



COMPREHENSIVE  
ANNUAL  
FINANCIAL  
REPORT FOR  
THE FISCAL  
YEAR  
ENDED  
June 30, 2019



Community  
Consolidated  
School District 146

6611 W. 171st St.  
Tinley Park, IL  
60477



**COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 146  
TINLEY PARK, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**YEAR ENDED JUNE 30, 2019**

**Prepared by:**

**Jeff Charleston  
Director of Business Services**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2019**

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## **INTRODUCTORY SECTION**

**Robert W. Procnier Administration Center**  
6611 W. 171st Street • Tinley Park, IL • 60477-3514  
(708) 614-4500 *Phone* (708) 614-8992 *Fax* • [www.district146.org](http://www.district146.org)

October 15, 2019

To the Board of Education,  
Jeff Stawick, Ed.D., Superintendent  
and the Citizens of Community Consolidated School District Number 146:

The Comprehensive Annual Financial Report (CAFR) of Community Consolidated School District Number 146 (the District), as of and for the year ended June 30, 2019, is hereby submitted.

### **FINANCIAL STATEMENTS**

The June 30, 2019 financial statements have been prepared in accordance with Governmental Accounting Standards Board (GASB) requirements, including those of GASB Statement 34. This is the 17<sup>th</sup> year that the financial statements have been presented in accordance with GASB Statement 34.

The State of Illinois allows and encourages, but does not require, school district financial statements to be prepared under generally accepted accounting principles (GAAP). However, management has elected to follow GAAP in the interests of producing a more comprehensive approach to the presentation of financial information. This decision illustrates the District's agreement with the principles reflected in the mission statement of the District.

These financial statements and schedules are the responsibility of the District's Board of Education.

### **Mission Statement**

Community Consolidated School District 146, in partnership with the community, will teach our children to actively meet life's challenges and create opportunities as they responsibly build their own and the world's future.

In teaching our children, we will be mindful of our world's interdependence and cultural diversity. Our schools will foster a safe environment in which children will explore ideas



**Central Middle  
School**



**Walter F. Fierke  
Education Center**



**Bert H. Fulton  
School**



**Arnold W. Kruse  
Education Center**



**Memorial  
Elementary School**

for continual and accelerating changes in social, technological, scientific, ecological and political environments. To lead rich and full lives in this world our children will need to acquire:

A fundamental knowledge base and essential skills in the major subject areas.

The ability to apply knowledge and skills in real life situations.

The ability to think analytically, logically, critically and creatively.

Competence in gathering and using information.

The capacity to communicate effectively through oral, written, technological and artistic means.

The skills needed to work cooperatively in various settings and situations.

A set of fundamental values which are commonly held by the community.

Emotional, social and physical well being, including self esteem.

The capacity to understand, respect and relate to all people while acknowledging and valuing similarities and differences.

The commitment and capacity to be lifelong learners.

The Governmental Accounting Standards Board's mission is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

The financial statements of the District are presented as an example of the way the District uses its financial resources to accomplish its education mission.

### **ACCOUNTING SYSTEMS AND BUDGETARY CONTROL**

In developing and evaluating the District's accounting and budgeting controls, due consideration is given to adequacy of internal accounting controls. Accounting controls are established and observed to provide reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and to provide assurance that the financial records can be relied upon to produce financial statements.

The administration submits to the Board of Education a proposed operating budget. Public hearings are conducted and the budget is legally adopted through passage of a resolution by the Board. The level of control (level at which expenditures may not exceed budget/appropriations) is the fund.

Additional budgetary controls exist and are supplemented and reinforced by reliable computer software that assists in the management of expenditures and the reporting of budget and actual comparisons. Additional information on budgetary issues is contained in the Management's Discussion and Analysis (MD&A) section of this report.

### **GENERAL GOVERNMENTAL ACTIVITIES**

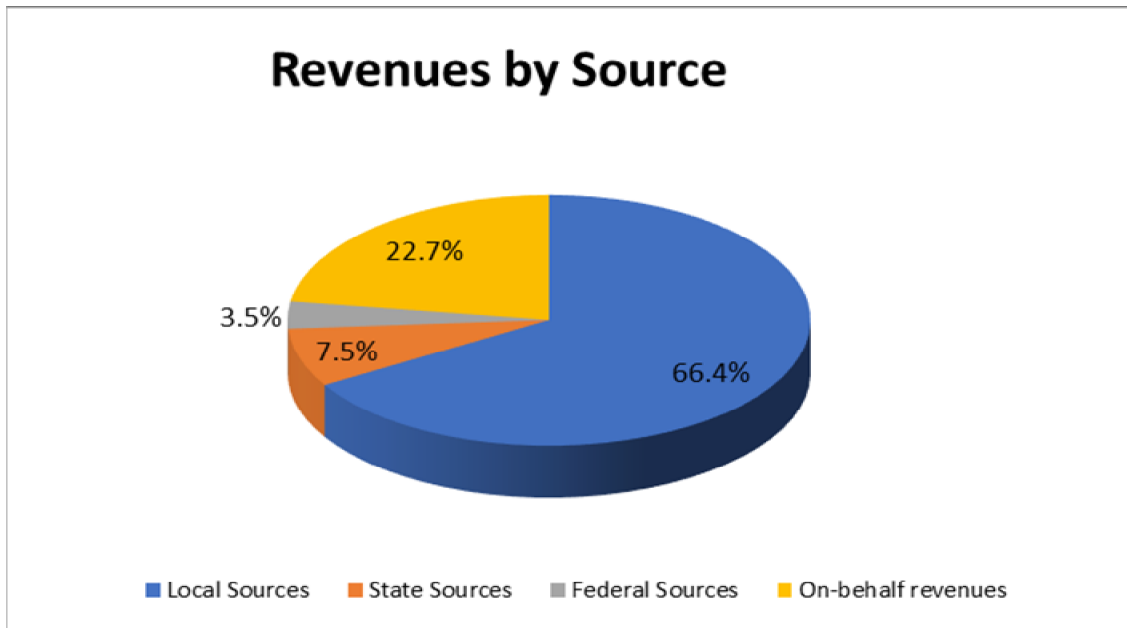
The general governmental activities include all services provided by the District. These activities are included in the general, special revenue, debt service and capital projects funds. The activities include all instructional, maintenance, and administrative activities of the District.

The District is a fiscally independent public school district with five active school buildings. Central Middle School was completed in 2001, Fulton was completed in 2009, Memorial was built in 1961 but has had several recent (and extensive) renovations, Fierke was built in 1972 (with renovations since then), Kruse was built in 1973 (with renovations since then), and the Administration building was completed in 1996. The school buildings all have estimated useful lives sufficient to provide educational services to the students of the District.

The District provides educational services to all eligible students residing within its boundaries. The District provided educational services to 2,474 students during the fiscal year ended June 30, 2019, and no significant changes in student enrollment are expected in the near future. Educational services for students in grades from pre-kindergarten through eighth grade are provided.

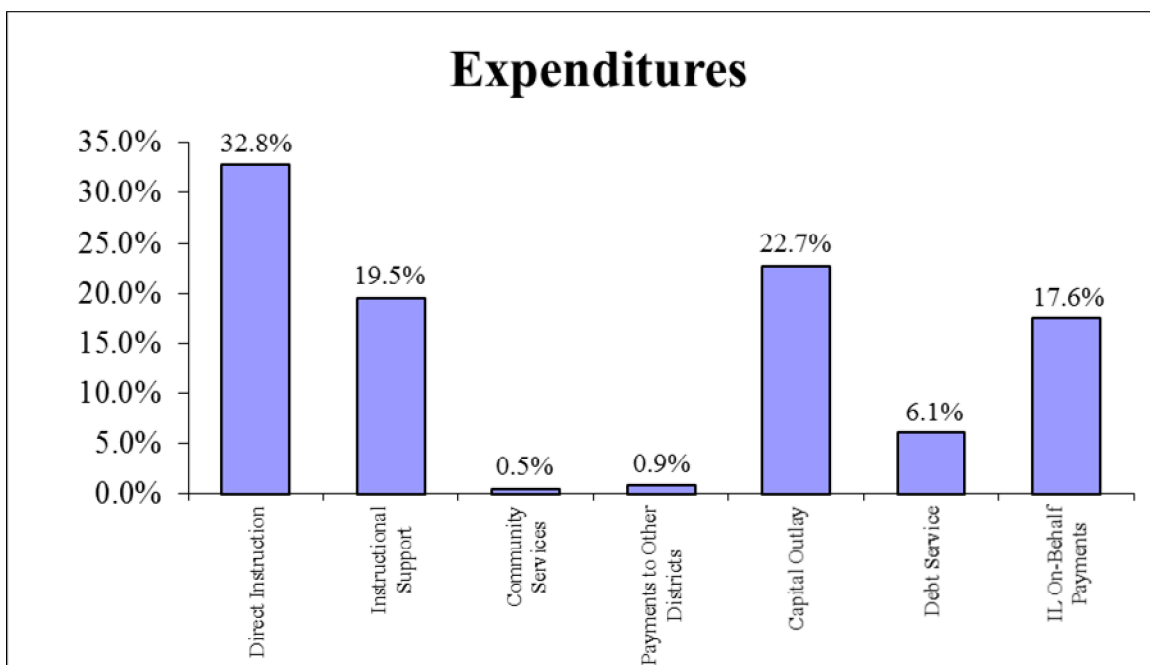
### **Revenues**

Fund revenues are primarily derived from local sources. Local revenue sources are derived mainly from the District's real estate tax levy. Other revenue sources include evidence based funding and grants-in-aid provided by or through the state of Illinois, as well as federal sources. The measurement focus and basis of accounting used for revenue recognition is described in the MD&A section.



### Expenditures

Fund expenditures are comprised mainly of instructional services, pupil and other support services, community services, payments to other districts, capital outlay and debt service. The measurement focus and basis of accounting used for expenditure recognition is described in the MD&A section.



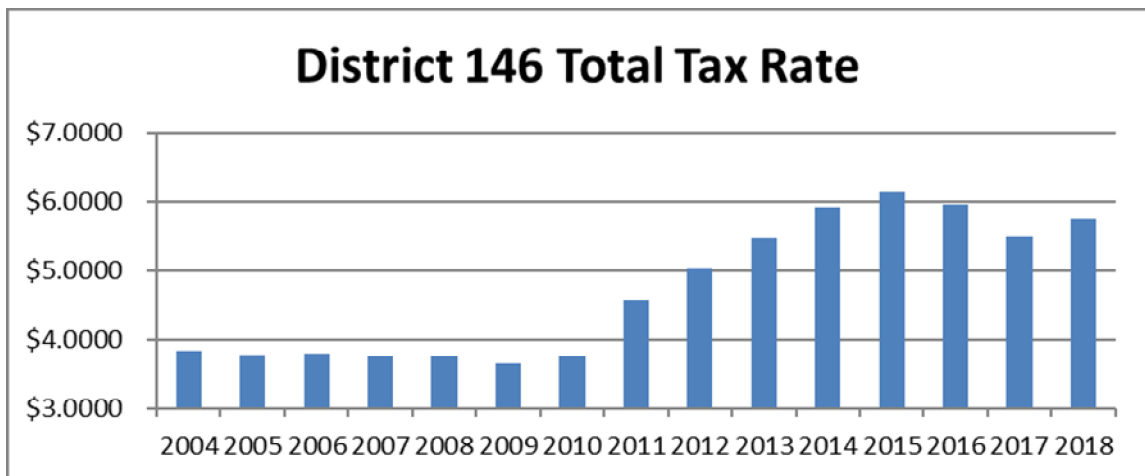
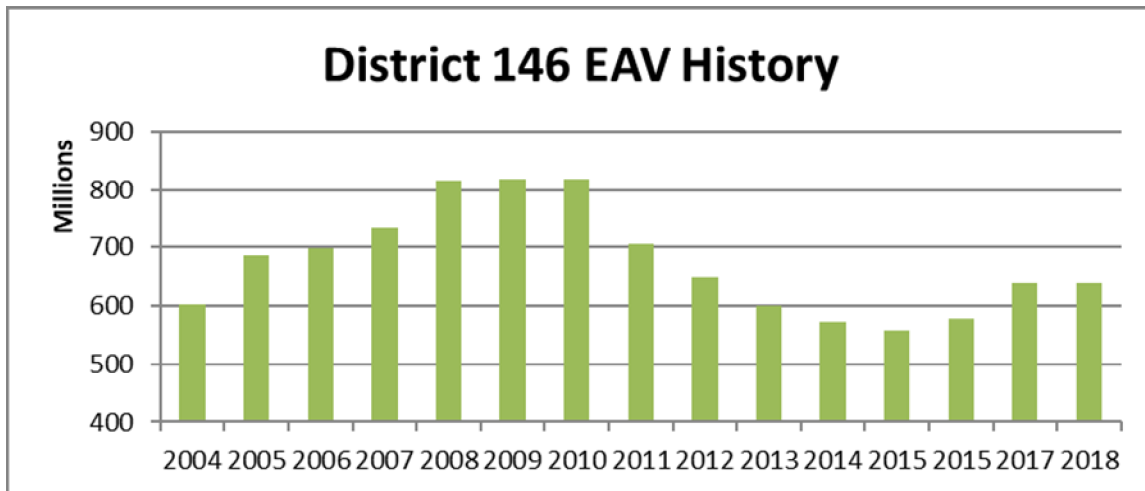
## **PROSPECTS FOR THE FUTURE**

The District's main source of revenue is Real Estate Taxes. In general, for the year under consideration, there are three principal factors involved in the production of these taxes; they are, voter approved rates or statutorily authorized tax rates, the limiting tax rate and the Equalized Assessed Value (EAV) of real property within the boundaries of the District. These items are multiplied to produce the revenue. The EAV of the District increased by 45% in the 10-year period from 2001 to 2010, then declined by just over 32% from 2011 to 2015, and has slowly trended up since then. To access this source of funding the District produces a Real Estate Tax Levy in December of each year.

The Real Estate Tax Levy is an expression, in dollars, of the amount the District will need to fund its operations in the following school year. Cook County is subject to the Property Tax Extension Limitation Law. The Cook County Clerk is required to use a somewhat elaborate, complicated system of interrelated mathematical formulas, contained within the wording of this law, to limit the growth of real estate tax revenue. The Real Estate Tax Rates below are expressed as percentages and are applied to the EAV of all real estate in the District.

2018 Levy		Rate Limit	Final
	Levy		Rates
Education	26,851,313		4.2049%
Technology Leasing	5,150	0.1000%	0.0008%
Operations and Maintenance	3,223,900	0.5500%	0.5049%
Transportation	1,874,600		0.2936%
Special Education	5,150	0.4000%	0.0008%
Working Cash	293,550	0.0500%	0.0460%
Life Safety	5,150	0.1000%	0.0008%
FICA Medicare	654,050		0.1024%
IMRF	432,600		0.0677%
Tort Immunity	211,150		0.0331%
Totals	33,556,613		5.255%
Bond & Interest	3,149,138		0.4932%
Aggregate Levy and Rate	36,705,751		5.748%





The District's voters approved a 50-cent increase in the Educational Fund (real estate) tax rate on April 1, 2003. The Educational Fund, which provides funding for most of the direct student education activities, was therefore allowed to increase to provide sufficient funds for the needs of the District. At a time when many school districts in Illinois are struggling to provide services under tax caps and other financial challenges to their mission, the support of the District's voters has established a remarkable level of financial stability, while providing some locally funded relief from the tax cap law.

Most Illinois school districts that are subject to the tax cap law levy at their maximum allowable rate. The District's maximum allowable rate under the tax cap for the 2018 Levy was 5.255%. Under the tax cap law, the District is allowed to add a levy for the payment of principal and interest on bonded debt. The successful tax rate referendum allowed the District to phase in the voter approved rate increase over a 5-year period. By using a phased approach to access the rate increase, the District softened the impact of the increase by spreading it over five tax levy years without significantly affecting its ability to receive real estate tax revenue in future years. The District abated \$1,000,000 in 3 equal installments over the three tax years 2013-2015.

## **LOCAL ECONOMY AND ECONOMIC OUTLOOK**

The economic picture related to employment statistics has shown a one-half of one percent decrease in unemployment from the previous year. As of September 2019, the state of Illinois was experiencing a seasonally adjusted unemployment rate of 4.0%, which is lower than last year's 4.2%. The District is located along the south border of Cook County, with Will County just to the south. The area around the District is experiencing an unemployment rate of 3.7% in September, compared to a rate of 3.7% in September of last year.

## **INDEPENDENT AUDIT**

The laws of the state of Illinois require that the financial records, books of accounts and transactions of the District be audited by an independent Certified Public Accountant. The opinion of Mueller & Co., LLP, the District's independent CPA firm, is included in the financial section of this CAFR.

## **AWARDS**

The Association of School Business Officials International awards a Certificate of Excellence in Financial Reporting and the Government Finance Officers Association awards the Certificate of Achievement to school districts when their CAFR has been judged to conform to the reporting requirements of the programs. These certificates are the highest recognition for financial operations that a school district can achieve. We are very proud to have received the Certificate of Excellence for the CAFR of June 30, 2018, the 21st consecutive year. The certificate is valid for one year. We believe that the CAFR for the year ended June 30, 2019 continues to conform to the high standards of the program.

## **ACKNOWLEDGEMENTS**

The business office of the District is grateful to the Superintendent and to all of the dedicated staff members of the Business Services, Special Services, and Curriculum/Staff Development departments who have participated in the collection of information that made production of this CAFR possible.

Respectfully submitted,



Jeff Charleston

Director of Business Services

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**BOARD OF EDUCATION MEMBERS AND OFFICERS**  
**JUNE 30, 2019**

John Malloy	President
Darcy Nendza	Vice-President
Julie Berry	Secretary
Vince Aiello	Member
Dean Casper	Member
Julie Jackson	Member
Rick Lloyd	Member
Dr. Jeff Stawick	Superintendent
Princy Abraham	Director
Vern Bettis	Director
Jeff Charleston	Director
Nancy Schwab	Director
Matt Shanahan	Director

# COMMUNITY CONSOLIDATED SCHOOL DISTRICT 146

Robert Procunier Administration Center  
 6611 W. 171<sup>st</sup> Street  
 Tinley Park, IL 60477  
 Phone 708-614-4500 Fax 708-614-8992  
[www.district146.org](http://www.district146.org)

## BOARD MEMBERS

<b>John Malloy</b> President	<b>Darcy Nendza</b> Vice-President	<b>Julie Berry</b> Secretary	<b>Vince Aiello</b> Board Member	<b>Dean Casper</b> Board Member	<b>Julie Jackson</b> Board Member	<b>Rick Lloyd</b> Board Member
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## SUPERINTENDENT

<b>Dr. Jeff Stawick</b> <a href="mailto:jstawick@district146.org">jstawick@district146.org</a> Admin. Assistant: Laura Bachman <a href="mailto:lbachman@district146.org">lbachman@district146.org</a> 708-614-4507
--

Director of Curriculum	Director of Business Services	Director of Student Services	Director of Technology	Director of Buildings & Grounds
<b>Nancy Schwab</b> <a href="mailto:nschwab@district146.org">nschwab@district146.org</a> Admin. Assistant: Angela McGhee <a href="mailto:amcghee@district146.org">amcghee@district146.org</a> 708-614-4500, Ext 3103	<b>Jeff Charleston</b> <a href="mailto:jcharleston@district146.org">jcharleston@district146.org</a> Admin. Assistant: Susan Campbell <a href="mailto:scampbell@district146.org">scampbell@district146.org</a> 708-614-4500, Ext. 3105	<b>Princy Abraham</b> <a href="mailto:pabraham@district146.org">pabraham@district146.org</a> Admin. Assistant: Carmen Ford <a href="mailto:cford@district146.org">cford@district146.org</a> 708-614-4545, Ext. 3130	<b>Vern Bettis</b> <a href="mailto:vbettis@district146.org">vbettis@district146.org</a> Admin. Assistant: Karen Jemilo <a href="mailto:Kjemilo@district146.org">Kjemilo@district146.org</a> 708-614-4500, Ext. 3104	<b>Matt Shanahan</b> <a href="mailto:mshanahan@district146.org">mshanahan@district146.org</a> Building Secretary: Linda Ferguson <a href="mailto:Lferguson@district146.org">Lferguson@district146.org</a> 708-614-4500, Ext. 3101

## SCHOOLS & PRINCIPALS

<b>Central Middle School</b> 18146 S. Oak Park Ave Tinley Park, IL 60477 <b>Randy Fortin</b> Principal 708-614-4510, Ext. 3806	<b>Fierke Education Ctr.</b> 6535 W. Victoria Oak Forest, IL 60452 <b>Damien Aherne</b> Principal 708-614-4520, Ext. 3235	<b>Fulton School</b> 6601 W. 171 <sup>st</sup> Street Tinley Park, IL 60477 <b>Ron Gonser</b> Principal 708-614-4540, Ext. 3303	<b>Kruse Education Ctr.</b> 7617 Hemlock Drive Orland Park, IL 60462 <b>Carey Radke</b> Principal 708-614-4530, Ext 3401	<b>Memorial School</b> 6701 W. 179 <sup>th</sup> Street Tinley Park, IL 60477 <b>Kelly Voliva</b> Principal 708-614-4540, Ext. 3601
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ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**Community Consolidated  
School District 146**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2018.**

The CAFR meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Tom Wohlleber'.

Tom Wohlleber, CSR  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis  
Executive Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Community Consolidated School**

**District No. 146, Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morill*

Executive Director/CEO



## **FINANCIAL SECTION**



14300 Ravinia Avenue, Suite 200 ■ Orland Park, Illinois ■ 60462

Ph: 708.349.6999 ■ Fax: 708.349.6639 ■ [www.muellercpa.com](http://www.muellercpa.com)

## INDEPENDENT AUDITOR'S REPORT

Superintendent of Schools and Board of Education  
Community Consolidated School District No. 146  
Tinley Park, Illinois

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Community Consolidated School District No. 146 as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Community Consolidated School District No. 146's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Community Consolidated School District No. 146 as of June 30, 2019, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund and the Transportation Fund 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 xv through xxii and employee retirement and postemployment benefit plan information on pages 51 - 60 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 Community Consolidated School District No. 146's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, supplementary information, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, supplementary information, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, supplementary information, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Community Consolidated School District No. 146 for the year ended June 30, 2018, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Community Consolidated School District No. 146 as a whole. The individual fund financial statements and schedules for the year ended June 30, 2018, 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 June 30, 2018 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the June 30, 2018 individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2019, on our consideration of Community Consolidated School District No. 146'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 solely 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 the effectiveness of Community Consolidated School District No. 146's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Consolidated School District No. 146's internal control over financial reporting and compliance.

Orland Park, Illinois  
October 15, 2019

*Muller & Co., LLP*

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

as of and for the fiscal year ended June 30, 2019

As management of Community Consolidated School District No. 146 (the District), we offer readers of the District's Annual Financial Report this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2019.

### **Financial Highlights**

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$38,028,243 (net position).
- The total net position of the District increased by \$433,251 during fiscal year 2019.
- The District's governmental funds reported combined fund balances of \$37,300,068, which decreased (\$1,209,975) in comparison with the prior year. Approximately 74% of this amount (\$27,413,297) is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the assigned and unassigned components of fund balance) for the General Fund was \$28,128,109.

### **Overview of the Financial Statements**

The discussion and analysis provided here is intended to serve as an introduction to the District's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to basic financial statements. This report also contains combining and individual fund financial statements and schedules and other supplementary information intended to furnish additional detail to support the basic financial statements themselves.

### **Government-wide Financial Statements**

The government-wide financial statements are designed to provide the reader of the District's Annual Financial Report with a broad overview of the financial activities, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the net position of the District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flow may be recorded in a future period.



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

The government-wide financial statements can be found on pages 1 - 2 of this report.

### **Fund Financial Statements**

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

### **Governmental Funds**

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

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

The District maintains seven different governmental funds. The major funds are the General Fund, the Transportation Fund, and the Capital Projects Fund. They are presented separately in the fund financial statements with the remaining governmental funds combined into a single aggregated presentation labeled "nonmajor governmental funds." Individual fund information for the nonmajor funds is presented in the combining and individual fund financial statements and schedules section of this report.

The District adopts an annual appropriated budget for each of the governmental funds. Budgetary comparison statements for the General Fund and the Transportation Fund are included in the fund financial statements to demonstrate compliance with the adopted budget. The remaining governmental fund budgetary comparisons are reported in the combining and individual fund financial statements and schedules section of this report.

The basic governmental fund financial statements can be found on pages 3 - 12 of this report.

### **Fiduciary Fund**

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs.

The District maintains one type of fiduciary fund. The Student Activity Fund (an agency fund) accounts for assets held by the District as an agent for the students. The fund is custodial in nature and does not involve the measurement of results of operations.

The fiduciary fund financial statement can be found on page 13 of this report.

### **Notes to Financial Statements**

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes can be found on pages 14-50 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's employee retirement and postemployment benefit plans. Required supplementary information can be found on pages 51 - 60.

The combining and individual fund financial statements and schedules are presented immediately following the required supplementary information.

### **Government-wide Financial Analysis**

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$38,028,243 at the close of the most recent fiscal year.

Community Consolidated School  
District No. 146  
Net Position  
as of June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets:		
Current assets	\$57,137,341	\$55,870,103
Capital assets	<u>55,030,411</u>	<u>40,727,332</u>
Total assets	<u>112,167,752</u>	<u>96,597,435</u>
Deferred outflows of resources:		
Deferred charge on refunding	83,020	91,314
Deferred outflows of resources related to pension	2,877,745	2,493,022
Deferred outflows of resources related to other postemployment benefits	<u>587,536</u>	<u>548,526</u>
Total deferred outflows of resources	<u>3,548,301</u>	<u>3,132,862</u>
Liabilities:		
Current liabilities	2,607,255	439,275
Noncurrent liabilities	<u>52,977,696</u>	<u>39,399,222</u>
Total liabilities	<u>55,584,951</u>	<u>39,838,497</u>
Deferred inflows of resources:		
Property taxes levied for future period	17,305,292	16,964,355
Deferred inflows of resources related to pension	1,851,708	3,076,464
Deferred inflows of resources related to other postemployment benefits	<u>2,945,859</u>	<u>2,255,989</u>
Total deferred inflows of resources	<u>22,102,859</u>	<u>22,296,808</u>
Net position:		
Net investment in capital assets	27,511,739	26,219,287
Restricted	3,332,761	4,630,797
Unrestricted	<u>7,183,743</u>	<u>6,744,908</u>
Total net position	<u>\$38,028,243</u>	<u>\$37,594,992</u>

Of the District's net position, 72.35% reflects its investment in capital assets (e.g., land, construction in progress, buildings and improvements, and equipment, less any related outstanding debt that was used to acquire those assets). The District uses these capital assets to provide a variety of services to its public school students. Accordingly, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### Government-wide Activities

The District's overall net position increased \$433,251 from the prior fiscal year.

Community Consolidated School  
District No. 146  
Changes in Net Position  
for the fiscal years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenues:		
Program revenues:		
Charges for services	\$ 496,885	\$ 557,160
Operating grants and contributions	16,721,032	16,784,755
General revenues:		
Property taxes	33,883,439	33,444,072
Personal property replacement taxes	236,804	218,895
Evidence based funding	2,565,598	2,510,686
Earnings on investments	1,442,705	595,682
Other revenues	343,110	366,971
Total revenues	<u>55,689,573</u>	<u>54,478,221</u>
Expenses:		
Governmental activities:		
Instructional	38,561,358	36,423,038
Pupil support	2,971,806	2,790,926
Other support	7,579,174	9,241,807
Transportation	1,556,616	1,613,744
Administration	3,535,222	3,410,305
Interest expense	1,052,146	580,669
Total expenses	<u>55,256,322</u>	<u>54,060,489</u>
Change in net position	433,251	417,732
Net position at the beginning of year	<u>37,594,992</u>	<u>37,177,260</u>
Net position at the end of the year	<u>\$38,028,243</u>	<u>\$37,594,992</u>

## **Financial Analysis of the District's Funds**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the District itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the District's Board.

As of the end of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$37,300,068. Of this amount, \$52,349 is considered nonspendable because it has been used for prepaid expenditures. 9%, or \$3,522,995, of the total is restricted due to external limitations on its use. These uses include tort (\$617,840), debt service (\$1,828,445), municipal retirement (\$114,960) FICA/Medicare (\$606,546) and fire prevention and safety (\$355,204). 15%, or \$5,671,847, has been assigned, meaning there are limitations on its intended use. The assigned uses include the funding of fiscal year 2020's budget deficit (\$714,812). 2% or \$639,580, has been committed, meaning there are commitments for future use. The committed fund balance is in the Capital Projects Fund. The unassigned fund balance of the District at the end of the current fiscal year was \$27,413,297.

The unassigned fund balance of the General Fund at the end of the current fiscal year was \$27,413,297. This is the chief operating fund of the District. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. Unassigned fund balance represents 58% of total General Fund expenditures.

The fund balance of the General Fund increased by \$617,693 during the current fiscal year. This was due to an increase of the allocation of property taxes to the General Fund.

The fund balance of the Transportation Fund increased by \$954,290. In the current year, the excess of revenues over expenditures was not transferred to other funds as has been done in some previous years.

The fund balance of the Capital Projects Fund decreased by \$1,444,691. During the year the Capital Projects Fund received a transfer of \$14,000,000 from the Operations and Maintenance Fund – a sub fund of the General Fund. This was used for the construction projects at four buildings, adding space for full day kindergarten along with other improvements.

### **General Fund Budgetary Highlights**

Actual revenues, excluding on-behalf revenues, were approximately \$1,383,000 more than the budgeted amount. The majority of this was due to higher than expected investment income and tax levy collections.

Actual expenditures, excluding on-behalf expenditures, were approximately \$659,000 less than the budgeted amount. Much of this can be attributed to contingency funds that were budgeted but not used. The remainder is a result of most functions/objects being slightly under budget in every department. Further detail on budgeted to actual amounts can be found on page 8 of the statement.

There were no budget amendments during the current year.

## Capital Assets and Debt Administration

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2019 amounts to \$55,030,411 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, and equipment.

Community Consolidated School  
District No. 146  
Capital Assets (net of accumulated depreciation)  
as of June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Land	\$ 5,311,469	\$ 5,311,469
Construction in progress	16,990,987	1,421,147
Buildings and improvements	32,625,045	33,832,311
Equipment	<u>102,910</u>	<u>162,405</u>
Total Net Capital Assets	<u>\$ 55,030,411</u>	<u>\$ 40,727,332</u>

Additional information on the District's capital assets can be found in Note II. C. of this report on page 26.

Long-term Liabilities. At June 30, 2019, the District had long-term liabilities that amount to \$52,977,696.

Community Consolidated School District No. 146  
Long Term Liabilities  
as of June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Bond payable	\$ 24,620,000	\$ 14,360,000
Issuance premium	1,009,440	239,359
Net pension liabilities:		
Teachers' Retirement System of the State of	1,880,358	3,362,609
Illinois Municipal Retirement Fund	3,892,125	284,408
Other postemployment benefits liabilities:		
Teacher Health Insurance Security Fund	19,045,550	18,856,377
Postretirement Health Plan	<u>2,530,223</u>	<u>2,296,469</u>
Total	<u>\$ 52,977,696</u>	<u>\$ 39,399,222</u>

Additional information on the District's long-term liabilities can be found in Note II. D. on pages 27-30.



## **Economic Factors and Next Year's Budget and Rates**

District 146 remains committed to providing quality education programs for students while exercising prudent cost containment measures in the operating budget.

Local funding provides the largest source of revenue to the school district, at 86% of total revenue, excluding on-behalf revenues. The Property Tax Extension Limitation Law (tax cap) acts to restrict access to the tax base. The tax cap ties the growth of the District's property tax revenues to the Consumer Price Index.

State and federal funding for public education in Illinois are relatively minor factors for the economic future of the District. The key factors in State funding are the new Evidence Based Funding formula, categorical and grant funding.

The funding formula changed in FY18, but the change includes a hold harmless provision. As a result, District 146 received the same amount of base funding from the State as it did last year, plus a small amount of new funding. The new formula is set up to funnel the majority of any new money to the neediest districts. District 146 is in the 2<sup>nd</sup> tier of need, meaning we will receive very little new money from the State for the foreseeable future. Any additional funding formula changes or the shifting of pension costs to districts could have a major impact if enacted. The State owed the District one quarterly payment for most categorical grants as of June 30, 2019.

The budget for the 2019–2020 fiscal year is structured to maintain high quality programs for students as well as continuing full day kindergarten, which was added in 2018-2019. District 146 continues to maintain a strong financial position, and overall fund balances remain healthy. The District will continue to monitor and maintain the fund balance in the operating funds. This practice recognizes the needs of students during times of economic uncertainty. Capital projects have been done on a “pay as you go basis” with economic factors being considered. Fund balances and the prudent use of borrowing to replace expiring debt have allowed the District to make capital improvements while maintaining healthy fund balances.

The District is completing a 2-year project to add to its facilities in order to provide room for full day kindergarten. The cost of this project was paid for by a combination of existing fund balances and a recent bond issue. The new bonds will replace expiring bonds so that there will be no tax increase.

District 146 will continue to work with local municipalities to encourage commercial development and to strengthen the local tax base without unnecessarily increasing the need for services.

## **Requests for Information**

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

Office of the Director of Business Services  
Community Consolidated School District No. 146  
6611 West 171 Street  
Tinley Park, Illinois 60477

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES**  
**JUNE 30, 2019**

**ASSETS**

Equity in pooled cash and investments	\$ 39,690,673
Receivables:	
Property taxes	16,356,280
Entitlements	806,501
Accrued interest	231,538
Prepaid items	52,349
Capital assets not being depreciated	22,302,456
Capital assets, net of accumulated depreciation	<u>32,727,955</u>
 Total assets	 <u>112,167,752</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred charge on refunding	83,020
Deferred outflows of resources related to pensions	2,877,745
Deferred outflows of resources related to other postemployment benefits	<u>587,536</u>
 Total deferred outflows of resources	 <u>3,548,301</u>

**LIABILITIES**

Accounts payable and other current liabilities	2,581,667
Unearned entitlement revenue	25,588
Noncurrent liabilities:	
Due within one year	2,780,000
Due in more than one year	<u>50,197,696</u>
 Total liabilities	 <u>55,584,951</u>

**DEFERRED INFLOWS OF RESOURCES**

Property taxes levied for future period	17,305,292
Deferred inflows of resources related to pensions	1,851,708
Deferred inflows of resources related to other postemployment benefits	<u>2,945,859</u>
 Total deferred inflows of resources	 <u>22,102,859</u>

**NET POSITION**

Net investment in capital assets	27,511,739
Restricted for:	
Debt service	1,753,171
Tort immunity	617,840
FICA/Medicare	606,546
Fire prevention and safety	355,204
Unrestricted	<u>7,183,743</u>
 Total net position	 <u>\$ 38,028,243</u>

The accompanying notes are an integral part of the financial statements.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**

		<u>Program Revenues</u>		<u>Net (Expense)</u>
	<u>Expenses</u>	<u>Charges for</u>	<u>Operating</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>Change in</u>
			<u>Contributions</u>	<u>Net Position</u>
Functions/programs:				
Governmental activities:				
Instructional	\$ 38,561,358	\$ 475,815	\$ 14,867,314	\$ (23,218,229)
Pupil support	2,971,806	-	-	(2,971,806)
Other support	7,579,174	-	1,110,731	(6,468,443)
Transportation	1,556,616	21,070	742,987	(792,559)
Administration	3,535,222	-	-	(3,535,222)
Interest expense	1,052,146	-	-	(1,052,146)
Total governmental activities	<u>\$ 55,256,322</u>	<u>\$ 496,885</u>	<u>\$ 16,721,032</u>	<u>(38,038,405)</u>
General revenues:				
Taxes:				
Property				33,883,439
Personal property replacement				236,804
Evidence based funding				2,565,598
Investment income				1,442,705
Other income				<u>343,110</u>
Total general revenues				<u>38,471,656</u>
Change in net position				433,251
Net position at beginning of year				<u>37,594,992</u>
Net position at end of year				<u>\$ 38,028,243</u>

The accompanying notes are an integral part of the financial statements.

## **FUND FINANCIAL STATEMENTS**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2019**

	<u>General</u>	<u>Transportation</u>	<u>Capital Projects</u>
<b>ASSETS</b>			
Equity in pooled cash and investments	\$ 28,873,474	\$ 2,036,106	\$ 5,349,696
Receivables:			
Property taxes	14,459,531	885,990	-
Entitlements	621,246	185,255	-
Accrued interest	169,761	9,004	29,918
Prepaid items	<u>52,349</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 44,176,361</u>	<u>\$ 3,116,355</u>	<u>\$ 5,379,614</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 516,220	\$ 17,921	\$ 1,972,252
Unearned entitlement revenue	<u>25,588</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>541,808</u>	<u>17,921</u>	<u>1,972,252</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes levied for future period	<u>14,836,255</u>	<u>909,181</u>	<u>-</u>
<b>FUND BALANCES</b>			
Nonspendable	52,349	-	-
Restricted	617,840	-	-
Committed	-	-	639,580
Assigned	714,812	2,189,253	2,767,782
Unassigned	<u>27,413,297</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>28,798,298</u>	<u>2,189,253</u>	<u>3,407,362</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 44,176,361</u>	<u>\$ 3,116,355</u>	<u>\$ 5,379,614</u>

The accompanying notes are an integral part of the financial statements.

<b><u>Total Nonmajor Governmental Funds</u></b>	<b><u>Total Governmental Funds</u></b>
\$ 3,431,397	\$ 39,690,673
1,010,759	16,356,280
-	806,501
22,855	231,538
<u>-</u>	<u>52,349</u>
<u>\$ 4,465,011</u>	<u>\$ 57,137,341</u>

\$ -	\$ 2,506,393
<u>-</u>	<u>25,588</u>
<u>-</u>	<u>2,531,981</u>

<u>1,559,856</u>	<u>17,305,292</u>
------------------	-------------------

-	52,349
2,905,155	3,522,995
-	639,580
-	5,671,847
<u>-</u>	<u>27,413,297</u>
<u>2,905,155</u>	<u>37,300,068</u>

<u>\$ 4,465,011</u>	<u>\$ 57,137,341</u>
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**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL  
FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2019**

Fund balances - total governmental funds	\$ 37,300,068
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	55,030,411
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Unamortized loss on refunding is shown as a deferred outflow of resources on the statement of net position.	83,020
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Long-term liabilities, including bonds payable, are not due and payable in the current year and, therefore, are not reported as liabilities in the funds. Long-term liabilities and related accounts at year-end consist of:

Bonds payable	(24,620,000)
Issuance premium	(1,009,440)
Accrued interest on bonds	(75,274)

The total net pension liability is reported as a liability on the statement of net position.	(5,772,483)
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The total other postemployment benefits liability is reported as a liability on the statement of net position.	(21,575,773)
--	--------------

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. Deferred outflows and inflows of resources related to pensions at year-end are as follows:

Deferred outflows of resources related to pensions	2,877,745
Deferred inflows of resources related to pensions	(1,851,708)

Deferred outflows and inflows of resources related to other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds. Deferred outflows and inflows of resources related to other postemployment benefits at year-end are as follows:

Deferred outflows of resources related to other postemployment benefits	587,536
Deferred inflows of resources related to other postemployment benefits	<u>(2,945,859)</u>

Net position of governmental activities	<u>\$ 38,028,243</u>
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The accompanying notes are an integral part of the financial statements.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2019**

	<u>General</u>	<u>Transportation</u>	<u>Capital Projects</u>
Revenues:			
Local sources:			
Property taxes	\$ 28,586,774	\$ 1,690,662	\$ -
Investment income	1,059,369	56,187	186,695
Other	<u>743,144</u>	<u>21,070</u>	<u>-</u>
Total local sources	<u>30,389,287</u>	<u>1,767,919</u>	<u>186,695</u>
State sources:			
Evidence based funding	2,565,598	-	-
Grants-in-aid	<u>766,153</u>	<u>742,987</u>	<u>-</u>
Total state sources	<u>3,331,751</u>	<u>742,987</u>	<u>-</u>
Federal sources:			
Grants-in-aid	<u>1,879,611</u>	<u>-</u>	<u>-</u>
On behalf revenues	<u>12,317,225</u>	<u>-</u>	<u>-</u>
Total revenues	<u>47,917,874</u>	<u>2,510,906</u>	<u>186,695</u>
Expenditures:			
Current:			
Instruction	34,612,674	-	-
Support services	11,510,893	1,556,616	12,032
Community services	314,933	-	-
Intergovernmental:			
Payments to other districts and government units	645,361	-	-
Capital outlay	216,320	-	15,619,324
Debt service:			
Principal	-	-	-
Interest	-	-	-
Bond issuance costs	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>47,300,181</u>	<u>1,556,616</u>	<u>15,631,356</u>

The accompanying notes are an integral part of the financial statements.

<b><u>Total Nonmajor Governmental Funds</u></b>	<b><u>Total Governmental Funds</u></b>
\$ 3,606,003	\$ 33,883,439
140,454	1,442,705
<u>-</u>	<u>764,214</u>
<u>3,746,457</u>	<u>36,090,358</u>
-	2,565,598
<u>-</u>	<u>1,509,140</u>
<u>-</u>	<u>4,074,738</u>
<u>-</u>	<u>1,879,611</u>
<u>-</u>	<u>12,317,225</u>
<u>3,746,457</u>	<u>54,361,932</u>
585,926	35,198,600
515,761	13,595,302
-	314,933
-	645,361
-	15,835,644
3,120,000	3,120,000
864,235	864,235
<u>282,565</u>	<u>282,565</u>
<u>5,368,487</u>	<u>69,856,640</u>
	(continued)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>General</u>	<u>Transportation</u>	<u>Capital Projects</u>
Excess (deficiency) of revenues over expenditures	<u>617,693</u>	<u>954,290</u>	<u>(15,444,661)</u>
Other financing sources (uses):			
Bonds issued	14,000,000	-	-
Refunding bonds issued	-	-	-
Premium on refunding bonds issued	-	-	-
Payment to refunded bond escrow agent	-	-	-
Transfers in	-	-	14,000,000
Transfers out	<u>(14,000,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>14,000,000</u>
Net change in fund balances	617,693	954,290	(1,444,661)
Fund balances at beginning of year	<u>28,180,605</u>	<u>1,234,963</u>	<u>4,852,023</u>
Fund balances at end of year	<u>\$ 28,798,298</u>	<u>\$ 2,189,253</u>	<u>\$ 3,407,362</u>

The accompanying notes are an integral part of the financial statements.

<b><u>Total Nonmajor Governmental Funds</u></b>	<b><u>Total Governmental Funds</u></b>
<u>(1,622,030)</u>	<u>(15,494,708)</u>
-	14,000,000
7,110,000	7,110,000
975,698	975,698
(7,800,965)	(7,800,965)
-	14,000,000
<u>-</u>	<u>(14,000,000)</u>
<u>284,733</u>	<u>14,284,733</u>
(1,337,297)	(1,209,975)
<u>4,242,452</u>	<u>38,510,043</u>
<u>\$ 2,905,155</u>	<u>\$ 37,300,068</u>
	(concluded)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
RECONCILIATION OF THE NET CHANGE IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE CHANGE IN NET POSITION  
OF GOVERNMENTAL ACTIVITIES  
YEAR ENDED JUNE 30, 2019**

Net change in fund balances - total governmental funds \$ (1,209,975)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capitalized expenditures (\$15,569,840) exceeded depreciation (\$1,266,761) in the current period. 14,303,079

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount by which accrued interest at year-end increased from the corresponding amount at the end of the previous year. (31,704)

The issuance of long-term debt (e.g., bonds, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt uses current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is summarized as follows:

Bonds issued	\$ (14,000,000)
Refunding bonds issued	(7,110,000)
Premium on refunding bonds issued	(975,698)
Payment to refunded bond escrow agent	7,800,965
Principal repayments of long-term debt	3,120,000
Amortization of deferred charges on refunding	(50,283)
Amortization of issuance premium	<u>176,641</u>

Total (11,038,375)

The changes in the District's total pension liability and deferred outflows/inflows of resources related to pensions are only reported in the statement of activities. (515,987)

The changes in the District's total other postemployment benefits liability and deferred outflows/inflows of resources related to other postemployment benefits are only reported in the statement of activities. (1,073,787)

Change in net position of governmental activities \$ 433,251

The accompanying notes are an integral part of the financial statements.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - GENERAL FUND AND MAJOR SPECIAL REVENUE FUND**  
**YEAR ENDED JUNE 30, 2019**

	<b>General Fund</b>		
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
Revenues:			
Local sources:			
Property taxes	\$ 27,921,588	\$ 28,586,774	\$ 665,186
Investment income	455,000	1,059,369	604,369
Other	632,500	743,144	110,644
Total local sources	<u>29,009,088</u>	<u>30,389,287</u>	<u>1,380,199</u>
State sources:			
Evidence based funding	2,513,331	2,565,598	52,267
Grants-in-aid	813,099	766,153	(46,946)
Total state sources	<u>3,326,430</u>	<u>3,331,751</u>	<u>5,321</u>
Federal sources:			
Grants-in-aid	1,882,152	1,879,611	(2,541)
On behalf revenues	-	12,317,225	12,317,225
Total revenues	<u>34,217,670</u>	<u>47,917,874</u>	<u>13,700,204</u>
Expenditures:			
Current:			
Instruction	22,049,068	34,612,674	(12,563,606)
Support services	11,842,513	11,510,893	331,620
Community services	386,220	314,933	71,287
Intergovernmental:			
Payments to other districts and government units	903,084	645,361	257,723
Capital outlay	461,100	216,320	244,780
Total expenditures	<u>35,641,985</u>	<u>47,300,181</u>	<u>(11,658,196)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,424,315)</u>	<u>617,693</u>	<u>2,042,008</u>
Other financing sources (uses):			
Bonds issued	14,000,000	14,000,000	-
Transfers out	(20,000,000)	(14,000,000)	6,000,000
Total other financing sources (uses)	<u>(6,000,000)</u>	<u>-</u>	<u>6,000,000</u>
Net change in fund balances	(7,424,315)	617,693	8,042,008
Fund balances at beginning of year	<u>28,180,605</u>	<u>28,180,605</u>	<u>-</u>
Fund balances at end of year	<u>\$ 20,756,290</u>	<u>\$ 28,798,298</u>	<u>\$ 8,042,008</u>

The accompanying notes are an integral part of the financial statements.

Transportation Fund		
Original and Final Budget	Actual	Variance with Final Budget
\$ 1,698,484	\$ 1,690,662	\$ (7,822)
-	56,187	56,187
20,000	21,070	1,070
1,718,484	1,767,919	49,435
-	-	-
750,000	742,987	(7,013)
750,000	742,987	(7,013)
-	-	-
-	-	-
2,468,484	2,510,906	42,422
-	-	-
1,680,500	1,556,616	123,884
-	-	-
-	-	-
1,680,500	1,556,616	123,884
787,984	954,290	166,306
-	-	-
-	-	-
-	-	-
787,984	954,290	166,306
1,234,963	1,234,963	-
\$ 2,022,947	\$ 2,189,253	\$ 166,306



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -**  
**STUDENT ACTIVITY AGENCY FUND**  
**JUNE 30, 2019**

**ASSETS**

Equity in pooled cash and investments	<u>\$ 92,891</u>
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**LIABILITIES**

Due to student activity fund organizations	<u>\$ 92,891</u>
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The accompanying notes are an integral part of the financial statements.

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of Community Consolidated School District No. 146 (the "District"). All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. The District does not engage in any business-type activities.

**B. Reporting Entity**

The District is governed by the Board of Education and provides primary education, transportation, building maintenance and general administrative services.

These financial statements include the District and its component units, entities for which the District is considered to be financially accountable. At June 30, 2019, no entities were considered component units of the District.

**C. Basis of Presentation - Government-wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities incorporate data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**D. Basis of Presentation - Fund Financial Statements**

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It is comprised of five subfunds: the Educational Fund, the Operations and Maintenance Fund, the Technology Leasing Fund, the Tort Fund, and Working Cash Fund. The Educational Fund accounts for the direct costs of instruction, health, lunch programs, and all costs of administration. The Operations and Maintenance Fund

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

accounts for all costs of maintaining, improving or repairing school buildings and property. The Technology Leasing Fund is used to account for leased technology expenditures. The Tort Fund accounts for insurance and liability costs. The Working Cash Fund accounts for financial resources held by the District to be used for temporary interfund loans to the Educational Fund, the Operations and Maintenance Fund, and the Transportation Fund.

The Transportation Fund, a special revenue fund, accounts for the transportation of pupils. Revenues include property taxes and state grants-in-aid.

The Capital Projects Fund accounts for financial resources earmarked or segregated for the acquisition and/or construction of capital assets, except those financed and accounted for in other funds.

The District reports the following nonmajor governmental funds:

**Debt service fund:**

The Debt Services Fund is used to account for the accumulation of resources for the payment of the general long-term debt principal, interest, and related costs.

**Special revenue funds:**

This fund type is used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditure for specific purposes other than debt service or capital projects. The District's nonmajor special revenue funds are the Illinois Municipal Retirement Fund and the FICA/Medicare Fund.

**Capital projects funds:**

This fund type accounts for the receipt and disbursement of monies used for the acquisition, construction or improvement of capital facilities and to improve the safety of capital facilities. The District's nonmajor capital projects fund is the Fire Prevention and Safety Fund.

Additionally, the District reports the following fiduciary fund type:

The Student Activity Agency Fund accounts for assets held by the District as an agent for the students. The fund is custodial in nature and does not involve the measurement of results of operations. The amounts due to the activity fund organizations are equal to the assets.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported as transfers in/out. While reported in fund financial statements, the transfers are eliminated in the preparation of the government-wide financial statements.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**E. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in accordance with the District's appropriation ordinance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Additionally, property taxes are recognized as revenues in accordance with the District's appropriation ordinance. Due to the financial difficulties that are delaying the receipt of entitlement revenue from governmental agencies, the availability period for entitlement revenues has been extended so that twelve months of revenue are reflected in the accompanying financial statements.

Property taxes, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (see preceding paragraph for discussion of the availability period). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (see preceding paragraph for discussion of the availability period). All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

The agency fund has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**F. Budgetary Information**

The annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. The budget appropriations lapse at the end of each fiscal year. The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The administration submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of a resolution. Prior to the last Tuesday in December, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
4. The Board of Education, or its designee, is authorized to transfer amounts appropriated for one purpose to another object or purpose by a two thirds vote. The amount of such transfers cannot exceed 10% of the total fund appropriation during the first half of the year. The level of control (level at which expenditures may not exceed budget/appropriations) is the fund.
5. Formal budgetary integration is employed as a management control device during the year for governmental funds.
6. The Board of Education may amend the budget by the same procedures required of its original adoption. The budget was not amended during the year.

The following funds had an excess of actual expenditures over the budgeted amount for the year ended June 30, 2019:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Major governmental funds:			
General Fund subfund:			
Educational Fund	\$ 31,722,627	\$ 43,769,606	\$ (12,046,979)
Nonmajor governmental funds:			
Debt Service Fund	3,987,435	4,266,800	(279,365)
FICA/Medicare Fund	423,500	629,235	(205,735)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

The overexpenditure in the Educational Fund was due to on behalf payments made by the state not being included in the budget. The overexpenditure in the Debt Services Fund was funded by proceeds from the issuance of bonds. The overexpenditure in the FICA/Medicare Fund was funded by greater than anticipated revenues and available fund balance.

**G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

***1. Cash and Investments***

The Illinois statutes authorize the District to invest in U.S. government, state of Illinois and municipal securities; certificates of deposit or time savings deposits insured by the FDIC; mortgage notes, bonds or debentures issued by the Federal Housing Administration; bonds and other obligations of the Federal Housing Finance Administration; certain short-term obligations of U.S. corporations; and Illinois School District Liquid Asset Fund Plus (ISDLAF+).

ISDLAF+ is an investment trust formed pursuant to the Illinois Municipal Code and managed by a board of trustees elected from participating members. ISDLAF+ is not registered with the Securities and Exchange Commission as an investment company.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Cash and investments of the District are pooled into a common pooled account in order to maximize investment opportunities. Each fund whose monies are deposited into the pooled account has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month end. An individual fund's equity in the pooled account is available upon demand and is considered to be a cash equivalent when preparing these financial statements. Each fund's portion of the pool is displayed on its respective balance sheet as "equity in pooled cash and investments." In addition, non-pooled cash and investments are separately held and reflected in the respective funds as "cash" and "investments."

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**2. *Entitlements Receivable***

Entitlements receivable consist of amounts due from other governments. The District considers its entitlements receivable to be fully collectible; accordingly, an allowance for uncollectible accounts has not been established. At June 30, 2019, entitlements receivable consisted of the following:

Due from grants:	
Early Childhood	\$ 68,280
Free Lunch	1,309
Medicaid	28,531
National School Lunch	38,211
Pre-School Flowthrough	10,405
School Breakfast program	13,081
Special Education	15,829
Title I	207,621
Title II	7,510
Title III	15,806
Title IVA	7,132
Transportation	40,603
Transportation - Special Education	<u>144,652</u>
Total	598,970
Due from intermediate sources:	
IDEA - Federal	<u>207,531</u>
Total	<u><u>\$ 806,501</u></u>

**3. *Prepaid Items***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of a prepaid item is recorded as an expense/expenditure when consumed rather than when purchased.

**4. *Capital Assets***

Capital assets, which include land, buildings and improvements, and equipment, reported in the government-wide financial statements are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to the capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at estimated acquisition value. Major outlays for capital assets and improvements are capitalized as projects are constructed.



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20 - 40
Equipment	7

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

**5. *Deferred Outflows/Inflows of Resources***

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category in the government-wide financial statements. One item, unamortized loss on refunding, results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other two items are deferred outflows of resources related to pensions and deferred outflows of resources related to other postemployments benefits (see Notes II.H.1, 2, 3, 5, 6 and 7 for further discussion of deferred outflows of resources related to pensions and other postemployments benefits).

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenues) until that time. The District has three items that qualify for reporting in this category in the government-wide financial statements. One item is related to property taxes that are levied for a future period. The other items are deferred inflows of resources related to pensions and deferred inflows of resources related to other postemployments benefits (see Notes II.H.1, 2, 3, 5, 6 and 7 for further discussion of deferred inflows of resources related to pensions and other postemployments benefits). In the fund financial statements, property taxes that are levied for a future period are reported as deferred inflows of resources.

**6. *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, as well as gains (losses) on refundings, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Gains (losses) on refundings are reported as deferred inflows (outflows) of resources. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**7. *Net Position Flow Assumption***

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**8. *Fund Balance Flow Assumptions***

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**9. *Fund Balance Policies***

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Education is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board of Education may, by resolution, authorize an individual to assign fund balance. The Board of Education has not adopted such a resolution. The Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**H. Revenues and Expenses/Expenditures**

***1. Program Revenues***

Amounts reported as program revenues include 1) charges to individuals or entities that purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

***2. Property Taxes***

The District's property tax is levied each year on all taxable real property located in the District on or before the last day in December. The lien date for the levy is January 1. The Board of Education approved the 2018 tax levy on December 10, 2018. The tax levy is divided into two billings: the first billing is mailed on or about February 1 of the following year and the second billing is mailed on or about July 1 of the following year.

The District receives significant distributions of tax receipts approximately one month after these due dates. Revenue is recognized on the current year's levy in conjunction with the amount budgeted by the Board for the current year with the unrecognized amount being recorded as a deferred inflow of resources.

***3. Compensated Absences***

Employees receive sick days on an annual basis based on longevity; any unused sick leave is accumulated and carried forward. Employee sick leave is recorded when paid. Upon termination employees do not receive any sick leave; therefore, it is not recorded as a liability.

Employees receive vacation days on an annual basis based on longevity. Administrators may carry over three unused vacation days from the end of the calendar year in which they are earned. Unused vacation for all other employees must be used by the end of the calendar year in which it is earned.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**I. Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amount of assets, liabilities, and deferred outflows/inflows of resources; the disclosure of contingent assets and liabilities; and the reported revenues and expenses/expenditures. Significant estimates used in preparing the government-wide financial statements include the assumptions used to determine the net pension liabilities and the related deferred outflows/inflows of resources and the assumptions used to determine the other postemployment benefits liabilities and the related deferred outflows/inflows of resources. It is at least reasonably possible that the significant estimates used will change within the next year.

**J. Comparative Data**

Comparative data for the prior year have been presented in the individual fund financial statements and schedules in order to provide an understanding of the changes in the financial position and operations of these funds.

**K. Subsequent Events**

Management has evaluated subsequent events through October 15, 2019, which is the date the financial statements were available to be issued.

**II. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS**

**A. Deposits and Investments**

Cash and investments as of June 30, 2019 was comprised of the following:

	<u>Government- wide</u>	<u>Fiduciary</u>	<u>Total</u>
Cash on hand	\$ 800	\$ -	\$ 800
Deposits with financial institutions	1,776,782	-	1,776,782
ISDLAF+ money market accounts	5,969,496	92,891	6,062,387
Pooled investments	<u>31,943,595</u>	<u>-</u>	<u>31,943,595</u>
Total	<u>\$ 39,690,673</u>	<u>\$ 92,891</u>	<u>\$ 39,783,564</u>

***Deposits***

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District does not have a deposit policy for custodial credit risk. As of June 30, 2019, \$1,401,535 of the District's bank balances of \$1,776,782 was insured and collateralized by an irrevocable letter of credit from the Federal Home Loan Bank of New York.

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***Investments***

The District had the following pooled investments as of June 30, 2019:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Average Credit Quality/ Ratings (1)</u>	<u>Weighted Average Years to Maturity (2)</u>
Pooled investments:			
Certificates of deposit - DTC	\$ 2,720,027	N/A	<1
Certificates of deposit - negotiable	11,378,510	N/A	<1
Corporate bonds and notes	<u>17,845,058</u>	A+/A/A-/BBB+	<2
Total pooled investments	<u>\$ 31,943,595</u>		

The District's investments in money market accounts held in ISDLAF+ are rated AAAM.

Negotiable certificates of deposit of \$753,010 were uninsured and uncollateralized as of June 30, 2019.

- (1) Ratings are provided where applicable to indicate associated *Credit Risk*. N/A indicates not applicable.  
(2) *Interest Rate Risk* is estimated using weighted average years to maturity.

***Investment Policies***

The District's investments are subject to the following risks:

*Concentration of credit risk* is the risk of loss attributed to the magnitude of the District's investment in a single issuer. At June 30, 2019, the District had an investment of \$2,503,375 in Comerica Bank bonds, which represents 6.6% of total District investments.

*Credit risk* is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

*Interest rate risk* is the risk that changes in interest rates will adversely affect the fair value of an investment.

*Custodial credit risk* for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The District does not have an investment policy for the above risks.

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**B. Fair Value Measurements**

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

The District had the following recurring fair value measurements as of June 30, 2019:

*Certificates of deposit - DTC, certificates of deposit - negotiable, and corporate bonds and notes:*  
Valued based on information obtained from independent quotation bureaus that use pricing models maximizing the use of observable inputs for similar securities, including basing value on yield currently available on comparable securities of issuers with similar credit ratings.

The following table summarizes the District's investments by fair value level as of June 30, 2019:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of deposit - DTC	\$ 2,720,027	\$ -	\$ 2,720,027	\$ -
Certificates of deposit - negotiable	11,378,510	-	11,378,510	-
Corporate bonds and notes	<u>17,845,058</u>	<u>-</u>	<u>17,845,058</u>	<u>-</u>
Total	<u>\$ 31,943,595</u>	<u>\$ -</u>	<u>\$ 31,943,595</u>	<u>\$ -</u>

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**C. Capital Assets**

Capital asset activity for the year ended June 30, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases/ Transfers</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 5,311,469	\$ -	\$ -	\$ 5,311,469
Construction in progress	<u>1,421,147</u>	<u>15,569,840</u>	<u>-</u>	<u>16,990,987</u>
Total capital assets not being depreciated	<u>6,732,616</u>	<u>15,569,840</u>	<u>-</u>	<u>22,302,456</u>
Capital assets being depreciated:				
Buildings and improvements	53,689,012	-	-	53,689,012
Equipment	<u>1,464,799</u>	<u>-</u>	<u>-</u>	<u>1,464,799</u>
Total capital assets being depreciated	<u>55,153,811</u>	<u>-</u>	<u>-</u>	<u>55,153,811</u>
Less accumulated depreciation for:				
Buildings and improvements	19,856,701	1,207,266	-	21,063,967
Equipment	<u>1,302,394</u>	<u>59,495</u>	<u>-</u>	<u>1,361,889</u>
Total accumulated depreciation	<u>21,159,095</u>	<u>1,266,761</u>	<u>-</u>	<u>22,425,856</u>
Total capital assets being depreciated, net	<u>33,994,716</u>	<u>(1,266,761)</u>	<u>-</u>	<u>32,727,955</u>
Governmental activities capital assets, net	<u>\$ 40,727,332</u>	<u>\$ 14,303,079</u>	<u>\$ -</u>	<u>\$ 55,030,411</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
Instructional	\$ 1,005,946
Pupil support	51,019
Other support	178,935
Administration	<u>30,861</u>
Total depreciation expense - governmental activities	<u>\$ 1,266,761</u>

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**D. Long-term Liabilities**

Long-term debt as of June 30, 2019 is summarized as follows:

Issue October 9, 2014  
General Obligation Refunding School Bonds, Series 2014

<u>Fiscal Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,500,000	\$ 126,200	\$ 1,626,200
2021	1,580,000	64,600	1,644,600
2022	<u>1,100,000</u>	<u>16,500</u>	<u>1,116,500</u>
Total	<u>\$ 4,180,000</u>	<u>\$ 207,300</u>	<u>\$ 4,387,300</u>

Denomination	\$5,000
Bonds due each year	December 1st
Interest dates	December 1st and June 1st
Interest rates	2.00% - 4.00%
Paying agent	Amalgamated Bank of Chicago Chicago, Illinois
Total original issue	\$6,115,000

Issue October 26, 2015  
General Obligation Refunding School Bonds, Series 2015

<u>Fiscal Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 355,000	\$ 9,018	\$ 364,018
2021	<u>300,000</u>	<u>3,000</u>	<u>303,000</u>
Total	<u>\$ 655,000</u>	<u>\$ 12,018</u>	<u>\$ 667,018</u>

Denomination	\$5,000
Bonds due each year	December 1st
Interest dates	December 1st and June 1st
Interest rates	0.85% - 2.00%
Paying agent	Amalgamated Bank of Chicago Chicago, Illinois
Total original issue	\$1,450,000



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Issue July 31, 2018  
General Obligation Limited School Bonds, Series 2018

<u>Fiscal Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 925,000	\$ 768,069	\$ 1,693,069
2021	950,000	735,194	1,685,194
2022	990,000	696,394	1,686,394
2023	755,000	661,494	1,416,494
2024	805,000	630,294	1,435,294
2025	865,000	592,569	1,457,569
2026	945,000	547,319	1,492,319
2027	1,015,000	498,319	1,513,319
2028	1,095,000	445,569	1,540,569
2029	1,100,000	396,194	1,496,194
2030	1,170,000	356,644	1,526,644
2031	1,235,000	319,797	1,554,797
2032	1,270,000	279,863	1,549,863
2033	1,310,000	233,025	1,543,025
2034	1,360,000	179,625	1,539,625
2035	1,420,000	124,025	1,544,025
2036	1,475,000	69,813	1,544,813
2037	<u>1,100,000</u>	<u>22,000</u>	<u>1,122,000</u>
Total	<u>\$ 19,785,000</u>	<u>\$ 7,556,207</u>	<u>\$ 27,341,207</u>

Denomination	\$5,000
Bonds due each year	December 1st
Interest dates	December 1st and June 1st
Interest rates	2.0% - 5.0%
Paying agent	Zions Bank
Total original issue	\$21,110,000

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Total annual debt service requirements to maturity for all outstanding debt are as follows:

<u>Fiscal Year Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 2,780,000	\$ 903,287	\$ 3,683,287
2021	2,830,000	802,794	3,632,794
2022	2,090,000	712,894	2,802,894
2023	755,000	661,494	1,416,494
2024	805,000	630,294	1,435,294
2025	865,000	592,569	1,457,569
2026	945,000	547,319	1,492,319
2027	1,015,000	498,319	1,513,319
2028	1,095,000	445,569	1,540,569
2029	1,100,000	396,194	1,496,194
2030	1,170,000	356,644	1,526,644
2031	1,235,000	319,797	1,554,797
2032	1,270,000	279,863	1,549,863
2033	1,310,000	233,025	1,543,025
2034	1,360,000	179,625	1,539,625
2035	1,420,000	124,025	1,544,025
2036	1,475,000	69,813	1,544,813
2037	<u>1,100,000</u>	<u>22,000</u>	<u>1,122,000</u>
Total	<u>\$ 24,620,000</u>	<u>\$ 7,775,525</u>	<u>\$ 32,395,525</u>

Long-term liability activity for the year ended June 30, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions / Adjustments</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds payable	\$ 14,360,000	\$ 21,110,000	\$ (10,850,000)	\$ 24,620,000	\$ 2,780,000
Issuance premium	239,359	975,698	(205,617)	1,009,440	-
Net pension liabilities:					
Teachers' Retirement System of the State of Illinois	3,362,609	12,214,500	(13,696,751)	1,880,358	-
Illinois Municipal Retirement Fund	284,408	999,635	2,608,082	3,892,125	-
Other postemployment benefits liabilities:					
Teacher Health Insurance Security Fund	18,856,377	1,709,440	(1,520,267)	19,045,550	-
Postretirement Health Plan	<u>2,296,469</u>	<u>241,742</u>	<u>(7,988)</u>	<u>2,530,223</u>	<u>-</u>
Total	<u>\$ 39,399,222</u>	<u>\$ 37,251,015</u>	<u>\$ (23,672,541)</u>	<u>\$ 52,977,696</u>	<u>\$ 2,780,000</u>

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\$1,828,445 is available in the Debt Services Fund to service the above bonds payable.

The net pension liability of the Teachers' Retirement System of the State of Illinois and the other postemployment benefits liabilities will be liquidated by the General Fund. The net pension liability of the Illinois Municipal Retirement Fund will be liquidated by the District's Illinois Municipal Retirement Fund.

***Current Refunding of Debt***

The District issued \$21,110,000 of General Obligation Limited Tax School Bonds, Series 2018, with interest rates ranging from 2.00% to 5.00%. A portion of the proceeds were used for the current refunding of \$7,730,000 of outstanding General Obligation Limited School Bonds, Series 2008, which had interest rates ranging from 3.50% to 4.50%. The net proceeds of \$7,800,965 (after payment of issuance costs of \$282,565, bond premium of \$975,698, a deposit of \$14,000,000 to the Working Cash Fund and a deposit of \$2,168 to the Debt Services Fund of the District) were deposited in an irrevocable trust with an escrow agent to provide for the current refunding of the Series 2008 General Obligation Limited School Bonds. As a result, the liability for the Series 2008 General Obligation Limited School Bonds has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$41,989. This amount is included in the statement of net position as a deferred outflow of resources and amortized over the remaining life of the refunded bonds. The District's current refunding of the Series 2008 General Obligation Limited School Bonds resulted in an increase in total debt service payments over 19 years of \$928,821 and created an economic gain (difference between the present values of debt service payments of the new and old debt) of \$243,093.

***Legal Debt Margin***

The District's legal debt margin at June 30, 2019 is calculated as follows:

Assessed valuation - 2018 tax year	<u>\$ 638,572,244</u>
Statutory debt limitation (6.9% of assessed valuation)	\$ 44,061,485
Debt:	
Bonds payable	<u>24,620,000</u>
Legal debt margin	<u>\$ 19,441,485</u>

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**E. Interfund Transfers**

Transfer from	Transfer to	Amount
Major governmental fund:		
General Fund subfund - Operations and Maintenance Fund	Nonmajor governmental fund: Capital Projects Fund	<u>\$ 14,000,000</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

The Working Cash Fund, a General Fund subfund, was abated during the year ended June 30, 2019 and intrafund transfers totaling \$14,000,000 were made to the Operations and Maintenance Fund, a General Fund subfund.

**F. Fund Balances**

Fund balances were comprised of the following as of June 30, 2019:

	General Fund	Transportation Fund	Capital Projects Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid items	\$ 52,349	\$ -	\$ -	\$ -	\$ 52,349
Restricted for:					
Tort immunity	617,840	-	-	-	617,840
Debt service	-	-	-	1,828,445	1,828,445
Retirement benefits	-	-	-	114,960	114,960
FICA/Medicare	-	-	-	606,546	606,546
Fire prevention and safety	-	-	-	355,204	355,204
Total restricted	<u>617,840</u>	<u>-</u>	<u>-</u>	<u>2,905,155</u>	<u>3,522,995</u>
Committed:					
Capital projects	<u>-</u>	<u>-</u>	<u>639,580</u>	<u>-</u>	<u>639,580</u>
Assigned to:					
Amount used to eliminate subsequent year's budgeted deficit in the General Fund	714,812	-	-	-	714,812
Transportation	-	2,189,253	-	-	2,189,253
Capital projects	<u>-</u>	<u>-</u>	<u>2,767,782</u>	<u>-</u>	<u>2,767,782</u>
Total assigned	<u>714,812</u>	<u>2,189,253</u>	<u>2,767,782</u>	<u>-</u>	<u>5,671,847</u>
Unassigned	<u>27,413,297</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,413,297</u>
Total fund balances	<u>\$ 28,798,298</u>	<u>\$ 2,189,253</u>	<u>\$ 3,407,362</u>	<u>\$ 2,905,155</u>	<u>\$ 37,300,068</u>

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**G. Risk Management**

The District is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; employee medical coverage; and workers' compensation for which the District carries commercial insurance. The exposure to risk has been addressed through a formal risk management plan. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage in the current year or any of the past three years.

Employees of the District are covered by the District's dental self-insurance plan. The District contributed approximately \$85 per month for employees with family coverage and \$24 per month for employees with single coverage. Claims were paid by a third party administrator acting on behalf of the District. Calendar year benefits are limited to \$1,200 per person for each of the following services: preventative, basic, and major. There is a lifetime limit on orthodontia of \$1,000 per person. As of the date of this report, the District is not aware of any significant incurred but unreported claims as of June 30, 2019.

Changes in the balance of claims liabilities were as follows:

Unpaid claims at June 30, 2017	\$ 10,588
Incurred claims	107,779
Claims payments	<u>(72,466)</u>
Unpaid claims at June 30, 2018	45,901
Incurred claims	141,811
Claims payments	<u>(144,867)</u>
Unpaid claims at June 30, 2019	<u><u>\$ 42,845</u></u>

**H. Employee Retirement Systems and Plans**

***1. Teachers' Retirement System of the State of Illinois***

**a. 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 <https://www.trsil.org/financial/cafrs/fy2018>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

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

Tier 2 members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from Tier 1.

Essentially all Tier 1 retirees receive an annual 3% increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier 2 annual increases will be the lesser of 3% of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2020. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2021. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs will begin in 2019 and will be funded by bonds issued by the state of Illinois.

*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% 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, 2018 was 9% of creditable earnings. The member contribution, which may be paid on behalf of employees by the District, is submitted to TRS by the employer.

*On behalf contributions to TRS.* The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2019, 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 expenses/expenditures of \$12,097,607 in pension contributions from the state of Illinois.

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*2.2 formula contributions.* Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2019 were \$101,781, and are deferred because they were paid after the June 30, 2018 measurement date.

*Federal and special trust fund contributions.* When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

Previously, employer contributions for employees paid from federal and special trust funds were at the same rate as the state contribution rate to TRS and were much higher.

For the year ended June 30, 2019, the District pension contribution was 9.85% of salaries paid from federal and special trust funds. For the year ended June 30, 2019, salaries totaling \$257,084 were paid from federal and special trust funds that required employer contributions of \$25,323. These contributions are deferred because they were paid after the June 30, 2018 measurement date.

*Employer retirement cost contributions.* Under GASB Statement No. 68, contributions that an employer is required to pay because a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary. Additionally, beginning with the year ended June 30, 2019, employers will make a similar contribution for salary increases over 3% if members are not exempted by current collective bargaining agreements or contracts.

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, 2019, the District paid \$2,979 to TRS for employer contributions due on salary increases in excess of 6%, \$0 for salary increases in excess of 3% and \$0 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2018, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 1,880,358
State's proportionate share of the net pension liability associated with the District	<u>128,812,391</u>
Total	<u>\$ 130,692,749</u>

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The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 and rolled forward to June 30, 2018. 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, 2018, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2018, the District's proportion was 0.002412%, which was a decrease of 0.001989% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the District recognized pension expense of \$12,214,500 and revenue of \$12,097,607 for support provided by the state. At June 30, 2019, 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	\$ 37,792	\$ 410
Net difference between projected and actual earnings on pension plan investments	-	5,757
Changes of assumptions	82,472	53,293
Changes in proportion and differences between District contributions and proportionate share of contributions	560,740	1,693,908
District contributions subsequent to the measurement date	<u>127,837</u>	<u>-</u>
Total	<u>\$ 808,841</u>	<u>\$ 1,753,368</u>

\$127,837 reported as deferred outflows of resources related to pensions resulting from District contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in reporting years ending June 30 as follows:

2020	\$ (49,725)
2021	(390,468)
2022	(254,848)
2023	(256,655)
2024	(120,668)

*Actuarial assumptions.* The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	varies by amount of service credit
Investment rate of return	7% percent, net of pension plan investment expense, including inflation



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In the June 30, 2018 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2017. In the June 30, 2017 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2014.

The long-term (20-year) 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equities large cap	15.0 %	6.7 %
U.S. equities small/mid cap	2.0	7.9
International equities developed	13.6	7.0
Emerging market equities	3.4	9.4
U.S. bonds core	8.0	2.2
U.S. bonds high yield	4.2	4.4
International debt developed	2.2	1.3
Emerging international debt	2.6	4.5
Real estate	16.0	5.4
Real return	4.0	1.8
Absolute return	14.0	3.9
Private equity	<u>15.0</u>	10.2
Total	<u>100.0 %</u>	

*Discount rate.* At June 30, 2018, the discount rate used to measure the total pension liability was 7%, which was the same as the June 30, 2017 rate. 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, 2018 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier 1's liability is partially-funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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*Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate.* The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7%, 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% lower (6%) or 1% higher (8%) than the current rate.

	1% Lower (6%)	Current Discount Rate (7%)	1% Higher (8%)
District's proportionate share of the net pension liability	\$ <u>2,306,081</u>	\$ <u>1,880,358</u>	\$ <u>1,537,522</u>

*TRS fiduciary net position.* Detailed information about the TRS's fiduciary net position as of June 30, 2018 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 employees that are not in positions covered by the Teachers' Retirement System of the State of Illinois provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

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

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.

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

*Employees covered by benefit terms.* As of December 31, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	459
Inactive employees entitled to but not yet receiving benefits	259
Active employees	<u>162</u>
Total	<u><u>880</u></u>

*Contributions.* As set by statute, the District's 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 rates for calendar years 2018 and 2019 were 11.02% and 8.90%, respectively. For the fiscal year ended June 30, 2019, the District contributed \$472,452 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, 2018. 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 the total pension liability at December 31, 2018:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Related Value that reflects five-year averaging of investment gains and losses, subject to a 20% corridor.
- The Inflation Rate was assumed to be 2.50%.
- Projected Salary Increases were expected to be 3.39% to 14.25%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.

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- Retirement rates vary by age and sex.
- For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience. Among the active members, 75% of males and 70% of females were assumed to be married.
- 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:

<u>Asset Class</u>	<u>Portfolio Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	37 %	7.15 %
Fixed income	28	3.75
International equities	18	7.25
Real estate	9	6.25
Alternatives	7	3.20-8.50
Cash equivalents	<u>1</u>	2.50
Total	<u>100 %</u>	

*Single discount rate.* A single discount rate of 7.25% 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 District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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*Changes in the net pension liability.* Changes in the net pension liability for the year ended December 31, 2018 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2017	<u>\$ 26,151,365</u>	<u>\$ 25,866,957</u>	<u>\$ 284,408</u>
Changes for the year:			
Service cost	448,018	-	448,018
Interest on the total pension liability	1,921,680	-	1,921,680
Differences between expected and actual experience	(312,450)	-	(312,450)
Changes of assumptions	669,149	-	669,149
Net investment income (loss)	-	(1,486,307)	1,486,307
Contributions - employer	-	501,693	(501,693)
Contributions - employees	-	205,114	(205,114)
Benefit payments, including refunds of employee contributions	(1,505,954)	(1,505,954)	-
Other changes	<u>-</u>	<u>(101,820)</u>	<u>101,820</u>
Net changes	<u>1,220,443</u>	<u>(2,387,274)</u>	<u>3,607,717</u>
Balances at December 31, 2018	<u><u>\$ 27,371,808</u></u>	<u><u>\$ 23,479,683</u></u>	<u><u>\$ 3,892,125</u></u>

*Sensitivity of the net pension liability to changes in the single discount rate.* The following presents the net pension liability of the District calculated using a single discount rate of 7.25%, as well as what the District's net pension liability would be if it were calculated using a single discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate:

	1% Lower (6.25%)	Current Discount Rate (7.25%)	1% Higher (8.25%)
Net pension liability	<u>\$ 6,909,729</u>	<u>\$ 3,892,125</u>	<u>\$ 1,401,540</u>

*Plan fiduciary net position.* Detailed information about the plan's fiduciary net position is available in the separately issued IMRF financial report.

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*Pension expense, deferred outflows of resources and deferred inflows of resources related to pensions.* For the year ended June 30, 2019, the District recognized pension expense of \$999,635. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 98,340
Changes of assumptions	210,608	-
Net difference between projected and actual earnings on plan investments	1,617,085	-
District pension contributions subsequent to the measurement date	<u>241,211</u>	<u>-</u>
Total	<u>\$ 2,068,904</u>	<u>\$ 98,340</u>

\$241,211 reported as deferred outflows of resources related to pensions resulting from District contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in years ending June 30 as follows:

2020	\$ 640,282
2021	218,932
2022	191,632
2023	678,507

**3. Summary of Pension Information**

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

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Pension-related assets, deferred outflows of resources, liabilities, deferred inflows of resources, and pension expense/expenditures are summarized as follows:

	TRS	IMRF	Total
Deferred outflows of resources	\$ 808,841	\$ 2,068,904	\$ 2,877,745
Net pension liability	1,880,358	3,892,125	5,772,483
Deferred inflows of resources	1,753,368	98,340	1,851,708
Pension expense	12,214,500	999,635	13,214,135
Pension expenditures	12,224,711	472,452	12,697,163

**4. Social Security**

Employees not qualifying for coverage under the Teachers' Retirement System of the State of Illinois 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. The District paid \$307,523, the total required contribution for the current year.

**5. Teacher Health Insurance Security Fund**

*Plan description.* The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. THIS Fund members are retirees who were certified educators or administrators. Eligibility is currently limited to former full-time employees, and others who were not full-time employees that meet certain requirements, and their dependents.

The plan is administered through a trust by the Illinois Department of Central Management Services (CMS) with the cooperation of the Teachers' Retirement System of the State of Illinois (TRS).

*Plan fiduciary net position.* Detailed information about the THIS Fund's fiduciary net position is available in a publicly available financial report that includes financial statements and required supplementary information. That report may be found on the website of the Illinois Auditor General (<http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>). The current reports are listed under "Central Management Services" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>). Prior reports are available under "Healthcare and Family Services" (<http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins-Sec-Fund.asp>).

*Benefits provided.* The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5) 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 THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of TRS. Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

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*Contributions.* The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.6) requires that all active contributors to TRS, who are not employees of a department, make contributions to the plan at a rate of 1.24% of salary and for every employer of a teacher to contribute an amount equal to 0.92% of each teacher's salary to the THIS Fund. CMS determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the THIS Fund, an amount equal to the amount certified by the Board of Trustees of TRS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year.

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5) requires that the Director of CMS determine the rates and premiums of annuitants and dependent beneficiaries and establish the cost-sharing parameters, as well as funding. Member premiums are set by this statute, which provides for a subsidy of either 50% or 75%, depending upon member benefit choices. Dependents are eligible for coverage, at a rate of 100% of the cost of coverage.

*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 1.24% of pay during the year ended June 30, 2019. State of Illinois contributions were \$219,168, and the District recognized revenue and expenditures of this amount during the year.

*Employer contributions to the THIS Fund.* The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.92% during the year ended June 30, 2019. For the year ended June 30, 2019, the District paid \$162,609 to the THIS Fund, which was 100% of the required contribution.

*OPEB liability, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB.* At June 30, 2019, the District reported a liability for its proportionate share of the THIS Fund's net OPEB liability. The state's proportionate share is for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 19,045,550
State's proportionate share that is associated with the District	<u>25,574,066</u>
Total	<u>\$ 44,619,616</u>

The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017 and rolled forward to June 30, 2018. The District's proportion of the net OPEB liability was based on the District's share of contributions to the THIS Fund for the measurement year ended June 30, 2018, relative to the contributions of all participating employers and the state during that period. At June 30, 2018, the District's proportion was 0.072290%, which was a decrease of 0.000375% from its proportion measured as of June 30, 2017.



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For the year ended June 30, 2019, the District recognized OPEB expense of \$1,709,440.

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 68,336
Net difference between projected and actual earnings on OPEB plan investments	-	585
Changes of assumptions	-	2,773,352
Changes in proportion and differences between District contributions and proportionate share of contributions	345,662	103,586
District contributions subsequent to the measurement date	<u>162,609</u>	<u>-</u>
Total	<u>\$ 508,271</u>	<u>\$ 2,945,859</u>

\$162,609 reported as deferred outflows of resources related to OPEB resulting from District contributions made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the reporting year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in reporting years ending June 30 as follows:

2020	\$ (448,947)
2021	(448,947)
2022	(448,947)
2023	(448,901)
2024	(448,801)
Thereafter	<u>(355,654)</u>
Total	<u>\$ (2,600,197)</u>

*Actuarial valuation method.* The actuarial valuation was based on the Entry Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of future salary at entry age. The normal cost at the member's attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability equals the present value of benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age.

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*Actuarial assumptions.* The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increases include a 3.25% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation.
Healthcare cost trend rates	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8% and 9% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.5%. Additional trend rate of 0.36% is added to non-Medicare costs on and after 2022 to account for excise tax.

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

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2012 through June 30, 2015.

*Discount rate.* Projected benefit payments were discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since the THIS Fund is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. Single discount rates were 3.56% as of June 30, 2017, and 3.62% as of June 30, 2018. The increase in the single discount rate from 3.56% to 3.62% caused the total OPEB liability to decrease by approximately \$285 million as of June 30, 2018.

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*Sensitivity of the District's proportionate share of the net OPEB liability to changes in the discount rate.* The following presents the District's proportionate share of the net OPEB liability calculated using a single discount rate of 3.62%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a single discount rate that is 1% lower (2.62%) or 1% higher (4.62%) than the current rate.

	<u>1% Lower (2.62%)</u>	<u>Current Discount Rate (3.62%)</u>	<u>1% Higher (4.62%)</u>
District's proportionate share of the net OPEB liability	<u>\$ 22,899,952</u>	<u>\$ 19,045,550</u>	<u>\$ 16,002,614</u>

*Sensitivity of the District's proportionate share of the net OPEB liability to changes in the healthcare cost trend rate.* The following presents the District's proportionate share of the net OPEB liability calculated using a healthcare cost trend rate that is 1% lower or higher than current healthcare cost trend rates.

	<u>1% Lower (Varies)</u>	<u>Current Healthcare Cost Trend Rate (Varies)</u>	<u>1% Higher (Varies)</u>
District's proportionate share of the net OPEB liability	<u>\$ 15,442,760</u>	<u>\$ 19,045,550</u>	<u>\$ 23,899,093</u>

**6. Postretirement Health Plan**

*Plan description.* The District's defined benefit other postemployment benefits (OPEB) plan, Postretirement Health Plan (PHP), provides OPEB for all full-time employees of the District who participate in the Illinois Municipal Retirement Fund (IMRF) and the Teachers' Retirement System of the State of Illinois (TRS). PHP is a single-employer defined benefit OPEB plan administered by the District. The benefit terms and financing requirements for IMRF participants are established under the provisions of ILCS Chapter 215, Article 5, Section 367j. The benefit terms and financing requirements for TRS participants are established contractually. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits provided.* PHP provides medical/prescription, dental and life insurance benefits for eligible retirees and spouses/dependents. The benefit terms are summarized as follows:

**IMRF**

Lifetime medical/prescription, dental and life insurance benefits are provided through the District's group insurance plan, which covers both active and retired employees. Retirees pay the full cost of these benefits with no additional cost to the District.

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TRS

TRS retirees are not permitted to remain on the District's group insurance plan for medical/prescription benefits. They have the option of joining the Teachers' Retirement Insurance Program (TRIP) or Total Retiree Advantage (TRAIL) through Illinois, or seeking outside coverage. Dental and life insurance benefits are not provided. For TRS retirees who have at least 15 years of service, the District will pay up to 5 years of single coverage should the retiree elect TRIP/TRAIL insurance. Should the retiree become Medicare eligible during the 5-year period, the benefit terminates. After the 5-year period, the retiree may elect to continue TRIP/TRAIL insurance. If such an election is made, the retiree pays the full cost of the insurance, with no additional cost to the District. Any spouse/dependent cost is paid by the retiree.

*Employees covered by benefit terms.* At June 30, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	7
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>366</u>
Total	<u><u>373</u></u>

*Total OPEB Liability.* The District's total OPEB liability of \$2,530,223 was measured as of June 30, 2019, and was determined by an actuarial valuation as of July 1, 2018, and adjusted to measurement date, based on procedures that conform to generally accepted actuarial principles and practices.

*Actuarial assumptions and other inputs.* The total OPEB liability at June 30, 2019 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.25%
Discount rate	3.50%
Healthcare cost trend rates:	
PPO	6% for fiscal year 2019 and 2020; 5.5% for fiscal years 2021 and 2022; 5% for fiscal year 2023 and later years.
HMO	5% for fiscal year 2019 and later years.
TRS	4% for fiscal year 2019 and later years.
Retirees' share of benefit-related costs	See description of benefits provided above.

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The discount rate was based on the High Quality 20 Year Tax-Exempt G.O. Bond Rate.

Active IMRF mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 Study. These rates are improved generationally using MP-2017 Improvement Rates and weighted based on the IMRF December 31, 2017 actuarial valuation.

Retiree and spousal IMRF mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 Study. These rates are improved generationally using MP-2017 Improvement Rates.

Active, retiree and spousal TRS mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 Study, with White Collar Adjustment. These rates are improved generationally using MP-2014 Improvement Rates and weighted based on the TRS June 30, 2017 actuarial valuation.

*Changes in the Total OPEB Liability.* Changes in the total OPEB liability for the year ended June 30, 2019 were as follows:

	<u>Total OPEB Liability</u>
Balance at June 30, 2018	<u>\$ 2,296,469</u>
Changes for the year:	
Service cost	146,927
Interest	87,185
Changes of assumptions or other inputs	86,895
Benefit payments	<u>(87,253)</u>
Net changes	<u>233,754</u>
Balance at June 30, 2019	<u><u>\$ 2,530,223</u></u>

The total OPEB liability is an unfunded obligation of the District.

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.50%) or 1% higher (4.50%) than the current discount rate:

	<u>1% Decrease (2.50%)</u>	<u>Current Discount Rate (3.50%)</u>	<u>1% Increase (4.50%)</u>
Total OPEB liability	<u>\$ 2,780,045</u>	<u>\$ 2,530,223</u>	<u>\$ 2,302,187</u>

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease (Varies)	Current Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB liability	<u>\$ 2,167,164</u>	<u>\$ 2,530,223</u>	<u>\$ 2,968,896</u>

*OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB.* For the year ended June 30, 2019, the District recognized OPEB expense of \$241,742.

Deferred outflows of resources and deferred inflows of resources related to OPEB result from differences in actual and expected experience or changes of assumptions regarding future events and are recognized in OPEB expense over the expected remaining service life of all employees (active and retired) participating in PHP.

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	<u>\$ 79,265</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in years ending June 30 as follows:

2020	\$ 7,630
2021	7,630
2022	7,630
2023	7,630
2024	7,630
Thereafter	<u>41,115</u>
Total	<u>\$ 79,265</u>

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**7. Summary of OPEB Information**

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense/expenditures, information about the fiduciary net position of the Teacher Health Insurance Security (THIS) Fund and the Postretirement Health Plan (PHP) and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

OPEB-related deferred outflows of resources, liabilities, deferred inflows of resources, and OPEB expense/expenditures are summarized as follows:

	<u>THIS</u>	<u>PHP</u>	<u>Total</u>
Deferred outflows of resources	\$ 508,271	\$ 79,265	\$ 587,536
OPEB liability	19,045,550	2,530,223	21,575,773
Deferred inflows of resources	2,945,859	-	2,945,859
OPEB expense	1,709,440	241,742	1,951,182
OPEB expenditures	381,777	87,253	469,030

**I. Tort Immunity Expenditures**

Tort immunity expenditures for the year ended June 30, 2019 included insurance premiums of \$199,211.

**J. Jointly Governed Organization**

The District, in conjunction with 10 other area school districts, has created the Southwest Cook County Cooperative Association for Special Education (SWCASE). The SWCASE's board of directors is composed of one member from each of the 11 participating school districts. The SWCASE charged the District \$638,722 for special education tuition and other related expenditures during the year ended June 30, 2019. SWCASE issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to SWCASE, 6020 W. 151st Street, Oak Forest, Illinois.

**K. Concentration**

Substantially all of the District's nonmanagement employees are covered by collective bargaining agreements. The agreement with the Tinley Council of Local 604 Teachers' Union is scheduled to expire in June, 2020. Custodial employees are not covered by this collective bargaining agreement.

**L. Construction Commitments**

As of June 30, 2019, the District had commitments with respect to unfinished capital projects totaling approximately \$640,000.

**REQUIRED SUPPLEMENTARY INFORMATION**



**EMPLOYEE RETIREMENT AND POSTEMPLOYMENT  
BENEFIT PLAN INFORMATION**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
REQUIRED SUPPLEMENTARY INFORMATION -  
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY**

	<u>June 30, 2018 *</u>	<u>June 30, 2017 *</u>	<u>June 30, 2016 *</u>
District's proportion of the net pension liability	0.002412 %	0.004401 %	0.003859 %
District's proportionate share of the net pension liability	\$ 1,880,358	\$ 3,362,609	\$ 3,046,247
State's proportionate share of the net pension liability	<u>128,812,391</u>	<u>120,791,710</u>	<u>106,872,943</u>
Total net pension liability	<u>\$ 130,692,749</u>	<u>\$ 124,154,319</u>	<u>\$ 109,919,190</u>
Covered payroll	\$ 17,160,898	\$ 16,713,808	\$ 16,523,908
District's proportionate share of the net pension liability as a percentage of covered payroll	10.96 %	20.12 %	18.44 %
Plan fiduciary net position as a percentage of the total pension liability	40.0 %	39.3 %	36.4 %

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

**SCHEDULE OF DISTRICT CONTRIBUTIONS  
LAST FIVE FISCAL YEARS**

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Statutorily-required contribution	\$ 127,837	\$ 134,816	\$ 183,655
Contributions in relation to the statutorily-required contribution	<u>127,837</u>	<u>134,816</u>	<u>183,655</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 17,674,865	\$ 17,160,898	\$ 16,713,808
Contributions as a percentage of covered payroll	0.72 %	0.79 %	1.10 %

The information in both schedules will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

See independent auditor's report.

<u>June 30, 2015 *</u>	<u>June 30, 2014 *</u>
------------------------	------------------------

0.005694 %	0.002948 %
\$ 3,729,979	\$ 1,794,396
<u>127,263,471</u>	<u>98,404,803</u>
<u>\$ 130,993,450</u>	<u>\$ 100,199,199</u>
\$ 16,355,025	\$ 16,032,072
22.81 %	11.19 %
41.5 %	43.0 %

<u>June 30, 2016</u>	<u>June 30, 2015</u>
----------------------	----------------------

\$ 175,656	\$ 173,122
<u>175,656</u>	<u>173,122</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 16,523,908	\$ 16,355,025
1.06 %	1.06 %

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
REQUIRED SUPPLEMENTARY INFORMATION -  
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**Changes of Assumptions**

For the 2018, 2017 and 2016 measurement years, the assumed investment rate of return was of 7.0%, including an inflation rate of 2.5% and a real return of 4.5%. Salary increases were assumed to vary by service credit, but the rates of increase in the 2018 measurement year were slightly higher.

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

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

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
REQUIRED SUPPLEMENTARY INFORMATION -  
ILLINOIS MUNICIPAL RETIREMENT FUND**

**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS  
LAST FIVE CALENDAR YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total pension liability:			
Service cost	\$ 448,018	\$ 463,666	\$ 462,129
Interest on the total pension liability	1,921,680	1,898,339	1,830,169
Differences between expected and actual experience of the total pension liability	(312,450)	221,070	(66,846)
Changes of assumptions	669,149	(824,181)	(83,568)
Benefit payments, including refunds of employee contributions	<u>(1,505,954)</u>	<u>(1,373,766)</u>	<u>(1,289,680)</u>
Net change in total pension liability	1,220,443	385,128	852,204
Total pension liability at beginning of year	<u>26,151,365</u>	<u>25,766,237</u>	<u>24,914,033</u>
Total pension liability at end of year	<u>\$ 27,371,808</u>	<u>\$ 26,151,365</u>	<u>\$ 25,766,237</u>
Plan fiduciary net position:			
Contributions - District	\$ 501,693	\$ 494,880	\$ 532,467
Contributions - employees	205,114	201,678	183,255
Net investment income (loss)	(1,486,307)	4,115,149	1,495,670
Benefit payments, including refunds of employee contributions	(1,505,954)	(1,373,766)	(1,289,680)
Other	<u>(101,820)</u>	<u>(639,648)</u>	<u>195,433</u>
Net change in plan fiduciary net position	(2,387,274)	2,798,293	1,117,145
Plan fiduciary net position at beginning of year	<u>25,866,957</u>	<u>23,068,664</u>	<u>21,951,519</u>
Plan fiduciary net position at end of year	<u>\$ 23,479,683</u>	<u>\$ 25,866,957</u>	<u>\$ 23,068,664</u>
Net pension liability at end of year	<u>\$ 3,892,125</u>	<u>\$ 284,408</u>	<u>\$ 2,697,573</u>
Plan fiduciary net position as a percentage of the total pension liability	85.78 %	98.91 %	89.53 %
Covered payroll	\$ 4,552,571	\$ 4,262,532	\$ 4,070,853
Net pension liability as a percentage of covered payroll	85.49 %	6.67 %	66.27 %

Note to schedule:

The information in the schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

See independent auditor's report.

<u>2015</u>	<u>2014</u>
\$ 487,239	\$ 520,788
1,760,351	1,606,819
(60,465)	28,007
54,565	1,036,380
<u>(1,173,451)</u>	<u>(1,020,111)</u>
1,068,239	2,171,883
<u>23,845,794</u>	<u>21,673,911</u>
<u>\$ 24,914,033</u>	<u>\$ 23,845,794</u>
\$ 504,982	\$ 529,577
191,028	194,907
110,372	1,284,868
(1,173,451)	(1,020,111)
<u>5,468</u>	<u>112,653</u>
(361,601)	1,101,894
<u>22,313,120</u>	<u>21,211,226</u>
<u>\$ 21,951,519</u>	<u>\$ 22,313,120</u>
<u>\$ 2,962,514</u>	<u>\$ 1,532,674</u>
88.11 %	93.57 %
\$ 4,079,015	\$ 4,137,317
72.63 %	37.05 %

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
REQUIRED SUPPLEMENTARY INFORMATION -  
ILLINOIS MUNICIPAL RETIREMENT FUND**

**SCHEDULE OF DISTRICT CONTRIBUTIONS  
LAST FIVE FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 472,452	\$ 504,244	\$ 514,052
Actual contribution	<u>472,452</u>	<u>504,244</u>	<u>514,052</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,770,151	\$ 4,426,770	\$ 4,154,464
Actual contribution as a percentage of covered payroll	9.90 %	11.39 %	12.37 %

Note to schedule:

The information in the schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

**SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED  
IN THE CALCULATION OF THE CONTRIBUTION RATE \***

*Valuation Date.* 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.

*Methods and Assumptions used to Determine Contribution Rates.*

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	27-year closed period
Asset valuation method	Market Related Value that reflects five-year averaging of investment gains and losses, subject to a 20% corridor
Price inflation	2.50%
Salary increases	3.39% to 14.25%, including inflation
Investment rate of return	7.25%
Retirement age	Varies by age and sex.

See independent auditor's report.

<u>2015</u>	<u>2014</u>
\$ 518,095	\$ 536,553
<u>518,095</u>	<u>536,553</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 4,017,202	\$ 4,211,381
12.90 %	12.74 %



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
REQUIRED SUPPLEMENTARY INFORMATION -  
ILLINOIS MUNICIPAL RETIREMENT FUND**

**Mortality**

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience. Among the active members, 75% of males and 70% of females were assumed to be married.

*Other information:*

**Notes**

There were no benefit changes during the year.

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
REQUIRED SUPPLEMENTARY INFORMATION -  
TEACHER HEALTH INSURANCE SECURITY FUND**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET OPEB LIABILITY**

	<u>June 30, 2018 *</u>	<u>June 30, 2017 *</u>
District's proportion of the net OPEB liability	0.072290 %	0.072665 %
District's proportionate share of the net OPEB liability	\$ 19,045,550	\$ 18,856,377
State's proportionate share of the net OPEB liability	<u>25,574,066</u>	<u>24,763,108</u>
Total net OPEB liability	<u>\$ 44,619,616</u>	<u>\$ 43,619,485</u>
Covered payroll	<u>\$ 17,160,898</u>	<u>\$ 16,713,808</u>
District's proportionate share of the net OPEB liability as a percentage of covered payroll	<u>260.01 %</u>	<u>260.98 %</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00 %</u>	<u>0.00 %</u>

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

**SCHEDULE OF DISTRICT CONTRIBUTIONS  
LAST TWO FISCAL YEARS**

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Statutorily-required contribution	\$ 162,609	\$ 151,016
Contributions in relation to the statutorily-required contribution	<u>162,609</u>	<u>151,016</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 17,674,865	\$ 17,160,898
Contributions as a percentage of covered payroll	0.92 %	0.88 %

The information in both schedules will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75.

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**REQUIRED SUPPLEMENTARY INFORMATION -**  
**POSTRETIREMENT HEALTH PLAN**

**SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL**  
**OPEB LIABILITY AND RELATED RATIOS**

Fiscal year ended June 30	<u>2019</u>	<u>2018</u>
Total OPEB liability:		
Service cost	\$ 146,927	\$ 141,453
Interest	87,185	81,426
Changes of assumptions or other inputs	86,895	-
Benefit payments	<u>(87,253)</u>	<u>(60,914)</u>
Net change in total OPEB liability	233,754	161,965
Total OPEB liability at beginning of year	<u>2,296,469</u>	<u>2,134,504</u>
Total OPEB liability at end of year	<u>\$ 2,530,223</u>	<u>\$ 2,296,469</u>
Covered-employee payroll	<u>\$ 22,268,092</u>	<u>\$ 19,721,244</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>11.36 %</u>	<u>11.64 %</u>

Notes to schedule:

No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related OPEB benefits.

The information in the schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75.

See independent auditor's report.

**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**

## **MAJOR GOVERNMENTAL FUNDS**

**GENERAL FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**GENERAL FUND**  
**COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS**  
**JUNE 30, 2019**  
**WITH COMPARATIVE TOTALS FOR JUNE 30, 2018**

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Technology Leasing</u>	<u>Tort</u>
<b>ASSETS</b>				
Equity in pooled cash and investments	\$ 22,949,824	\$ 3,080,613	\$ 1,664,093	\$ 617,139
Receivables:				
Property taxes	12,694,916	1,523,795	2,455	99,701
Entitlements	621,246	-	-	-
Accrued interest	137,513	17,587	9,362	3,408
Prepaid items	-	-	-	52,349
Total assets	<u>\$ 36,403,499</u>	<u>\$ 4,621,995</u>	<u>\$ 1,675,910</u>	<u>\$ 772,597</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 266,828	\$ 249,392	\$ -	\$ -
Unearned entitlement revenue	<u>25,588</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>292,416</u>	<u>249,392</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes levied for future period	<u>13,025,385</u>	<u>1,563,592</u>	<u>2,498</u>	<u>102,408</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	52,349
Restricted	-	-	-	617,840
Assigned	-	714,812	-	-
Unassigned	<u>23,085,698</u>	<u>2,094,199</u>	<u>1,673,412</u>	<u>-</u>
Total fund balances	<u>23,085,698</u>	<u>2,809,011</u>	<u>1,673,412</u>	<u>670,189</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 36,403,499</u>	<u>\$ 4,621,995</u>	<u>\$ 1,675,910</u>	<u>\$ 772,597</u>

See independent auditor's report.

Working Cash	Totals	
	2019	2018
\$ 561,805	\$ 28,873,474	\$ 28,705,237
138,664	14,459,531	13,080,335
-	621,246	462,127
1,891	169,761	166,008
-	52,349	57,416
<u>\$ 702,360</u>	<u>\$ 44,176,361</u>	<u>\$ 42,471,123</u>
\$ -	\$ 516,220	\$ 218,677
-	25,588	-
-	541,808	218,677
142,372	14,836,255	14,071,841
-	52,349	57,416
-	617,840	541,514
-	714,812	1,692,940
<u>559,988</u>	<u>27,413,297</u>	<u>25,888,735</u>
<u>559,988</u>	<u>28,798,298</u>	<u>28,180,605</u>
<u>\$ 702,360</u>	<u>\$ 44,176,361</u>	<u>\$ 42,471,123</u>



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**GENERAL FUND**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2019**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Technology Leasing</u>	<u>Tort</u>
Revenues:				
Local sources:				
Property taxes	\$ 24,983,204	\$ 3,070,134	\$ 4,904	\$ 249,202
Investment income	858,124	109,750	58,424	21,268
Other	<u>711,186</u>	<u>31,958</u>	<u>-</u>	<u>-</u>
Total local sources	<u>26,552,514</u>	<u>3,211,842</u>	<u>63,328</u>	<u>270,470</u>
State sources:				
Evidence based funding	2,565,598	-	-	-
Grants-in-aid	<u>766,153</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total state sources	<u>3,331,751</u>	<u>-</u>	<u>-</u>	<u>-</u>
Federal sources:				
Grants-in-aid	<u>1,879,611</u>	<u>-</u>	<u>-</u>	<u>-</u>
On behalf revenues	<u>12,317,225</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>44,081,101</u>	<u>3,211,842</u>	<u>63,328</u>	<u>270,470</u>
Expenditures:				
Current:				
Instruction	<u>34,612,674</u>	<u>-</u>	<u>-</u>	<u>-</u>
Support services:				
Pupils	2,696,536	-	-	-
Instructional staff	1,209,558	-	-	-
General administration	1,177,355	-	-	199,211
School administration	1,593,886	-	-	-
Business	1,126,765	3,253,271	-	-
Central	254,013	-	-	-
Other	<u>298</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total support services	<u>8,058,411</u>	<u>3,253,271</u>	<u>-</u>	<u>199,211</u>
Community services	<u>314,933</u>	<u>-</u>	<u>-</u>	<u>-</u>

See independent auditor's report.

<b>Working Cash</b>	<b>Totals</b>	
	<b>2019</b>	<b>2018</b>
\$ 279,330	\$ 28,586,774	\$ 26,518,809
11,803	1,059,369	472,785
-	743,144	777,794
<u>291,133</u>	<u>30,389,287</u>	<u>27,769,388</u>
-	2,565,598	2,510,686
-	766,153	631,447
-	3,331,751	3,142,133
-	1,879,611	1,982,425
-	12,317,225	7,822,693
<u>291,133</u>	<u>47,917,874</u>	<u>40,716,639</u>
-	34,612,674	29,037,771
-	2,696,536	2,512,586
-	1,209,558	1,299,824
-	1,376,566	1,318,032
-	1,593,886	1,454,147
-	4,380,036	4,250,627
-	254,013	256,593
-	298	249
-	11,510,893	11,092,058
-	314,933	227,034
		(continued)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
GENERAL FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Technology Leasing</u>	<u>Tort</u>
Intergovernmental:				
Payments to other districts and government units	<u>645,361</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay	<u>138,227</u>	<u>78,093</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>43,769,606</u>	<u>3,331,364</u>	<u>-</u>	<u>199,211</u>
Excess (deficiency) of revenues over expenditures	<u>311,495</u>	<u>(119,522)</u>	<u>63,328</u>	<u>71,259</u>
Other financing sources (uses):				
Bonds issued	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Intrafund transfers in (out)	<u>-</u>	<u>14,000,000</u>	<u>-</u>	<u>-</u>
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers out	<u>-</u>	<u>(14,000,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>311,495</u>	<u>(119,522)</u>	<u>63,328</u>	<u>71,259</u>
Fund balances at beginning of year	<u>22,774,203</u>	<u>2,928,533</u>	<u>1,610,084</u>	<u>598,930</u>
Fund balances at end of year	<u>\$ 23,085,698</u>	<u>\$ 2,809,011</u>	<u>\$ 1,673,412</u>	<u>\$ 670,189</u>

See independent auditor's report.

<b>Working Cash</b>	<b>Totals</b>	
	<b>2019</b>	<b>2018</b>
-	645,361	996,633
-	216,320	141,701
-	47,300,181	41,495,197
291,133	617,693	(778,558)
14,000,000	14,000,000	-
(14,000,000)	-	-
-	-	1,800,000
-	(14,000,000)	(6,000,000)
-	-	(4,200,000)
291,133	617,693	(4,978,558)
268,855	28,180,605	33,159,163
<u>\$ 559,988</u>	<u>\$ 28,798,298</u>	<u>\$ 28,180,605</u>
		(concluded)

**EDUCATIONAL FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**EDUCATIONAL FUND**  
**BALANCE SHEET**  
**JUNE 30, 2019**  
**WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Equity in pooled cash and investments	\$ 22,949,824	\$ 23,241,072
Receivables:		
Property taxes	12,694,916	11,376,195
Entitlements	621,246	462,127
Accrued interest	<u>137,513</u>	<u>105,785</u>
Total assets	<u>\$ 36,403,499</u>	<u>\$ 35,185,179</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 266,828	\$ 172,559
Unearned entitlement revenue	<u>25,588</u>	<u>-</u>
Total liabilities	<u>292,416</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	<u>13,025,385</u>	<u>12,238,417</u>
<b>FUND BALANCES</b>		
Assigned	-	1,125,389
Unassigned	<u>23,085,698</u>	<u>21,648,814</u>
Total fund balances	<u>23,085,698</u>	<u>22,774,203</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 36,403,499</u>	<u>\$ 35,185,179</u>

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**EDUCATIONAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2019**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>2019</u>			<u>2018</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Local sources:				
Property taxes	\$ 24,336,156	\$ 24,983,204	\$ 647,048	\$ 22,664,660
Investment income	450,000	858,124	408,124	301,272
Other	612,500	711,186	98,686	747,275
Total local sources	<u>25,398,656</u>	<u>26,552,514</u>	<u>1,153,858</u>	<u>23,713,207</u>
State sources:				
Evidence based funding	2,503,331	2,565,598	62,267	2,510,686
Grants-in-aid	813,099	766,153	(46,946)	631,447
Total state sources	<u>3,316,430</u>	<u>3,331,751</u>	<u>15,321</u>	<u>3,142,133</u>
Federal sources:				
Grants-in-aid	1,882,152	1,879,611	(2,541)	1,982,425
On behalf revenues	-	12,317,225	12,317,225	7,822,693
Total revenues	<u>30,597,238</u>	<u>44,081,101</u>	<u>13,483,863</u>	<u>36,660,458</u>
Expenditures:				
Current:				
Instruction	22,049,068	34,612,674	(12,563,606)	29,037,771
Support services:				
Pupils	2,610,912	2,696,536	(85,624)	2,512,586
Instructional staff	1,444,425	1,209,558	234,867	1,299,824
General administration	1,183,718	1,177,355	6,363	1,059,341
School administration	1,532,211	1,593,886	(61,675)	1,454,147
Business	1,210,289	1,126,765	83,524	1,038,051
Central	281,300	254,013	27,287	256,593
Other	300	298	2	249
Total support services	<u>8,263,155</u>	<u>8,058,411</u>	<u>204,744</u>	<u>7,620,791</u>
Community services	386,220	314,933	71,287	227,034
Intergovernmental:				
Payments to other districts and government units	903,084	645,361	257,723	996,633
Capital outlay	121,100	138,227	(17,127)	120,931
Total expenditures	<u>31,722,627</u>	<u>43,769,606</u>	<u>(12,046,979)</u>	<u>38,003,160</u>

(continued)

See independent auditor's report.

	2019			2018
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Excess (deficiency) of revenues over expenditures	(1,125,389)	311,495	1,436,884	(1,342,702)
Other financing sources (uses):				
Intrafund transfers in	-	-	-	5,997,181
Transfers in	-	-	-	1,800,000
Transfers out	(5,000,000)	-	5,000,000	-
Total other financing sources (uses)	(5,000,000)	-	5,000,000	7,797,181
Net change in fund balances	(6,125,389)	311,495	6,436,884	6,454,479
Fund balances at beginning of year	22,774,203	22,774,203	-	16,319,724
Fund balances at end of year	\$ 16,648,814	\$ 23,085,698	\$ 6,436,884	\$ 22,774,203
				(concluded)



**OPERATIONS AND MAINTENANCE FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**OPERATIONS AND MAINTENANCE FUND**  
**BALANCE SHEET**  
**JUNE 30, 2019**  
**WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Equity in pooled cash and investments	\$ 3,080,613	\$ 3,066,414
Receivables:		
Property taxes	1,523,795	1,432,422
Accrued interest	<u>17,587</u>	<u>16,788</u>
Total assets	<u>\$ 4,621,995</u>	<u>\$ 4,515,624</u>
<b>LIABILITIES</b>		
Accounts payable	<u>\$ 249,392</u>	<u>\$ 46,118</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	<u>1,563,592</u>	<u>1,540,973</u>
<b>FUND BALANCES</b>		
Assigned	714,812	567,551
Unassigned	<u>2,094,199</u>	<u>2,360,982</u>
Total fund balances	<u>2,809,011</u>	<u>2,928,533</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,621,995</u>	<u>\$ 4,515,624</u>

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**OPERATIONS AND MAINTENANCE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2019**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>2019</u>			<u>2018</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Local sources:				
Property taxes	\$ 3,060,807	\$ 3,070,134	\$ 9,327	\$ 3,012,411
Investment income	-	109,750	109,750	47,813
Other	<u>20,000</u>	<u>31,958</u>	<u>11,958</u>	<u>30,519</u>
Total local sources	3,080,807	3,211,842	131,035	3,090,743
State sources:				
Grants-in aid	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>	<u>-</u>
Total revenues	<u>3,090,807</u>	<u>3,211,842</u>	<u>121,035</u>	<u>3,090,743</u>
Expenditures:				
Current:				
Support services:				
Business	3,318,358	3,253,271	65,087	3,212,576
Capital outlay	<u>340,000</u>	<u>78,093</u>	<u>261,907</u>	<u>20,770</u>
Total expenditures	<u>3,658,358</u>	<u>3,331,364</u>	<u>326,994</u>	<u>3,233,346</u>
Deficiency of revenues over expenditures	<u>(567,551)</u>	<u>(119,522)</u>	<u>448,029</u>	<u>(142,603)</u>
Other financing sources (uses):				
Intrafund transfers in	14,000,000	14,000,000	-	6,000,000
Transfers out	<u>(15,000,000)</u>	<u>(14,000,000)</u>	<u>1,000,000</u>	<u>(6,000,000)</u>
Total other financing sources (uses)	<u>(1,000,000)</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>
Net change in fund balances	(1,567,551)	(119,522)	1,448,029	(142,603)
Fund balances at beginning of year	<u>2,928,533</u>	<u>2,928,533</u>	<u>-</u>	<u>3,071,136</u>
Fund balances at end of year	<u>\$ 1,360,982</u>	<u>\$ 2,809,011</u>	<u>\$ 1,448,029</u>	<u>\$ 2,928,533</u>

See independent auditor's report.

**TECHNOLOGY LEASING FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**TECHNOLOGY LEASING FUND**  
**BALANCE SHEET**  
**JUNE 30, 2019**  
**WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Equity in pooled cash and investments	\$ 1,664,093	\$ 1,602,308
Receivables:		
Property taxes	2,455	2,341
Accrued interest	<u>9,362</u>	<u>7,933</u>
Total assets	<u>\$ 1,675,910</u>	<u>\$ 1,612,582</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	\$ 2,498	\$ 2,498
<b>FUND BALANCES</b>		
Unassigned	<u>1,673,412</u>	<u>1,610,084</u>
Total deferred inflows of resources and fund balances	<u>\$ 1,675,910</u>	<u>\$ 1,612,582</u>

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**TECHNOLOGY LEASING FUND**  
**SCHEDULE OF REVENUES AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2019**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>2019</u>			<u>2018</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Local sources:				
Property taxes	\$ -	\$ 4,904	\$ 4,904	\$ 269,830
Investment income	-	58,424	58,424	22,592
Total revenues	-	63,328	63,328	292,422
Fund balances at beginning of year	<u>1,610,084</u>	<u>1,610,084</u>	<u>-</u>	<u>1,317,662</u>
Fund balances at end of year	<u>\$ 1,610,084</u>	<u>\$ 1,673,412</u>	<u>\$ 63,328</u>	<u>\$ 1,610,084</u>

See independent auditor's report.

**TORT FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**TORT FUND**  
**BALANCE SHEET**  
**JUNE 30, 2019**  
**WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018**

<b>ASSETS</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Equity in pooled cash and investments	\$ 617,139	\$ 549,340
Receivables:		
Property taxes	99,701	139,157
Accrued interest	3,408	2,882
Prepaid items	<u>52,349</u>	<u>57,416</u>
Total assets	<u><u>\$ 772,597</u></u>	<u><u>\$ 748,795</u></u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	<u>\$ 102,408</u>	<u>\$ 149,865</u>
 <b>FUND BALANCES</b>		
Nonspendable	52,349	57,416
Restricted	<u>617,840</u>	<u>541,514</u>
Total fund balances	<u>670,189</u>	<u>598,930</u>
Total deferred inflows of resources and fund balances	<u><u>\$ 772,597</u></u>	<u><u>\$ 748,795</u></u>

See independent auditor's report.



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**TORT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2019**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>2019</u>			<u>2018</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Local sources:				
Property taxes	\$ 245,011	\$ 249,202	\$ 4,191	\$ 298,154
Investment income	<u>5,000</u>	<u>21,268</u>	<u>16,268</u>	<u>8,208</u>
Total revenues	250,011	270,470	20,459	306,362
Expenditures:				
Current:				
Support services:				
General administration	<u>261,000</u>	<u>199,211</u>	<u>61,789</u>	<u>258,691</u>
Excess (deficiency) of revenues over expenditures	(10,989)	71,259	82,248	47,671
Fund balances at beginning of year	<u>598,930</u>	<u>598,930</u>	<u>-</u>	<u>551,259</u>
Fund balances at end of year	<u>\$ 587,941</u>	<u>\$ 670,189</u>	<u>\$ 82,248</u>	<u>\$ 598,930</u>

See independent auditor's report.

**WORKING CASH FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**WORKING CASH FUND**  
**BALANCE SHEET**  
**JUNE 30, 2019**  
**WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018**

<b>ASSETS</b>	<u><b>2019</b></u>	<u><b>2018</b></u>
Equity in pooled cash and investments	\$ 561,805	\$ 246,103
Receivables:		
Property taxes	138,664	130,220
Accrued interest	<u>1,891</u>	<u>32,620</u>
Total assets	<u><u>\$ 702,360</u></u>	<u><u>\$ 408,943</u></u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	\$ 142,372	\$ 140,088
 <b>FUND BALANCES</b>		
Unassigned	<u>559,988</u>	<u>268,855</u>
Total deferred inflows of resources and fund balances	<u><u>\$ 702,360</u></u>	<u><u>\$ 408,943</u></u>

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**WORKING CASH FUND**  
**SCHEDULE OF REVENUES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2019**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>2019</u>			<u>2018</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Local sources:				
Property taxes	\$ 279,614	\$ 279,330	\$ (284)	\$ 273,754
Investment income	<u>-</u>	<u>11,803</u>	<u>11,803</u>	<u>92,900</u>
Total revenues	<u>279,614</u>	<u>291,133</u>	<u>11,519</u>	<u>366,654</u>
Other financing sources (uses):				
Bonds issued	14,000,000	14,000,000	-	-
Intrafund transfers out	<u>(14,000,000)</u>	<u>(14,000,000)</u>	<u>-</u>	<u>(11,997,181)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,997,181)</u>
Net change in fund balances	279,614	291,133	11,519	(11,630,527)
Fund balances at beginning of year	<u>268,855</u>	<u>268,855</u>	<u>-</u>	<u>11,899,382</u>
Fund balances at end of year	<u>\$ 548,469</u>	<u>\$ 559,988</u>	<u>\$ 11,519</u>	<u>\$ 268,855</u>

See independent auditor's report.

**SPECIAL REVENUE FUND**

**TRANSPORTATION FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**TRANSPORTATION FUND**  
**BALANCE SHEET**  
**JUNE 30, 2019**  
**WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Equity in pooled cash and investments	\$ 2,036,106	\$ 1,097,771
Receivables:		
Property taxes	885,990	742,944
Entitlements	185,255	188,053
Accrued interest	<u>9,004</u>	<u>5,475</u>
Total assets	<u>\$ 3,116,355</u>	<u>\$ 2,034,243</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 17,921	\$ -
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	909,181	799,280
<b>FUND BALANCES</b>		
Assigned	<u>2,189,253</u>	<u>1,234,963</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,116,355</u>	<u>\$ 2,034,243</u>

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**TRANSPORTATION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2019**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	<b>2019</b>			<b>2018</b>
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>Actual</b>
Revenues:				
Local sources:				
Property taxes	\$ 1,698,484	\$ 1,690,662	\$ (7,822)	\$ 2,805,438
Investment income	-	56,187	56,187	15,593
Other	<u>20,000</u>	<u>21,070</u>	<u>1,070</u>	<u>21,852</u>
Total local sources	1,718,484	1,767,919	49,435	2,842,883
State sources:				
Grants-in-aid	<u>750,000</u>	<u>742,987</u>	<u>(7,013)</u>	<u>666,844</u>
Total revenues	2,468,484	2,510,906	42,422	3,509,727
Expenditures:				
Current:				
Support services:				
Business	<u>1,680,500</u>	<u>1,556,616</u>	<u>123,884</u>	<u>1,613,744</u>
Excess of revenues over expenditures	787,984	954,290	166,306	1,895,983
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,800,000)</u>
Net change in fund balances	787,984	954,290	166,306	95,983
Fund balances at beginning of year	<u>1,234,963</u>	<u>1,234,963</u>	<u>-</u>	<u>1,138,980</u>
Fund balances at end of year	<u>\$ 2,022,947</u>	<u>\$ 2,189,253</u>	<u>\$ 166,306</u>	<u>\$ 1,234,963</u>

See independent auditor's report.



**CAPITAL PROJECTS FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
CAPITAL PROJECTS FUND  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Equity in pooled cash and investments	\$ 5,349,696	\$ 5,014,650
Accrued interest receivable	<u>29,918</u>	<u>14,401</u>
Total assets	<u>\$ 5,379,614</u>	<u>\$ 5,029,051</u>
<b>LIABILITIES</b>		
Accounts payable	<u>\$ 1,972,252</u>	<u>\$ 177,028</u>
<b>FUND BALANCES</b>		
Committed	639,580	4,852,023
Assigned	<u>2,767,782</u>	<u>-</u>
Total fund balances	<u>3,407,362</u>	<u>4,852,023</u>
Total liabilities and fund balances	<u>\$ 5,379,614</u>	<u>\$ 5,029,051</u>

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2019**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>2019</u>			<u>2018</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Local sources:				
Investment income	<u>\$ -</u>	<u>\$ 186,695</u>	<u>\$ 186,695</u>	<u>\$ 41,012</u>
Expenditures:				
Current:				
Support services:				
Business	<u>-</u>	<u>12,032</u>	<u>(12,032)</u>	<u>69,606</u>
Capital outlay	<u>16,800,000</u>	<u>15,619,324</u>	<u>1,180,676</u>	<u>1,421,147</u>
Total expenditures	<u>16,800,000</u>	<u>15,631,356</u>	<u>1,168,644</u>	<u>1,490,753</u>
Deficiency of revenues over expenditures	<u>(16,800,000)</u>	<u>(15,444,661)</u>	<u>1,355,339</u>	<u>(1,449,741)</u>
Other financing sources:				
Transfers in	<u>20,000,000</u>	<u>14,000,000</u>	<u>(6,000,000)</u>	<u>6,000,000</u>
Net change in fund balances	<u>3,200,000</u>	<u>(1,444,661)</u>	<u>(4,644,661)</u>	<u>4,550,259</u>
Fund balances at beginning of year	<u>4,852,023</u>	<u>4,852,023</u>	<u>-</u>	<u>301,764</u>
Fund balances at end of year	<u>\$ 8,052,023</u>	<u>\$ 3,407,362</u>	<u>\$ (4,644,661)</u>	<u>\$ 4,852,023</u>

See independent auditor's report.

**NONMAJOR GOVERNMENTAL FUNDS**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2019**

		<u>Special Revenue</u>		<u>Capital Projects</u>	<u>Total Nonmajor</u>
	<u>Debt Services</u>	<u>Illinois Municipal Retirement</u>	<u>FICA/Medicare</u>	<u>Fire Prevention and Safety</u>	<u>Governmental Funds</u>
<b>ASSETS</b>					
Equity in pooled cash and investments	\$ 2,347,829	\$ 119,419	\$ 610,912	\$ 353,237	\$ 3,431,397
Receivables:					
Property taxes	494,432	204,630	309,242	2,455	1,010,759
Accrued interest	<u>16,517</u>	<u>722</u>	<u>3,606</u>	<u>2,010</u>	<u>22,855</u>
Total assets	<u>\$ 2,858,778</u>	<u>\$ 324,771</u>	<u>\$ 923,760</u>	<u>\$ 357,702</u>	<u>\$ 4,465,011</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property taxes levied for future period	\$ 1,030,333	\$ 209,811	\$ 317,214	\$ 2,498	\$ 1,559,856
<b>FUND BALANCES</b>					
Restricted	<u>1,828,445</u>	<u>114,960</u>	<u>606,546</u>	<u>355,204</u>	<u>2,905,155</u>
Total deferred inflows of resources and fund balances	<u>\$ 2,858,778</u>	<u>\$ 324,771</u>	<u>\$ 923,760</u>	<u>\$ 357,702</u>	<u>\$ 4,465,011</u>

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>Debt Services</u>	<u>Special Revenue Illinois Municipal Retirement</u>	<u>FICA/ Medicare</u>	<u>Capital Projects Fire Prevention and Safety</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:					
Local sources:					
Property taxes	\$ 2,522,180	\$ 473,308	\$ 605,611	\$ 4,904	\$ 3,606,003
Investment income	<u>100,902</u>	<u>4,505</u>	<u>22,503</u>	<u>12,544</u>	<u>140,454</u>
Total revenues	<u>2,623,082</u>	<u>477,813</u>	<u>628,114</u>	<u>17,448</u>	<u>3,746,457</u>
Expenditures:					
Current:					
Instruction	-	213,419	372,507	-	585,926
Support services	-	259,033	256,728	-	515,761
Debt service:					
Principal	3,120,000	-	-	-	3,120,000
Interest	864,235	-	-	-	864,235
Bond issuance costs	<u>282,565</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>282,565</u>
Total expenditures	<u>4,266,800</u>	<u>472,452</u>	<u>629,235</u>	<u>-</u>	<u>5,368,487</u>
Excess (deficiency) of revenues over expenditures	<u>(1,643,718)</u>	<u>5,361</u>	<u>(1,121)</u>	<u>17,448</u>	<u>(1,622,030)</u>
Other financing sources (uses):					
Refunding bonds issued	7,110,000	-	-	-	7,110,000
Premium on refunding bonds issued	975,698	-	-	-	975,698
Payment to refunded bond escrow agent	<u>(7,800,965)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,800,965)</u>
Total other financing sources (uses)	<u>284,733</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>284,733</u>
Net change in fund balances	(1,358,985)	5,361	(1,121)	17,448	(1,337,297)
Fund balances at beginning of year	<u>3,187,430</u>	<u>109,599</u>	<u>607,667</u>	<u>337,756</u>	<u>4,242,452</u>
Fund balances at end of year	<u>\$ 1,828,445</u>	<u>\$ 114,960</u>	<u>\$ 606,546</u>	<u>\$ 355,204</u>	<u>\$ 2,905,155</u>

See independent auditor's report.

**DEBT SERVICES FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**DEBT SERVICES FUND**  
**BALANCE SHEET**  
**JUNE 30, 2019**  
**WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Equity in pooled cash and investments	\$ 2,347,829	\$ 3,277,396
Receivables:		
Property taxes	494,432	1,418,892
Accrued interest	<u>16,517</u>	<u>17,387</u>
Total assets	<u>\$ 2,858,778</u>	<u>\$ 4,713,675</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	\$ 1,030,333	\$ 1,526,245
<b>FUND BALANCES</b>		
Restricted	<u>1,828,445</u>	<u>3,187,430</u>
Total deferred inflows of resources and fund balances	<u>\$ 2,858,778</u>	<u>\$ 4,713,675</u>

See independent auditor's report.



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**DEBT SERVICES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2019**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>2019</u>			<u>2018</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Local sources:				
Property taxes	\$ 3,011,041	\$ 2,522,180	\$ (488,861)	\$ 3,039,929
Investment income	<u>100,000</u>	<u>100,902</u>	<u>902</u>	<u>49,518</u>
Total revenues	<u>3,111,041</u>	<u>2,623,082</u>	<u>(487,959)</u>	<u>3,089,447</u>
Expenditures:				
Debt service:				
Principal	3,120,000	3,120,000	-	2,275,000
Interest	867,435	864,235	3,200	646,714
Bond issuance costs	<u>-</u>	<u>282,565</u>	<u>(282,565)</u>	<u>-</u>
Total expenditures	<u>3,987,435</u>	<u>4,266,800</u>	<u>(279,365)</u>	<u>2,921,714</u>
Excess (deficiency) of revenues over expenditures	<u>(876,394)</u>	<u>(1,643,718)</u>	<u>(767,324)</u>	<u>167,733</u>
Other financing sources (uses):				
Refunding bonds issued	-	7,110,000	7,110,000	-
Premium on refunding bonds issued	-	975,698	975,698	-
Payment to refunded bond escrow agent	<u>-</u>	<u>(7,800,965)</u>	<u>(7,800,965)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>284,733</u>	<u>284,733</u>	<u>-</u>
Net change in fund balances	(876,394)	(1,358,985)	(482,591)	167,733
Fund balances at beginning of year	<u>3,187,430</u>	<u>3,187,430</u>	<u>-</u>	<u>3,019,697</u>
Fund balances at end of year	<u>\$ 2,311,036</u>	<u>\$ 1,828,445</u>	<u>\$ (482,591)</u>	<u>\$ 3,187,430</u>

See independent auditor's report.

**SPECIAL REVENUE FUNDS**

**ILLINOIS MUNICIPAL RETIREMENT FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**BALANCE SHEET**  
**JUNE 30, 2019**  
**WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Equity in pooled cash and investments	\$ 119,419	\$ 127,767
Receivables:		
Property taxes	204,630	250,881
Accrued interest	<u>722</u>	<u>708</u>
Total assets	<u>\$ 324,771</u>	<u>\$ 379,356</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	\$ 209,811	\$ 269,757
<b>FUND BALANCES</b>		
Restricted	<u>114,960</u>	<u>109,599</u>
Total deferred inflows of resources and fund balances	<u>\$ 324,771</u>	<u>\$ 379,356</u>

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2019**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>2019</u>			<u>2018</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Local sources:				
Property taxes	\$ 471,862	\$ 473,308	\$ 1,446	\$ 493,084
Investment income	8,000	4,505	(3,495)	2,015
Total revenues	<u>479,862</u>	<u>477,813</u>	<u>(2,049)</u>	<u>495,099</u>
Expenditures:				
Current:				
Instruction	<u>536,800</u>	<u>213,419</u>	<u>323,381</u>	<u>214,706</u>
Support services:				
Pupils	-	43,154	(43,154)	40,765
Instructional staff	-	22,833	(22,833)	24,284
General administration	39,400	18,277	21,123	20,774
School administration	60,000	25,279	34,721	29,542
Business	-	142,693	(142,693)	166,637
Central	<u>12,300</u>	<u>6,797</u>	<u>5,503</u>	<u>7,536</u>
Total support services	<u>111,700</u>	<u>259,033</u>	<u>(147,333)</u>	<u>289,538</u>
Total expenditures	<u>648,500</u>	<u>472,452</u>	<u>176,048</u>	<u>504,244</u>
Excess (deficiency) of revenues over expenditures	(168,638)	5,361	173,999	(9,145)
Fund balances at beginning of year	<u>109,599</u>	<u>109,599</u>	<u>-</u>	<u>118,744</u>
Fund balances (deficit) at end of year	<u>\$ (59,039)</u>	<u>\$ 114,960</u>	<u>\$ 173,999</u>	<u>\$ 109,599</u>

See independent auditor's report.

**FICA/MEDICARE FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**FICA/MEDICARE FUND**  
**BALANCE SHEET**  
**JUNE 30, 2019**  
**WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Equity in pooled cash and investments	\$ 610,912	\$ 625,053
Receivables:		
Property taxes	309,242	273,963
Accrued interest	<u>3,606</u>	<u>3,385</u>
Total assets	<u>\$ 923,760</u>	<u>\$ 902,401</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	\$ 317,214	\$ 294,734
<b>FUND BALANCES</b>		
Restricted	<u>606,546</u>	<u>607,667</u>
Total deferred inflows of resources and fund balances	<u>\$ 923,760</u>	<u>\$ 902,401</u>

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**FICA/MEDICARE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2019**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>2019</u>			<u>2018</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Local sources:				
Property taxes	\$ 608,387	\$ 605,611	\$ (2,776)	\$ 581,797
Investment income	-	22,503	22,503	9,641
Total revenues	<u>608,387</u>	<u>628,114</u>	<u>19,727</u>	<u>591,438</u>
Expenditures:				
Current:				
Instruction	<u>7,400</u>	<u>372,507</u>	<u>(365,107)</u>	<u>338,560</u>
Support services:				
Pupils	91,400	57,685	33,715	52,423
Instructional staff	36,700	19,576	17,124	19,666
General administration	200	19,956	(19,756)	19,762
School administration	-	32,607	(32,607)	32,116
Business	287,800	122,101	165,699	121,646
Central	<u>-</u>	<u>4,803</u>	<u>(4,803)</u>	<u>4,680</u>
Total support services	<u>416,100</u>	<u>256,728</u>	<u>159,372</u>	<u>250,293</u>
Total expenditures	<u>423,500</u>	<u>629,235</u>	<u>(205,735)</u>	<u>588,853</u>
Excess of (deficiency) revenues over expenditures	184,887	(1,121)	(186,008)	2,585
Fund balances at beginning of year	<u>607,667</u>	<u>607,667</u>	<u>-</u>	<u>605,082</u>
Fund balances at end of year	<u>\$ 792,554</u>	<u>\$ 606,546</u>	<u>\$ (186,008)</u>	<u>\$ 607,667</u>

See independent auditor's report.



**CAPITAL PROJECTS FUND**

**FIRE PREVENTION AND SAFETY FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
FIRE PREVENTION AND SAFETY FUND  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Equity in pooled cash and investments	\$ 353,237	\$ 336,114
Receivables:		
Property taxes	2,455	2,341
Accrued interest	<u>2,010</u>	<u>1,799</u>
Total assets	<u>\$ 357,702</u>	<u>\$ 340,254</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	\$ 2,498	\$ 2,498
 <b>FUND BALANCES</b>		
Restricted	<u>355,204</u>	<u>337,756</u>
Total deferred inflows of resources and fund balances	<u>\$ 357,702</u>	<u>\$ 340,254</u>

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
FIRE PREVENTION AND SAFETY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018**

	<u>2019</u>			<u>2018</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Local sources:				
Property taxes	\$ 4,158	\$ 4,904	\$ 746	\$ 5,015
Investment income	<u>1,000</u>	<u>12,544</u>	<u>11,544</u>	<u>5,118</u>
Total revenues	5,158	17,448	12,290	10,133
Expenditures:				
Current:				
Support services:				
Business	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Excess of revenues over expenditures	158	17,448	17,290	10,133
Fund balances at beginning of year	<u>337,756</u>	<u>337,756</u>	<u>-</u>	<u>327,623</u>
Fund balances at end of year	<u>\$ 337,914</u>	<u>\$ 355,204</u>	<u>\$ 17,290</u>	<u>\$ 337,756</u>

See independent auditor's report.

**FIDUCIARY FUND**

**STUDENT ACTIVITY AGENCY FUND**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
STUDENT ACTIVITY AGENCY FUND  
STATEMENT OF CHANGES IN FIDUCIARY  
ASSETS AND LIABILITIES  
YEAR ENDED JUNE 30, 2019**

	<u>Balance</u> <u>July 1, 2018</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2019</u>
<b>ASSETS</b>				
Cash	\$ 86,831	\$ 305,255	\$ 299,195	\$ 92,891
<b>LIABILITIES</b>				
Due to student activity fund organizations	\$ 86,831	\$ 305,255	\$ 299,195	\$ 92,891

See independent auditor's report.

## **SUPPLEMENTARY INFORMATION**



**SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET**

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET**  
**YEAR ENDED JUNE 30, 2019**

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
<b>Educational Fund:</b>				
Instruction:				
Regular programs	\$ 10,246,564	\$ 2,454,331	\$ 273,321	\$ 877,522
Special education programs	3,281,453	896,080	23,984	27,720
Special education programs pre-K	217,545	45,365	-	-
Remedial and supplemental programs K-12	565,336	119,747	-	-
Remedial and supplemental programs pre-K	310,344	40,675	6,743	10,118
Interscholastic programs	264,328	3,780	6,071	23,639
Summer school programs	174,342	1,738	-	(394)
Gifted programs	274,877	36,794	4,708	1,349
Bilingual programs	798,875	209,260	2,655	10,188
Truants' alternative and optional programs	5,273	72	-	-
Special education programs K-12 - private tuition	-	-	-	-
On behalf expenditures	-	12,317,225	-	-
Total instruction	<u>16,138,937</u>	<u>16,125,067</u>	<u>317,482</u>	<u>950,142</u>
Support services:				
Pupils:				
Attendance and social work services	613,631	106,836	77	-
Health services	486,060	124,280	56,169	6,861
Psychological services	200,495	44,242	30,244	-
Speech pathology and audiology services	<u>796,408</u>	<u>186,170</u>	<u>26,634</u>	<u>261</u>
Total pupils	<u>2,096,594</u>	<u>461,528</u>	<u>113,124</u>	<u>7,122</u>
Instructional staff:				
Improvement of instruction services	345,267	51,078	127,618	14,601
Educational media services	402,475	76,878	1,563	137,651
Assessment and testing	-	-	35,625	16,071
Total instructional staff	<u>747,742</u>	<u>127,956</u>	<u>164,806</u>	<u>168,323</u>

See independent auditor's report.

<u>Capital Outlay</u>	<u>Other Objects</u>	<u>Non- Capitalized Equipment</u>	<u>Termination Benefits</u>	<u>Totals</u>		
				<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
\$ 138,227	\$ -	\$ 502,826	\$ -	\$ 14,492,791	\$ 14,422,657	\$ (70,134)
-	-	-	-	4,229,237	4,182,026	(47,211)
-	-	-	-	262,910	144,641	(118,269)
-	-	-	-	685,083	604,773	(80,310)
-	-	-	-	367,880	456,486	88,606
-	-	2,748	-	300,566	302,150	1,584
-	-	-	-	175,686	174,850	(836)
-	-	-	-	317,728	350,157	32,429
-	-	-	-	1,020,978	1,027,328	6,350
-	-	-	-	5,345	5,100	(245)
-	575,472	-	-	575,472	500,000	(75,472)
-	-	-	-	12,317,225	-	(12,317,225)
<u>138,227</u>	<u>575,472</u>	<u>505,574</u>	<u>-</u>	<u>34,750,901</u>	<u>22,170,168</u>	<u>(12,580,733)</u>
-	-	-	-	720,544	721,881	1,337
-	-	18,168	-	691,538	673,687	(17,851)
-	-	-	-	274,981	292,443	17,462
-	-	-	-	1,009,473	922,901	(86,572)
-	-	18,168	-	2,696,536	2,610,912	(85,624)
-	731	-	-	539,295	698,502	159,207
-	-	-	-	618,567	677,541	58,974
-	-	-	-	51,696	68,382	16,686
-	731	-	-	1,209,558	1,444,425	234,867

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET**  
**YEAR ENDED JUNE 30, 2019**

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
<b>Educational Fund - continued:</b>				
Support services - continued:				
General administration:				
Board of Education services	-	73,818	231,670	35,230
Executive administration services	335,422	89,051	-	2,384
Special area administrative services	<u>266,631</u>	<u>64,157</u>	<u>1,785</u>	<u>1,427</u>
Total general administration	<u>602,053</u>	<u>227,026</u>	<u>233,455</u>	<u>39,041</u>
School administration:				
Office of the principal services	<u>1,168,563</u>	<u>406,142</u>	<u>1,246</u>	<u>13,280</u>
Business:				
Direction of business support services	112,709	36,208	2,927	-
Fiscal services	182,556	32,483	5,089	3,351
Pupil transportation services	-	-	48,784	-
Food services	<u>148,258</u>	<u>463</u>	<u>-</u>	<u>551,915</u>
Total business	<u>443,523</u>	<u>69,154</u>	<u>56,800</u>	<u>555,266</u>
Central:				
Information services	1,565	21	-	-
Staff services	71,640	20,576	67,966	174
Data processing services	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,949</u>
Total central	<u>73,205</u>	<u>20,597</u>	<u>67,966</u>	<u>64,123</u>
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>298</u>
Total support services	<u>5,131,680</u>	<u>1,312,403</u>	<u>637,397</u>	<u>847,453</u>
Community services	<u>218,063</u>	<u>47,979</u>	<u>14,454</u>	<u>34,437</u>

See independent auditor's report.

Capital Outlay	Other Objects	Non- Capitalized Equipment	Termination Benefits	Totals		
				Actual	Budget	Variance
-	71,141	-	-	411,859	427,315	15,456
-	4,389	-	-	431,246	427,628	(3,618)
-	250	-	-	334,250	328,775	(5,475)
-	75,780	-	-	1,177,355	1,183,718	6,363
-	4,655	-	-	1,593,886	1,532,211	(61,675)
-	2,022	-	-	153,866	161,152	7,286
-	-	-	-	223,479	236,371	12,892
-	-	-	-	48,784	30,250	(18,534)
-	-	-	-	700,636	782,516	81,880
-	2,022	-	-	1,126,765	1,210,289	83,524
-	-	-	-	1,586	5,050	3,464
-	829	-	-	161,185	208,150	46,965
-	-	27,293	-	91,242	68,100	(23,142)
-	829	27,293	-	254,013	281,300	27,287
-	-	-	-	298	300	2
-	84,017	45,461	-	8,058,411	8,263,155	204,744
-	-	-	-	314,933	386,220	71,287

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET**  
**YEAR ENDED JUNE 30, 2019**

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
<b>Educational Fund - continued:</b>				
Payments to other districts and government units:				
Payments for regular programs	-	-	340	-
Payments for special education programs	-	-	-	-
Total payments to other districts and government units	-	-	340	-
Total Educational Fund	<u>\$ 21,488,680</u>	<u>\$ 17,485,449</u>	<u>\$ 969,673</u>	<u>\$ 1,832,032</u>
<b>Operations and Maintenance Fund:</b>				
Support services:				
Business:				
Direction of business support services	\$ 26,438	\$ 8,493	\$ -	\$ -
Operation and maintenance of plant services	<u>1,356,775</u>	<u>225,528</u>	<u>598,025</u>	<u>766,763</u>
Total Operations and Maintenance Fund	<u>\$ 1,383,213</u>	<u>\$ 234,021</u>	<u>\$ 598,025</u>	<u>\$ 766,763</u>
<b>Tort Fund:</b>				
Support services:				
General administration	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 199,211</u>	<u>\$ -</u>
<b>Transportation Fund:</b>				
Support services:				
Business:				
Pupil transportation services	<u>\$ 8,997</u>	<u>\$ -</u>	<u>\$ 1,547,619</u>	<u>\$ -</u>
<b>Capital Projects Fund:</b>				
Support services:				
Business:				
Facilities acquisition and construction services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,205</u>	<u>\$ 7,827</u>

See independent auditor's report.

<u>Capital Outlay</u>	<u>Other Objects</u>	<u>Non- Capitalized Equipment</u>	<u>Termination Benefits</u>	<u>Actual</u>	<u>Totals Budget</u>	<u>Variance</u>
-	-	-	-	340	3,084	2,744
-	645,021	-	-	645,021	900,000	254,979
-	645,021	-	-	645,361	903,084	257,723
<u>\$ 138,227</u>	<u>\$ 1,304,510</u>	<u>\$ 551,035</u>	<u>\$ -</u>	<u>\$ 43,769,606</u>	<u>\$ 31,722,627</u>	<u>\$ (12,046,979)</u>
\$ -	\$ -	\$ -	\$ -	\$ 34,931	\$ 38,912	\$ 3,981
<u>78,093</u>	<u>-</u>	<u>271,249</u>	<u>-</u>	<u>3,296,433</u>	<u>3,619,446</u>	<u>323,013</u>
<u>\$ 78,093</u>	<u>\$ -</u>	<u>\$ 271,249</u>	<u>\$ -</u>	<u>\$ 3,331,364</u>	<u>\$ 3,658,358</u>	<u>\$ 326,994</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 199,211</u>	<u>\$ 261,000</u>	<u>\$ 61,789</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,556,616</u>	<u>\$ 1,680,500</u>	<u>\$ 123,884</u>
<u>\$ 15,619,324</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,631,356</u>	<u>\$ 16,800,000</u>	<u>\$ 1,168,644</u>

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET**  
**YEAR ENDED JUNE 30, 2019**

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
<b>Debt Services Fund:</b>				
Debt service:				
Principal	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Debt Services Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Illinois Municipal Retirement Fund:</b>				
Instruction:				
Regular programs	\$ -	\$ 45,359	\$ -	\$ -
Special education programs	-	147,422	-	-
Special education programs pre-K	-	14,986	-	-
Summer school programs	-	5,548	-	-
Bilingual programs	-	104	-	-
	<u>-</u>	<u>104</u>	<u>-</u>	<u>-</u>
Total instruction	<u>-</u>	<u>213,419</u>	<u>-</u>	<u>-</u>
Support services:				
Pupils:				
Health services	-	43,154	-	-
	<u>-</u>	<u>43,154</u>	<u>-</u>	<u>-</u>
Instructional staff:				
Improvement of instruction services	-	5,882	-	-
Educational media services	-	16,951	-	-
	<u>-</u>	<u>16,951</u>	<u>-</u>	<u>-</u>
Total instructional staff	<u>-</u>	<u>22,833</u>	<u>-</u>	<u>-</u>
General administration:				
Executive administration services	-	13,946	-	-
Special area administrative services	-	4,331	-	-
	<u>-</u>	<u>4,331</u>	<u>-</u>	<u>-</u>
Total general administration	<u>-</u>	<u>18,277</u>	<u>-</u>	<u>-</u>

See independent auditor's report.



Capital Outlay	Other Objects	Non- Capitalized Equipment	Termination Benefits	Totals		
				Actual	Budget	Variance
\$ -	\$ 3,120,000	\$ -	\$ -	\$ 3,120,000	\$ 3,120,000	\$ -
-	864,235	-	-	864,235	867,435	3,200
-	282,565	-	-	282,565	-	(282,565)
<u>\$ -</u>	<u>\$ 4,266,800</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,266,800</u>	<u>\$ 3,987,435</u>	<u>\$ (279,365)</u>
\$ -	\$ -	\$ -	\$ -	\$ 45,359	\$ 218,100	\$ 172,741
-	-	-	-	147,422	250,700	103,278
-	-	-	-	14,986	33,200	18,214
-	-	-	-	5,548	14,900	9,352
-	-	-	-	104	19,900	19,796
-	-	-	-	213,419	536,800	323,381
-	-	-	-	43,154	-	(43,154)
-	-	-	-	5,882	-	(5,882)
-	-	-	-	16,951	-	(16,951)
-	-	-	-	22,833	-	(22,833)
-	-	-	-	13,946	28,000	14,054
-	-	-	-	4,331	11,400	7,069
-	-	-	-	18,277	39,400	21,123

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET**  
**YEAR ENDED JUNE 30, 2019**

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
<b>Illinois Municipal Retirement Fund - continued:</b>				
Support services - continued:				
School administration:				
Office of the principal services	-	25,279	-	-
Business:				
Direction of business support services	-	18,136	-	-
Operation and maintenance of plant services	-	110,581	-	-
Food services	-	13,976	-	-
Total business	-	142,693	-	-
Central:				
Staff services	-	6,797	-	-
Total support services	-	259,033	-	-
Total Illinois Municipal Retirement Fund	\$ -	\$ 472,452	\$ -	\$ -
<b>FICA/Medicare Fund:</b>				
Instruction:				
Regular programs	\$ -	\$ 170,278	\$ -	\$ -
Special education programs	-	151,396	-	-
Special education programs pre-K	-	17,907	-	-
Remedial and supplemental programs K-12	-	7,049	-	-
Interscholastic programs	-	4,363	-	-
Summer school programs	-	5,727	-	-
Gifted programs	-	3,958	-	-
Bilingual programs	-	11,763	-	-
Truants' alternative and optional programs	-	66	-	-
Total instruction	-	372,507	-	-

See independent auditor's report.

Capital Outlay	Other Objects	Non- Capitalized Equipment	Termination Benefits	Totals		
				Actual	Budget	Variance
-	-	-	-	25,279	60,000	34,721
-	-	-	-	18,136	-	(18,136)
-	-	-	-	110,581	-	(110,581)
-	-	-	-	13,976	-	(13,976)
-	-	-	-	142,693	-	(142,693)
-	-	-	-	6,797	12,300	5,503
-	-	-	-	259,033	111,700	(147,333)
\$ -	\$ -	\$ -	\$ -	\$ 472,452	\$ 648,500	\$ 176,048
\$ -	\$ -	\$ -	\$ -	\$ 170,278	\$ -	\$ (170,278)
-	-	-	-	151,396	-	(151,396)
-	-	-	-	17,907	-	(17,907)
-	-	-	-	7,049	3,400	(3,649)
-	-	-	-	4,363	-	(4,363)
-	-	-	-	5,727	-	(5,727)
-	-	-	-	3,958	3,900	(58)
-	-	-	-	11,763	-	(11,763)
-	-	-	-	66	100	34
-	-	-	-	372,507	7,400	(365,107)

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET**  
**YEAR ENDED JUNE 30, 2019**

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
<b>FICA/Medicare Fund - continued:</b>				
Support services:				
Pupils:				
Attendance and social work services	-	8,861	-	-
Health services	-	32,094	-	-
Psychological services	-	2,789	-	-
Speech pathology and audiology services	-	13,941	-	-
Total pupils	-	57,685	-	-
Instructional staff:				
Improvement of instruction services	-	8,741	-	-
Educational media services	-	10,835	-	-
Total instructional staff	-	19,576	-	-
General administration:				
Executive administration services	-	13,699	-	-
Special area administrative services	-	6,257	-	-
Total general administration	-	19,956	-	-
School administration:				
Office of the principal services	-	32,607	-	-
Business:				
Direction of business support services	-	2,008	-	-
Operation and maintenance of plant services	-	108,748	-	-
Food services	-	11,345	-	-
Total business	-	122,101	-	-
Central:				
Staff services	-	4,803	-	-
Total support services	-	256,728	-	-
Total FICA/Medicare Fund	\$ -	\$ 629,235	\$ -	\$ -

See independent auditor's report.

<u>Capital Outlay</u>	<u>Other Objects</u>	<u>Non- Capitalized Equipment</u>	<u>Termination Benefits</u>	<u>Actual</u>	<u>Totals Budget</u>	<u>Variance</u>
-	-	-	-	8,861	8,100	(761)
-	-	-	-	32,094	68,300	36,206
-	-	-	-	2,789	3,000	211
-	-	-	-	13,941	12,000	(1,941)
-	-	-	-	57,685	91,400	33,715
-	-	-	-	8,741	14,800	6,059
-	-	-	-	10,835	21,900	11,065
-	-	-	-	19,576	36,700	17,124
-	-	-	-	13,699	200	(13,499)
-	-	-	-	6,257	-	(6,257)
-	-	-	-	19,956	200	(19,756)
-	-	-	-	32,607	-	(32,607)
-	-	-	-	2,008	2,100	92
-	-	-	-	108,748	260,000	151,252
-	-	-	-	11,345	25,700	14,355
-	-	-	-	122,101	287,800	165,699
-	-	-	-	4,803	-	(4,803)
-	-	-	-	256,728	416,100	159,372
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 629,235</u>	<u>\$ 423,500</u>	<u>\$ (205,735)</u>

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET**  
**YEAR ENDED JUNE 30, 2019**

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
<b>Fire Prevention and Safety Fund:</b>				
Support services:				
Business:				
Facilities acquisition and construction services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total expenditures	<u>\$ 22,880,890</u>	<u>\$ 18,821,157</u>	<u>\$ 3,318,733</u>	<u>\$ 2,606,622</u>

See independent auditor's report.

<u>Capital Outlay</u>	<u>Other Objects</u>	<u>Non- Capitalized Equipment</u>	<u>Termination Benefits</u>	<u>Actual</u>	<u>Totals Budget</u>	<u>Variance</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000
\$ 15,835,644	\$ 5,571,310	\$ 822,284	\$ -	\$ 69,856,640	\$ 59,186,920	\$ (10,669,720)

## **STATISTICAL SECTION**



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**STATISTICAL SECTION**  
**YEAR ENDED JUNE 30, 2019**

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 government's overall financial health. The section is divided into five sections as follows:

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

	<u>Page</u>
Net Position by Component	107 - 108
Changes in Net Position	109 - 110
Fund Balances of Governmental Funds	111 - 112
Changes in Fund Balances	113 - 114

**Revenue Capacity** - These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

	<u>Page</u>
Assessed Value and Estimated Actual Value of Taxable Property	115 - 116
Assessed Valuations, Rates, Extensions and Collections	117 - 118
Tax Rates of Direct and Overlapping Taxing Districts	119
Principal Property Taxpayers	120

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

	<u>Page</u>
Ratios of Outstanding Debt by Type	121
Ratios of General Bonded Debt Outstanding	122
Direct and Overlapping General Obligation Bonded Debt	123
Legal Debt Margin Information	124 - 125

**Demographic and Economic Information** - These schedules contain demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

	<u>Page</u>
Demographic and Economic Statistics	126 - 128
Principal Employers	129

**Operating Information** - These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

	<u>Page</u>
Full-time Equivalent District Employees by Type	130 - 131
School Building Information	132 - 133

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Governmental activities:				
Net investment in capital assets	\$ 27,511,739	\$ 26,219,287	\$ 23,733,708	\$ 23,299,628
Restricted	3,332,761	4,630,797	7,936,748	7,028,257
Unrestricted	<u>7,183,743</u>	<u>6,744,908</u>	<u>25,980,467</u>	<u>24,551,168</u>
Total governmental activities net position	<u>\$ 38,028,243</u>	<u>\$ 37,594,992</u>	<u>\$ 57,650,923</u>	<u>\$ 54,879,053</u>

Note: Amounts reported for 2010 - 2014 have not been restated for the adoption of GASB 68.  
Amounts reported for 2010 - 2017 have not been restated for the adoption of GASB 75.

See independent auditor's report.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 22,636,839	\$ 20,639,629	\$ 17,638,988	\$ 16,465,489	\$ 16,290,675	\$ 13,600,873
8,948,919	7,279,277	6,569,222	6,082,760	5,662,252	3,485,867
<u>21,246,538</u>	<u>25,254,431</u>	<u>27,340,665</u>	<u>27,376,735</u>	<u>26,448,397</u>	<u>29,807,773</u>
<u>\$ 52,832,296</u>	<u>\$ 53,173,337</u>	<u>\$ 51,548,875</u>	<u>\$ 49,924,984</u>	<u>\$ 48,401,324</u>	<u>\$ 46,894,513</u>

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Expenses:</b>				
Governmental activities:				
Instructional	\$ 38,561,358	\$ 36,423,038	\$ 33,020,888	\$ 33,167,418
Pupil support	2,971,806	2,790,926	2,590,511	2,607,039
Other support	7,579,174	9,241,807	6,831,721	6,908,733
Transportation	1,556,616	1,613,744	1,551,446	1,346,144
Administration	3,535,222	3,410,305	3,245,600	3,466,756
Interest expense	<u>1,052,146</u>	<u>580,669</u>	<u>728,959</u>	<u>855,289</u>
Total expenses	<u>55,256,322</u>	<u>54,060,489</u>	<u>47,969,125</u>	<u>48,351,379</u>
<b>Program revenues:</b>				
Governmental activities:				
Charges for services:				
Instruction	475,815	535,308	393,605	494,099
Transportation	21,070	21,852	18,217	22,987
Operating grants and contributions	<u>16,721,032</u>	<u>16,784,755</u>	<u>14,607,346</u>	<u>14,298,534</u>
Total program revenues	<u>17,217,917</u>	<u>17,341,915</u>	<u>15,019,168</u>	<u>14,815,620</u>
<b>Net (expense)/revenue:</b>				
Total primary government net expense	<u>(38,038,405)</u>	<u>(36,718,574)</u>	<u>(32,949,957)</u>	<u>(33,535,759)</u>
<b>General revenues and other changes in net position:</b>				
Governmental activities:				
Taxes:				
Property	33,883,439	33,444,072	33,602,118	33,230,391
Personal property replacement	236,804	218,895	261,603	235,506
Evidence based funding	2,565,598	2,510,686	1,549,432	1,449,024
Investment income	1,442,705	595,682	373,194	335,943
Loss on demolition of building	-	-	(440,166)	-
Other income	<u>343,110</u>	<u>366,971</u>	<u>375,646</u>	<u>331,652</u>
Total primary government general revenues and other changes in net position	<u>38,471,656</u>	<u>37,136,306</u>	<u>35,721,827</u>	<u>35,582,516</u>
<b>Change in net position:</b>				
Total primary government	<u>\$ 433,251</u>	<u>\$ 417,732</u>	<u>\$ 2,771,870</u>	<u>\$ 2,046,757</u>

Note: Amounts reported for 2010 - 2014 have not been restated for the adoption of GASB 68.  
Amounts reported for 2010 - 2017 have not been restated for the adoption of GASB 75.

See independent auditor's report.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 27,704,901	\$ 26,277,883	\$ 25,120,377	\$ 24,220,921	\$ 22,503,335	\$ 21,052,415
2,730,473	2,533,102	2,496,724	2,358,407	2,397,731	2,494,714
8,910,968	7,310,326	8,183,596	7,894,830	7,951,334	7,109,929
1,333,696	1,319,472	1,204,545	1,170,103	1,189,765	1,376,898
3,329,202	3,356,543	1,659,388	1,584,785	1,737,949	1,809,847
<u>1,219,197</u>	<u>1,292,048</u>	<u>1,373,324</u>	<u>1,428,732</u>	<u>1,464,175</u>	<u>1,511,057</u>
<u>45,228,437</u>	<u>42,089,374</u>	<u>40,037,954</u>	<u>38,657,778</u>	<u>37,244,289</u>	<u>35,354,860</u>
410,657	466,875	509,622	477,720	609,863	462,778
27,231	14,588	4,165	2,052	2,074	5,526
<u>11,621,917</u>	<u>9,171,248</u>	<u>7,617,117</u>	<u>7,163,924</u>	<u>7,371,527</u>	<u>7,481,653</u>
<u>12,059,805</u>	<u>9,652,711</u>	<u>8,130,904</u>	<u>7,643,696</u>	<u>7,983,464</u>	<u>7,949,957</u>
<u>(33,168,632)</u>	<u>(32,436,663)</u>	<u>(31,907,050)</u>	<u>(31,014,082)</u>	<u>(29,260,825)</u>	<u>(27,404,903)</u>
32,239,536	31,863,065	31,561,120	30,415,709	29,135,516	29,948,731
255,830	244,504	233,304	189,430	251,853	194,208
1,418,578	1,392,544	1,217,360	1,211,995	1,225,533	1,564,794
147,045	143,354	82,243	70,614	111,289	199,072
-	-	-	-	-	-
<u>500,908</u>	<u>417,658</u>	<u>436,914</u>	<u>649,994</u>	<u>43,445</u>	<u>36,643</u>
<u>34,561,897</u>	<u>34,061,125</u>	<u>33,530,941</u>	<u>32,537,742</u>	<u>30,767,636</u>	<u>31,943,448</u>
<u>\$ 1,393,265</u>	<u>\$ 1,624,462</u>	<u>\$ 1,623,891</u>	<u>\$ 1,523,660</u>	<u>\$ 1,506,811</u>	<u>\$ 4,538,545</u>

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Fund:				
Nonspendable	\$ 52,349	\$ 57,416	\$ 490,942	\$ 60,788
Restricted	617,840	541,514	4,132,195	3,466,430
Committed	-	-	-	-
Assigned	714,812	1,692,940	1,283,312	2,161,880
Unassigned	<u>27,413,297</u>	<u>25,888,735</u>	<u>27,252,714</u>	<u>25,214,252</u>
Total General Fund	<u>\$ 28,798,298</u>	<u>\$ 28,180,605</u>	<u>\$ 33,159,163</u>	<u>\$ 30,903,350</u>
All other governmental funds:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	2,905,155	4,242,452	4,391,660	3,724,327
Committed	639,580	4,852,023	-	-
Assigned	4,957,035	1,234,963	1,120,230	1,303,230
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 8,501,770</u>	<u>\$ 10,329,438</u>	<u>\$ 5,511,890</u>	<u>\$ 5,027,557</u>

See independent auditor's report.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 2,505,272	\$ 1,061,504	\$ 61,053	\$ 1,015,776	\$ 57,626	\$ 51,476
2,850,790	3,224,539	2,734,995	2,122,593	1,668,120	1,696,403
-	562,267	-	-	-	-
3,318,125	950,003	1,544,994	858,545	1,287,160	-
<u>20,406,535</u>	<u>24,105,940</u>	<u>25,358,000</u>	<u>25,674,179</u>	<u>24,923,546</u>	<u>25,524,437</u>
<u>\$ 29,080,722</u>	<u>\$ 29,904,253</u>	<u>\$ 29,699,042</u>	<u>\$ 29,671,093</u>	<u>\$ 27,936,452</u>	<u>\$ 27,272,316</u>
\$ -	\$ -	\$ -	\$ 254,926	\$ -	\$ -
6,226,939	4,383,424	4,111,184	4,009,526	3,972,774	4,269,251
-	-	181,725	-	-	-
659,020	608,415	584,712	580,343	823,561	2,009,028
<u>(2,519,966)</u>	<u>(1,488,122)</u>	<u>-</u>	<u>(863,354)</u>	<u>(998,125)</u>	<u>(710,500)</u>
<u>\$ 4,365,993</u>	<u>\$ 3,503,717</u>	<u>\$ 4,877,621</u>	<u>\$ 3,981,441</u>	<u>\$ 3,798,210</u>	<u>\$ 5,567,779</u>

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**CHANGES IN FUND BALANCES**  
**LAST TEN FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Revenues:				
Local sources:				
Property taxes	\$ 33,883,439	\$ 33,444,072	\$ 33,602,118	\$ 33,230,391
Investment income	1,442,705	595,682	373,194	335,943
Other revenues	<u>764,214</u>	<u>799,646</u>	<u>686,376</u>	<u>752,985</u>
Total local sources	<u>36,090,358</u>	<u>34,839,400</u>	<u>34,661,688</u>	<u>34,319,319</u>
State sources:				
Evidence based funding	2,565,598	2,510,686	1,549,432	1,449,024
Grants-in-aid	<u>1,509,140</u>	<u>1,298,291</u>	<u>2,252,337</u>	<u>2,194,587</u>
Total state sources	<u>4,074,738</u>	<u>3,808,977</u>	<u>3,801,769</u>	<u>3,643,611</u>
Federal sources:				
General state aid	-	-	-	-
Grants-in-aid	<u>1,879,611</u>	<u>1,982,425</u>	<u>2,034,950</u>	<u>1,831,996</u>
Total federal sources	<u>1,879,611</u>	<u>1,982,425</u>	<u>2,034,950</u>	<u>1,831,996</u>
On behalf revenues	<u>12,317,225</u>	<u>7,822,693</u>	<u>6,541,981</u>	<u>10,603,303</u>
Total revenues	<u>54,361,932</u>	<u>48,453,495</u>	<u>47,040,388</u>	<u>50,398,229</u>
Expenditures:				
Instruction	35,198,600	29,591,037	27,549,654	31,098,009
Support services	13,595,302	13,315,239	12,852,278	12,834,796
Community services	314,933	227,034	197,800	187,304
Payments to other districts and government units	645,361	996,633	476,425	406,367
Capital outlay	<u>15,835,644</u>	<u>1,562,848</u>	<u>296,771</u>	<u>175,233</u>
Debt service:				
Principal	3,120,000	2,275,000	2,130,000	2,255,000
Interest	864,235	646,714	797,314	930,271
Bond issuance cost	282,565	-	-	18,100
Refunding escrow payment	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,957</u>
Total expenditures	<u>69,856,640</u>	<u>48,614,505</u>	<u>44,300,242</u>	<u>47,934,037</u>
Excess (deficiency) of revenues over expenditures	<u>(15,494,708)</u>	<u>(161,010)</u>	<u>2,740,146</u>	<u>2,464,192</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	14,000,000	7,800,000	2,500,000	7,500,000
Transfers out	(14,000,000)	(7,800,000)	(2,500,000)	(7,500,000)
Bonds issued	14,000,000	-	-	-
Refunding bonds issued	7,110,000	-	-	1,450,000
Premium on refunding bonds issued	975,698	-	-	-
Payment to refunded bond escrow agent	<u>(7,800,965)</u>	<u>-</u>	<u>-</u>	<u>(1,430,000)</u>
Total other financing sources (uses)	<u>14,284,733</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
Net change in fund balances	<u>\$ (1,209,975)</u>	<u>\$ (161,010)</u>	<u>\$ 2,740,146</u>	<u>\$ 2,484,192</u>
Debt service as a percentage of non-capital expenditures	<u>7.68 %</u>	<u>6.19 %</u>	<u>6.65 %</u>	<u>6.67 %</u>

See independent auditor's report.



<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 32,239,536	\$ 31,863,065	\$ 31,561,120	\$ 30,415,709	\$ 29,135,516	\$ 31,803,929
147,045	143,354	82,243	70,614	111,289	199,072
720,872	727,887	749,974	700,761	923,662	699,155
<u>33,107,453</u>	<u>32,734,306</u>	<u>32,393,337</u>	<u>31,187,084</u>	<u>30,170,467</u>	<u>32,702,156</u>
1,418,578	1,392,544	1,217,360	1,140,922	1,081,839	821,302
<u>1,963,376</u>	<u>2,027,933</u>	<u>2,373,708</u>	<u>2,072,539</u>	<u>2,310,810</u>	<u>1,556,251</u>
<u>3,381,954</u>	<u>3,420,477</u>	<u>3,591,068</u>	<u>3,213,461</u>	<u>3,392,649</u>	<u>2,377,553</u>
-	-	-	71,073	143,694	743,492
<u>2,115,398</u>	<u>1,728,205</u>	<u>1,592,252</u>	<u>2,167,922</u>	<u>1,466,768</u>	<u>1,967,557</u>
<u>2,115,398</u>	<u>1,728,205</u>	<u>1,592,252</u>	<u>2,238,995</u>	<u>1,610,462</u>	<u>2,711,049</u>
<u>5,485,716</u>	<u>5,832,468</u>	<u>4,480,891</u>	<u>3,946,198</u>	<u>3,490,601</u>	<u>3,275,343</u>
<u>44,090,521</u>	<u>43,715,456</u>	<u>42,057,548</u>	<u>40,585,738</u>	<u>38,664,179</u>	<u>41,066,101</u>
25,627,270	25,382,293	24,082,385	22,869,488	20,968,121	19,386,464
12,691,278	12,905,509	12,734,822	12,146,030	12,785,515	12,654,079
207,068	194,042	191,368	213,483	180,147	198,077
387,270	396,391	302,999	375,733	436,877	447,139
2,319,835	2,755,959	542,590	711,929	3,072,344	2,240,164
1,655,000	1,995,000	1,945,000	965,000	905,191	1,890,919
1,027,414	1,254,955	1,334,255	1,387,741	1,421,417	1,479,123
99,763	-	-	-	-	-
<u>136,641</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>44,151,539</u>	<u>44,884,149</u>	<u>41,133,419</u>	<u>38,669,404</u>	<u>39,769,612</u>	<u>38,295,965</u>
<u>(61,018)</u>	<u>(1,168,693)</u>	<u>924,129</u>	<u>1,916,334</u>	<u>(1,105,433)</u>	<u>2,770,136</u>
-	-	-	1,538	-	-
-	-	-	35,000	900,000	700,000
-	-	-	(35,000)	(900,000)	(700,000)
-	-	-	-	-	-
6,115,000	-	-	-	-	-
634,763	-	-	-	-	-
<u>(6,650,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>99,763</u>	<u>-</u>	<u>-</u>	<u>1,538</u>	<u>-</u>	<u>-</u>
<u>\$ 38,745</u>	<u>\$ (1,168,693)</u>	<u>\$ 924,129</u>	<u>\$ 1,917,872</u>	<u>\$ (1,105,433)</u>	<u>\$ 2,770,136</u>
<u>6.41 %</u>	<u>7.71 %</u>	<u>8.08 %</u>	<u>6.20 %</u>	<u>6.34 %</u>	<u>9.35 %</u>

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN LEVY YEARS**

Levy Year	Assessed Value				Total Assessed Value	Estimated Actual Value
	Residential Property	Commercial Property	Industrial Property	Farm Property		
2018	\$ 451,535,993	\$ 170,425,698	\$ 16,584,373	\$ 26,180	\$ 638,572,244	\$ 1,915,716,732
2017	457,212,342	165,424,639	16,355,165	26,547	639,018,693	1,917,056,079
2016	406,406,565	154,991,620	15,681,213	25,418	577,104,816	1,731,314,448
2015	389,767,556	149,982,376	15,947,267	24,465	555,721,664	1,667,164,992
2014	401,594,029	155,121,529	14,885,085	37,859	571,638,502	1,714,915,506
2013	416,490,356	154,207,178	29,191,677	6,203	599,895,414	1,799,686,242
2012	447,203,539	163,341,291	36,493,919	6,203	647,044,952	1,941,134,856
2011	492,386,905	173,143,601	38,755,870	6,310	704,292,686	2,112,878,058
2010	572,370,317	201,159,267	45,208,811	6,310	818,744,705	2,456,234,115
2009	553,763,787	215,688,886	47,671,704	6,310	817,130,687	2,451,392,061

Source:

Office of the Cook County Assessor.

See independent auditor's report.

**Total  
Direct  
Rate**

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\$ 5.7482  
5.4736  
5.9429  
6.1246  
5.9058  
5.4556  
5.0405  
4.5571  
3.7415  
3.6491

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**ASSESSED VALUATIONS, RATES, EXTENSIONS AND COLLECTIONS**  
**LAST TEN LEVY YEARS**

	2018	2017	2016	2015
Assessed valuation	<u>\$ 638,572,244</u>	<u>\$ 639,018,693</u>	<u>\$ 577,104,816</u>	<u>\$ 555,721,664</u>
Tax rates per \$100:				
Educational	4.2049	3.9480	3.3750	3.5000
Operations and maintenance	0.5049	0.4972	0.5304	0.5500
Life safety	0.0008	0.0008	0.0009	0.0009
Bond and interest	0.4932	0.4924	0.5456	0.5666
Transportation	0.2936	0.2579	0.7232	0.6867
FICA/Medicare	0.1024	0.0951	0.1035	0.1032
Illinois municipal retirement	0.0677	0.0870	0.0805	0.1116
Working cash	0.0460	0.0452	0.0482	0.0500
Leasing and educational facilities	0.0008	0.0008	0.0964	0.1000
Tort immunity	0.0331	0.0484	0.0535	0.0556
Special education	<u>0.0008</u>	<u>0.0008</u>	<u>0.3857</u>	<u>0.4000</u>
Total	<u>5.7482</u>	<u>5.4736</u>	<u>5.9429</u>	<u>6.1246</u>
Tax extensions:				
Educational	\$ 26,851,313	\$ 25,228,458	\$ 19,477,288	\$ 19,450,258
Operations and maintenance	3,223,900	3,177,201	3,060,964	3,056,469
Life safety	5,150	5,112	5,194	5,001
Bond and interest	3,149,138	3,146,528	3,148,684	3,148,719
Transportation	1,874,600	1,648,029	4,173,622	3,816,141
FICA/Medicare	654,050	607,707	597,303	573,505
Illinois municipal retirement	432,600	555,946	464,569	620,185
Working cash	293,550	288,836	278,165	277,861
Leasing and educational facilities	5,150	5,112	556,329	555,722
Tort immunity	211,150	309,285	308,751	308,981
Special education	<u>5,150</u>	<u>5,112</u>	<u>2,225,893</u>	<u>2,222,887</u>
Total	<u>\$ 36,705,751</u>	<u>\$ 34,977,326</u>	<u>\$ 34,296,762</u>	<u>\$ 34,035,729</u>
Collections:				
Current	\$ 18,254,301	\$ 18,159,355	\$ 17,697,552	\$ 17,447,439
Subsequent	<u>-</u>	<u>15,386,965</u>	<u>15,420,084</u>	<u>15,928,924</u>
Total	<u>\$ 18,254,301</u>	<u>\$ 33,546,320</u>	<u>\$ 33,117,636</u>	<u>\$ 33,376,363</u>
Percentage collected:				
Current	49.73 %	51.92 %	51.60 %	51.26 %
Subsequent	<u>-</u>	<u>43.99</u>	<u>44.96</u>	<u>46.80</u>
Total	<u>49.73 %</u>	<u>95.91 %</u>	<u>96.56 %</u>	<u>98.06 %</u>

See independent auditor's report.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>\$ 571,638,502</u>	<u>\$ 599,895,414</u>	<u>\$ 647,044,952</u>	<u>\$ 704,292,686</u>	<u>\$ 818,744,705</u>	<u>\$ 817,130,687</u>
3.3370	3.5000	3.4185	3.2029	2.7303	2.7211
0.5243	0.5500	0.5373	0.5152	0.4161	0.3775
0.0009	0.0009	-	-	-	-
0.5505	0.4437	0.4795	0.4937	0.3033	0.2976
0.6940	0.2574	0.1273	0.1105	0.0893	0.0710
0.1126	0.0687	0.2388	0.0866	0.0642	0.0526
0.0946	0.1202	0.0478	-	-	-
0.0477	0.0500	0.0489	0.0455	0.0449	0.0306
0.0953	0.1000	0.0159	0.0071	0.0398	0.0325
0.0676	0.0627	0.0796	0.0427	0.0355	0.0621
0.3813	0.3020	0.0469	0.0529	0.0181	0.0041
<u>5.9058</u>	<u>5.4556</u>	<u>5.0405</u>	<u>4.5571</u>	<u>3.7415</u>	<u>3.6491</u>
\$ 19,075,577	\$ 20,996,339	\$ 22,119,250	\$ 22,557,790	\$ 22,354,187	\$ 22,234,943
2,997,101	3,299,425	3,476,250	3,628,516	3,406,797	3,084,668
5,145	5,150	-	-	-	-
3,146,870	2,661,899	3,102,689	3,477,093	2,483,253	2,431,781
3,967,171	1,544,202	824,000	778,243	731,139	580,163
643,665	412,000	1,545,000	609,917	525,634	429,811
540,770	721,000	309,000	-	-	-
272,672	299,948	316,210	320,453	367,616	250,042
544,771	599,895	103,000	50,005	325,860	265,567
386,428	375,950	515,000	300,733	290,654	507,438
2,179,658	1,811,685	303,521	372,571	148,193	33,502
<u>\$ 33,759,828</u>	<u>\$ 32,727,493</u>	<u>\$ 32,613,920</u>	<u>\$ 32,095,321</u>	<u>\$ 30,633,333</u>	<u>\$ 29,817,915</u>
\$ 16,951,097	\$ 16,927,127	\$ 16,273,150	\$ 15,409,809	\$ 15,506,617	\$ 15,611,699
16,123,322	14,789,843	15,522,570	15,839,143	14,416,909	13,496,629
<u>\$ 33,074,419</u>	<u>\$ 31,716,970</u>	<u>\$ 31,795,720</u>	<u>\$ 31,248,952</u>	<u>\$ 29,923,526</u>	<u>\$ 29,108,328</u>
50.21 %	51.72 %	49.90 %	48.01 %	50.62 %	52.36 %
47.76	45.19	47.59	49.35	47.06	45.26
<u>97.97 %</u>	<u>96.91 %</u>	<u>97.49 %</u>	<u>97.36 %</u>	<u>97.68 %</u>	<u>97.62 %</u>

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**TAX RATES OF DIRECT AND OVERLAPPING TAXING DISTRICTS**  
**LAST TEN LEVY YEARS**

<b>TAXING DISTRICTS</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Community Consolidated School District #146*	\$ 5.748	\$ 5.474	\$ 5.943	\$ 6.125	\$ 5.906	\$ 5.456	\$ 5.041	\$ 4.557	\$ 3.741	\$ 3.649
Cook County*	0.489	0.496	0.533	0.552	0.568	0.560	0.531	0.462	0.423	0.394
Cook County Forest Preserve*	0.060	0.062	0.063	0.069	0.069	0.069	0.063	0.058	0.051	0.049
Cook County Consolidated Election*	0.000	0.031	0.000	0.034	0.000	0.031	0.000	0.025	0.000	0.021
Water Reclamation District of Greater Chicago*	0.396	0.402	0.406	0.426	0.430	0.417	0.370	0.320	0.274	0.261
South Cook County Mosquito Abatement District*	0.017	0.016	0.017	0.017	0.017	0.016	0.014	0.012	0.010	0.009
Bremen Township*	0.086	0.081	0.087	0.089	0.085	0.078	0.070	0.061	0.051	0.049
Bremen Twp General Assistance*	0.019	0.018	0.019	0.019	0.018	0.016	0.014	0.012	0.009	0.008
Bremen Twp Road & Bridge*	0.056	0.053	0.057	0.058	0.055	0.050	0.045	0.039	0.032	0.031
Orland Township	0.071	0.066	0.072	0.075	0.073	0.070	0.066	0.061	0.052	0.052
Orland Twp General Assistance	0.006	0.006	0.006	0.007	0.006	0.007	0.007	0.007	0.006	0.006
Orland Twp Road & Bridge	0.037	0.035	0.039	0.041	0.040	0.039	0.037	0.034	0.029	0.029
<b>MUNICIPALITIES</b>										
City of Oak Forest	2.463	2.237	2.456	2.450	2.179	1.930	1.702	1.492	1.235	1.205
Village of Orland Park**	0.905	0.902	1.024	1.069	1.032	0.978	0.917	0.844	0.710	0.662
Village of Tinley Park* **	1.784	1.698	1.887	1.956	1.921	1.848	1.725	1.564	1.341	1.270
<b>MISCELLANEOUS DISTRICTS</b>										
Orland Fire Protection District	1.226	1.160	1.292	1.343	1.296	1.238	1.127	1.050	0.879	0.837
Acorn Public Library District	0.229	0.217	0.237	0.243	0.233	0.211	0.192	0.168	0.143	0.142
Oak Forest Park District	0.629	0.598	0.655	0.672	0.650	0.596	0.548	0.483	0.418	0.418
Tinley Park Park District*	0.498	0.475	0.522	0.534	0.521	0.493	0.455	0.411	0.359	0.353
<b>SCHOOL DISTRICTS</b>										
Bremen High School District 228*	4.550	4.772	5.296	5.401	5.209	4.795	4.377	3.877	3.200	3.157
Consolidated High School Dist. 230	2.425	2.287	2.778	2.879	2.770	2.641	2.438	2.180	1.812	1.764
South Suburban Comm College 510*	0.611	0.578	0.607	0.621	0.599	0.559	0.511	0.450	0.361	0.348
Moraine Valley Comm College 524	0.384	0.365	0.406	0.419	0.403	0.375	0.346	0.311	0.256	0.247
Representative Tax Rate Total	<u>\$ 14.315</u>	<u>\$ 14.156</u>	<u>\$ 15.437</u>	<u>\$ 15.901</u>	<u>\$ 15.398</u>	<u>\$ 14.388</u>	<u>\$ 13.216</u>	<u>\$ 11.848</u>	<u>\$ 9.852</u>	<u>\$ 9.600</u>

\* Included in Representative Tax Rate Total.

\*\* Includes Library Fund.

Source: Cook County Clerk's Office.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT AND NINE YEARS AGO**

<u>Taxpayer</u>	<u>2018 (1)</u>			<u>2009</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total District Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total District Taxable Assessed Value</u>
New Plan Excel TX 124	\$ 11,103,133	1	1.74 %	\$ 17,423,535	1	2.13 %
IRC	8,266,217	2	1.29	14,109,537	2	1.73
Menard, Inc.	7,548,479	3	1.18	6,436,423	8	0.79
GW Property Group LLC	7,146,713	4	1.12	-	-	-
Panduit Corporation	7,142,944	5	1.12	10,207,089	3	1.25
Ryan LLC PTS	6,031,921	6	0.94	-	-	-
K Mart Corporation	5,461,215	7	0.86	8,707,129	4	1.07
Walmart Stores 6485	5,105,270	8	0.80	7,274,624	6	0.89
Edenbridge Limited Partnership	4,196,901	9	0.66	6,794,243	7	0.83
Albertson's, LLC	4,006,985	10	0.63	5,259,466	10	0.64
DDR Property Tax	-	-	-	7,580,053	5	0.93
KRD Orland Pk 809, Inc.	-	-	-	5,325,462	9	0.65
Total	<u>\$ 66,009,778</u>		<u>10.34 %</u>	<u>\$ 89,117,561</u>		<u>10.91 %</u>

(1) Most recent information available.

Source: Cook County Clerk's and Assessor's Offices.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Capital Leases</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
2019	\$ 25,629,440	\$ -	\$ 25,629,440	1.28 %	\$ 456
2018	14,599,359	-	14,599,359	0.74	258
2017	16,992,222	-	16,992,222	0.89	299
2016	19,240,085	-	19,240,085	0.99	337
2015	21,608,448	-	21,608,448	2.14	690
2014	23,247,761	-	23,247,761	2.30	742
2013	25,249,496	-	25,249,496	2.50	806
2012	27,201,231	-	27,201,231	2.69	869
2011	28,172,967	-	28,172,967	3.28	900
2010	29,064,702	20,191	29,084,893	3.38	929

Note: Details regarding the District's outstanding debt can be found in the notes to basic financial statements.

(1) Personal income and population data can be found in the Schedule of Demographic and Economic Statistics.

See independent auditor's report.



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>General and Capital Appreciation Bonds</b>	<b>Less Amount Available in Debt Services Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property (1)</b>	<b>Per Capita (2)</b>
2019	\$ 25,629,440	\$ 1,828,445	\$ 23,800,995	1.24 %	\$ 423
2018	14,599,359	3,187,430	11,411,929	0.60	201
2017	16,992,222	3,019,697	13,972,525	0.81	246
2016	19,240,085	2,818,560	16,421,525	0.98	287
2015	21,608,448	2,916,487	18,691,961	1.09	597
2014	23,247,761	2,918,952	20,328,809	1.13	649
2013	25,249,496	3,338,621	21,910,875	1.13	700
2012	27,201,231	3,353,816	23,847,415	1.13	761
2011	28,172,967	2,880,510	25,292,457	1.03	808
2010	29,064,702	2,742,110	26,322,592	1.07	840

Note: Details regarding the District's outstanding debt can be found in the notes to basic financial statements.

(1) See the Schedule of Assessed and Estimated Actual Value of Taxable Property for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT  
YEAR ENDED JUNE 30, 2019**

	<b>2018 Equalized Assessed Valuation</b>	<b>Outstanding Bonds</b>	<b>Applicable to District Percent</b>	<b>Amount</b>
<b>Overlapping Agencies:</b>				
Cook County	\$ 158,584,064,770	\$ 2,950,121,750 (3)	0.404 %	\$ 11,909,642
Cook County Forest Preserve	158,584,064,770	145,190,000	0.404	586,132
Metropolitan Water Reclamation District	155,788,046,903	2,377,123,381 (1)	0.411	9,767,600
City of Oak Forest	442,392,190	23,855,000	22.995	5,485,553
Village of Orland Park	2,280,855,683	61,805,000	7.266	4,490,504
Village of Tinley Park	1,518,072,612	15,490,000	23.578	3,652,294
Oak Forest Park District	409,564,172	1,310,000	17.836	233,645
Tinley Park Park District	1,371,062,674	3,162,000	33.160	1,048,529
Community High School District #228	1,288,099,350	50,825,000	24.227	12,313,271
Consolidated High School District #230	4,862,863,098	8,255,000	6.717	554,497
Community College District #510	3,112,618,306	17,319,374 (2)	0.165	1,760,480
Community College District #524	10,129,709,671	52,635,000 (3)	3.231	<u>1,700,847</u>
Total overlapping general obligation debt				53,502,994
<b>Direct debt:</b>				
Community Consolidated School District No. 146	638,572,244	25,629,440	100.000	<u>25,629,440</u>
Total direct and overlapping general obligation debt				<u>\$ 79,132,434</u>

(1) Includes IEPA Revolving Loan Fund Bonds.

(2) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.

(3) Excludes Alternate Revenue Source bonds for which an abatement is filed annually.

Sources: Offices of the Cook County Clerk, Cook County Department of Revenue, and Treasurer of the Metropolitan Water Reclamation District.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

**Legal Debt Margin Calculation for Fiscal Year 2019**

Assessed value	<u>\$ 638,572,244</u>
Debt limit (6.9% of assessed value)	\$ 44,061,485
Debt applicable to limit	<u>24,620,000</u>
Legal debt margin	<u>\$ 19,441,485</u>

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Debt limit	\$ 44,061,485	\$ 44,092,290	\$ 39,820,232	\$ 38,344,795
Total net debt applicable to limit	<u>24,620,000</u>	<u>14,360,000</u>	<u>16,635,000</u>	<u>18,765,000</u>
Legal debt margin	<u>\$ 19,441,485</u>	<u>\$ 29,732,290</u>	<u>\$ 23,185,232</u>	<u>\$ 19,579,795</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>55.8765 %</u>	<u>32.5681 %</u>	<u>41.7752 %</u>	<u>48.9375 %</u>

See independent auditor's report.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 39,443,057	\$ 41,392,784	\$ 44,646,102	\$ 48,596,195	\$ 56,493,385	\$ 56,382,017
<u>21,000,000</u>	<u>23,190,000</u>	<u>25,185,000</u>	<u>27,130,000</u>	<u>28,095,000</u>	<u>28,980,000</u>
<u>\$ 18,443,057</u>	<u>\$ 18,202,784</u>	<u>\$ 19,461,102</u>	<u>\$ 21,466,195</u>	<u>\$ 28,398,385</u>	<u>\$ 27,402,017</u>
<u>53.2413 %</u>	<u>56.0243 %</u>	<u>56.4103 %</u>	<u>55.8274 %</u>	<u>49.7315 %</u>	<u>51.3994 %</u>

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2019	56,207	\$ 2,006,477,486	\$ 35,698	3.30 %
2018	56,668	1,970,516,364	34,773	3.40
2017	56,831	1,914,295,404	33,684	4.40
2016	57,143	1,952,290,595	34,165	5.10
2015	31,318	1,011,634,000	32,302	5.90
2014	31,318	1,011,634,000	32,302	5.10
2013	31,318	1,011,634,000	32,302	7.60
2012	31,318	1,011,634,000	32,302	9.30
2011	31,318	1,011,634,000	32,302	9.80
2010	31,318	1,011,634,000	32,302	9.90

Source: Nonfinancial information from District records.

See independent auditor's report.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost per Pupil</u>	<u>Percentage Change</u>	<u>Expenses</u>	<u>Cost per Pupil</u>
2019	2,474	\$ 37,436,971	\$ 15,132	1.90 %	\$ 55,256,322	\$ 22,335
2018	2,445	36,307,250	14,850	3.12	54,060,489	22,111
2017	2,398	34,534,176	14,401	4.51	47,969,125	20,004
2016	2,462	33,923,173	13,779	0.91	48,351,379	19,639
2015	2,448	33,427,170	13,655	1.16	45,228,437	18,476
2014	2,448	33,045,727	13,499	(2.22)	42,089,374	17,193
2013	2,378	32,830,683	13,806	6.01	40,037,954	16,837
2012	2,431	31,658,536	13,023	(0.77)	38,657,778	15,902
2011	2,353	30,880,359	13,124	(5.92)	37,244,289	15,828
2010	2,343	32,685,759	13,950	(7.81)	35,354,860	15,090

Source: Nonfinancial information from District records.

Notes:

Operating expenditures are total expenditures less debt service, on behalf, and capital outlay.

Expenses reported for 2010 - 2014 have not been restated for the adoption of GASB 68.

Expenses reported for 2010 - 2017 have not been restated for the adoption of GASB 75.

See independent auditor's report.

<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil- Teacher Ratio</b>	<b>Percentage of Students Receiving Free or Reduced-Price Meals</b>
1.01 %	217	11.40	19.00 %
10.53	219	11.16	19.00
1.86	217	11.05	19.00
6.29	216	11.40	19.00
7.46	210	11.66	19.00
2.11	206	11.88	19.00
5.88	197	12.07	19.00
0.47	191	12.73	19.00
4.89	187	12.58	19.00
10.38	190	12.33	19.00

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**PRINCIPAL EMPLOYERS**  
**CURRENT AND TEN YEARS AGO**

<b>Taxpayer</b>	<b>2018 (1)</b>			<b>2009</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total Employed Population</b>	<b>Approx. Employees</b>	<b>Rank</b>	<b>Percentage of Total Employed Population</b>
Panduit Corporation	1,200	1	3.88 %	1,000	1	3.35 %
Comcast Call Center	700	2	2.26	600	2	2.01
Ingalls Family Care Center	574	3	1.86	-	-	-
Kirby School District 140*	510	4	1.65	523	4	1.75
Village of Tinley Park**	495	5	1.60	429	5	1.44
Cons. School District 146*	400	6	1.29	327	6	1.10
Daily Southtown	400	7	1.29	-	-	-
M Block	330	8	1.07	-	-	-
Conifer Health	317	9	1.03	-	-	-
St. Coletta's of IL	300	10	0.97	-	-	-
Howe Development Center	-	-	-	585	3	1.96
Cons. School District 230*	-	-	-	283	7	0.95
ITW-3 Plants	-	-	-	250	8	0.84
State Farm Insurance	-	-	-	250	9	0.84
Advocate Health Care	-	-	-	200	10	0.67

(1) Most recent information available.

\* Represents the employment for schools located in the Village of Tinley Park.

\*\* Includes part-time employees and Tinley Park Public Library.

Source: Economic Development canvas of employers.

See independent auditor's report.



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Supervisory</b>				
Noninstructional administrators	8	8	7	7
Principals	5	5	5	5
Assistant principals	<u>3</u>	<u>2</u>	<u>3</u>	<u>3</u>
Total supervisory	<u>16</u>	<u>15</u>	<u>15</u>	<u>15</u>
<b>Instruction</b>				
Elementary classroom teachers	152	153	150	147
Other teachers	65	66	67	69
Other professionals (instructional)	<u>87</u>	<u>72</u>	<u>66</u>	<u>75</u>
Total instruction	<u>304</u>	<u>291</u>	<u>283</u>	<u>291</u>
<b>Student services</b>				
Psychologists	3	3	3	3
Social workers	<u>12</u>	<u>8</u>	<u>8</u>	<u>9</u>
Total student services	<u>15</u>	<u>11</u>	<u>11</u>	<u>12</u>
<b>Support and administration</b>				
Clerical/secretarial	47	49	49	49
Custodial and service workers	<u>41</u>	<u>38</u>	<u>36</u>	<u>35</u>
Total support and administration	<u>88</u>	<u>87</u>	<u>85</u>	<u>84</u>
<b>Total</b>	<u><u>423</u></u>	<u><u>404</u></u>	<u><u>394</u></u>	<u><u>402</u></u>

See independent auditor's report.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
7	8	7	6	5	5
5	5	5	5	5	5
<u>3</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
15	15	14	13	12	12
145	138	129	128	128	125
65	68	68	63	59	65
<u>74</u>	<u>71</u>	<u>73</u>	<u>71</u>	<u>75</u>	<u>81</u>
284	277	270	262	262	271
3	3	3	3	3	3
<u>9</u>	<u>9</u>	<u>8</u>	<u>6</u>	<u>8</u>	<u>8</u>
12	12	11	9	11	11
47	51	55	42	40	38
<u>35</u>	<u>27</u>	<u>29</u>	<u>29</u>	<u>33</u>	<u>28</u>
82	78	84	71	73	66
<u><b>393</b></u>	<u><b>382</b></u>	<u><b>379</b></u>	<u><b>355</b></u>	<u><b>358</b></u>	<u><b>360</b></u>

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b><u>School</u></b>				
<b>Elementary:</b>				
Fierke Educational Center:				
Square feet	38,149	38,149	38,149	38,149
Capacity	450	450	450	450
Enrollment	379	387	344	326
Fulton School:				
Square feet	62,070	62,070	62,070	62,070
Capacity	700	700	700	700
Enrollment	524	482	474	652
Kruse Education Center:				
Square feet	38,677	38,677	38,677	38,677
Capacity	450	450	450	450
Enrollment	394	412	366	349
Memorial School:				
Square feet	44,100	44,100	44,100	44,100
Capacity	450	450	450	450
Enrollment	367	398	447	357
Sandidge School:				
Square feet	-	-	-	32,179
Capacity	-	-	-	400
Enrollment	-	-	-	-
<b>Middle:</b>				
Central Middle School:				
Square feet	143,616	143,616	143,616	143,616
Capacity	1,100	1,100	1,100	1,100
Enrollment	810	766	767	778

See independent auditor's report.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
38,149	38,149	38,149	38,149	38,149	38,149
450	450	492	492	492	492
333	333	310	308	312	340
62,070	62,070	62,070	62,070	62,070	62,070
700	700	550	550	550	550
635	635	583	586	537	554
38,677	38,677	38,677	38,677	38,677	38,677
450	450	534	534	534	534
356	356	345	361	344	336
44,100	44,100	37,042	37,042	37,042	37,042
450	450	484	484	484	484
361	361	353	338	341	332
32,179	32,179	32,179	32,179	32,179	32,179
400	400	400	400	400	400
-	-	-	-	-	-
143,616	143,616	143,616	143,616	143,616	143,616
1,100	1,100	1,100	1,100	1,100	1,100
763	763	787	838	819	781

**SINGLE AUDIT SECTION**



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Superintendent of Schools and Board of Education  
Community Consolidated School District No. 146  
Tinley Park, Illinois

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Community Consolidated School District No. 146 as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Community Consolidated School District No. 146's basic financial statements and have issued our report thereon dated October 15, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Community Consolidated School District No. 146's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Consolidated School District No. 146's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Consolidated School District No. 146's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies (items 2019-001 and 2019-002).

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Community Consolidated School District No. 146's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Community Consolidated School District No. 146's Responses to the Findings**

Community Consolidated School District No. 146's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Community Consolidated School District No. 146's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Muller & Co., LLP*

Orland Park, Illinois  
October 15, 2019

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**





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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Superintendent of Schools and Board of Education  
Community Consolidated School District No. 146  
Tinley Park, Illinois

### **Report on Compliance for Each Major Federal Program**

We have audited Community Consolidated School District No. 146's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Consolidated School District No. 146's major federal programs for the year ended June 30, 2019. Community Consolidated School District No. 146's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

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

Our responsibility is to express an opinion on compliance for each of Community Consolidated School District No. 146's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Consolidated School District No. 146's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community Consolidated School District No. 146's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Community Consolidated School District No. 146 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and is described in the accompanying schedule of findings and questioned costs as item 2019-005. Our opinion on each major federal program is not modified with respect to this matter.

Community Consolidated School District No. 146's response to the noncompliance finding in our audit is described in the accompanying schedule of findings and questioned costs. Community Consolidated School District No. 146's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control over Compliance**

Management of Community Consolidated School District No. 146 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Consolidated School District No. 146's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Consolidated School District No. 146's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2019-003 and 2019-004, that we consider to be significant deficiencies.

Community Consolidated School District No. 146's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Community Consolidated School District No. 146's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Muller & Co., LLP*

Orland Park, Illinois  
October 15, 2019

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2019**

<u>Federal Grantor/ Pass-through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
Special Education Cluster (IDEA):				
Department of Education Programs:				
Southwest Cook County Cooperative				
Association for Special Education:				
IDEA Flow-through (M)	84.027	19-4620	\$ -	\$ 619,626
Pre-School Flow-through (M)	84.173	19-4600	-	20,975
Total Special Education Cluster (IDEA)			-	640,601
Child Nutrition Cluster:				
Department of Agriculture Programs:				
Illinois State Board of Education:				
National School Lunch	10.555	18-4210	-	41,581
National School Lunch	10.555	19-4210	-	271,130
Commodities (noncash)	10.555	2019	-	6,662
Dept. of Defense Commodities (noncash)	10.555	2019	-	38,487
Total for program			-	357,860
School Breakfast	10.553	18-4220	-	12,628
School Breakfast	10.553	19-4220	-	90,322
Total for program			-	102,950
Total Child Nutrition Cluster			-	460,810
Department of Education Programs:				
Illinois State Board of Education:				
Title I - Low Income	84.010	19-4300	-	387,239
Title I - School Improvement	84.010	19-4331	-	14,844
Total for program			-	402,083
Title II - Teacher Quality (M)	84.367	19-4932	-	59,474
Title III - Language	84.365	18-4909	-	83
Title III - Language	84.365	19-4909	-	22,795
Title III - Immigrant Education	84.365	19-4905	-	2,347
Total for program			-	25,225

(continued)

See independent auditor's report and notes to schedule of expenditures of federal awards.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2019**

<u>Federal Grantor/ Pass-through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
Title IVA - Student Support & Enhancement	84.424	19-4400	-	23,960
Total Department of Education Programs			-	510,742
Department of Health and Human Services Programs: Illinois Department of Healthcare and Family Services:				
Medical Assistance Program	93.778	2019	-	69,217
Total expenditures of federal awards			\$ -	\$ 1,681,370 (concluded)

(M) - Major program

See independent auditor's report and notes to schedule of expenditures of federal awards.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Consolidated School District No. 146 (District) and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 2. INDIRECT FACILITIES AND ADMINISTRATION COSTS**

The District has elected not to use the 10-percent de minimis cost rate.

**NOTE 3. NONCASH ASSISTANCE**

Noncash assistance expended by the District amounted to \$45,149 for commodities passed through the Illinois State Board of Education.

**NOTE 4. OTHER INFORMATION**

Insurance coverage in effect paid with federal funds during the fiscal year amounted to zero.

Loans/loan guarantees outstanding at June 30, 2019 amounted to zero.

The District had no federal grants requiring matching expenditures during the year ended June 30, 2019.

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 146  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2019**

**Section I - Summary of Auditor's Results**

***Financial Statements***

Type of auditor's report issued: UNMODIFIED

Internal control over financial reporting:

- Material weaknesses identified?        Yes   X   None reported
- Significant deficiencies identified that are not considered to be material weaknesses?   X   Yes        None reported
- Noncompliance noted?        Yes   X   No

***Federal Awards***

Internal control over major programs:

- Material weaknesses identified?        Yes   X   None reported
- Significant deficiencies identified that are not considered to be material weaknesses?   X   Yes        None reported

Type of auditor's report issued on compliance for major programs: UNMODIFIED

Any audit findings disclosed that are required to be reported in accordance with §200.516 (a)?   X   Yes        No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	Special Education Cluster:
84.027	IDEA Flow-through
84.173	Pre-School Flow-through
84.367	Title II - Teacher Quality

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?        Yes   X   No

**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #146**  
**07-016-1460-04**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ending June 30, 2019**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

1. FINDING NUMBER:<sup>11</sup> **2019- 001** 2. THIS FINDING IS: ☐ New ☒ Repeat from Prior Year?  
 Year originally reported? **2011**

**3. Criteria or specific requirement**

Preparation of financial statements.

**4. Condition**

Management does not prepare government-wide financial statements in accordance with GASB Statement No. 34.

**5. Context<sup>12</sup>**

Material year-end adjusting journal entries were made as part of the preparation of government-wide financial statements in accordance with GASB Statement No. 34.

**6. Effect**

Users of unaudited financial statements are not viewing government-wide financial statements prepared in accordance with GASB Statement No. 34.

**7. Cause**

Closing procedures do not include the preparation of government-wide financial statements in accordance with GASB Statement No. 34.

**8. Recommendation**

Management's closing procedures should include the preparation of government-wide financial statements in accordance with GASB Statement No. 34.

**9. Management's response<sup>13</sup>**

Management disagrees with the recommendation.

<sup>11</sup> A suggested format for assigning reference numbers is to use the digits of the fiscal year being audited followed by a numeric sequence of findings. For example, findings identified and reported in the audit of fiscal year 2018 would be assigned a reference number of 2018-001, 2018-002, etc. The sheet is formatted so that only the number need be entered (1, 2, etc.).

<sup>12</sup> Provide sufficient information for judging the prevalence and consequences of the finding, such as relation to universe of costs and/or number of items examined and quantification of audit findings in dollars.

<sup>13</sup> See §200.521 *Management decision* for additional guidance on reporting management's response.



**COMMUNITY CONSOLIDATED SCHOOL DISTRICT #146**  
**07-016-1460-04**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ending June 30, 2019**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

1. FINDING NUMBER:<sup>11</sup> **2019- 002** 2. THIS FINDING IS: ☐ New ☒ Repeat from Prior Year?  
Year originally reported? **2008**

**3. Criteria or specific requirement**

The District maintains its accounting records on the cash basis during the year.

**4. Condition**

The District's accounting records are kept on the cash basis during the year and converted to the modified accrual basis at year end with audit adjustments.

**5. Context<sup>12</sup>**

The District does not adjust receivable and payable balances during the year.

**6. Effect**

Users of interim financial statements are not viewing accurate modified accrual basis information.

**7. Cause**

Month end closing procedures do not include steps to adjust the receivable and payable balances.

**8. Recommendation**

Management should implement procedures to adjust receivable and payable balances on a monthly basis.

**9. Management's response<sup>13</sup>**

Management disagrees with the recommendation.

<sup>11</sup> A suggested format for assigning reference numbers is to use the digits of the fiscal year being audited followed by a numeric sequence of findings. For example, findings identified and reported in the audit of fiscal year 2018 would be assigned a reference number of 2018-001, 2018-002, etc. The sheet is formatted so that only the number need be entered (1, 2, etc.).

<sup>12</sup> Provide sufficient information for judging the prevalence and consequences of the finding, such as relation to universe of costs and/or number of items examined and quantification of audit findings in dollars.

<sup>13</sup> See §200.521 *Management decision* for additional guidance on reporting management's response.

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT #146

07-016-1460-04

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ending June 30, 2019

## SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER:<sup>14</sup> 2019- 003 2. THIS FINDING IS: ☐ New ☒ Repeat from Prior year?  
 Year originally reported? 2011

3. Federal Program Name and Year: All Federal Programs

4. Project No.: \_\_\_\_\_ 5. CFDA No.: \_\_\_\_\_

6. Passed Through: \_\_\_\_\_

7. Federal Agency: \_\_\_\_\_

8. Criteria or specific requirement (including statutory, regulatory, or other citation)

Management does not prepare government-wide financial statements in accordance with GASB Statement No. 34. See financial statement finding #2019-001.

9. Condition<sup>15</sup>

10. Questioned Costs<sup>16</sup>

NONE

11. Context<sup>17</sup>

12. Effect

13. Cause

14. Recommendation

15. Management's response<sup>18</sup>

<sup>14</sup> See footnote 11.

<sup>15</sup> Include facts that support the deficiency identified on the audit finding (§200.516 (b)(3)).

<sup>16</sup> Identify questioned costs as required by §200.516 (a)(3 - 4).

<sup>17</sup> See footnote 12.

<sup>18</sup> To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT #146

07-016-1460-04

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ending June 30, 2019

## SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER:<sup>14</sup> 2019- 004 2. THIS FINDING IS: ☐ New ☒ Repeat from Prior year?  
Year originally reported? 2008

3. Federal Program Name and Year: All Federal Programs

4. Project No.: 5. CFDA No.:

6. Passed Through:

7. Federal Agency:

8. Criteria or specific requirement (including statutory, regulatory, or other citation)

The District maintains its accounting records on the cash basis during the year. See financial statement finding #2019-002.

9. Condition<sup>15</sup>

10. Questioned Costs<sup>16</sup>

NONE

11. Context<sup>17</sup>

12. Effect

13. Cause

14. Recommendation

15. Management's response<sup>18</sup>

<sup>14</sup> See footnote 11.

<sup>15</sup> Include facts that support the deficiency identified on the audit finding (§200.516 (b)(3)).

<sup>16</sup> Identify questioned costs as required by §200.516 (a)(3 - 4).

<sup>17</sup> See footnote 12.

<sup>18</sup> To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT #146

07-016-1460-04

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ending June 30, 2019

## SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER:<sup>14</sup>

2019- 005

2. THIS FINDING IS:

☒ X

New

☐

Repeat from Prior year?

Year originally reported?

0

3. Federal Program Name and Year:

All Federal Programs

4. Project No.:

5. CFDA No.:

6. Passed Through:

7. Federal Agency:

8. Criteria or specific requirement (including statutory, regulatory, or other citation)

Per 2 CFR Part 200, Subpart F (2 CFR Section 200.512): (a) General. (1) The audit must be completed and the data collection form and reporting package described must be submitted within the earlier of 30 calendar days after receipt of the auditor's report, or nine months after the end of the audit period.

9. Condition<sup>15</sup>

The data collection form for the audit year end June 30, 2017 was not submitted to the Federal Audit Clearinghouse (FAC) on a timely basis.

10. Questioned Costs<sup>16</sup>

NONE

11. Context<sup>17</sup>

The data collection form for the audit year June 30, 2017 was submitted 23 days late.

12. Effect

The compliance requirement for reporting was not met.

13. Cause

Due to technical difficulties the data collection form was not timely submitted.

14. Recommendation

We recommend the data collection form be submitted within the earlier of 30 calendar days after receipt of the auditor's report, or nine months after the end of the audit period.

15. Management's response<sup>18</sup>

Management agrees with the recommendation.

<sup>14</sup> See footnote 11.<sup>15</sup> Include facts that support the deficiency identified on the audit finding (§200.516 (b)(3)).<sup>16</sup> Identify questioned costs as required by §200.516 (a)(3 - 4).<sup>17</sup> See footnote 12.<sup>18</sup> To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.

## COMMUNITY CONSOLIDATED SCHOOL DISTRICT #146

07-016-1460-04

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS<sup>19</sup>

Year Ending June 30, 2019

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u> <sup>20</sup>
2018-001	Management does not prepare government-wide financial statements in accordance with GASB Statement No. 34.	Repeated as 2019-001
2018-002	The District's accounting records are kept on the cash basis during the year and converted to the modified accrual basis at year end with audit adjustments.	Repeated as 2019-002
2018-003	Management does not prepare government-wide financial statements in accordance with GASB Statement No. 34.	Repeated as 2019-003
2018-004	The District's accounting records are kept on the cash basis during the year and converted to the modified accrual basis at year end with audit adjustments.	Repeated as 2019-004

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When possible, all prior findings should be on the same page

<sup>19</sup> Explanation of this schedule - §200.511 (b)

<sup>20</sup> Current Status should include one of the following:

- A statement that corrective action was taken
- A description of any partial or planned corrective action
- An explanation if the corrective action taken was significantly different from that previously reported or in the management decision received from the pass-through entity.

**Robert W. Procunier Administration Center**  
6611 W. 171st Street • Tinley Park, IL • 60477-3514  
(708) 614-4500 *Phone* (708) 614-8992 *Fax* • [www.district146.org](http://www.district146.org)

RCDT: 07-016-1460-04

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS**

**YEAR ENDING JUNE 30, 2019**

**FINDING NO.:** 2019-001 & 2019-003

**CONDITION:** Management does not prepare government-wide financial statements in accordance with GASB Statement No.34.

**PLAN:** NONE. Management provides all necessary information to its auditor and retains decision making control for year-end adjusting journal entries made as part of the auditor's preparation of the government-wide financial statements in accordance with GASB Statement No.34. Due to cost/benefit considerations for staffing, management believes this approach to be adequate and that any corrective action is unnecessary.

**ANTICIPATED DATE OF COMPLETION:** N/A

**FINDING NO.:** 2019-002 and 2019-004

**CONDITION:** The District's records are kept on the cash basis during the year and converted to the modified accrual basis at year end with audit adjustments.

**PLAN:** NONE. Management provides all necessary information to its auditor and retains decision making control for proposed year end adjusting journal entries to adjust the books to the modified accrual basis. Due to cost/benefit considerations for staffing, management believes this approach to be adequate and that any corrective action is unnecessary.

**ANTICIPATED DATE OF COMPLETION:** N/A

**FINDING NO.:** 2019-005

**CONDITION:** The Data Collection Form for the audit year June 30, 2017 was not submitted to the Federal Audit Clearinghouse (FAC) on a timely basis.

**PLAN:** The Data Collection Form for the year ended June 30, 2019 will be submitted on a timely basis in accordance with the compliance requirements for reporting. We will continue to work in the future to



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ensure that the Data Collection Form is filed within the earlier of 30 calendar days after the receipt of the auditor's report or nine months after the end of the audit period.

ANTICIPATED DATE OF COMPLETION: March 31, 2020

NAME OF CONTACT PERSON: Jeff Charleston

SIGNATURE:

**Community Consolidated School District 146**



**Central Middle  
School**



**Walter F. Fierke  
Education Center**



**Bert H. Fulton  
School**



**Arnold W. Kruse  
Education Center**



**Memorial  
Elementary School**