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**LAKE PARK HIGH SCHOOL  
DISTRICT NO. 108  
DUPAGE COUNTY, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

**JUNE 30, 2015**

**eder, casella & co.**

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## INDEPENDENT AUDITOR'S OPINION

To the Board of Education  
Lake Park High School District No. 108  
Roselle, 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

Lake Park High School District No. 108

as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Lake Park High School District No. 108 as of June 30, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Change in Accounting Principle

As discussed in Note 20 to the financial statements, the District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to these matters.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Employer's Net Pension Liability and Related Ratios, Schedules of Employer Contribution, Schedule of the Employer's Proportionate Share of the Net Pension Liability, Schedule of Funding Progress, and budgetary comparison information on pages 6 through 11 and 46 through 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 Lake Park High School District No. 108's basic financial statements. The supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The supplemental information and the 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, except for the average daily attendance figure included in the computation of operating expense per pupil and per capita tuition charges, 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 supplemental 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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2015 on our consideration of Lake Park High School District No. 108's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lake Park High School District No. 108's internal control over financial reporting and compliance.

*Eder, Casella & Co.*

EDER, CASELLA & CO.  
Certified Public Accountants

McHenry, Illinois  
December 8, 2015

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

To the Board of Education  
Lake Park High School District No. 108  
Roselle, Illinois

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of

Lake Park High School District No. 108

as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Lake Park High School District No. 108's basic financial statements, and have issued our report thereon dated December 8, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Lake Park High School District No. 108'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 Lake Park High School District No. 108's internal control. Accordingly, we do not express an opinion on the effectiveness of Lake Park High School District No. 108'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Lake Park High School District No. 108'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*.

## **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.

*Eder, Casella & Co.*  
EDER, CASELLA & CO.  
Certified Public Accountants

McHenry, Illinois  
December 8, 2015

REQUIRED SUPPLEMENTARY INFORMATION

# **LAKE PARK HIGH SCHOOL DISTRICT NO. 108**

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

JUNE 30, 2015

The Management's Discussion and Analysis of Lake Park High School District No. 108's (District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2015. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance.

### **FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the District exceed its liabilities and deferred inflows of resources at June 30, 2015 by \$48,223,908 (net position).
- The District's total net position increased by \$6,573,379.
- At June 30, 2015, the District reported combined ending fund balances of \$14,062,140, an increase of \$2,467,427 in comparison with the prior year.
- At June 30, 2015, the unassigned fund balance for the General Fund was \$10,731,830, or 23 percent of total General Fund expenditures.
- The District's total long-term debt decreased by \$4,432,692 during the year ended June 30, 2015 due mainly to payments made on existing long-term debt.

### **OVERVIEW OF FINANCIAL STATEMENTS**

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

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the financial statements

This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements** - The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the District's assets and deferred outflows of resources, less its liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., intergovernmental receivables).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). Governmental activities include instruction, support services, operations and maintenance, student transportation, food services, and certain other activities and expenses such as payments to other districts and governmental units, interest and fees, and unallocated depreciation.

The government-wide financial statements can be found on pages 12 and 13 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.

*Governmental Funds* - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains six individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Operations and Maintenance, Debt Services, Transportation, Illinois Municipal Retirement/Social Security, and Capital Projects Funds, all of which the District considers to be major funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison statement, which is required supplementary information, has been provided for the General Fund and each major special revenue fund to demonstrate compliance with this budget.

The basic fund financial statements can be found on pages 14 through 18 and the required supplementary information can be found on pages 46 through 60 of this report.

*Fiduciary Funds* - Fiduciary funds are used to account for assets held for others, such as student activity funds. Fiduciary funds are not reflected in the government-wide financial statements because the assets of these funds are not available to support the District's operations.

The basic fiduciary fund financial statement can be found on page 19 of this report.

**Notes to the Financial Statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20 through 45 of this report.

**Other Information** - In addition to the basic financial statements, accompanying notes, and required supplementary information, this report also presents certain supplementary information concerning the District's progress in meeting its obligation to provide fully adequate educational services and extracurricular activities to all of its resident's students.

Supplemental financial information can be found on pages 61 through 76 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$48,223,908 at June 30, 2015.

The following table presents a summary of the District's net position for the years ended June 30, 2015 and 2014:

Lake Park High School District No. 108's Net Position		
	Governmental Activities	
	6/30/2015	6/30/2014
Assets		
Current and Other Assets	\$ 66,768,404	\$ 62,348,988
Capital Assets	78,770,366	79,387,995
Total Assets	<u>\$ 145,538,770</u>	<u>\$ 141,736,983</u>
Deferred Outflows of Resources	<u>\$ 2,847,037</u>	<u>\$ 1,355,114</u>
Liabilities		
Long-Term Liabilities Outstanding	\$ 47,621,679	\$ 47,982,779
Other Liabilities	5,113,282	4,356,111
Total Liabilities	<u>\$ 52,734,961</u>	<u>\$ 52,338,890</u>
Deferred Inflows of Resources	<u>\$ 47,426,938</u>	<u>\$ 46,199,133</u>
Net Position		
Net Investment in Capital Assets	\$ 37,523,223	\$ 33,561,427
Restricted	1,766,381	1,085,659
Unrestricted	8,934,304	9,906,988
Total Net Position	<u><u>\$ 48,223,908</u></u>	<u><u>\$ 44,554,074</u></u>

By far the largest portion of the District's net position (78 percent) reflects its investment in capital assets (e.g., land, buildings, equipment, etc.); less any related debt used to acquire those assets that is still outstanding. The District uses these assets to provide educational services and extracurricular activities for the students of the local community; consequently, 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 needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table presents a summary of changes in net position for the years ended June 30, 2015 and 2014:

Lake Park High School District No. 108's Change in Net Position

	Governmental Activities	
	2015	2014
Revenues:		
Program Revenues:		
Charges for Services	\$ 2,900,168	\$ 2,706,368
Operating Grants and Contributions	12,515,349	9,706,092
Capital Grants and Contributions	110,920	141,276
General Revenues:		
Property Taxes	46,015,765	44,784,834
Other Payments in Lieu of Taxes	665,447	602,238
Grants and Contributions not Restricted to Specific Activities	1,229,899	1,230,332
Unrestricted Investment Earnings	156,705	96,293
Other	(221,816)	(130,128)
Total Revenues	<u>\$ 63,372,437</u>	<u>\$ 59,137,305</u>
Expenses:		
Instruction		
Regular Programs	\$ 13,289,638	\$ 12,832,355
Special Education Programs	3,170,820	3,187,892
Other Instructional Programs	5,985,391	5,599,524
Support Services		
Pupils	4,091,177	3,896,758
Instructional Staff	2,287,232	2,179,124
General Administration	1,191,547	985,240
School Administration	1,158,370	1,147,014
Business	1,058,569	1,088,572
Facilities Acquisition and Construction	837,740	884,166
Operations and Maintenance	5,445,566	5,609,961
Transportation	2,108,084	2,093,856
Food Services	1,463,113	1,376,874
Central	1,073,114	1,028,930
Other Support Services	704	1,503
Community Services	872	1,866
Payments to Other Districts and Governmental Units	1,683,676	1,924,120
Interest and Fees on Long-Term Debt	1,554,687	1,724,655
On-Behalf Retirement Contributions	9,739,828	7,008,390
Depreciation - Unallocated	658,930	611,655
Total Expenses	<u>\$ 56,799,058</u>	<u>\$ 53,182,455</u>
Change in Net Position	\$ 6,573,379	\$ 5,954,850
Net Position - Beginning of Fiscal Year	44,554,074	39,217,634
Net Position Adjustment	(2,903,545)	(618,410)
Net Position - End of Fiscal Year	<u>\$ 48,223,908</u>	<u>\$ 44,554,074</u>

The District's total revenues increased \$4,235,132 (7 percent) compared to the prior year. The most significant factor of this increase was an increase in operating grants and contributions of \$2,809,257. In addition, Property Taxes increased by \$1,230,931 compared to the prior year.

Overall expenses increased \$3,616,603 (7 percent) compared to the prior year. This increase is primarily attributable to an increase in On-Behalf Retirement Contributions of \$2,731,438.

### 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 the District's net resources available for spending at the end of the fiscal year.

As of June 30, 2015, the District funds reported combined ending fund balances of \$14,062,140, an increase of \$2,467,427 in comparison with the prior year.

The General Fund is the chief operating fund of the District. At June 30, 2015, total fund balance was \$11,054,836. As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Total fund balance represents 24 percent of total General Fund expenditures.

The Operations and Maintenance Fund's fund balance increased by \$813,187 in comparison with the prior year. This increase was due to on-going revenues continuing to be greater than on-going expenditures.

The Transportation Fund's fund balance increased by \$163,973 in comparison with the prior year. This increase is due mostly to revenues continuing to exceed current transportation expenditures.

The Capital Projects Fund's fund balance decreased by \$332,051 in comparison with the prior year. This decrease was partly the result of the District not allocating any replacement tax revenue to the fund in the current year. The District also received less donations than in the prior year.

The remaining funds experienced net revenues and expenditures that remained relatively consistent with the prior year.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual revenues exceeded budgeted revenues by \$2,891,619. The difference is largely due to higher than anticipated On-Behalf Retirement Contributions.

Actual expenditures exceeded budgeted expenditures by \$2,199,489. The difference is largely due to higher than expected On-Behalf Retirement Contributions.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets** – The District's investment in capital assets as of June 30, 2015 amounts to \$78,770,366 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements other than buildings, and equipment.

Major capital asset events during the year ended June 30, 2015 include the following:

- Construction in progress additions of 497,323 for the Innovation Center.
- Total equipment additions of \$1,108,222
- Loss on the disposal of equipment of \$320,834

The following table presents a summary of capital assets for the years ended June 30, 2015 and 2014:

Lake Park High School District No. 108's Capital Assets (net of depreciation)

	Governmental Activities	
	2015	2014
Land	\$ 558,191	\$ 558,191
Construction in Progress	497,392	97,323
Buildings	69,323,813	70,191,757
Improvements Other than Buildings	4,152,109	4,293,539
Equipment	4,238,861	4,247,185
Total	<u>\$ 78,770,366</u>	<u>\$ 79,387,995</u>

Further detail of the District's capital assets can be found in note 3 on pages 26 and 27 of this report.

**Long-term debt** – At June 30, 2015, the District had total debt outstanding of \$39,770,923.

The following table presents a summary of outstanding debt for the years ended June 30, 2015 and 2014:

Lake Park High School District No. 108's Outstanding Debt

	Governmental Activities	
	2015	2014
General Obligation Bonds	\$ 37,850,000	\$ 42,200,000
Debt Certificates	1,290,000	1,495,000
Lease/Purchase Agreements	630,923	508,615
Total	<u>\$ 39,770,923</u>	<u>\$ 44,203,615</u>

Major debt transactions during the year ended June 30, 2015 include the following:

- Principal payments on all debt were \$6,106,705
- A new lease/purchase agreement was entered into for \$384,013
- New debt certificates were obtained for \$1,290,000

Further detail of the District's debt obligations can be found in note 4 on pages 27 and 28 of this report.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Lake Park High School District No. 108's Board of Education continues to emphasize the importance of a balanced budget. The Board of Education has established a Finance Committee that meets on a monthly basis to discuss the curricular and financial status of the District. It must be noted that the Board of Education has approved a balanced budget for fiscal years 2013, 2014, 2015, and 2016. The previous audit reports conclude that the actual activity during these fiscal years supports this initiative.

## REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, parents, students, investors, and creditors with a general overview of the District's finances and to demonstrate its accountability for the money it receives. If there are questions about this report or additional information is needed please contact the District at the following address:

Lake Park High School District No. 108  
590 S. Medinah Road  
Roselle, IL 60172



## BASIC FINANCIAL STATEMENTS

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF NET POSITION  
JUNE 30, 2015

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 7,937,174
Investments, at Fair Value	32,381,113
Accrued Interest Receivable, net of allowance of \$0	92,362
Other Accounts Receivable, net of allowance of \$0	21,807
Property Taxes Receivable, net of allowance of \$217,849	24,092,049
Due from Other Governments, net of allowance of \$0	503,798
Prepaid Expenses	388,730
Net OPEB Asset	1,351,371
Capital Assets (Note 3):	
Land	558,191
Construction in Progress	497,392
Depreciable Buildings, Property, and Equipment, net of depreciation	<u>77,714,783</u>
Total Assets	<u>\$ 145,538,770</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Loss on Refunding, net of related amortization	\$ 1,033,220
Pension Expense/Revenue - Illinois Municipal Retirement Fund	1,689,567
Pension Expense/Revenue - Teachers' Retirement System	<u>124,250</u>
Total Deferred Outflows of Resources	<u>\$ 2,847,037</u>
<b>LIABILITIES</b>	
Accounts Payable and Accrued Expenses	\$ 1,985,639
Accrued Payroll and Payroll Liabilities	2,852,810
Unearned Revenue - Registration Fees	274,833
Net Pension Liability - Illinois Municipal Retirement Fund	2,929,564
Net Pension Liability - Teachers' Retirement System	2,047,786
Long-Term Liabilities	
Due Within One Year	5,370,704
Due in More Than One Year	<u>37,273,625</u>
Total Liabilities	<u>\$ 52,734,961</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable Revenue - Property Taxes	\$ 46,925,771
Pension Expense/Revenue - Teachers' Retirement System	<u>501,167</u>
Total Deferred Inflows of Resources	<u>\$ 47,426,938</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	\$ 37,523,223
Restricted for:	
Operations and Maintenance	932,927
Transportation	833,454
Unrestricted/(Deficit)	<u>8,934,304</u>
Total Net Position	<u>\$ 48,223,908</u>

The Notes to Financial Statements are an integral part of this statement.

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues		Net (Expense)	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities	
Governmental Activities					
Instruction					
Regular Programs	\$ 13,289,638	\$ 1,205,659	\$ 250,625	\$ -	\$ (11,833,354)
Special Education Programs	3,170,820	163,265	1,142,051	-	(1,865,504)
Other Instructional Programs	5,985,391	213,497	89,815	-	(5,682,079)
Support Services					
Pupils	4,091,177	-	119,459	-	(3,971,718)
Instructional Staff	2,287,232	-	-	-	(2,287,232)
General Administration	1,191,547	-	-	-	(1,191,547)
School Administration	1,158,370	-	-	-	(1,158,370)
Business	1,058,569	-	-	-	(1,058,569)
Facilities Acquisition and Construction	837,740	-	-	-	(837,740)
Operations and Maintenance	5,445,566	190,327	-	110,920	(5,144,319)
Transportation	2,108,084	-	490,274	-	(1,617,810)
Food Services	1,463,113	1,127,420	1,555	-	(334,138)
Central	1,073,114	-	-	-	(1,073,114)
Other Support Services	704	-	-	-	(704)
Community Services	872	-	-	-	(872)
Payments to Other Districts and					
Governmental Units	1,683,676	-	681,742	-	(1,001,934)
Interest and Fees on Long-Term Debt	1,554,687	-	-	-	(1,554,687)
On-Behalf Retirement Contributions	9,739,828	-	9,739,828	-	-
Depreciation - Unallocated	658,930	-	-	-	(658,930)
<b>Total Governmental Activities</b>	<b>\$ 56,799,058</b>	<b>\$ 2,900,168</b>	<b>\$ 12,515,349</b>	<b>\$ 110,920</b>	<b>\$ (41,272,621)</b>
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes					\$ 39,946,432
Property Taxes, Levied for Debt Service					6,069,333
Other Payments in Lieu of Taxes					665,447
Grants and Contributions not Restricted to Specific Activities					1,229,899
Unrestricted Investment Earnings					156,705
Gain/(Loss) on Sale of Capital Assets					(320,834)
Miscellaneous Income					99,018
<b>Total General Revenues</b>					<b>\$ 47,846,000</b>
Change in Net Position					\$ 6,573,379
Net Position - July 1, 2014					44,554,074
Net Position Adjustment (Note 18)					(2,903,545)
Net Position - June 30, 2015					<u>\$ 48,223,908</u>

The Notes to Financial Statements are an integral part of this statement.

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 FUND FINANCIAL STATEMENTS  
 BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 JUNE 30, 2015

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 5,785,144	\$ 820,018	\$ 596,840	\$ 340,086	\$ 146,529	\$ 248,557	\$ 7,937,174
Investments, at Fair Value	23,601,521	3,345,410	2,434,912	1,387,446	597,789	1,014,035	32,381,113
Accrued Interest Receivable, net of allowance of \$0	70,671	11,814	666	5,721	2,799	691	92,362
Other Accounts Receivable, net of allowance of \$0	21,807	-	-	-	-	-	21,807
Property Taxes Receivable, net of allowance of \$217,849	16,571,679	2,774,549	3,125,926	917,140	702,755	-	24,092,049
Due from Other Governments, net of allowance of \$0	373,264	-	-	119,620	10,914	-	503,798
Prepaid Expenses	323,006	65,724	-	-	-	-	388,730
<b>Total Assets</b>	<b>\$ 46,747,092</b>	<b>\$ 7,017,515</b>	<b>\$ 6,158,344</b>	<b>\$ 2,770,013</b>	<b>\$ 1,460,786</b>	<b>\$ 1,263,283</b>	<b>\$ 65,417,033</b>
<b>LIABILITIES</b>							
Accounts Payable and Accrued Expenses	\$ 306,411	\$ 96,968	\$ -	\$ 29,015	\$ 71,078	\$ 707,671	\$ 1,211,143
Accrued Payroll and Payroll Liabilities	2,764,807	20,760	-	-	67,243	-	2,852,810
Unearned Revenue - Registration Fees	273,858	-	-	975	-	-	274,833
<b>Total Liabilities</b>	<b>\$ 3,345,076</b>	<b>\$ 117,728</b>	<b>\$ -</b>	<b>\$ 29,990</b>	<b>\$ 138,321</b>	<b>\$ 707,671</b>	<b>\$ 4,338,786</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable Revenue - Property Taxes	\$ 32,277,820	\$ 5,404,183	\$ 6,088,585	\$ 1,786,378	\$ 1,368,805	\$ -	\$ 46,925,771
Unavailable Revenue - Interest	69,360	11,793	666	5,721	2,796	-	90,336
<b>Total Deferred Inflows of Resources</b>	<b>\$ 32,347,180</b>	<b>\$ 5,415,976</b>	<b>\$ 6,089,251</b>	<b>\$ 1,792,099</b>	<b>\$ 1,371,601</b>	<b>\$ -</b>	<b>\$ 47,016,107</b>
<b>FUND BALANCE</b>							
<b>Nonspendable</b>							
Prepaid Expenses	\$ 323,006	\$ 65,724	\$ -	\$ -	\$ -	\$ -	\$ 388,730
<b>Restricted</b>							
Operations and Maintenance	-	932,927	-	-	-	-	932,927
Debt Service	-	-	52,602	-	-	-	52,602
Transportation	-	-	-	833,454	-	-	833,454
Illinois Municipal Retirement	-	-	-	-	14,841	-	14,841
<b>Assigned</b>							
Operations and Maintenance	-	485,160	-	-	-	-	485,160
Debt Service	-	-	16,491	-	-	-	16,491
Transportation	-	-	-	114,470	-	-	114,470
Capital Projects	-	-	-	-	-	555,612	555,612
Unassigned	10,731,830	-	-	-	(63,977)	-	10,667,853
<b>Total Fund Balance</b>	<b>\$ 11,054,836</b>	<b>\$ 1,483,811</b>	<b>\$ 69,093</b>	<b>\$ 947,924</b>	<b>\$ (49,136)</b>	<b>\$ 555,612</b>	<b>\$ 14,062,140</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 46,747,092</b>	<b>\$ 7,017,515</b>	<b>\$ 6,158,344</b>	<b>\$ 2,770,013</b>	<b>\$ 1,460,786</b>	<b>\$ 1,263,283</b>	<b>\$ 65,417,033</b>

The Notes to Financial Statements are an integral part of this statement.

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 FUND FINANCIAL STATEMENTS  
 RECONCILIATION OF THE BALANCE SHEET  
 TO THE STATEMENT OF NET POSITION  
 JUNE 30, 2015

Total Fund Balances - Governmental Funds		\$ 14,062,140
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Capital Assets	\$ 108,057,373	
Accumulated Depreciation on Capital Assets	<u>(29,287,007)</u>	78,770,366
<p>Other assets are not available to pay for current period expenditures and therefore are deferred inflows of resources in the funds.</p>		
Interest Receivable		90,335
Net OPEB Asset is not included in the governmental funds.		1,351,371
Net Pension Obligation - IMRF is not included in the governmental funds.		(2,929,564)
Net Pension Obligation - TRS is not included in the governmental funds.		(2,047,786)
<p>Deferred pension costs in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Pension Expense/Revenue - Illinois Municipal Retirement Fund	\$ 1,689,567	
Pension Expense/Revenue - Teachers' Retirement System	<u>(376,916)</u>	1,312,651
<p>Deferred charges and credits for debt issue discounts or premiums are not financial resources and therefore are not reported in the funds.</p>		
Bond Premiums, net of related amortization	\$ (2,509,441)	
Deferred Loss on Refunding, net of related amortization	<u>1,033,220</u>	(1,476,221)
<p>Some liabilities are not due and payable in the current period and therefore are not reported in the funds.</p>		
Bonds Payable	\$ (37,850,000)	
Debt Certificates Payable	(1,290,000)	
Capital Leases Payable	(630,923)	
Accrued Interest on Long-Term Debt	(774,496)	
Compensated Absences	<u>(363,965)</u>	<u>(40,909,384)</u>
Net Position of Governmental Activities		<u>\$ 48,223,908</u>

The Notes to Financial Statements are an integral part of this statement.

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 FUND FINANCIAL STATEMENTS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2015

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/Social Security Fund	Capital Projects Fund	Total Governmental Funds
<b>REVENUES</b>							
Property Taxes	\$ 31,550,856	\$ 5,292,125	\$ 6,069,333	\$ 1,749,153	\$ 1,354,298	\$ -	\$ 46,015,765
Payments in Lieu of Taxes	554,847	-	-	-	110,600	-	665,447
Tuition	55,457	-	-	-	-	-	55,457
Transportation Fees	-	-	-	20,204	-	-	20,204
Earnings on Investments	89,920	9,157	3,538	7,093	2,271	2,420	114,399
Food Service	1,105,522	-	-	-	-	-	1,105,522
District/School Activity Income	1,135,276	-	-	-	-	-	1,135,276
Textbooks	12,402	-	-	-	-	-	12,402
Other Local Sources	448,551	209,459	-	-	-	25,046	683,056
State Aid	1,739,242	-	-	490,274	-	800,000	3,029,516
Federal Aid	982,326	-	-	-	-	-	982,326
On-Behalf Payments	9,739,828	-	-	-	-	-	9,739,828
	<u>\$ 47,414,227</u>	<u>\$ 5,510,741</u>	<u>\$ 6,072,871</u>	<u>\$ 2,266,724</u>	<u>\$ 1,467,169</u>	<u>\$ 827,466</u>	<u>\$ 63,559,198</u>
<b>EXPENDITURES</b>							
<b>Current</b>							
<b>Instruction</b>							
Regular Programs	\$ 13,171,130	\$ -	\$ -	\$ -	\$ 198,639	\$ -	\$ 13,369,769
Special Education Programs	2,989,694	-	-	-	127,943	-	3,117,637
Other Instructional Programs	5,683,621	-	-	-	150,765	-	5,834,386
<b>Support Services</b>							
Pupils	3,891,546	-	-	-	148,991	-	4,040,537
Instructional Staff	2,074,633	-	-	-	118,379	-	2,193,012
General Administration	1,157,178	-	-	-	28,336	-	1,185,514
School Administration	1,085,096	-	-	-	58,570	-	1,143,666
Business	932,963	-	-	-	101,078	-	1,034,041
Facilities Acquisition and Construction	-	242	-	-	-	104,428	104,670
Operations and Maintenance	415,167	4,379,625	-	-	483,950	-	5,278,742
Transportation	-	-	-	2,061,671	-	-	2,061,671
Food Services	1,434,333	-	-	-	-	-	1,434,333
Central	799,947	-	-	-	110,230	-	910,177
Other Support Services	-	704	-	-	-	-	704
Community Services	872	-	-	-	-	-	872
Payments to Other Districts and Governmental Units	1,683,676	-	-	-	-	-	1,683,676
<b>Debt Service</b>							
Principal	-	-	4,701,680	36,007	-	-	4,737,687
Interest and Fees	-	-	1,808,155	5,073	-	-	1,813,228
Capital Outlay	730,802	26,043	-	-	-	1,055,089	1,811,934
On-Behalf Payments	9,739,828	-	-	-	-	-	9,739,828
	<u>\$ 45,790,486</u>	<u>\$ 4,406,614</u>	<u>\$ 6,509,835</u>	<u>\$ 2,102,751</u>	<u>\$ 1,526,881</u>	<u>\$ 1,159,517</u>	<u>\$ 61,496,084</u>
<b>EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>							
	<u>\$ 1,623,741</u>	<u>\$ 1,104,127</u>	<u>\$ (436,964)</u>	<u>\$ 163,973</u>	<u>\$ (59,712)</u>	<u>\$ (332,051)</u>	<u>\$ 2,063,114</u>

The Notes to Financial Statements are an integral part of this statement.

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 FUND FINANCIAL STATEMENTS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2015

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Total Governmental Funds
OTHER FINANCING SOURCES (USES)							
Interfund Transfers	\$ (138,474)	\$ (290,940)	\$ 429,414	\$ -	\$ -	\$ -	\$ -
Principal on Bonds Sold	384,013	-	1,290,000	-	-	-	1,674,013
Proceeds from Capital Lease	-	-	-	-	-	-	-
Bond Refunding Payment to Escrow Agent	-	-	(1,270,000)	-	-	-	(1,270,000)
Sale or Compensation for Fixed Assets	300	-	-	-	-	-	300
Other Sources	-	-	-	-	-	-	-
	<u>\$ 245,839</u>	<u>\$ (290,940)</u>	<u>\$ 449,414</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 404,313</u>
NET CHANGE IN FUND BALANCES	\$ 1,869,580	\$ 813,187	\$ 12,450	\$ 163,973	\$ (59,712)	\$ (332,051)	\$ 2,467,427
FUND BALANCES - JULY 1, 2014	9,162,920	650,635	56,643	783,951	10,576	887,663	11,552,388
FUND BALANCE ADJUSTMENT (Note 18)	<u>22,336</u>	<u>19,989</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,325</u>
FUND BALANCES - JUNE 30, 2015	<u>\$ 11,054,836</u>	<u>\$ 1,483,811</u>	<u>\$ 69,093</u>	<u>\$ 947,924</u>	<u>\$ (49,136)</u>	<u>\$ 555,612</u>	<u>\$ 14,062,140</u>

The Notes to Financial Statements are an integral part of this statement.

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 FUND FINANCIAL STATEMENTS  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
 YEAR ENDED JUNE 30, 2015

Net Change in Fund Balances - Total Governmental Funds \$ 2,467,427

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 capital outlay exceeds depreciation expense in the current period.

Depreciation Expense	\$ (2,108,428)	
Capital Outlays	<u>1,811,934</u>	(296,494)

In the Statement of Activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the undepreciated balance of the capital assets sold.

Gain/(Loss) on Sale of Capital Assets	\$ (320,834)	
Proceeds from Sale of Fixed Assets	<u>(300)</u>	(321,134)

Some revenues reported in the Statement of Activities do not provide current financial resources and therefore are deferred in the governmental funds.

Earnings on Investments	\$ 42,304	
State and Federal Aid	<u>(7,249)</u>	35,055

The change in the Net OPEB Asset is not included in the governmental funds. 278,992

Long-term debt proceeds provide current financial resources to governmental funds and are therefore shown as revenue in the Statement of Revenues, Expenditures, and Changes in Fund Balances, but issuing debt increases long-term liabilities in the Statement of Net Position and is therefore not reported in the Statement of Activities.

Proceeds from Long-Term Debt		(1,674,013)
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Employer Pension Contributions are expensed in the fund financial statements but are treated as a reduction in the Net Pension Liability on the government-wide financial statements.

Illinois Municipal Retirement Fund Contributions	\$ 681,761	
Teachers' Retirement System Contributions	<u>123,168</u>	804,929

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued Interest on Long-Term Debt	\$ 111,806	
Compensated Absences	46,819	
Bond Premium - Amortization	468,628	
Pension Expense - Illinois Municipal Retirement Fund	(1,068,479)	
Pension Expense - Teachers' Retirement System	(64,969)	
Deferred Loss on Refunding - Amortization	<u>(321,893)</u>	(828,088)

Repayment of long-term debt requires the use of current financial resources of governmental funds and is therefore shown as an expenditure in the Statement of Revenues, Expenditures, and Changes in Fund Balances, but the repayment reduces long-term liabilities in the Statement of Net Position and is therefore not reported in the Statement of Activities.

Repayment of Long-Term Debt	\$ 4,737,687	
Payment to Escrow Agent on Refunding Bonds	1,270,000	
Cancellation of Capital Lease	<u>99,018</u>	6,106,705

Change in Net Position of Governmental Activities \$ 6,573,379



LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 FUND FINANCIAL STATEMENTS  
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 FIDUCIARY FUNDS  
 JUNE 30, 2015

	Agency Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 474,833
Investments	150,682
Total Assets	\$ 625,515
<b>LIABILITIES</b>	
Due to Agency Funds	\$ 625,515
Total Liabilities	\$ 625,515

The Notes to Financial Statements are an integral part of this statement.

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lake Park High School District No. 108's (District) accounting policies conform to generally accepted accounting principles as applicable to local education agencies.

The District's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies established in GAAP used by the District are discussed below.

A. *Reporting Entity*

The accompanying financial statements comply with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. Using these criteria, the District has no component units. In addition, the District is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

B. *Basic Financial Statements – Government-Wide Financial Statements*

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund (reporting the District's major funds) financial statements. Both the government-wide and fund financial statements categorize all of the primary activities of the District as governmental activities. The District does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column (a) is presented on a consolidated basis, and (b) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property taxes, personal property replacement taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and operating and capital grants. Program revenues must be directly associated with the function (regular programs, special education programs, payments to other districts and governmental units, etc.). Program revenues include charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. *Basic Financial Statements – Government-Wide Financial Statements (Continued)*

Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenues (property taxes, personal property replacement taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.).

The District does not allocate indirect costs.

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

C. *Basic Financial Statements – Fund Financial Statements*

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on the major funds. Nonmajor funds are summarized into a single column. GASB Statement No. 34 sets forth the minimum criteria (percentage of the assets, liabilities, revenues or expenditures of all governmental funds) for the determination of major funds. The District electively made all governmental funds major funds.

1. Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The District reports these major governmental funds and fund types:

General Fund – The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Educational, Working Cash, and Special Education levies are included in this fund.

Special Revenue Funds – The Special Revenue Funds (Operations and Maintenance Fund, Transportation Fund, Illinois Municipal Retirement/Social Security Fund) are used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service or capital projects.

Debt Services Fund – The Debt Services Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the periodic payment of principal, interest and related fees on general long-term debt.

Capital Projects Fund – The Capital Projects Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of major capital facilities.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. *Basic Financial Statements – Fund Financial Statements (Continued)*

2. Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position. The following is a description of the fiduciary fund of the District:

Agency Funds – The Agency Funds (Student Activity Funds, Convenience Accounts, and Other Agency Funds) account for assets held by the District as an agent for the student organizations or as a convenience for its staff. These funds are custodial in nature and do not involve the measurement of the results of operations. The amounts due to each fund are equal to the assets.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (agency). Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the District, these funds are not incorporated into the government-wide statements.

D. *Basis of Accounting*

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

The governmental activities in the government-wide financial statements and the fiduciary fund financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Other nonexchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Property tax revenues are recognized in the period for which levied provided they are also available. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

E. *Cash and Cash Equivalents and Investments*

Separate bank accounts are not maintained for all District funds. Instead, the funds maintain their cash balances in common accounts, with accounting records being

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. *Cash and Cash Equivalents and Investments* (Continued)

maintained to show the portion of the common bank account balance attributable to each participating fund. Occasionally certain of the funds participating in the common bank account will incur overdrafts (deficits) in the account. Such overdrafts in effect constitute cash borrowed from other District funds and are, therefore, interfund loans that have not been authorized by District Board action.

No District fund had a cash overdraft at June 30, 2015.

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents are accounted for at cost, which approximates market.

Investments are stated at fair value. Fair value is determined by quoted market prices. Gains or losses on the sale of investments are recognized as they are incurred. The District has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

F. *Receivables*

All receivables are reported net of estimated uncollectible amounts.

G. *Prepaid Expenses*

Prepaid expenses are for payments made by the District in the current year for goods and services received in the subsequent fiscal year, and the reserve for prepaid expenses in the governmental funds has been recorded to signify that a portion of fund balance is not available for other subsequent expenditures.

H. *Inventories*

No inventory accounts are maintained to reflect the values of resale or supply items on hand. Instead, the costs of such items are charged to expense when purchased. The value of the District's inventories is not deemed to be material.

I. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

J. *Capital Assets*

Capital assets purchased or acquired with an original cost of \$500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. *Capital Assets (Continued)*

Building	50-75 years
Improvements Other than Buildings	20-35 years
Equipment	3-30 years

K. *Deferred Outflows and Inflows of Resources*

In addition to assets and liabilities, the Balance Sheet(s) and Statement(s) of Net Position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resource until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource until that time.

L. *Compensated Absences*

Vacation benefits are granted to employees in varying amounts to specified maximums depending on tenure with the District. The liability for unused compensated absences is reported in the government-wide financial statements. Sick leave is accumulated from year to year without limit, but is not paid upon termination. Therefore, no compensated absence accrual is recorded for sick leave.

M. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds on a straight-line basis. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt services expenditures.

In the fund financial statements, governmental funds 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.

N. *Government-Wide Net Position*

Government-wide net position is divided into three components:

- Net Investment in Capital Assets – consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted Net Position – consists of net position that is restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. *Government-Wide Net Position (Continued)*

- Unrestricted Net Position – the remaining net position is reported in this category.

O. *Governmental Fund Balances*

Governmental fund balances are divided between and spendable.

Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact.

The spendable fund balances are arranged in a hierarchy based on spending constraints.

- **Restricted** – Restricted fund balances are restricted when constraints are placed on the use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
- **Committed** – Committed fund balances are amounts that can only be used for specific purposes as a result of a resolution of the Board of Education. Committed amounts cannot be used for any other purpose unless the Board of Education removes those constraints by way of resolution. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- **Assigned** – Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by an appointed body (e.g. a budget or finance committee) or official to which the Board of Education has delegated the authority to assign, modify or rescind amounts to be used for specific purposes. The District has not delegated this authority to an appointed body or official. All assigned fund balances are the residual amounts of the fund.

Assigned fund balances also include (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects or debt services fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the District itself.

- **Unassigned** – Unassigned fund balance is the residual classification for the General Fund. This classification represents the General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance in the General Fund also includes amounts levied and/or borrowed for working cash.

The District permits funds to be expended in the following order: Restricted, Committed, Assigned and Unassigned.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. *Property Tax Calendar and Revenues*

Property taxes are levied each calendar year on all taxable real property located in the District on or before the last Tuesday in December. The 2014 tax levy was passed by the Board on November 24, 2014. The 2013 tax levy was passed by the Board on November 25, 2013. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year they are for and are payable in two installments early in June and early in September of the following calendar year. The District receives significant distributions of tax receipts within one month after these dates.

Q. *Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits with financial institutions are fully insured or collateralized by securities held in the District's name.

The District is allowed to invest in securities as authorized by the School Code of Illinois, Chapter 30, Section 235/2 and 6; and Chapter 105, Section 5/8-7.

*Investments*

As of June 30, 2015, the District had the following investments and maturities:

Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	5-10	More Than 10
State Investment Pool	\$ 3,474,771	\$ 3,474,771	\$ -	\$ -	\$ -
Federal Home Loan Bank	490,000	-	490,000	-	-
	<u>\$ 3,964,771</u>	<u>\$ 3,474,771</u>	<u>\$ 490,000</u>	<u>\$ -</u>	<u>\$ -</u>

The fair value of investments in the State Investment Pool is the same as the value of pool shares. The State Investment Pool is not SEC-registered, but does have regulatory oversight through the State of Illinois.

*Interest Rate Risk.* The District's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk.* State law limits investments based on credit risk. The District's investment policy further limits its investment choices to ensure that capital loss, whether from credit or market risk, is avoided. As of June 30, 2015, the District's investments were rated as follows:

Investments	Credit Rating	Rating Source
State Investment Pool	AAAm	Standard and Poor's
Federal Home Loan Bank	AA+	Standard and Poor's

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:



NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 3 - CAPITAL ASSETS (Continued)

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
<b>Governmental Activities</b>				
Capital Assets not being depreciated				
Land	\$ 558,191	\$ -	\$ -	\$ 558,191
Construction in Progress	97,323	497,392	97,323	497,392
Total Capital Assets not being depreciated	<u>\$ 655,514</u>	<u>\$ 497,392</u>	<u>\$ 97,323</u>	<u>\$ 1,055,583</u>
Other Capital Assets				
Buildings	\$ 90,883,261	\$ 236,321	\$ -	\$ 91,119,582
Improvements Other than Buildings	6,147,442	67,322	-	6,214,764
Equipment	9,297,768	1,108,222	738,546	9,667,444
Total Other Capital Assets at Historical Cost	<u>\$ 106,328,471</u>	<u>\$ 1,411,865</u>	<u>\$ 738,546</u>	<u>\$ 107,001,790</u>
Less Accumulated Depreciation for:				
Buildings	\$ 20,691,504	\$ 1,104,265	\$ -	\$ 21,795,769
Improvements Other than Buildings	1,853,903	208,752	-	2,062,655
Equipment	5,050,583	795,411	417,411	5,428,583
Total Accumulated Depreciation	<u>\$ 27,595,990</u>	<u>\$ 2,108,428</u>	<u>\$ 417,411</u>	<u>\$ 29,287,007</u>
Other Capital Assets, Net	<u>\$ 78,732,481</u>	<u>\$ (696,563)</u>	<u>\$ 321,135</u>	<u>\$ 77,714,783</u>
Governmental Activities Capital Assets, Net	<u>\$ 79,387,995</u>	<u>\$ (199,171)</u>	<u>\$ 418,458</u>	<u>\$ 78,770,366</u>

Depreciation expense was charged to functions as follows:

Governmental Activities		
Instruction		
Regular Programs		\$ 172,821
Special Education Programs		23,634
Other Instructional Programs		124,964
Support Services		
Pupils		19,200
Instructional Staff		65,153
General Administration		8,026
School Administration		12,825
Business		5,888
Facilities Acquisition and Construction		733,070
Operations and Maintenance		65,002
Transportation		46,413
Food Services		28,780
Central		143,722
Unallocated		658,930
Total Governmental Activities Depreciation Expense		<u>\$ 2,108,428</u>

NOTE 4 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended June 30, 2015 was as follows:

	Balance July 1, 2014	Additions	Reductions	Balance June 30, 2015	Amounts Due Within One Year
<b>Governmental Activities</b>					
Long-Term Debt					
General Obligation Bonds	\$ 42,200,000	\$ -	\$ 4,350,000	\$ 37,850,000	\$ 4,520,000
Debt Certificates	1,495,000	1,290,000	1,495,000	1,290,000	255,000
Lease/Purchase Agreements	508,615	384,013	261,705	630,923	133,914
Total Long-Term Debt	<u>\$ 44,203,615</u>	<u>\$ 1,674,013</u>	<u>\$ 6,106,705</u>	<u>\$ 39,770,923</u>	<u>\$ 4,908,914</u>
Other Long-Term Liabilities					
Bond Premiums, net of amortization	\$ 2,978,069	\$ -	\$ 468,628	\$ 2,509,441	\$ 461,790
Compensated Absences	410,784	-	46,819	363,965	-
Total Other Long-Term Liabilities	<u>\$ 3,388,853</u>	<u>\$ -</u>	<u>\$ 515,447</u>	<u>\$ 2,873,406</u>	<u>\$ 461,790</u>
Total Governmental Activities Long-Term Obligations	<u>\$ 47,592,468</u>	<u>\$ 1,674,013</u>	<u>\$ 6,622,152</u>	<u>\$ 42,644,329</u>	<u>\$ 5,370,704</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 - LONG-TERM LIABILITY ACTIVITY (Continued)

Long-term debt consisted of the following at June 30, 2015:

	Maturity Date	Interest Rate	Face Amount	Carrying Amount
2007B General Obligation Refunding Bonds	1/1/2025	4%-4.5%	\$ 12,655,000	\$ 7,680,000
2011 General Obligation Refunding Bonds	1/1/2017	2%-4%	9,100,000	3,625,000
2012 General Obligation Refunding Bonds	1/1/2022	3%-4%	27,610,000	26,545,000
2014 General Obligation Limited Tax Refunding Debt Certificates	1/1/2020	0.7%-1.5%	1,290,000	1,290,000
Lease/Purchase Agreement 10/12	10/16/2017	4.50%	213,860	102,197
Lease/Purchase Agreement 8/13	8/1/2018	2.58%	230,900	162,041
Lease/Purchase Agreement 4/15	4/10/2020	4.25%	384,013	366,685

At June 30, 2015 the annual debt service requirements to cover all outstanding debt are:

Year Ending June 30	Principal	Interest	Total
2016	\$ 4,908,914	\$ 1,568,765	\$ 6,477,679
2017	5,129,997	1,380,119	6,510,116
2018	5,288,224	1,186,341	6,474,565
2019	5,463,999	982,946	6,446,945
2020	5,619,789	770,580	6,390,369
2021	5,500,000	551,663	6,051,663
2022	5,725,000	329,525	6,054,525
2023	930,000	96,075	1,026,075
2024	975,000	54,225	1,029,225
2025	230,000	10,350	240,350
	<u>\$ 39,770,923</u>	<u>\$ 6,930,589</u>	<u>\$ 46,701,512</u>

NOTE 5 - INTERFUND LOANS

There are no outstanding interfund loans at June 30, 2015.

NOTE 6 - DEFICIT FUND BALANCE

At June 30, 2015, the following fund had a deficit fund balance:

Fund	Fund Balance
Illinois Municipal Retirement/Social Security	\$ (49,136)

NOTE 7 - PROPERTY TAXES

Property taxes receivable and unavailable revenue recorded in these financial statements are from the 2014 tax levy. The unavailable revenue is 100% of the 2014 tax levy net of estimated uncollectible amounts. These taxes are unavailable as only a portion of the taxes are collected near the end of the fiscal year and the District does not consider the amounts to be available and does not budget for their use in fiscal year 2015. The District has determined that 100% of the amounts collected for the 2013 levy are allocable for use in fiscal year 2015. Therefore, 100% of the amounts collected for the 2013 and prior levies (\$46,015,765) are recorded in these financial statements as property tax revenue. A summary of assessed valuations, rates, and extensions for tax years 2014, 2013, and 2012 is as follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 7 - PROPERTY TAXES (Continued)

Tax Year Assessed Valuation	2014		2013		2012	
	Rates	Extensions	Rates	Extensions	Rates	Extensions
	\$1,740,708,934		\$1,801,519,013		\$1,937,590,833	
Educational	1.8329	\$ 31,905,454	1.7384	\$ 31,317,607	1.5675	\$ 30,371,736
Special Education	0.0300	522,213	0.0275	495,418	0.0250	484,398
Operations and Maintenance	0.3119	5,429,271	0.2962	5,336,099	0.2671	5,175,305
Debt Service	0.3514	6,116,851	0.3397	6,119,760	0.3156	6,115,037
Transportation	0.1031	1,794,671	0.0979	1,763,687	0.0883	1,710,893
Municipal Retirement	0.0390	678,876	0.0378	680,974	0.0338	654,906
Social Security	0.0400	696,284	0.0380	684,577	0.0345	668,469
	<u>2.7083</u>	<u>\$ 47,143,620</u>	<u>2.5755</u>	<u>\$ 46,398,122</u>	<u>2.3318</u>	<u>\$ 45,180,743</u>

NOTE 8 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended June 30, 2015, the expenditures of the following funds exceeded the budget:

Fund	Budget	Actual	Excess of Actual Over Budget
General Fund	\$ 43,590,997	\$ 45,790,486	\$ 2,199,489
Illinois Municipal Retirement/ Social Security Fund	1,473,272	1,526,881	53,609
Debt Services Fund	6,490,982	6,509,835	18,853

The over expenditures were covered by available fund balances.

NOTE 9 - RETIREMENT FUND COMMITMENTS

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

➤ **General Information About the Pension Plan**

○ **Plan Description**

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

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

○ **Benefits Provided**

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with ten 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 ten

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

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

➤ **General Information About the Pension Plan** (Continued)

○ **Benefits Provided** (Continued)

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

Essentially all Tier I retirees receive an annual 3% increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of 3% of the original benefit or ½% of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

○ **Contributions**

The State of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90% 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, 2015 was 9.4% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

▪ **On-Behalf Contributions to TRS**

The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2015, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$9,537,936 in pension contributions from the State of Illinois.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

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

➤ **General Information About the Pension Plan** (Continued)

○ **Contributions** (Continued)

▪ **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, 2015 were \$114,791, and are deferred because they were paid after the June 30, 2014 measurement date.

▪ **Federal and Special Trust Fund Contributions**

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

For the year ended June 30, 2015, the District pension contribution was 33.00% of salaries paid from federal and special trust funds. For the year ended June 30, 2015, salaries totaling \$25,384 were paid from federal and special trust funds that required District contributions of \$8,377. These contributions are deferred because they were paid after the June 30, 2014 measurement date.

▪ **Employer Retirement Cost Contributions**

Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program is 146.5% and applies when the member is age 55 at retirement. For the year ended June 30, 2015, the District paid \$119,882 to TRS for employer ERO contributions.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2015, the District paid \$0 to TRS for employer contributions due on salary increases in excess of 6% and \$0 for sick leave granted in excess of the normal annual allotment.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

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

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

At June 30, 2015, 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:

State's proportionate share of the net pension liability	\$ 118,466,381
District's proportionate share of the net pension liability	2,047,786
Total Net Pension Liability	<u>\$ 120,514,167</u>

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 and rolled forward to June 30, 2014. 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, 2014, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2014, the District's proportion was 0.003365%.

The net pension liability as of the beginning of this first measurement period under GASB Statement No. 68 was measured as of June 30, 2013, and the total pension liability was based on the June 30, 2013 actuarial valuation without any roll-up. The District's proportion of the net pension liability as of June 30, 2013 was based on the District's share of contributions to TRS for the measurement year ended June 30, 2013, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2013, the District's proportion was 0.004155%.

For the year ended June 30, 2015, the District recognized pension expense of \$9,537,936 and revenue of \$9,537,936 for support provided by the State. At June 30, 2015, 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	Net Outflows of Resources
Difference between expected and actual experience	\$ 1,082	\$ -	\$ 1,082
Net difference between projected and actual earnings on pension investments	-	102,917	102,917
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	398,250	398,250
Employer contributions subsequent to the measurement date	123,168	-	123,168
	<u>\$ 124,250</u>	<u>\$ 501,167</u>	<u>\$ 625,417</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

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

➤ **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

\$123,168 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	
2016	\$ (122,129)
2017	(122,129)
2018	(122,129)
2019	(122,129)
2020	(11,568)
	<u>\$ (500,084)</u>

○ **Actuarial Assumptions**

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary Increases	5.75%, average including inflation
Investment Rate of Return	7.5%, net of pension plan investment expenses, including inflation

Mortality rates were based on the RP-2000 White Collar Table with projections using scale AA that vary by member group.

For GASB disclosure purposes, the actuarial assumptions for the years ended June 30, 2014 and 2013 were assumed to be the same. However, for funding purposes, the actuarial valuations for those two years were different. The actuarial assumptions used in the June 30, 2014 valuation were based on updates to economic assumptions adopted in 2014 which lowered the investment return assumption from 8.0% to 7.5%. The salary increase and inflation assumptions were also lowered. The actuarial assumptions used in the June 30, 2013 valuation were based on the 2012 actuarial experience analysis and first adopted in the June 30, 2012 valuation. The investment return assumption was lowered from 8.5% to 8.0% and the salary increase and inflation assumptions were also lowered. Mortality assumptions were adjusted to anticipate continued improvement in mortality.

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

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

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

➤ **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

○ **Actuarial Assumptions** (Continued)

allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap	18.0%	8.23%
Global equity excluding U.S.	18.0%	8.58%
Aggregate bonds	16.0%	2.27%
U.S. TIPS	2.0%	3.52%
NCREIF	11.0%	5.81%
Opportunistic real estate	4.0%	9.79%
ARS	8.0%	3.27%
Risk Parity	8.0%	5.57%
Diversified inflation strategy	1.0%	3.96%
Private Equity	14.0%	13.03%
	100.0%	

○ **Discount Rate**

The discount rate used to measure the total pension liability was 7.50%. 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 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Therefore, 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.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point-higher (8.5%) than the current rate.

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Employer's proportionate share of the net pension liability	\$ 2,528,915	\$ 2,047,786	\$ 1,649,356



NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

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

➤ **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

○ **TRS Fiduciary Net Position**

Detailed information about the TRS's fiduciary net position as of June 30, 2014 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

B. *Illinois Municipal Retirement Fund*

➤ **Plan Description**

The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position and required supplementary information. That report may be obtained on-line 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 (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

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

Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

B. *Illinois Municipal Retirement Fund* (Continued)

➤ **Benefits Provided** (Continued)

is the highest total earnings during any 96 consecutive months within the last ten years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

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

➤ **Employees Covered by Benefit Terms**

All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired after 1981) or more of work in a year are required to participate. At December 31, 2014, the measurement date, the District's membership consisted of:

Retirees and beneficiaries currently receiving benefits	132
Inactive plan members entitled to but not yet receiving benefits	143
Active plan members	130
Total	405

➤ **Contributions**

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2014 was 12.90%. For the fiscal year ended June 30, 2015, the District contributed \$715,676 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 components of the net pension liability of the IMRF as of December 31, 2014, calculated in accordance with GASB Statement No. 68, were as follows:

Total Pension Liability	\$ 35,036,567
IMRF Fiduciary Net Position	32,107,003
District's Net Pension Liability	2,929,564
IMRF Fiduciary Net Pension as a Percentage of the Total Pension Liability	91.64%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the Required Supplementary Information following the notes to the financial statements for additional information related to the funded status of the Plan.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

B. *Illinois Municipal Retirement Fund* (Continued)

➤ **Actuarial Assumptions**

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2014 using the following actuarial methods and assumptions.

Assumptions	
Inflation	3.50%
Price Inflation	2.75%
Salary Increases	3.75% - 14.50% including inflation
Interest Rate	7.49%
Asset Valuation Method	Market Value of assets

Projected Retirement Age Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.

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

➤ **Long-Term Expected Rate of Return**

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

Asset Class	Target Allocation	Projected Return
Equities	63.20%	7.60%
International Equities	2.60%	7.80%
Fixed Income	23.50%	3.00%
Real Estate	4.30%	6.15%
Alternatives	4.50%	
Private Equity		8.50%
Hedge Funds		5.25%
Commodities		2.75%
Cash	1.90%	2.25%
	<u>100.00%</u>	

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

B. *Illinois Municipal Retirement Fund* (Continued)

➤ **Single Discount Rate**

The projection of cash flow used to determine this Single Discount Rate assumed that the Plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of this discount rate, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.56%; and resulting single discount rate is 7.50%.

➤ **Discount Rate Sensitivity**

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 7.49% as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.49%) or 1-percentage-point higher (8.49%) than the current rate:

	1% Decrease 6.49%	Current Discount Rate 7.49%	1% Increase 8.49%
Net Pension Liability	\$ 6,938,350	\$ 2,929,564	\$ (433,857)

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

For the year ended June 30, 2015, the District recognized pension expense of \$1,068,479. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Expense in Future Periods</b>	<u>Outflows of Resources</u>	<u>Inflows of Resources</u>	<u>Net Outflows of Resources</u>
Differences between expected and actual experience	\$ 28,820	\$ -	\$ 28,820
Assumption changes	966,985	-	966,985
Net difference between projected and actual earnings on pension investments	<u>342,918</u>	<u>-</u>	<u>342,918</u>
Total deferred amounts to be recognized in pension expense in future periods	\$ 1,338,723	\$ -	\$ 1,338,723
Pension contributions made subsequent to the measurement date	<u>350,844</u>	<u>-</u>	<u>350,844</u>
Total deferred amounts related to pensions	<u>\$ 1,689,567</u>	<u>\$ -</u>	<u>\$ 1,689,567</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

B. *Illinois Municipal Retirement Fund* (Continued)

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

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

Year Ending December 31	Net Deferred Outflows of Resources
2015	\$ 637,269
2016	529,995
2017	85,729
2018	85,730
2019	-
Thereafter	-
	\$ 1,338,723

C. *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 "non-participating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The District paid the total required contribution for the current fiscal year.

NOTE 10 - POST EMPLOYMENT BENEFIT COMMITMENTS

A. *Teacher Health Insurance Security Fund (THIS)*

The District participates in the Teacher Health Insurance Security (THIS) Fund (Plan), 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. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state administered participating provider option plan or choose from several managed care options. Beginning February 1, 2014, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

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

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

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 10 - POST EMPLOYMENT BENEFIT COMMITMENTS (Continued)

A. *Teacher Health Insurance Security Fund (THIS) (Continued)*

➤ **On behalf contributions to THIS Fund**

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.02% of pay during the year ended June 30, 2015. State of Illinois contributions were \$201,892, and the District recognized revenue and expenditures of this amount during the year.

➤ **Employer contributions to THIS Fund**

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.76% during the year ended June 30, 2015. For the year ended June 30, 2015, the District paid \$150,429 to the THIS Fund, which was 100% of the required contribution.

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

B. *Retiree Insurance Plan*

➤ **Plan Overview**

The District provides post-employment benefits other than pensions ("OPEB") to employees who retire directly from the District and who meet certain criteria. The Plan, a single-employer defined benefit plan, provides medical, dental, vision and life insurance benefits to retirees and their covered eligible dependents. The District pays a portion of the cost for eligible retirees, spouses and dependents. The Plan does not issue a stand-alone financial report.

Membership in the Plan consisted of the following at July 1, 2013 (the date of the latest actuarial valuation):

Active Participants	319
Inactive Participants	<u>181</u>
Total	<u><u>500</u></u>

➤ **Funding Policy**

The required contribution is based on projected pay-as-you-go financing requirements.

➤ **Annual OPEB Cost and Net OPEB Obligation**

The District's annual OPEB cost (expense) is calculated based on annual required contributions (ARC) of the District, an amount determined on an actuarially determined basis in accordance with the parameters of GASB Statement No. 45.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 10 - POST EMPLOYMENT BENEFIT COMMITMENTS (Continued)

B. *Retiree Insurance Plan* (Continued)

➤ **Annual OPEB Cost and Net OPEB Obligation** (Continued)

The ARC represents a level funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period of 30 years. The following shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the District's net OPEB obligation to the plan:

Annual required contribution	\$ 263,609
Interest on net OPEB obligation	(48,257)
Adjustment to annual required contribution	45,471
Amortization of UAAL	<u>494,352</u>
Annual OPEB cost (expense)	\$ 755,175
Contributions made	<u>1,034,167</u>
Increase/(decrease) in net OPEB obligation	\$ (278,992)
Net OPEB obligation/(asset) beginning of year	<u>(1,072,379)</u>
Net OPEB obligation/(asset) end of year	<u><u>\$ (1,351,371)</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage of Annual OPEB Contributed</u>	<u>Net OPEB Obligation/ (Asset)</u>
6/30/2015	\$ 755,175	\$ 1,034,167	136.9%	\$ (1,351,371)
6/30/2014	755,590	1,087,287	143.9%	(1,072,379)
6/30/2013	796,743	1,008,437	126.6%	(740,682)

➤ **Funded Status and Funding Progress**

The Schedule of Funding Progress, presented as Required Supplementary Information following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

➤ **Actuarial Assumptions and Methods**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

The following includes actuarial assumptions and methods:

Actuarial Cost Method	Unit Credit
Amortization Method	Open, Level Dollar
Remaining Amortization Period	30 Years
Healthcare Inflation Rate	5% Medical, 3% for Dental and Vision
Mortality	RP-2000 Combined Mortality Table for males and females with mortality improvement projected to 2015 using Scale AA.
New Retiree Elections, Medical Coverage	It is assumed that new retirees select coverage, consistent with their active election.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 - INTERFUND TRANSFERS

Interfund transfers during the year ended June 30, 2015 were as follows:

Transfer From	Transfer To	Amount
General Fund	Debt Services Fund	\$ 138,474
Operations and Maintenance Fund	Debt Services Fund	290,940

The transfers from the General and Operations and Maintenance Funds to the Debt Services Fund were for principal and interest payments on debt.

NOTE 12 - JOINT VENTURES

A. *North DuPage Special Education Cooperative (NDSEC)*

The District and eight other districts within DuPage County have entered into a joint agreement to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the management council.

A summary of financial condition (modified cash basis) of NDSEC at June 30, 2014 (most recent information available) is as follows:

Assets	\$ 6,135,899
Liabilities	\$ 639,972
Net Position	5,495,927
	<u>\$ 6,135,899</u>
Revenues Received	\$ 16,713,403
Expenditures Disbursed	15,701,798
Net Increase/(Decrease) in Net Position	<u>\$ 1,011,605</u>

Complete financial statements for NDSEC can be obtained from the Administrative Offices at 255 E. Lake Street, Suite 300, Bloomingdale, Illinois 60108.

B. *DuPage Area Occupational Education System (DAOES)*

The District and thirteen other districts within the DuPage County area have entered into a joint agreement to provide vocational programs for member districts that are not offering these services individually. Each member district has a financial responsibility for annual and special assessments as established by the management council.

A summary of financial condition (accrual basis – governmental activities) of DAOES at June 30, 2014 (most recent information available) is as follows:

Assets	\$ 17,701,026
Liabilities	\$ 291,218
Net Position	17,409,808
	<u>\$ 17,701,026</u>
Revenues Received	\$ 10,401,358
Expenditures Disbursed	9,950,732
Net Increase/(Decrease) in Net Position	<u>\$ 450,626</u>

Complete financial statements for DAOES can be obtained from the Administrative Offices at 301 S. Swift Road, Addison, Illinois 60101.



NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 13 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to handle these risks of loss. During fiscal year 2015 there was no significant reduction in insurance coverage for any category. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District is a member of the Collective Liability Insurance Cooperative (CLIC), a joint risk management pool of school districts through which property, general liability, automobile liability, crime, excess property, excess liability, and boiler and machinery coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

The relationship between the District and CLIC is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The District is contractually obligated to make all annual and supplementary contributions for CLIC, to report claims on a timely basis, cooperate with CLIC, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by CLIC. Members have a contractual obligation to fund any deficit of CLIC attributable to a membership year during which they were members.

CLIC is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Board of Directors. CLIC also provides its members with risk management services, including the defense and settlement of claims, and establishes reasonable and necessary loss of reduction and prevention procedures to be followed by the members.

The District is insured under a retrospectively-rated policy for workers' compensation coverage, whereas the initial premium may be adjusted based on actual experience. Adjustments in premiums are recorded when paid or received. During the year ended June 30, 2015, there were no significant adjustments in premiums based on actual experience.

The District has a self-insured plan that provides its employees' dental and vision care benefits. A third party administrator is contracted to manage the plan and all related claims. See Note 14 for more information.

NOTE 14 - SELF INSURANCE

The District self-insures the dental and vision portion of its employees' health care benefits. A third party administrator has been contracted to manage the plan. Stop loss insurance has been obtained for losses in excess of certain limitations. At June 30, 2015, the liability for unpaid claims was \$41,020 and \$959 for dental and vision claims, respectively. A reconciliation of changes in the aggregate liabilities for claims for the last two years is as follows:

	Fiscal Year Ended June 30, 2015	Fiscal Year Ended June 30, 2014
Claims Liabilities - Beginning of the Year	\$ 14,804	\$ 12,233
Incurred Claims	380,343	316,469
Payment on Claims	(353,168)	(313,898)
Claims Liabilities - End of the Year	<u>\$ 41,979</u>	<u>\$ 14,804</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 15 - CONSTRUCTION COMMITMENTS

The District has an on-going construction project which is estimated to cost \$874,701. As of June 30, 2015 approximately \$497,392 has been paid or accrued.

NOTE 16 - CONTINGENCIES

The District is not aware of any pending litigation or potential non-disclosed liabilities that management believes would have a material effect on the financial statements.

NOTE 17 - LEGAL DEBT LIMITATION

The Illinois School Code limits the amount of indebtedness to 6.9% of the most recent available equalized assessed valuation (EAV) of the District. The District's legal debt limitation is as follows:

2014 EAV	\$ 1,740,708,934
Rate	<u>6.90%</u>
Debt Margin	\$ 120,108,916
Current Debt	<u>39,770,923</u>
Remaining Debt Margin	<u><u>\$ 80,337,993</u></u>

NOTE 18 - NET POSITION AND FUND BALANCE ADJUSTMENTS

The District had the following net position and fund balance adjustments:

	<u>Net Position</u>	
Change in accounting principle for		
Teachers' Retirement System Pension Liability	\$ (2,482,902)	
Illinois Municipal Retirement Fund Pension Liability	<u>(462,968)</u>	
Total change in accounting principle adjustment		\$ (2,945,870)
Prior period error correction for		
Self Insurance Prior Period Adjustment	\$ 153,016	
Advanced Placement Testing Adjustment	<u>(110,691)</u>	
Total prior period error correction		<u>42,325</u>
Total Prior Period Adjustment		<u><u>\$ (2,903,545)</u></u>
	<u>Fund Balance</u>	
Prior period correction for		
General Fund		
Self Insurance Prior Period Adjustment	\$ 133,027	
Advanced Placement Testing Adjustment	<u>(110,691)</u>	
Total General Fund		\$ 22,336
Operations and Maintenance Fund		
Self Insurance Prior Period Adjustment		<u>19,989</u>
Total prior period correction		<u><u>\$ 42,325</u></u>

NOTE 19 - SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 8, 2015, the date on which the financial statements were available to be issued.

NOTE 20 - CHANGE IN ACCOUNTING PRINCIPLE

Effective in the year ended June 30, 2015, the District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 20 - CHANGE IN ACCOUNTING PRINCIPLE (Continued)

The implementation of GASB Statement No. 68 and GASB Statement No. 71 required a restatement for prior year net position for the pension funds. As a result, the beginning net position decreased by \$2,945,870.

REQUIRED SUPPLEMENTARY INFORMATION

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION  
LIABILITY AND RELATED RATIOS  
JUNE 30, 2015

	6/30/2015 *
<b>TOTAL PENSION LIABILITY</b>	
Service Cost	\$ 642,799
Interest	2,368,115
Differences Between Expected and Actual Experience	44,782
Changes in Assumptions	1,502,563
Benefit Payments, Including Refunds of Member Contributions	(1,550,327)
Net Change in Total Pension Liability	\$ 3,007,932
Total Pension Liability - Beginning	32,028,635
Total Pension Liability - Ending	\$ 35,036,567
<b>PLAN FIDUCIARY NET POSITION</b>	
Contributions - Employer	\$ 705,638
Contributions - Member	247,222
Net Investment Income	1,860,616
Benefit Payments, Including Refunds of Member Contributions	(1,550,327)
Other	43,219
Net Change in Plan Fiduciary Net Position	\$ 1,306,368
Plan Net Position - Beginning	30,800,635
Plan Net Position - Ending	\$ 32,107,003
District's Net Pension Liability	\$ 2,929,564
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	91.64%
Covered-Employee Payroll	\$ 5,470,062
Employer's Net Pension Liability as a percentage of Covered-Employee Payroll	53.56%

\* This information presented is based on the actuarial valuation performed as of the December 31 year end prior to the fiscal year end listed above.

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

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF EMPLOYER CONTRIBUTION  
JUNE 30, 2015

	6/30/2015 *
Actuarial Determined Contribution	\$ 705,638
Contributions in relation to Actuarially Determined Contribution	705,638
Contribution deficiency/(excess)	\$ -
Covered-Employee Payroll	\$ 5,470,062
Contributions as a percentage of Covered-Employee Payroll	12.90%

**Notes to Schedule:**

***Actuarial Method and Assumptions Used on the Calculation of the 2014 Contribution Rate \****

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

**Actuarial Cost Method:** Aggregate entry age = normal

**Amortization Method:** Level percentage of payroll, closed

**Remaining Amortization Period:** 29-year closed period

**Asset Valuation Method:** 5-year smoothed market; 20% corridor

**Wage Growth:** 4%

**Price Inflation:** 3%, approximate; No explicit price inflation assumption is used in this valuation.

**Salary Increases:** 4.40% to 16%, including inflation

**Investment Rate of Return:** 7.50%

**Retirement Age:** Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.

**Mortality:** RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward ten years.

\*Based on Valuation Assumptions used in the December 31, 2012 actuarial valuation; note two year lag between valuation and rate setting.

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

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
 SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE  
 OF THE NET PENSION LIABILITY  
 JUNE 30, 2015

	6/30/2015 *
Employer's proportion of the Net Pension Liability	0.0033648%
Employer's proportionate share of the Net Pension Liability	\$ 2,047,786
State's proportionate share of the Net Pension Liability associated with the employer	118,466,381
Total	\$ 120,514,167
Employer's Covered-Employee Payroll	\$ 19,288,273
Employer's proportionate share of the Net Pension Liability as a percentage of Covered-Employee Payroll	10.62%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	43.00%

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

**Changes of Assumptions:** Amounts reported in 2014 reflect an investment rate of return of 7.5%, an inflation rate of 3.0% and real return of 4.5%, and a salary increase assumption of 5.75%. In 2013, assumptions used were an investment rate of return of 8.0%, an inflation rate of 3.25% and real return of 4.75%, and salary increases of 6.00%. However, the total pension liability at the beginning and end of the year was calculated using the same assumptions, so the difference due to actuarial assumptions was not calculated or allocated.

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
 SCHEDULE OF EMPLOYER CONTRIBUTION  
 JUNE 30, 2015

	6/30/2015 *
Contractually-required contribution	\$ 120,056
Contributions in relation to the contractually - required contribution	120,056
Contribution deficiency/(excess)	\$ -
Employer's Covered-Employee Payroll	\$ 19,288,273
Contributions as a percentage of Covered-Employee Payroll	0.62%

\* - This information presented is based on the actuarial valuation performed as of the prior June 30 year end.



LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
RETIREE INSURANCE PLAN  
SCHEDULE OF FUNDING PROGRESS  
JUNE 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2013	\$ -	\$ 8,052,449	\$ 8,052,449	0.00%	\$ 22,646,244	35.56%
7/1/2011	-	8,536,306	8,536,306	0.00%	22,094,876	38.63%
7/1/2009	-	9,196,832	9,196,832	0.00%	20,953,222	43.89%

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>REVENUES</b>			
Property Taxes	\$ 31,718,799	\$ 31,718,799	\$ 31,550,856
Payments in Lieu of Taxes	501,753	501,753	554,847
Tuition	35,000	35,000	55,457
Earnings on Investments	91,500	91,500	89,920
Food Service	1,169,573	1,169,573	1,105,522
District/School Activity Income	1,122,572	1,122,572	1,135,276
Textbooks	14,174	14,174	12,402
Other Local Sources	559,341	426,938	448,551
<b>State Aid</b>			
General State Aid	456,486	456,486	429,899
Special Education	1,028,892	934,876	1,179,941
Career and Technical Education	36,021	36,021	36,020
Bilingual	11,669	11,669	72
State Free Lunch and Breakfast	5,453	5,453	1,555
Driver Education	89,793	89,793	89,743
Other State Aid	2,200	2,200	2,012
<b>Federal Aid</b>			
Title I	128,165	161,932	202,258
Federal Special Education	565,497	565,497	591,819
CTE - Perkins	23,285	23,285	23,262
Title II - Teacher Quality	43,465	54,400	47,539
Medicaid Matching Funds - Administrative Outreach	27,040	27,040	82,116
Medicaid Matching Funds - Fee-for-Service Program	5,047	5,047	35,332
Other Federal Aid	10,000	10,000	-
On-Behalf Payments	7,058,600	7,058,600	9,739,828
<b>Total Revenues</b>	<b>\$ 44,704,325</b>	<b>\$ 44,522,608</b>	<b>\$ 47,414,227</b>
<b>EXPENDITURES</b>			
<b>Instruction</b>			
<b>Regular Programs</b>			
Salaries	\$ 10,724,954	\$ 10,724,954	\$ 10,708,642
Employee Benefits	1,925,643	1,925,643	1,762,962
Purchased Services	103,034	103,034	54,151
Supplies and Materials	624,878	625,598	631,768
Other Objects	27,700	27,700	13,607
	<u>\$ 13,406,209</u>	<u>\$ 13,406,929</u>	<u>\$ 13,171,130</u>
<b>Special Education Programs</b>			
Salaries	\$ 2,468,681	\$ 2,468,681	\$ 2,418,054
Employee Benefits	553,873	553,873	540,898
Purchased Services	17,834	17,834	9,164
Supplies and Materials	49,627	49,627	21,578
Other Objects	540	540	-
	<u>\$ 3,090,555</u>	<u>\$ 3,090,555</u>	<u>\$ 2,989,694</u>
<b>Remedial and Supplemental Programs K-12</b>			
Salaries	\$ 343,851	\$ 343,851	\$ 330,208
Employee Benefits	94,509	94,509	96,212
Purchased Services	8,000	8,000	4,894
Supplies and Materials	9,000	9,000	10,962
	<u>\$ 455,360</u>	<u>\$ 455,360</u>	<u>\$ 442,276</u>
<b>CTE Programs</b>			
Salaries	\$ 1,137,633	\$ 1,137,633	\$ 1,150,981
Employee Benefits	233,753	233,753	222,514
Purchased Services	13,658	13,658	9,852
Supplies and Materials	68,187	68,187	69,865
Other Objects	508	508	533
	<u>\$ 1,453,739</u>	<u>\$ 1,453,739</u>	<u>\$ 1,453,745</u>
<b>Interscholastic Programs</b>			
Salaries	\$ 1,643,052	\$ 1,643,052	\$ 1,617,145
Employee Benefits	77,685	77,685	79,255
Purchased Services	342,733	342,733	289,706
Supplies and Materials	152,679	152,679	152,104
Other Objects	55,934	55,934	59,975
	<u>\$ 2,272,083</u>	<u>\$ 2,272,083</u>	<u>\$ 2,198,185</u>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Instruction (Continued)			
Summer School Programs			
Salaries	\$ 81,347	\$ 81,347	\$ 62,934
Employee Benefits	2,261	2,261	2,044
Other Objects	6,805	6,805	4,372
	<u>\$ 90,413</u>	<u>\$ 90,413</u>	<u>\$ 69,350</u>
Driver's Education Programs			
Salaries	\$ 274,939	\$ 274,939	\$ 250,495
Employee Benefits	65,514	65,514	68,021
Purchased Services	12,946	12,946	11,754
Supplies and Materials	10,155	10,155	4,836
Other Objects	775	775	-
	<u>\$ 364,329</u>	<u>\$ 364,329</u>	<u>\$ 335,106</u>
Bilingual Programs			
Salaries	\$ 33,969	\$ 33,969	\$ 31,938
Employee Benefits	11,739	11,739	11,135
Supplies and Materials	7,500	7,500	6,411
Other Objects	2,969	2,969	-
	<u>\$ 56,177</u>	<u>\$ 56,177</u>	<u>\$ 49,484</u>
Private Tuition - Other Objects			
Special Education Programs K-12	\$ 989,363	\$ 989,363	\$ 1,126,150
	<u>\$ 989,363</u>	<u>\$ 989,363</u>	<u>\$ 1,135,475</u>
<b>Total Instruction</b>	<u>\$ 22,178,228</u>	<u>\$ 22,178,948</u>	<u>\$ 21,844,445</u>
Support Services			
Pupils			
Attendance and Social Work Services			
Salaries	\$ 1,322,710	\$ 1,322,710	\$ 1,322,569
Employee Benefits	266,169	266,169	272,784
Purchased Services	23,694	23,694	10,420
Supplies and Materials	22,212	22,212	16,186
Other Objects	1,008	1,008	196
	<u>\$ 1,635,793</u>	<u>\$ 1,635,793</u>	<u>\$ 1,622,155</u>
Guidance Services			
Salaries	\$ 1,225,517	\$ 1,225,517	\$ 1,183,611
Employee Benefits	255,650	255,650	251,427
Purchased Services	3,423	3,423	2,791
Supplies and Materials	2,104	2,104	3,334
	<u>\$ 1,486,694</u>	<u>\$ 1,486,694</u>	<u>\$ 1,441,163</u>
Health Services			
Salaries	\$ 276,125	\$ 276,125	\$ 264,595
Employee Benefits	62,912	62,912	63,069
Purchased Services	81,993	81,993	79,092
Supplies and Materials	4,628	4,628	2,153
	<u>\$ 425,658</u>	<u>\$ 425,658</u>	<u>\$ 408,909</u>
Psychological Services			
Salaries	\$ 220,785	\$ 220,785	\$ 192,997
Employee Benefits	16,732	16,732	17,086
Purchased Services	1,350	1,350	534
Supplies and Materials	650	650	204
	<u>\$ 239,517</u>	<u>\$ 239,517</u>	<u>\$ 210,821</u>
Speech Pathology and Audiology Services			
Salaries	\$ 65,352	\$ 65,352	\$ 65,920
Employee Benefits	18,233	18,233	18,186
Purchased Services	225	225	166
Supplies and Materials	784	784	759
	<u>\$ 84,594</u>	<u>\$ 84,594</u>	<u>\$ 85,031</u>
Other Support Services - Pupils			
Salaries	\$ 13,228	\$ 13,228	\$ 13,737
Employee Benefits	58	58	16
Purchased Services	34,000	34,000	37,020
Supplies and Materials	35,080	35,080	72,694
	<u>\$ 82,366</u>	<u>\$ 82,366</u>	<u>\$ 123,467</u>
<b>Total Support Services - Pupils</b>	<u>\$ 3,954,622</u>	<u>\$ 3,954,622</u>	<u>\$ 3,891,546</u>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Instructional Staff			
Improvement of Instruction Services			
Salaries	\$ 692,813	\$ 692,813	\$ 602,317
Employee Benefits	73,909	73,909	69,832
Purchased Services	89,688	89,688	121,038
Supplies and Materials	4,815	4,815	3,529
Other Objects	450	450	-
	<u>\$ 861,675</u>	<u>\$ 861,675</u>	<u>\$ 796,716</u>
Educational Media Services			
Salaries	\$ 764,562	\$ 764,562	\$ 778,810
Employee Benefits	224,871	224,871	228,014
Purchased Services	95,646	95,646	136,340
Supplies and Materials	80,283	80,283	75,360
Other Objects	-	-	159
	<u>\$ 1,165,362</u>	<u>\$ 1,165,362</u>	<u>\$ 1,218,683</u>
Assessment and Testing			
Salaries	\$ 7,287	\$ 7,287	\$ 5,130
Employee Benefits	14	14	16
Purchased Services	54,900	54,900	50,852
Supplies and Materials	-	-	3,236
	<u>\$ 62,201</u>	<u>\$ 62,201</u>	<u>\$ 59,234</u>
Total Support Services - Instructional Staff	<u>\$ 2,089,238</u>	<u>\$ 2,089,238</u>	<u>\$ 2,074,633</u>
General Administration			
Board of Education Services			
Salaries	\$ 9,000	\$ 9,000	\$ 767
Employee Benefits	198,229	198,229	160,425
Purchased Services	3,000	3,000	1,575
Supplies and Materials	21,150	21,150	22,561
	<u>\$ 231,379</u>	<u>\$ 231,379</u>	<u>\$ 185,328</u>
Executive Administration Services			
Salaries	\$ 460,311	\$ 460,311	\$ 457,289
Employee Benefits	80,010	80,010	78,050
Purchased Services	12,058	12,058	8,105
Supplies and Materials	1,728	1,728	372
Other Objects	2,340	2,340	1,989
	<u>\$ 556,447</u>	<u>\$ 556,447</u>	<u>\$ 545,805</u>
Tort Immunity Services			
Purchased Services	\$ 425,814	\$ 425,814	\$ 426,045
	<u>\$ 425,814</u>	<u>\$ 425,814</u>	<u>\$ 426,045</u>
Total Support Services - General Administration	<u>\$ 1,213,640</u>	<u>\$ 1,213,640</u>	<u>\$ 1,157,178</u>
School Administration			
Office of the Principal Services			
Salaries	\$ 878,807	\$ 878,807	\$ 884,369
Employee Benefits	183,474	183,474	178,453
Purchased Services	19,367	19,367	14,053
Supplies and Materials	4,667	4,667	6,081
Other Objects	3,679	3,679	2,140
	<u>\$ 1,089,994</u>	<u>\$ 1,089,994</u>	<u>\$ 1,085,096</u>
Total Support Services - School Administration	<u>\$ 1,089,994</u>	<u>\$ 1,089,994</u>	<u>\$ 1,085,096</u>
Business			
Direction of Business Support Services			
Salaries	\$ 258,732	\$ 258,732	\$ 258,732
Employee Benefits	41,943	41,943	41,753
Purchased Services	10,069	10,069	15,180
Supplies and Materials	400	400	348
Other Objects	1,080	1,080	745
	<u>\$ 312,224</u>	<u>\$ 312,224</u>	<u>\$ 316,758</u>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Business (Continued)			
Fiscal Services			
Salaries	\$ 283,028	\$ 283,028	\$ 284,199
Employee Benefits	50,603	50,603	66,795
Purchased Services	6,491	6,491	5,434
Supplies and Materials	3,200	3,200	2,052
Other Objects	-	-	58
	<u>\$ 343,322</u>	<u>\$ 343,322</u>	<u>\$ 358,538</u>
Internal Services			
Salaries	\$ 106,961	\$ 106,961	\$ 103,690
Employee Benefits	43,084	43,084	42,028
Purchased Services	105,187	105,187	86,740
Supplies and Materials	28,507	28,507	25,209
	<u>\$ 283,739</u>	<u>\$ 283,739</u>	<u>\$ 257,667</u>
Total Support Services - Business	<u>\$ 939,285</u>	<u>\$ 939,285</u>	<u>\$ 932,963</u>
Operations and Maintenance			
Salaries	\$ 161,175	\$ 161,175	\$ 147,275
Employee Benefits	32,277	32,277	32,082
Purchased Services	237,372	237,372	229,823
Supplies and Materials	1,341	1,341	5,987
Total Support Services - Operations and Maintenance	<u>\$ 432,165</u>	<u>\$ 432,165</u>	<u>\$ 415,167</u>
Food Services			
Purchased Services	\$ 1,421,620	\$ 1,421,620	\$ 1,422,558
Supplies and Materials	6,922	6,922	10,049
Other Objects	1,194	1,194	1,726
Total Support Services - Food Services	<u>\$ 1,429,736</u>	<u>\$ 1,429,736</u>	<u>\$ 1,434,333</u>
Central			
Planning, Research, Development and Evaluation Services			
Salaries	\$ 49,444	\$ 49,444	\$ 49,444
Employee Benefits	16,919	16,919	16,813
Purchased Services	-	-	63
Supplies and Materials	200	200	6
	<u>\$ 66,563</u>	<u>\$ 66,563</u>	<u>\$ 66,326</u>
Information Services			
Salaries	\$ 114,728	\$ 114,728	\$ 114,728
Employee Benefits	8,403	8,403	8,280
Purchased Services	77,511	77,511	36,949
Supplies and Materials	2,250	2,250	1,500
Other Objects	1,800	1,800	1,178
	<u>\$ 204,692</u>	<u>\$ 204,692</u>	<u>\$ 162,635</u>
Staff Services			
Salaries	\$ 199,436	\$ 199,436	\$ 209,836
Employee Benefits	36,600	36,600	36,923
Purchased Services	28,279	28,279	15,730
Supplies and Materials	10,275	10,275	10,799
	<u>\$ 274,590</u>	<u>\$ 274,590</u>	<u>\$ 273,288</u>
Data Processing Services			
Salaries	\$ 99,034	\$ 99,034	\$ 99,034
Employee Benefits	21,876	21,876	21,785
Purchased Services	222,023	222,023	169,015
Supplies and Materials	11,870	11,870	7,664
Other Objects	-	-	200
	<u>\$ 354,803</u>	<u>\$ 354,803</u>	<u>\$ 297,698</u>
Total Support Services - Central	<u>\$ 900,648</u>	<u>\$ 900,648</u>	<u>\$ 799,947</u>
Other Support Services			
Purchased Services	\$ 28,247	\$ 28,247	\$ -
Total Other Support Services	<u>\$ 28,247</u>	<u>\$ 28,247</u>	<u>\$ -</u>
Total Support Services	<u>\$ 12,077,575</u>	<u>\$ 12,077,575</u>	<u>\$ 11,790,863</u>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Community Services			
Supplies and Materials	\$ 1,350	\$ 1,350	\$ 872
Other Objects	5,400	5,400	-
Total Community Services	<u>\$ 6,750</u>	<u>\$ 6,750</u>	<u>\$ 872</u>
Payments to Other Districts and Governmental Units			
Payments to Other Districts and Governmental Units (In-State)			
Payments for Regular Programs			
Purchased Services	\$ 3,000	\$ 3,000	\$ -
	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ -</u>
Payments for Special Education Programs			
Purchased Services	\$ 7,000	\$ 7,000	\$ 12,456
	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>\$ 12,456</u>
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 12,456</u>
Payments to Other Districts and Governmental Units-Tuition (In-State)			
Payments for Regular Programs			
Other Objects	\$ 3,300	\$ 3,300	\$ -
Payments for Special Education Programs			
Other Objects	1,487,787	1,487,787	1,276,595
Payment for CTE Programs			
Other Objects	423,413	423,413	394,625
Payments for Other Programs			
Other Objects	1,600	1,600	-
Total Payments to Other Districts and Governmental Units-Tuition (In-State)	<u>\$ 1,916,100</u>	<u>\$ 1,916,100</u>	<u>\$ 1,671,220</u>
Total Payments to Other Districts and Governmental Units	<u>\$ 1,926,100</u>	<u>\$ 1,926,100</u>	<u>\$ 1,683,676</u>
Capital Outlay			
Instruction			
Regular Programs	\$ 125,227	\$ 125,227	\$ 111,426
Special Education Programs	25,068	25,068	29,991
Other Instructional Programs	134,022	134,022	94,281
Support Services			
Pupils	16,117	16,117	57,311
Instructional Staff	33,133	33,133	177,351
General Administration	1,500	1,500	8,344
School Administration	1,096	1,096	46,248
Business	2,313	2,313	173,711
Operations and Maintenance	548	548	15,917
Food Services	-	-	4,927
Central	4,000	4,000	11,295
Total Capital Outlay	<u>\$ 343,024</u>	<u>\$ 343,024</u>	<u>\$ 730,802</u>
On-Behalf Payments	<u>\$ 7,058,600</u>	<u>\$ 7,058,600</u>	<u>\$ 9,739,828</u>
Total Expenditures	<u>\$ 43,590,277</u>	<u>\$ 43,590,997</u>	<u>\$ 45,790,486</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 1,114,048</u>	<u>\$ 931,611</u>	<u>\$ 1,623,741</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	\$ (138,475)	\$ (138,475)	\$ (138,474)
Principal on Bonds Sold	-	-	384,013
Sale or Compensation for Fixed Assets	-	-	300
	<u>\$ (138,475)</u>	<u>\$ (138,475)</u>	<u>\$ 245,839</u>
NET CHANGE IN FUND BALANCE	\$ 975,573	\$ 793,136	\$ 1,869,580
FUND BALANCE - JULY 1, 2014	27,081,363	27,081,363	9,162,920
FUND BALANCE ADJUSTMENT (Note 18)	-	-	22,336
FUND BALANCE - JUNE 30, 2015	<u>\$ 28,056,936</u>	<u>\$ 27,874,499</u>	<u>\$ 11,054,836</u>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - OPERATIONS AND MAINTENANCE FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>REVENUES</b>			
Property Taxes	\$ 5,320,291	\$ 5,320,291	\$ 5,292,125
Earnings on Investments	6,000	6,000	9,157
Other Local Sources	200,095	189,336	209,459
<b>Total Revenues</b>	<b>\$ 5,526,386</b>	<b>\$ 5,515,627</b>	<b>\$ 5,510,741</b>
<b>EXPENDITURES</b>			
Support Services			
Facilities Acquisition and Construction			
Purchased Services	\$ 1,110	\$ 1,110	\$ 242
<b>Total Support Services - Facilities Acquisition and Construction</b>	<b>\$ 1,110</b>	<b>\$ 1,110</b>	<b>\$ 242</b>
Operations and Maintenance			
Salaries	\$ 2,138,707	\$ 2,138,707	\$ 2,107,958
Employee Benefits	589,501	589,501	650,735
Purchased Services	667,138	667,138	581,479
Supplies and Materials	1,237,634	1,237,634	1,038,308
Other Objects	3,516	3,516	1,145
<b>Total Support Services - Operations and Maintenance</b>	<b>\$ 4,636,496</b>	<b>\$ 4,636,496</b>	<b>\$ 4,379,625</b>
Other Support Services			
Purchased Services	\$ 1,284	\$ 1,284	\$ 704
<b>Total Support Services - Other Support Services</b>	<b>\$ 1,284</b>	<b>\$ 1,284</b>	<b>\$ 704</b>
<b>Total Support Services</b>	<b>\$ 4,638,890</b>	<b>\$ 4,638,890</b>	<b>\$ 4,380,571</b>
Capital Outlay			
Support Services			
Operations and Maintenance	\$ 70,665	\$ 70,665	\$ 26,043
Food Services	900	900	-
<b>Total Capital Outlay</b>	<b>\$ 71,565</b>	<b>\$ 71,565</b>	<b>\$ 26,043</b>
<b>Total Expenditures</b>	<b>\$ 4,710,455</b>	<b>\$ 4,710,455</b>	<b>\$ 4,406,614</b>
<b>EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 815,931</b>	<b>\$ 805,172</b>	<b>\$ 1,104,127</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Interfund Transfers	(290,940)	(290,940)	(290,940)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 524,991</b>	<b>\$ 514,232</b>	<b>\$ 813,187</b>
FUND BALANCE - JULY 1, 2014	3,270,527	3,270,527	650,635
FUND BALANCE ADJUSTMENT (Note 18)	-	-	19,989
<b>FUND BALANCE - JUNE 30, 2015</b>	<b>\$ 3,795,518</b>	<b>\$ 3,784,759</b>	<b>\$ 1,483,811</b>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - TRANSPORTATION FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>REVENUES</b>			
Property Taxes	\$ 1,758,681	\$ 1,758,681	\$ 1,749,153
Transportation Fees	14,295	14,295	20,204
Earnings on Investments	1,500	4,500	7,093
State Aid			
Transportation	528,576	374,988	490,274
Total Revenues	<u>\$ 2,303,052</u>	<u>\$ 2,152,464</u>	<u>\$ 2,266,724</u>
<b>EXPENDITURES</b>			
Support Services			
Transportation			
Purchased Services	\$ 2,152,670	\$ 2,152,032	\$ 2,060,207
Other Objects	1,200	1,200	1,464
Total Support Services - Transportation	<u>\$ 2,153,870</u>	<u>\$ 2,153,232</u>	<u>\$ 2,061,671</u>
Total Support Services	<u>\$ 2,153,870</u>	<u>\$ 2,153,232</u>	<u>\$ 2,061,671</u>
Debt Services			
Interest			
Interest on Long-Term Debt			
Other Objects	\$ -	\$ -	\$ 5,073
Payments of Principal on Long-Term Debt			
Other Objects	-	-	36,007
Total Debt Services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,080</u>
Total Expenditures	<u>\$ 2,153,870</u>	<u>\$ 2,153,232</u>	<u>\$ 2,102,751</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 149,182	\$ (768)	\$ 163,973
OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCE	\$ 149,182	\$ (768)	\$ 163,973
FUND BALANCE - JULY 1, 2014	<u>1,652,926</u>	<u>1,652,926</u>	<u>783,951</u>
FUND BALANCE - JUNE 30, 2015	<u>\$ 1,802,108</u>	<u>\$ 1,652,158</u>	<u>\$ 947,924</u>

See Accompanying Independent Auditor's Opinion



LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
 YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>REVENUES</b>			
Property Taxes	\$ 678,955	\$ 678,955	\$ 675,362
FICA/Medicare Only Purposes Levies	682,550	682,550	678,936
Payments in Lieu of Taxes	110,600	110,600	110,600
Earnings on Investments	500	500	2,271
<b>Total Revenues</b>	<b>\$ 1,472,605</b>	<b>\$ 1,472,605</b>	<b>\$ 1,467,169</b>
<b>EXPENDITURES</b>			
Instruction			
Regular Programs			
Employee Benefits	\$ 188,895	\$ 188,895	\$ 198,639
Special Education Programs			
Employee Benefits	136,130	136,130	127,943
Remedial and Supplemental Programs - K-12			
Employee Benefits	28,436	28,436	27,326
CTE Programs			
Employee Benefits	15,791	15,791	15,984
Interscholastic Programs			
Employee Benefits	86,895	86,895	101,646
Summer School Programs			
Employee Benefits	1,960	1,960	1,691
Driver's Education Programs			
Employee Benefits	4,170	4,170	3,678
Bilingual Programs			
Employee Benefits	468	468	440
	<b>\$ 462,745</b>	<b>\$ 462,745</b>	<b>\$ 477,347</b>
Support Services			
Pupils			
Attendance and Social Work Services			
Employee Benefits	\$ 74,761	\$ 74,761	\$ 75,815
Guidance Services			
Employee Benefits	51,692	51,692	51,503
Health Services			
Employee Benefits	16,318	16,318	15,401
Psychological Services			
Employee Benefits	5,163	5,163	2,767
Speech Pathology and Audiology Services			
Employee Benefits	899	899	903
Other Support Services - Pupils			
Employee Benefits	2,326	2,326	2,602
	<b>\$ 151,159</b>	<b>\$ 151,159</b>	<b>\$ 148,991</b>
Instructional Staff			
Improvement of Instruction Services			
Employee Benefits	\$ 9,641	\$ 9,641	\$ 8,456
Educational Media Services			
Employee Benefits	106,117	106,117	109,122
Assessment and Testing			
Employee Benefits	1,108	1,108	801
	<b>\$ 116,866</b>	<b>\$ 116,866</b>	<b>\$ 118,379</b>
General Administration			
Executive Administration Services			
Employee Benefits	\$ 28,523	\$ 28,523	\$ 28,336
	<b>\$ 28,523</b>	<b>\$ 28,523</b>	<b>\$ 28,336</b>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
School Administration			
Office of the Principal Services			
Employee Benefits	\$ 57,495	\$ 57,495	\$ 58,570
	<u>\$ 57,495</u>	<u>\$ 57,495</u>	<u>\$ 58,570</u>
Business			
Direction of Business Support Services			
Employee Benefits	\$ 15,896	\$ 15,896	\$ 15,901
Fiscal Services			
Employee Benefits	63,725	63,725	63,827
Internal Services			
Employee Benefits	22,031	22,031	21,350
	<u>\$ 101,652</u>	<u>\$ 101,652</u>	<u>\$ 101,078</u>
Operations and Maintenance			
Employee Benefits	\$ 467,138	\$ 467,799	\$ 483,950
	<u>\$ 467,138</u>	<u>\$ 467,799</u>	<u>\$ 483,950</u>
Central			
Planning, Research, Development and Evaluation Services			
Employee Benefits	\$ 9,573	\$ 9,573	\$ 9,463
Information Services			
Employee Benefits	23,728	23,728	23,618
Staff Services			
Employee Benefits	28,722	28,722	52,136
Data Processing Services			
Employee Benefits	25,010	25,010	25,013
	<u>\$ 87,033</u>	<u>\$ 87,033</u>	<u>\$ 110,230</u>
Total Support Services	<u>\$ 1,009,866</u>	<u>\$ 1,010,527</u>	<u>\$ 1,049,534</u>
Total Expenditures	<u>\$ 1,472,611</u>	<u>\$ 1,473,272</u>	<u>\$ 1,526,881</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (6)	\$ (667)	\$ (59,712)
OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCE	\$ (6)	\$ (667)	\$ (59,712)
FUND BALANCE - JULY 1, 2014	<u>722,795</u>	<u>722,795</u>	<u>10,576</u>
FUND BALANCE - JUNE 30, 2015	<u>\$ 722,789</u>	<u>\$ 722,128</u>	<u>\$ (49,136)</u>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
 JUNE 30, 2015

NOTE 1 - BUDGETARY PROCESS

The District follows procedures mandated by Illinois State law and District Board policy to establish the budgetary data reflected in its financial statements. The budget was passed on September 29, 2014 and was amended on May 18, 2015. The modified accrual basis budgeted amounts in this report are the result of full compliance with the following procedures:

For each fund, total fund expenditures may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.
5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

NOTE 2 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended June 30, 2015, the following District funds presented as Required Supplementary Information had total expenditures that exceeded budget:

Fund	Budget	Actual	Excess of Actual Over Budget
General Fund	\$ 43,590,997	\$ 45,790,486	\$ 2,199,489
Illinois Municipal Retirement/ Social Security Fund	1,473,272	1,526,881	53,609

SUPPLEMENTAL FINANCIAL INFORMATION

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 COMBINING BALANCE SHEET  
 GENERAL FUND  
 YEAR ENDED JUNE 30, 2015

	Educational Fund	Working Cash Fund	General Fund Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 4,798,368	\$ 986,776	\$ 5,785,144
Investments, at Fair Value	19,575,793	4,025,728	23,601,521
Accrued Interest Receivable, net of allowance of \$0	46,208	24,463	70,671
Other Accounts Receivable, net of allowance of \$0	21,807	-	21,807
Property Taxes Receivable, net of allowance of \$147,434	16,571,679	-	16,571,679
Due from Other Governments, net of allowance of \$0	373,264	-	373,264
Prepaid Expenses	323,006	-	323,006
<b>Total Assets</b>	<b>\$ 41,710,125</b>	<b>\$ 5,036,967</b>	<b>\$ 46,747,092</b>
<b>LIABILITIES</b>			
Accounts Payable and Accrued Expenses	\$ 306,411	\$ -	\$ 306,411
Accrued Payroll and Payroll Liabilities	2,764,807	-	2,764,807
Unearned Revenue - Registration Fees	273,858	-	273,858
<b>Total Liabilities</b>	<b>\$ 3,345,076</b>	<b>\$ -</b>	<b>\$ 3,345,076</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue - Property Taxes	\$ 32,277,820	\$ -	\$ 32,277,820
Unavailable Revenue - Interest	45,266	24,094	69,360
<b>Total Deferred Inflows of Resources</b>	<b>\$ 32,323,086</b>	<b>\$ 24,094</b>	<b>\$ 32,347,180</b>
<b>FUND BALANCE</b>			
Nonspendable			
Prepaid Expenses	\$ 323,006	\$ -	\$ 323,006
Unassigned	5,718,957	5,012,873	10,731,830
<b>Total Fund Balance</b>	<b>\$ 6,041,963</b>	<b>\$ 5,012,873</b>	<b>\$ 11,054,836</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 41,710,125</b>	<b>\$ 5,036,967</b>	<b>\$ 46,747,092</b>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES  
 GENERAL FUND  
 YEAR ENDED JUNE 30, 2015

	Educational Fund	Working Cash Fund	General Fund Total
<b>REVENUES</b>			
Property Taxes	\$ 31,550,856	\$ -	\$ 31,550,856
Payments in Lieu of Taxes	554,847	-	554,847
Tuition	55,457	-	55,457
Earnings on Investments	67,432	22,488	89,920
Food Service	1,105,522	-	1,105,522
District/School Activity Income	1,135,276	-	1,135,276
Textbooks	12,402	-	12,402
Other Local Sources	448,551	-	448,551
State Aid	1,739,242	-	1,739,242
Federal Aid	982,326	-	982,326
On-Behalf Payments	9,739,828	-	9,739,828
	<u>\$ 47,391,739</u>	<u>\$ 22,488</u>	<u>\$ 47,414,227</u>
<b>EXPENDITURES</b>			
Current			
Instruction			
Regular Programs	\$ 13,171,130	\$ -	\$ 13,171,130
Special Education Programs	2,989,694	-	2,989,694
Other Instructional Programs	5,683,621	-	5,683,621
Support Services			
Pupils	3,891,546	-	3,891,546
Instructional Staff	2,074,633	-	2,074,633
General Administration	1,157,178	-	1,157,178
School Administration	1,085,096	-	1,085,096
Business	932,963	-	932,963
Operations and Maintenance	415,167	-	415,167
Food Services	1,434,333	-	1,434,333
Central	799,947	-	799,947
Community Services	872	-	872
Payments to Other Districts and Governmental Units	1,683,676	-	1,683,676
Capital Outlay	730,802	-	730,802
On-Behalf Payments	9,739,828	-	9,739,828
	<u>\$ 45,790,486</u>	<u>\$ -</u>	<u>\$ 45,790,486</u>
<b>EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 1,601,253</u>	<u>\$ 22,488</u>	<u>\$ 1,623,741</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Interfund Transfers	\$ (138,474)	\$ -	\$ (138,474)
Principal on Bonds Sold	384,013	-	384,013
Sale or Compensation for Fixed Assets	300	-	300
	<u>\$ 245,839</u>	<u>\$ -</u>	<u>\$ 245,839</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 1,847,092</u>	<u>\$ 22,488</u>	<u>\$ 1,869,580</u>
<b>FUND BALANCES - JULY 1, 2014</b>	4,172,535	4,990,385	9,162,920
<b>FUND BALANCE ADJUSTMENT (Note 18)</b>	<u>22,336</u>	<u>-</u>	<u>22,336</u>
<b>FUND BALANCES - JUNE 30, 2015</b>	<u>\$ 6,041,963</u>	<u>\$ 5,012,873</u>	<u>\$ 11,054,836</u>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND - EDUCATIONAL FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>REVENUES</b>			
Property Taxes	\$ 31,718,799	\$ 31,718,799	\$ 31,550,856
Payments in Lieu of Taxes	501,753	501,753	554,847
Tuition	35,000	35,000	55,457
Earnings on Investments	56,500	56,500	67,432
Food Service	1,169,573	1,169,573	1,105,522
District/School Activity Income	1,122,572	1,122,572	1,135,276
Textbooks	14,174	14,174	12,402
Other Local Sources	559,341	426,938	448,551
State Aid			
General State Aid	456,486	456,486	429,899
Special Education	1,028,892	934,876	1,179,941
Career and Technical Education	36,021	36,021	36,020
Bilingual	11,669	11,669	72
State Free Lunch and Breakfast	5,453	5,453	1,555
Driver Education	89,793	89,793	89,743
Other State Aid	2,200	2,200	2,012
Federal Aid			
Title I	128,165	161,932	202,258
Federal Special Education	565,497	565,497	591,819
CTE - Perkins	23,285	23,285	23,262
Title II - Teacher Quality	43,465	54,400	47,539
Medicaid Matching Funds - Administrative Outreach	27,040	27,040	82,116
Medicaid Matching Funds - Fee-for-Service Program	5,047	5,047	35,332
Other Federal Aid	10,000	10,000	-
On-Behalf Payments	7,058,600	7,058,600	9,739,828
<b>Total Revenues</b>	<b>\$ 44,669,325</b>	<b>\$ 44,487,608</b>	<b>\$ 47,391,739</b>
<b>EXPENDITURES</b>			
<b>Instruction</b>			
<b>Regular Programs</b>			
Salaries	\$ 10,724,954	\$ 10,724,954	\$ 10,708,642
Employee Benefits	1,925,643	1,925,643	1,762,962
Purchased Services	103,034	103,034	54,151
Supplies and Materials	624,878	625,598	631,768
Other Objects	27,700	27,700	13,607
	<b>\$ 13,406,209</b>	<b>\$ 13,406,929</b>	<b>\$ 13,171,130</b>
<b>Special Education Programs</b>			
Salaries	\$ 2,468,681	\$ 2,468,681	\$ 2,418,054
Employee Benefits	553,873	553,873	540,898
Purchased Services	17,834	17,834	9,164
Supplies and Materials	49,627	49,627	21,578
Other Objects	540	540	-
	<b>\$ 3,090,555</b>	<b>\$ 3,090,555</b>	<b>\$ 2,989,694</b>
<b>Remedial and Supplemental Programs K-12</b>			
Salaries	\$ 343,851	\$ 343,851	\$ 330,208
Employee Benefits	94,509	94,509	96,212
Purchased Services	8,000	8,000	4,894
Supplies and Materials	9,000	9,000	10,962
	<b>\$ 455,360</b>	<b>\$ 455,360</b>	<b>\$ 442,276</b>
<b>CTE Programs</b>			
Salaries	\$ 1,137,633	\$ 1,137,633	\$ 1,150,981
Employee Benefits	233,753	233,753	222,514
Purchased Services	13,658	13,658	9,852
Supplies and Materials	68,187	68,187	69,865
Other Objects	508	508	533
	<b>\$ 1,453,739</b>	<b>\$ 1,453,739</b>	<b>\$ 1,453,745</b>
<b>Interscholastic Programs</b>			
Salaries	\$ 1,643,052	\$ 1,643,052	\$ 1,617,145
Employee Benefits	77,685	77,685	79,255
Purchased Services	342,733	342,733	289,706
Supplies and Materials	152,679	152,679	152,104
Other Objects	55,934	55,934	59,975
	<b>\$ 2,272,083</b>	<b>\$ 2,272,083</b>	<b>\$ 2,198,185</b>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND - EDUCATIONAL FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Instruction (Continued)			
Summer School Programs			
Salaries	\$ 81,347	\$ 81,347	\$ 62,934
Employee Benefits	2,261	2,261	2,044
Other Objects	6,805	6,805	4,372
	<u>\$ 90,413</u>	<u>\$ 90,413</u>	<u>\$ 69,350</u>
Driver's Education Programs			
Salaries	\$ 274,939	\$ 274,939	\$ 250,495
Employee Benefits	65,514	65,514	68,021
Purchased Services	12,946	12,946	11,754
Supplies and Materials	10,155	10,155	4,836
Other Objects	775	775	-
	<u>\$ 364,329</u>	<u>\$ 364,329</u>	<u>\$ 335,106</u>
Bilingual Programs			
Salaries	\$ 33,969	\$ 33,969	\$ 31,938
Employee Benefits	11,739	11,739	11,135
Supplies and Materials	7,500	7,500	6,411
Other Objects	2,969	2,969	-
	<u>\$ 56,177</u>	<u>\$ 56,177</u>	<u>\$ 49,484</u>
Private Tuition - Other Objects			
Regular K-12 Programs	\$ -	\$ -	\$ 9,325
Special Education Programs K-12	989,363	989,363	1,126,150
	<u>\$ 989,363</u>	<u>\$ 989,363</u>	<u>\$ 1,135,475</u>
<b>Total Instruction</b>	<u>\$ 22,178,228</u>	<u>\$ 22,178,948</u>	<u>\$ 21,844,445</u>
Support Services			
Pupils			
Attendance and Social Work Services			
Salaries	\$ 1,322,710	\$ 1,322,710	\$ 1,322,569
Employee Benefits	266,169	266,169	272,784
Purchased Services	23,694	23,694	10,420
Supplies and Materials	22,212	22,212	16,186
Other Objects	1,008	1,008	196
	<u>\$ 1,635,793</u>	<u>\$ 1,635,793</u>	<u>\$ 1,622,155</u>
Guidance Services			
Salaries	\$ 1,225,517	\$ 1,225,517	\$ 1,183,611
Employee Benefits	255,650	255,650	251,427
Purchased Services	3,423	3,423	2,791
Supplies and Materials	2,104	2,104	3,334
	<u>\$ 1,486,694</u>	<u>\$ 1,486,694</u>	<u>\$ 1,441,163</u>
Health Services			
Salaries	\$ 276,125	\$ 276,125	\$ 264,595
Employee Benefits	62,912	62,912	63,069
Purchased Services	81,993	81,993	79,092
Supplies and Materials	4,628	4,628	2,153
	<u>\$ 425,658</u>	<u>\$ 425,658</u>	<u>\$ 408,909</u>
Psychological Services			
Salaries	\$ 220,785	\$ 220,785	\$ 192,997
Employee Benefits	16,732	16,732	17,086
Purchased Services	1,350	1,350	534
Supplies and Materials	650	650	204
	<u>\$ 239,517</u>	<u>\$ 239,517</u>	<u>\$ 210,821</u>
Speech Pathology and Audiology Services			
Salaries	\$ 65,352	\$ 65,352	\$ 65,920
Employee Benefits	18,233	18,233	18,186
Purchased Services	225	225	166
Supplies and Materials	784	784	759
	<u>\$ 84,594</u>	<u>\$ 84,594</u>	<u>\$ 85,031</u>
Other Support Services - Pupils			
Salaries	\$ 13,228	\$ 13,228	\$ 13,737
Employee Benefits	58	58	16
Purchased Services	34,000	34,000	37,020
Supplies and Materials	35,080	35,080	72,694
	<u>\$ 82,366</u>	<u>\$ 82,366</u>	<u>\$ 123,467</u>
<b>Total Support Services - Pupils</b>	<u>\$ 3,954,622</u>	<u>\$ 3,954,622</u>	<u>\$ 3,891,546</u>

See Accompanying Independent Auditor's Opinion



LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND - EDUCATIONAL FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Instructional Staff			
Improvement of Instruction Services			
Salaries	\$ 692,813	\$ 692,813	\$ 602,317
Employee Benefits	73,909	73,909	69,832
Purchased Services	89,688	89,688	121,038
Supplies and Materials	4,815	4,815	3,529
Other Objects	450	450	-
	<u>\$ 861,675</u>	<u>\$ 861,675</u>	<u>\$ 796,716</u>
Educational Media Services			
Salaries	\$ 764,562	\$ 764,562	\$ 778,810
Employee Benefits	224,871	224,871	228,014
Purchased Services	95,646	95,646	136,340
Supplies and Materials	80,283	80,283	75,360
Other Objects	-	-	159
	<u>\$ 1,165,362</u>	<u>\$ 1,165,362</u>	<u>\$ 1,218,683</u>
Assessment and Testing			
Salaries	\$ 7,287	\$ 7,287	\$ 5,130
Employee Benefits	14	14	16
Purchased Services	54,900	54,900	50,852
Supplies and Materials	-	-	3,236
	<u>\$ 62,201</u>	<u>\$ 62,201</u>	<u>\$ 59,234</u>
Total Support Services - Instructional Staff	<u>\$ 2,089,238</u>	<u>\$ 2,089,238</u>	<u>\$ 2,074,633</u>
General Administration			
Board of Education Services			
Employee Benefits	\$ 9,000	\$ 9,000	\$ 767
Purchased Services	198,229	198,229	160,425
Supplies and Materials	3,000	3,000	1,575
Other Objects	21,150	21,150	22,561
	<u>\$ 231,379</u>	<u>\$ 231,379</u>	<u>\$ 185,328</u>
Executive Administration Services			
Salaries	\$ 460,311	\$ 460,311	\$ 457,289
Employee Benefits	80,010	80,010	78,050
Purchased Services	12,058	12,058	8,105
Supplies and Materials	1,728	1,728	372
Other Objects	2,340	2,340	1,989
	<u>\$ 556,447</u>	<u>\$ 556,447</u>	<u>\$ 545,805</u>
Tort Immunity Services			
Purchased Services	\$ 425,814	\$ 425,814	\$ 426,045
	<u>\$ 425,814</u>	<u>\$ 425,814</u>	<u>\$ 426,045</u>
Total Support Services - General Administration	<u>\$ 1,213,640</u>	<u>\$ 1,213,640</u>	<u>\$ 1,157,178</u>
School Administration			
Office of the Principal Services			
Salaries	\$ 878,807	\$ 878,807	\$ 884,369
Employee Benefits	183,474	183,474	178,453
Purchased Services	19,367	19,367	14,053
Supplies and Materials	4,667	4,667	6,081
Other Objects	3,679	3,679	2,140
	<u>\$ 1,089,994</u>	<u>\$ 1,089,994</u>	<u>\$ 1,085,096</u>
Total Support Services - School Administration	<u>\$ 1,089,994</u>	<u>\$ 1,089,994</u>	<u>\$ 1,085,096</u>
Business			
Direction of Business Support Services			
Salaries	\$ 258,732	\$ 258,732	\$ 258,732
Employee Benefits	41,943	41,943	41,753
Purchased Services	10,069	10,069	15,180
Supplies and Materials	400	400	348
Other Objects	1,080	1,080	745
	<u>\$ 312,224</u>	<u>\$ 312,224</u>	<u>\$ 316,758</u>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND - EDUCATIONAL FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Business (Continued)			
Fiscal Services			
Salaries	\$ 283,028	\$ 283,028	\$ 284,199
Employee Benefits	50,603	50,603	66,795
Purchased Services	6,491	6,491	5,434
Supplies and Materials	3,200	3,200	2,052
Other Objects	-	-	58
	<u>\$ 343,322</u>	<u>\$ 343,322</u>	<u>\$ 358,538</u>
Internal Services			
Salaries	\$ 106,961	\$ 106,961	\$ 103,690
Employee Benefits	43,084	43,084	42,028
Purchased Services	105,187	105,187	86,740
Supplies and Materials	28,507	28,507	25,209
	<u>\$ 283,739</u>	<u>\$ 283,739</u>	<u>\$ 257,667</u>
Total Support Services - Business	<u>\$ 939,285</u>	<u>\$ 939,285</u>	<u>\$ 932,963</u>
Operations and Maintenance			
Salaries	\$ 161,175	\$ 161,175	\$ 147,275
Employee Benefits	32,277	32,277	32,082
Purchased Services	237,372	237,372	229,823
Supplies and Materials	1,341	1,341	5,987
Total Support Services - Operations and Maintenance	<u>\$ 432,165</u>	<u>\$ 432,165</u>	<u>\$ 415,167</u>
Food Services			
Purchased Services	\$ 1,421,620	\$ 1,421,620	\$ 1,422,558
Supplies and Materials	6,922	6,922	10,049
Other Objects	1,194	1,194	1,726
Total Support Services - Food Services	<u>\$ 1,429,736</u>	<u>\$ 1,429,736</u>	<u>\$ 1,434,333</u>
Central			
Planning, Research, Development and Evaluation Services			
Salaries	\$ 49,444	\$ 49,444	\$ 49,444
Employee Benefits	16,919	16,919	16,813
Purchased Services	-	-	63
Supplies and Materials	200	200	6
	<u>\$ 66,563</u>	<u>\$ 66,563</u>	<u>\$ 66,326</u>
Information Services			
Salaries	\$ 114,728	\$ 114,728	\$ 114,728
Employee Benefits	8,403	8,403	8,280
Purchased Services	77,511	77,511	36,949
Supplies and Materials	2,250	2,250	1,500
Other Objects	1,800	1,800	1,178
	<u>\$ 204,692</u>	<u>\$ 204,692</u>	<u>\$ 162,635</u>
Staff Services			
Salaries	\$ 199,436	\$ 199,436	\$ 209,836
Employee Benefits	36,600	36,600	36,923
Purchased Services	28,279	28,279	15,730
Supplies and Materials	10,275	10,275	10,799
	<u>\$ 274,590</u>	<u>\$ 274,590</u>	<u>\$ 273,288</u>
Data Processing Services			
Salaries	\$ 99,034	\$ 99,034	\$ 99,034
Employee Benefits	21,876	21,876	21,785
Purchased Services	222,023	222,023	169,015
Supplies and Materials	11,870	11,870	7,664
Other Objects	-	-	200
	<u>\$ 354,803</u>	<u>\$ 354,803</u>	<u>\$ 297,698</u>
Total Support Services - Central	<u>\$ 900,648</u>	<u>\$ 900,648</u>	<u>\$ 799,947</u>
Other Support Services			
Purchased Services	\$ 28,247	\$ 28,247	\$ -
Total Other Support Services	<u>\$ 28,247</u>	<u>\$ 28,247</u>	<u>\$ -</u>
Total Support Services	<u>\$ 12,077,575</u>	<u>\$ 12,077,575</u>	<u>\$ 11,790,863</u>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND - EDUCATIONAL FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Community Services			
Supplies and Materials	\$ 1,350	\$ 1,350	\$ 872
Other Objects	5,400	5,400	-
Total Community Services	<u>\$ 6,750</u>	<u>\$ 6,750</u>	<u>\$ 872</u>
Payments to Other Districts and Governmental Units			
Payments to Other Districts and Governmental Units (In-State)			
Payments for Regular Programs			
Purchased Services	\$ 3,000	\$ 3,000	\$ -
	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ -</u>
Payments to Other Districts and Governmental Units (In-State) (Continued)			
Payments for Special Education Programs			
Purchased Services	\$ 7,000	\$ 7,000	\$ 12,456
	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>\$ 12,456</u>
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 12,456</u>
Payments to Other Districts and Governmental Units-Tuition (In-State)			
Payments for Regular Programs			
Other Objects	\$ 3,300	\$ 3,300	\$ -
Payments for Special Education Programs			
Other Objects	1,487,787	1,487,787	1,276,595
Payment for CTE Programs			
Other Objects	423,413	423,413	394,625
Payments for Other Programs			
Other Objects	1,600	1,600	-
Total Payments to Other Districts and Governmental Units-Tuition (In-State)	<u>\$ 1,916,100</u>	<u>\$ 1,916,100</u>	<u>\$ 1,671,220</u>
Total Payments to Other Districts and Governmental Units	<u>\$ 1,926,100</u>	<u>\$ 1,926,100</u>	<u>\$ 1,683,676</u>
Capital Outlay			
Instruction			
Regular Programs	\$ 125,227	\$ 125,227	\$ 111,426
Special Education Programs	25,068	25,068	29,991
Other Instructional Programs	134,022	134,022	94,281
Support Services			
Pupils	16,117	16,117	57,311
Instructional Staff	33,133	33,133	177,351
General Administration	1,500	1,500	8,344
School Administration	1,096	1,096	46,248
Business	2,313	2,313	173,711
Operations and Maintenance	548	548	15,917
Food Services	-	-	4,927
Central	4,000	4,000	11,295
Total Capital Outlay	<u>\$ 343,024</u>	<u>\$ 343,024</u>	<u>\$ 730,802</u>
On-Behalf Payments	<u>\$ 7,058,600</u>	<u>\$ 7,058,600</u>	<u>\$ 9,739,828</u>
Total Expenditures	<u>\$ 43,590,277</u>	<u>\$ 43,590,997</u>	<u>\$ 45,790,486</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 1,079,048</u>	<u>\$ 896,611</u>	<u>\$ 1,601,253</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	\$ (138,475)	\$ (138,475)	\$ (138,474)
Principal on Bonds Sold	-	-	384,013
Sale or Compensation for Fixed Assets	-	-	300
	<u>\$ (138,475)</u>	<u>\$ (138,475)</u>	<u>\$ 245,839</u>
NET CHANGE IN FUND BALANCE	\$ 940,573	\$ 758,136	\$ 1,847,092
FUND BALANCE - JULY 1, 2014	22,091,269	22,091,269	4,172,535
FUND BALANCE ADJUSTMENT (Note 18)	-	-	22,336
FUND BALANCE - JUNE 30, 2015	<u>\$ 23,031,842</u>	<u>\$ 22,849,405</u>	<u>\$ 6,041,963</u>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 GENERAL FUND - WORKING CASH FUND  
 YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Earnings on Investments	\$ 35,000	\$ 35,000	\$ 22,488
Total Revenues	<u>\$ 35,000</u>	<u>\$ 35,000</u>	<u>\$ 22,488</u>
EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 35,000	\$ 35,000	\$ 22,488
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	\$ 35,000	\$ 35,000	\$ 22,488
FUND BALANCE - JULY 1, 2014	<u>4,990,094</u>	<u>4,990,094</u>	<u>4,990,385</u>
FUND BALANCE - JUNE 30, 2015	<u><u>\$ 5,025,094</u></u>	<u><u>\$ 5,025,094</u></u>	<u><u>\$ 5,012,873</u></u>

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LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
DEBT SERVICES FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 6,101,715	\$ 6,101,715	\$ 6,069,333
Earnings on Investments	2,500	2,500	3,538
Total Revenues	<u>\$ 6,104,215</u>	<u>\$ 6,104,215</u>	<u>\$ 6,072,871</u>
EXPENDITURES			
Debt Services			
Interest			
Other Objects	\$ 1,785,594	\$ 1,788,313	\$ 1,790,665
Total Debt Services - Interest	<u>\$ 1,785,594</u>	<u>\$ 1,788,313</u>	<u>\$ 1,790,665</u>
Debt Services - Payment of Principal on Long-Term Debt			
Other Objects	\$ 4,700,487	\$ 4,701,679	\$ 4,701,680
Total Debt Services - Payment of Principal on Long-Term Debt	<u>\$ 4,700,487</u>	<u>\$ 4,701,679</u>	<u>\$ 4,701,680</u>
Debt Services - Other			
Other Objects	\$ 1,100	\$ 990	\$ 17,490
Total Debt Services - Debt Services - Other	<u>\$ 1,100</u>	<u>\$ 990</u>	<u>\$ 17,490</u>
Total Debt Services	<u>\$ 6,487,181</u>	<u>\$ 6,490,982</u>	<u>\$ 6,509,835</u>
Total Expenditures	<u>\$ 6,487,181</u>	<u>\$ 6,490,982</u>	<u>\$ 6,509,835</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (382,966)</u>	<u>\$ (386,767)</u>	<u>\$ (436,964)</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	\$ 429,415	\$ 429,415	\$ 429,414
Principal on Bonds Sold	-	-	1,290,000
Bond Refunding Payment to Escrow Agent	-	-	(1,270,000)
	<u>\$ 429,415</u>	<u>\$ 429,415</u>	<u>\$ 449,414</u>
NET CHANGE IN FUND BALANCE	\$ 46,449	\$ 42,648	\$ 12,450
FUND BALANCE - JULY 1, 2014	<u>2,979,742</u>	<u>2,979,742</u>	<u>56,643</u>
FUND BALANCE - JUNE 30, 2015	<u>\$ 3,026,191</u>	<u>\$ 3,022,390</u>	<u>\$ 69,093</u>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND  
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts
	Original	Final	
<b>REVENUES</b>			
Earnings on Investments	\$ 1,800	\$ 1,800	\$ 2,420
Other Local Sources	30,000	30,000	25,046
State Aid			
General State Aid	800,000	800,000	800,000
Federal Aid			
Other Federal Aid	67,000	67,000	-
<b>Total Revenues</b>	<b><u>\$ 898,800</u></b>	<b><u>\$ 898,800</u></b>	<b><u>\$ 827,466</u></b>
<b>EXPENDITURES</b>			
Support Services			
Facilities Acquisition and Construction			
Purchased Services	\$ 82,000	\$ 92,937	\$ 102,388
Supplies and Materials	384,000	16,594	2,040
<b>Total Support Services - Facilities Acquisition and Construction</b>	<b><u>\$ 466,000</u></b>	<b><u>\$ 109,531</u></b>	<b><u>\$ 104,428</u></b>
<b>Total Support Services</b>	<b><u>\$ 466,000</u></b>	<b><u>\$ 109,531</u></b>	<b><u>\$ 104,428</u></b>
Capital Outlay			
Support Services			
Facilities Acquisition and Construction	\$ -	\$ 1,069,143	\$ 1,055,089
<b>Total Capital Outlay</b>	<b><u>\$ -</u></b>	<b><u>\$ 1,069,143</u></b>	<b><u>\$ 1,055,089</u></b>
<b>Total Expenditures</b>	<b><u>\$ 466,000</u></b>	<b><u>\$ 1,178,674</u></b>	<b><u>\$ 1,159,517</u></b>
<b>EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 432,800</b>	<b>\$ (279,874)</b>	<b>\$ (332,051)</b>
<b>OTHER FINANCING SOURCES (USES)</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 432,800</b>	<b>\$ (279,874)</b>	<b>\$ (332,051)</b>
<b>FUND BALANCE - JULY 1, 2014</b>	<b><u>894,984</u></b>	<b><u>894,984</u></b>	<b><u>887,663</u></b>
<b>FUND BALANCE - JUNE 30, 2015</b>	<b><u><u>\$ 1,327,784</u></u></b>	<b><u><u>\$ 615,110</u></u></b>	<b><u><u>\$ 555,612</u></u></b>

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
YEAR ENDED JUNE 30, 2015

ASSETS	BALANCE JULY 1, 2014	ADDITIONS	DEDUCTIONS	PRIOR PERIOD ADJUSTMENT	BALANCE JUNE 30, 2015
Cash and Cash Equivalents	\$ 445,815	\$ 1,826,622	\$ 1,644,588	\$ (153,016)	\$ 474,833
Investments	250,580	-	99,898	-	150,682
	<u>\$ 696,395</u>	<u>\$ 1,826,622</u>	<u>\$ 1,744,486</u>	<u>\$ (153,016)</u>	<u>\$ 625,515</u>
<b>LIABILITIES</b>					
Amount Due to Agency Fund					
District Miscellaneous (was Faculty Lunch Donations)	\$ 91	\$ 268	\$ -	\$ -	\$ 359
Classrooms for Kids	7,997	-	-	-	7,997
50th Anniversary Committee	842	-	-	-	842
Employee Purchases	45	-	45	-	-
LP L.I.F.E. PROGRAM	-	2,072	2,072	-	-
School Supply Donations	369	-	-	-	369
Library Fund	17	-	-	-	17
Student Activity Startup Funds (was Employee Fund - Balance)	221	-	-	-	221
Earned Interest Balance	5,463	-	702	-	4,761
Lake Park Retirement	218	-	218	-	-
FSA Funds FY 2013-2014	46,339	18,967	36,344	-	28,962
FSA Funds FY 2014-2015	-	249,328	176,726	-	72,602
FSA Earnings and Fees	7,387	41	5,579	-	1,849
Health Insurance	21,643	396,763	402,100	-	16,306
Dental Insurance	7,055	35,380	34,331	-	8,104
Vision Insurance	1,718	5,662	6,059	-	1,321
Vision Insurance - Allied Benefits	63,196	-	-	(63,196)	-
Life Insurance	7,960	41,025	41,813	-	7,172
EE - Summer Insurance Premiums	1,876	12,579	11,110	-	3,345
Dependent Life Insurance	74	383	398	-	59
Athletic Booster Club	3,925	16,516	13,241	-	7,200
LPPE Membership	30	-	30	-	-
Blood Borne Pathogen	30	-	-	-	30
Staff Social Functions	-	2,430	2,370	-	60
Dental Insurance - Sun Life	89,820	-	-	(89,820)	-
LP Band Aux - Sales Tax	64	-	-	-	64
Activities Travel	4,755	-	1,534	-	3,221
The Altier Scholarship	10,052	-	1,000	-	9,052
Kathy Percoco Scholarship	2,104	1,989	2,000	-	2,093
Vendor Scholarships	500	-	-	-	500
Graphic Art Club	210	-	210	-	-
Band Boosters	258	131	-	-	389
Summer Band Camp	26	46,618	46,644	-	-
Jazz Band	105	-	-	-	105
Lake Park Strings	40	-	-	-	40
Science Club	1,105	56	56	-	1,105
Scholastic Bowl	176	-	165	-	11
Women of Promise	1,024	50	449	-	625
Game Club	159	-	-	-	159
Ultimate Frisbee Club	-	2,860	2,618	-	242
Chorus	10,568	11,901	20,212	-	2,257
Choral Booster Club	-	18,865	1,907	-	16,958
CWT	37	-	37	-	-
Craft Show	-	5,758	5,758	-	-
Creative Writing Club	250	-	150	-	100
Speech Team Summer	700	-	116	-	584
Deca-West	1,182	18,928	19,818	-	292

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
YEAR ENDED JUNE 30, 2015

	BALANCE JULY 1, 2014	ADDITIONS	DEDUCTIONS	PRIOR PERIOD ADJUSTMENT	BALANCE JUNE 30, 2015
Amount Due to Agency Fund (Continued)					
Memorial Fund	\$ 1,004	\$ -	\$ 1,000	\$ -	\$ 4
West Campus Charity Fund	2,306	3,222	3,902	-	1,626
Cha-Cha for Children	981	-	-	-	981
Hoops for Heart	10	13,876	13,886	-	-
Wonder	967	242	201	-	1,008
Poetry Slam	616	1,659	1,879	-	396
Fishing Club	1,798	2,865	4,088	-	575
French Club	185	-	83	-	102
German Club	460	913	543	-	830
Spanish Club	154	170	253	-	71
Math Team	83	1,284	1,114	-	253
El Intercambio	698	122	514	-	306
HOSA	288	6,632	6,696	-	224
International Thespian Society	4,723	11,411	15,293	-	841
Homecoming	3,799	42,146	35,281	-	10,664
National Honor Society	3,212	3,571	1,622	-	5,161
Dance Ensemble Club	1,767	8,390	5,975	-	4,182
Perspective	1,501	-	495	-	1,006
Der Austausch	14,085	28,745	41,741	-	1,089
Italian American Club	-	1,305	613	-	692
L'Exchange	3,002	3,598	3,775	-	2,825
Exchange Assistance	93	8,842	8,221	-	714
Freshman Class	147	-	-	-	147
Sophomore Class	317	500	496	-	321
Junior Class	2,540	68,421	68,959	-	2,002
Senior Class	937	1,184	670	-	1,451
Theatre Program	-	1,145	1,145	-	-
Theatre Boosters	-	213	-	-	213
Mural Fund	3,469	-	3,367	-	102
Psychology Fund	172	202	172	-	202
GSA	233	-	-	-	233
Student Council	11,235	23,181	17,060	-	17,356
East Student Council	122	110	104	-	128
DSA Club Assistance Fund	381	23,649	15,370	-	8,660
Senior Class Gift Fund	1,614	-	-	-	1,614
F.C.C.L.A.	409	1,427	818	-	1,018
Youth & Government	1,979	24,085	24,480	-	1,584
S.A.D.D.	1,661	-	1,661	-	-
Parent/Student Dinner Dance	473	-	473	-	-
SADD - Safety Incentive Program	350	-	350	-	-
Stand for the Silent	653	1,109	1,099	-	663
Earth Club	1,155	4,843	3,945	-	2,053
V.I.C.A.	344	-	344	-	-
Yearbook	17,546	71,286	56,675	-	32,157
Yearbook - Prior Years	16,158	1,421	6,585	-	10,994
Snowball - Drug Free Schools	1,974	2,233	2,517	-	1,690
Snowball Scholarship	2,243	-	-	-	2,243
Market Day	3,278	26,743	27,858	-	2,163
Party w/a Purpose	1,671	-	1,671	-	-
Athletic Department	1,403	14,154	15,081	-	476
Athlete of the Week	1	-	-	-	1
Cheerleaders	2,240	20,403	20,138	-	2,505
Cheer Summer Camp	5,684	6,954	7,898	-	4,740
Super Fans	424	12,198	9,370	-	3,252
Dan Burgess Benefit Account	200	-	-	-	200
Lancettes	3,898	22,543	18,946	-	7,495
Lancette Dinners	58	-	-	-	58
Girls Track	2	-	-	-	2

See Accompanying Independent Auditor's Opinion



LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
YEAR ENDED JUNE 30, 2015

	BALANCE JULY 1, 2014	ADDITIONS	DEDUCTIONS	PRIOR PERIOD ADJUSTMENT	BALANCE JUNE 30, 2015
Amount Due to Agency Fund (Continued)					
Swim Team - In & Out	\$ 13	\$ 2,519	\$ 2,018	\$ -	\$ 514
Booster Club	870	-	850	-	20
Boys Baseball - Summer Camp	9,091	6,272	10,317	-	5,046
Boys Soccer - Summer League	5,427	10,975	11,050	-	5,352
Boys Soccer - Regular	1,111	2,449	3,475	-	85
Boys Soccer - Summer	7,038	9,585	10,368	-	6,255
Boys Baseball - Summer League	2,540	8,735	8,971	-	2,304
Boys Baseball - Regular	2,740	9,144	11,690	-	194
Girls Softball - Regular	1,423	1,811	2,629	-	605
Boys Basketball - Summer League	511	12,751	12,442	-	820
Boys Basketball - Summer	15,613	17,095	19,906	-	12,802
Boys Basketball - Regular	11	1,225	1,154	-	82
Badminton	65	784	502	-	347
Badminton - Summer	1,574	3,117	2,552	-	2,139
Badminton - Invitational	-	605	604	-	1
Girls Basketball - Summer	9,080	10,281	11,331	-	8,030
Girls Basketball - Regular	974	4,828	5,459	-	343
Girls Basketball - League	-	14,300	8,517	-	5,783
Boys/Girls X Cntry - Summer	3,566	5,230	3,833	-	4,963
Boys/Girls X Cntry - Regular	25	621	604	-	42
Boys Football - Summer	18,078	17,311	19,375	-	16,014
Boys Football - Regular	14,657	29,776	21,928	-	22,505
Football Dinners	7	-	-	-	7
Boys Gymnastics - Regular	16	-	-	-	16
Girls Summer Pom Camp	4,526	7,532	5,023	-	7,035
Boys/Girls Tennis - Summer	6,393	4,890	7,495	-	3,788
Boys/Girls Tennis - Regular	535	2,349	1,270	-	1,614
Boys Wrestling - Summer	1,558	1,105	1,721	-	942
Boys Wrestling - Regular	6	1,310	1,316	-	-
Girls Volleyball - League	145	-	-	-	145
Girls Volleyball - Summer	12,685	14,667	15,290	-	12,062
Girls Volleyball - Regular	60	3,572	2,918	-	714
Boys Volleyball - Summer	4,776	3,682	5,122	-	3,336
Boys Volleyball - Regular	3	5,778	995	-	4,786
Girls Gymnastics - Regular	10	599	529	-	80
Boys Track - Regular	35	720	717	-	38
Girls Golf - Summer	1,814	1,929	1,801	-	1,942
Girls Golf - Regular	-	516	492	-	24
Girls Soccer- Regular	1,755	290	972	-	1,073
Girls Soccer- Summer League	1,785	1,955	2,511	-	1,229
IHSA Tournament	5,750	28,391	33,519	-	622
Inv-Boys Basketball-Frosh	21	2,300	2,312	-	9
Inv-Boys Gymnastics-FR/V	542	3,542	4,082	-	2
Inv-Boys Tennis-FR/V	(34)	403	259	-	110
Inv-Boys Track	6	-	-	-	6
Inv-Boys Wrestling-FR/V	70	5,753	5,823	-	-
Inv-Boys Golf-Varsity	7	5,400	5,107	-	300
Inv-Boys Soccer-Varsity	15	5,355	4,978	-	392
Inv-Boys/Girls X Country	79	6,690	6,378	-	391
Inv-Girls Gymnastics-JV	40	1,647	1,687	-	-
Inv-Girls Track	544	4,778	5,211	-	111
Inv-Girls Volleyball	46	4,284	4,266	-	64
Inv-Boys Volleyball	(360)	1,089	413	-	316
Inv-Girls Basketball	-	1,996	1,609	-	387
Inv-Lancettes	7	-	1	-	6
Inv-Girls Bowling	714	-	287	-	427
Inv-Boys Bowling	18	8,250	8,131	-	137
Inv-Girls Soccer	41	4,427	3,682	-	786

See Accompanying Independent Auditor's Opinion

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
YEAR ENDED JUNE 30, 2015

	BALANCE JULY 1, 2014	ADDITIONS	DEDUCTIONS	PRIOR PERIOD ADJUSTMENT	BALANCE JUNE 30, 2015
Amount Due to Agency Fund (Continued)					
Special Olympics	\$ 384	\$ 876	\$ 889	\$ -	\$ 371
Upstate 8 Tournament	943	-	943	-	-
Replacement Jerseys	785	377	800	-	362
Athletic Trainers - Summer Camps	6,132	6,692	7,945	-	4,879
Athletic Vending-E/C	51	-	-	-	51
Eighth Grade Contest Fund	-	380	230	-	150
Graduation Video	3,330	-	-	-	3,330
Athletic Vending-W/C	9,582	-	-	-	9,582
W/C Coca Cola Part. In Ed	498	1,025	1,448	-	75
Tobacco Survey Fund	1,000	-	1,000	-	-
Upstate 8 Principals	155	-	-	-	155
Lake Park Foundation Donation	500	1,836	1,386	-	950
Lake Park Foundation	56,237	78,717	75,512	-	59,442
LPEF Endowment	20,588	101	-	-	20,689
Lancer Emergency Fund	3,420	2,849	4,016	-	2,253
Recognition and Awards	250	-	94	-	156
Don Lovelace Scholarship	1,890	6,570	6,720	-	1,740
Foundation Scholarship	1,834	4,730	2,000	-	4,564
Swierczewski Scholarship	-	2,600	1,000	-	1,600
DMG Perserverance Scholarship	750	800	500	-	1,050
Amanda Dombrowski Scholarship	1,100	1,000	1,000	-	1,100
Joe Cychosz Scholarship	2,700	-	1,000	-	1,700
Bloomngdale Artists Association Scholarship	-	300	300	-	-
Gary Annunziata Scholarship	1,000	1,500	1,000	-	1,500
Scott Bradley Memorial Scholarship	1,500	1,500	1,500	-	1,500
Gaylon Elliott Memorial	1,170	730	1,000	-	900
Itasca Lions Club Scholarship	-	500	-	-	500
Friends Spring Brook Nature Ctr Sch.	1,000	-	1,000	-	-
Claudia Sloan Scholarship	1,776	-	1,776	-	-
Barclay Family Scholarship	1,000	3,000	-	-	4,000
Chris Frizzelle Scholarship Fund	4,535	250	1,000	-	3,785
Daniel Christopher, Jr. Memorial Scholarship	1,000	1,000	1,000	-	1,000
Foundation Mini Grants	230	250	433	-	47
Tablet Computers For Math Flipping	-	4,000	-	-	4,000
Neis Family Scholarships	2,000	2,000	2,000	-	2,000
LP Memorial Garden	950	29,365	23,064	-	7,251
EC Theatre Lobby TV - Theatre Program	479	-	479	-	-
4 iPads - English Dept	41	-	41	-	-
Large Format Printer	-	1,900	-	-	1,900
Writers Day	3,120	-	3,120	-	-
Power of Positive	-	3,418	-	-	3,418
Activity Tracker	-	2,500	2,500	-	-
Rotary outh Leadership Awards	-	1,950	1,950	-	-
Smart Music	-	2,500	-	-	2,500
Classroom Tablet & Docking Station	-	1,226	-	-	1,226
Smart Board	2	-	2	-	-
Video Enrichment Equipment	107	-	107	-	-
	<u>\$ 696,395</u>	<u>\$ 1,826,622</u>	<u>\$ 1,744,486</u>	<u>\$ (153,016)</u>	<u>\$ 625,515</u>

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 COMPUTATION OF OPERATING EXPENSE PER PUPIL  
 AND PER CAPITA TUITION CHARGE  
 FOR THE YEAR ENDED JUNE 30, 2015

**OPERATING EXPENSE PER PUPIL**

<b>EXPENDITURES:</b>			
ED	Total Expenditures	\$	36,050,658
O&M	Total Expenditures		4,406,614
DS	Total Expenditures		6,509,835
TR	Total Expenditures		2,102,751
MR/SS	Total Expenditures		1,526,881
	<b>Total Expenditures</b>	<b>\$</b>	<b>50,596,739</b>

**LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:**

TR	Summer Sch - Transp. Fees from Pupils or Parents (In State)	\$	4,973
TR	Special Ed - Transp Fees from Other Districts (In State)		485
ED	Summer School Programs		69,350
ED	Regular K-12 Programs - Private Tuition		9,325
ED	Special Education Programs K-12 - Private Tuition		1,126,150
ED	Community Services		872
ED	Total Payments to Other District & Govt Units		1,683,676
ED	Capital Outlay		730,802
O&M	Capital Outlay		26,043
DS	Debt Service - Payments of Principal on Long-Term Debt		4,701,680
TR	Debt Service - Payments of Principal on Long-Term Debt		36,007
MR/SS	Summer School Programs		1,691
	<b>Total Deductions for OEPP Computation (Sum of Lines 18 - 73)</b>	<b>\$</b>	<b>8,391,054</b>
	<b>Total Operating Expenses Regular K-12 (Line 14 minus Line 75)</b>		<b>42,205,685</b>
	<b>9 Mo ADA from the General State Aid Claimable for 2014-2015 and Payable in 2015-2016 (ISBE 54-33), L12</b>		<b>2,461.32</b>
	<b>Estimated OEPP (Line 76 / Line 77)</b>	<b>\$</b>	<b>17,147.58</b>

**PER CAPITA TUITION CHARGE**

**LESS OFFSETTING RECEIPTS/REVENUES:**

TR	Regular -Transp Fees from Pupils or Parents (In State)	\$	14,746
ED	Total Food Service		1,105,522
ED-O&M	Total District/School Activity Income		1,135,276
ED	Sales - Other (Describe & Itemize)		8,381
ED-O&M	Rentals		176,923
ED-O&M-TR	Services Provided Other Districts		8,071
ED	Other Local Fees (Describe & Itemize)		4,951
ED-O&M-TR	Total Special Education		1,179,941
ED-O&M-MR/SS	Total Career and Technical Education		36,020
ED-MR/SS	Total Bilingual Ed		72
ED	State Free Lunch & Breakfast		1,555
ED-O&M	Driver Education		89,743
ED-O&M-TR-MR/SS	Total Transportation		490,274
ED-O&M-DS-TR-MR/SS-Tort	Other Restricted Revenue from State Sources		2,012
ED-O&M-TR-MR/SS	Total Title I		202,258
ED-O&M-TR-MR/SS	Fed - Spec Education - IDEA - Flow Through		445,497
ED-O&M-TR-MR/SS	Fed - Spec Education - IDEA - Room & Board		146,322
ED-O&M-MR/SS	Total CTE - Perkins		23,262
ED-O&M-TR-MR/SS	Title II - Teacher Quality		47,539
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Administrative Outreach		82,116
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Fee-for-Service Program		35,332
	<b>Total Deductions for PCTC Computation (Sum of Lines 83 - 173)</b>	<b>\$</b>	<b>5,235,813</b>
	<b>Total PCTC Expenditures (Line 76 minus Line 175)</b>		<b>36,969,872</b>
	<b>Total Depreciation Allowance (from page 27, Col I)</b>		<b>2,826,555</b>
	<b>Total Net Expenditures for PCTC Computation Line 176 plus Line 177</b>		<b>39,796,427</b>
	<b>9 Mo ADA (from Line 77)</b>		<b>2,461.32</b>
	<b>Total Estimated PCTC (Line 178 / Line 179) *</b>	<b>\$</b>	<b>16,168.73</b>

Unaudited

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
 FUND FINANCIAL STATEMENTS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 AND RECONCILIATION TO CASH BASIS FUND BALANCES - ALL FUNDS  
 FOR ENDED JUNE 30, 2015

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/Social Security Fund	Capital Projects Fund	Total Governmental Funds
Revenues							
Property Taxes	\$ 31,550,856	\$ 5,292,125	\$ 6,069,333	\$ 1,749,153	\$ 1,354,298	\$ -	\$ 46,015,765
Payments in Lieu of Taxes	554,847	-	-	-	110,600	-	665,447
Tuition	55,457	-	-	-	-	-	55,457
Transportation Fees	-	-	-	20,204	-	-	20,204
Earnings on Investments	89,920	9,157	3,538	7,093	2,271	2,420	114,399
Food Service	1,105,522	-	-	-	-	-	1,105,522
District/School Activity Income	1,135,276	-	-	-	-	-	1,135,276
Textbooks	12,402	-	-	-	-	-	12,402
Other Local Sources	448,551	209,459	-	-	-	25,046	683,056
State Aid	1,739,242	-	-	490,274	-	800,000	3,029,516
Federal Aid	982,326	-	-	-	-	-	982,326
On-Behalf Payments	9,739,828	-	-	-	-	-	9,739,828
Total Revenues	\$ 47,414,227	\$ 5,510,741	\$ 6,072,871	\$ 2,266,724	\$ 1,467,169	\$ 827,466	\$ 63,559,198
Expenditures	\$ 45,790,486	\$ 4,406,614	\$ 6,509,835	\$ 2,102,751	\$ 1,526,881	\$ 1,159,517	\$ 61,496,084
Excess/(Deficiency) of Revenues over Expenditures	\$ 1,623,741	\$ 1,104,127	\$ (436,964)	\$ 163,973	\$ (59,712)	\$ (332,051)	\$ 2,063,114
Other Financing Sources/(Uses)	245,839	(290,940)	449,414	-	-	-	404,313
Net Change in Fund Balances	\$ 1,869,580	\$ 813,187	\$ 12,450	\$ 163,973	\$ (59,712)	\$ (332,051)	\$ 2,467,427
Modified Accrual Fund Balances - July 1, 2014	9,162,920	650,635	56,643	783,951	10,576	887,663	11,552,388
Fund Balance Adjustment	22,336	19,989	-	-	-	-	42,325
Modified Accrual Fund Balances - June 30, 2015	\$ 11,054,836	\$ 1,483,811	\$ 69,093	\$ 947,924	\$ (49,136)	\$ 555,612	\$ 14,062,140
Add:							
Accounts Payable and Accrued Expenses	\$ 306,411	\$ 96,968	\$ -	\$ 29,015	\$ 71,078	\$ 707,671	\$ 1,211,143
Accrued Payroll and Payroll Liabilities	2,764,807	20,760	-	-	67,243	-	2,852,810
Deferred Revenue	273,858	-	-	975	-	-	274,833
Unavailable Revenue - Property Taxes	32,277,820	5,404,183	6,088,585	1,786,378	1,368,805	-	46,925,771
Unavailable Revenue - Interest	69,360	11,793	666	5,721	2,796	-	90,336
Subtract:							
Accrued Interest Receivable, net of allowance of \$0	70,671	11,814	666	5,721	2,799	691	92,362
Other Accounts Receivable, net of allowance of \$0	21,807	-	-	-	-	-	21,807
Property Taxes Receivable, net of allowance of \$217,849	16,571,679	2,774,549	3,125,926	917,140	702,755	-	24,092,049
Due from Other Governments, net of allowance of \$0	373,264	-	-	119,620	10,914	-	503,798
Prepaid Expenses	323,006	65,724	-	-	-	-	388,730
Cash Basis Fund Balance, End of Year	\$ 29,386,665	\$ 4,165,428	\$ 3,031,752	\$ 1,727,532	\$ 744,318	\$ 1,262,592	\$ 40,318,287

See Accompanying Independent Auditor's Opinion

ANNUAL FEDERAL FINANCIAL COMPLIANCE SECTION

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY OMB CIRCULAR A-133

To the Board of Education  
Lake Park High School District No. 108  
Roselle, Illinois

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

We have audited

Lake Park High School District No. 108's

compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Lake Park High School District No. 108's major federal programs for the year ended June 30, 2015. Lake Park High School District No. 108'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Lake Park High School District No. 108'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Lake Park High School District No. 108'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 Lake Park High School District No. 108's compliance.

**Opinion on Each Major Federal Program**

In our opinion, Lake Park High School District No. 108 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, 2015.

## Report on Internal Control Over Compliance

Management of Lake Park High School District No. 108 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 Lake Park High School District No. 108'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 OMB Circular A-133, 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 Lake Park High School District No. 108'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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

  
EDER, CASELLA & CO.  
Certified Public Accountants

McHenry, Illinois  
December 8, 2015

**LAKE PARK HIGH SCHOOL DISTRICT NO. 108**  
**19-022-1080-16**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ending June 30, 2015**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number <sup>2</sup> (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements <sup>4</sup>		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/13-6/30/14 (C)	Year 7/1/14-6/30/15 (D)	Year 7/1/13-6/30/14 (E)	Year 7/1/14-6/30/15 (F)			
U.S. Department of Education Passed Through Illinois State									
Board of Education									
Title I - Low Income	84.010A	14-4300-00	149,406	13,541	149,406	13,541		162,947	165,551
Title I - Low Income *	84.010A	15-4300-00		188,717		188,717		188,717	206,015
Special Education - IDEA Room and Board (M)	84.027A	14-4625-00	65,962	58,469	65,962	58,469		124,431	N/A
Special Education - IDEA Room and Board (M)*	84.027A	15-4625-00		87,853		87,853		87,853	N/A
Title II - Teacher Quality*	84.367A	15-4932-00		47,539		47,539		47,539	48,097
U.S. Department of Education Passed Through North									
DuPage Special Education Cooperative									
Special Education - IDEA - Flow-Through (M)	84.027A	15-4620-00		445,497		445,497		445,497	461,789
* Project Year Ends 8/31/15									

• (M) Program was audited as a major program as defined by OMB Circular A-133.

**The accompanying notes are an integral part of this schedule.**

<sup>1</sup> To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

<sup>2</sup> When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

<sup>3</sup> When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.

<sup>4</sup> Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.



**LAKE PARK HIGH SCHOOL DISTRICT NO. 108**  
**19-022-1080-16**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ending June 30, 2015**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number <sup>2</sup> (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements <sup>4</sup>		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/13-6/30/14 (C)	Year 7/1/14-6/30/15 (D)	Year 7/1/13-6/30/14 (E)	Year 7/1/14-6/30/15 (F)			
U.S. Department of Education Passed Through DuPage									
Area Occupational Education System:									
Perkins - Title III	84.048	15-4799-00		23,262		23,262		23,262	23,285
Total CFDA "84"			215,368	864,878	215,368	864,878		1,080,246	
U.S. Department of Health and Human Services Passed									
Through Illinois Department of Healthcare and Family									
Services Passed Through North DuPage Special									
Education Cooperative									
Medicaid Admin Outreach	93.778	14-4991-00	12,152	38,854	12,152	38,854		51,006	N/A
Medicaid Admin Outreach	93.778	15-4991-00		46,683		46,683		46,683	N/A
Total CFDA "93"			12,152	85,537	12,152	85,537		97,689	
Total Federal Assistance			227,520	950,415	227,520	950,415		1,177,935	

• (M) Program was audited as a major program as defined by OMB Circular A-133.

**The accompanying notes are an integral part of this schedule.**

<sup>1</sup> To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

<sup>2</sup> When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

<sup>3</sup> When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.

<sup>4</sup> Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Lake Park High School District No. 108 and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with requirements of the OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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- SUBRECIPIENTS

The District did not provide federal awards to subrecipients during the year ended June 30, 2015.

NOTE 3 - NON-CASH ASSISTANCE, INSURANCE, AND LOANS

Non-cash assistance is reported in the Schedule of Expenditures of Federal Awards at the fair market value of the commodities received and disbursed. During the year ended June 30, 2015, the District received and disbursed \$0 of food commodities.

There was no federal insurance in effect during the year, nor any federal loans or loan guarantees outstanding at year end.

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2015

- 1) Summary of auditor's results:
  - a) An unmodified opinion report was issued.
  - b) No significant deficiencies or material weaknesses in internal control were disclosed by the audit of the financial statements.
  - c) No noncompliance which is material to the financial statements was disclosed by the audit of the financial statements.
  - d) No significant deficiencies or material weaknesses in internal control over major programs were disclosed by the audit.
  - e) An unmodified opinion report on compliance for major programs was issued.
  - f) The audit disclosed no audit findings which the auditor is required to report.
  - g) The major program identified was the Special Education Cluster (CFDA #84.027).
  - h) The dollar threshold to distinguish between Type A and Type B programs was \$300,000.
  - i) Lake Park High School District No. 108 does qualify as a low-risk auditee.
- 2) There were no findings relating to the financial statements which are required to be reported.
- 3) There were no findings and questioned costs for federal awards which are required to be reported.

**LAKE PARK HIGH SCHOOL DISTRICT NO. 108**  
**19-022-1080-16**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ending June 30, 2015**

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

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1. FINDING NUMBER:<sup>11</sup>      2015- N/A      2. THIS FINDING IS:       New       Repeat from Prior Year?  
Year originally reported? \_\_\_\_\_

---

3. Criteria or specific requirement

---

4. Condition

---

5. Context<sup>12</sup>

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6. Effect

---

7. Cause

---

8. Recommendation

---

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

**For ISBE Review**

Date: \_\_\_\_\_ Resolution Criteria Code Number \_\_\_\_\_  
Initials: \_\_\_\_\_ Disposition of Questioned Costs Code Letter \_\_\_\_\_

<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 2015 would be assigned a reference number of 2015-001, 2015-002, 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 paragraphs 5.18 through 5.20 and 7.38 through 7.42 of Government Auditing Standards for additional guidance on reporting management's response.

LAKE PARK HIGH SCHOOL DISTRICT NO. 108  
19-022-1080-16  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ending June 30, 2015

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**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

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1. FINDING NUMBER:<sup>14</sup>      **2015- N/A**      2. THIS FINDING IS:       New       Repeat from Prior year?  
Year originally reported? \_\_\_\_\_

3. Federal Program Name and Year: \_\_\_\_\_

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

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

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

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

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9. Condition<sup>15</sup>

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

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11. Context<sup>17</sup>

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12. Effect

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13. Cause

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14. Recommendation

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

<b>For ISBE Review</b>	
Date: _____	Resolution Criteria Code Number _____
Initials: _____	Disposition of Questioned Costs Code Letter _____

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<sup>14</sup> See footnote 11.  
<sup>15</sup> Include facts that support the deficiency identified on the audit finding.  
<sup>16</sup> Identify questioned costs as required by sections 510(a)(3) and 510 (a) (4) of Circular A-133.  
<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.

**LAKE PARK HIGH SCHOOL DISTRICT NO. 108**  
**19-022-1080-16**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS<sup>19</sup>**  
**Year Ending June 30, 2015**

[If there are no prior year audit findings, please submit schedule and indicate NONE]

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u> <sup>20</sup>
NONE		

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

<sup>19</sup> See the instructions in the Guide to Auditing and Reporting for Illinois Public Local Education Agencies for an explanation of this schedule.

<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.

**LAKE PARK HIGH SCHOOL DISTRICT NO. 108**  
**19-022-1080-16**  
**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS<sup>21</sup>**  
**Year Ending June 30, 2015**

**Corrective Action Plan**

Finding No.:     **2015- N/A**

Condition:

Plan:

Anticipated Date of Completion:

Name of Contact Person:            [Name and Title of person responsible for implementation]

Management Response:            [If applicable, an explanation giving specific reasons if the district officials do not agree with the finding and believe that corrective action is unnecessary.]

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<sup>21</sup> See the instructions in the Guide to Auditing and Reporting for Illinois Public Local Education Agencies for an explanation of this schedule.