



DuPage County, Illinois

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For Year Ending June 30, 2016

Comprehensive Annual Financial Report

of

**Community High School
District 99**

Downers Grove, Illinois

For the Fiscal Year Ended June 30, 2016

Official Issuing Report

Mark E. Staehlin, District Controller

Department Issuing Report

Business Office

Community High School District 99
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2016

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INTRODUCTORY SECTION

December 09, 2016

President and Members of the Board of Education
and Members of the Community
Community High School District 99
Downers Grove, Illinois

The Comprehensive Annual Financial Report of Community High School District 99, Downers Grove, Illinois, as of and for the year ended June 30, 2016, is submitted herewith. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data as presented is: (1) accurate in all material aspects; (2) presented in a manner designed to fairly set forth the financial position and results of operations of the District, as shown by the disclosure of all financial activity of its various funds; and (3) that all disclosures necessary for maximum public understanding of the District's financial status have been incorporated in the report.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this transmittal letter, the District's organizational chart, a list of principal officials, and the Certificate of Excellence in Financial Reporting from the Association of School Business Officials International. The Financial Section includes Management's Discussion and Analysis, the basic financial statements, notes to the financial statements, and the auditors' report on these items, as well as Required Supplementary Information (RSI) and Other Supplementary Financial Information (OSFI). RSI, which is unaudited, includes supplementary information relating to pension and other postemployment benefits, budgetary schedules, and notes to the RSI. OSFI includes combining and individual fund schedules. The Statistical Section (unaudited) includes selected financial and demographic information, generally presented on a multiyear basis.

GAAP/MD&A

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Community High School District 99's MD&A can be found immediately following the report of the independent auditors.

District Profile

Community High School District 99 was formed in 1923. The District is a suburban school district located in south central DuPage County, which covers 31 square miles comprised of the Villages of Downers Grove and Woodridge and portions of the communities of Oak Brook, Lombard, Darien, Lisle, Westmont, and Bolingbrook. The District maintains two high schools (grades 9-12) in addition to a small transitional life skill facility and currently serves 4,963 students. The District is primarily residential with substantial commercial areas as well. Several industrial parks are located in the District, with the major industries employing more than 14,800 people. Numerous retail areas provide for the shopping needs of District residents. Housing includes many older, well-kept frame buildings, new subdivisions with some upper income homes, and many apartments and condominiums.

The District offers a comprehensive high school curriculum including a full range of vocational and technical courses, special education programs, and a gifted education program including advanced placement courses in twenty-two different subjects. Both of the District's high schools sponsor a variety of athletic teams and co-curricular activities. The District also offers to staff an extensive professional development program, including a mentoring program, induction program, professional appraisal system, and numerous professional workshops.

Reporting Entity

Generally accepted accounting principles require that the financial 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.

Community High School District 99 is a municipal corporation governed by a Board of Education, which is elected by the public and has the exclusive responsibility and accountability for the decisions it makes. The District has the statutory authority to adopt its own budget, to levy taxes, and to issue debt without the approval of another government. It has the right to sue and be sued, and has the right to buy, sell, lease, or mortgage property in its own name. Based on these criteria, the District is considered a primary government and there are no other organizations or agencies whose financial statements should be combined and presented with these general purpose financial statements.

Accounting Systems and Budgetary Control

The District's funds report on the modified accrual basis of accounting, which is applied to the District's accounting records. The notes to the financial statements expand upon the modified accrual basis and upon all District accounting policies and procedures. All District funds are included in this report.

This presentation allows the reader to obtain an overview of the District's financial operations by viewing the basic financial statements, in the front section of the report. Detailed presentations of the basic financial statements are available throughout the remainder of the report. All of the figures used in the following discussion were obtained or derived from the financial statements attached herewith.

The District's management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary control is maintained at the department level within each building by the encumbrance of estimated purchase amounts prior to release of purchase orders. Purchase orders, which exceed the available account balances, are not approved until the responsible administrator reapportions his budget. All outstanding encumbrances lapse at year-end.

Administrators have real-time access to their transaction activity and budgetary status. Monthly expenditure and revenue reports are reviewed by the business office and provided to the Board of Education. On a quarterly basis, detailed public presentations are also made to the Board, at its regular business meeting, comparing year-to-date actual account balance activity with the budgeted amounts.

The Illinois Department of Revenue attempts to equalize the assessment practices of the 102 county assessors, by annually setting a property tax multiplier. This multiplier is applied to the base assessment of real property to achieve the equalized assessed valuation (EAV) used for taxation.

Real estate tax bills in DuPage County, Illinois, are due in two nearly equal installments. Generally, first installment collections are remitted to the District in June of each year. Second installments are generally remitted in September of each year. Each calendar year based levy is intended to be used in the next immediate fiscal year that begins on July 1. Accordingly, the 2015 levy is intended for the fiscal year beginning July 1, 2016.

First installment tax collections of the 2015 tax levy were \$40.9 million, representing 50.2% of the total levy, and were deferred to the 2016-17 fiscal year. This compares to the prior year's first installment collection of \$39.4 million which was 49.2% of the total 2014 tax levy.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

The State of Illinois uses a multi-tiered allocation system to determine the amount of General State Aid to be allocated to specific public school districts. The relative real estate property wealth per pupil is the major factor in determining the allocation tier applied to each district.

Districts with the lowest average local taxable property wealth per pupil received up to \$5,330 per Average Daily Attendance (ADA) pupil in the 2015-16 fiscal year. Districts with the highest wealth per ADA pupil received a "Flat Grant" allocation amount of \$218 per pupil in the 2015-16 fiscal year.

Community High School District 99 has a relatively high level of local real estate property wealth per pupil but does not meet the level that would cause the District to be in the Flat Grant tier. The District is part of the “Alternate Method” group, and based on the formula set for that tier, received about \$446 per ADA pupil in the 2015-16 fiscal year. Consequently, the District relies heavily upon its local property tax base to support its operations.

Property tax extension limits (tax caps) have been in place in DuPage County since 1991. Tax caps limit the growth of the District’s annual extension of taxes on existing property to the prior year’s (not seasonally adjusted) Consumer Price Index for Urban areas (CPI-U), or 5%, whichever is lower. The CPI-U has ranged between 0.7% and 3.0% over the last five years. Annual CPI-U increases for the last decade have averaged about 1.9%.

The State of Illinois is experiencing its worst financial crisis in several decades. School funding has remained a high priority, but even so, the State does not have sufficient cash on hand to honor normal bill payment schedules. At the end of the fiscal year about \$1.0 million in funding was due and receivable from the State. This amount was higher than last year.

The Local Economy and Long-Term Financial Planning

The total increase in local property taxes that will be available for the District’s operations is a combination of (1) the tax cap limit amount and (2) taxes on new construction values added to the tax rolls each year. Increases in the District’s assessed values attributable to new construction have ranged from 0.3% to 0.7% over the last five years. The District anticipates new construction to average about 0.7% over the next five years.

The calendar years 2014 and 2015 CPI-U increase factors were 0.8% and 0.7% respectively. These factors will be used to limit the 2015 and 2016 calendar year levies and, in turn, impact property tax increases for the 2016-17 and 2017-18 fiscal years, respectively. The District is using financial forecast estimates of 1.5% for the CPI-U index for the 2016 through 2018 calendar years thereby affecting respective forecasted revenues for fiscal 2017-18 through 2019-20.

The combined tax cap and new construction increase amount is expected to be about 1.4% in fiscal year 2016-17 and 1.3% in fiscal year 2016-17. Following that, the annual increase is expected to be about 2.2%. The local economies of those communities served by the District are expected to remain relatively strong and generally grow at a rate slightly in excess of the average national cost of living.

The financial condition of the State of Illinois raises concerns over the ability of the State to maintain support levels of General State Aid and mandated categorical funding. General State Aid is discretionary and supports a large number of educational programs while mandated categorical funding is limited to more specific areas such as special education and transportation services. To address this concern and as a precaution, the District is assuming overall State support will be reduced by \$2.0 million, or about 40%, over one of the next several fiscal years to alleviate the financial problems incurred by the State. The State can do this by either reducing funding or by shifting responsibility for costs over to individual districts. In preparation for this event, the District reduced expenditures and raised some local revenues, such as registration fees, to create a \$2.0 million buffer in the operating budget to prepare for a possible reduction in State funding. Each year the State delays in reducing support, the District intends to use the surplus to either increase reserves, pay down long term debt or address larger capital projects in order to strengthen the overall stability of the District.

Expenditure changes for the next several years are expected to be closely aligned with changes in the District's revenue level. This is due to the fact that increases in all major employment and purchased service contracts are tied to the same inflation factor (CPI-U) which limits the largest component of our revenue stream. Student enrollment levels are expected to remain relatively stable over the next several years which should also help the District control expenditures.

Ongoing building infrastructure and site needs and/or desired improvements are addressed through long-term planning documents referred to as the Master Facility Plan (MFP) and the Master Site Plan (MSP). Our main North Campus building was originally built in 1928 with larger additions made in the 1930's and in 1956. Our South Campus building was built in 1964 with a large addition made in 1970. Pool structures were added to each campus in 1975. In 2000, the District completed a \$60 million renovation and expansion of both campuses addressing all building capacity and infrastructure issues at that time. More recently, the MFP process helped us identify and complete an upgrade of the boilers, domestic water lines and all original HVAC systems at the South Campus. The MSP was used in 2012 and 2013 to coordinate expansion of the North Campus site and to improve safety and utilization aspects for the areas around each campus. In 2014, a new 10,000 square foot facility was completed designed specifically to serve our Transitional Life Skills students. Funding for all critical capital projects has been identified through the use of planning tools and is not expected to have any negative impact on the District's regular annual financial operations in the foreseeable future.

In spite of the financial challenges noted above, the District has a long-term financial forecast reflecting positive operations for at least the next five-years. Further, the District expects to be able to maintain a stable level of fund balances into the future by continuing a careful scrutiny and development of the annual budget. Approvals of new initiatives and curriculum enhancements will only occur when adequate funding has been identified that will support any proposed new program or service level.

Major Initiatives

The District has operated under a philosophy of keeping expenditure growth in line with revenue growth and has done so over for more than nineteen years. Reductions of fund balances have occurred during this period, but only for planned non-recurring expenditures such as special capital project initiatives. In order to keep operating expenditure growth in check, District 99 was among the first Illinois schools to directly link increases in all major employee compensation contracts to changes in the Consumer Price Index for all Urban Consumers (CPI-U). Increases in larger purchased service contracts, such as those for cafeteria operations management and student transportation services are also tied to the CPI-U factor.

This management practice has allowed the District to maintain a more stable educational program for its students and community. In addition, other expenditure control adjustments were made so that certain capital improvements could be funded from operations without the need to ask our taxpayers for an increase. The renovation of 14 science labs and a fine arts lab, a major HVAC/boiler replacement project and major site safety projects have all occurred in the last six years. In the 2012-13 fiscal year, an expansion of our North Campus site was completed. In 2013-14, our Transition Program students were provided with a new state-of-the-art facility. These projects represent \$28.0 million worth of improvements, funded with revenue sources other than those which would have increased the burden on our local taxpayers. In 2015-16, the District rolled out a 1:1 Chromebook learning device program for all students also without raising property taxes. The District intends to continue this approach as it addresses other significant initiatives in the foreseeable future.

Independent Audit

The School Code of Illinois and the District's adopted policy require an annual audit of the financial statements of all funds of the District. The audit is performed by independent certified public accountants, selected by the District's Board of Education. The independent auditors' report has been included in the financial section of this report.

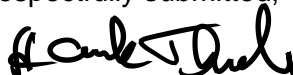
Award and Acknowledgements

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report, for the fiscal year ended June 30, 2015. This was the seventeenth consecutive year that the District has received this prestigious award. In order to be awarded this Certificate, the District published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

The Certificate is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the program requirements and we are submitting it to ASBO to determine its eligibility for a fiscal year 2016 Certificate.

We have prepared this Comprehensive Annual Financial Report to provide a more meaningful financial presentation to our Board of Education, local citizens, and interested outside investors. The preparation of this report would not have been possible without the dedicated services of the entire staff of the Business Office. We would like to express our appreciation to all members of the office who assisted and contributed to the preparation of this report. We also extend our appreciation to our (new effective July 1, 2016) Superintendent Dr. Hank Thiele and the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,

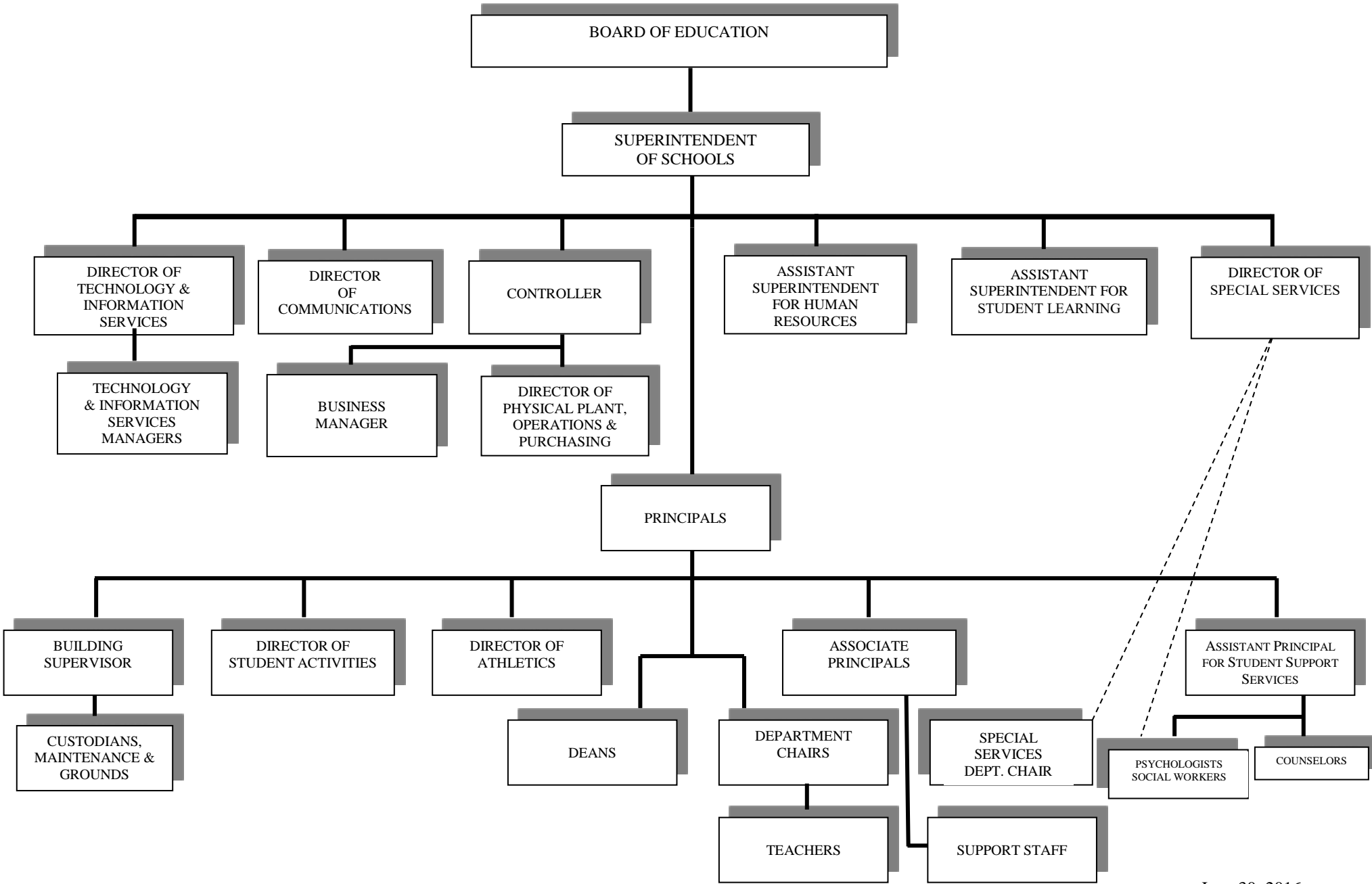


Dr. Hank Thiele
Superintendent



Mr. Mark Staehlin
District Controller

**COMMUNITY HIGH SCHOOL DISTRICT 99
ORGANIZATIONAL CHART**



June 30, 2016

Community High School District 99

6301 Springside Avenue
Downers Grove, Illinois 60516

Comprehensive Annual Financial Report
Officers and Officials
For the Fiscal Year Ended June 30, 2016

Board of Education

		<u>Term Expires</u>
Nancy J. Kupka	President	2019
Julia K. Beckman	Member	2017
Deborah L. Boyle	Member	2017
Michael J. Davenport	Member	2019
Teresa K. Pavesich	Vice President	2017
Rick A. Pavinato	Member	2017
Donald E. Renner III	Member	2019

Appointed Officials

Juli A. Gniadek	Secretary
Eric C. Wagner	District Treasurer

District Administration

Mark A. McDonald	Superintendent
Gina R. Ziccardi	Assistant Superintendent for Student Learning
Mark E. Staehlin	District Controller
Peter L. Theis	Assistant Superintendent for Human Resources
Scott D. Wuggazer	Assistant Superintendent for Special Services
Rodney D. Rousseau	Director of Technology & Information Services
James J. Kolodziej	Director of Physical Plant & Operations
Jeree L. Ethridge	Business Manager
Jill S. Browning	Director of Communications
Scott H. Kasik	Principal - North High School
Edward H. Schwartz	Principal - South High School

Official Issuing Report

Mark E. Staehlin	District Controller
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Department Issuing Report

Business Office



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

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

Community High School District 99

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2015.**

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



Brenda Burkett

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso

John D. Musso, CAE, RSBA
Executive Director

FINANCIAL SECTION

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
Community High School District 99
Downers Grove, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Community High School District 99 (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

(Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2016, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 18, the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois pension data on pages 71 through 75, budgetary comparison schedules and the notes to the required supplementary information on pages 76 through 98 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

Other Information (Continued)

The other supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information for the year ended June 30, 2016 has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2016 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information for the year ended June 30, 2016 is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2016.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District, as of and for the year ended June 30, 2015 (not presented herein), and have issued our report thereon dated December 3, 2015, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the the District's basic financial statements as a whole. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund and the Debt Service Fund with comparative actual amounts for the year ended June 30, 2015 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2015 basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for Capital Projects Fund and the Debt Service Fund have been subjected to the auditing procedures applied in the audit of the 2015 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements 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 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund and the Debt Service Fund are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2015.

The introductory and statistical sections 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2016 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.

A handwritten signature in cursive script that reads "Miller, Cooper & Co., Ltd." in dark ink.

Certified Public Accountants

Deerfield, Illinois
December 9, 2016

COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

This section of the Community High School District 99 Comprehensive Annual Financial Report presents management's discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2016. Please read it in conjunction with the Transmittal Letter found in the Introductory Section, and the District's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB).

Financial Overview

- The District's total assets were \$183.1 million.
- Total capital assets, net of accumulated depreciation, were \$88.4 million at year end reflecting a net decrease of \$1.4 million.
- Depreciation expense was \$3,414,271 in FY 2016 and \$3,292,197 in FY 2015.
- Accumulated depreciation was \$44.2 million and \$41.2 million at June 30, 2016 and 2015, respectively.
- The District's deferred outflows consisted of \$6.4 million in deferred pension contributions and other items as detailed in Note J.
- The District's total liabilities, on a government-wide basis, were \$67.7 million.
- Long-term liabilities decreased by \$0.4 million and other liabilities increased by \$0.3 million in FY 2016.
- The Districts deferred inflows consisted of \$80.6 million in property taxes levied for a future period and \$1.3 million related to pensions.
- The total net position increased by \$5.1 million to \$39.9 million during the year.
- General revenues were \$83.7 million and total expenses, net of program revenues, were \$78.6 million.
- Expenses for total governmental activities, net of program revenues, increased by \$1.6 million, or by about 2.1%, compared to FY 2015.
- Investment earnings from governmental activities were approximately \$157,000 for FY 2016 and \$91,000 for FY 2015.
- Program revenues increased by approximately \$2.7 million, or 9.0%, compared to FY 2015.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide a *long-term* view of the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the government-wide statements, with a short-term view.

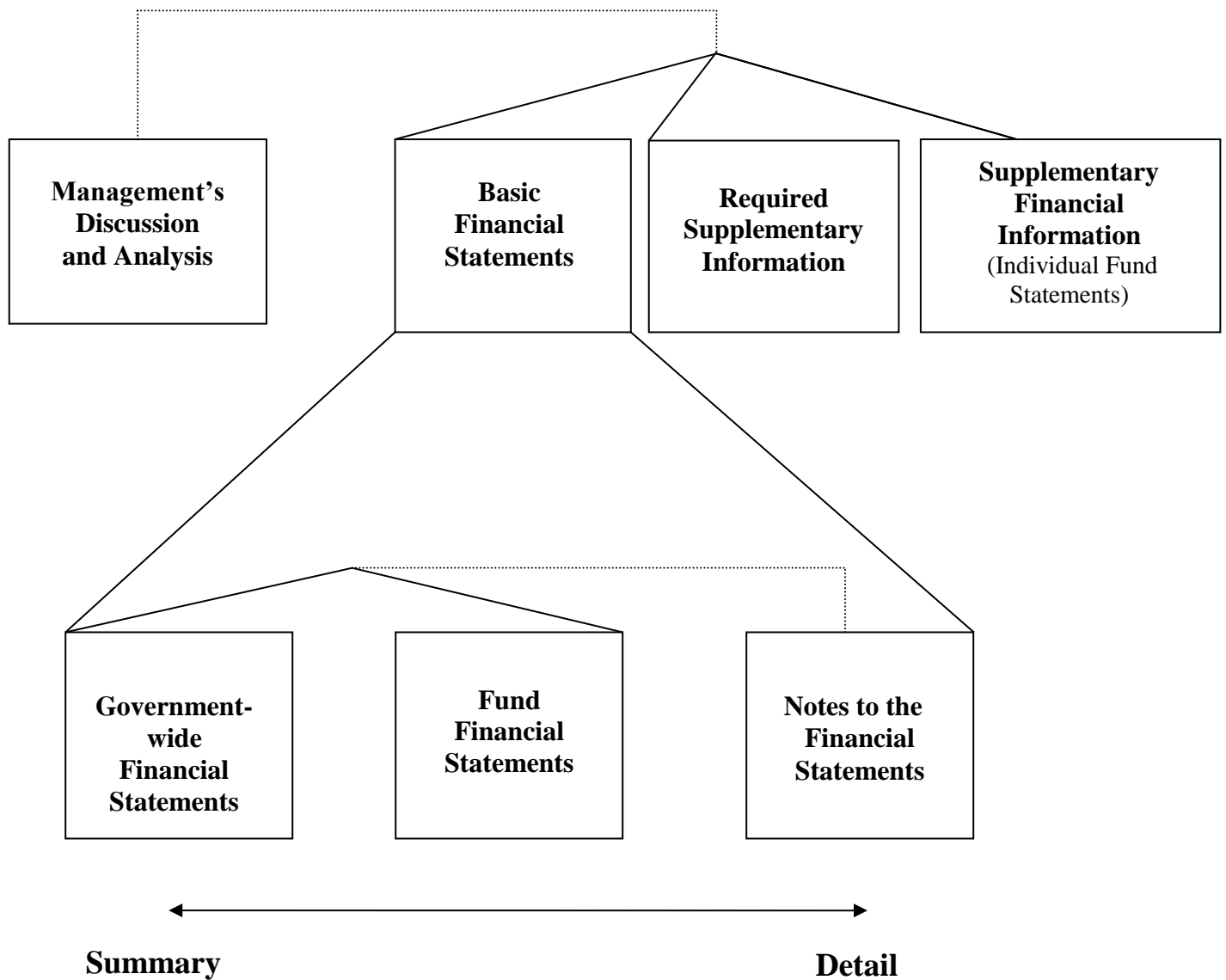
COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The notes are followed by sections of required supplementary information and supplementary financial information that further explain and support the basic financial statements.

Figure A-1 shows how the various parts of this Comprehensive Annual Financial Report are arranged and related to one another.

Figure A-1
Organization of Community High School District No. 99 Comprehensive Annual Financial Report



COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Figure A-2
Major Features of the Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District, such as General and Operations and Maintenance, that are not proprietary or fiduciary.	Instances in which the District administers resources on behalf of someone else, such as student activities monies.
Basic financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances (deficits). 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting Basis and measurement focus.	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial focus.	Accrual accounting and economic resources focus.
Type of financial information	All assets, deferred outflows, liabilities, and deferred inflows, both financial and capital, short-term and long-term.	Generally assets/deferred outflows expected to be used up and liabilities/deferred inflows that come due during the year or soon thereafter; no capital assets or long-term liabilities included.	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All additions and deductions during the year, regardless of when cash is received or paid.

COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets/deferred outflows and liabilities/deferred inflows, except for the fiduciary funds. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's *net position* and how it has changed. Net position – the difference between the District's assets/deferred outflows and liabilities/deferred inflows – is one way to measure the District's financial health or *position*.

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

In the government-wide financial statements, the District's activities are all categorized as *governmental activities*. All of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and State formula aid finance most of these activities.

Fund Financial Statements

The District's fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. The District considers all of its governmental funds to be major funds. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law or by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues.

The District has two categories of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash, and other financial assets that can readily be converted to cash, flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information following the governmental funds statements explains the relationship (or differences) between them.

COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

- *Fiduciary funds:* The District is the agent, or *fiduciary*, for assets that belong to others, such as the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and that such use is authorized by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

Financial Analysis of the District as a Whole

Net position: The District's total net position was \$39.9 million on June 30, 2016, an increase of \$5.1 million compared to \$34.8 million as of June 30, 2015. (See Figure A-3).

Figure A-3 Condensed Statement of Net Position

	Governmental Activities	
	2016	2015
Current and other assets	\$ 94,688,673	\$ 88,886,070
Capital Assets, net of depreciation	<u>88,443,169</u>	<u>89,849,750</u>
Total Assets	<u>183,131,842</u>	<u>178,735,820</u>
Deferred loss on refunding of bonds	-	799,757
Deferred outflows related to pensions	<u>6,422,391</u>	<u>4,053,712</u>
Total deferred outflow of resources	<u>6,422,391</u>	<u>4,853,469</u>
Long-term liabilities	61,077,992	61,472,529
Other liabilities	<u>6,603,865</u>	<u>6,337,205</u>
Total liabilities	<u>67,681,857</u>	<u>67,809,734</u>
Deferred inflows related to pensions	1,289,909	1,689,761
Property taxes levied for a future period	<u>80,655,916</u>	<u>79,265,238</u>
Total deferred inflow of resources	<u>81,945,825</u>	<u>80,954,999</u>
Net Position		
Net investment in capital assets	55,484,485	50,299,332
Restricted	4,913,672	1,730,325
Unrestricted	<u>(20,471,606)</u>	<u>(17,205,101)</u>
Total net position	<u>\$ 39,926,551</u>	<u>\$ 34,824,556</u>

COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

The District's financial position is the product of many factors. Our largest revenue source is taxes on assessed property within our boundaries. Property tax caps, which limit increases to the lesser of 5% or the annual increase in the rate of the CPI-U, is the most significant factor limiting revenue growth.

Another factor is the relatively low level of aid and grant support from state and federal sources. Grant and aid funding from those two sources combined was about 26.8% of the District's total revenue for the last fiscal year. However, the support level drops to 7.6% when \$22.4 million of State "On Behalf" pension payments made directly to the Teacher's Retirement System (TRS) is excluded.

Finally, investment earnings have also been suppressed over the last eight years, reflecting a level of only about \$157,000 in fiscal year 2015-16. Prior to this stretch, investment revenue had been as high as \$2.3 million per year.

These three major revenue factors, along with several others, have caused the District to make periodic reductions in expenses and service levels in order to maintain a stable overall financial position.

Changes in net position: The District's total revenues were \$116.6 million (See Figure A-4), representing a \$4.3 million increase from last year.

The largest increased item, for both the revenue and expense sections, is the State retirement "on behalf" contributions made directly to the Teachers' Retirement System of the State of Illinois.

Real estate and personal property replacement taxes accounted for most of the District's revenue, equating to approximately 69 cents of every dollar raised. (See Figure A-5.)

Grants and state aid were virtually unchanged. Charges for services raised 3.3% of the total revenues and the remainder came from investment earnings and other sources.

The total costs of all programs and services were \$111.5 million, representing a \$4.3 million increase compared to the previous year.

The District's expenses were predominantly related to instructing, transporting and providing supporting instructional services to our students (59.7%). (See Figure A-6.)

State retirement contributions, made by the State of Illinois on behalf of the District, were \$22,420,118, or 20.1% of total costs, for the year.

The District's administrative and business activities accounted for 5.5% of total costs. Operations and maintenance expenses were 9.0% of the costs for the year. Other costs, including interest on long-term debt, were 5.7%.

Total revenues exceeded total expenses by \$5.1 million, and resulted in a net position of \$39.9 million at the end of the year.

COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

Figure A-4 Changes in Net Position from Operating Results

	<i>Governmental Activities</i>			
	<u>2016</u>	<u>% of Total</u>	<u>2015</u>	<u>% of Total</u>
Revenues				
Program revenues				
Charges for services	\$ 3,866,272	3.3%	\$ 3,258,405	2.9%
Grants	6,635,792	5.7%	6,494,416	5.8%
State retirement contributions	22,420,118	19.2%	20,440,963	18.2%
General revenues				
Taxes	80,630,454	69.2%	79,683,152	71.0%
State aid - formula grants	2,192,197	1.9%	2,065,223	1.8%
Investment earnings	157,004	0.1%	91,133	0.1%
Miscellaneous	<u>679,981</u>	<u>0.6%</u>	<u>201,869</u>	<u>0.2%</u>
Total revenues	116,581,818	100.0%	112,235,161	100.0%
Expenses				
Instructional programs	54,264,245	48.7%	53,068,354	49.5%
State retirement contributions	22,420,118	20.1%	20,440,963	19.1%
Pupil and instructional support services	8,471,602	7.6%	7,977,107	7.4%
Administration and business	6,117,735	5.5%	6,453,093	6.0%
Transportation	3,785,033	3.4%	3,715,024	3.5%
Operations and maintenance	10,062,314	9.0%	9,824,746	9.2%
Central and other supporting services	3,440,595	3.1%	3,031,178	2.8%
Community services	33,861	0.0%	27,897	0.0%
Non-programmed charges (excluding Sp. Ed.)	673,799	0.6%	804,108	0.8%
Interest on long term liabilities	<u>2,210,521</u>	<u>2.0%</u>	<u>1,799,405</u>	<u>1.7%</u>
Total expenses	111,479,823	100.0%	107,141,875	100.0%
Change in net position	5,101,995		5,093,286	
Net position:				
July 1 - beginning of year	<u>34,824,556</u>		<u>29,731,270</u>	
June 30 - end of year	<u>\$ 39,926,551</u>		<u>\$ 34,824,556</u>	

COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

Figure A-5 Governmental Activities - Sources of Revenue Comparison

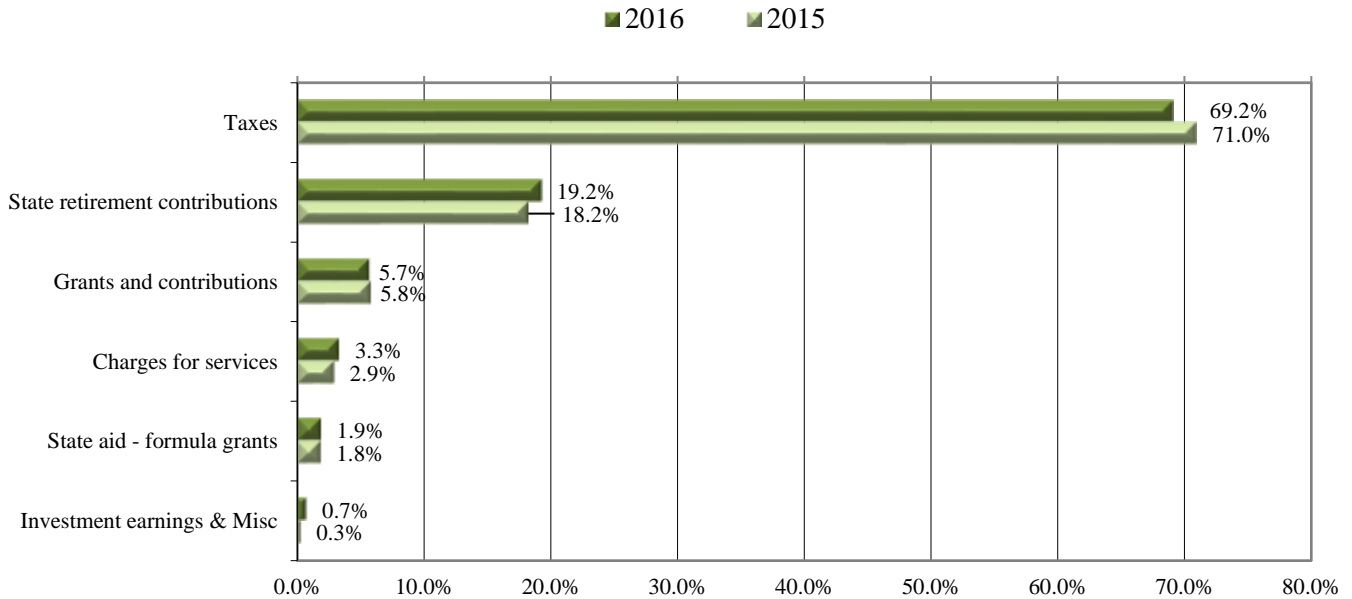
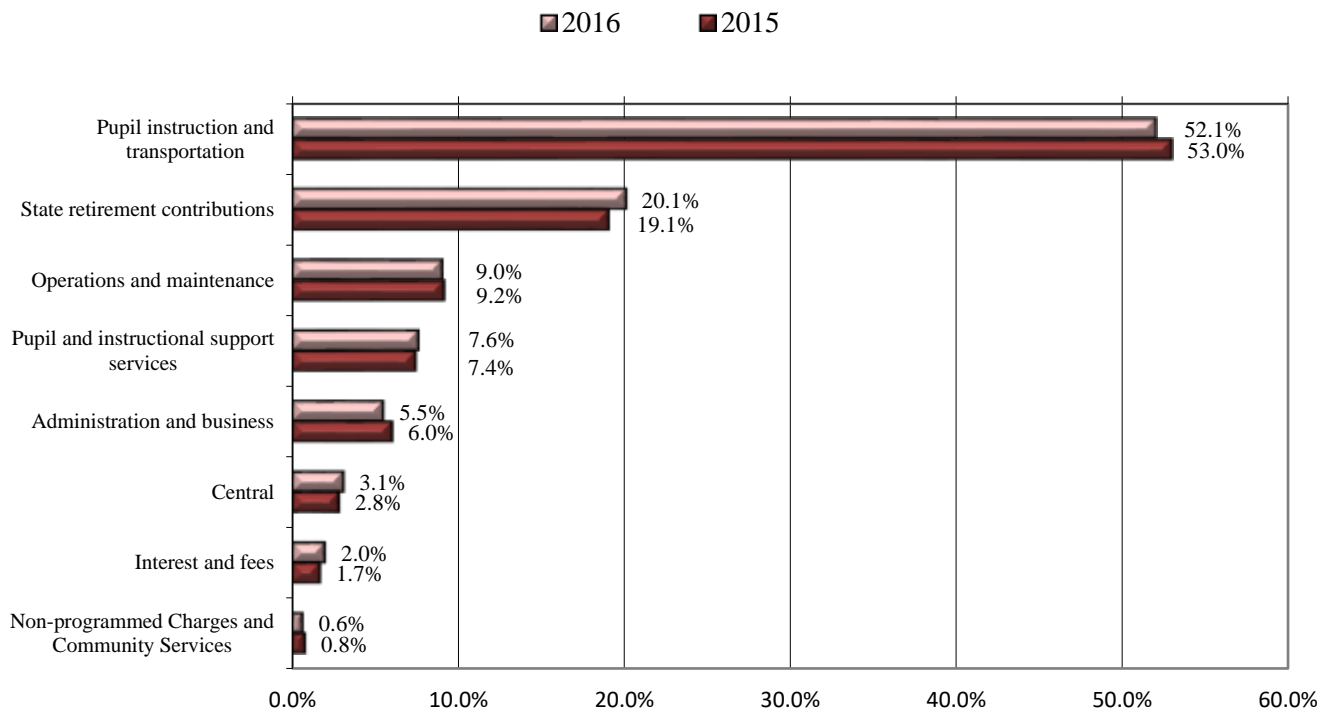


Figure A-6 Expenses of Governmental Activities Comparison



COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

Governmental Activities

Although the District's real estate tax base remains very strong compared to many other regions of the State and country, the imposition of property tax extension controls has limited the District's ability to fully access that resource. Increases in the District's tax extension, on existing taxable properties, have been limited to annual increases in the CPI-U (Consumer Price Index for All Urban Users - not seasonally adjusted) and have lagged behind the rates of increases in certain expenses incurred by the District. New property, which is added to the tax rolls as a result of new construction or property improvements occurring within the District's boundaries, has helped the District cope with this financial constraint. Also, annual levies for debt service purposes, which were approved prior to the imposition of the tax extension controls, or later if approved by public referenda, are not subject to the annual limits.

During the fiscal year ended June 30, 2016, real estate tax revenues increased by \$1.2 million or 1.5%. State retirement contributions increased by \$2.0 million or 9.7%. State aid-formula grants increased by 6.1%. Charges for services increased by more than \$600,000 in part due to our raising student fees to help offset costs of the new 1:1 Chromebook rollout.

Figure A-7 presents the cost of major District activities: instruction, state retirement contributions, pupil and instructional support services, administration and business, transportation, operations and maintenance, central and other supporting services, community services, non-programmed charges, and interest and fees.

Figure A-7 Total Cost of Governmental Activities

	TOTAL COST OF SERVICES			
	<u>2016</u>	<u>2015</u>	<u>\$ change</u>	<u>% change</u>
Instructional programs	\$54,264,245	\$53,068,354	\$1,195,891	2.3%
State retirement contributions	22,420,118	20,440,963	1,979,155	9.7%
Pupil and instructional support services	8,471,602	7,977,107	494,495	6.2%
Administration and business	6,117,735	6,453,093	(335,358)	-5.2%
Transportation	3,785,033	3,715,024	70,009	1.9%
Operations and maintenance	10,062,314	9,824,746	237,568	2.4%
Central and other supporting services	3,440,595	3,031,178	409,417	13.5%
Community services	33,861	27,897	5,964	21.4%
Non-programmed charges	673,799	804,108	(130,309)	-16.2%
Interest and fees	<u>2,210,521</u>	<u>1,799,405</u>	<u>411,116</u>	<u>22.8%</u>
Total	<u>\$111,479,823</u>	<u>\$107,141,875</u>	<u>\$4,337,948</u>	<u>4.0%</u>

Figure A-8 shows each activity's *net cost* (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

- The cost of all *governmental* activities this year was \$111.5 million.
- About 3.5% of the cost was financed by the users of the District's programs (\$3.9 million).
- The federal and State governments subsidized certain programs with grants and contributions totaling \$29.1 million – which includes \$22.4 million of On-Behalf payments to TRS from the State of Illinois.
- District's net costs of \$78.6 million, or 70.5%, were financed primarily by District taxpayers.

Figure A-8 Net Cost of Governmental Activities

	NET COST OF SERVICES			
	<u>2016</u>	<u>2015</u>	<u>\$ change</u>	<u>% change</u>
Instructional programs	\$46,579,587	\$46,205,787	\$373,800	0.8%
Pupil and instructional support services	8,389,145	7,907,041	482,104	6.1%
Administration and business	4,868,439	4,983,288	(114,849)	-2.3%
Transportation	2,593,399	2,601,759	(8,360)	-0.3%
Operations and maintenance	9,768,295	9,587,628	180,667	1.9%
Central and other supporting services	3,440,595	3,031,178	409,417	13.5%
Community services	33,861	27,897	5,964	21.4%
Non-programmed charges	673,799	804,108	(130,309)	-16.2%
Interest and fees	<u>2,210,521</u>	<u>1,799,405</u>	<u>411,116</u>	22.8%
Total	<u>\$78,557,641</u>	<u>\$76,948,091</u>	<u>\$1,609,550</u>	<u>2.1%</u>

Financial Analysis of the District's Funds

The financial performance of the District as a whole can be better understood through a more detailed analysis of the governmental funds. As the District completed the year, its governmental funds reported an increase in fund balance of \$3.6 million, resulting in a combined fund balance of about \$5.7 million. The Capital Projects Fund was the primary cause for the overall increase with a \$3.5 million bond issuance for approved Fire Prevention Safety projects and \$3.2 million of it still unspent at the end of the fiscal year.

The fund balance of the General (Educational) Fund is approximately \$944,000, reflecting a decrease of approximately \$830,000 for the year ended June 30, 2016.

Total General Fund revenues increased by \$16.4 million, or 21.7%, during the fiscal year. The net revenue change is primarily due to two major factors.

First, the education levy was increased by \$13.4 million. The 2013 education levy, recognized as revenue in FY 2014-15, was purposefully reduced in order to allow levies in other Governmental Funds to be increased. Shifting levies between funds is not uncommon and is required so that the aggregate levy of all funds subject to the Property Tax Extension Limitation Act remain within the constraints of that law.

COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

The second major factor was that On Behalf Payments to TRS from the State increased by \$2.0 million, representing a 9.7% increase in that source. Total State revenues, aside from the State retirement contribution, increased by 1.3% when taken in the aggregate. Total federal revenues increased by 7.3% for the year. Total General Fund revenues, exclusive of the general levy and On Behalf Payments to TRS from the State, increased by approximately \$989,000, or 7.5%, compared to last year.

Total expenditures for the General Fund increased by approximately \$942,000 or 1.0%, for the 2015-16 fiscal year. On Behalf Payments to TRS from the State was the largest single variance reflected in the expenditures of this fund. Total General Fund expenditures, exclusive of On Behalf Payments to TRS from the State, reflect a decrease of \$1.0 million, or -1.5%, compared to last year. Other financing uses in the General Fund reflect \$2.0 million transferred to the Debt Service Fund for retiring debt incurred for capital projects and capital lease obligations.

The Operations and Maintenance Fund reflects a net positive change of \$1.1 million reducing the prior year deficit from \$1.2 million to \$0.1 million. Total revenues decreased by \$10.6 million compared to the prior fiscal year. Property tax revenue was \$9.5 million for the year ended June 30, 2016, \$10.7 million lower than that of the previous fiscal year. The general levy in this fund was purposefully raised in the 2014-15 fiscal year, to reduce the significant deficit that existed in this fund at the beginning of that year. A small maintenance grant was not provided to the District by a State agency because the entity did not have sufficient resources to fund all eligible grantees.

Expenditures in the Operations and Maintenance Fund decreased by \$1.3 million this year. This was in part due to planned reductions in purchased services and capital outlay projects for the year, but also because operating expenses were lower than projected for the year. The fund deficit at year end is \$0.1 million which is intended to be offset by future tax levies. During the year, this fund transferred \$0.6 million to the Debt Service Fund to retire debt from prior year capital projects.

The Transportation Fund shows a reduction of the fund deficit of \$0.2 million. Revenues were \$3.7 million and expenditures were \$3.5 million. The fund deficit for the Transportation Fund is \$0.2 million at year end which is intended to be offset by future tax levies.

The fund balance of the Municipal Retirement/Social Security Fund increased by \$0.4 million during the year. The Social Security/Medicare Only levy was reduced by \$1.8 million. It had been increased in the 2014-15 fiscal year to eliminate the deficit that existed in that Fund at the beginning of that year. The fund balance at year end is \$0.5 million.

The Debt Service Fund revenues of \$7.8 million and transfers in of \$2.5 million totaling \$10.3 million, exceeded expenditures of \$10.2 million for the year. The Debt Service Fund has a fund balance of \$1.3 million at year end.

The Capital Projects Fund had revenues of \$0.1 million and expenditures of \$0.9 million this year. Proceeds of a \$3.5 million Fire Prevention and Safety bond and related expenditures are accounted for in this fund. The fund balance at year end is \$3.2 million.

COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

There are no variances from budget in any Governmental Fund that management believes might have a significant impact on future operations of the District.

Capital Asset and Debt Administration

Capital Assets

By the end of 2016, the District had invested \$132.7 million in a broad range of capital assets, including land, school buildings, an administrative office, and equipment (see Figure A-9; more detailed information about capital assets can be found in Note E to the financial statements). Total depreciation expense for the year was approximately \$3.4 million, and net improvements and additions amounted to about \$1.6 million. Capital assets, net of depreciation, totaled \$88.4 million at June 30, 2016.

Figure A-9 Capital Assets (net of depreciation)

	<u>2016</u>	<u>2015</u>	<u>\$ change</u>	<u>% change</u>
Land	\$3,234,393	\$3,234,393	-	0%
Buildings and Improvements	117,720,580	116,669,968	1,050,612	.9%
Equipment	10,467,226	10,329,783	137,443	1.3%
Vehicles	726,935	706,276	20,659	2.9%
Construction in Progress	<u>525,087</u>	<u>98,240</u>	<u>426,847</u>	434.5%
Total	132,674,221	131,038,660	1,635,561	1.2%
Less accumulated depreciation	<u>(44,231,052)</u>	<u>(41,188,910)</u>	<u>(3,042,142)</u>	7.4%
Net capital assets	<u>\$88,443,169</u>	<u>\$89,849,750</u>	<u>(1,406,581)</u>	-1.6%

The District maintains a Five-Year Capital Project Program designed to identify, quantify, and plan all future major capital expenditures. This program provides for the District to address routine maintenance and repairs of existing capital assets and also facilitates the prioritization of new capital assets being considered each year.

Every ten years a Fire Prevention and Safety Survey is performed to identify capital projects or maintenance work necessary to keep all facilities in compliance with local safety codes which may have changed or been updated in between surveys. A survey was performed in 2015-16 that identified a number of eligible capital projects. The District has authority to issue up to \$5.1 million of general obligation bonds for these purposes which is believed to be adequate to address all items. During the year the District issued \$3.5 million of bonds and commenced work on most of the projects. The largest of these projects involves the total replacement of the boiler system at our north campus. This will be done in the summer of 2016. The Illinois School Code allows the District up to five years to address all items.

Long-Term Liabilities

At year-end, the District had \$61.1 million in general obligation bonds and other long-term liabilities outstanding – as shown in Figure A-10. (More detailed information about the District's long-term liabilities is presented in Note F to the financial statements.)

COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

- The District retired \$9.3 million of outstanding bonds, debt certificates, and capital leases during the year.
- \$3.5 million of Fire Prevention and Safety bonds were issued.
- The legal debt margin is \$227 million, or 83% unused, of the total authority of \$272 million.

Figure A-10 Outstanding Long-term Liabilities

	<u>2016</u>	<u>2015</u>	<u>\$ change</u>	<u>% change</u>
General obligation bonds	\$37,658,554	\$41,926,747	\$(4,268,193)	-10.2%
Debt certificates	5,353,300	5,770,825	(417,525)	-7.2%
Capital leases	1,210,147	1,760,180	(550,033)	-31.2%
IMRF net pension liability	11,767,858	7,407,903	4,359,955	58.9%
TRs net pension liability	4,757,064	4,243,541	513,523	12.1%
Compensated Absences	<u>331,069</u>	<u>363,333</u>	<u>(32,264)</u>	-8.9%
Total	<u>\$61,077,992</u>	<u>\$61,472,529</u>	<u>\$(394,537)</u>	-0.6%

Factors Bearing on the District's Future

Property taxes account for 69.2% of the District's governmental fund revenue. Accordingly, the future expectations for this funding source have great impact on the District's projected revenue stream. The property tax limitation law (tax cap) limits the amount of annual property tax revenue increase to the lesser of 5% or the consumer price index for all urban consumers (CPI-U). The CPI-U limit for the 2015 and 2016 tax extensions have already been established and are 0.8% and 0.7%, respectively. These limits will impact the property tax revenue to be reflected in the 2016-17 and 2017-18 years respectively. Long-term projections for the CPI-U reflect an annual increase of 1.5% for the three fiscal years following 2017-18.

The drop in the economy starting in the last quarter of calendar 2008 caused the District to lower interest rate projections, and ultimately, to reduce the expenditure budgets for the 2009-10 fiscal year by \$750,000. This represented a reduction of about 1.0% of the budgets of the four individual funds the District commonly refers to, on a combined basis, as our operating funds. Those four funds are the General (Educational), Operations and Maintenance, Transportation, and Municipal Retirement/Social Security Funds.

COMMUNITY HIGH SCHOOL DISTRICT 99

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016

Continued distress in the economy, and particularly the negative financial condition and outlook for the State of Illinois, caused the District to make more reductions in the operating fund budget for the 2010-11 fiscal year. It was estimated that up to \$2.0 million of State support could be cut or withheld during that year. To address this concern, all salary increases not already set by multi-year contracts were either frozen or nominally increased. Supply allocations to each campus were lowered and energy management efforts were stepped up to reduce costs of operating the buildings. In addition, all major program areas were reviewed for efficiency. Several programs were restructured so that content delivery and educational services would be held constant, or even improved, but at a lower cost. Finally, user fees were increased slightly to help support and retain certain programs that might otherwise need to be eliminated due to cost constraints. The specific changes were chosen and implemented in such a manner so as to have the least amount of impact, if any, upon our educational programs.

Ultimately, the State legislature could not agree on a way to balance the 2010-11 through 2015-16 State budgets and a dramatic reduction in funding to schools, if it is to occur, now appears to be postponed at least until 2017-18. As a precaution, the District has initiated a process to reduce the currently projected Governmental Fund expenditures for the 2016-17 fiscal year, by another \$1.0 million, to be better prepared to face any future reductions in funding when the State does eventually balance its own budget.

Changes in student enrollments, and the District's desire to consistently maintain appropriate pupil to teacher ratios, are the factors that most affect operating costs. Enrollment in 2015-16 was 4,963 students. Enrollment is expected to remain relatively stable for the foreseeable future. The District intends to keep pupil-to-teacher ratios constant going forward.

The District negotiated a four-year collective bargaining agreement with the Downers Grove Educational Association beginning with the 2016-17 school year. This agreement covers all certified faculty members and maintains cost limits at levels that are in line with expected revenue streams for the District for each of the next four years.

The District has adopted a balanced budget for the fiscal year ending June 30, 2017 and projections for future year operations reflect a surplus for each of the next four years as well. These projections support the District's expectation that we will be able to continue to offer a broad range of high quality educational programs and opportunities to the communities we serve. Further, those projections provide that the existing facilities, infrastructure and equipment will be maintained properly without requiring increased support from our taxpayers.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District Controller at the District 99 Administrative Service Center, 6301 S. Springside Avenue, Downers Grove, IL 60516.

BASIC FINANCIAL STATEMENTS

Community High School District 99
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
June 30, 2016

ASSETS

Cash and investments	\$ 51,403,372
Receivables (net of allowance for uncollectibles):	
Property taxes	39,793,045
Replacement taxes	169,819
Accounts	129,291
Intergovernmental	1,321,945
Prepaid items	2,671
Other post employment benefit assets	1,868,530
Capital assets:	
Land	3,234,393
Construction in progress	525,087
Depreciable buildings, property, and equipment, net	<u>84,683,689</u>
Total assets	<u>183,131,842</u>

DEFERRED OUTFLOW OF RESOURCES

Deferred outflows related to pensions	<u>6,422,391</u>
Total deferred outflows	<u>6,422,391</u>

LIABILITIES

Accounts payable	1,971,782
Salaries and wages payable	3,624,579
Claims payable	668,379
Due to other governments	119,969
Interest payable	159,913
Other current liabilities	59,243
Long-term liabilities:	
Due within one year	9,720,950
Due after one year	<u>51,357,042</u>
Total liabilities	<u>67,681,857</u>

DEFERRED INFLOW OF RESOURCES

Deferred inflows related to pensions	1,289,909
Property taxes levied for a future period	<u>80,655,916</u>
Total deferred inflows	<u>81,945,825</u>

NET POSITION

Net investment in capital assets	55,484,485
Restricted For:	
Debt service	1,188,407
Retirement benefits	530,583
Capital projects	3,194,682
Unrestricted	<u>(20,471,606)</u>
Total net position	<u>\$ 39,926,551</u>

The accompanying notes are an integral part of this statement.

Community High School District 99

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
Governmental activities				
Instruction:				
Regular programs	\$ 37,588,258	\$ 2,259,442	\$ 597,674	\$ (34,731,142)
Special programs	12,000,760	-	4,172,001	(7,828,759)
Other instructional programs	4,675,227	517,815	137,726	(4,019,686)
State retirement contributions	22,420,118	-	22,420,118	-
Support services:				
Pupils	5,195,978	-	-	(5,195,978)
Instructional staff	3,275,624	-	82,457	(3,193,167)
General administration	1,204,947	-	-	(1,204,947)
School administration	2,208,280	-	-	(2,208,280)
Business	2,704,508	794,996	454,300	(1,455,212)
Transportation	3,785,033	-	1,191,634	(2,593,399)
Operations and maintenance	10,062,314	294,019	-	(9,768,295)
Central	3,440,595	-	-	(3,440,595)
Community services	33,861	-	-	(33,861)
Nonprogrammed charges - excluding special education	673,799	-	-	(673,799)
Interest and fees	2,210,521	-	-	(2,210,521)
Total governmental activities	\$ 111,479,823	\$ 3,866,272	\$ 29,055,910	\$ (78,557,641)
General revenues:				
Taxes:				
Real estate taxes, levied for general purposes				\$ 59,309,274
Real estate taxes, levied for specific purposes				12,732,672
Real estate taxes, levied for debt service				7,765,296
Personal property replacement taxes				823,212
State aid-formula grants				2,192,197
Investment earnings				157,004
Miscellaneous				679,981
Total general revenues				83,659,636
Change in net position				5,101,995
Net position, beginning of year				34,824,556
Net position, end of year				\$ 39,926,551

The accompanying notes are an integral part of this statement.

Community High School District 99

Governmental Funds

BALANCE SHEET

June 30, 2016

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
ASSETS				
Cash and investments	\$ 34,719,582	\$ 4,621,872	\$ 572,574	\$ 2,284,448
Receivables (net of allowance for uncollectibles):				
Property taxes	28,881,056	4,249,649	976,245	1,707,946
Replacement taxes	169,819	-	-	-
Accounts	-	129,291	-	-
Intergovernmental	1,022,974	-	298,971	-
Prepaid Items	<u>2,671</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 64,796,102</u>	<u>\$ 9,000,812</u>	<u>\$ 1,847,790</u>	<u>\$ 3,992,394</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES (DEFICITS)				
LIABILITIES				
Accounts payable	\$ 942,827	\$ 390,749	\$ 61,413	\$ -
Salaries and wages payable	3,569,667	53,751	1,161	-
Claims payable	621,653	46,726	-	-
Due to other governments	119,969	-	-	-
Other current liabilities	<u>59,243</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>5,313,359</u>	<u>491,226</u>	<u>62,574</u>	<u>-</u>
DEFERRED INFLOWS				
Property taxes levied for a future period	<u>58,538,570</u>	<u>8,613,549</u>	<u>1,978,736</u>	<u>3,461,811</u>
Total deferred inflows	<u>58,538,570</u>	<u>8,613,549</u>	<u>1,978,736</u>	<u>3,461,811</u>
FUND BALANCES (DEFICITS)				
Nonspendable	2,671	-	-	-
Restricted	-	-	-	530,583
Assigned	1,373,615	-	-	-
Unassigned	<u>(432,113)</u>	<u>(103,963)</u>	<u>(193,520)</u>	<u>-</u>
Total fund balance (deficit)	<u>944,173</u>	<u>(103,963)</u>	<u>(193,520)</u>	<u>530,583</u>
Total liabilities, deferred inflows, and fund balance (deficit)	<u>\$ 64,796,102</u>	<u>\$ 9,000,812</u>	<u>\$ 1,847,790</u>	<u>\$ 3,992,394</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Total
\$ 5,433,421	\$ 3,771,475	\$ 51,403,372
3,978,149	-	39,793,045
-	-	169,819
-	-	129,291
-	-	1,321,945
-	-	2,671
<u>\$ 9,411,570</u>	<u>\$ 3,771,475</u>	<u>\$ 92,820,143</u>
\$ -	\$ 576,793	\$ 1,971,782
-	-	3,624,579
-	-	668,379
-	-	119,969
-	-	59,243
<u>-</u>	<u>576,793</u>	<u>6,443,952</u>
<u>8,063,250</u>	<u>-</u>	<u>80,655,916</u>
<u>8,063,250</u>	<u>-</u>	<u>80,655,916</u>
-	-	2,671
1,348,320	3,194,682	5,073,585
-	-	1,373,615
-	-	(729,596)
<u>1,348,320</u>	<u>3,194,682</u>	<u>5,720,275</u>
<u>\$ 9,411,570</u>	<u>\$ 3,771,475</u>	<u>\$ 92,820,143</u>

Community High School District 99
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
For the Year Ended June 30, 2016

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

Total fund balances - governmental funds	\$ 5,720,275
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Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.	88,443,169
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The net other postemployment asset resulting from contributions in excess of the annual required contribution is not a current financial resource and, therefore, is not reported in the fund financial statements.	1,868,530
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Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:

Deferred outflows of resources related to pensions	\$ 5,340,471	
Deferred outflows of 2016 employer contributions related to pensions	<u>1,081,920</u>	6,422,391

Deferred inflows of resources related to pensions	(1,289,909)
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Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, accordingly, is not recognized in the governmental funds balance sheet.	(159,913)
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Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet.	<u>(61,077,992)</u>
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Net position of governmental activities	<u>\$ 39,926,551</u>
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The accompanying notes are an integral part of this statement.

Community High School District 99

Governmental Funds

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

For the Year Ended June 30, 2016

	General	Operations and Maintenance	Transportation
Revenues			
Property taxes	\$ 56,818,019	\$ 9,469,051	\$ 2,491,255
Replacement taxes	778,212	-	-
State aid	27,443,701	-	1,191,634
Federal aid	2,612,772	-	-
Interest	130,990	9,702	1,433
Other	<u>4,127,418</u>	<u>306,769</u>	<u>33,962</u>
Total revenues	<u>91,911,112</u>	<u>9,785,522</u>	<u>3,718,284</u>
Expenditures			
Current:			
Instruction:			
Regular programs	36,360,860	-	-
Special programs	10,559,032	-	-
Other instructional programs	4,473,763	-	-
State retirement contributions	22,420,118	-	-
Support services:			
Pupils	4,880,238	-	-
Instructional staff	1,957,502	-	-
General administration	1,114,563	-	-
School administration	2,036,367	-	-
Business	1,856,710	274,149	-
Transportation	164,159	-	3,518,246
Operations and maintenance	8,100	6,917,442	-
Central	2,697,405	-	-
Other supporting services	-	-	-
Community services	32,185	-	-
Nonprogrammed charges	1,817,418	-	-
Debt service:			
Principal	-	-	-
Interest and other	-	-	-
Capital outlay	<u>483,713</u>	<u>915,143</u>	<u>44,074</u>
Total expenditures	<u>90,862,133</u>	<u>8,106,734</u>	<u>3,562,320</u>
Excess (deficiency) of revenues over expenditures	1,048,979	1,678,788	155,964
Other financing sources (uses)			
Transfers in	-	-	-
Transfers (out)	(1,956,745)	(570,897)	-
Principal on bonds sold	-	-	-
Sale of capital assets	28,556	-	-
Capital lease proceeds	<u>49,173</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,879,016)</u>	<u>(570,897)</u>	<u>-</u>
Net change in fund balance	(830,037)	1,107,891	155,964
Fund balance (deficit), beginning of year	<u>1,774,210</u>	<u>(1,211,854)</u>	<u>(349,484)</u>
Fund balance (deficit), end of year	<u>\$ 944,173</u>	<u>\$ (103,963)</u>	<u>\$ (193,520)</u>

The accompanying notes are an integral part of this statement.

Municipal Retirement / Soc. Sec.		Debt Service	Capital Projects	Total
\$	3,263,621	\$ 7,765,296	\$ -	\$ 79,807,242
	45,000	-	-	823,212
	-	-	-	28,635,335
	-	-	-	2,612,772
	3,827	10,777	275	157,004
	-	-	78,104	4,546,253
	<u>3,312,448</u>	<u>7,776,073</u>	<u>78,379</u>	<u>116,581,818</u>
	1,039,729	-	-	37,400,589
	239,069	-	-	10,798,101
	126,507	-	-	4,600,270
	-	-	-	22,420,118
	206,761	-	-	5,086,999
	40,671	-	-	1,998,173
	33,159	-	-	1,147,722
	89,347	-	-	2,125,714
	120,653	-	201,107	2,452,619
	-	-	-	3,682,405
	754,932	-	-	7,680,474
	258,636	-	-	2,956,041
	-	-	-	-
	690	-	-	32,875
	-	-	-	1,817,418
	-	8,739,206	-	8,739,206
	-	1,500,449	-	1,500,449
	-	-	704,246	2,147,176
	<u>2,910,154</u>	<u>10,239,655</u>	<u>905,353</u>	<u>116,586,349</u>
	402,294	(2,463,582)	(826,974)	(4,531)
	-	2,527,642	-	2,527,642
	-	-	-	(2,527,642)
	-	-	3,500,000	3,500,000
	-	-	-	28,556
	-	-	-	49,173
	<u>-</u>	<u>2,527,642</u>	<u>3,500,000</u>	<u>3,577,729</u>
	402,294	64,060	2,673,026	3,573,198
	<u>128,289</u>	<u>1,284,260</u>	<u>521,656</u>	<u>2,147,077</u>
\$	<u>530,583</u>	<u>1,348,320</u>	<u>3,194,682</u>	<u>5,720,275</u>

Community High School District 99

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

For the Year Ended June 30, 2016

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

Net change in fund balances - total governmental funds \$ 3,573,198

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period. (1,406,581)

The net other post employment asset resulting from contributions in excess of the annual required contribution is not a financial resource and, therefore, is not reported in the funds. 528,100

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

Deferred outflows and inflows of resources related to IMRF pension 2,027,669

Deferred outflows and inflows of resources related to TRS pension 740,862

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. 43,967

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. (154,285)

Governmental funds report the effect of premiums, discounts, losses on refunding and similar items when the debt is issued. However, these amounts are deferred and amortized in the statement of activities. This is the amount of the current year, net effect of these differences. (250,935)

Change in net position of governmental activities \$ 5,101,995

The accompanying notes are an integral part of this statement.

Community High School District 99
Fiduciary Funds
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2016

	Agency Fund	Private Purpose Trust Fund
<hr/>		
ASSETS		
Cash and investments	<u>\$ 833,748</u>	<u>\$ 1,524,856</u>
LIABILITIES		
Due to student groups	<u>\$ 833,748</u>	<u>\$ -</u>
NET POSITION HELD IN TRUST FOR EXTERNAL PARTIES	<u>\$ -</u>	<u>\$ 1,524,856</u>

The accompanying notes are an integral part of this statement.

Community High School District 99
Fiduciary Funds - Private Purpose Trust Fund
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2016

	Private Purpose Trust Fund
<hr/>	
ADDITIONS	
Contributions by external parties	\$ 4,266
Interest and investment income	<u>12,170</u>
Total additions	16,436
DEDUCTIONS	
Scholarships paid	<u>14,804</u>
Change in net position	1,632
Net position, beginning of year	<u>1,523,224</u>
Net position, end of year	<u>\$ 1,524,856</u>

The accompanying notes are an integral part of this statement.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Community High School District 99 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as Generally Accepted Accounting Principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

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

1. Reporting Entity

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

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

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

2. New Accounting Pronouncement

GASB has issued Statement No. 72, *Fair Value Measurement and Application*, issued in February 2015, which was implemented by the District during the fiscal year ended June 30, 2016. This Statement addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value investments.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fund Accounting

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

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

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

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District (agency funds). They follow the accrual basis of accounting.

4. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) amounts paid by recipient of goods or services offered by the program and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

a. General Fund

The *General Fund* includes the Educational Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

b. Special Revenue Funds

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

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

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

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

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

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

c. Debt Service Fund

Debt Service Fund - is used for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue sources are local property taxes levied specifically for debt service and transfers from other funds.

d. Capital Projects Fund

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

e. Fiduciary Funds

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

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

The *Private Purpose Trust Fund* - is accounted for on the flow of economic resources measurement focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The Private Purpose Trust Fund accounts for scholarship and memorial trust funds.

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

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

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting, as are the fiduciary agency fund financial statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers most revenues available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if they are vouchered by year-end. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

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

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

6. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position / fund balance that applies to future periods. At June 30, 2016, the District has deferred outflows of resources associated with a loss on refunding of bonds in prior years, and related to pensions. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting period. At June 30, 2016, the District reported deferred inflows of resources related to pensions, and property taxes levied for a future period.

7. Deposits and Investments

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

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Prepaid Items

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

9. Capital Assets

Capital assets, which include land, buildings and improvements, vehicles, equipment, and construction in progress are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual or group cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at acquisition value if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	50
Vehicles	10 - 15
Equipment	3 - 25

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Accumulated Unpaid Vacation and Sick Pay

Employees who work a twelve-month year are entitled to be compensated for vacation time. Vacations are usually taken within the year. Employees may carry over up to 10 vacation days into the next fiscal year. Payment for unused vacation days only occurs upon termination of employment.

All certified faculty receive 15 sick days per year. Administrative certified and noncertified employees receive up to 18 days based on the number of days they work per year. Unused sick leave days accumulate to a maximum of 340 days. Upon retirement, a certified faculty or administrator may apply up to 340 days of unused sick leave toward service credit for the Teacher's Retirement System (TRS). Noncertified administrators may apply up to 221 days of unused sick leave toward service credit for the Illinois Municipal Retirement System (IMRF). The District does not reimburse certified faculty or administrative employees for unused sick days remaining upon termination of employment or retirement.

Exempt educational support personnel receive 18 sick days per year which accumulate to a maximum of 260 days. All other noncertified employees receive 10 to 18 days per year, which accumulate to a maximum of 240 days. Upon retirement, a noncertified support employee may apply up to 221 days of unused sick leave toward service credit for the Illinois Municipal Retirement Fund (IMRF). The District does not reimburse employees for unused sick days remaining upon termination of employment. Upon retirement, however, educational support personnel who are at least 55 years of age with a minimum of 5 years of service are reimbursed for unused sick days not applied toward IMRF service credit at a rate of \$30 per day.

11. Pensions

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

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Long-Term Obligations

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

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

13. Personal Property Replacement Taxes

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

14. Budgetary Data

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

15. Restricted Net Position

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

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

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

16. Fund Balance

Governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items, long-term portions of interfund loans receivable, or inventories.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds, as well as the Debt Service and Capital Projects funds are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. As of June 30, 2016, the District has no committed fund balances.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegates the authority to assign amounts to be used for specific purposes. The Board of Education has designated the Controller with the ability to assign fund balances.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the general fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

Governmental fund balances reported on the fund financial statements at June 30, 2016 are as follows:

The nonspendable fund balance in the General Fund consists of \$2,671 for prepaid items. The assigned fund balance in the General Fund is comprised of \$1,373,615 for health claims. All restricted fund balances are for the purpose of the restricted funds as described in Note A-4.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

17. Use of Estimates

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

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

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

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

General obligation bonds	\$ 26,530,000
Capital appreciation bonds	9,779,453
Debt certificates	5,335,000
Capital leases	1,210,147
Unamortized bond premiums	1,367,401
Compensated absences	331,069
IMRF net pension liability	11,767,858
TRS net pension liability	<u>4,757,064</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position – governmental activities	<u>\$ 61,077,992</u>

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

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

(Continued)

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

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

Capital outlay	\$ 2,147,176
Depreciation expense	(3,414,271)
Disposals of capital assets	<u>(139,486)</u>
Net adjustment to increase net change in fund balance - total governmental funds to arrive at change in net position - governmental activities	<u>\$ (1,406,581)</u>

Another element of that reconciliation states that "The issuance of long-term debt (e.g. bonds, compensated absences, and employee obligations) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds." The details of this difference are as follows:

Issuance of general obligation bonds	\$ (3,500,000)
Capital lease proceeds	(49,173)
Principal repayments	
General obligation bonds	7,725,000
Debt certificates	415,000
Capital lease	599,206
Accreted interest	(503,104)
IMRF pension liability, net	(4,359,955)
TRS pension liability, net	(513,523)
Compensated absences, net	<u>32,264</u>
Net adjustment to decrease net change in fund balances – total governmental funds to arrive at change in net position of governmental activities	<u>\$ (154,285)</u>

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE C - DEPOSITS AND INVESTMENTS

The District's investment policy is in line with State Statutes. The investments that the District may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) interest-bearing savings accounts, interest-bearing certificates of deposit or time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; (4) short-term discount obligations of corporations organized in the United States with assets exceeding \$500,000,000; (5) interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation or school district; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

At June 30, 2016, the District's cash and investments consisted of the following:

	<u>Governmental</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	\$ <u>51,403,372</u>	\$ <u>2,358,604</u>	\$ <u>53,761,976</u>

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

	<u>Total</u>
Cash on hand	\$ 500
Deposits with financial institutions *	49,846,476
Tax anticipation warrants	<u>3,915,000</u>
	\$ <u>53,761,976</u>

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

1. Interest Rate Risk

The District's investment policy seeks to ensure preservation of capital in the District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the policy requires the District investment portfolio to be sufficiently liquid to enable the District to meet all operating requirements as they come due. A portion of the portfolio is required to be invested in readily available funds to ensure appropriate liquidity.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Credit Risk

State statutes limit the investments in commercial paper and corporate bonds to the top three ratings of two nationally recognized rating organizations. The District's investment policy authorizes investments in any type of security as permitted by Sections 2 through 6 of the Illinois Public Funds Investment Act. As of June 30, 2016, the District has no investments in commercial paper or corporate bonds.

The District's investments in tax anticipation warrants represents a short term investment obtained from a financial institution that is backed by property taxes that are collected on behalf of another Illinois school district, and are valued at cost. These investments mature at various dates through September 2016. The investments are not collateralized or insured based upon the nature of the investments. Subsequent to year end, the District collected the tax anticipation warrant investment balances in full.

3. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District's Investment Officer to meet the District's ongoing need for safety, liquidity, and rate of return.

4. Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by providing that all deposits in excess of FDIC insurable limits may be secured by collateral to protect against an event of default or failure of the financial institution holding the funds. At June 30, 2016, the bank balances of the District's deposits with financial institutions totaling \$50,466,629 were fully insured or collateralized. The District's investment instruments are either held by the District or by the District's agent.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE D - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2015 tax levy resolution was approved by the Board on December 14, 2015. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations, individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

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

The County Clerk adds the equalized assessed valuation of all real property in the county to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2015 tax levy was \$3,942,254,093.

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

The 2015 property tax levy is recognized as a receivable in fiscal 2016, net of estimated uncollectible amounts of approximately 1%. The District considers that the 2015 levy is to be used to finance operations in fiscal 2017. Therefore, the entire 2015 levy, including amounts collected in fiscal 2016, has been reported as a deferred inflow - property taxes levied for a future period, in the accompanying financial statements.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE E - CAPITAL ASSETS

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

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions/</u> <u>Transfers</u>	<u>Deletions/</u> <u>Transfers</u>	<u>Balance</u> <u>June 30, 2016</u>
Capital assets, not being depreciated				
Land	\$ 3,234,393	\$ -	\$ -	\$ 3,234,393
Construction in progress	<u>98,240</u>	<u>525,087</u>	<u>98,240</u>	<u>525,087</u>
Total capital assets not being depreciated	<u>3,332,633</u>	<u>525,087</u>	<u>98,240</u>	<u>3,759,480</u>
Capital assets, being depreciated				
Buildings and improvements	116,669,968	1,050,612	-	117,720,580
Equipment	10,329,783	625,643	488,200	10,467,226
Vehicles	<u>706,276</u>	<u>44,074</u>	<u>23,415</u>	<u>726,935</u>
Total capital assets being depreciated	<u>127,706,027</u>	<u>1,720,329</u>	<u>511,615</u>	<u>128,914,741</u>
Less accumulated depreciation for:				
Buildings and improvements	34,948,182	2,216,487	-	37,164,669
Equipment	5,884,099	1,138,905	348,714	6,674,290
Vehicles	<u>356,629</u>	<u>58,879</u>	<u>23,415</u>	<u>392,093</u>
Total accumulated depreciation	<u>41,188,910</u>	<u>3,414,271</u>	<u>372,129</u>	<u>44,231,052</u>
Total capital assets being depreciated, net	<u>86,517,117</u>	<u>(1,693,942)</u>	<u>139,486</u>	<u>84,683,689</u>
Governmental activities capital assets, net	<u>\$ 89,849,750</u>	<u>\$ (1,168,855)</u>	<u>\$ 237,726</u>	<u>\$ 88,443,169</u>

Community High School District 99

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

NOTE E - CAPITAL ASSETS (Continued)

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

Regular programs	\$ 783,980
Special programs	94,524
Other instructional programs	89,866
Pupils	39,717
Instructional staff	1,084,379
General administration	57,913
School administration	89,764
Business	88,164
Transportation	34,376
Operations and maintenance	<u>1,051,588</u>
Total depreciation expense - governmental activities	<u>\$ 3,414,271</u>

NOTE F - LONG-TERM LIABILITIES

1. Changes in General Long-term Liabilities

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

	<u>Balance</u> <u>July 1, 2015</u>	<u>Accretion /</u> <u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2016</u>
Bonds payable:				
General obligation bonds	\$ 30,755,000	\$ 3,500,000	\$ 7,725,000	\$ 26,530,000
Capital appreciation bonds	9,276,349	503,104	-	9,779,453
Add unamortized premium	1,895,398	-	546,297	1,349,101
Debt certificates	5,750,000	-	415,000	5,335,000
Add unamortized premium	20,825	-	2,525	18,300
Capital leases	1,760,180	49,173	599,206	1,210,147
IMRF net pension liability	7,407,903	6,527,027	2,167,072	11,767,858
TRS net pension liability	4,243,541	773,656	260,133	4,757,064
Compensated absences	<u>363,333</u>	<u>505,963</u>	<u>538,227</u>	<u>331,069</u>
Total long-term liabilities - governmental activities	<u>\$ 61,472,529</u>	<u>\$ 11,858,923</u>	<u>\$ 12,253,460</u>	<u>\$ 61,077,992</u>

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE F - LONG-TERM LIABILITIES (Continued)

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

	<u>Due Within One Year</u>
General obligation bonds	\$ 7,250,000
Capital appreciation bonds	1,115,000
Debt certificates	435,000
Capital leases	589,881
Compensated absences	<u>331,069</u>
Total long-term liabilities - governmental activities	<u>\$ 9,720,950</u>

2. General Obligation Bonds and Capital Appreciation Bonds

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

<u>Issuance, Purpose, and Maturity</u>	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Face Amount</u>	<u>Carrying Amount</u>
General Obligation Bonds - 2002B Working cash bonds - Matures February 2017	7.00%	\$ 10,999,420	\$ 910,000	\$ 910,000
General Obligation Bond Alternate Revenue Source - 2011 Capital improvements - Matures December 2020	3.00% - 3.75%	10,000,000	5,900,000	5,900,000
General Obligation Refunding School Bonds - 2014 - Matures December 2018	4.00% - 5.00%	21,550,000	16,220,000	16,220,000
General Obligation Limited School Bonds - 2016 - Matures December 2023	1.74%	<u>3,500,000</u>	<u>3,500,000</u>	<u>3,500,000</u>
Subtotal - General Obligation Bonds		<u>46,049,420</u>	<u>26,530,000</u>	<u>26,530,000</u>

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE F - LONG-TERM LIABILITIES (Continued)

2. **General Obligation Bonds and Capital Appreciation Bonds** (Continued)

<u>Issuance, Purpose, and Maturity</u>	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Face Amount</u>	<u>Carrying Amount</u>
Capital Appreciation Bonds - 2002A				
Refunding bonds - Matures June 2022	5.24% - 5.43%	\$ 4,589,207	\$ 11,555,000	\$ 9,779,453
		\$ 50,638,627	\$ 38,085,000	\$ 36,309,453

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

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 8,365,000	\$ 982,074	\$ 9,347,074
2018	8,835,000	628,153	9,463,153
2019	9,150,000	309,376	9,459,376
2020	3,430,000	121,245	3,551,245
2021	3,480,000	72,570	3,552,570
2022-2024	4,825,000	75,560	4,900,560
Total	\$ 38,085,000	\$ 2,188,978	\$ 40,273,978

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$1,348,320 in the Debt Service Fund to service the outstanding bonds payable.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2016, the statutory debt limit for the District was \$272,015,532 of which \$227,385,385 is fully available.

During the fiscal year ended June 30, 2016, the District issued \$3,500,000 of General Obligation Limited School Bonds, Series 2016. The purpose of this bond issuance was to finance certain life safety improvements.

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2016, \$35,685,000 of bonds outstanding are considered defeased.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE F - LONG-TERM LIABILITIES (Continued)

3. Debt Certificates

In 2006, the District entered into a financing agreement with Cole Taylor Bank for \$540,000 to finance the acquisition, installation, and other expenses related to a new accounting system. The District received proceeds in the amount of \$540,000 and deposited them in the General Fund. The debt certificates mature on June 30, 2017 and have an interest rate of 4.00%.

In 2007, the District entered into a financing agreement with Hinsdale Bank for \$4,250,000 to finance the renovation of the District's science laboratories. The District received proceeds in the amount of \$4,250,000 and deposited the proceeds in the Capital Projects Fund. The debt certificates mature on December 31, 2026 and have interest rates of 3.86% to 4.25%.

In 2008, the District entered into a financing agreement with Cole Taylor Bank for \$3,635,000 to finance the construction of Downers Grove South's second access road. The District received proceeds in the amount of \$3,635,000 and deposited the proceeds in the Capital Projects Fund. The debt certificates mature on December 31, 2027 and have interest rates of 3.75% to 4.20%.

At June 30, 2016, annual debt service requirements to maturity for debt certificates of participation are as follows:

Year Ending June 30,	Principal	Interest	Total
2017	\$ 435,000	\$ 203,904	\$ 638,904
2018	385,000	186,517	571,517
2019	400,000	171,514	571,514
2020	415,000	155,801	570,801
2021	435,000	139,271	574,271
2022-2026	2,450,000	419,128	2,869,128
2027-2028	815,000	27,517	842,517
	<u>\$ 5,335,000</u>	<u>\$ 1,303,652</u>	<u>\$ 6,638,652</u>

The obligations for the debt certificates will be repaid from the Debt Service Fund with funds provided by the General Fund and Operations and Maintenance Fund.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE F - LONG-TERM LIABILITIES (Continued)

4. Capital Leases

The District leases various computer and copier equipment, with a gross asset cost of \$1,809,353, under various capital leases which expire at various dates through September 2020. Accumulated depreciation of the assets was \$596,561 as of June 30, 2016. Amortization expense is included with depreciation expense (Note E). The leases require aggregate annual payments of \$605,604, including interest at rates ranging from 1.28% to 2.00%. The following is a schedule by years of the future minimum lease payments, together with the present value of the minimum lease payments as of June 30, 2016:

<u>Years Ending June 30,</u>	<u>Minimum Payments</u>
2017	\$ 605,604
2018	605,604
2019	10,353
2020	10,353
2021	<u>2,588</u>
Total minimum lease payments	1,234,502
Less amount representing interest	<u>(24,355)</u>
Present value of minimum lease payments	<u><u>\$ 1,210,147</u></u>

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - INTERFUND TRANSFERS

The following is a schedule of interfund transfers as shown on the Statement of revenues, expenditures, and changes in fund balances (deficits).

<u>To</u>	<u>From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Debt Service Fund	General (Educational Account) Fund	\$ 1,956,745	Principal and interest payments on long-term debt
Debt Service Fund	Operations and Maintenance Fund	<u>570,897</u>	Principal and interest payments on long-term debt
		<u>\$ 2,527,642</u>	

NOTE H - DEFICIT FUND BALANCES

At June 30, 2016 the following funds have deficit fund balances:

<u>Fund</u>	<u>Deficit</u>
Operations and Maintenance	\$ 103,963
Transportation	193,520

District management expects to fund these deficits through future property tax revenues.

NOTE I - RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. The District has purchased insurance from private insurance companies for general liability, workers' compensation, and other coverages not included below. Premiums have been recorded as expenditures in the appropriate funds. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

The District is self-insured for medical and dental coverage that is provided to District personnel. A third-party administrator administers claims for a monthly fee per participant. Expenditures are recorded, as incurred, in the form of direct contributions from the District to the third-party administrator for payment of employee health claims and administration fees. The District's liability will not exceed \$115,000 per employee, as provided by stop-loss provisions incorporated in the plan.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE I - RISK MANAGEMENT (Continued)

At June 30, 2016, total unpaid claims, including an estimate of claims that have been incurred but not reported (IBNR) to the administrative agent, totaled \$668,379. These estimates are developed based on reports prepared by the administrative agent. The District does not allocate overhead costs or other nonincremental costs to the claims liability.

Balances of medical and dental claims liabilities during the past two years are as follows:

	<u>June 30,</u> <u>2016</u>	<u>June 30,</u> <u>2015</u>
Unpaid claims, beginning of fiscal year	\$ 859,851	\$ 880,731
Incurred claims (including IBNRs)	7,591,152	7,592,271
Claim payments	<u>(7,782,624)</u>	<u>(7,613,151)</u>
Unpaid claims, end of fiscal year	<u>\$ 668,379</u>	<u>\$ 859,851</u>

NOTE J - PENSION LIABILITIES

1. Teachers' Retirement System of the State of Illinois

General Information about the Pension Plan

Plan Description

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

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

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

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

General Information about the Pension Plan (Continued)

Benefits Provided

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

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

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

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2016, was 9.4 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

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

Contributions (Continued)

On-behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2016, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$21,965,136 in pension contributions from the state of Illinois.

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2016, were \$246,626, and are deferred because they were paid after the June 30, 2015 measurement date.

Federal and Special Trust Fund Contributions

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

For the year ended June 30, 2016, the employer pension contribution was 36.06 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2016, salaries totaling \$117,171 were paid from federal and special trust funds that required employer contributions of \$42,252. These contributions are deferred because they were paid after the June 30, 2015 measurement date.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

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

Contributions (Continued)

Early Retirement Cost Contributions

Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2016, the District paid \$78,054 to TRS for employer ERO contributions.

The District is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2016, the District paid \$4,796 to TRS for employer contributions due on salary increases in excess of 6 percent and \$57,350 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, 2016, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 4,757,064
State's proportionate share of the net pension liability associated with the District	268,101,504
	<hr/>
Total	\$ 272,858,568
	<hr/> <hr/>

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014, and rolled forward to June 30, 2015. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2015, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2015, the District's proportion was 0.0072615760 percent, which was an increase of 0.000288751 percent from its proportion measured as of June 30, 2014.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

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

For the year ended June 30, 2016, the District recognized pension expense of \$22,026,681 and revenue of \$21,965,136 for support provided by the state. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,768	\$ 5,214
Change of assumptions	65,785	-
Net difference between projected and actual earnings on pension plan investments	94,210	166,576
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>147,050</u>	<u>1,118,119</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>308,813</u>	<u>1,289,909</u>
District contributions subsequent to the measurement date	<u>288,878</u>	<u>-</u>
	<u><u>\$ 597,691</u></u>	<u><u>\$ 1,289,909</u></u>

The District reported \$288,878 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	Net Deferred Inflows (Outflows) of Resources
2017	\$ (336,948)
2018	(336,948)
2019	(336,948)
2020	29,748
2021	-
Thereafter	<u>-</u>
	<u><u>\$ (981,096)</u></u>

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

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

Actuarial Assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions for the years ended June 30, 2015 and 2014 were different. The actuarial assumptions used in the June 30, 2015 valuation were based on the 2015 actuarial experience analysis. The investment return assumption remained at 7.5 percent, salary increase assumptions were lowered, retirement rates were increased, mortality updates were made and other assumptions were revised. The actuarial assumptions used in the June 30, 2014 valuation were based on updates to economic assumptions adopted in 2014 which lowered the investment return assumption from 8.0 percent to 7.5 percent. The salary increase and inflation assumptions were also lowered from their 2013 levels.

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

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

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

Actuarial Assumptions (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Real Return</u>
U.S. large cap	18 %	7.53 %
Global equity excluding U.S.	18	7.88
Aggregate bonds	16	1.57
U.S. TIPS	2	2.82
NCREIF	11	5.11
Opportunistic real estate	4	9.09
ARS	8	2.57
Risk parity	8	4.87
Diversified inflation strategy	1	3.26
Private equity	14	12.33
	<hr/>	
Total	100 %	
	<hr/> <hr/>	

Discount Rate

At June 30, 2015, the discount rate used to measure the total pension liability was a blended rate of 7.47 percent, which was a change from the June 30, 2014 rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2015 was not projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Despite the subsidy, all projected future payments were not covered, so a slightly lower long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

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

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.47 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.47 percent) or 1-percentage-point higher (8.47 percent) than the current rate:

	1% Decrease (6.47%)	Current Discount Rate (7.47%)	1% Increase (8.47%)
District's proportionate share of the net pension liability	\$ 5,878,564	\$ 4,757,064	\$ 3,837,403

TRS Fiduciary Net Position

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

2. Illinois Municipal Retirement Fund

Plan Description

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

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

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

Benefits Provided

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

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

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

Employees Covered by Benefit Terms

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

Retirees and beneficiaries currently receiving benefits	344
Inactive plan members entitled to but not yet receiving benefits	230
Active plan members	<u>282</u>
Total	<u><u>856</u></u>

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

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

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2015 was 12.31%. For the fiscal year ended June 30, 2016 the District contributed \$1,465,781 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, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2015:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Inflation Rate	2.75%
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.45%
Projected Retirement Age	Experience-based table of rates, specific to the type of eligibility condition, last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Mortality

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

Long-term Expected Rate of Return

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	38%	7.39%
International equity	17%	7.59%
Fixed income	27%	3.00%
Real estate	8%	6.00%
Alternative investments	9%	2.75-8.15%
Cash equivalents	1%	2.25%
Total	100%	

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

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

Single Discount Rate

A Single Discount Rate of 7.45% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.45%.

Changes in Net Pension Liability

The following table shows the components of the change in the District's net pension liability for the calendar year ended December 31, 2015:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 63,927,191	\$ 56,519,288	\$ 7,407,903
Changes for the year:			
Service cost	1,302,468	-	1,302,468
Interest on the total pension liability	4,706,407	-	4,706,407
Changes of benefit terms	-	-	-
Difference between expected and actual experience of the total pension liability	296,678	-	296,678
Changes of assumptions	221,474	-	221,474
Contributions - employer	-	1,419,419	(1,419,419)
Contributions - employees	-	525,962	(525,962)
Net investment income	-	279,167	(279,167)
Benefit payments, including refunds of employee contributions	(3,317,101)	(3,317,101)	-
Other (net transfer)	-	(57,476)	57,476
Net changes	<u>3,209,926</u>	<u>(1,150,029)</u>	<u>4,359,955</u>
Balances at December 31, 2015	<u>\$ 67,137,117</u>	<u>\$ 55,369,259</u>	<u>\$ 11,767,858</u>

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

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

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.45%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

	1% Lower (6.45%)	Current Discount Rate (7.45%)	1% Higher (8.45%)
Net pension liability	\$ 19,751,867	\$ 11,767,858	\$ 5,082,207

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

For the year ended June 30, 2016 the District recognized pension expense of \$3,798,045. At June 30, 2016, the District reported deferred outflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods	
Differences between expected and actual experience	\$ 491,250
Change of assumptions	963,470
Net difference between projected and actual earnings on pension plan investments	<u>3,576,938</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>5,031,658</u>
Pension contributions made subsequent to the measurement date	<u>793,042</u>
Total deferred amounts related to pensions	<u>\$ 5,824,700</u>

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

The District reported \$793,042 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Net Deferred Outflows of Resources
2017	\$ 2,229,588
2018	1,088,932
2019	931,901
2020	781,237
2021	-
Thereafter	<u>-</u>
Total	<u>\$ 5,031,658</u>

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE J - PENSION LIABILITIES (Continued)

3. Summary of Pension Items

Below is a summary of the various pension items:

	<u>TRS</u>	<u>IMRF</u>	<u>Total</u>
Deferred outflows of resources:			
Employer contributions	\$ 288,878	\$ 793,042	\$ 1,081,920
Experience	1,768	491,250	493,018
Assumptions	65,785	963,470	1,029,255
Proportionate share	147,050	-	147,050
Investments	94,210	3,576,938	3,671,148
	<u>\$ 597,691</u>	<u>\$ 5,824,700</u>	<u>\$ 6,422,391</u>
Net pension liability	<u>\$ 4,757,064</u>	<u>\$ 11,767,858</u>	<u>\$ 16,524,922</u>
Deferred inflows of resources:			
Investments	\$ 166,576	\$ -	\$ 166,576
Experience	5,214	-	5,214
Proportionate share	1,118,119	-	1,118,119
	<u>\$ 1,289,909</u>	<u>\$ -</u>	<u>\$ 1,289,909</u>

4. Social Security/Medicare

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees." These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security/Medicare. The District paid the total required contribution for the current fiscal year.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE K - OTHER POSTEMPLOYMENT BENEFITS

1. Teachers' Health Insurance Security (THIS)

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

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

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

On behalf contributions to the THIS Fund

The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.07 percent of pay during the year ended June 30, 2016. State of Illinois contributions were \$454,982, and the District recognized revenue and expenditures of this amount during the year.

District contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.80 percent during the year ended June 30, 2016. For the year ended June 30, 2016, the District paid \$340,173 to the THIS Fund, which was 100 percent of the required contribution.

Further Information on the THIS Fund

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

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE K - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan

Plan Description

The District administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement, provided they are on the group health insurance plan at the time of retirement. Retirees are responsible to contribute a premium toward the cost of their insurance, which is determined by the Board. Retirees may also access dental and life insurance benefits on a "direct pay" basis. The plan does not issue a separate financial report.

As of June 30, 2015 (most recent information available based on the District's latest actuarial valuation) the following employees were covered by the benefit terms:

Actives fully eligible to retire	47
Actives not yet fully eligible to retire	520
Retirees	<u>313</u>
Total	<u><u>880</u></u>

Funding Policy

Retirees under the age of 65 contribute the full active employee equivalent rate. Retirees have the option of choosing from an HMO or PPO plan through the District. Premiums for the plan are set by the Board of Education. Currently, the District contributes 0 percent to 100 percent to postemployment benefits, which varies for different employee groups. For fiscal year 2016, the District contributed an estimated \$1,482,166 toward the cost of the postemployment benefits for retirees.

Annual OPEB Cost and Net OPEB Obligation

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

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE K - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. **Retiree Health Plan**

Annual OPEB Cost and Net OPEB Obligation (Continued)

	<u>June 30, 2016</u>
Annual required contribution	\$ 963,002
Interest on net OPEB asset	(53,617)
Adjustment to annual required contribution	<u>44,681</u>
Annual OPEB cost	954,066
Less contributions made	<u>(1,482,166)</u>
Increase in net OPEB asset	(528,100)
Net OPEB asset beginning of year	<u>(1,340,430)</u>
Net OPEB asset end of year	<u><u>\$ (1,868,530)</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2016 and the two preceding fiscal years were as follows:

Actuarial Valuation Date	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Asset
6/30/16 * \$	954,066	155.4%	\$ (1,868,530)
6/30/15	957,941	160.7%	(1,340,430)
6/30/14 *	863,788	143.0%	(759,202)

* Estimated using prior year information

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE K - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

Funding Status and Funding Progress

As of June 30, 2015 (most recent information available), the actuarial accrued liability for benefits was \$16,215,901, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) and the ratio of the unfunded actuarial accrued liability to the covered payroll were not available.

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

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

Methods and Assumptions

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

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE K - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

The following simplifying assumptions were made:

Measurement date	July 1, 2014
Data collection date	August 2015
Actuarial cost method	Entry Age
Amortization period	Level percentage of projected payroll
Remaining amortization period	30 years
Actuarial assumptions:	
Discount rate	4.00%
Projected salary increases	4.00%
Healthcare inflation rate	6.00% initial 5.00% ultimate
Mortality, Turnover, Disability, Retirement ages	Similar rates utilized for IMRF

Election at Retirement: 100% of eligible faculty members assumed to elect the District medical subsidy and Life insurance. 70% are assumed to elect TRS TRIP medical coverage and 30% another medical plan. 100% of eligible Administrator are assumed to elect the District medical subsidy and Life Insurance 100% of eligible support staff are assumed to elect the District medical subsidy. 10% of all other IMRF employees are assumed to elect pay-all coverage continuation coverage at retirement.

Coverage Status: 100% Employees are assumed to continue in their current plan into retirement if a District medical plan is selected. Active employees with HMO Plan C coverage are assumed to elect HMO Plan D at retirement.

Marital Status: 40% of employees electing District coverage are assumed to be married and to elect spousal coverage with males three years older than females. Actual spouse data was used for current retirees.

NOTE L - CONSTRUCTION COMMITMENTS

As of June 30, 2016, the District is committed to approximately \$1,994,000 in the upcoming years, for various construction projects. These amounts will be paid from available fund balances.

Community High School District 99
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE M - JOINT AGREEMENT

The District is a member of the School Association for Special Education in DuPage County (SASED), a joint agreement that provides certain special education services to residents of many school districts. The District believes that, because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these should not be included as component units of the District.

NOTE N - CONTINGENCIES

1. Litigation

In the normal course of operations, the District is subject to various litigation and claims. Although the outcome of these matters is not presently determinable, the resolution of these matters, should the outcome be unfavorable, is not expected by management to be significant.

2. Grants

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

NOTE O - SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 9, 2016, the date that these financial statements were available to be issued. Management has determined that no events or transactions, other than the following, have occurred subsequent to the statement of net position/balance sheet date that require disclosure in the financial statements.

1. Capital Lease

Effective August 1, 2016, the District entered into a capital lease agreement to finance the purchase of educational computer equipment with a cost of \$408,898. The lease requires annual payments of \$138,864 beginning August 1, 2016 through August 1, 2018.

2. Debt Certificates

On November 1, 2016, the District issued \$4,650,000 Taxable Refunding Debt Certificates, Series 2016A. The purpose of the issuance was to refund certain outstanding maturities of the District's General Obligation Limited Tax Debt Certificates, Series 2007, and General Obligation (Limited Tax) Debt Certificates, Series 2008.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Community High School District 99

MULTIYEAR SCHEDULES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

MOST RECENT CALENDAR YEAR

Illinois Municipal Retirement Fund

June 30, 2016

Calendar year ended December 31,	<u>2015</u>	<u>2014</u>
Total pension liability		
Service cost	\$ 1,302,468	\$ 1,389,450
Interest on the total pension liability	4,706,407	4,242,693
Benefit changes	-	-
Difference between expected and actual experience of the total pension liability	296,678	1,007,713
Assumption changes	221,474	2,770,511
Benefit payments and refunds	<u>(3,317,101)</u>	<u>(2,715,376)</u>
Net change in total pension liability	3,209,926	6,694,991
Total pension liability, beginning	63,927,191	57,232,200
Total pension liability, ending	<u>\$ 67,137,117</u>	<u>\$ 63,927,191</u>
Plan fiduciary net position		
Contributions, employer	\$ 1,419,419	\$ 1,411,299
Contributions, employee	525,962	530,615
Net investment income	279,167	3,265,932
Benefit payments, including refunds of employee contributions	(3,317,101)	(2,715,376)
Other (net transfer)	<u>(57,476)</u>	<u>100,218</u>
Net change in plan fiduciary net position	(1,150,029)	2,592,688
Plan fiduciary net position, beginning	56,519,288	53,926,600
Plan fiduciary net position, ending	<u>\$ 55,369,259</u>	<u>\$ 56,519,288</u>
Net pension liability	<u>\$ 11,767,858</u>	<u>\$ 7,407,903</u>
Plan fiduciary net position as a percentage of the total pension liability	82.47 %	88.41 %
Covered Valuation Payroll	\$ 11,530,612	\$ 11,568,025
Net pension liability as a percentage of covered valuation payroll	102.06 %	64.04 %

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

Community High School District 99
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
 Illinois Municipal Retirement Fund
June 30, 2016

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 1,419,418	* \$ 1,419,419	\$ (1)	\$ 11,530,612	12.31 %
2014	\$ 1,411,299	\$ 1,411,299	\$ -	\$ 11,568,025	12.20 %

* Estimated based on contribution rate of 12.31% and covered valuation payroll of \$11,530,612.

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

Community High School District 99
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
Teachers' Retirement System of the State of Illinois
June 30, 2016

	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.0072615760 %	0.0069728248 %
District's proportionate share of the net pension liability	\$ 4,757,064	\$ 4,243,541
State's proportionate share of the net pension liability associated with the District	<u>268,101,504</u>	<u>248,645,969</u>
Total	<u>\$ 272,858,568</u>	<u>\$ 252,889,510</u>
District's covered-employee payroll	\$ 41,404,241	\$ 40,296,860
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	11.49 %	10.53 %
Plan fiduciary net position as a percentage of the total pension liability	41.5 %	43.0 %

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

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

Community High School District 99
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Retirement System of the State of Illinois
June 30, 2016

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 254,439	\$ 248,750
Contributions in relation to the contractually required contribution	<u>254,445</u>	<u>248,787</u>
Contribution deficiency (excess)	\$ <u>(6)</u>	\$ <u>(37)</u>
District's covered-employee payroll	\$ 41,404,241	\$ 40,296,860
Contributions as a percentage of covered-employee payroll	0.61 %	0.62 %

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

Community High School District 99
MULTIYEAR SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS
June 30, 2016

		(2)	(3)	(4)		(6)	
Actuarial	(1)	Actuarial	Funded	Unfunded	(5)	UAAL as a	
Valuation	Actuarial	Accrued	Ratio	AAL	Covered	Percentage	
Date	Value of	Liability	(1) / (2)	(UAAL)	Payroll	of Covered	
	Assets	(AAL)		(2) - (1)		Payroll	
						<u>[(2)-(1)]/(5)</u>	
6/30/16*	\$ -	\$ 16,215,901	0.00 %	\$ 16,215,901	\$ NA	NA	%
6/30/15	-	16,215,901	0.00	16,215,901	NA	NA	
6/30/14*	-	15,705,029	0.00	15,705,029	NA	NA	

NA - not available

*No valuations were performed for the fiscal years ended June 30, 2016 and 2014. Results from prior year actuarial study.

Community High School District 99

General Fund

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

For the Year Ended June 30, 2016

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

	2016		Variance From Final Budget	2015 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 55,374,000	\$55,322,509	\$ (51,491)	\$41,890,283
Special education levy	1,497,000	1,495,510	(1,490)	1,510,125
Corporate personal property replacement taxes	980,000	778,212	(201,788)	985,249
Regular tuition from pupils or parents	6,000	6,975	975	6,204
Summer school tuition from pupils or parents	52,000	50,976	(1,024)	51,497
Interest on investments	87,000	130,990	43,990	105,205
Sales to pupils - lunch	552,000	370,608	(181,392)	290,139
Sales to pupils - breakfast	13,000	12,043	(957)	5,574
Sales to pupils - a la carte	450,000	363,923	(86,077)	522,016
Sales to adults	40,000	48,422	8,422	38,551
Admissions - athletic	115,000	101,708	(13,292)	112,466
Fees	476,000	396,165	(79,835)	346,210
Other district/school activity revenue	316,640	24,275	(292,365)	20,345
Rentals - regular textbook	1,242,360	1,256,162	13,802	1,308,626
Rentals - other	386,000	333,369	(52,631)	-
Sales - regular textbook	10,000	11,621	1,621	9,976
Sales - other	-	2,612	2,612	-
Other - textbooks	83,000	124,183	41,183	-
Contributions and donations from private sources	-	85,844	85,844	42,000
Refund of prior years' expenditures	47,000	158,359	111,359	19,342
Drivers' education fees	74,000	48,452	(25,548)	-
Other	608,000	731,721	123,721	409,225
Total local sources	62,409,000	61,854,639	(554,361)	47,673,033

(Continued)

Community High School District 99

General Fund

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

For the Year Ended June 30, 2016

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

	2016		Variance From Final Budget	2015 Actual
	Original and Final Budget	Actual		
State sources				
General State Aid	\$ 2,050,080	\$ 2,192,197	\$ 142,117	\$ 2,065,223
Special Education - Private Facility Tuition	735,000	735,977	977	710,341
Special Education - Extraordinary	635,000	648,104	13,104	636,742
Special Education - Personnel	1,036,000	1,057,561	21,561	1,034,290
Special Education - Orphanage - Individual	170,000	141,360	(28,640)	266,723
Special Education - Orphanage - Summer Individual	8,400	5,661	(2,739)	8,410
Special Education - Summer School	5,900	-	(5,900)	5,832
CTE -Secondary Program Improvement (CTEI)	83,212	82,462	(750)	75,701
Bilingual Ed. - Downstate - T.P.I. and T.P.E.	45,258	30,696	(14,562)	36,129
State Free Lunch and Breakfast	4,250	4,204	(46)	5,774
Driver Education	112,000	122,346	10,346	111,951
Scientific Literacy	4,000	3,015	(985)	3,749
Other state sources	8,900	-	(8,900)	-
On Behalf Payments to TRS from the State	15,000,000	22,420,118	7,420,118	20,440,963
Total state sources	19,898,000	27,443,701	7,545,701	25,401,828
Federal sources				
National School Lunch Program	396,000	375,631	(20,369)	475,704
Special Breakfast Program	63,000	74,465	11,465	82,047
Title I - Low Income	319,585	316,660	(2,925)	383,029
Federal - Special Ed - I.D.E.A. - Flow Through	871,184	863,924	(7,260)	858,766
Federal - Special Ed - I.D.E.A. - Room and Board	120,000	315,197	195,197	165,569
CTE - Perkins - Title IIIIE Technical Prep	-	46,316	46,316	45,139
CTE - Other	138,837	-	(138,837)	-
Emergency Immigrant Assistance	-	9,409	9,409	-
Title III - English Language Acquisition	2,000	12,144	10,144	9,454
Title II - Teacher Quality	88,500	82,457	(6,043)	70,066
Medicaid Matching Funds - Admin. Outreach	64,000	52,903	(11,097)	40,479
Medicaid Matching Funds - Fee-For-Service-Prgm	95,000	304,998	209,998	137,257
Other federal sources	196,894	158,668	(38,226)	167,999
Total federal sources	2,355,000	2,612,772	257,772	2,435,509
Total revenues	84,662,000	91,911,112	7,249,112	75,510,370

(Continued)

Community High School District 99

General Fund

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

For the Year Ended June 30, 2016

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

	2016		Variance From Final Budget	2015 Actual
	Original and Final Budget	Actual		
Expenditures				
Instruction				
Regular programs				
Salaries	\$ 30,832,512	\$ 30,830,109	\$ 2,403	\$ 29,954,921
Employee benefits	3,919,060	4,200,780	(281,720)	4,509,767
On-behalf payments to TRS from the state	15,000,000	22,420,118	(7,420,118)	20,440,963
Purchased services	625,921	621,762	4,159	537,178
Supplies and materials	774,983	771,093	3,890	568,664
Capital outlay	64,500	60,437	4,063	1,910,921
Other objects	33,365	25,526	7,839	27,640
Non-capitalized equipment	<u>328,070</u>	<u>326,268</u>	<u>1,802</u>	<u>318,271</u>
Total	<u>51,578,411</u>	<u>59,256,093</u>	<u>(7,677,682)</u>	<u>58,268,325</u>
Special education programs				
Salaries	7,494,658	7,445,805	48,853	7,531,939
Employee benefits	817,757	825,392	(7,635)	813,070
Purchased services	11,000	38,189	(27,189)	5,401
Supplies and materials	24,000	24,391	(391)	23,990
Other objects	<u>1,158,006</u>	<u>1,148,683</u>	<u>9,323</u>	<u>1,218,166</u>
Total	<u>9,505,421</u>	<u>9,482,460</u>	<u>22,961</u>	<u>9,592,566</u>
Remedial and Supplemental programs K-12				
Salaries	87,000	86,508	492	11,234
Employee benefits	26,000	25,892	108	3,858
Purchased services	21,585	4,356	17,229	110,138
Supplies and materials	<u>10,000</u>	<u>8,831</u>	<u>1,169</u>	<u>18,558</u>
Total	<u>144,585</u>	<u>125,587</u>	<u>18,998</u>	<u>143,788</u>

(Continued)

Community High School District 99

General Fund

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

For the Year Ended June 30, 2016

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

	2016			2015 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
CTE programs				
Salaries	\$ 96,906	\$ 131,667	\$ (34,761)	\$ 121,651
Employee benefits	4,470	5,737	(1,267)	4,684
Purchased services	12,630	11,840	790	12,948
Supplies and materials	77,107	77,856	(749)	78,757
Non-capitalized equipment	<u>28,277</u>	<u>35,738</u>	<u>(7,461)</u>	<u>22,278</u>
Total	<u>219,390</u>	<u>262,838</u>	<u>(43,448)</u>	<u>240,318</u>
Interscholastic programs				
Salaries	2,138,486	2,200,852	(62,366)	2,135,655
Employee benefits	80,515	87,421	(6,906)	75,035
Purchased services	465,056	442,722	22,334	443,165
Supplies and materials	130,000	156,123	(26,123)	143,155
Non-capitalized equipment	<u>24,914</u>	<u>35,510</u>	<u>(10,596)</u>	<u>23,450</u>
Total	<u>2,838,971</u>	<u>2,922,628</u>	<u>(83,657)</u>	<u>2,820,460</u>
Summer school programs				
Salaries	187,736	236,454	(48,718)	217,468
Employee benefits	911	2,359	(1,448)	2,015
Purchased services	-	2,255	(2,255)	1,138
Supplies and materials	63,500	129,549	(66,049)	81,253
Other objects	<u>-</u>	<u>16,931</u>	<u>(16,931)</u>	<u>10,060</u>
Total	<u>252,147</u>	<u>387,548</u>	<u>(135,401)</u>	<u>311,934</u>
Drivers education programs				
Salaries	725,950	764,711	(38,761)	686,015
Employee benefits	82,589	92,240	(9,651)	77,125
Purchased services	2,450	794	1,656	611
Supplies and materials	17,100	12,000	5,100	12,928
Other objects	<u>2,500</u>	<u>7,204</u>	<u>(4,704)</u>	<u>8,940</u>
Total	<u>830,589</u>	<u>876,949</u>	<u>(46,360)</u>	<u>785,619</u>

(Continued)

Community High School District 99

General Fund

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

For the Year Ended June 30, 2016

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

	2016			2015 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Truant's alternative and optional programs				
Purchased services	\$ -	\$ 23,800	\$ (23,800)	\$ 21,211
Total	-	23,800	(23,800)	21,211
Special education programs K-12 - private tuition	956,535	950,985	5,550	1,202,922
Total instruction	66,326,049	74,288,888	(7,962,839)	73,387,143
Support services				
Pupils				
Attendance and social work services				
Purchased services	-	7,200	(7,200)	-
Total	-	7,200	(7,200)	-
Guidance services				
Salaries	2,314,000	2,351,014	(37,014)	2,316,082
Employee benefits	274,592	267,602	6,990	268,286
Purchased services	15,050	13,451	1,599	17,860
Supplies and materials	18,020	16,444	1,576	22,335
Other objects	400	185	215	160
Total	2,622,062	2,648,696	(26,634)	2,624,723

(Continued)

Community High School District 99

General Fund

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

For the Year Ended June 30, 2016

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

	2016			2015 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Health services				
Salaries	\$ 261,764	\$ 273,559	\$ (11,795)	\$ 261,536
Employee benefits	34,453	34,565	(112)	30,949
Purchased services	750	607	143	794
Supplies and materials	5,660	5,980	(320)	4,925
Other objects	<u>500</u>	<u>371</u>	<u>129</u>	<u>311</u>
Total	<u>303,127</u>	<u>315,082</u>	<u>(11,955)</u>	<u>298,515</u>
Psychological services				
Salaries	464,567	464,567	-	447,775
Employee benefits	<u>48,774</u>	<u>48,780</u>	<u>(6)</u>	<u>45,420</u>
Total	<u>513,341</u>	<u>513,347</u>	<u>(6)</u>	<u>493,195</u>
Other support services - pupils				
Salaries	734,182	746,271	(12,089)	741,678
Employee benefits	20,351	29,922	(9,571)	30,169
Purchased services	16,000	19,810	(3,810)	9,452
Supplies and materials	530,019	541,275	(11,256)	474,381
Other objects	46,448	58,518	(12,070)	54,307
Non-capitalized equipment	<u>500</u>	<u>117</u>	<u>383</u>	<u>280</u>
Total	<u>1,347,500</u>	<u>1,395,913</u>	<u>(48,413)</u>	<u>1,310,267</u>
Total pupils	<u>4,786,030</u>	<u>4,880,238</u>	<u>(94,208)</u>	<u>4,726,700</u>

(Continued)

Community High School District 99
General Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016		Variance From Final Budget	2015 Actual
	Original and Final Budget	Actual		
Instructional staff				
Improvement of instruction services				
Salaries	\$ 804,832	\$ 914,004	\$ (109,172)	\$ 768,697
Employee benefits	60,600	89,691	(29,091)	67,894
Purchased services	101,660	110,295	(8,635)	118,182
Supplies and materials	20,750	14,589	6,161	18,548
Other objects	-	7,390	(7,390)	-
Total	<u>987,842</u>	<u>1,135,969</u>	<u>(148,127)</u>	<u>973,321</u>
Educational media services				
Salaries	600,115	572,164	27,951	625,879
Employee benefits	33,492	54,160	(20,668)	37,260
Purchased services	13,250	14,268	(1,018)	21,188
Supplies and materials	137,180	134,785	2,395	148,638
Other objects	2,000	1,227	773	1,309
Non-capitalized equipment	<u>16,700</u>	<u>13,768</u>	<u>2,932</u>	<u>10,808</u>
Total	<u>802,737</u>	<u>790,372</u>	<u>12,365</u>	<u>845,082</u>
Assessment and testing				
Salaries	7,500	6,793	707	4,009
Employee benefits	-	94	(94)	54
Purchased services	-	14,400	(14,400)	-
Supplies and materials	<u>-</u>	<u>9,874</u>	<u>(9,874)</u>	<u>-</u>
Total	<u>7,500</u>	<u>31,161</u>	<u>(23,661)</u>	<u>4,063</u>
Total instructional staff	<u>1,798,079</u>	<u>1,957,502</u>	<u>(159,423)</u>	<u>1,822,466</u>

(Continued)

Community High School District 99

General Fund

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

For the Year Ended June 30, 2016

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

	2016		Variance From Final Budget	2015 Actual
	Original and Final Budget	Actual		
General administration				
Board of education services				
Salaries	\$ 5,200	\$ 6,572	\$ (1,372)	\$ -
Employee benefits	-	161	(161)	(310)
Purchased services	382,800	438,533	(55,733)	371,969
Supplies and materials	18,500	25,693	(7,193)	17,345
Other objects	<u>22,787</u>	<u>22,280</u>	<u>507</u>	<u>22,034</u>
Total	<u>429,287</u>	<u>493,239</u>	<u>(63,952)</u>	<u>411,038</u>
Executive administration services				
Salaries	298,284	307,963	(9,679)	287,976
Employee benefits	18,908	18,938	(30)	16,744
Purchased services	41,154	18,383	22,771	40,506
Supplies and materials	20,503	20,184	319	16,543
Capital outlay	-	49,173	(49,173)	-
Other objects	9,700	10,667	(967)	6,432
Non-capitalized equipment	<u>7,039</u>	<u>1,456</u>	<u>5,583</u>	<u>5,831</u>
Total	<u>395,588</u>	<u>426,764</u>	<u>(31,176)</u>	<u>374,032</u>
Special area administrative services				
Salaries	207,303	209,914	(2,611)	201,677
Employee benefits	30,401	30,520	(119)	27,820
Purchased services	3,500	3,078	422	2,467
Supplies and materials	<u>250</u>	<u>221</u>	<u>29</u>	<u>244</u>
Total	<u>241,454</u>	<u>243,733</u>	<u>(2,279)</u>	<u>232,208</u>
Total general administration	<u>1,066,329</u>	<u>1,163,736</u>	<u>(97,407)</u>	<u>1,017,278</u>

(Continued)

Community High School District 99
General Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			
	Original and Final Budget	Actual	Variance From Final Budget	2015 Actual
School administration				
Office of the principal services				
Salaries	\$ 1,520,347	\$ 1,537,888	\$ (17,541)	\$ 1,478,535
Employee benefits	244,621	247,354	(2,733)	229,356
Purchased services	177,488	175,733	1,755	169,156
Supplies and materials	77,928	66,423	11,505	58,711
Capital outlay	38,000	910	37,090	(25)
Non-capitalized equipment	<u>18,000</u>	<u>8,969</u>	<u>9,031</u>	<u>13,627</u>
Total	<u>2,076,384</u>	<u>2,037,277</u>	<u>39,107</u>	<u>1,949,360</u>
Total school administration	<u>2,076,384</u>	<u>2,037,277</u>	<u>39,107</u>	<u>1,949,360</u>
Business				
Direction of business support services				
Salaries	498,960	502,073	(3,113)	486,324
Employee benefits	35,530	35,365	165	32,361
Purchased services	<u>4,000</u>	<u>4,003</u>	<u>(3)</u>	<u>2,863</u>
Total	<u>538,490</u>	<u>541,441</u>	<u>(2,951)</u>	<u>521,548</u>
Fiscal services				
Other objects	<u>23,000</u>	<u>33,511</u>	<u>(10,511)</u>	<u>7,323</u>
Total	<u>23,000</u>	<u>33,511</u>	<u>(10,511)</u>	<u>7,323</u>

(Continued)

Community High School District 99

General Fund

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

For the Year Ended June 30, 2016

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

	2016			2015 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Operation and maintenance of plant services				
Non-capitalized equipment	\$ -	\$ 8,100	\$ (8,100)	\$ -
Total	-	8,100	(8,100)	-
Pupil transportation services				
Salaries	-	-	-	2,790
Purchased services	165,000	164,159	841	146,814
Total	165,000	164,159	841	149,604
Food services				
Purchased services	1,314,000	807,346	506,654	990,560
Supplies and materials	10,000	8,700	1,300	7,741
Other objects	2,000	19,557	(17,557)	1,108
Non-capitalized equipment	41,000	31,477	9,523	33,393
Total	1,367,000	867,080	499,920	1,032,802
Total business	2,093,490	1,614,291	479,199	1,711,277
Information services				
Salaries	94,554	94,554	-	92,700
Employee benefits	26,667	26,672	(5)	24,219
Purchased services	57,245	34,021	23,224	59,367
Supplies and materials	4,000	218	3,782	20
Total	182,466	155,465	27,001	176,306

(Continued)

Community High School District 99

General Fund

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

For the Year Ended June 30, 2016

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

	2016			2015 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Staff services				
Salaries	\$ 348,286	\$ 352,213	\$ (3,927)	\$ 325,693
Employee benefits	358,845	359,571	(726)	333,294
Purchased services	37,100	35,810	1,290	36,158
Supplies and materials	1,500	-	1,500	223
Other objects	1,300	-	1,300	-
Total	<u>747,031</u>	<u>747,594</u>	<u>(563)</u>	<u>695,368</u>
Data processing services				
Salaries	1,033,860	1,032,040	1,820	1,009,641
Employee benefits	95,461	85,211	10,250	117,512
Purchased services	189,000	173,236	15,764	131,364
Supplies and materials	458,000	483,317	(25,317)	393,651
Capital outlay	275,000	373,193	(98,193)	501,941
Other objects	1,000	3,999	(2,999)	1,165
Non-capitalized equipment	-	16,543	(16,543)	40,249
Total	<u>2,052,321</u>	<u>2,167,539</u>	<u>(115,218)</u>	<u>2,195,523</u>
Total central	<u>2,981,818</u>	<u>3,070,598</u>	<u>(88,780)</u>	<u>3,067,197</u>
Other supporting services				
Purchased services	-	-	-	953
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>953</u>
Total support services	<u>14,802,130</u>	<u>14,723,642</u>	<u>78,488</u>	<u>14,295,231</u>
Community services				
Salaries	3,000	11,130	(8,130)	2,791
Employee benefits	-	33	(33)	37
Purchased services	1,500	20,130	(18,630)	23,964
Supplies and materials	-	892	(892)	700
Total	<u>4,500</u>	<u>32,185</u>	<u>(27,685)</u>	<u>27,492</u>

(Continued)

Community High School District 99

General Fund

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

For the Year Ended June 30, 2016

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

	2016			2015
	Original and Final Budget	Actual	Variance From Final Budget	Actual
Payments to other districts and government units				
Payments for regular programs				
Purchased services	\$ -	\$ 6,600	\$ (6,600)	\$ -
Total	-	6,600	(6,600)	-
Payments for special education programs				
Purchased services	151,861	144,907	6,954	165,475
Other objects	1,018,459	998,712	19,747	1,240,878
Total	1,170,320	1,143,619	26,701	1,406,353
Payments for CTE education programs				
Other objects	800,000	667,199	132,801	799,708
Total	800,000	667,199	132,801	799,708
Other payments to in-state governmental units				
Purchased services	-	-	-	4,400
Total	-	-	-	4,400
Total payments to other districts and other government units	1,970,320	1,817,418	152,902	2,210,461
Provision for contingencies	400,000	-	400,000	-
Total expenditures	83,502,999	90,862,133	(7,359,134)	89,920,327
Excess (deficiency) of revenues over expenditures	1,159,001	1,048,979	(110,022)	(14,409,957)

(Continued)

Community High School District 99

General Fund

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

For the Year Ended June 30, 2016

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

	2016				2015 Actual
	Original and Final Budget	Actual	Variance From Final Budget		
Other financing sources (uses)					
Sale or compensation for capital assets	\$ -	\$ 28,556	\$ 28,556	\$ -	
Permanent transfer to Operations and Maintenance Fund	-	-	-	(5,140,000)	
Capital lease proceeds	-	49,173	49,173	1,760,180	
Transfer for abatement of working cash account to other funds	-	-	-	(10,800,000)	
Transfer to Debt Service Fund for principal on capital leases	(595,288)	(599,206)	(3,918)	(148,425)	
Transfer to Debt Service Fund for interest on capital leases	(20,700)	(7,727)	12,973	(5,774)	
Transfer to Debt Service Fund for principal on debt certificates	(1,130,000)	(1,130,000)	-	(1,100,000)	
Transfer to Debt Service Fund for interest on debt certificates	<u>(221,012)</u>	<u>(219,812)</u>	<u>1,200</u>	<u>(253,863)</u>	
Total other financing sources (uses)	<u>(1,967,000)</u>	<u>(1,879,016)</u>	<u>87,984</u>	<u>(15,687,882)</u>	
Net change to fund balance	<u>\$ (807,999)</u>	(830,037)	<u>\$ (22,038)</u>	(30,097,839)	
Fund balance, beginning of year		<u>1,774,210</u>		<u>31,872,049</u>	
Fund balance, end of year		<u>\$ 944,173</u>		<u>\$ 1,774,210</u>	

(Concluded)

Community High School District 99
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND DEFICIT - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			
	Original and Final Budget	Actual	Variance From Final Budget	2015 Actual
Revenues				
Local sources				
General levy	\$ 9,478,000	\$ 9,469,051	\$ (8,949)	\$ 20,124,543
Interest on investments	13,000	9,702	(3,298)	369
Rentals	237,000	294,019	57,019	237,118
Refund of prior years' expenditures	-	300	300	14,430
Other	<u>200,000</u>	<u>12,450</u>	<u>(187,550)</u>	<u>5,656</u>
Total local sources	<u>9,928,000</u>	<u>9,785,522</u>	<u>(142,478)</u>	<u>20,382,116</u>
State sources				
School Infrastructure - Maintenance	<u>40,000</u>	<u>-</u>	<u>(40,000)</u>	<u>50,000</u>
Total state sources	<u>40,000</u>	<u>-</u>	<u>(40,000)</u>	<u>50,000</u>
Total revenues	<u>9,968,000</u>	<u>9,785,522</u>	<u>(182,478)</u>	<u>20,432,116</u>
Expenditures				
Support services				
Facilities acquisition and construction services				
Purchased services	250,000	237,285	12,715	399,880
Supplies and materials	7,000	5,890	1,110	31,675
Capital outlay	960,000	716,675	243,325	1,494,797
Non-capitalized equipment	<u>37,000</u>	<u>30,974</u>	<u>6,026</u>	<u>26,824</u>
Total	1,254,000	990,824	263,176	1,953,176

(Continued)

Community High School District 99

Operations and Maintenance Fund

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

For the Year Ended June 30, 2016

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

	2016			2015 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Operation and maintenance of plant services				
Salaries	\$ 4,054,000	\$ 3,903,966	\$ 150,034	\$ 3,978,486
Employee benefits	745,000	704,454	40,546	683,991
Purchased services	1,163,000	1,072,562	90,438	1,254,815
Supplies and materials	1,271,000	1,224,447	46,553	1,488,128
Capital outlay	200,000	198,468	1,532	85,328
Non-capitalized equipment	<u>4,000</u>	<u>12,013</u>	<u>(8,013)</u>	<u>-</u>
Total	<u>7,437,000</u>	<u>7,115,910</u>	<u>321,090</u>	<u>7,490,748</u>
Total business	<u>8,691,000</u>	<u>8,106,734</u>	<u>584,266</u>	<u>9,443,924</u>
Total support services	<u>8,691,000</u>	<u>8,106,734</u>	<u>584,266</u>	<u>9,443,924</u>
Provision for contingencies	<u>200,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>
Total expenditures	<u>8,891,000</u>	<u>8,106,734</u>	<u>784,266</u>	<u>9,443,924</u>
Excess of revenues over expenditures	<u>1,077,000</u>	<u>1,678,788</u>	<u>601,788</u>	<u>10,988,192</u>
Other financing sources (uses)				
Permanent transfer from Working Cash Account - abatement	-	-	-	10,600,000
Permanent transfer from other funds	-	-	-	6,340,000
Transfer to Debt Service Fund for principal on debt certificates	(355,000)	(355,000)	-	(345,000)
Transfer to Debt Service Fund for interest on debt certificates	(216,000)	(215,897)	(103)	(229,985)
Transfer to Capital Projects Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,135,000)</u>
Total other financing sources (uses)	<u>(571,000)</u>	<u>(570,897)</u>	<u>(103)</u>	<u>13,230,015</u>
Net change in fund deficit	<u>\$ 506,000</u>	1,107,891	<u>\$ 601,891</u>	24,218,207
Fund deficit, beginning of year		<u>(1,211,854)</u>		<u>(25,430,061)</u>
Fund deficit, end of year		<u>\$ (103,963)</u>		<u>\$ (1,211,854)</u>

(Concluded)

Community High School District 99
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			
	Original and Final Budget	Actual	Variance From Final Budget	2015 Actual
Revenues				
Local sources				
General levy	\$ 2,494,000	\$ 2,491,255	\$ (2,745)	\$ 2,014,836
Interest on investments	2,000	1,433	(567)	37
Refund of prior years' expenditures	45,000	32,962	(12,038)	-
Other	100,000	1,000	(99,000)	-
Total local sources	2,641,000	2,526,650	(114,350)	2,014,873
State sources				
Transportation - Regular/Vocational	107,000	122,053	15,053	73,805
Transportation - Special Education	1,083,000	1,069,581	(13,419)	1,039,460
Total state sources	1,190,000	1,191,634	1,634	1,113,265
Total revenues	3,831,000	3,718,284	(112,716)	3,128,138
Expenditures				
Support services				
Business				
Pupil transportation services				
Salaries	208,000	208,452	(452)	204,837
Employee benefits	42,000	37,770	4,230	38,558
Purchased services	2,990,000	3,249,510	(259,510)	3,228,108
Supplies and materials	25,000	21,583	3,417	27,809
Capital outlay	45,500	44,074	1,426	55,332
Non-capitalized equipment	16,500	931	15,569	1,321
Total	3,327,000	3,562,320	(235,320)	3,555,965
Total support services	3,327,000	3,562,320	(235,320)	3,555,965

(Continued)

Community High School District 99

Transportation Fund

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

For the Year Ended June 30, 2016

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

	2016			2015 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Provision for contingencies	\$ 100,000	\$ -	\$ 100,000	\$ -
Total expenditures	<u>3,427,000</u>	<u>3,562,320</u>	<u>(135,320)</u>	<u>3,555,965</u>
Excess (deficiency) of revenues over expenditures	404,000	155,964	(248,036)	(427,827)
Other financing uses				
Permanent transfer to Operations and Maintenance Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,200,000)</u>
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,200,000)</u>
Net change in fund balance (deficit)	<u>\$ 404,000</u>	155,964	<u>\$ (248,036)</u>	(1,627,827)
Fund balance (deficit), beginning of year		<u>(349,484)</u>		<u>1,278,343</u>
Fund deficit, end of year		<u>\$ (193,520)</u>		<u>\$ (349,484)</u>

(Concluded)

Community High School District 99
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

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

	2016			
	Original and Final Budget	Actual	Variance From Final Budget	2015 Actual
Revenues				
Local sources				
General levy	\$ 1,502,000	\$ 1,495,510	\$ (6,490)	\$ 1,510,121
Social security/medicare only levy	1,769,000	1,768,111	(889)	3,524,822
Corporate personal property replacement taxes	45,000	45,000	-	45,000
Interest on investments	5,000	3,827	(1,173)	90
Other	100,000	-	(100,000)	-
Total local sources	3,421,000	3,312,448	(108,552)	5,080,033
Total revenues	3,421,000	3,312,448	(108,552)	5,080,033
Expenditures				
Instruction				
Regular programs	1,040,293	1,039,729	564	1,001,591
Special education programs	236,546	236,090	456	255,063
Remedial and supplemental programs K-12	-	2,979	(2,979)	163
Vocational educational programs	15,775	20,048	(4,273)	17,805
Interscholastic programs	80,800	87,766	(6,966)	87,705
Summer school programs	8,408	8,090	318	8,045
Drivers education programs	10,490	10,603	(113)	9,593
Total instruction	1,392,312	1,405,305	(12,993)	1,379,965

(Continued)

Community High School District 99
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			
	Original and Final Budget	Actual	Variance From Final Budget	2015 Actual
Support services				
Pupils				
Guidance services	\$ 33,379	\$ 32,865	\$ 514	\$ 32,422
Health services	17,890	18,541	(651)	17,126
Psychological services	6,736	6,534	202	6,305
Other support services -pupils	<u>149,215</u>	<u>148,821</u>	<u>394</u>	<u>146,714</u>
Total pupils	<u>207,220</u>	<u>206,761</u>	<u>459</u>	<u>202,567</u>
Instructional staff				
Improvement of instruction services	32,579	32,516	63	23,603
Educational media services	8,702	8,060	642	8,926
Assessment and testing	<u>-</u>	<u>95</u>	<u>(95)</u>	<u>56</u>
Total instructional staff	<u>41,281</u>	<u>40,671</u>	<u>610</u>	<u>32,585</u>
General administration				
Board of education services	-	95	(95)	-
Executive administration services	18,903	19,007	(104)	17,582
Special area administrative services	<u>13,276</u>	<u>14,057</u>	<u>(781)</u>	<u>13,135</u>
Total general administration	<u>32,179</u>	<u>33,159</u>	<u>(980)</u>	<u>30,717</u>
School administration				
Office of the principal services	<u>87,925</u>	<u>89,347</u>	<u>(1,422)</u>	<u>84,595</u>
Total school administration	<u>87,925</u>	<u>89,347</u>	<u>(1,422)</u>	<u>84,595</u>

(Continued)

Community High School District 99
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			2015 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Business				
Direction of business support services	\$ 93,444	\$ 96,661	\$ (3,217)	\$ 93,132
Fiscal services	23,883	23,992	(109)	23,565
Operation and maintenance of plant services	<u>799,237</u>	<u>754,932</u>	<u>44,305</u>	<u>782,924</u>
Total business	<u>916,564</u>	<u>875,585</u>	<u>40,979</u>	<u>899,621</u>
Central				
Information services	18,508	19,161	(653)	18,669
Staff services	37,956	37,783	173	35,012
Data processing services	<u>203,030</u>	<u>201,692</u>	<u>1,338</u>	<u>195,917</u>
Total central	<u>259,494</u>	<u>258,636</u>	<u>858</u>	<u>249,598</u>
Total support services	<u>1,544,663</u>	<u>1,504,159</u>	<u>40,504</u>	<u>1,499,683</u>
Community services	<u>25</u>	<u>690</u>	<u>(665)</u>	<u>24</u>
Provision for contingencies	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Total expenditures	<u>3,037,000</u>	<u>2,910,154</u>	<u>126,846</u>	<u>2,879,672</u>
Excess of revenues over expenditures	384,000	402,294	18,294	2,200,361
Other financing sources				
Permanent transfer from Working Cash Account - abatement	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Net change in fund balance (deficit)	<u>\$ 384,000</u>	402,294	<u>\$ 18,294</u>	2,400,361
Fund balance (deficit), beginning of year		<u>128,289</u>		<u>(2,272,072)</u>
Fund balance, end of year		<u>\$ 530,583</u>		<u>\$ 128,289</u>

(Concluded)

Community High School District 99
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2016

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

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

The Board of Education follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December of each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- e) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- f) The budget amounts shown in the financial statements were originally adopted by the Board of Education on September 21, 2015.
- g) All budget appropriations lapse at the end of the fiscal year.

Community High School District 99
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2016

2. EXPENDITURES IN EXCESS OF BUDGETS

The following funds had expenditures in excess of budgets at June 30, 2016:

<u>Fund</u>	<u>Variance</u>
General	\$ 7,359,134
Transportation	135,320

The District had expenditures in excess of the budget in the General fund primarily as a result of higher than anticipated on-behalf payments to TRS from the State of Illinois.

3. TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Changes of Assumptions

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

Community High School District 99
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2016

4. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2015 IMRF CONTRIBUTION RATE*

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.
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Methods and Assumptions Used to Determine the 2015 Contribution Rate:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular members): 28-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	4.00%
Price Inflation	3.00% - approximate; no explicit price inflation assumption is used in this valuation.
Salary Increases	4.40% to 16.00%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2011 calculation pursuant to an experience study of the period 2008-2010.
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes	There were no benefit changes during the year.
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* Based on Valuation Assumptions used in the December 31, 2013 actuarial valuation.

SUPPLEMENTARY FINANCIAL INFORMATION

Community High School District 99
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			2015
	Original and Final Budget	Actual	Variance From Final Budget	Actual
Revenues				
Local sources				
General levy	\$ 7,772,000	\$ 7,765,296	\$ (6,704)	\$ 8,078,173
Interest on investments	<u>14,500</u>	<u>10,777</u>	<u>(3,723)</u>	<u>271</u>
Total local sources	<u>7,786,500</u>	<u>7,776,073</u>	<u>(10,427)</u>	<u>8,078,444</u>
Total revenues	<u>7,786,500</u>	<u>7,776,073</u>	<u>(10,427)</u>	<u>8,078,444</u>
Expenditures				
Debt service				
Debt services - interest				
Bonds - interest	<u>2,112,100</u>	<u>1,495,945</u>	<u>616,155</u>	<u>1,453,340</u>
Total debt service - interest	<u>2,112,100</u>	<u>1,495,945</u>	<u>616,155</u>	<u>1,453,340</u>
Principal payments on long-term debt	<u>9,140,000</u>	<u>8,739,206</u>	<u>400,794</u>	<u>8,658,425</u>
Other debt service				
Purchased services	<u>2,000</u>	<u>4,504</u>	<u>(2,504)</u>	<u>204,213</u>
Total	<u>2,000</u>	<u>4,504</u>	<u>(2,504)</u>	<u>204,213</u>
Total debt service	<u>11,254,100</u>	<u>10,239,655</u>	<u>1,014,445</u>	<u>10,315,978</u>
Total expenditures	<u>11,254,100</u>	<u>10,239,655</u>	<u>1,014,445</u>	<u>10,315,978</u>
Deficiency of revenues over expenditures	<u>(3,467,600)</u>	<u>(2,463,582)</u>	<u>1,004,018</u>	<u>(2,237,534)</u>

(Continued)

Community High School District 99

Debt Service Fund

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

For the Year Ended June 30, 2016

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

	2016			2015 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Other financing sources (uses)				
Principal on bonds sold	\$ -	\$ -	\$ -	\$ 21,550,000
Premium on bonds sold	-	-	-	2,077,934
Transfer to pay for principal on capital leases	595,288	599,206	3,918	148,425
Transfer to pay for interest on capital leases	20,700	7,727	(12,973)	5,774
Transfer to pay for principal on debt certificates	1,485,000	435,709	(1,049,291)	420,600
Transfer to pay for interest on debt certificates	437,012	1,485,000	1,047,988	1,508,248
Other sources not classified elsewhere	-	-	-	24,292
Transfer to refunded bond escrow	-	-	-	(23,449,763)
Total other financing sources (uses)	<u>2,538,000</u>	<u>2,527,642</u>	<u>(10,358)</u>	<u>2,285,510</u>
Net change in fund balance	<u>\$ (929,600)</u>	64,060	<u>\$ 993,660</u>	47,976
Fund balance, beginning of year		<u>1,284,260</u>		<u>1,236,284</u>
Fund balance, end of year		<u>\$ 1,348,320</u>		<u>\$ 1,284,260</u>

(Concluded)

Community High School District 99
Capital Projects Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL
For the Year Ended June 30, 2016
With Comparative Actual Amounts for the Year Ended June 30, 2015

	2016			
	Original and Final Budget	Actual	Variance From Final Budget	2015 Actual
Revenues				
Local sources				
Interest on investments	\$ 500	\$ 275	\$ (225)	\$ -
Contributions and donations from private sources	100,000	78,104	(21,896)	20,203
Refund of prior years' expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>696</u>
Total local sources	<u>100,500</u>	<u>78,379</u>	<u>(22,121)</u>	<u>20,899</u>
Total revenues	<u>100,500</u>	<u>78,379</u>	<u>(22,121)</u>	<u>20,899</u>
Expenditures				
Support services				
Facilities acquisition and construction services				
Purchased services	250,000	201,107	48,893	1,797
Supplies and materials	-	-	-	2,277
Capital outlay	<u>750,000</u>	<u>704,246</u>	<u>45,754</u>	<u>3,586</u>
Total support services	<u>1,000,000</u>	<u>905,353</u>	<u>94,647</u>	<u>7,660</u>
Total expenditures	<u>1,000,000</u>	<u>905,353</u>	<u>94,647</u>	<u>7,660</u>
Excess (deficiency) of revenues over expenditures	<u>(899,500)</u>	<u>(826,974)</u>	<u>72,526</u>	<u>13,239</u>

(Continued)

Community High School District 99

Capital Projects Fund

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

For the Year Ended June 30, 2016

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

	2016			2015 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Other financing sources				
Permanent transfer from Operations and Maintenance Fund	\$ -	\$ -	\$ -	\$ 3,135,000
Principal on bonds sold	<u>3,500,000</u>	<u>3,500,000</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>3,500,000</u>	<u>3,500,000</u>	<u>-</u>	<u>3,135,000</u>
Net change in fund balance (deficit)	<u>\$ 2,600,500</u>	2,673,026	<u>\$ 72,526</u>	3,148,239
Fund balance (deficit), beginning of year		<u>521,656</u>		<u>(2,626,583)</u>
Fund balance, end of year		<u>\$ 3,194,682</u>		<u>\$ 521,656</u>

(Concluded)

Community High School District 99
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2016

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Assets				
Cash and cash equivalents	\$ 680,026	\$ 2,499,065	\$ 2,345,343	\$ 833,748
Liabilities				
Due to student groups				
North High School	\$ 417,755	\$ 1,040,395	\$ 997,544	\$ 460,606
South High School	262,271	1,458,670	1,347,799	373,142
Total liabilities	\$ 680,026	\$ 2,499,065	\$ 2,345,343	\$ 833,748

STATISTICAL SECTION
(Unaudited)

Statistical Section

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

Contents

Page

Financial Trends

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

105 - 116

Revenue Capacity

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

117 - 121

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

122 - 126

Demographic and Economic Information

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

127 - 129

Operating Information

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

130 - 134

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

Community High School District 99

NET POSITION (DEFICIT)

LAST TEN FISCAL YEARS

	<u>2016</u>	<u>2015</u>	<u>2014*</u>	<u>2013</u>
Governmental Activities				
Net investment in capital				
assets	\$ 55,484,485	\$ 50,299,332	\$ 43,077,850	\$ 38,594,562
Restricted	4,913,672	1,730,325	2,219,865	1,458,732
Unrestricted	<u>(20,471,606)</u>	<u>(17,205,101)</u>	<u>(15,566,445)</u>	<u>(8,318,057)</u>
Total governmental				
activities net position (deficit)	<u>\$ 39,926,551</u>	<u>\$ 34,824,556</u>	<u>\$ 29,731,270</u>	<u>\$ 31,735,237</u>

* 2014 balances restated due to the implementation of GASB 68 and 71.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 28,730,656	\$ 18,683,604	\$ 17,395,025	\$ 16,666,405	\$ 13,456,868	\$ 12,618,320
3,745,602	10,135,822	987,644	975,139	2,831,053	1,178,493
<u>(6,771,985)</u>	<u>(7,864,450)</u>	<u>(20,625,827)</u>	<u>(21,619,270)</u>	<u>(20,751,000)</u>	<u>(20,335,164)</u>
<u>\$ 25,704,273</u>	<u>\$ 20,954,976</u>	<u>\$ (2,243,158)</u>	<u>\$ (3,977,726)</u>	<u>\$ (4,463,079)</u>	<u>\$ (6,538,351)</u>

Community High School District 99
CHANGES IN NET POSITION (DEFICIT)
LAST TEN FISCAL YEARS

	2016	2015	2014	2013	2012
Expenses					
Instruction:					
Regular programs	\$ 37,588,258	\$ 36,051,834	\$ 36,077,791	\$ 34,456,548	\$ 34,499,640
Special programs	12,000,760	12,646,259	11,361,159	11,791,629	11,287,395
Other instructional programs	4,675,227	4,370,261	4,239,823	3,860,356	3,952,182
State retirement contributions	22,420,118	20,440,963	14,644,970	11,347,061	9,802,334
Support services:					
Pupils	5,195,978	4,985,765	4,894,295	4,747,280	4,371,269
Instructional staff	3,275,624	2,991,342	2,758,046	2,862,064	2,754,009
General administration	1,204,947	1,102,268	1,131,090	909,651	1,216,012
School administration	2,208,280	2,111,851	1,998,222	1,971,471	1,950,327
Business	2,704,508	3,239,497	2,921,024	3,186,831	4,399,500
Transportation	3,785,033	3,715,024	3,314,636	3,435,359	3,249,004
Operations and maintenance	10,062,314	9,824,223	8,904,410	8,061,229	8,104,263
Central	3,440,595	3,030,225	2,776,870	2,620,375	2,464,640
Other supporting services	-	953	37,880	3,550	1,456
Community services	33,861	27,897	26,277	37,958	6,097
Nonprogrammed charges	673,799	804,108	827,840	793,049	769,579
Interest and fees	2,210,521	1,799,405	2,742,944	3,113,228	3,418,992
Total expenses	111,479,823	107,141,875	98,657,277	93,197,639	92,246,699
Program Revenues					
Charges for services					
Instruction:					
Regular programs	2,259,442	1,814,576	1,774,912	1,809,093	2,238,819
Other instructional programs	517,815	350,431	253,542	318,530	95,854
Support services:					
Business	794,996	856,280	1,055,280	1,148,685	1,280,501
Operations and maintenance	294,019	237,118	251,932	206,472	169,060
Capital and operating grants and contributions	29,055,910	26,935,379	20,706,422	17,366,773	15,375,632
Total program revenues	32,922,182	30,193,784	24,042,088	20,849,553	19,159,866
Net (expense)/revenue	(78,557,641)	(76,948,091)	(74,615,189)	(72,348,086)	(73,086,833)
General revenues					
Taxes					
Real estate taxes, levied for general purposes	59,309,274	45,415,244	55,031,366	53,178,208	54,207,965
Real estate taxes, levied for specific purposes	12,732,672	25,159,486	14,119,596	13,587,016	11,413,399
Real estate taxes, levied for debt service	7,765,296	8,078,173	7,991,766	7,874,052	8,093,192
Personal property replacement taxes	823,212	1,030,249	957,960	946,956	926,804
State aid-formula grants	2,192,197	2,065,223	2,102,571	2,076,727	2,119,799
Investment earnings	157,004	91,133	116,321	139,755	236,515
Miscellaneous	679,981	201,869	525,225	576,336	838,456
Total general revenues	83,659,636	82,041,377	80,844,805	78,379,050	77,836,130
Special items - gain on sale of unimproved land	-	-	-	-	-
Change in net position (deficit)	\$ 5,101,995	\$ 5,093,286	\$ 6,229,616	\$ 6,030,964	\$ 4,749,297

	2011	2010	2009	2008	2007
\$ 31,940,740	\$ 34,059,408	\$ 33,016,493	\$ 32,593,132	\$ 30,991,469	
10,623,145	10,694,407	10,040,231	9,818,713	9,421,144	
3,760,983	3,728,484	3,658,188	2,784,527	2,581,318	
8,718,032	9,212,174	6,748,987	5,030,420	3,441,529	
4,329,629	4,430,663	4,450,597	4,259,417	4,381,173	
2,459,072	2,421,042	2,559,082	2,025,473	1,933,209	
1,229,740	1,111,468	1,194,765	1,535,636	1,732,274	
1,922,119	1,878,261	1,814,981	1,907,281	1,868,663	
2,822,510	3,945,934	3,785,966	2,867,645	2,054,133	
3,326,913	3,636,362	3,471,317	3,294,733	2,911,755	
8,484,343	7,895,118	8,053,798	8,255,298	9,139,612	
2,269,360	2,395,254	2,245,964	2,499,573	1,824,564	
2,960	-	-	4,472	7,130	
5,167	6,127	3,216	7,393	7,691	
777,813	955,065	983,236	936,456	793,738	
3,452,123	3,665,265	3,691,785	3,841,448	3,739,419	
86,124,649	90,035,032	85,718,606	81,661,617	76,828,821	
2,285,614	2,169,843	2,219,841	2,159,456	2,015,576	
70,810	80,492	88,343	249,695	448,888	
1,363,558	1,366,284	1,447,260	1,396,374	1,485,089	
112,600	68,328	70,415	94,565	67,656	
14,683,713	15,155,076	11,634,974	10,108,070	8,676,314	
18,516,295	18,840,023	15,460,833	14,008,160	12,693,523	
(67,608,354)	(71,195,009)	(70,257,773)	(67,653,457)	(64,135,298)	
54,546,585	54,068,270	51,752,707	50,812,808	51,738,947	
9,111,823	9,063,199	8,388,328	7,057,690	3,570,675	
7,943,513	6,276,046	5,872,324	5,678,602	5,379,683	
1,007,473	776,881	960,307	1,097,780	1,026,567	
2,185,936	2,140,404	2,194,364	2,121,840	1,928,822	
330,711	432,032	1,052,933	2,127,100	1,911,002	
942,153	172,745	522,163	832,909	674,633	
76,068,194	72,929,577	70,743,126	69,728,729	66,230,329	
14,738,294	-	-	-	-	
\$ 23,198,134	\$ 1,734,568	\$ 485,353	\$ 2,075,272	\$ 2,095,031	

Community High School District 99
FUND BALANCES (DEFICITS) OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2016	2015	2014	2013
General Fund				
Nonspendable	\$ 2,671	\$ 1,929	\$ 17,857,981	\$ 23,318,374
Assigned	1,373,615	1,596,821	2,490,026	2,194,884
Unassigned	(432,113)	175,460	11,524,042	9,209,732
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total General Fund	<u>\$ 944,173</u>	<u>\$ 1,774,210</u>	<u>\$ 31,872,049</u>	<u>\$ 34,722,990</u>
All Other Governmental Funds				
Unassigned				
Operations and Maintenance	\$ (103,963)	\$ (1,211,854)	\$ (25,430,061)	\$ (28,432,859)
Transportation	(193,520)	(349,484)	-	-
Municipal Retirement / Soc. Sec.	-	-	(2,272,072)	(1,830,775)
Capital Projects	-	-	(2,626,583)	(804,393)
Restricted				
Transportation	-	-	1,278,343	318,107
Municipal Retirement / Soc. Sec.	530,583	128,289	-	-
Debt Service	1,348,320	1,284,260	1,236,284	1,169,846
Capital Projects	3,194,682	521,656	-	-
Assigned				
Site Acquisition	-	-	-	-
Reserved			-	-
Unreserved, reported in:				
Special Revenue Funds	-	-	-	-
Debt Service Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Total All Other Governmental Funds	<u>\$ 4,776,102</u>	<u>\$ 372,867</u>	<u>\$ (27,814,089)</u>	<u>\$ (29,580,074)</u>
Total Governmental Funds	<u>\$ 5,720,275</u>	<u>\$ 2,147,077</u>	<u>\$ 4,057,960</u>	<u>\$ 5,142,916</u>

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54), which was adopted by the District as of the fiscal year ended June 30, 2011. In the fund financial statements, governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 22,659,025	\$ 21,576,715	\$ -	\$ -	\$ -	\$ -
1,756,350	1,198,066	-	-	-	-
11,065,958	10,387,239	-	-	-	-
-	-	598,272	1,280,583	1,416,448	1,696,681
-	-	11,499,339	6,446,728	2,698,926	(3,845,630)
<u>\$ 35,481,333</u>	<u>\$ 33,162,020</u>	<u>\$ 12,097,611</u>	<u>\$ 7,727,311</u>	<u>\$ 4,115,374</u>	<u>\$ (2,148,949)</u>
\$ (27,714,552)	\$ (25,346,052)	\$ -	\$ -	\$ -	\$ -
(336,363)	(771,960)	-	-	-	-
(927,850)	(410,664)	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,119,643	1,378,578	-	-	-	-
2,644,351	15,721,009	-	-	-	-
-	373,784	-	-	-	-
-	-	410,617	445,810	805,431	1,090,827
-	-	(9,892,756)	(5,183,036)	(45,716)	5,710,130
-	-	979,629	913,053	804,937	613,284
-	-	(2,878,351)	(2,738,064)	(525,486)	(243,217)
<u>\$ (25,214,771)</u>	<u>\$ (9,055,305)</u>	<u>\$ (11,380,861)</u>	<u>\$ (6,562,237)</u>	<u>\$ 1,039,166</u>	<u>\$ 7,171,024</u>
<u>\$ 10,266,562</u>	<u>\$ 24,106,715</u>	<u>\$ 716,750</u>	<u>\$ 1,165,074</u>	<u>\$ 5,154,540</u>	<u>\$ 5,022,075</u>

Community High School District 99
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Local Sources				
Property taxes	\$ 79,807,242	\$ 78,652,903	\$ 77,142,728	\$ 74,639,276
Replacement taxes	823,212	1,030,249	957,960	946,956
Charges for services	3,866,272	3,258,405	3,335,666	3,482,780
Earnings on investments	157,004	105,972	111,623	157,930
Other local sources	<u>679,981</u>	<u>201,869</u>	<u>525,225</u>	<u>576,336</u>
Total local sources	<u>85,333,711</u>	<u>83,249,398</u>	<u>82,073,202</u>	<u>79,803,278</u>
State sources	<u>28,635,335</u>	<u>26,565,093</u>	<u>20,602,080</u>	<u>17,239,163</u>
Federal sources	<u>2,612,772</u>	<u>2,435,509</u>	<u>2,206,913</u>	<u>2,204,337</u>
Total	<u>\$ 116,581,818</u>	<u>\$ 112,250,000</u>	<u>\$ 104,882,195</u>	<u>\$ 99,246,778</u>

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$	73,555,663	\$ 71,448,825	\$ 69,260,971	\$ 65,874,367	\$ 63,549,100	\$ 60,689,305
	926,804	1,007,473	776,881	960,307	1,097,780	1,026,567
	3,784,234	3,832,582	3,684,947	3,825,859	3,900,090	4,017,209
	573,077	413,580	299,337	916,092	2,264,361	1,886,985
	<u>985,698</u>	<u>1,200,924</u>	<u>325,917</u>	<u>698,724</u>	<u>832,909</u>	<u>674,633</u>
	<u>79,825,476</u>	<u>77,903,384</u>	<u>74,348,053</u>	<u>72,275,349</u>	<u>71,644,240</u>	<u>68,294,699</u>
	<u>15,315,334</u>	<u>14,497,892</u>	<u>14,416,748</u>	<u>11,825,931</u>	<u>10,436,348</u>	<u>8,605,612</u>
	<u>2,180,097</u>	<u>2,371,757</u>	<u>2,878,732</u>	<u>2,003,407</u>	<u>1,793,562</u>	<u>1,999,524</u>
\$	<u><u>97,320,907</u></u>	<u><u>94,773,033</u></u>	<u><u>91,643,533</u></u>	<u><u>86,104,687</u></u>	<u><u>83,874,150</u></u>	<u><u>78,899,835</u></u>

Community High School District 99
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS

	2016	2015	2014	2013
Current				
Instruction				
Regular programs	\$ 37,400,589	\$ 36,003,948	\$ 35,803,282	\$ 34,031,159
Special programs	10,798,101	11,194,502	10,269,577	10,700,245
Other instructional programs	4,600,270	4,302,690	4,161,765	4,119,638
State retirement contributions	22,420,118	20,440,963	14,644,970	11,347,061
Total instruction	75,219,078	71,942,103	64,879,594	60,198,103
Supporting Services				
Pupils	5,086,999	4,929,267	4,859,797	4,703,942
Instructional staff	1,998,173	1,855,051	1,816,151	1,893,919
General administration	1,147,722	1,048,518	1,080,787	1,151,913
School administration	2,125,714	2,033,980	1,920,252	1,881,385
Business	2,452,619	3,054,907	2,462,985	2,737,530
Transportation	3,682,405	3,650,237	3,284,777	3,435,333
Operations and maintenance	7,680,474	8,187,821	7,990,999	7,983,165
Central	2,956,041	2,814,854	2,776,870	2,615,604
Other supporting services	-	953	37,880	3,550
Total supporting services	27,130,147	27,575,588	26,230,498	26,406,341
Community Services	32,875	27,516	26,277	37,958
Nonprogrammed charges	1,817,418	2,210,461	1,837,319	1,835,835
Total current	104,199,518	101,755,668	92,973,688	88,478,237
Other:				
Debt service:				
Principal	8,739,206	8,658,425	7,647,868	7,226,907
Interest	1,500,449	1,657,553	2,362,422	2,676,910
Capital outlay	2,147,176	4,051,880	2,983,173	5,988,370
Total other	12,386,831	14,367,858	12,993,463	15,892,187
Total	\$ 116,586,349	\$ 116,123,526	\$ 105,967,151	\$ 104,370,424
Debt Service as a Percentage of Noncapital Direct Expenditures	8.948%	9.205%	9.720%	10.067%

	2012	2011	2010	2009	2008	2007
\$	33,405,733	\$ 31,528,932	\$ 33,506,998	\$ 32,425,842	\$ 31,716,111	\$ 30,321,917
	10,239,147	9,265,302	9,431,351	8,750,555	8,511,745	8,318,508
	3,877,548	3,684,326	3,669,696	3,634,534	2,666,234	2,464,417
	9,802,334	8,718,032	9,212,174	6,748,987	5,030,420	3,441,529
	<u>57,324,762</u>	<u>53,196,592</u>	<u>55,820,219</u>	<u>51,559,918</u>	<u>47,924,510</u>	<u>44,546,371</u>
	4,330,683	4,281,970	4,404,681	4,420,371	4,237,451	4,357,377
	1,936,170	1,711,443	1,711,673	1,733,857	1,404,851	1,266,033
	1,170,016	1,184,406	1,073,583	1,150,693	1,502,244	1,692,862
	1,877,500	1,850,207	1,819,539	1,746,668	1,735,207	1,683,889
	3,842,000	2,097,380	2,200,993	3,106,531	2,044,638	1,960,629
	3,121,136	3,273,703	3,532,443	3,392,415	3,275,921	2,890,660
	7,850,260	7,955,421	7,711,852	7,918,613	7,711,290	8,629,750
	2,450,385	2,243,771	2,395,254	2,245,964	2,499,573	1,773,948
	1,456	2,960	-	-	4,472	7,130
	<u>26,579,606</u>	<u>24,601,261</u>	<u>24,850,018</u>	<u>25,715,112</u>	<u>24,415,647</u>	<u>24,262,278</u>
	<u>6,097</u>	<u>5,167</u>	<u>6,127</u>	<u>3,216</u>	<u>7,393</u>	<u>7,691</u>
	<u>1,729,296</u>	<u>2,035,612</u>	<u>2,156,287</u>	<u>2,156,243</u>	<u>2,173,656</u>	<u>1,842,123</u>
	<u>85,639,761</u>	<u>79,838,632</u>	<u>82,832,651</u>	<u>79,434,489</u>	<u>74,521,206</u>	<u>70,658,463</u>
	6,865,000	6,045,000	4,305,000	3,820,000	3,550,000	2,985,000
	2,913,110	2,660,844	2,759,805	2,849,773	2,803,955	2,697,386
	<u>16,243,040</u>	<u>7,777,563</u>	<u>2,194,401</u>	<u>3,989,991</u>	<u>6,521,454</u>	<u>2,208,754</u>
	<u>26,021,150</u>	<u>16,483,407</u>	<u>9,259,206</u>	<u>10,659,764</u>	<u>12,875,409</u>	<u>7,891,140</u>
\$	<u>111,660,911</u>	<u>\$ 96,322,039</u>	<u>\$ 92,091,857</u>	<u>\$ 90,094,253</u>	<u>\$ 87,396,615</u>	<u>\$ 78,549,603</u>
	10.248%	9.832%	7.859%	7.746%	7.856%	7.443%

Community High School District 99
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCE
LAST TEN FISCAL YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Excess of revenues over (under) expenditures	\$ (4,531)	\$ (3,873,526)	\$ (1,084,956)	\$ (5,123,646)
Other financing sources (uses)				
Principal on bonds sold	3,500,000	21,550,000	-	-
Premiums on bonds sold	-	2,102,226	-	-
Transfer to refunded bond escrow	-	(23,449,763)	-	-
Transfers in	2,527,642	22,358,047	2,084,778	2,920,809
Transfers out	(2,527,642)	(22,358,047)	(2,084,778)	(2,920,809)
Other	<u>77,729</u>	<u>1,760,180</u>	<u>-</u>	<u>-</u>
Total	<u>3,577,729</u>	<u>1,962,643</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 3,573,198</u>	<u>\$ (1,910,883)</u>	<u>\$ (1,084,956)</u>	<u>\$ (5,123,646)</u>

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ (14,340,004) \$	(1,549,006) \$	(448,324) \$	(3,989,566) \$	(3,522,465) \$	350,232
-	10,000,000	-	-	3,654,930	4,821,402
-	199,677	-	-	-	-
-	-	-	-	-	-
3,124,444	1,107,720	946,137	1,048,595	626,430	616,714
(3,124,444)	(1,107,720)	(946,137)	(1,048,595)	(626,430)	(616,714)
<u>499,851</u>	<u>14,739,294</u>	<u>-</u>	<u>100</u>	<u>-</u>	<u>-</u>
<u>499,851</u>	<u>24,938,971</u>	<u>-</u>	<u>100</u>	<u>3,654,930</u>	<u>4,821,402</u>
<u>\$ (13,840,153) \$</u>	<u>23,389,965 \$</u>	<u>(448,324) \$</u>	<u>(3,989,466) \$</u>	<u>132,465 \$</u>	<u>5,171,634</u>

Community High School District 99
 EQUALIZED ASSESSED VALUATION AND ESTIMATED
 ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN TAX LEVY YEARS

Tax Levy Year	Residential	Farms	Commercial	Industrial	Railroad	Total Assessed Value	Total Direct Rate	Estimated Actual Value
2015	\$ 3,143,896,235	\$ 37,055	\$ 734,583,484	\$ 62,366,510	\$ 1,370,809	\$ 3,942,254,093	2.0666	\$ 11,826,762,279
2014	3,033,778,188	37,108	702,845,055	60,396,000	1,316,340	3,798,372,691	2.1079	11,395,118,073
2013	3,045,583,110	61,655	702,845,181	58,983,180	1,301,857	3,808,774,983	2.0729	11,426,324,949
2012	3,215,520,728	59,082	745,361,475	62,407,920	1,202,326	4,024,551,531	1.9209	12,073,654,593
2011	3,480,255,128	53,742	792,618,004	65,387,780	1,128,851	4,339,443,505	1.7271	13,018,330,515
2010	3,708,859,802	52,369	802,848,202	67,642,610	956,519	4,580,359,502	1.6105	13,741,078,506
2009	3,938,922,582	50,709	861,641,005	71,650,990	836,188	4,873,101,474	1.4679	14,619,304,422
2008	3,926,491,746	142,679	883,600,342	71,007,480	694,371	4,881,936,618	1.4214	14,645,809,854
2007	3,685,960,429	142,779	874,623,002	67,364,520	605,139	4,628,695,869	1.4269	13,886,087,607
2006	3,363,466,953	145,960	845,849,722	67,543,020	539,799	4,277,545,454	1.4884	12,832,636,362

Source of information: DuPage County Clerk

Note: The County assesses property at approximately 33.3% of actual value for all types of real property, under the County's jurisdiction. Estimated actual value is calculated by dividing assessed value by that percentage. Tax rates are per \$100 of assessed value.
 The tax levy year is defined as the first preceding calendar year of each fiscal year.

Community High School District 99
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN TAX LEVY YEARS

	2015	2014	2013	2012
District Direct Rates				
Educational	1.4619	1.4612	1.1040	1.2623
Operations and Maintenance	0.2207	0.2501	0.5304	0.2912
Special Education	0.0380	0.0395	0.0398	0.0327
Bond and Interest	0.2066	0.2051	0.2129	0.1990
Transportation	0.0507	0.0658	0.0531	0.0753
Illinois Municipal Retirement	0.0380	0.0395	0.0398	0.0051
Social Security	0.0507	0.0467	0.0929	0.0553
Total Direct	2.0666	2.1079	2.0729	1.9209
Overlapping Rates				
DuPage County	0.1971	0.2057	0.2040	0.1929
DuPage County Forest Preserve Dist.	0.1622	0.1691	0.1657	0.1542
DuPage Airport Authority	0.0188	0.0196	0.0178	0.0168
Downers Grove Township	0.0368	0.0378	0.0368	0.0343
Downers Grove Township Road Dist.	0.0550	0.0564	0.0549	0.0512
Village of Downers Grove & Library	0.8160	0.8257	0.8245	0.7526
Downers Grove Park District	0.3624	0.3765	0.3691	0.3434
Downers Grove Sanitary District	0.0434	0.0448	0.0436	0.0405
Downers Grove School District #58	2.2175	2.3051	2.2613	2.0981
College of DuPage #502	0.2786	0.2975	0.2956	0.2681
Total Direct & Overlapping Rate	6.2544	6.4461	6.3462	5.8730

Source of information: DuPage County Clerk

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

The Tax Levy Year is defined as the first preceding calendar year of each fiscal year.

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year.

2011	2010	2009	2008	2007	2006
1.2103	1.1614	1.0970	1.0856	1.0986	1.1901
0.2049	0.1499	0.0950	0.0938	0.0975	0.0765
0.0202	0.0220	0.0205	0.0210	0.0194	0.0000
0.1822	0.1772	0.1632	0.1288	0.1272	0.1330
0.0675	0.0560	0.0512	0.0512	0.0454	0.0468
0.0152	0.0220	0.0205	0.0205	0.0194	0.0210
0.0268	0.0220	0.0205	0.0205	0.0194	0.0210
1.7271	1.6105	1.4679	1.4214	1.4269	1.4884
0.1773	0.1659	0.1554	0.1557	0.1651	0.1713
0.1414	0.1321	0.1217	0.1206	0.1187	0.1303
0.0169	0.0158	0.0148	0.0160	0.0170	0.0183
0.0307	0.0281	0.0256	0.0254	0.0256	0.0268
0.0459	0.0420	0.0382	0.0379	0.0383	0.0401
0.7923	0.7591	0.6784	0.6196	0.6425	0.5669
0.3077	0.2900	0.2699	0.2781	0.2932	0.3062
0.0363	0.0336	0.0305	0.0301	0.0303	0.0316
1.8851	1.6991	1.6304	1.5713	1.5816	1.6523
0.2495	0.2349	0.2127	0.1858	0.1888	0.1929
5.4102	5.0111	4.6455	4.4619	4.5280	4.6251

Community High School District 99
PRINCIPAL TAXPAYERS IN THE DISTRICT
CURRENT TAX YEAR AND NINE YEARS AGO

		Tax Levy Year 2015 Equalized Assessed Valuation	Percentage of Total 2015 Equalized Assessed Valuation
Taxpayer			
# 1	LSRF4 Turtle LLC	\$ 26,448,530	0.67%
# 2	Esplanade I SPE LLC	20,990,600	0.53%
# 3	Adventus Us Realty 9 LP	19,591,670	0.50%
# 4	BRE COH IL LLC	18,891,760	0.48%
# 5	Amli at 7 Bridges LP	17,117,100	0.43%
# 6	BchwestwoodLLC and Bchemerald	17,105,490	0.43%
# 7	PTA-K 225	16,566,720	0.42%
# 8	Hamilton Partners Inc	15,630,980	0.40%
# 9	Cole Capital Corp	15,103,490	0.38%
# 10	EL AD Windsor Lakes LLC	<u>14,859,410</u>	<u>0.38%</u>
Total		\$ <u>182,305,750</u>	<u>4.62%</u>
		Tax Levy Year 2006 Equalized Assessed Valuation	Percentage of Total 2006 Equalized Assessed Valuation
Taxpayer			
# 1	Hamilton Partners	\$ 46,781,200	1.09%
# 2	Duke Realty, Ltd.	29,940,060	0.70%
# 3	Wells REIT II	27,680,400	0.65%
# 4	PTA-K 225	21,749,700	0.51%
# 5	BchwestwoodLLC and Bchemerald	17,119,920	0.40%
# 6	Amli at 7 Bridges LP	16,842,160	0.39%
# 7	MJH Downers Grove	15,511,140	0.36%
# 8	GLL BVK Properties 2007	15,470,810	0.36%
# 9	Highland Owner LLC	15,034,040	0.35%
# 10	Butterfield Rd. Assoc. LLC	<u>14,062,130</u>	<u>0.33%</u>
Total		\$ <u>220,191,560</u>	<u>5.14%</u>

Source of information: Office of the DuPage County and Assessor's Offices of the following townships:
Milton, York, Lisle and Downers Grove.

Note: Tax Levy Year is defined as the first preceding calendar year of each fiscal year.

Community High School District 99
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN TAX LEVY YEARS

LEVY YEAR	TAXES EXTENDED FOR THE LEVY YEAR		COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
			AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2015	\$	81,470,623	\$ 40,862,870	50.16 %	\$ -	\$ 40,862,870	50.16 %
2014		80,065,897	39,360,039	49.16	40,447,203	79,807,242	99.68
2013		78,952,097	38,636,926	48.94	40,015,978	78,652,904	99.62
2012		77,307,610	37,568,995	48.60	39,573,734	77,142,729	99.79
2011		74,946,529	36,920,677	49.26	37,718,599	74,639,276	99.59
2010		73,766,690	36,313,946	49.23	37,241,827	73,555,773	99.71
2009		71,532,257	34,393,999	48.08	37,054,826	71,448,825	99.88
2008		67,228,346	32,736,603	48.69	36,524,368	69,260,971	103.02
2007		66,046,861	31,382,624	47.52	34,491,743	65,874,367	99.74
2006		63,666,987	30,886,231	48.51	32,662,869	63,549,100	99.81

Community High School District 99
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Year	General Obligation Bonds	Debt Certificates	Capital Leases	Total	Percentage of Personal Income	Outstanding Debt Per Capita
2016	\$ 36,309,453	\$ 5,335,000	\$ 1,210,147	\$ 42,854,600	0.98%	\$ 391
2015	40,031,349	5,750,000	1,760,180	47,541,529	1.07%	434
2014	48,954,137	6,155,000	148,425	55,257,562	1.28%	513
2013	55,616,419	6,545,000	291,293	62,452,712	1.51%	559
2012	61,897,028	6,915,000	438,200	69,250,228	1.67%	632
2011	67,137,220	7,985,000	-	75,122,220	1.94%	686
2010	61,969,697	8,485,000	-	70,454,697	2.74%	823
2009	64,921,539	8,970,000	-	73,891,539	2.97%	892
2008	67,478,247	9,435,000	-	76,913,247	3.09%	929
2007	69,476,111	6,255,000	-	75,731,111	3.06%	920

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

Source of information: Business Office - District's Audited Financial Statements

Community High School District 99
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Bonded Debt	Less: Amounts Available To Repay Principal	Net General Bonded Debt	Percentage of Net General Bonded Debt To Estimated Actual Valuation	Net General Bonded Debt Per Capita
2016	\$ 36,309,453	\$ 1,348,320	\$ 34,961,133	0.30 %	\$ 319
2015	40,031,349	1,284,260	38,747,089	0.34	353
2014	48,954,137	1,236,284	47,717,853	0.42	443
2013	55,616,419	1,169,846	54,446,573	0.45	488
2012	61,897,028	1,119,643	60,777,385	0.47	555
2011	67,137,220	1,378,578	65,758,642	0.48	600
2010	61,969,697	979,629	60,990,068	0.42	712
2009	64,921,539	913,053	64,008,486	0.44	773
2008	67,478,247	804,937	66,673,310	0.48	805
2007	69,476,111	613,284	68,862,827	0.54	836

Community High School District 99

DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT

June 30, 2016

Taxing Authority	Outstanding Bonds	Applicable to District	
		Percent	Amount
Direct bonded debt:			
Community High School District 99	\$ 36,309,453	100.000%	\$ 36,309,453
Overlapping bonded debt:			
County			
DuPage County	42,020,000	11.638%	4,890,288
DuPage County Forest Preserve	140,577,987	11.638%	16,360,466
School District			
School District 58	11,930,000	100.000%	11,930,000
School District 60	15,085,000	22.898%	3,454,163
School District 61	5,525,000	45.918%	2,536,970
School District 63	3,637,687	0.150%	5,457
School District 502	193,170,000	10.381%	20,052,978
Park Districts			
Butterfield Park District	3,135,370	13.398%	420,077
Darien Park District	1,889,070	37.990%	717,658
Downers Grove Park District	9,620,000	96.990%	9,330,438
Lisle Park District	11,112,000	8.270%	918,962
Oak Brook Park District	1,886,126	15.087%	284,560
Oakbrook Terrace Park District	403,000	4.673%	18,832
Westmont Park District	825,000	29.683%	244,885
Woodridge Park District	2,930,000	72.790%	2,132,747
York Center Park District	480,000	11.547%	55,426
Municipalities			
Village of Bolingbrook	180,726,399	1.958%	3,538,623
Village of Darien	4,830,000	38.406%	1,855,010
Village of Downers Grove	75,185,000	96.148%	72,288,874
Village of Woodridge	17,025,000	67.782%	11,539,886
Miscellaneous			
DuPage Co. SSA #26	798,895	100.000%	798,895
Fountaindale Library	34,250,000	2.033%	696,303
Total Direct and Overlapping General Obligation Bonded Debt			\$ 200,380,951

Sources of information: DuPage County Clerk's Office

Note: Percent applicable to School District calculated using assessed valuation of the School District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

Community High School District 99
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Debt Limit	\$ 272,015,532	\$ 262,087,716	\$ 262,805,474	\$ 277,694,056
Total Net Debt Applicable to Limit	<u>44,630,147</u>	<u>49,820,180</u>	<u>58,013,425</u>	<u>62,452,712</u>
Legal Debt Margin	<u>\$ 227,385,385</u>	<u>\$ 212,267,536</u>	<u>\$ 204,792,049</u>	<u>\$ 215,241,344</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	16%	19%	22%	22%
2014 Equalized Assessed Valuation	<u>\$ 3,942,254,093</u>			
Voted and Unvoted Debt Limit - 6.9% of Equalized Assessed Valuation		\$ 272,015,532		
Total Face Value of Debt Outstanding	44,630,147			
Less: Exempted Debt	<u>-</u>			
Net Subject to 6.9% Limit		<u>44,630,147</u>		
Total Legal Voted and Unvoted Debt Margin		<u>\$ 227,385,385</u>		

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 299,421,602	\$ 316,044,806	\$ 336,244,002	\$ 336,853,627	\$ 319,380,015	\$ 298,902,767
<u>69,250,228</u>	<u>75,122,220</u>	<u>70,454,697</u>	<u>73,891,539</u>	<u>76,913,247</u>	<u>75,731,111</u>
<u>\$ 230,171,374</u>	<u>\$ 240,922,586</u>	<u>\$ 265,789,305</u>	<u>\$ 262,962,088</u>	<u>\$ 242,466,768</u>	<u>\$ 223,171,656</u>
23%	24%	21%	22%	24%	25%

Community High School District 99
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

YEAR	POPULATION	PERSONAL INCOME	PER CAPITA INCOME	UNEMPLOYMENT RATE
2015	110,458	\$ 4,385,624,432	\$ 39,704	4.7%
2014	109,627	4,454,912,399	40,637	5.6%
2013	107,735	4,310,477,350	40,010	7.5%
2012	111,674	4,148,130,730	37,145	7.3%
2011	109,523	4,145,336,027	37,849	8.3%
2010	109,523	3,866,380,946	35,302	8.4%
2009	85,602	2,569,361,980	30,015	5.0%
2008	82,826	2,491,644,340	30,083	3.8%
2007	82,796	2,490,646,486	30,082	3.4%
2006	82,347	2,476,517,520	30,074	4.7%

Sources of Information:

U.S. Bureau of Census, 2010 Census - Population data for years 2010 through 2012 is 2010 Census Redistricting Data (Public Law 94-171) Summary File, Table P1.

U.S. Bureau of Census, 2000 Census - Population data for years 2006 through 2009 is combined populations of Village of Downers Grove and Village of Woodridge.

U.S. Census Bureau, 2009-2013 American Community Survey, 5YR IL for HS 99.

U.S. Bureau of Census - Personal and Per Capita Income data is average of Village of Downers Grove and Village of Woodridge for years prior to 2010. 2010 information is for DuPage County.

For fiscal years 2011-2014 information is for High School 99 from factfinder2.census.gov.

Fiscal year 2015 information - National Center for Education Services

Illinois Department of Employment Security - Unemployment Rate is for DuPage County, IL.

Community High School District 99
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

<u>2016</u>		
Employer	Employees	Percentage of Total Employment
Advocate Good Samaritan Hospital	2,083	4.33%
Navistar Inc.	2,950	6.14%
Allstate	1,000	2.08%
Devry Education Group	930	1.94%
Community High School District 99	686	1.43%
Downers Grove SD #58	642	1.34%
Conventry Health Care	600	1.25%
Wilton Brands, Inc.	450	0.94%
Woodridge S.D. #68	411	0.86%
Axiom Corporation	300	0.62%
Smithfield Packaged Meats / Armour-Eckrich Meats LLC	270	0.56%
	10,322	21.48%

Sources of Information:

Phone canvass of employers, 2016 Illinois Manufacturers' Directory, 2016 Illinois Services Directory, Reference USA, October 2016, official website of employer/financial records, and Illinois Department of Employment Security.

Note: The estimated number of persons employed in the District in 2015-16 is 48,053.

(Continued)

Community High School District 99
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

<u>2007</u>		
Employer	Employees	Percentage of Total Employment
Advocate Good Samaritan Hospital	2,500	4.90%
Sara Lee Corp.	1,400	2.74%
Axiom Corp.	800	1.57%
First Health Group Corp. Division of Coventry Health Care Inc.	700	1.37%
Community High School District 99	677	1.33%
Downers Grove School 58	650	1.27%
R.R. Donnelley & Sons Co.	550	1.08%
Aramark	500	0.98%
FTD, Inc.	500	0.98%
SIRVA Inc. and Sirva Relocation LLC, division of SIRVA Inc.	490	0.96%
Coventry First Health	487	0.95%
The Morey Corporation	465	0.91%
Wilton Industries	428	0.84%
Wackenhut, Inc.	420	0.82%
Woodridge School District 68	400	0.78%
	10,967	21.50%

Source of Information: Phone canvass of employers, 2007 Illinois Manufacturers' News Directory, 2007 Illinois Services Directory, 2007 Harris Illinois Industrial Directory, and the Illinois Department of Employment Security.

Note: The estimated number of persons employed in the District in 2007 was 51,005.

(Concluded)

Community High School District 99

NUMBER OF EMPLOYEES BY TYPE LAST TEN FISCAL YEARS

	2015- 2016	2014- 2015	2013- 2014	2012- 2013
Administration:				
Superintendent	1	1	1	1
Assistant Superintendents	3	3	3	2
District Administrators	5	6	5	5
Principals and Building Administrators	<u>13</u>	<u>14</u>	<u>14</u>	<u>15</u>
Total administration	<u>22</u>	<u>24</u>	<u>23</u>	<u>23</u>
Other Certified Staff:				
Teachers	332	330	331	327
Department Chairs	20	20	20	20
Librarians	6	6	6	6
Counselors	19	19	19	19
Student Assistance Coordinators	2	2	2	2
Social workers	7	7	7	7
Deans	7	7	7	7
Psychologists	5	5	5	5
Nurses	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Total other certified staff	<u>400</u>	<u>398</u>	<u>399</u>	<u>395</u>
Support staff:				
Teacher aides	92	88	85	88
Student supervisors	26	26	26	24
Clerical and other support	92	88	88	88
Technical Support	13	12	12	12
Maintenance, custodians and grounds	<u>59</u>	<u>59</u>	<u>59</u>	<u>59</u>
Total support staff	<u>282</u>	<u>273</u>	<u>270</u>	<u>271</u>
Total employees	<u>704</u>	<u>695</u>	<u>692</u>	<u>689</u>

Source of Information: District Personnel Records

2011- 2012	2010- 2011	2009- 2010	2008 - 2009	2007 - 2008	2006 - 2007
1	1	1	1	1	1
2	2	2	2	2	2
5	5	5	5	6	6
<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>
<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>24</u>	<u>24</u>
322	327	326	325	324	329
20	20	20	20	20	20
6	5	5	5	6	6
18	18	20	20	20	20
2	2	2	2	2	2
7	5	5	5	7	5
7	7	7	7	7	7
5	5	5	5	5	5
<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
<u>389</u>	<u>391</u>	<u>392</u>	<u>391</u>	<u>393</u>	<u>396</u>
86	83	85	82	78	74
22	22	22	22	21	26
86	84	83	83	87	87
12	11	11	11	11	11
<u>59</u>	<u>59</u>	<u>59</u>	<u>59</u>	<u>59</u>	<u>59</u>
<u>265</u>	<u>259</u>	<u>260</u>	<u>257</u>	<u>256</u>	<u>257</u>
<u>677</u>	<u>673</u>	<u>675</u>	<u>671</u>	<u>673</u>	<u>677</u>

Community High School District 99
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	EXPENSES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF	PUPIL - TEACHER RATIO	PERCENTAGE OF STUDENTS RECEIVING FREE OR REDUCED PRICE MEALS
2016	4,963	\$ 105,441,341	\$21,245	-0.7%	\$ 110,880,005	\$ 22,341	3.1%	332	14.9	18.0%
2015	4,944	105,799,888	21,400	15.0%	107,141,875	21,671	11.1%	330	15.0	28.1%
2014	5,057	94,119,465	18,612	6.3%	98,657,277	19,509	7.9%	331	15.3	27.8%
2013	5,154	90,214,212	17,504	4.7%	93,197,639	18,083	1.9%	327	15.8	26.6%
2012	5,196	86,856,283	16,716	9.5%	92,246,699	17,753	9.8%	322	16.1	21.8%
2011	5,328	81,313,050	15,261	-5.2%	86,124,649	16,165	-5.4%	327	16.3	20.0%
2010	5,269	84,771,380	16,089	7.3%	90,035,032	17,088	7.2%	326	16.2	16.9%
2009	5,375	80,565,613	14,989	5.7%	85,718,606	15,948	6.5%	325	16.5	15.9%
2008	5,454	77,325,734	14,178	8.8%	81,661,617	14,973	10.6%	324	16.8	13.6%
2007	5,677	73,962,406	13,028	6.2%	76,828,821	13,533	3.1%	329	17.3	9.6%

Sources of information:

Enrollment from District records - Fall Housing Reports.

Operating Expenditures taken from total expenditures of General and Special Revenue Funds.

Expenses are total governmental activities expense.

Percentage of Free or Reduced meals taken from District records of approved free or reduced applications - National School Lunch and Breakfast Program.

Community High School District 99

SCHOOL BUILDING INFORMATION LAST TEN FISCAL YEARS

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
North Campus										
Square Feet	453,652	453,652	453,652	453,652	453,652	453,652	453,652	453,652	453,652	453,652
Capacity (Students)	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Enrollment	2,197	2,129	2,117	2,130	2,131	2,179	2,144	2,169	2,265	2,363
South Campus										
Square Feet	470,878	470,878	470,878	470,878	470,878	470,878	470,878	470,878	470,878	470,878
Capacity (Students)	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400
Enrollment	2,722	2,769	2,881	3,024	3,065	3,149	3,125	3,206	3,189	3,314
Transition Facility										
Square Feet	10,000	10,000	10,000	-	-	-	-	-	-	-
Capacity (Students)	80	80	80	-	-	-	-	-	-	-
Enrollment	44	46	59	-	-	-	-	-	-	-
Administrative Office										
Square Feet	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500
Transportation Building										
Square Feet	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600

Sources of information:

- Area of buildings from District records - Office of Director of Physical Plant and Operations
- Capacity reflects functional operating capacity which is approximately 85% of actual capacity
- Enrollment is from District records - Fall Housing Reports

Note: Transition Facility was purchased in FY 2013 -14.

Community High School District 99
OPERATING EXPENDITURES PER STUDENT - STATE BOARD FORMAT
June 30, 2016 and June 30, 2015

	<u>2016</u>	<u>2015</u>
Expenditures:		
Educational Fund	\$ 68,442,015	\$ 69,479,364
Operations and Maintenance Fund	8,106,734	9,443,924
Debt Service Fund	10,239,655	10,315,978
Transportation Fund	3,562,320	3,555,965
Municipal Retirement/Social Security Fund	2,910,154	2,879,672
	<u>93,260,878</u>	<u>95,674,903</u>
Less Revenues/Expenditures not Applicable to Operating Expense of Regular Programs		
<u>General</u>		
Educational:		
Tuition paid	1,817,418	2,210,461
Summer school	387,548	311,934
Special education private tuition	950,985	1,202,922
Capital outlay	961,659	2,881,024
Community service	32,185	27,492
Operations and Maintenance:		
Capital outlay	958,130	1,606,949
<u>Special Revenue</u>		
Transportation:		
Capital outlay	45,005	56,653
Municipal Retirement/Social Security		
Summer School	8,090	8,045
Community service	690	24
<u>Debt Service</u>		
Debt retirement	8,739,206	8,658,425
	<u>13,900,916</u>	<u>16,963,929</u>
Net operating expenditures	\$ <u>79,359,962</u>	\$ <u>78,710,974</u>
Average daily attendance	<u>4,597.86</u>	<u>4,665.47</u>
Operating expenditure per student	\$ <u>17,260</u>	\$ <u>16,871</u>

Source of information: Annual Financial Reports to Illinois State Board of Education, (ISBE Form 50-35)