
2019	1,600,000	173,550	1,773,550
2020	1,625,000	125,175	1,750,175
2021	1,660,000	75,900	1,735,900
2022	<u>1,700,000</u>	<u>25,500</u>	<u>1,725,500</u>
Total	<u>\$ 6,585,000</u>	<u>\$ 597,675</u>	<u>\$ 7,182,675</u>

Total annual principal and interest requirements for all outstanding debt are as follows:

Due in Fiscal Year	Principal	Interest	Total Debt Service
2018	\$ 11,035,000	\$ 401,750	\$ 11,436,750
2019	1,600,000	173,550	1,773,550
2020	1,625,000	125,175	1,750,175
2021	1,660,000	75,900	1,735,900
2022	<u>1,700,000</u>	<u>25,500</u>	<u>1,725,500</u>
Total	<u>\$ 17,620,000</u>	<u>\$ 801,875</u>	<u>\$ 18,421,875</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements For the Year Ended June 30, 2017

6. Long-Term Debt

Legal Debt Margin

As of June 30, 2017, the legal debt limit of the District was \$300,932,814, based upon 6.9 percent of its actual 2016 equalized assessed valuation, the most recent available, of \$4,361,345,133. The debt limit less outstanding debt of \$17,620,000 results in a legal debt margin of \$283,312,814 as of June 30, 2017.

7. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In order to protect against such losses, the District has purchased insurance from private insurance companies and has also joined an insurance cooperative. The cooperative currently operates as a common risk management and insurance program for local governmental entities in the state of Illinois. The District pays annual premiums to the cooperative for its insurance coverage. The agreement for formation of the cooperative provides that it will be self-sustaining through member premiums and will reinsure through commercial companies for losses in excess of various limits established for each type of coverage.

Beginning July 1, 2009, the District became self-insured for medical claims to cover its employees and their qualifying dependents. The District has engaged an outside agency to administer its medical claims. The District does not assume unlimited liability for medical claims. As of June 30, 2017, the District had purchased (stop-loss) insurance to cover claims in excess of \$185,000 per individual occurrence. Estimated claims liabilities outstanding at June 30, 2017 based on historical cost information total \$1,267,500; these claims are expected to be paid from current available resources. The District is also self-insured for dental claims to cover its employees and their qualifying dependents. The District has engaged an outside agency to administer its dental claims. Each covered individual is limited to \$1,200 per year in claims. Settled claims have not exceeded coverage in any of the past three fiscal years. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and number of payouts, and other economic and societal factors. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Fiscal Year Ended June 30, 2017	Fiscal Year Ended June 30, 2016
Claims Liability - Beginning	\$ 1,307,400	\$ 1,184,600
Incurred Claims	12,089,504	12,177,364
Claim Payments	(12,129,404)	(12,054,564)
Claims Liability - Ending	<u>\$ 1,267,500</u>	<u>\$ 1,307,400</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

8. Employee Retirement Systems and Plans

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 an agent multiple-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

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

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

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

8. Employee Retirement Systems and Plans

Employees Covered by Benefit Terms

At December 31, 2016, the following employees were covered by the benefit terms:

Inactive Plan Members and Beneficiaries Currently Receiving Benefits	564
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	269
Active Plan Members	<u>292</u>
Total	<u>1,125</u>

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2016 was 12.37%. For the fiscal year ended June 30, 2017, the District contributed \$1,305,836 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

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

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2016:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.75%.
- Salary Increases were expected to be 3.75% to 14.50%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

8. Employee Retirement Systems and Plans

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

Asset Class	Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38.00%	6.85%
International Equity	17.00%	6.75%
Fixed Income	27.00%	3.00%
Real Estate	8.00%	5.75%
Alternative Investments	9.00%	2.65-7.35%
Cash Equivalents	<u>1.00%</u>	2.25%
Total	100.00%	

Discount Rate

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.78%, and the resulting single discount rate is 7.50%.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

8. Employee Retirement Systems and Plans

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2015	\$ 67,660,202	\$ 59,805,940	\$ 7,854,262
Changes for the year:			
Service Cost	1,221,693	-	1,221,693
Interest on the Total Pension Liability	4,958,465	-	4,958,465
Differences Between Expected and Actual Experience of the Total Pension Liability	473,241	-	473,241
Changes of Assumptions	(217,275)	-	(217,275)
Contributions - Employer	-	1,343,830	(1,343,830)
Contributions - Employees	-	491,830	(491,830)
Net Investment Income	-	4,123,291	(4,123,291)
Benefit Payments, Including Refunds of Employee Contributions	(3,785,349)	(3,785,349)	-
Other (Net Transfer)	-	483,381	(483,381)
Net Changes	2,650,775	2,656,983	(6,208)
Balances at December 31, 2016	<u>\$ 70,310,977</u>	<u>\$ 62,462,923</u>	<u>\$ 7,848,054</u>

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
District's Net Pension Liability	\$ 15,612,146	\$ 7,848,054	\$ 1,337,604

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

For the year ended June 30, 2017, the District recognized pension expense of \$2,050,245. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

8. Employee Retirement Systems and Plans

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ 253,527	\$ 25,592
Changes of assumptions	11,636	116,400
Net difference between projected and actual earnings on pension plan investments	<u>3,093,349</u>	<u>-</u>
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	<u>3,358,512</u>	<u>141,992</u>
<i>Pension Contributions Made Subsequent to the Measurement Date</i>	<u>621,689</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 3,980,201</u>	<u>\$ 141,992</u>

Amounts of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2017	\$ 1,169,513
2018	1,082,920
2019	902,655
2020	61,432
Total	<u>\$ 3,216,520</u>

Teachers' Retirement System of the State of Illinois

Plan Description

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

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

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

8. Employee Retirement Systems and Plans

Benefits Provided

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

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

Essentially all Tier I retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2016, was 9.4 percent of creditable earnings. On July 1, 2016, the rate dropped to 9.0 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 employer, is submitted to TRS by the employer.

On behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2017, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective NPL associated with the District, and the District recognized revenue and expenditures of \$46,287,974 in pension contributions from the state of Illinois.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements For the Year Ended June 30, 2017

8. Employee Retirement Systems and Plans

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, 2017, were \$351,292 and are deferred because they were paid after the June 30, 2016 measurement date.

Federal and Special Trust Fund Contributions

When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that has been in effect since the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS. Public Act 98-0674 now requires the two rates to be the same.

For the year ended June 30, 2017, the employer pension contribution was 38.54 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2017, salaries totaling \$479,745 were paid from federal and special trust funds that required District contributions of \$184,894. These contributions are deferred because they were paid after the June 30, 2016 measurement date.

Employer Retirement Cost Contributions

Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The District is required to make a one-time contribution to TRS for members retiring under the ERO. The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the program that ended on June 30, 2016 is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2017, the District made no payments to TRS for employer ERO contributions for retirements that occurred before July 1, 2016.

The District is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2017, the District paid \$22,332 to TRS for employer contributions due on salary increases in excess of 6 percent and \$35,334 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2017, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

8. Employee Retirement Systems and Plans

District's proportionate share of the net pension liability	\$ 8,031,021
State's proportionate share of the net pension liability associated with the District	<u>471,335,041</u>
Total	<u>\$ 479,366,062</u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 and rolled forward to June 30, 2016. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2016, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2016, the District's proportion was 0.0102 percent, which was a decrease of 0.0034 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$46,287,974 and revenue of \$46,287,974 for support provided by the state. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ 59,382	\$ 5,447
Net difference between projected and actual earnings on pension plan investments	226,891	-
Changes of assumptions	689,745	-
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>238,165</u>	<u>2,059,049</u>
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	<u>1,214,183</u>	<u>2,064,496</u>
<i>Pension Contributions Made Subsequent to the Measurement Date</i>	<u>536,185</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 1,750,368</u>	<u>\$ 2,064,496</u>

\$536,185 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

8. Employee Retirement Systems and Plans

Year Ending June 30	Net Deferred Inflows of Resources
2017	\$ 259,802
2018	259,802
2019	80,567
2020	194,429
2021	55,713
Total	<u>\$ 850,313</u>

Actuarial Assumptions

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

Inflation	2.50 percent
Salary increases	varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

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

For the June 30, 2016 valuation, the investment return assumption was lowered from 7.50 percent to 7.0 percent. Salary increase assumptions were lowered from their 2015 levels. Other assumptions were based on the 2015 experience analysis which increased retirement rates, improved mortality assumptions and made other changes.

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

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

8. Employee Retirement Systems and Plans

Asset Class	Target Percentage	Long-Term Expected Real Rate of Return
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%
Total	100.00%	

Discount Rate

At June 30, 2016, the discount rate used to measure the total pension liability was a blended rate of 6.83 percent, which was a change from the June 30, 2015 rate of 7.47 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2016 was not projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Despite the subsidy, all projected future payments were not covered, so a slightly lower long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.83 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 (5.83 percent) or 1-percentage-point higher (7.83 percent) than the current rate.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

8. Employee Retirement Systems and Plans

	1% Decrease (5.83%)	Current Discount Rate (6.83%)	1% Increase (7.83%)
District's Proportionate Share of the Net Pension Liability	\$ 9,822,265	\$ 8,031,021	\$ 6,568,050

TRS Fiduciary Net Position

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

Social Security

Employees not qualifying for coverage under the TRS or the IMRF are considered "nonparticipating employees". These employees and those qualifying for coverage under IMRF are covered under Social Security. The District paid \$675,308, for Social Security during the year ended June 30, 2017, the total required contribution for the year.

9. Postemployment Benefits Other Than Pensions

The District administers a single-employer defined benefit healthcare plan, the "Retiree Healthcare Plan" or "the Plan".

Plan Description

The plan provides healthcare insurance for eligible retirees and their dependents through the District's group health insurance plan, which covers both active and retired members. The Plan does not issue a stand-alone financial report. Benefit provisions are established through negotiations between the District and the unions representing District employees and are renegotiated each bargaining period. Employees who retire from the District may be eligible for post-employment medical, dental and life insurance benefits pursuant to the provisions below:

- Eligible to retire under *Teachers' Retirement System (TRS)* if certificated or *Illinois Municipal Retirement Fund (IMRF)* if non-certificated.
- Complete at least 10 years of full time service, or its equivalent, in the District, if certificated.
- Complete at least 15 years of full time service, or its equivalent, in the District, if non-certificated and reach the age of 55.

Certificated

Eligible teachers can elect one of the following options: Option 1: The District will pay the actual dollar amount of Teachers' Retirement Insurance Program (TRIP) insurance up to \$12,000 per year for an eligible teacher if in the last year of active employment the teacher was enrolled in a District health plan. (It is assumed that 90% of eligible retirees elect this option.) Option 2: The District will pay 50% of the cost of the active District program for a determined length based on length of service up to Medicare eligibility age. (It is assumed that 10% of eligible retirees elect this option.)

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

9. Postemployment Benefits Other Than Pensions

Non-Certificated

For IMRF retirees retiring between June 30, 2015 and June 30, 2017, the District will provide up to \$5,000 a year toward the purchase of District insurance (medical, vision and dental) for up to five years or until the retiree is Medicare eligible, whichever occurs first. At the age of Medicare-eligibility, retirees under IMRF are allowed to continue on the medical and dental plans, but pay the total cost of the coverage. No other benefits are offered to employees upon retirement.

Funding Policy

Contribution requirements are also negotiated between the District and union representatives. All plan funding is done on a pay-as-you-go basis. For fiscal year 2016, the District contributed \$1,645,586 to the Plan.

Annual OPEB Cost and Net OPEB Obligation

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

Annual Required Contribution	\$ 1,601,001
Interest on Net OPEB Obligation (Asset)	(167,167)
Adjustment to Annual Required Contribution	<u>218,238</u>
Annual OPEB Cost	1,652,072
Contributions Made	<u>(1,642,649)</u>
Increase in Net OPEB Obligation (Asset)	9,423
Net OPEB Obligation (Asset) - Beginning of Year	<u>(3,717,768)</u>
Net OPEB Obligation (Asset) - End of Year	<u><u>(\$ 3,708,345)</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) for fiscal years 2017, 2016 and 2015 was as follows:

	Year	Annual	Percentage	Net
	Ended	OPEB	of AOC	OPEB
		Cost (AOC)	Contributed	Obligation
				(Asset)
Retiree Healthcare Plan	6/30/2017	\$ 1,652,072	99.43%	(\$ 3,708,345)
	6/30/2016	1,473,757	131.61%	(3,717,768)
	6/30/2015	1,471,969	123.36%	(3,251,929)

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

9. Postemployment Benefits Other Than Pensions

Since the District reports its financial activity on the modified cash basis, the net OPEB (asset) of (\$3,708,345) has not been recorded in the Statement of Net Position. Pay-as-you-go contributions have typically been made by the General Fund.

Funded Status and Funding Progress

As of July 1, 2016, the actuarial accrued liability for benefits was \$16,301,643 all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was not available and the ratio of the unfunded actuarial accrued liability to the covered payroll was not available

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

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

Methods and Assumptions

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

Significant methods and assumptions were as follows:

Actuarial valuation date:	July 1, 2016
Actuarial cost method:	Unit Credit Cost Method
Amortization method:	Level Dollar Open
Amortization period:	30 years
Actuarial assumptions:	
Discount Rate	4.5%
Healthcare Trend Rate	Current 7.5%, trending to 5.0%

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

9. Postemployment Benefits Other Than Pensions

Teacher Health Insurance Security Fund

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

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

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

On Behalf Contributions to the THIS Fund

The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.12 percent of pay during the year ended June 30, 2017. State of Illinois contributions were \$678,356, and the District recognized revenue and expenditures of this amount during the year.

Employer Contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.84 percent during the year ended June 30, 2017. For the year ended June 30, 2017, the District paid \$508,767 to the THIS Fund, which was 100 percent of the required contribution.

Further Information on the THIS Fund

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

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

10. Individual Fund Disclosures

Excess of Expenditures Over Budget

State On-Behalf Payments were over budget by \$14,297,820, causing total expenditures of the General Fund to exceed budgeted expenditures by \$10,700,645 and expenditures of the Educational Account of the General Fund to exceed budgeted expenditures by \$10,950,532 during the fiscal year ended June 30, 2017.

11. Jointly Governed Organization

The District, in conjunction with eleven other area school districts, has created the Southwest Cook County Cooperative Association for Special Education (SWCASE). The SWCASE's board of directors is composed of one member from each of the twelve participating school districts. The SWCASE charged the District \$3,962,141 for special education tuition and other related expenditures during the year ended June 30, 2017. SWCASE prepares separately issued financial statements which may be obtained at 6020 W. 151st St., Oak Forest, IL, 60452.

12. Fund Balances

Details of the District's fund balances by individual major fund and nonmajor funds in the aggregate are as follows:

	Major Funds			Nonmajor	Total
	General Fund	Transportation Fund	Debt Service Fund	Governmental Funds	Governmental Funds
Fund Balances:					
<i>Restricted for:</i>					
Debt Service	\$ -	\$ -	\$ 10,035,376	\$ -	\$ 10,035,376
Transportation of Students	-	3,148,374	-	-	3,148,374
Employee Benefits	-	-	-	1,510,023	1,510,023
Capital Projects	-	-	-	995	995
Total Restricted	<u>-</u>	<u>3,148,374</u>	<u>10,035,376</u>	<u>1,511,018</u>	<u>14,694,768</u>
<i>Assigned to:</i>					
Debt Service	-	-	617,385	-	617,385
Transportation of Students	-	337,287	-	-	337,287
Capital Projects	-	-	-	1,125,632	1,125,632
Total Assigned	<u>-</u>	<u>337,287</u>	<u>617,385</u>	<u>1,125,632</u>	<u>2,080,304</u>
<i>Unassigned</i>	<u>60,749,047</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,749,047</u>
Total Fund Balances	<u>\$ 60,749,047</u>	<u>\$ 3,485,661</u>	<u>\$ 10,652,761</u>	<u>\$ 2,636,650</u>	<u>\$ 77,524,119</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Notes to Basic Financial Statements
For the Year Ended June 30, 2017

13. Contingent Liabilities, Commitments and Subsequent Events

Litigation

The District is involved in legal and administrative proceedings with respect to employment, civil rights, property tax appeals and other matters wherein varying amounts are claimed. In the opinion of the District's attorneys, these matters should not result in judgments, which in aggregate would have a material adverse effect on the District's financial statements.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government and the Illinois State Board of Education. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2017.

Commitments

The District has outstanding commitments with local contractors to complete projects which are a bleacher project and a fire prevention and life safety project authorized to be paid from the proceeds of the General Obligation Limited School Bonds, Series 2012A. The fire prevention and life safety project involves general building alterations. Remaining open commitments at June 30, 2017 totaled approximately \$1,380,000.

Subsequent Event

Subsequent to June 30, 2017, the District issued \$4,255,000 of General Obligation Limited School Bonds, Series 2017. The bonds will be used to pay for facility projects at the schools. The bonds will be repaid using property tax collections. Principal payments will range from \$985,000 to \$1,145,000 with interest rates ranging from 3.0% to 4.0%. Final payment is due December 1, 2021.

OTHER INFORMATION

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Other Information - Budgetary Comparison Information

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)
General Fund and Major Special Revenue Fund
For the Year Ended June 30, 2017

General Fund			
	Original Budget	Final Budget	Variance With Final Budget Positive (Negative)
Revenues Received			
Local Sources			
Property Taxes	\$ 101,493,927	\$ 101,493,927	\$ 98,383,383 (\$ 3,110,544)
Payments in Lieu of Taxes	570,000	570,000	599,352 29,352
Tuition	99,500	159,500	152,983 (6,517)
Transportation Fees	-	-	-
Earnings on Investments	88,200	88,200	356,265 268,065
Food Services	2,487,000	2,487,000	2,427,578 (59,422)
Pupil Activities	552,132	542,132	503,941 (38,191)
Textbooks	1,370,000	1,370,000	1,491,922 121,922
Other Revenue	850,480	800,480	1,645,954 845,474
Total Local Sources	107,511,239	107,511,239	105,561,378 (1,949,861)
State Sources			
Unrestricted Grants-in-aid	3,515,000	3,515,000	4,072,621 557,621
Restricted Grants-in-aid	4,085,500	4,085,500	3,043,319 (1,042,181)
Total State Sources	7,600,500	7,600,500	7,115,940 (484,560)
Federal Sources	2,847,921	2,847,921	2,994,589 146,668
On-Behalf Payments from State	32,668,510	32,668,510	46,966,330 14,297,820
Total Revenues Received	150,628,170	150,628,170	162,638,237 12,010,067
Expenditures Disbursed			
Current:			
Instruction	71,059,645	71,018,729	68,681,632 2,337,097
Support Services	39,528,278	39,730,468	38,742,459 988,009
Community Services	471,548	471,548	450,911 20,637
Payments to Other Governments	3,605,000	3,605,000	3,957,523 (352,523)
On-Behalf Payments to State	32,668,510	32,668,510	46,966,330 (14,297,820)
Capital Outlay	2,937,189	2,775,915	2,321,960 453,955
Contingency	150,000	150,000	- 150,000
Total Expenditures Disbursed	150,420,170	150,420,170	161,120,815 (10,700,645)
Net Change in Fund Balances	\$ 208,000	\$ 208,000	1,517,422 \$ 1,309,422
Fund Balances, Beginning of Year			59,231,625
Fund Balances, End of Year			\$ 60,749,047

Notes to Other Information:

The District budgets on the modified cash basis. Budget transfers were made between line items as allowable. The General Fund (in total) and the General Fund Educational Account incurred expenditures in excess of budgeted expenditures in the amounts of \$10,700,645 and \$10,950,532, respectively, during the ended June 30, 2017.

Transportation Fund		
Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
\$ 4,975,213	\$ 4,827,851	(\$ 147,362)
200,000	200,000	-
-	-	-
1,000	40,070	39,070
6,000	16,939	10,939
-	-	-
-	-	-
-	-	-
-	-	-
5,182,213	5,084,860	(97,353)
900,000	900,000	-
3,350,000	3,096,478	(253,522)
4,250,000	3,996,478	(253,522)
-	-	-
-	-	-
9,432,213	9,081,338	(350,875)
-	-	-
9,387,179	9,095,502	291,677
-	-	-
-	-	-
-	-	-
-	-	-
25,000	-	25,000
9,412,179	9,095,502	316,677
\$ 20,034	(14,164)	(\$ 34,198)
	3,499,825	
	\$ 3,485,661	

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Other Information

Illinois Municipal Retirement Fund Schedule of Changes in the Net Pension Liability and Related Ratios Last Three Calendar Years

Calendar Year Ended December 31,	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability			
Service Cost	\$ 1,221,693	\$ 1,221,862	\$ 1,277,906
Interest on the Total Pension Liability	4,958,465	4,814,273	4,489,021
Differences Between Expected and Actual Experience of the Total Pension Liability	473,241	(312,814)	(653,207)
Changes of Assumptions	(217,275)	142,234	2,919,682
Benefit Payments, Including Refunds of Employee Contributions	(3,785,349)	(3,740,867)	(3,425,096)
Net Change in Total Pension Liability	2,650,775	2,124,688	4,608,306
Total Pension Liability - Beginning	67,660,202	65,535,514	60,927,208
Total Pension Liability - Ending (A)	<u>\$ 70,310,977</u>	<u>\$ 67,660,202</u>	<u>\$ 65,535,514</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 1,343,830	\$ 1,328,244	\$ 1,290,405
Contributions - Employees	491,830	498,009	481,279
Net Investment Income	4,123,291	298,255	3,533,868
Benefit Payments, Including Refunds of Employee Contributions	(3,785,349)	(3,740,867)	(3,425,096)
Other (Net Transfer)	483,381	813,944	(31,075)
Net Change in Plan Fiduciary Net Position	2,656,983	(802,415)	1,849,381
Plan Fiduciary Net Position - Beginning	59,805,940	60,608,355	58,758,974
Plan Fiduciary Net Position - Ending (B)	<u>\$ 62,462,923</u>	<u>\$ 59,805,940</u>	<u>\$ 60,608,355</u>
Net Pension Liability - Ending (A) - (B)	<u>\$ 7,848,054</u>	<u>\$ 7,854,262</u>	<u>\$ 4,927,159</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.84%	88.39%	92.48%
Covered Valuation Payroll	10,862,923	10,721,503	10,534,685
Net Pension Liability as a Percentage of Covered Valuation Payroll	72.25%	73.26%	46.77%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Other Information Illinois Municipal Retirement Fund Schedule of Employer Contributions Last Three Calendar Years

<u>Calendar Year Ended December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2016	\$ 1,343,744	\$ 1,343,830	(\$ 86)	\$ 10,862,923	12.37%
2015	1,327,322	1,328,244	(922)	10,721,503	12.39%
2014	1,586,912	1,290,405	296,507	10,534,685	12.25%

Notes to Schedule:

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2016 Contribution Rate**

Valuation Date:

Notes

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

Methods and Assumptions Used to Determine 2016 Contribution Rates:

Actuarial Cost Method: Aggregate Entry Age Normal.

Amortization Method: Level Percentage of Payroll, Closed

Remaining Amortization Period: 27-year closed period.

Asset Valuation Method: 5-Year smoothed market; 20% corridor.

Wage Growth: 3.50%.

Price Inflation: 2.75% - approximate; No explicit price inflation assumption is used in this valuation.

Salary Increases: 3.75% to 14.50% including inflation

Investment Rate of Return: 7.50%.

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

Mortality:

An IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). For non-disabled retirees, the IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, the IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, the IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes:

There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2014 actuarial valuation

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Other Information

Teachers' Retirement System of the State of Illinois
Schedule of the District's Proportionate Share of the Net Pension Liability
Last Three Calendar Years

	<u>2017*</u>	<u>2016*</u>	<u>2015*</u>
District's proportion of the TRS net pension liability	0.0102%	0.0136%	0.0129%
District's proportionate share of the net pension liability	\$ 8,031,021	\$ 8,882,537	\$ 7,870,046
State's proportionate share of the net pension liability associated with the District	<u>471,335,041</u>	<u>379,383,438</u>	<u>364,298,748</u>
Total	<u>\$ 479,366,062</u>	<u>\$ 388,265,975</u>	<u>\$ 372,168,794</u>
District's covered-employee payroll	59,377,225	58,589,872	59,050,497
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	13.53%	15.16%	13.33%
Plan fiduciary net position as a percentage of the total pension liability	36.44%	41.47%	42.95%

Notes to Schedule:

* The amounts presented were determined as of the prior fiscal-year end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Other Information Teachers' Retirement System of the State of Illinois Schedule of Employer Contributions Last Three Calendar Years

<u>Fiscal Year Ended June 30,*</u>	<u>Contractually Required Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>District's Covered Employee Payroll</u>	<u>Contribution as a Percentage of Covered Employee Payroll</u>
2017	\$ 393,985	\$ 394,012	(\$ 27)	\$ 59,377,225	0.66%
2016	475,108	475,108	-	58,589,872	0.81%
2015	461,518	461,518	-	59,050,497	0.78%

Notes to Schedule:

Changes of assumptions

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

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

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

* The amounts presented were determined as of the prior fiscal-year end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Other Information Retiree Healthcare Plan Schedule of Funding Progress June 30, 2017

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2016	\$ -	\$ 16,301,643	\$ 16,301,643	0.00%	N/A	N/A
7/1/2015		--- No actuarial valuation performed * ---				
7/1/2014	-	14,285,847	14,285,847	0.00%	52,301,144	27.31%
7/1/2013		--- No actuarial valuation performed * ---				
7/1/2012	-	12,269,381	12,269,381	0.00%	N/A	N/A
7/1/2011		--- No actuarial valuation performed * ---				
7/1/2010	-	14,074,680	14,074,680	0.00%	N/A	N/A

This Schedule provides information for as many years as is available.

The District funds the benefits on a pay-as-you-go basis, therefore, there are no plan assets at year-end.

N/A - covered payroll was not determined in applicable years.

* According to GASB 45, an actuarial valuation should be performed at a minimum frequency of every two years for a plan the size of the District's.

**OTHER SUPPLEMENTARY INFORMATION
COMBINING AND INDIVIDUAL FUND FINANCIAL SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund

Schedule of Assets, Liabilities and Fund Balance by Account (Modified Cash Basis)

June 30, 2017

(With Comparative Totals as of June 30, 2016)

	Educational Account	Operations and Maintenance Account	Working Cash Account	Totals 2017	2016
ASSETS					
Cash and Investments	\$ 32,917,675	\$ 6,271,109	\$ 21,481,738	\$ 60,670,522	\$ 59,279,742
Other Assets	<u>23,877</u>	<u>59,918</u>	<u>-</u>	<u>83,795</u>	<u>13,170</u>
Total Assets	<u>\$ 32,941,552</u>	<u>\$ 6,331,027</u>	<u>\$ 21,481,738</u>	<u>\$ 60,754,317</u>	<u>\$ 59,292,912</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Payroll Deductions Payable	\$ 5,270	\$ -	\$ -	\$ 5,270	\$ 61,287
Total Liabilities	<u>5,270</u>	<u>-</u>	<u>-</u>	<u>5,270</u>	<u>61,287</u>
Fund Balances					
Unassigned	<u>32,936,282</u>	<u>6,331,027</u>	<u>21,481,738</u>	<u>60,749,047</u>	<u>59,231,625</u>
Total Fund Balances	<u>32,936,282</u>	<u>6,331,027</u>	<u>21,481,738</u>	<u>60,749,047</u>	<u>59,231,625</u>
Total Liabilities and Fund Balances	<u>\$ 32,941,552</u>	<u>\$ 6,331,027</u>	<u>\$ 21,481,738</u>	<u>\$ 60,754,317</u>	<u>\$ 59,292,912</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance by Account (Modified Cash Basis)
For the Year Ended June 30, 2017
(With Comparative Totals for the Year Ended June 30, 2016)

	Educational Account	Operations and Maintenance Account	Working Cash Account	Totals	
				2017	2016
Revenues Received					
Local Sources					
Property Taxes	\$ 88,714,055	\$ 9,537,344	\$ 131,984	\$ 98,383,383	\$ 97,568,864
Payments in Lieu of Taxes	200,000	399,352	-	599,352	376,792
Tuition	152,983	-	-	152,983	92,529
Earnings on Investments	207,852	37,575	110,838	356,265	95,201
Food Services	2,427,578	-	-	2,427,578	2,511,575
Pupil Activities	503,941	-	-	503,941	305,840
Textbooks	1,491,922	-	-	1,491,922	1,356,895
Other Revenue	1,287,575	358,379	-	1,645,954	838,796
Total Local Sources	94,985,906	10,332,650	242,822	105,561,378	103,146,492
State Sources					
Unrestricted Grants-in-aid	3,172,621	900,000	-	4,072,621	4,263,542
Restricted Grants-in-aid	3,043,319	-	-	3,043,319	4,178,693
Total State Sources	6,215,940	900,000	-	7,115,940	8,442,235
Federal Sources	2,994,589	-	-	2,994,589	2,880,750
On-Behalf Payments from State	46,966,330	-	-	46,966,330	31,717,627
Total Revenues Received	151,162,765	11,232,650	242,822	162,638,237	146,187,104
Expenditures Disbursed					
Current:					
Instruction	68,681,632	-	-	68,681,632	67,987,683
Support Services	28,347,922	10,394,537	-	38,742,459	36,522,557
Community Services	450,911	-	-	450,911	433,085
Payments to Other Governments	3,957,523	-	-	3,957,523	4,119,356
On-Behalf Payments to State	46,966,330	-	-	46,966,330	31,717,627
Capital Outlay	1,458,017	863,943	-	2,321,960	2,790,419
Total Expenditures Disbursed	149,862,335	11,258,480	-	161,120,815	143,570,727
Net Change in Fund Balances	1,300,430	(25,830)	242,822	1,517,422	2,616,377
Fund Balances, Beginning of Year	31,635,852	6,356,857	21,238,916	59,231,625	56,615,248
Fund Balances, End of Year	\$ 32,936,282	\$ 6,331,027	\$ 21,481,738	\$ 60,749,047	\$ 59,231,625

GENERAL FUND - EDUCATIONAL ACCOUNT

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Educational Account

Schedule of Assets, Liabilities and Fund Balance (Modified Cash Basis)

June 30, 2017

(With Comparative Totals as of June 30, 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Investments	\$ 32,917,675	\$ 31,694,814
Other Assets	<u>23,877</u>	<u>2,325</u>
Total Assets	<u>\$ 32,941,552</u>	<u>\$ 31,697,139</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Payroll Deductions Payable	\$ <u>5,270</u>	\$ <u>61,287</u>
Total Liabilities	<u>5,270</u>	<u>61,287</u>
 Fund Balance		
Unassigned	<u>32,936,282</u>	<u>31,635,852</u>
Total Fund Balance	<u>32,936,282</u>	<u>31,635,852</u>
Total Liabilities and Fund Balance	<u>\$ 32,941,552</u>	<u>\$ 31,697,139</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Educational Account

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2017

(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Actual
Revenues Received				
Local Sources				
Property Taxes	\$ 91,395,202	\$ 88,714,055	(\$ 2,681,147)	\$ 87,921,130
Payments in Lieu of Taxes	200,000	200,000	-	-
Tuition	159,500	152,983	(6,517)	92,529
Earnings on Investments	46,200	207,852	161,652	55,226
Food Services	2,487,000	2,427,578	(59,422)	2,511,575
Pupil Activities	542,132	503,941	(38,191)	305,840
Textbooks	1,370,000	1,491,922	121,922	1,356,895
Other Revenue	545,480	1,287,575	742,095	470,673
Total Local Sources	<u>96,745,514</u>	<u>94,985,906</u>	<u>(1,759,608)</u>	<u>92,713,868</u>
State Sources				
Unrestricted Grants-In-Aid	2,615,000	3,172,621	557,621	4,263,542
Restricted Grants-In-Aid	4,085,500	3,043,319	(1,042,181)	4,178,693
Total State Sources	<u>6,700,500</u>	<u>6,215,940</u>	<u>(484,560)</u>	<u>8,442,235</u>
Federal Sources - Restricted Grants-in-aid	2,847,921	2,994,589	146,668	2,880,750
On Behalf of Payments from State	<u>32,668,510</u>	<u>46,966,330</u>	<u>14,297,820</u>	<u>31,717,627</u>
Total Revenues Received	<u>138,962,445</u>	<u>151,162,765</u>	<u>12,200,320</u>	<u>135,754,480</u>
Expenditures Disbursed				
Instruction				
Regular Programs				
Salaries	36,151,275	36,155,601	(4,326)	34,994,705
Employee Benefits	7,466,421	6,590,419	876,002	7,121,494
Purchased Services	228,501	197,316	31,185	168,034
Supplies and Materials	869,376	646,253	223,123	945,394
Capital Outlay	54,379	59,004	(4,625)	30,805
Other Objects	2,071	2,071	-	1,655
Noncapitalized Equipment	187,146	130,330	56,816	88,703
Total Regular Programs	<u>44,959,169</u>	<u>43,780,994</u>	<u>1,178,175</u>	<u>43,350,790</u>
Special Education Programs				
Salaries	9,395,548	9,076,159	319,389	9,244,595
Employee Benefits	2,191,124	2,067,072	124,052	2,074,120
Purchased Services	225,500	207,646	17,854	159,956
Supplies and Materials	117,813	171,150	(53,337)	131,086
Capital Outlay	10,000	-	10,000	-
Noncapitalized Equipment	22,190	6,611	15,579	10,062
Total Special Education Programs	<u>11,962,175</u>	<u>11,528,638</u>	<u>433,537</u>	<u>11,619,819</u>

(Continued)

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Educational Account

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2017

(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Actual
Remedial and Supplemental Programs K-12				
Salaries	\$ 434,718	\$ 432,627	\$ 2,091	\$ 341,228
Employee Benefits	276,729	227,327	49,402	112,580
Purchased Services	64,000	39,109	24,891	3,000
Supplies and Materials	161,116	19,587	141,529	10,483
Noncapitalized Equipment	-	2,162	(2,162)	-
Total Remedial and Supplemental Programs K-12	936,563	720,812	215,751	467,291
CTE Programs				
Salaries	1,973,741	1,979,752	(6,011)	1,912,009
Employee Benefits	316,787	310,144	6,643	299,859
Purchased Services	98,227	81,326	16,901	67,042
Supplies and Materials	243,440	251,133	(7,693)	257,605
Capital Outlay	43,161	43,161	-	-
Noncapitalized Equipment	89,750	106,641	(16,891)	121,065
Total CTE Programs	2,765,106	2,772,157	(7,051)	2,657,580
Interscholastic Programs				
Salaries	4,563,822	4,545,482	18,340	4,428,052
Employee Benefits	201,893	185,066	16,827	192,761
Purchased Services	529,043	534,029	(4,986)	513,033
Supplies and Materials	129,614	148,769	(19,155)	107,198
Capital Outlay	33,422	12,748	20,674	16,139
Other Objects	39,030	37,727	1,303	41,215
Noncapitalized Equipment	29,247	29,247	-	20,172
Total Interscholastic Programs	5,526,071	5,493,068	33,003	5,318,570
Summer School Programs				
Salaries	228,717	218,487	10,230	206,305
Employee Benefits	7,199	5,116	2,083	6,051
Purchased Services	8,000	-	8,000	-
Supplies and Materials	11,000	6,780	4,220	6,289
Total Summer School Programs	254,916	230,383	24,533	218,645
Driver's Education Programs				
Salaries	889,822	718,732	171,090	869,177
Employee Benefits	157,143	100,697	56,446	148,668
Purchased Services	13,852	8,316	5,536	8,837
Supplies and Materials	18,487	15,746	2,741	13,447
Total Driver's Education Programs	1,079,304	843,491	235,813	1,040,129

(Continued)

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Educational Account

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2017

(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Actual
Truant Alternative and Optional Programs				
Salaries	\$ 100,829	\$ 101,459	(\$ 630)	\$ 97,655
Employee Benefits	1,391	1,441	(50)	1,348
Supplies and Materials	2,500	442	2,058	204
Total Truant Alternative and Optional Programs	104,720	103,342	1,378	99,207
Special Education Programs - Private Tuition	3,300,000	3,278,505	21,495	3,132,087
Summer School Programs - Private Tuition	600,000	320,146	279,854	370,511
Total Instruction	71,488,024	69,071,536	2,416,488	68,274,629
Support Services				
Support Services - Pupil				
Attendance and Social Work Services				
Salaries	3,038,178	3,093,723	(55,545)	2,943,306
Employee Benefits	920,335	887,398	32,937	851,266
Purchased Services	5,610	3,527	2,083	2,414
Supplies and Materials	17,827	16,371	1,456	12,535
Total Attendance and Social Work Services	3,981,950	4,001,019	(19,069)	3,809,521
Guidance Services				
Salaries	3,368,114	3,387,495	(19,381)	3,262,096
Employee Benefits	646,540	603,725	42,815	612,409
Purchased Services	13,452	13,098	354	9,191
Supplies and Materials	16,038	12,974	3,064	22,912
Capital Outlay	-	-	-	11,719
Other Objects	1,265	579	686	800
Noncapitalized Equipment	1,000	714	286	1,500
Total Guidance Services	4,046,409	4,018,585	27,824	3,920,627
Health Services				
Salaries	386,754	369,788	16,966	374,579
Employee Benefits	90,436	88,866	1,570	85,515
Purchased Services	5,050	3,036	2,014	1,342
Supplies and Materials	6,680	6,474	206	5,563
Total Health Services	488,920	468,164	20,756	466,999
Psychological Services				
Salaries	276,756	260,992	15,764	268,045
Employee Benefits	71,124	58,860	12,264	67,241
Purchased Services	8,800	6,406	2,394	5,063
Supplies and Materials	8,150	5,477	2,673	5,913
Total Psychological Services	364,830	331,735	33,095	346,262

(Continued)

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Educational Account

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2017

(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Actual
Speech Pathology and Audiology Services				
Salaries	\$ 317,636	\$ 327,203	(\$ 9,567)	\$ 307,637
Employee Benefits	49,142	53,371	(4,229)	46,562
Purchased Services	-	-	-	230
Supplies and Materials	4,655	1,550	3,105	2,557
Total Speech Pathology and Audiology Services	371,433	382,124	(10,691)	356,986
Other Support Services - Pupils				
Salaries	6,228	6,833	(605)	6,033
Employee Benefits	85	97	(12)	83
Purchased Services	65,300	42,540	22,760	71,377
Supplies and Materials	70,300	58,114	12,186	57,941
Total Other Support Services - Pupils	141,913	107,584	34,329	135,434
Total Support Services - Pupil	9,395,455	9,309,211	86,244	9,035,829
Support Services - Instructional Staff				
Improvement of Instruction Services				
Salaries	870,145	703,208	166,937	701,448
Employee Benefits	151,095	122,515	28,580	123,616
Purchased Services	585,715	385,741	199,974	450,246
Supplies and Materials	92,884	43,269	49,615	48,164
Other Objects	18,800	3,727	15,073	3,144
Noncapitalized Equipment	5,000	-	5,000	-
Total Improvement of Instruction Services	1,723,639	1,258,460	465,179	1,326,618
Educational Media Services				
Salaries	1,024,373	991,041	33,332	992,130
Employee Benefits	302,772	281,486	21,286	285,996
Purchased Services	4,618	16,018	(11,400)	3,764
Supplies and Materials	137,866	125,242	12,624	124,269
Other Objects	75	10	65	-
Noncapitalized Equipment	5,000	-	5,000	2,276
Total Educational Media Services	1,474,704	1,413,797	60,907	1,408,435
Assessment and Testing				
Purchased Services	140,000	53,094	86,906	86,775
Total Assessment and Testing	140,000	53,094	86,906	86,775
Total Support Services - Instructional Staff	3,338,343	2,725,351	612,992	2,821,828
Support Services - General Administration				
Board of Education Services				
Salaries	6,775	6,775	-	6,775
Employee Benefits	3,889	2,707	1,182	3,758

(Continued)

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Educational Account

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2017

(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Actual
Purchased Services	\$ 740,655	\$ 603,109	\$ 137,546	\$ 667,023
Supplies and Materials	1,040	1,238	(198)	1,042
Other Objects	21,664	101,883	(80,219)	20,982
Total Board of Education Services	774,023	715,712	58,311	699,580
Executive Administration Services				
Salaries	306,981	319,655	(12,674)	297,318
Employee Benefits	93,011	90,990	2,021	88,879
Purchased Services	2,345	1,505	840	2,271
Supplies and Materials	14,959	2,995	11,964	14,488
Other Objects	7,361	8,577	(1,216)	7,130
Total Executive Administration Services	424,657	423,722	935	410,086
Special Area Administration Services				
Salaries	558,067	530,153	27,914	541,145
Employee Benefits	170,765	154,415	16,350	162,788
Purchased Services	41,000	20,090	20,910	20,711
Supplies and Materials	8,000	2,934	5,066	4,566
Capital Outlay	4,000	-	4,000	-
Other Objects	114	-	114	110
Noncapitalized Equipment	1,000	-	1,000	-
Total Special Area Administration Services	782,946	707,592	75,354	729,320
Insurance Payments (Regular or Self-Insurance)				
Other Objects	-	35,624	(35,624)	91,102
Total Insurance Payments (Regular or Self-In:	-	35,624	(35,624)	91,102
Total Support Services - General Administration	1,981,626	1,882,650	98,976	1,930,088
Support Services - School Administration				
Office of the Principal Services				
Salaries	2,046,935	2,011,661	35,274	1,982,503
Employee Benefits	457,548	453,603	3,945	436,064
Purchased Services	210,228	190,131	20,097	171,138
Supplies and Materials	114,255	101,559	12,696	101,616
Capital Outlay	110,100	108,634	1,466	20,046
Other Objects	90,512	40,735	49,777	47,720
Noncapitalized Equipment	37,256	23,060	14,196	22,960
Total Office of the Principal Services	3,066,834	2,929,383	137,451	2,782,047
Other Support Services - School Administration				
Salaries	2,963,208	2,933,354	29,854	2,869,934
Employee Benefits	934,127	906,694	27,433	889,407

(Continued)

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Educational Account

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2017

(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Actual
Purchased Services	\$ 14,500	\$ 8,894	\$ 5,606	\$ 5,984
Total Other Support Services - School Administration	3,911,835	3,848,942	62,893	3,765,325
Total Support Services - School Administration	6,978,669	6,778,325	200,344	6,547,372
Support Services - Business				
Direction of Business Support Services				
Salaries	85,596	85,987	(391)	82,902
Employee Benefits	19,554	18,115	1,439	18,725
Purchased Services	3,500	4,667	(1,167)	485
Other Objects	3,242	1,372	1,870	3,140
Total Direction of Business Support Services	111,892	110,141	1,751	105,252
Fiscal Services				
Salaries	368,077	318,679	49,398	356,492
Employee Benefits	86,627	59,777	26,850	81,816
Purchased Services	42,500	91,840	(49,340)	43,346
Supplies and Materials	3,800	3,760	40	3,622
Noncapitalized Equipment	3,000	-	3,000	2,809
Total Fiscal Services	504,004	474,056	29,948	488,085
Operation and Maintenance of Plant Services				
Purchased Services	556,180	729,551	(173,371)	685,019
Supplies and Materials	11,630	14,495	(2,865)	-
Capital Outlay	5,465	5,455	10	-
Noncapitalized Equipment	8,220	44,246	(36,026)	-
Total Operation and Maintenance of Plant Services	581,495	793,747	(212,252)	685,019
Food Services				
Salaries	1,071,801	1,047,057	24,744	1,037,780
Employee Benefits	156,720	163,549	(6,829)	150,438
Purchased Services	61,545	36,055	25,490	53,391
Supplies and Materials	1,665,606	1,547,582	118,024	1,649,116
Capital Outlay	25,969	19,000	6,969	25,711
Other Objects	1,333	3,997	(2,664)	1,320
Noncapitalized Equipment	1,919	-	1,919	1,900
Total Food Services	2,984,893	2,817,240	167,653	2,919,656
Internal Services				
Purchased Services	134,500	174,747	(40,247)	131,109
Supplies and Materials	127,720	90,582	37,138	98,335
Total Internal Services	262,220	265,329	(3,109)	229,444
Total Support Services - Business	4,444,504	4,460,513	(16,009)	4,427,456

(Continued)

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Educational Account

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2017

(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Actual
Support Services - Central				
Planning, Research, Development and Evaluation Services				
Purchased Services	\$ 260,000	\$ 200,532	\$ 59,468	\$ -
Supplies and Materials	(4,200)	1,079	(5,279)	178,022
Total Planning, Research, Development and Evaluation Services	255,800	201,611	54,189	178,022
Information Services				
Salaries	113,048	115,258	(2,210)	109,490
Employee Benefits	1,174	1,164	10	1,164
Purchased Services	62,300	37,120	25,180	21,307
Supplies and Materials	22,000	8,225	13,775	6,680
Other Objects	2,335	2,086	249	1,645
Noncapitalized Equipment	1,000	2,348	(1,348)	-
Total Information Services	201,857	166,201	35,656	140,286
Staff Services				
Salaries	532,996	543,108	(10,112)	516,219
Employee Benefits	97,459	98,095	(636)	93,166
Purchased Services	54,500	80,312	(25,812)	38,029
Supplies and Materials	17,000	13,373	3,627	10,981
Other Objects	12,000	6,350	5,650	9,380
Total Staff Services	713,955	741,238	(27,283)	667,775
Data Processing Services				
Salaries	750,314	755,187	(4,873)	726,698
Employee Benefits	181,496	154,889	26,607	171,362
Purchased Services	268,770	242,664	26,106	179,587
Supplies and Materials	1,175,622	1,132,171	43,451	351,666
Capital Outlay	175,000	183,016	(8,016)	5,650
Other Objects	3,880	1,295	2,585	1,265
Noncapitalized Equipment	696,930	681,640	15,290	961,315
Total Data Processing Services	3,252,012	3,150,862	101,150	2,397,543
Total Support Services - Central	4,423,624	4,259,912	163,712	3,383,626
Other Support Services				
Purchased Services	1,500	-	1,500	-
Supplies and Materials	15,000	73	14,927	270
Total Other Support Services	16,500	73	16,427	270
Total Support Services	30,578,721	29,416,035	1,162,686	28,146,469
Community Services				
Salaries	363,587	367,722	(4,135)	353,090
Employee Benefits	10,841	15,729	(4,888)	10,699

(Continued)

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Educational Account

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2017

(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Actual
Purchased Services	\$ 23,887	\$ 9,309	\$ 14,578	\$ 3,816
Supplies and Materials	73,233	58,151	15,082	65,480
Total Community Services	<u>471,548</u>	<u>450,911</u>	<u>20,637</u>	<u>433,085</u>
Payments to Other Districts and Governmental Units				
Payments to Other Governmental Units (In-State)				
Payments for Regular Programs				
Purchased Services	1,000	-	1,000	-
Other Objects	<u>4,000</u>	<u>2,762</u>	<u>1,238</u>	<u>3,812</u>
Total Payments to Districts and Other Governmental Units (In-State)	<u>5,000</u>	<u>2,762</u>	<u>2,238</u>	<u>3,812</u>
Payments to Other Districts and Governmental Units - Tuition				
Payments for Special Education Programs - Tuition	<u>3,600,000</u>	<u>3,954,761</u>	<u>(354,761)</u>	<u>4,115,544</u>
Total Payments to Other Dist. and Governmental Units - Tuition (In State)	<u>3,600,000</u>	<u>3,954,761</u>	<u>(354,761)</u>	<u>4,115,544</u>
Payments to Other Districts and Governmental Units Units - Transfers (In State)				
Total Payments to Other Districts and Governmental Units	<u>3,605,000</u>	<u>3,957,523</u>	<u>(352,523)</u>	<u>4,119,356</u>
Provision for Contingencies	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
On Behalf of Payments to State	<u>32,668,510</u>	<u>46,966,330</u>	<u>(14,297,820)</u>	<u>31,717,627</u>
Total Expenditures Disbursed	<u>138,911,803</u>	<u>149,862,335</u>	<u>(10,950,532)</u>	<u>132,691,166</u>
Net Change in Fund Balance	<u>\$ 50,642</u>	1,300,430	<u>\$ 1,249,788</u>	3,063,314
Fund Balance, Beginning of Year		<u>31,635,852</u>		<u>28,572,538</u>
Fund Balance, End of Year		<u>\$ 32,936,282</u>		<u>\$ 31,635,852</u>

GENERAL FUND – OPERATIONS AND MAINTENANCE ACCOUNT

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Operations and Maintenance Account
Schedule of Assets and Fund Balance (Modified Cash Basis)
June 30, 2017
(With Comparative Totals as of June 30, 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Investments	\$ 6,271,109	\$ 6,346,012
Other Assets	<u>59,918</u>	<u>10,845</u>
Total Assets	<u>\$ 6,331,027</u>	<u>\$ 6,356,857</u>
 FUND BALANCE		
Unassigned	<u>\$ 6,331,027</u>	<u>\$ 6,356,857</u>
Total Fund Balance	<u>\$ 6,331,027</u>	<u>\$ 6,356,857</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Operations and Maintenance Account
Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>	<u>Actual</u>
Revenues Received				
Local Sources				
Property Taxes	\$ 10,042,718	\$ 9,537,344	(\$ 505,374)	\$ 9,617,769
Payments in Lieu of Taxes	370,000	399,352	29,352	376,792
Earnings on Investments	12,000	37,575	25,575	10,543
Other Revenue	255,000	358,379	103,379	368,123
Total Local Sources	<u>10,679,718</u>	<u>10,332,650</u>	<u>(347,068)</u>	<u>10,373,227</u>
State Sources				
Unrestricted Grants-In-Aid	900,000	900,000	-	-
Total State Sources	<u>900,000</u>	<u>900,000</u>	<u>-</u>	<u>-</u>
Total Revenues Received	<u>11,579,718</u>	<u>11,232,650</u>	<u>(347,068)</u>	<u>10,373,227</u>
Expenditures Disbursed				
Support Services				
Support Services - Business				
Facilities Acquisition and Construction Services				
Capital Outlay	400,000	158,306	241,694	387,509
Operation and Maintenance of Plant Services				
Salaries	618,298	604,550	13,748	600,763
Employee Benefits	105,065	109,478	(4,413)	99,246
Purchased Services	6,592,515	6,676,301	(83,786)	6,305,159
Supplies and Materials	2,787,925	2,793,506	(5,581)	2,200,002
Capital Outlay	196,587	235,674	(39,087)	209,838
Other Objects	9,750	1,884	7,866	2,392
Noncapitalized Equipment	488,227	329,017	159,210	97,554
Total Operation and Maintenance of Plant Services	<u>10,798,367</u>	<u>10,750,410</u>	<u>47,957</u>	<u>9,514,954</u>
Total Support Services - Business	<u>11,198,367</u>	<u>10,908,716</u>	<u>289,651</u>	<u>9,902,463</u>
Other Support Services				
Purchased Services	112,420	196,482	(84,062)	223,955
Supplies and Materials	6,633	12,336	(5,703)	457
Capital Outlay	101,419	101,419	-	752,686
Noncapitalized Equipment	39,528	39,527	1	-
Total Other Support Services	<u>260,000</u>	<u>349,764</u>	<u>(89,764)</u>	<u>977,098</u>
Total Support Services	<u>11,458,367</u>	<u>11,258,480</u>	<u>199,887</u>	<u>10,879,561</u>
Provision for Contingencies	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Total Expenditures Disbursed	<u>11,508,367</u>	<u>11,258,480</u>	<u>249,887</u>	<u>10,879,561</u>
Net Change in Fund Balance	<u>\$ 71,351</u>	<u>(25,830)</u>	<u>(\$ 97,181)</u>	<u>(506,334)</u>
Fund Balance, Beginning of Year		<u>6,356,857</u>		<u>6,863,191</u>
Fund Balance, End of Year		<u>\$ 6,331,027</u>		<u>\$ 6,356,857</u>

GENERAL FUND – WORKING CASH ACCOUNT

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Working Cash Account

Schedule of Assets and Fund Balance (Modified Cash Basis)

June 30, 2017

(With Comparative Totals as of June 30, 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Investments	<u>\$ 21,481,738</u>	<u>\$ 21,238,916</u>
Total Assets	<u>\$ 21,481,738</u>	<u>\$ 21,238,916</u>
 FUND BALANCE		
Unassigned	<u>\$ 21,481,738</u>	<u>\$ 21,238,916</u>
Total Fund Balance	<u>\$ 21,481,738</u>	<u>\$ 21,238,916</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

General Fund - Working Cash Fund

Schedule of Revenues Received and Changes
in Fund Balance - Budget and Actual (Modified Cash Basis)
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>	<u>Actual</u>
Revenues Received				
Local Sources				
Property Taxes	\$ 56,007	\$ 131,984	\$ 75,977	\$ 29,965
Earnings on Investments	<u>30,000</u>	<u>110,838</u>	<u>80,838</u>	<u>29,432</u>
Total Revenues Received	<u>86,007</u>	<u>242,822</u>	<u>156,815</u>	<u>59,397</u>
Net Change in Fund Balance	<u>\$ 86,007</u>	<u>242,822</u>	<u>\$ 156,815</u>	<u>59,397</u>
Fund Balance, Beginning of Year		<u>21,238,916</u>		<u>21,179,519</u>
Fund Balance, End of Year		<u>\$ 21,481,738</u>		<u>\$ 21,238,916</u>

TRANSPORTATION FUND

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Transportation Fund

Schedule of Assets and Fund Balance (Modified Cash Basis)

June 30, 2017

(With Comparative Totals as of June 30, 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Investments	\$ 3,485,661	\$ 3,499,825
Total Assets	<u>\$ 3,485,661</u>	<u>\$ 3,499,825</u>
FUND BALANCE		
Restricted	\$ 3,148,374	\$ 3,179,476
Assigned	<u>337,287</u>	<u>320,349</u>
Total Fund Balance	<u>\$ 3,485,661</u>	<u>\$ 3,499,825</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Transportation Fund

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2017

(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Actual
Revenues Received				
Local Sources				
Property Taxes	\$ 4,975,213	\$ 4,827,851	(\$ 147,362)	\$ 4,786,064
Payments in Lieu of Taxes	200,000	200,000	-	201,600
Transportation Fees	1,000	40,070	39,070	2,730
Earnings on Investments	6,000	16,939	10,939	6,311
Total Local Sources	<u>5,182,213</u>	<u>5,084,860</u>	<u>(97,353)</u>	<u>4,996,705</u>
State Sources				
Unrestricted Grants-In-Aid	900,000	900,000	-	150,000
Restricted Grants-In-Aid	3,350,000	3,096,478	(253,522)	3,368,302
Total State Sources	<u>4,250,000</u>	<u>3,996,478</u>	<u>(253,522)</u>	<u>3,518,302</u>
Total Revenues Received	<u>9,432,213</u>	<u>9,081,338</u>	<u>(350,875)</u>	<u>8,515,007</u>
Expenditures Disbursed				
Support Services				
Support Services - Business				
Pupil Transportation Services				
Salaries	150,335	149,641	694	145,603
Employee Benefits	41,926	39,744	2,182	39,834
Purchased Services	9,166,918	8,861,067	305,851	9,344,309
Supplies and Materials	28,000	45,050	(17,050)	22,755
Total Support Services	<u>9,387,179</u>	<u>9,095,502</u>	<u>291,677</u>	<u>9,552,501</u>
Provision for Contingencies	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Total Expenditures Disbursed	<u>9,412,179</u>	<u>9,095,502</u>	<u>316,677</u>	<u>9,552,501</u>
Net Change in Fund Balance	<u>\$ 20,034</u>	<u>(14,164)</u>	<u>(\$ 34,198)</u>	<u>(1,037,494)</u>
Fund Balance, Beginning of Year		<u>3,499,825</u>		<u>4,537,319</u>
Fund Balance, End of Year		<u>\$ 3,485,661</u>		<u>\$ 3,499,825</u>

DEBT SERVICE FUND

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Debt Service Fund

Schedule of Assets and Fund Balance (Modified Cash Basis)

June 30, 2017

(With Comparative Totals as of June 30, 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Investments	\$ 10,652,761	\$ 10,363,769
Total Assets	<u>\$ 10,652,761</u>	<u>\$ 10,363,769</u>
 FUND BALANCE		
Restricted	\$ 10,035,376	\$ 9,798,879
Assigned	<u>617,385</u>	<u>564,890</u>
Total Fund Balance	<u>\$ 10,652,761</u>	<u>\$ 10,363,769</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Debt Service Fund

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Actual
Revenues Received				
Local Sources				
Property Taxes	\$ 12,174,016	\$ 11,794,572	(\$ 379,444)	\$ 11,946,711
Earnings on Investments	15,000	52,495	37,495	15,199
Total Revenues Received	<u>12,189,016</u>	<u>11,847,067</u>	<u>(341,949)</u>	<u>11,961,910</u>
Expenditures Disbursed				
Debt Service - Interest on Long-Term Debt	889,038	873,075	15,963	1,388,588
Debt Service - Principal on Long-Term Debt	<u>10,685,000</u>	<u>10,685,000</u>	<u>-</u>	<u>10,185,000</u>
Total Expenditures Disbursed	<u>11,574,038</u>	<u>11,558,075</u>	<u>15,963</u>	<u>11,573,588</u>
Net Change in Fund Balance	<u>\$ 614,978</u>	288,992	<u>(\$ 325,986)</u>	388,322
Fund Balance, Beginning of Year		<u>10,363,769</u>		<u>9,975,447</u>
Fund Balance, End of Year		<u>\$ 10,652,761</u>		<u>\$ 10,363,769</u>

NONMAJOR GOVERNMENTAL FUNDS

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Nonmajor Governmental Funds

Combining Schedule of Assets, Liabilities and Fund Balances (Modified Cash Basis)

June 30, 2017

	<u>Special Revenue Fund</u>	<u>Capital Projects Funds</u>			
	<u>Municipal Retirement/ Social Security Fund</u>	<u>Capital Projects Fund</u>	<u>Fire Prevention and Safety Fund</u>	<u>Total Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS					
Cash and Investments	\$ 1,510,079	\$ 1,125,632	\$ 995	\$ 1,126,627	\$ 2,636,706
Total Assets	<u>\$ 1,510,079</u>	<u>\$ 1,125,632</u>	<u>\$ 995</u>	<u>\$ 1,126,627</u>	<u>\$ 2,636,706</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Payroll Deductions Payable	\$ 56	\$ -	\$ -	\$ -	\$ 56
Total Liabilities	<u>56</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56</u>
Fund Balances					
Restricted	1,510,023	-	995	995	1,511,018
Assigned	<u>-</u>	<u>1,125,632</u>	<u>-</u>	<u>1,125,632</u>	<u>1,125,632</u>
Total Fund Balance	<u>1,510,023</u>	<u>1,125,632</u>	<u>995</u>	<u>1,126,627</u>	<u>2,636,650</u>
Total Liabilities and Fund Balances	<u>\$ 1,510,079</u>	<u>\$ 1,125,632</u>	<u>\$ 995</u>	<u>\$ 1,126,627</u>	<u>\$ 2,636,706</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Nonmajor Governmental Funds

Combining Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balances (Modified Cash Basis)
For the Year Ended June 30, 2017

	Special Revenue Fund	Capital Projects Funds			
	Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues Received					
Local Sources					
Property Taxes	\$ 2,573,609	\$ -	\$ -	\$ -	\$ 2,573,609
Payments in Lieu of Taxes	430,000	-	-	-	430,000
Earnings on Investments	8,073	7,740	4	7,744	15,817
	<u>3,011,682</u>	<u>7,740</u>	<u>4</u>	<u>7,744</u>	<u>3,019,426</u>
Total Revenues Received					
Expenditures Disbursed					
Current:					
Instruction	1,414,927	-	-	-	1,414,927
Support Services	1,530,918	-	-	-	1,530,918
Community Services	29,522	-	-	-	29,522
Capital Outlay	-	1,486,934	45,000	1,531,934	1,531,934
	<u>2,975,367</u>	<u>1,486,934</u>	<u>45,000</u>	<u>1,531,934</u>	<u>4,507,301</u>
Total Expenditures Disbursed					
Net Change in Fund Balances	36,315	(1,479,194)	(44,996)	(1,524,190)	(1,487,875)
Fund Balances, Beginning of Year	<u>1,473,708</u>	<u>2,604,826</u>	<u>45,991</u>	<u>2,650,817</u>	<u>4,124,525</u>
Fund Balances, End of Year	<u>\$ 1,510,023</u>	<u>\$ 1,125,632</u>	<u>\$ 995</u>	<u>\$ 1,126,627</u>	<u>\$ 2,636,650</u>

MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Municipal Retirement / Social Security Fund

Schedule of Assets, Liabilities and Fund Balance (Modified Cash Basis)

June 30, 2017

(With Comparative Totals as of June 30, 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Investments	\$ 1,510,079	\$ 1,473,764
Total Assets	<u>\$ 1,510,079</u>	<u>\$ 1,473,764</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Payroll Deductions Payable	\$ 56	\$ 56
Total Liabilities	<u>56</u>	<u>56</u>
 Fund Balance		
Restricted	<u>1,510,023</u>	<u>1,473,708</u>
Total Fund Balance	<u>1,510,023</u>	<u>1,473,708</u>
Total Liabilities and Fund Balance	<u>\$ 1,510,079</u>	<u>\$ 1,473,764</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Municipal Retirement/Social Security Fund

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2017

(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Actual
Revenues Received				
Local Sources				
Property Taxes	\$ 2,644,519	\$ 2,573,609	(\$ 70,910)	\$ 2,543,312
Payments in Lieu of Taxes	430,000	430,000	-	528,320
Earnings on Investments	2,500	8,073	5,573	2,508
Total Revenues Received	3,077,019	3,011,682	(65,337)	3,074,140
Expenditures Disbursed				
Instruction - Employee Benefits				
Regular Programs	700,547	687,112	13,435	678,498
Special Education Programs	520,423	489,253	31,170	504,043
Remedial and Supplemental Programs K-12	27,291	27,626	(335)	26,432
CTE Programs	28,800	28,289	511	27,892
Interscholastic Programs	166,499	159,669	6,830	161,260
Summer School Programs	7,635	11,447	(3,812)	7,396
Driver's Education Programs	12,556	10,101	2,455	12,160
Truant Alternative and Optional Programs	1,406	1,430	(24)	1,361
Total Instruction - Employee Benefits	1,465,157	1,414,927	50,230	1,419,042
Support Services - Employee Benefits				
Support Services - Pupil				
Attendance and Social Work Services	245,257	249,997	(4,740)	237,536
Guidance Services	124,104	123,138	966	120,197
Health Services	24,085	23,198	887	23,325
Psychological Services	3,781	3,559	222	3,662
Speech Pathology and Audiology Services	4,482	4,572	(90)	4,342
Other Support Services - Pupils	90	98	(8)	87
Total Support Services - Pupil	401,799	404,562	(2,763)	389,149
Support Services - Instructional Staff				
Improvement of Instruction Services	62,947	65,578	(2,631)	60,966
Educational Media Services	93,155	84,545	8,610	90,226
Total Support Services - Instructional Staff	156,102	150,123	5,979	151,192
Support Services - General Administration				
Board of Education Services	101	98	3	98
Executive Administration Services	18,655	19,640	(985)	18,068
Special Area Administration Services	32,429	27,071	5,358	31,408
Total Support Services - General Administration	51,185	46,809	4,376	49,574

(Continued)

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Municipal Retirement/Social Security Fund

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2017

(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance With Final Budget Positive (Negative)	Actual
Support Services - School Administration				
Office of the Principal Services	\$ 159,498	\$ 151,491	\$ 8,007	\$ 154,476
Other Support Services - School Administration	163,509	154,514	8,995	158,363
Total Support Services - School Administration	323,007	306,005	17,002	312,839
Support Services - Business				
Direction of Business Support Services	1,194	1,211	(17)	1,156
Fiscal Services	67,932	61,161	6,771	65,793
Operation and Maintenance of Plant Services	119,839	114,284	5,555	116,066
Pupil Transportation Services	14,363	13,830	533	13,911
Food Services	207,679	197,417	10,262	201,087
Total Support Services - Business	411,007	387,903	23,104	398,013
Support Services - Central				
Information Services	22,591	22,476	115	21,879
Staff Services	68,941	70,117	(1,176)	66,770
Data Processing Services	145,230	142,923	2,307	140,658
Total Support Services - Central	236,762	235,516	1,246	229,307
Total Support Services - Employee Benefits	1,579,862	1,530,918	48,944	1,530,074
Community Services - Employee Benefits	28,771	29,522	(751)	27,867
Total Expenditures Disbursed	3,073,790	2,975,367	98,423	2,976,983
Net Change in Fund Balance	\$ 3,229	36,315	\$ 33,086	97,157
Fund Balance, Beginning of Year		1,473,708		1,376,551
Fund Balance, End of Year		<u>\$ 1,510,023</u>		<u>\$ 1,473,708</u>

CAPITAL PROJECTS FUND

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Capital Projects Fund

Schedule of Assets and Fund Balance (Modified Cash Basis)

June 30, 2017

(With Comparative Totals as of June 30, 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Investments	\$ 1,125,632	\$ 2,604,826
Total Assets	<u>\$ 1,125,632</u>	<u>\$ 2,604,826</u>
 FUND BALANCE		
Assigned	\$ 1,125,632	\$ 2,604,826
Total Fund Balance	<u>\$ 1,125,632</u>	<u>\$ 2,604,826</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Capital Projects Fund

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)
For the Year Ended June 30, 2017
(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>	<u>Actual</u>
Revenues Received				
Local Sources				
Earnings on Investments	\$ 2,500	\$ 7,740	\$ 5,240	\$ 3,794
Total Revenues Received	<u>2,500</u>	<u>7,740</u>	<u>5,240</u>	<u>3,794</u>
Expenditures Disbursed				
Support Services				
Support Services - Business				
Facilities Acquisition and Construction Services				
Capital Outlay	<u>2,000,000</u>	<u>1,486,934</u>	<u>513,066</u>	<u>588,668</u>
Total Expenditures Disbursed	<u>2,000,000</u>	<u>1,486,934</u>	<u>513,066</u>	<u>588,668</u>
Net Change in Fund Balance	<u>(\$ 1,997,500)</u>	<u>(1,479,194)</u>	<u>\$ 518,306</u>	<u>(584,874)</u>
Fund Balance, Beginning of Year		<u>2,604,826</u>		<u>3,189,700</u>
Fund Balance, End of Year		<u>\$ 1,125,632</u>		<u>\$ 2,604,826</u>

FIRE PREVENTION AND SAFETY FUND

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Fire Prevention and Safety Fund

Schedule of Assets and Fund Balance (Modified Cash Basis)

June 30, 2017

(With Comparative Totals as of June 30, 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and Investments	\$ 995	\$ 45,991
Total Assets	<u>\$ 995</u>	<u>\$ 45,991</u>
 FUND BALANCE		
Restricted	\$ 995	\$ 45,991
Total Fund Balance	<u>\$ 995</u>	<u>\$ 45,991</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Fire Prevention and Safety Fund

Schedule of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)

For the Year Ended June 30, 2017

(With Comparative Actual Amounts for the Year Ended June 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>	<u>Actual</u>
Revenues Received				
Local Sources				
Earnings on Investments	\$ 150	\$ 4	(\$ 146)	\$ 309
Total Revenues Received	<u>150</u>	<u>4</u>	<u>(146)</u>	<u>309</u>
Expenditures Disbursed				
Support Services				
Support Services - Business				
Facilities Acquisition and Construction Services				
Capital Outlay	<u>45,000</u>	<u>45,000</u>	<u>-</u>	<u>370,894</u>
Total Expenditures Disbursed	<u>45,000</u>	<u>45,000</u>	<u>-</u>	<u>370,894</u>
Net Change in Fund Balance	<u>(\$ 44,850)</u>	<u>(44,996)</u>	<u>(\$ 146)</u>	<u>(370,585)</u>
Fund Balance, Beginning of Year		<u>45,991</u>		<u>416,576</u>
Fund Balance, End of Year		<u>\$ 995</u>		<u>\$ 45,991</u>

AGENCY FUNDS - STUDENT ACTIVITY FUNDS

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Schedule of Cash Receipts, Cash Disbursements and Ending Balance
Agency Funds - Student Activity Funds (Modified Cash Basis)
For the Year Ended June 30, 2017

	<u>Balance as of July 1, 2016</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance as of June 30, 2017</u>
ASSETS				
Cash and Investments	\$ 1,148,320	\$ 3,556,197	\$ 3,538,190	\$ 1,166,327
Total Assets	<u>\$ 1,148,320</u>	<u>\$ 3,556,197</u>	<u>\$ 3,538,190</u>	<u>\$ 1,166,327</u>
LIABILITIES				
Due to Activity Fund Organizations:				
Victor J. Andrew High School	\$ 313,282	\$ 1,106,695	\$ 1,125,749	\$ 294,228
Carl Sandburg High School	404,447	1,555,424	1,525,213	434,658
Amos Alonzo Stagg High School	<u>430,591</u>	<u>894,078</u>	<u>887,228</u>	<u>437,441</u>
Total Liabilities	<u>\$ 1,148,320</u>	<u>\$ 3,556,197</u>	<u>\$ 3,538,190</u>	<u>\$ 1,166,327</u>

OTHER SUPPLEMENTAL SCHEDULES

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Schedule of Assessed Valuations, Rates and Extensions Last Ten Tax Levy Years (Unaudited)

Levy Year	2016	2015	2014	2013
Equalized Assessed Valuation	<u>\$ 4,361,345,133</u>	<u>\$ 4,161,822,154</u>	<u>\$ 4,282,383,680</u>	<u>\$ 4,418,997,672</u>
Tax Rates per \$100 of EAV:				
Education	2.0698	2.1387	2.0555	1.9557
Operations and Maintenance	0.2232	0.2380	0.2287	0.2176
Special Education	0.0282	0.0269	0.0259	0.0246
Transportation	0.1142	0.1179	0.1133	0.1078
Municipal Retirement and Social Security	0.0610	0.0627	0.0602	0.0573
Bond and Interest	0.2755	0.2934	0.2850	0.2762
Working Cash	<u>0.0058</u>	<u>0.0013</u>	<u>0.0013</u>	<u>0.0012</u>
Total	<u>2.7777</u>	<u>2.8789</u>	<u>2.7699</u>	<u>2.6404</u>
Tax Extensions:				
Education	\$ 90,271,121	\$ 89,010,918	\$ 88,022,668	\$ 86,422,337
Operations and Maintenance	9,734,522	9,903,756	9,793,798	9,615,738
Special Education	1,229,899	1,119,634	1,107,203	1,087,073
Transportation	4,980,656	4,906,365	4,851,891	4,763,679
Municipal Retirement and Social Security	2,660,420	2,607,929	2,578,973	2,532,085
Bond and Interest	12,015,570	12,209,033	12,205,646	12,205,646
Working Cash	<u>252,958</u>	<u>55,232</u>	<u>54,618</u>	<u>53,027</u>
Total	<u>\$ 121,145,146</u>	<u>\$ 119,812,867</u>	<u>\$ 118,614,797</u>	<u>\$ 116,679,585</u>
Tax Collections as of June 30, 2017	<u>\$ 62,962,086</u>	<u>\$ 118,659,984</u>	<u>\$ 117,305,995</u>	<u>\$ 114,550,072</u>
Collections as a Percentage of				
Total Extensions	<u>51.97%</u>	<u>99.04%</u>	<u>98.90%</u>	<u>98.17%</u>

Note: 2016 is the most current information available.

Amounts collected change each year due to collections of delinquent taxes, penalties, refunds and interest.

Amounts may exceed 100% due to the collection of penalties and interest earned on taxes.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<u>\$ 4,696,399,987</u>	<u>\$ 5,101,983,245</u>	<u>\$ 6,036,600,082</u>	<u>\$ 6,021,964,673</u>	<u>\$ 5,857,479,165</u>	<u>\$ 5,195,800,482</u>
1.8017	1.5053	1.2492	1.2119	1.1937	1.2675
0.2004	0.2373	0.1969	0.1989	0.2399	0.2546
0.0227	0.0195	0.0162	0.0157	0.0160	0.0171
0.0993	0.0850	0.0706	0.0602	0.0715	0.0760
0.0528	0.0452	0.0375	0.0363	0.0320	0.0339
0.2598	0.2393	0.2022	0.2027	0.2082	0.2350
0.0011	0.0475	0.0394	0.0383	0.0391	0.0415
<u>2.4378</u>	<u>2.1791</u>	<u>1.8120</u>	<u>1.7640</u>	<u>1.8004</u>	<u>1.9256</u>
\$ 84,615,038	\$ 76,800,153	\$ 75,409,208	\$ 72,980,189	\$ 69,920,728	\$ 65,856,771
9,411,585	12,107,006	11,886,065	11,977,687	14,052,092	13,228,508
1,066,082	994,886	977,929	945,448	937,196	888,481
4,663,525	4,336,685	4,261,839	3,625,222	4,188,097	3,948,808
2,479,698	2,306,095	2,263,724	2,185,972	1,874,393	1,761,375
12,203,546	12,207,536	12,207,536	12,203,966	12,195,461	12,209,279
51,660	2,423,442	2,378,420	2,306,412	2,290,274	2,156,257
<u>\$ 114,491,134</u>	<u>\$ 111,175,803</u>	<u>\$ 109,384,721</u>	<u>\$ 106,224,896</u>	<u>\$ 105,458,241</u>	<u>\$ 100,049,479</u>
<u>\$ 112,254,906</u>	<u>\$ 108,576,583</u>	<u>\$ 106,454,905</u>	<u>\$ 102,630,280</u>	<u>\$ 102,461,360</u>	<u>\$ 98,422,365</u>
<u>98.05%</u>	<u>97.66%</u>	<u>97.32%</u>	<u>96.62%</u>	<u>97.16%</u>	<u>98.37%</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Schedule of Insurance Coverage June 30, 2017 (Unaudited)

Insurance Carrier	Coverage	Policy Term	Premium
Catlin Indemnity Company	Commercial Package	12/31/16-12/31/17	\$ 180,245
Catlin Indemnity Company	Commercial Automobile	12/31/16-12/31/17	22,533
Catlin Indemnity Company	Educators Legal Liability	12/31/16-12/31/17	20,416
Markel American Insurance	Excess Liability	12/31/16-12/31/17	5,250
Catlin Indemnity Company	Excess Liability	12/31/16-12/31/17	20,494
Illinois Public Risk Fund	Workers Compensation	12/1/16-12/1/17	294,824
The Hartford Group	Treasurer Surety Bond	7/1/16-7/1/18	15,068
Underwriter at Lloyds London (IL)	Cyber Liability	12/31/16-12/31/17	12,323

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Computation of Legal Debt Margin June 30, 2017 (Unaudited)

Assessed Valuation - 2016 Tax Year - (most recent available)	<u>\$ 4,361,345,133</u>
Statutory Debt Limitation (6.9% of Assessed Valuation)	\$ 300,932,814
Less Bonded Indebtedness:	
General Obligation Bonds Payable	<u>17,620,000</u>
Legal Debt Margin	<u>\$ 283,312,814</u>

CONSOLIDATED HIGH SCHOOL DISTRICT 230

Schedule of Operating Expenditures Per Student For the Year Ended June 30, 2017 (Unaudited)

<u>Expenditures</u>	
Educational Account*	\$ 102,896,005
Operations and Maintenance Account	11,258,480
Debt Service Fund	11,558,075
Transportation Fund	9,095,502
Municipal Retirement/Social Security Fund	<u>2,975,367</u>
Total Expenditures	<u>\$ 137,783,429</u>
Less Expenditures not Applicable to Operating Expenditures of Regular Programs:	
Educational Account	
Summer School Programs	230,383
Special Education Programs K-12 - Private Tuition	3,278,505
Summer School Programs - Private Tuition	320,146
Community Services	450,911
Total Payments to Other District & Governmental Units	3,957,523
Capital Outlay	431,018
Non-Capitalized Equipment	1,026,999
Operations and Maintenance Account	
Capital Outlay	495,399
Non-Capitalized Equipment	368,544
Debt Service Fund	
Debt Principal Retired	10,685,000
Transportation Fund	
Summer School Transportation	4,250
Municipal Retirement/Social Security Fund	
Summer School Programs	11,447
Community Services	<u>29,522</u>
Total Deductions	<u>21,289,647</u>
Net Operating Expenditures	<u>\$ 116,493,782</u>
Average Daily Attendance	<u>7,110</u>
Operating Expenditures per Student	<u>\$ 16,385</u>

Source: 2017 Annual Financial Report, State Form 50-35

* Computation excludes on-behalf payments made by State of Illinois