

**Round Lake Area Schools
Community Unit School District 116
Round Lake, Illinois**



**ROUND LAKE
AREA SCHOOLS**
Community Unit School District #116

**Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2016**

Officials Issuing Report:

Dr. Constance Collins – Superintendent of Schools

William Johnston – Assistant Superintendent of Business and Operations

Kristi McCaulou – Associate Director of Fiscal Services

Department Issuing Report:

Business Office

**ROUND LAKE AREA SCHOOLS COMMUNITY
UNIT DISTRICT NO. 116**

ROUND LAKE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2016

Official Issuing Report

**Dr. Constance Collins, Superintendent of Schools
William Johnston, Assistant Superintendent of Business and Operations
Kristi McCaulou, Associate Director of Fiscal Services**

Department Issuing Report

Business Office

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116

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November 10, 2016

Members of the Board of Education
Citizens of Round Lake Area Schools Community Unit School District 116

The Comprehensive Annual Financial Report (CAFR) of Round Lake Area Schools Community Unit School District 116 (the District), for the fiscal year ended June 30, 2016, is presented. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, resides with the District.

We believe the data, as presented, is accurate in all material aspects and represents the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds; and that all disclosures necessary for public understanding of the District's financial status have been incorporated within this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter for transmittal and should be read in conjunction with it.

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officers and elected officials. The financial section includes the independent auditor's report on financial statements and schedules, MD&A, and required supplementary information such as the combined and individual fund financial statements and schedules. The statistical section includes selected unaudited financial and demographic information, generally presented on a multi-year basis.

This report includes all funds of the District. For all the governmental fund-types, the District reports on a modified accrual basis of accounting, which is applied to the District's budget and accounting records. The notes to the financial statements expand upon the modified accrual basis as well as the District's accounting policies and procedures.

District Profile

Round Lake Area Schools Community Unit School District 116 encompasses a nine square mile area in Lake County, Illinois approximately 43 miles northwest of Chicago's "Loop." The District serves students from portions of the villages of Round Lake, Round Lake Beach, Round Lake Heights, Round Lake Park and Hainesville. It is easily accessible by State Routes 120, 134 and 83, and also the Tri-State Tollway (I-94). Commuter train service to Chicago is located in the heart of the Village of Round Lake and the Village of Round Lake Beach.

The District educates 7,182 students in pre-school through 12th grade at eleven (11) facilities – one preschool, one kindergarten (leased facility), five elementary schools, two middle schools, a high school and a transition center for students between the ages of 18 and 22. Over 74.3% of the students are Hispanic and 87% of the students qualify as low income through the Community Eligibility Provision of the Federal National School Lunch Program.

The District currently has approximately 921 full time equivalent employees, of whom 611 are certified and 310 are non-certified. Of the total number, 870 are represented by the Education Association of Round Lake. A three (3) year collective bargaining agreement was approved in August 2014 and discussion will start in the Fall of 2016 for the next agreement.

The District operates independently and is not considered a component unit of any other entity. The District levies its own local property tax which is filed with the Lake County Clerk. Taxes collected by the County Clerk are extended and distributed directly to the District. The District has complete responsibility for the preparation and modification of its annual budget and is solely accountable for its fiscal matters, including surpluses and deficits, designation of management and issuance of debt.

The governing body is a Board whose seven (7) members are elected for staggered four (4) year terms of office. The Board is a policy-making body whose primary functions are to establish policies for the District, provide for the general operation and personnel of the District and to oversee the property and facilities of the District. Based on the legislative authority in the Illinois School Code, the Board of Education has the power to sue and be sued in all courts; to levy and collect taxes and to issue bonds; and to contract for administrators, teachers, and other personnel as well as for goods and services. The Board elects a President, Vice President and Secretary from its membership. The Superintendent and staff report to the Board and run the day to day operations of the District.

History of the District

The District began its history over 150 years ago with Gilbert School. In 1911, Meade School was newly built at the corner of Hart and Cedar Lake Rd. The school was constructed for \$4,000 and was attended by 17 students. In 1921, Round Lake became the first consolidated school of Lake County combining Hainesville, Gilbert and Meade. In 1927, Raymond Ellis became principal in the quickly growing District.

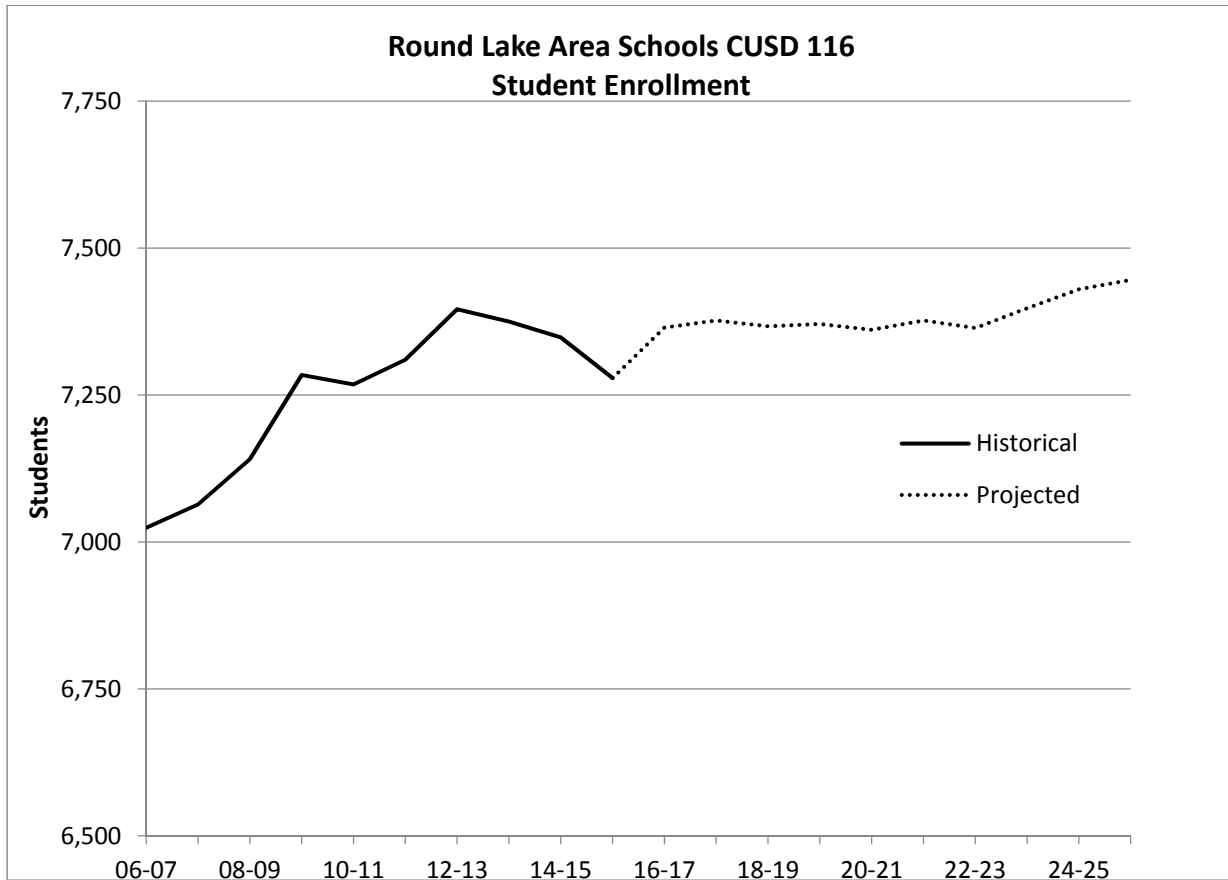
The District expanded rapidly during the 1950's, building six (6) of the current nine (9) school buildings: John T. Magee Middle School, Round Lake Senior High School, Round Lake Beach Elementary, W. J. Murphy Elementary, Raymond Ellis Elementary and Indian Hill Elementary.

During the 1960's and 1970's there were numerous elementary school additions to accommodate the growing student population, while the 1980's and 1990's saw many middle school and high school additions. In 1977, Village Elementary School was constructed, and the Early Education Center was built in 1998 to house the Kindergarten program.

The newest school building is the Round Lake Middle School, which is connected to Indian Hill Elementary. When Round Lake Middle School opened in 2004, John T. Magee Middle School was closed and the students transferred to the new building. Due to the sustained pace of enrollment growth, additional space was needed. In 2006 the District passed a \$17 million referendum to extensively renovate John T. Magee Middle School. The newly renovated school re-opened in the fall of 2008 and both middle schools expanded to serve students in grades 6 through 8. Before this, the middle school only served grades 7 and 8.

The District placed a building bond question on the November 2014 ballot which was approved by the electors for projects to expand the Round Lake Senior High School. The project includes three (3) new additions to the existing building that will add thirty (30) additional teaching spaces. In addition, there are several renovations taking place in existing areas with the upgrade to the food service area and the creation of a Business Incubator Lab. The new and renovated spaces will be completed by the start of the 2016-2017 school year.

During the last decade total District enrollment has increased, rising by almost 4% from 7,024 students in 2006-07 to 7,279 in 2014-15. This enrollment includes District students educated within-district and also the students educated out-of-district. Many of the District's schools, the Round Lake Senior High School in particular, are at capacity or over capacity and are utilizing mobile classroom units and multiple bell schedules to accommodate the student population.



To assess future growth, the District commissioned an enrollment study by the Applied Population Laboratory, University of Wisconsin-Madison, in the fall of 2012. The study used birth data, economic data, and a commonly used demographic technique called the “cohort survival method” to forecast future enrollment. The study indicated that enrollment is projected to continue to grow, adding a total of about 100 students over the next five years. Although total District enrollment growth is projected to slow down, the study forecasted steady growth in high school enrollment.

Financial Oversight Panel

Today the District is financially strong with healthy fund balances and a balanced budget. However, it was recently one of the most financially troubled districts in the State. Starting in 1990 the District had to issue short-term debt each year to meet operational cash needs. On April 16, 1992, the District was certified as being in financial difficulty by the Illinois State Board of Education and was required to submit a financial improvement plan to the State Board for approval.

The District's financial position continued to deteriorate from a cumulative fund deficit of \$2.1 million in Fiscal Year 1992 to a cumulative fund deficit of \$9.7 million in Fiscal Year 1999. The District had to depend on continued issuance of tax anticipation warrants and long-term debt to meet operating cash flow needs since Fiscal Year 1993. Arbitration decisions, a protracted strike, increased enrollment of children with special needs, aging facilities, and contractual limitations with regards to class size further exacerbated the District's financial position. On March 21, 2000, the District successfully passed building bond and Educational Fund referenda that would generate an additional \$1.2 million in tax revenue annually. However, it was deemed by its bank to be too high a credit risk and could no longer borrow money for short or long-term needs.

On April 27, 2000 the Board of Education of Round Lake Area Schools Community Unit School District 116 petitioned the State Board of Education for emergency financial assistance and the establishment of a voluntary Financial Oversight Panel (the Panel). Their request was approved on May 18, 2000. The establishment of the Panel allowed the District to receive emergency financial assistance in the form of a \$1.4 million grant from the State. In addition, the Panel required the District to develop and implement a balanced budget. Through its monitoring efforts, the Panel steered the District towards cost-saving measures that enhanced the District's viability and alleviated the negative concerns of the banking community.

The Panel also commissioned the development of financial projections which identified socio-economic factors that inhibited the District from achieving long-term financial stability. These factors included a comparatively small tax base, an onerous level of short-term debt, no ability to issue additional long-term debt, the lack of appropriate executive leadership, rising personnel costs and student population with high special education needs.

School Finance Authority

While the Panel helped to stem the tide of deficit operations, they determined that the best approach for long-term health would be to establish a School Finance Authority (SFA) under new legislation recently passed in the Illinois General Assembly and signed into law by Governor George Ryan.

The SFA, consisting of five members appointed by the State Superintendent, was established on August 13, 2002. It had the power to appoint top management of the District including a Chief Executive Officer when the current Superintendent's contract expired and a Chief Fiscal Officer replacing the position of School Business Official. In addition, the SFA was empowered to negotiate collective bargaining agreements, to issue debt within specified limits and to establish tax rates necessary to pay off the debt. The SFA was also exempt from some of the limitations of the property tax extension limitation law.

Under the SFA, the District eliminated its short-term debt, practiced budgetary discipline, sought new revenue sources, and implemented fiscal controls so as to restore financial stability and attain full recognition status in each of the fiscal years 2007-2011. The SFA was abolished by the State Board of Education and the District returned to local control on July 1, 2011.

Collective Bargaining

In 1984, the Education Association of Round Lake, IEA-NEA became the exclusive bargaining representative for the District's teachers and later, the teaching assistants. In subsequent years, and in separate bargaining units, the IEA-NEA became the exclusive bargaining representative for the District's secretaries and bus drivers. Finally, in the fall of 1994, the four (4) units merged into one local affiliate of the Illinois Education Association.

Despite the merger, the parties bargained for three (3) separate collective bargaining agreements for teachers/teacher assistants, bus drivers and mechanics, and secretaries. Though a three (3)

year contract agreement was reached with the bus drivers and mechanics commencing in July 1994, no agreement could be reached with the teachers/teacher assistants and secretaries. A strike commenced on October 17, 1994 and continued for approximately eight (8) weeks, ending on December 12, 1994. The strike settlement extended the 1992-1994 bargaining agreement and brought to arbitration those items upon which the parties did not agree.

In July of 1997, the teachers/teacher assistants, secretaries and bus drivers consolidated under a single collective bargaining agreement. In July of 2006, the IEA-NEA became the exclusive bargaining representative for the custodial staff and they were added to the contract. Since 2006, the Education Association of Round Lake, IEA-NEA has represented all of the above job classifications at the District. A new three (3) year collective bargaining agreement was approved in August 2014.

Long-Term Financial Planning

The District maintains a five-year financial plan as part of its strategic planning process. This plan is based on a comprehensive financial model that takes into account assumptions for key variables impacting the financial health of the District in order to guide the decision making process. This plan is updated at least once a year and is factored into the annual budget process.

The most significant factors impacting the long range plan are:

- The State's financial difficulty and the proration or non-payment of all forms of State funding
- Additional staffing and other costs associated with the District's Academic Restructuring Plan
- Capital requirements related to aging District facilities operating at full capacity
- Uncertainty related to future renewals of the collective bargaining agreement
- The impact of declining property values, sluggish new property growth and low CPI/growth on local property tax revenue
- Potential legislation shifting Teachers' Retirement System pension costs to the District

The District is financially healthy with strong fund balances. District spending is controlled via requisition and position control processes. The finances are monitored through such means as monthly financial reports to the Board of Education, the annual budget process and long-term financial projections. The District continually seeks to identify new revenue sources and areas of operations for improvements in efficiency such as energy utilization and printing services. It is the intention of the District to continue to maintain balanced budgets in future years.

Economic Outlook and Conditions

The District is comprised of blue collar communities that saw significant population growth over the twenty (20) years from 1990-2010 according to the U.S. Census Bureau. The District is the community's second largest employer and the unemployment rate has consistently been higher than the State and County average.

Local Property Taxes

Local property taxes account for approximately 32% of District direct operating revenue (excluding on-behalf payments). The District's tax base is primarily made up of residential property (83%) with the balance being largely commercial property (17%). With the economic downturn, new construction has virtually ceased and property values have declined by almost 39% since 2009.

Despite these challenging economic factors the District has continued to collect in excess of 99.20% of property taxes extended and expects this to continue for the foreseeable future.

Local property taxes for the District are limited by the Property Tax Extension Limitation Law (PTELL). PTELL limits the annual growth in the amount of property taxes to be extended to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) during the calendar year preceding the levy year. Taxes can also be increased due to new construction and referendum approval of tax rate increases. In the current low-inflation economy, and with little new property growth, the District expects property tax revenue to grow at a modest 1-2%, a rate that will not likely keep pace with wage and benefit growth.

Other Local Revenue

Other Local Revenue received from student registration, other student fees, sales to students, yearbooks and donations to the District account for approximately 2% of District direct revenue.

State Aid

General and Supplementary State Aid account for roughly 53% of District direct revenue. Districts receive General State Aid on the basis of a statutory formula which takes into account available local resources (based on a district's EAV) and student attendance. General State Aid makes up the difference between the available local resources per pupil and the foundation level, which is a figure established annually by the State's budget representing the minimum level of per pupil financial support that should be available to provide for the basic education of each pupil. Due to the District's available local resources being less than 93% of the Foundation Level, the entire deficiency in Available Local Resources as compared to the Foundation Level is awarded in General State Aid.

The Foundation Level has remained flat at \$6,199 per pupil since Fiscal Year 2010 and the District's General State Aid Entitlement has increased over the last several years to about \$30.5 million. However, the State budget for General State Aid has been reduced. As such, the State has not been able to fully fund the General State Aid formula. For Fiscal Years 2013, 2014, 2015 and 2016 the General State Aid was prorated with each district receiving only approximately 89% of the calculated entitlement.

In addition to General State Aid, districts with concentrations of pupils from low-income households are eligible to receive Supplemental General State Aid. This grant is distributed to districts pursuant to a statutory formula based upon the number of low-income pupils as determined by the Department of Human Services to be eligible for at least one of a variety of low-income programs as of July 1 of the immediately preceding fiscal year. Due to the high concentration of low income students attending the District, this grant has grown from \$4 million in Fiscal Year 2010 to over \$13 million in Fiscal Year 2016 and now comprises nearly one third of the total unrestricted State Aid.

Because Supplementary State Aid is prorated at the same rate as General State Aid, the District has received a total of \$18.7 million less than its calculated entitlement over the last five (5) years. One positive factor is that the Fiscal Year 2017 General State Aid is being funded at 100%. The continued ability of the State to fund the General and Supplementary State Aid is the biggest financial risk facing the District.

The balance of the District's direct State funding (10% of direct revenue) comes in the form of Mandated Categorical State Aid (Transportation, Special Education) and State Competitive Grants (Bilingual, Early Childhood). This funding is also subject to State budget cuts, proration and delayed payments.

Additionally, the State made a \$21.3 million payment to the Teachers' Retirement System (TRS) on behalf of the District in Fiscal Year 2016. This payment funds the State's portion of the teachers' pension and is included in total District operating revenue, however, it flows directly to the pension system and not to the District.

Federal Grant Awards

Due to the high number of low income students, the District also receives a significant amount of Federal Aid. Grant Awards for No Child Left Behind (Title), Individuals with Disabilities Education Act (IDEA), and National School Lunch programs account for about 9% of District operating revenue. The District is anticipating modest reductions in this funding due to federal budget cuts or sequestration.

Illinois Municipal Retirement Fund

The District participates in the Illinois Municipal Retirement Fund (the IMRF), a defined-benefit, agent multiple-employer pension plan for units of local government and school districts in Illinois. Each employer participating in the IMRF, including the District, has an employer reserve account that is separate and distinct from all other participating employers along with a unique employer pension contribution rate.

In December 2012, the Board approved paying down the unfunded actuarial accrued liability, which had accumulated over prior years, in the amount of approximately \$4.6 million. The payment was made in Fiscal Year 2013 from the Educational, Operations and Maintenance, and Transportation Funds. As a result of this payment, the District's IMRF pension plan became fully funded on an actuarial market value basis. The annual reduction in future pension contributions that would have been required to pay interest on the shortfall is approximately \$300,000 per year starting in January 2014.

Major Initiatives

Restructuring

Due to the failure to make Annual Yearly Progress (AYP) under the Federal No Child Left Behind (NCLB) Act for successive years, the District is in Illinois State Board of Education Academic Warning Status and Federal Corrective Action/Restructuring Status. As a result, the District has been mandated to make significant, research-based reforms, monitor outcomes and periodically report student progress to the State. The administration restructured the organization and met with stakeholders extensively throughout the year to devise a comprehensive restructuring plan. These reforms were implemented in the 2013-14 school year.

As part of the restructuring plan, the District invested in a data warehouse to measure student progress, as well as purchase new textbooks and other curriculum materials to support alignment to the Common Core standards. Faculty have undergone additional professional development and roughly 70 new staff members have been hired to allow for increased teacher collaboration time and more enrichment opportunities for students. As a result of these increased costs and continued pressure on revenue, future budget surpluses are not anticipated.

Mission, Vision and Goals

Mission

Ensure education excellence for everyone.

Vision

To become a nationally top-ranked school district.

Core Values and Beliefs

- All students can grow into productive members of their community.
- Staff must hold high expectations for both themselves and students.
- Staff must build healthy relationships with students.
- Parent involvement/engagement is essential to student success.
- Positive community relations depends upon mutual transparency, trust, communication and partnerships.

Each year, the Board of Education adopts District Goals that directly align to the 5-Year Strategic Plan. The full 5-Year Strategic Plan can be viewed on the District's website at www.rlas-116.org. A new 5-Year Strategic Plan was collaboratively developed in the spring to be implemented in Fiscal Year 2016. Below are the 2015-2016 District Initiatives.

District Initiatives

Student Achievement

1. 80% of students grades 3-8 will perform at or above college readiness targets in reading and math
2. 100% of students in grades PK-8 will meet or exceed individual growth targets in reading and math
3. 80% of RLHS graduates will meet the college-readiness benchmark
4. Will reach overall 4-year graduation rate of 90%
5. Will ensure hiring and development of high performing staff

Programs, Services and Curriculum

1. Will establish curriculum aligned to the Common Core for PK-12 (literacy, math, science and social studies)
2. Will implement enrichment programs to promote and enhance academic development and cultural enrichment
3. Will establish instructional technology scope and sequence aligned to the PK-12 curriculum
4. Will update current technology equipment and increase technology access for all students

Facilities and Physical Plant

1. Will ensure instructional and programmatic spaces and facilities to support high levels of learning
2. Will improve energy efficiency of buildings
3. Will improve safety district-wide

District Financial Condition

1. Will ensure the fiscal health of the school district

2. Will obtain funding to meet long-term capital and instructional needs of the school district
3. Will obtain recognition for budgeting process

Community and District Relations

1. Will improve relationships and strengthen support and confidence in school district by establishing effective community relations program
2. Will improve knowledge about, and support of, school district by establishing effective employee communications program
3. Will expand community engagement by incorporating new and innovative communication channels and strategies
4. Will implement plan for community engagement for the Board of Education

Financial Information

Internal Controls

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

Tests are made by the District's independent auditor to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the tests for the fiscal year ended June 30, 2016 provide no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls

The District maintains budgetary controls at the line item level which are built into administrative responsibility cost centers before being combined to form totals by fund. All activity compared to budget is reported to the District's management and Board of Education in the form of a monthly Treasurer's Report and other financial information including check registers and cash and receivable summaries. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of all governmental fund types are included in the annual appropriated budget. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered accounts lapse at year-end.

Independent Audit

The School Code of Illinois and the District's adopted policy require an annual audit by independent certified public accountants. The accounting firm of Eder, Casella & Co. was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related

to this single audit, including a schedule of federal financial assistance and the independent auditor's reports on the internal control structure and on compliance with applicable laws and regulations, is included under a separate cover.

Certificate of Excellence and Achievement

The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to Round Lake Area Schools Community Unit School District 116 for its Comprehensive Annual Financial Report for Fiscal Years 2013, 2014 and 2015.

In order to be awarded this Certificate, the District must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both the generally accepted accounting principles and applicable legal requirements.

Certificates of Excellence are valid for a period of one year only. We believe that our current report continues to conform to the Certificate requirements and we are submitting this report to ASBO to determine its eligibility for another certificate.

Acknowledgements

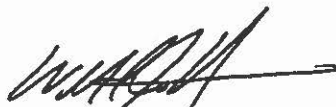
We wish to thank the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

We also wish to thank the dedicated Business Office Staff for their assistance in the preparation of this report. Finally, we would like to extend our appreciation to the staff of Eder, Casella & Co., the District's auditors, whose professionalism and cooperation were instrumental in the production of the District's fourth Comprehensive Annual Financial Report.

Respectfully Submitted,



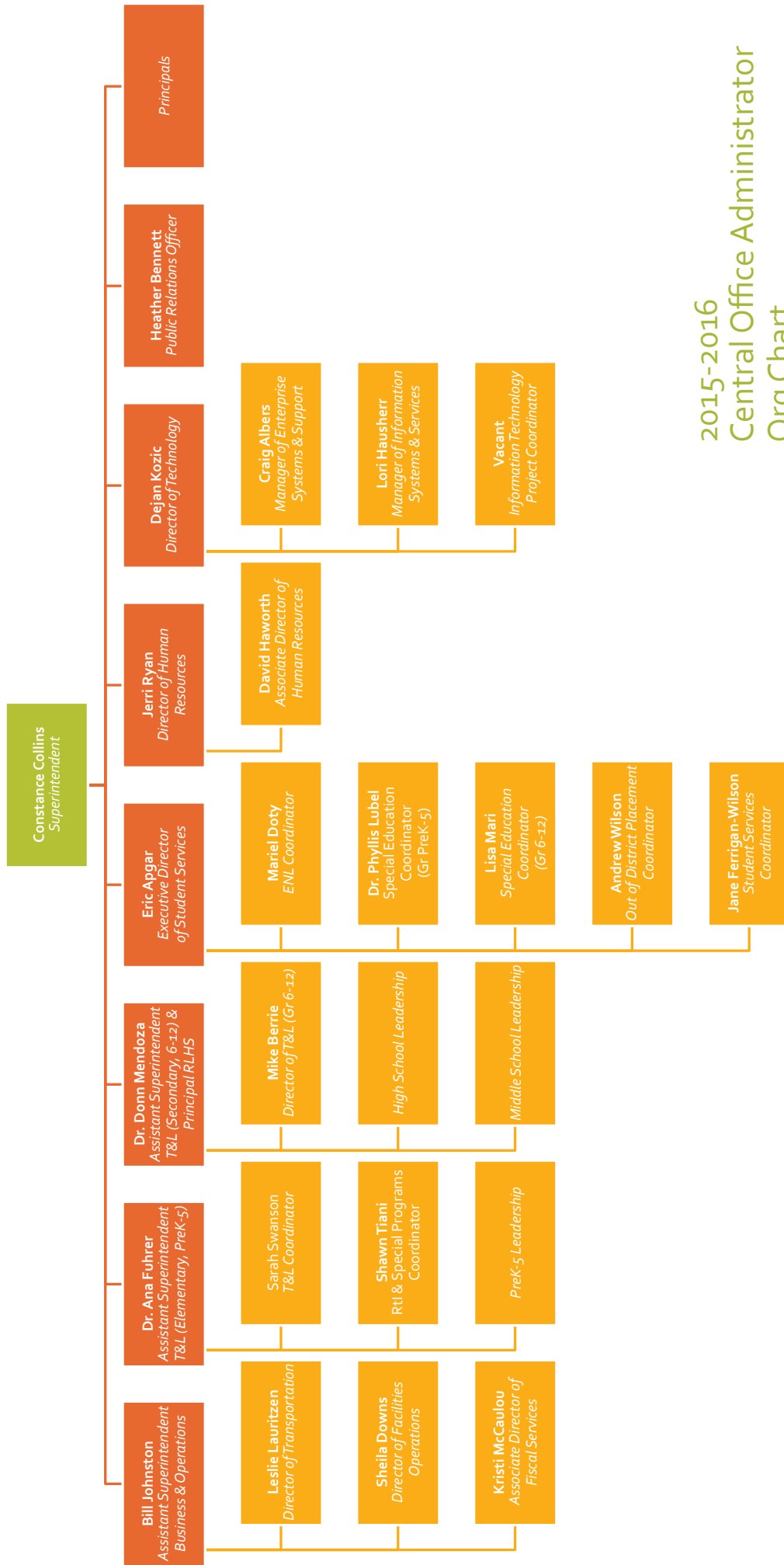
Dr. Constance Collins
Superintendent of Schools



Mr. William Johnston
Assistant Superintendent for Business
and District Treasurer



Mrs. Kristi McCaulou
Associate Director of Fiscal Services



2015-2016
Central Office Administrator
Org Chart

Board of Education

Board of Education

Mr. Kevin Daniels, President
Mrs. Margaret (Peg) Larson, Vice President
Mrs. Annette Negrete McGinley, Secretary
Mrs. Lori Berdenis
Kevin Devera
Mrs. Nanci Radford
Mrs. Ann Welk

The Round Lake School District 116 Board of Education is comprised of seven elected citizens from the Round Lake Area (Round Lake, Round Lake Beach, Round Lake Heights, Round Lake Park, and Hainesville). Board members serve the taxpayers in this district, are unpaid, and are elected at large to serve staggered four-year terms. Issues addressed by the Board of Education include policy-making, long-range planning, student achievement, staff development, financial planning for long-term stability, building maintenance, and working with the District administration.

Members of the public are invited to attend Board of Education meetings. Meetings are normally held at the Round Lake High School Library Media Center, 800 High School Drive, Round Lake, Illinois. A schedule of Board meetings, agendas, board packets, and meeting minutes can be viewed on the District website www.rlas-116.org.

Central Office Directory

Administrative Service Center, 884 W. Nippersink Rd., Round Lake, IL 60073

Phone: 847-270-9000

Superintendent's Office
847-270-9003

Business Office
847-270-9050

Human Resources Office
847-270-9018

Public Relations Office
847-270-9007

Student Services Office
847-270-9463

Teaching & Learning (PK-5) Office
847-270-9032

Technology Office
847-270-9000

Operations Service Center, 811 Sunset Drive, Round Lake, IL 60073

Facilities & Operations
847-270-9042

Transportation
847-270-9019

School Directory

Round Lake High School

800 N. High School Dr., Round Lake, IL 60073

Ph: 847-270-9300

Principal, Dr. Donn Mendoza

Assistant Principals

Andrew McDowell (Buildings & Grounds)

Mike Pope (Student Services Office)

Susan Center (Teaching & Learning)

Mike Mizwicki (Athletic Director)

Division Chairs

Mike Baird (Math & Business)

Chrissy Cacciatore (Social Studies, Fine Arts & Activities)

Elizabeth Dampf (English & World Language)

Jennifer Wells (Science & CTE)

Education Service Center

801 Sunset Dr, Round Lake, IL 60073

Ph: 847-270-9000

Special Education Coordinator, Lisa Mari

Out-of-District Placement Coordinator, Andrew Wilson

John T. Magee Middle School

500 N. Cedar Lake Rd., Round Lake, IL 60073

Ph: 847-546-8800

Interim Principal, Dr. Lisa Steffen

Assistant Principal, Ray Porten

Assistant Principal, Christine Thiese

Round Lake Middle School

2000 N. Lotus Dr., Round Lake Heights, IL 60073

Ph: 847-270-9400

Principal, David Higgs

Assistant Principal, Lanelle Collins

Assistant Principal, Christopher Haruska

Beach Elementary School

1421 N. Ardmore, Round Lake Beach, IL 60073

Ph: 847-270-9930

Principal, Rob Schulz

Assistant Principal, Jennifer Convey

Ellis Elementary School

720 Central Park Dr., Round Lake Beach, IL 60073

Ph: 847-270-9900

Principal, Beth Kiewicz

Assistant Principal, Janie Metzger

Indian Hill Elementary School

1920 N. Lotus Dr., Round Lake Heights, IL 60073

Ph: 847-270-9970

Principal, Dr. Christopher Murphy

Assistant Principal, Beth Schacher

Murphy Elementary School

220 N. Greenwood, Round Lake Park, IL 60073

Ph: 847-270-9950

Principal, Phil Georgia

Assistant Principal, Jennifer Arroyo

Village Elementary School

880 Nippersink Rd., Round Lake, IL 60073

Ph: 847-270-9470

Principal, Amy MacCrimble

Assistant Principal, Lety Mongeon

Kindergarten at Pleviak

304 E. Grand Ave, Lake Villa, IL 60046

Ph: 847-270-9490

Principal, Nicholas Heckel

Assistant Principal, Lisa Kuhl

Early Education Center (Pre-School)

882 W. Nippersink Rd., Round Lake, IL 60073

Ph: 847-270-9920

Principal, Nicholas Heckel

Assistant Principal, Lisa Kuhl



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

**Round Lake Area Schools
Community Unit School District 116**

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

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



Brenda Burkett

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso

John D. Musso, CAE, RSBA
Executive Director



815.344.1300 mchenry
847.382.3366 barrington
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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Round Lake Area Schools Community Unit District No. 116
Round Lake, 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

Round Lake Area Schools Community Unit District No. 116

as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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 District'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 District'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.

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casella
&
co.

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 Round Lake Area Schools Community Unit District No. 116 as of June 30, 2016, 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 17 to the financial statements, the District implemented GASB Statement No. 72, *Fair Value Measurement and Application*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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 4 through 10 and 46 through 61 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The 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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The 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 November 10, 2016 on our consideration of Round Lake Area Schools Community Unit District No. 116'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 Round Lake Area Schools Community Unit District No. 116's internal control over financial reporting and compliance.

Eder, Casella & Co.

EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
November 10, 2016

REQUIRED SUPPLEMENTARY INFORMATION

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

The Management's Discussion and Analysis of Round Lake Area Schools Community Unit District No. 116's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2016. 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

- At June 30, 2016 the assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources by \$27,579,642 (net position).
- The District's total net position decreased by \$2,378,261.
- At June 30, 2016 the District's governmental funds reported combined ending fund balances of \$49,688,570, a decrease of \$21,549,764 in comparison with the prior year.
- At June 30, 2016 the unassigned fund balance for the General Fund was \$23,284,210, or 24% of total General Fund expenditures.
- The District had revenues of \$112,883,905 in all funds. Revenues comprised \$48,910,032 (43.3%) from state sources, \$34,651,934 (30.7%) from local taxes and fees, \$21,300,702 (18.9%) from On-Behalf Payments, and \$8,021,237 (7.1%) from federal sources.
- The District's total long-term debt decreased by \$2,150,382 during the year ended June 30, 2016 due mainly to principal payments being made.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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

The Statement of Net Position presents information on all of the District's assets 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., uncollected taxes).

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, and interest and fees.

The government-wide financial statements can be found on pages 11 and 12 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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds (the District maintains no proprietary funds).

Governmental funds. Governmental funds 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 seven 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, Capital Projects, and Fire Prevention and Safety Funds, all of which are considered to be major funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison 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 13 through 17 and the required supplementary information can be found on pages 46 through 61 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 financial statement can be found on page 18 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 19 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 students.

Supplemental financial information can be found on pages 62 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 \$27,579,642 at the close of the most recent fiscal year.

The following table presents a summary of the District's net position for the years ended June 30, 2016 and 2015:

Round Lake Area Schools Community Unit District No. 116's Net Position		
	Governmental Activities	
	2016	2015
Assets		
Current and Other Assets	\$ 80,047,870	\$ 99,162,792
Capital Assets	60,801,900	41,800,164
Total Assets	\$ 140,849,770	\$ 140,962,956
Deferred Outflows of Resources		
Deferred Pension Expense	\$ 6,454,826	\$ 4,660,155
Deferred Employer Pension Contributions	1,237,687	960,456
Total Deferred Outflows of Resources	\$ 7,692,513	\$ 5,620,611
Liabilities		
Long-Term Liabilities Outstanding	\$ 86,828,094	\$ 86,191,964
Other Liabilities	14,399,804	13,029,526
Total Liabilities	\$ 101,227,898	\$ 99,221,490
Deferred Inflows of Resources		
Property Taxes - Subsequent Year	\$ 16,725,636	\$ 16,721,277
Tuition - Subsequent Year	86,648	86,648
Deferred Pension Revenue	2,922,459	596,249
Total Deferred Inflows of Resources	\$ 19,734,743	\$ 17,404,174
Net Position		
Net Investment in Capital Assets	\$ 15,067,833	\$ 14,438,183
Restricted	3,113,172	3,669,890
Unrestricted	9,398,637	11,849,830
Total Net Position	\$ 27,579,642	\$ 29,957,903

The net investment in capital assets represents assets such as land, buildings, and equipment, less any related debt used to acquire those assets that is still outstanding. The District uses its assets to provide educational services and extracurricular activities for the students of the local community. 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.

An additional portion of the District's net assets (11.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$9,398,637) may be used to meet the District's ongoing obligation to citizens and creditors.

The District's net position decreased by \$2,378,261 during the current fiscal year.

Governmental Activities. Governmental activities decreased the District's net position by \$2,378,261. Key elements of this decrease are as follows:

	Governmental Activities	
	2016	2015
Revenues		
Program Revenues		
Charges for Services	\$ 849,365	\$ 762,391
Operating Grants and Contributions	35,497,325	34,384,483
General Revenues		
Property Taxes	33,217,992	33,209,955
Other Taxes	225,141	244,553
Grants and Contributions not Restricted to Specific Activities	42,734,645	38,828,995
Unrestricted Investment Earnings	143,350	89,407
Gain/(Loss) on Sale of Capital Assets	-	(55,080)
(Gain)/Loss on Refunding	-	(2,551,738)
Miscellaneous	216,086	257,899
Total Revenues	<u>\$ 112,883,904</u>	<u>\$ 105,170,865</u>
Expenses		
Instruction	\$ 51,510,476	\$ 48,591,726
Support Services	35,403,950	33,712,549
Community Services	310,124	228,184
Payments to Other Districts and Governmental Units	3,325,769	3,452,402
Interest and Fees on Long-Term Debt	1,741,231	2,648,666
On-Behalf Retirement Contributions	21,300,702	20,648,770
Depreciation - Unallocated	1,669,913	1,721,003
Total Expenses	<u>\$ 115,262,165</u>	<u>\$ 111,003,300</u>
Change in Net Position	\$ (2,378,261)	\$ (5,832,435)
Net Position - Beginning	29,957,903	43,563,536
Net Position Adjustment	-	(7,773,198)
Net Position - Ending	<u>\$ 27,579,642</u>	<u>\$ 29,957,903</u>

- The District's total revenue increased \$7,713,039 (7%) compared to the prior year. The most significant factors of this increase are in Grants and Contributions not Restricted to Specific Activities, and (Gain)/Loss on Refunding. The increase in Grants and Contributions not Restricted to Specific Activities is due to an increase in General State Aid grants. The increase in the (Gain)/Loss on Refunding was due to the District not issuing refunding bonds in fiscal year 2016.
- Overall expenses increased \$4,258,865 (4%) compared to the prior year. The most significant factors of this increase are in Instruction and Support Services. The increase in Instruction is due to increases in salaries and employee benefits. The increase in Support Services is due to increases in salaries and purchased services.

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, 2016, the District's seven governmental funds reported combined ending fund balances of \$49,688,570, a decrease of \$21,549,764 in comparison with the prior year. The decrease is primarily due to a decrease in revenue and debt issuance proceeds offset by an increase in expenditures.

The General Fund is the chief operating fund of the District. At June 30, 2016, unassigned fund balance was \$23,284,210. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 24.4% of total General Fund expenditures. The General Fund's fund balance decreased \$1,220,193 in comparison with the prior year. The decrease is mainly due to an increase in instruction and On-Behalf expenditures offset by an increase in General State Aid, On-Behalf Payments revenue, and other financing sources.

The Operations and Maintenance Fund's fund balance decreased \$360,830 in comparison with the prior year. This decrease is due to expenditures being greater than revenue.

The Debt Services Fund's fund balance decreased \$1,173,278 in comparison with the prior year. This decrease is due to a decrease in revenues and an increase in expenses.

The Transportation Fund's fund balance increased \$46,517 in comparison with the prior year. This increase is due to an increase in revenues and a decrease in expenses offset by an increase in other financing uses.

The Illinois Municipal Retirement/Social Security Fund's fund balance decreased \$178,667 in comparison with the prior year. This decrease is due to a decrease in the property tax levy, and an increase in expenditures.

The Capital Projects Fund's fund balance decreased \$18,446,878 in comparison with the prior year. This decrease is due to an increase in capital outlay expenditures.

The Fire Prevention and Safety Fund's fund balance decreased \$216,435 in comparison with the prior year. This decrease is due to a decrease in the property tax levy and an increase in expenditures.

General Fund Budgetary Highlights

The District amended the budget during the year ended June 30, 2016. Significant differences between the original and final budget were as follows:

- Principal on Bonds Sold increased \$2,050,000
- Abolishment or Abatement of the Working Cash Fund increased \$2,050,000

Significant differences between the amended budget and actual revenues and expenditures are summarized as follows:

- The difference between budgeted revenues and actual revenues was \$5,281,398 (unfavorable). The most significant factors in the difference were On-Behalf Retirement Contributions to the District's retirement plan (\$3,699,298), and General State Aid (\$865,739).
- The difference between budgeted expenditures and actual expenditures was \$4,254,003 (favorable). The most significant factor in the difference was less than budgeted expenditures from On-Behalf Retirement Contributions to the District's retirement plan (\$3,699,298).

Capital Asset and Debt Administration

Capital Assets. At June 30, 2016 the District had invested \$60,801,900 (net of depreciation) in a broad range of capital assets, including land, construction in progress, buildings and building improvements, improvements other than buildings, equipment other than food service, and food services equipment. Total depreciation expense for the year was \$1,704,363.

Major capital asset events during the current fiscal year included the following:

- Construction of High School Addition at a cost of \$20,160,947
- Construction of Ellis School at a cost of \$195,773
- Purchase of five vehicles at a cost of \$190,201

Round Lake Area Schools Community Unit District No. 116's Capital Assets (net of depreciation)

	Governmental Activities	
	2016	2015
Land	\$ 1,005,635	\$ 1,005,635
Construction in Progress	22,333,298	1,976,578
Buildings and Building Improvements	35,556,139	36,884,901
Improvements Other than Buildings	685,920	812,294
Equipment Other than Food Service	1,044,055	909,453
Food Services Equipment	176,853	211,303
Total	<u>\$ 60,801,900</u>	<u>\$ 41,800,164</u>

Additional information on the District's capital assets can be found in note 4 on pages 26 and 27 of this report.

Long-Term Debt. At June 30, 2016 the District had \$64,012,553 in long-term debt.

Round Lake Area Schools Community Unit District No. 116's Outstanding Debt

	Governmental Activities	
	2016	2015
General Obligation Bonds	\$ 63,865,825	\$ 65,969,278
Lease/Purchase Agreements	146,728	193,657
Total	<u>\$ 64,012,553</u>	<u>\$ 66,162,935</u>

Additional information on the District's long-term debt can be found in note 5 on pages 27 through 29 of this report and additional information on the District's debt limitation can be found in Note 16 on page 45 of this report.

Factors Bearing on the District's Future

- The financial condition of the State of Illinois continues to be the most significant risk factor impacting the District. In fiscal year 2016, the District received approximately 43.3% of its operating funding from state sources and approximately 7.1% from federal sources. The lack of control and the uncertainty as to the proration of General State Aid and the continued reduction of federal grant allocations makes budgeting and planning a challenge.
- Another factor impacting the District is the uncertainty over the future funding of the Teacher's Retirement System (TRS) pension plan and whether a portion of the funding that is currently paid for by the State will be moved to the local level. If this occurs, it will have a significant impact to future District budgets.

- Due to the District's poor academic status, mandated reforms were implemented beginning in the 2013-14 school year. The District's restructuring plan required significant investment in materials and staffing which has seen an increase in the cost of operations over the last several years and potentially over the next several years.
- The effect of the Property Tax Extension Limitation Law will continue to limit the growth in tax extensions for the District. Slow growth in new construction and the consumer price index are expected to restrict property tax revenue growth over the next several years.
- A new three (3) year agreement with the Education Association of Round Lake was approved and put in place for the 2014-15 school year allowing for better accuracy in budgeting for staff costs for the remaining one (1) year of the agreement. Discussions regarding a new multi-year agreement are scheduled to begin in the fall of 2016.
- The District will continue to invest in computers and other technology to meet online Common Core testing requirements.
- The Round Lake Senior High School is significantly above its optimal capacity and enrollment is projected to grow over the next five (5) years. The District placed a building bond question on the November 2014 ballot which was approved by the electors for projects to expand the capacity of Round Lake Senior High School. The project includes three (3) new additions to the existing building that will add thirty (30) additional teaching spaces with a projected completion date of August 2016.

Requests for Information

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

Round Lake Area Schools Community Unit District No. 116
884 W. Nippersink
Round Lake, IL 60073

BASIC FINANCIAL STATEMENTS

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 GOVERNMENT-WIDE FINANCIAL STATEMENTS
 STATEMENT OF NET POSITION
 JUNE 30, 2016

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 17,610,377
Investments, at Fair Value	40,931,122
Property Taxes Receivable, net of allowance of \$0	16,830,694
Due from Other Governments, net of allowance of \$0	3,063,264
Other Accounts Receivable, net of allowance of \$0	1,085,986
Prepaid Expenses	117,041
Discount on Bonds	409,386
Capital Assets (Note 4):	
Land	1,005,635
Construction in Progress	22,333,298
Depreciable Buildings, Property, and Equipment, net of depreciation	37,462,967
Total Assets	\$ 140,849,770
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Pension Expense	\$ 6,454,826
Deferred Employer Pension Contribution	1,237,687
Total Deferred Outflows of Resources	\$ 7,692,513
LIABILITIES	
Accounts Payable and Accrued Expenses	\$ 5,578,644
Payroll Liabilities	8,821,160
Net OPEB Obligation	7,482,198
Net Pension Liability	11,890,989
Long-Term Liabilities	
Due Within One Year	3,366,900
Due in More Than One Year	64,088,007
Total Liabilities	\$ 101,227,898
DEFERRED INFLOWS OF RESOURCES	
Property Taxes - Subsequent Year	\$ 16,725,636
Tuition - Subsequent Year	86,648
Deferred Pension Revenue	2,922,459
Total Deferred Inflows of Resources	\$ 19,734,743
NET POSITION	
Net Investment in Capital Assets	\$ 15,067,833
Restricted for:	
Tort	295,249
Transportation	2,294,291
Retirement	354,441
Fire Prevention/Life Safety	169,191
Unrestricted/(Deficit)	9,398,637
Total Net Position	\$ 27,579,642

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

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Governmental Activities				
Instruction				
Regular Programs	\$ 31,506,641	\$ 212,209	\$ 3,196,238	\$ (28,098,194)
Special Education Programs	9,263,172	-	3,096,102	(6,167,070)
Other Instructional Programs	10,740,663	486,903	368,745	(9,885,015)
Support Services				
Pupils	7,028,535	-	985,524	(6,043,011)
Instructional Staff	1,952,519	-	-	(1,952,519)
General Administration	2,739,884	-	-	(2,739,884)
School Administration	5,125,896	-	-	(5,125,896)
Business	1,095,658	-	-	(1,095,658)
Facilities Acquisition and Construction	163,608	-	-	(163,608)
Operations and Maintenance	6,740,832	9,332	-	(6,731,500)
Transportation	4,920,051	44,682	2,487,500	(2,387,869)
Food Services	2,597,382	96,239	3,374,165	873,022
Central	3,037,380	-	-	(3,037,380)
Other Support Services	2,205	-	-	(2,205)
Community Services	310,124	-	-	(310,124)
Payments to Other Districts and Governmental Units	3,325,769	-	688,349	(2,637,420)
Interest and Fees on Long-Term Debt	1,741,231	-	-	(1,741,231)
On-Behalf Retirement Contributions	21,300,702	-	21,300,702	-
Depreciation - Unallocated	1,669,913	-	-	(1,669,913)
Total Governmental Activities	<u>\$ 115,262,165</u>	<u>\$ 849,365</u>	<u>\$ 35,497,325</u>	<u>\$ (78,915,475)</u>
General Revenues				
Taxes				
Property Taxes, Levied for General Purposes				\$ 27,324,073
Property Taxes, Levied for Debt Service				5,893,919
Personal Property Replacement Taxes				225,141
Grants and Contributions not Restricted to Specific Activities				42,734,645
Unrestricted Investment Earnings				143,350
Miscellaneous Income				216,086
Total General Revenues				<u>\$ 76,537,214</u>
Change in Net Position				\$ (2,378,261)
Net Position - July 1, 2015				<u>29,957,903</u>
Net Position - June 30, 2016				<u>\$ 27,579,642</u>

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

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 FUND FINANCIAL STATEMENTS
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2016

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
ASSETS								
Cash and Cash Equivalents	\$ 3,973,082	\$ 401,868	\$ 803,651	\$ -	\$ 3,439	\$ 12,428,337	\$ -	\$ 17,610,377
Investments, at Fair Value	25,569,862	3,410,918	4,464,769	6,018,336	1,293,543	-	173,694	40,931,122
Property Taxes Receivable, net of allowance of \$0	8,106,817	1,184,752	2,924,982	3,349,082	1,122,593	-	142,468	16,830,694
Due from Other Governments, net of allowance of \$0	2,418,803	14,349	-	630,112	-	-	-	3,063,264
Other Accounts Receivable, net of allowance of \$0	1,083,404	-	-	2,582	-	-	-	1,085,986
Prepaid Expenses	96,063	-	20,978	-	-	-	-	117,041
Total Assets	\$ 41,248,031	\$ 5,011,887	\$ 8,214,380	\$ 10,000,112	\$ 2,419,575	\$ 12,428,337	\$ 316,162	\$ 79,638,484
LIABILITIES								
Accounts Payable and Accrued Expenses	\$ 879,132	\$ 104,488	\$ -	\$ 27,265	\$ -	\$ 3,305,585	\$ -	\$ 4,316,470
Payroll Liabilities	8,547,450	30,089	-	32,021	211,600	-	-	8,821,160
Total Liabilities	\$ 9,426,582	\$ 134,577	\$ -	\$ 59,286	\$ 211,600	\$ 3,305,585	\$ -	\$ 13,137,630
DEFERRED INFLOWS OF RESOURCES								
Property Taxes - Subsequent Year	\$ 8,059,279	\$ 1,176,940	\$ 2,905,697	\$ 3,327,000	\$ 1,115,191	\$ -	\$ 141,529	\$ 16,725,636
Tuition - Subsequent Year	86,648	-	-	-	-	-	-	86,648
Total Deferred Inflows of Resources	\$ 8,145,927	\$ 1,176,940	\$ 2,905,697	\$ 3,327,000	\$ 1,115,191	\$ -	\$ 141,529	\$ 16,812,284
FUND BALANCE								
Nonspendable								
Prepaid Expenses	\$ 96,063	\$ -	\$ 20,978	\$ -	\$ -	\$ -	\$ -	\$ 117,041
Restricted								
Debt Services	-	-	5,117,292	-	-	-	-	5,117,292
Transportation	-	-	-	2,297,758	-	-	-	2,297,758
Illinois Municipal Retirement Fund/Social Security	-	-	-	-	354,441	-	-	354,441
Fire Prevention and Safety	-	-	-	-	-	-	169,191	169,191
Tort Liability	295,249	-	-	-	-	-	-	295,249
Committed								
Capital Projects	-	-	-	-	-	9,122,752	-	9,122,752
Assigned								
Operations and Maintenance	-	3,700,370	-	-	-	-	-	3,700,370
Debt Services	-	-	170,413	-	-	-	-	170,413
Transportation	-	-	-	4,316,068	-	-	-	4,316,068
Illinois Municipal Retirement Fund/Social Security	-	-	-	-	738,343	-	-	738,343
Fire Prevention and Safety	-	-	-	-	-	-	5,442	5,442
Unassigned	23,284,210	-	-	-	-	-	-	23,284,210
Total Fund Balance	\$ 23,675,522	\$ 3,700,370	\$ 5,308,683	\$ 6,613,826	\$ 1,092,784	\$ 9,122,752	\$ 174,633	\$ 49,688,570
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 41,248,031	\$ 5,011,887	\$ 8,214,380	\$ 10,000,112	\$ 2,419,575	\$ 12,428,337	\$ 316,162	\$ 79,638,484

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

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 JUNE 30, 2016

Total Fund Balances - Governmental Funds		\$ 49,688,570
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Deferred pension costs in governmental activities are not financial resources and therefore are not reported in the funds</p>		
Deferred Pension Costs	\$ 3,532,367	
Deferred Employer Contributions to Pension	<u>1,237,687</u>	4,770,054
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Capital Assets	\$ 99,677,811	
Accumulated Depreciation on Capital Assets	<u>(38,875,911)</u>	60,801,900
<p>Net OPEB Obligation is not included in the governmental funds.</p>		
		(7,482,198)
<p>Some liabilities are not due and payable in the current period and therefore are not reported in the funds.</p>		
Bonds and Notes Payable	\$ (63,865,825)	
Accrued Interest on Long-Term Debt	(1,262,174)	
Capital Leases Payable	(146,728)	
Premium on Bonds	(3,037,487)	
Discount on Bonds	409,386	
Net Pension (Liability)/Asset	(11,890,989)	
Compensated Absences Payable	(210,104)	
Retirement Bonus	<u>(194,763)</u>	<u>(80,198,684)</u>
Net Position of Governmental Activities		<u><u>\$ 27,579,642</u></u>

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

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2016

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
REVENUES								
Property Taxes	\$ 15,981,642	\$ 2,293,431	\$ 5,893,919	\$ 6,645,228	\$ 2,123,582	\$ -	\$ 280,190	\$ 33,217,992
Payments in Lieu of Taxes	111,181	-	-	-	113,960	-	-	225,141
Tuition	393,631	-	-	-	-	-	-	393,631
Transportation Fees	-	-	-	44,682	-	-	-	44,682
Earnings on Investments	61,853	8,272	4,635	20,790	2,561	44,282	957	143,350
Food Service	96,239	-	-	-	-	-	-	96,239
District/School Activity Income	174,998	-	-	-	-	-	-	174,998
Other Local Sources	336,362	18,357	-	1,182	-	-	-	355,901
State Aid	43,336,550	3,058,904	-	2,487,501	27,077	-	-	48,910,032
Federal Aid	7,868,455	-	-	-	152,782	-	-	8,021,237
On-Behalf Payments	21,300,702	-	-	-	-	-	-	21,300,702
	<u>\$ 89,661,613</u>	<u>\$ 5,378,964</u>	<u>\$ 5,898,554</u>	<u>\$ 9,199,383</u>	<u>\$ 2,419,962</u>	<u>\$ 44,282</u>	<u>\$ 281,147</u>	<u>\$ 112,883,905</u>
EXPENDITURES								
Current								
Instruction								
Regular Programs	\$ 29,425,264	\$ -	\$ -	\$ -	\$ 457,413	\$ -	\$ -	\$ 29,882,677
Special Education Programs	8,555,231	-	-	-	363,993	-	-	8,919,224
Other Instructional Programs	10,398,842	-	-	-	186,436	-	-	10,585,278
Support Services								
Pupils	6,532,522	-	-	-	285,714	-	-	6,818,236
Instructional Staff	1,830,912	-	-	-	69,984	-	-	1,900,896
General Administration	2,682,239	-	-	-	27,727	-	-	2,709,966
School Administration	4,729,328	-	-	-	225,983	-	-	4,955,311
Business	992,511	-	-	-	61,198	-	-	1,053,709
Facilities Acquisition and Construction	-	-	-	-	97	163,440	-	163,537
Operations and Maintenance	348	5,593,644	-	-	372,540	-	487,637	6,454,169
Transportation	8,370	-	-	4,432,488	277,339	-	-	4,718,197
Food Services	2,549,635	-	-	-	-	-	-	2,549,635
Central	2,668,472	-	-	-	219,586	-	-	2,888,058
Other Support Services	2,108	-	-	-	56	-	-	2,164
Community Services	266,103	-	-	-	25,370	-	-	291,473
Payments to Other Districts and Governmental Units	3,300,576	-	-	-	25,193	-	-	3,325,769
Debt Service								
Principal	-	-	2,436,434	-	-	-	-	2,436,434
Interest and Fees	-	-	4,801,135	-	-	-	-	4,801,135
Capital Outlay	118,233	146,150	-	75,051	-	20,356,720	9,945	20,706,099
On-Behalf Payments	21,300,702	-	-	-	-	-	-	21,300,702
	<u>\$ 95,361,396</u>	<u>\$ 5,739,794</u>	<u>\$ 7,237,569</u>	<u>\$ 4,507,539</u>	<u>\$ 2,598,629</u>	<u>\$ 20,520,160</u>	<u>\$ 497,582</u>	<u>\$ 136,462,669</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (5,699,783)</u>	<u>\$ (360,830)</u>	<u>\$ (1,339,015)</u>	<u>\$ 4,691,844</u>	<u>\$ (178,667)</u>	<u>\$ (20,475,878)</u>	<u>\$ (216,435)</u>	<u>\$ (23,578,764)</u>

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

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2016

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
OTHER FINANCING SOURCES (USES)								
Interfund Transfers	\$ 4,479,590	\$ -	\$ 165,737	\$ (4,645,327)	\$ -	\$ -	\$ -	\$ -
Issuance of Debt	2,029,000	-	-	-	-	-	-	2,029,000
Abolishment or Abatement of the Working Cash Fund	(2,029,000)	-	-	-	-	2,029,000	-	-
	<u>\$ 4,479,590</u>	<u>\$ -</u>	<u>\$ 165,737</u>	<u>\$ (4,645,327)</u>	<u>\$ -</u>	<u>\$ 2,029,000</u>	<u>\$ -</u>	<u>\$ 2,029,000</u>
NET CHANGE IN FUND BALANCES	\$ (1,220,193)	\$ (360,830)	\$ (1,173,278)	\$ 46,517	\$ (178,667)	\$ (18,446,878)	\$ (216,435)	\$ (21,549,764)
FUND BALANCES - JULY 1, 2015	24,895,715	4,061,200	6,481,961	6,567,309	1,271,451	27,569,630	391,068	71,238,334
FUND BALANCES - JUNE 30, 2016	<u>\$ 23,675,522</u>	<u>\$ 3,700,370</u>	<u>\$ 5,308,683</u>	<u>\$ 6,613,826</u>	<u>\$ 1,092,784</u>	<u>\$ 9,122,752</u>	<u>\$ 174,633</u>	<u>\$ 49,688,570</u>

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

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2016

Net Change in Fund Balances - Total Governmental Funds \$ (21,549,764)

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	\$ (1,704,363)	
Capital Outlays	<u>20,706,099</u>	19,001,736

The change in the Net OPEB Liability is not included in the governmental funds. (1,189,262)

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 (2,029,000)

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.

Amortization of Bond Premiums	\$ 256,752	
Amortization of Bond Discounts	(31,379)	
Accrued Interest	1,091,583	
Accreted Interest	1,742,948	
Compensated Absences and Retirement Bonuses	(214,629)	
Pension Expense	<u>(3,667,769)</u>	(822,494)

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. 1,774,088

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 2,436,435

Change in Net Position of Governmental Activities \$ (2,378,261)

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

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 FUND FINANCIAL STATEMENTS
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUNDS
 JUNE 30, 2016

	Agency Fund - Student Activity Fund
ASSETS	
Cash and Cash Equivalents	\$ 73,366
Total Assets	\$ 73,366
LIABILITIES	
Due to Activity Fund Organizations	\$ 73,366
Total Liabilities	\$ 73,366

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

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Round Lake Area Schools Community Unit District No. 116'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). 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 and used by the District are discussed below.

A. *Reporting Entity*

The accompanying financial statements comply with the provisions of GASB Statements 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, 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. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The net costs (by function) are normally covered by general revenue (unrestricted investment earnings).

The District allocated indirect cost to National School Lunch, No Child Left Behind Act of 2001 (NCLB) and IDEA grants. The allocation of indirect cost is based on Illinois State Board of Education's indirect cost rates. The restricted rate is 2.60% and the unrestricted rate is 11.20%.

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 various funds are reported by generic classification within the financial statements.

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

The following fund types are used by the District:

1. Governmental Fund Types

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 following is a description of the governmental funds of the District:

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 Tort are included in this fund.

Special Revenue Funds – The Special Revenue Funds 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.

Operations and Maintenance Fund – accounts for expenditures made for repairs and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes and general state aid.

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

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

1. Governmental Fund Types (Continued)

Special Revenue Funds (Continued)

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

Debt 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 Funds – The Capital Projects Funds are used to account for financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of major capital facilities and fire prevention and safety projects.

Capital Projects Fund – accounts for construction projects and renovations financed through bond proceeds or transfers from other funds.

Fire Prevention and Safety Fund – accounts for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes.

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 the District's programs. The reporting focus is on net position.

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 (student organizations) and cannot be used to address activities or obligations of the District, these funds are not incorporated into the government-wide statements.

The following is a description of the fiduciary fund of the District:

Agency Fund – The Agency Fund (Student Activity Fund) accounts for assets held by the District as an agent for the student organizations. These funds are custodial in nature and do not involve the measurement of the results of operations. The amounts due to student organizations are equal to the assets.

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 reported using the economic resources measurement focus and the accrual basis of accounting. Property taxes are reported

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. *Basis of Accounting* (Continued)

1. Accrual (Continued)

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 reported using the current financial resources measurement focus and 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 of the District's funds. Instead, the funds maintain their cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

Occasionally certain 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, 2016.

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.

F. *Receivables*

All receivables are reported net of estimated uncollectible amounts.

G. *Prepaid Items*

Payments made to vendors for services that will benefit periods beyond the current fiscal year are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses.

Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. 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 \$5,000 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:

Building and Building Improvements	5 - 40 years
Improvements Other than Buildings	15 - 30 years
Equipment Other than Food Service	5 - 15 years
Food Services Equipment	15 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 therefore 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 therefore will not be recognized as an inflow of resource until that time.

L. *Compensated Absences*

Vacation benefits are granted to employees in varying amounts up to specified maximums depending on tenure with the District. Unused vacation time can accumulate and carryover to subsequent years depending upon which classification the employee is employed in.

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, rather than expensed in the current year. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt service expenditures in the year they occur.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. *Long-Term Obligations (Continued)*

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.
- Unrestricted Net Position – all other net positions are reported in this category.

O. *Governmental Fund Balances*

Governmental fund balances are divided between nonspendable 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 delegated this authority to the Assistant Superintendent of Business.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. *Governmental Fund Balances (Continued)*

- Assigned (Continued)

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. All remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.

- Unassigned – 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. This classification is also used to represent negative fund balances in special revenue, debt services, and capital projects funds.

The District permits funds to be expended in the following order: Restricted, Committed, Assigned and Unassigned. The Assistant Superintendent of Business has the authority to deviate from this policy if it is in the best interest of the District.

P. *Property Tax Calendar and Revenues*

The District's property tax is levied each calendar year on all taxable real property located in the District on or before the last Tuesday in December. The 2015 levy was passed by the Board on December 7, 2015. 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 approximately 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.

The following table categorizes the investments according to levels of risk:

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)

Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	5 - 10	More Than 10
State Investment Pools	\$ 33,474,333	\$ 33,474,333	\$ -	\$ -	\$ -

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, 2016, the District's investments were rated as follows:

Investment	Credit Rating	Rating Source
State Investment Pool	AAAm	Standard and Poor's

NOTE 3 - FAIR VALUE MEASUREMENT

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

The District has the following recurring fair value measurements as of June 30, 2016:

- State Investment Pools of \$33,474,333 are valued using quoted market prices (Level 1 inputs)

NOTE 4 - CAPITAL ASSETS

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

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016
Governmental Activities				
Capital Assets not being depreciated				
Land	\$ 1,005,635	\$ -	\$ -	\$ 1,005,635
Construction in Progress	1,976,578	20,356,720	-	22,333,298
Total Capital Assets not being depreciated	\$ 2,982,213	\$ 20,356,720	\$ -	\$ 23,338,933
Other Capital Assets				
Buildings and Building Improvements	\$ 66,645,082	\$ 31,000	\$ -	\$ 66,676,082
Improvements Other than Buildings	3,118,975	-	-	3,118,975
Equipment Other than Food Service	5,390,589	318,379	-	5,708,968
Food Services Equipment	834,853	-	-	834,853
Total Other Capital Assets at Historical Cost	\$ 75,989,499	\$ 349,379	\$ -	\$ 76,338,878
Less Accumulated Depreciation				
Buildings and Building Improvements	\$ 29,760,181	\$ 1,359,762	\$ -	\$ 31,119,943
Improvements Other than Buildings	2,306,681	126,374	-	2,433,055
Equipment Other than Food Service	4,481,136	183,777	-	4,664,913
Food Services Equipment	623,550	34,450	-	658,000
Total Accumulated Depreciation	\$ 37,171,548	\$ 1,704,363	\$ -	\$ 38,875,911
Other Capital Assets, Net	\$ 38,817,951	\$ (1,354,984)	\$ -	\$ 37,462,967
Governmental Activities Capital Assets, Net	\$ 41,800,164	\$ 19,001,736	\$ -	\$ 60,801,900

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 - CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions as follows:

Governmental Activities		
Food Services		\$ 34,450
Unallocated		1,669,913
Total Governmental Activities Depreciation Expense		<u>\$ 1,704,363</u>

NOTE 5 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended June 30, 2016 was as follows:

	Balance July 1, 2015	Additions	Retirements	Balance June 30, 2016	Amounts Due Within One Year
Governmental Activities					
Long-Term Debt					
General Obligation Bonds	\$ 65,969,278	\$ 2,599,465	\$ 4,702,918	\$ 63,865,825	\$ 3,062,757
Lease/Purchase Agreements	193,657	-	46,929	146,728	47,391
Total Long-Term Debt	<u>\$ 66,162,935</u>	<u>\$ 2,599,465</u>	<u>\$ 4,749,847</u>	<u>\$ 64,012,553</u>	<u>\$ 3,110,148</u>
Other Long-Term Obligations					
Unamortized Bond Premium	\$ 3,294,239	\$ -	\$ 256,752	\$ 3,037,487	\$ 256,752
Compensated Absences	190,239	210,104	190,239	210,104	-
Retirement Bonuses	-	194,763	-	194,763	-
Total Other Long-Term Obligations	<u>\$ 3,484,478</u>	<u>\$ 404,867</u>	<u>\$ 446,991</u>	<u>\$ 3,442,354</u>	<u>\$ 256,752</u>
Governmental Activities Long-Term Liabilities	<u>\$ 69,647,413</u>	<u>\$ 3,004,332</u>	<u>\$ 5,196,838</u>	<u>\$ 67,454,907</u>	<u>\$ 3,366,900</u>

The General Obligation bonds include interest accretion on capital appreciation bonds as follows:

\$ 9,591,027	\$ 570,465	\$ 2,328,376	\$ 7,833,116
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The liability for compensated absences is 77% liquidated by the General Fund, 22% liquidated by the Operations and Maintenance Fund, and 1% liquidated by the Transportation Fund.

Bonds and notes payable consisted of the following at June 30, 2016:

	Date of Issuance	Maturity Date	Interest Rate	Face Amount	Carrying Amount
Capital Appreciation Refunding					
Bonds 99	8/1/1999	1/1/2016	4.80% - 5.75%	\$ 20,538,591	\$ -
Revenue Bonds 2001A	4/10/2001	1/1/2020	8.65%	9,196,438	10,991,976
Revenue Bonds 2000	10/1/2000	1/1/2020	5.65% - 6.50%	2,000,000	-
GO Limited Refunding Bonds 2013A	4/26/2013	1/1/2021	2.00% - 2.15%	2,525,000	1,440,000
GO Refunding Bonds 2013B	4/26/2013	1/1/2020	2.00%	675,000	645,000
GO Refunding Bonds 2014	12/22/2014	1/15/2023	3.00%	9,095,000	9,095,000
GO School Bonds 2015A	2/4/2015	1/15/2030	2.00% - 5.00%	36,415,000	36,415,000
GO Limited Tax School Bonds 2015B	2/4/2015	1/15/2026	2.63% - 4.00%	2,475,000	2,475,000
GO Limited Tax School Bonds 2016A	5/10/2016	12/15/2030	0.00%	900,000	900,000
GO Limited Tax School Bonds 2016B	5/10/2016	12/15/2030	0.00%	1,129,000	1,129,000
SEDOL Bonds 2008A (See Below)	10/1/2008	10/1/2023	3.00% - 5.00%	1,201,176	-
SEDOL Bonds 2015B (See Below)	4/21/2015	8/3/2023	3.00% - 5.00%	859,140	774,849
American Capital	11/6/2014	8/1/2018	3.17%	245,699	146,728
Total				<u>\$ 87,255,044</u>	<u>\$ 64,012,553</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 - LONG-TERM LIABILITY ACTIVITY (Continued)

At June 30, 2016 the annual debt service requirements to service long-term debt are:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 3,110,148	\$ 2,817,058	\$ 5,927,206
2018	3,226,927	2,584,879	5,811,806
2019	3,478,801	2,342,505	5,821,306
2020	3,804,281	2,079,183	5,883,464
2021	4,273,275	1,782,289	6,055,564
2022	4,567,286	1,662,423	6,229,709
2023	4,841,461	1,527,617	6,369,078
2024	5,256,374	1,350,953	6,607,327
2025	5,580,000	1,100,775	6,680,775
2026	5,800,000	831,450	6,631,450
2027	6,060,000	549,750	6,609,750
2028	6,075,000	380,100	6,455,100
2029	5,565,000	210,000	5,775,000
2030	1,965,000	48,750	2,013,750
2031	409,000	-	409,000
	<u>\$ 64,012,553</u>	<u>\$ 19,267,732</u>	<u>\$ 83,280,285</u>

On August 1, 1999, the District issued \$3,825,000 in General Obligation Refunding School Bonds, Series 1999, and \$20,538,591 in General Obligation Capital Appreciation Refunding School Bonds, Series 1999B to refund \$5,975,000 of an outstanding 1992 issue, \$4,450,000 of an outstanding 1993 issue, and \$11,000,000 of an outstanding 1996 issue. The net proceeds of \$23,074,572 were used to purchase U.S. government securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded debt. As a result, the 1992, 1993, and 1996 bond issues are considered to be defeased and the liability for the amount refunded on these bond issues has been removed from the District's liabilities. At June 30, 2016, a total of \$0 of defeased debt is still outstanding.

As described in Note 12, the District is a member of the Special Education District of Lake County (SEDOL). On April 21, 2015, SEDOL issued its Special Education Refunding Bonds, Series 2015B, in the principal amount of \$4,845,000, which replaced the bonds originally issued on October 1, 2008, in the amount of \$10,700,000 in Special Education Bonds. The bond proceeds were used to construct a facility for severe/profound students and to provide housing for behavior disorder students. Each SEDOL member district is liable for a portion of the debt payments for both issues through the maturity of the bonds regardless of their continued membership in the joint agreement.

On April 26, 2013, the District issued \$2,525,000 in General Obligation Limited Refunding School Bonds, Series 2013A, and \$675,000 in General Obligation School Refunding Bonds, Series 2013B to refund \$875,000 of an outstanding 1999 issue, \$400,000 of an outstanding 2001B issue, \$660,000 of an outstanding 2000 issue, and \$1,205,000 of an outstanding 2005 issue. The net proceeds of \$3,206,592 were used to purchase U.S. government securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded debt. As a result, the 1999, 2001B, 2000, and 2005 bond issues are considered to be defeased and the liability for the amount refunded on these bond issues has been removed from the District's liabilities. At June 30, 2016, a total of \$2,175,000 of defeased debt is still outstanding.

On December 22, 2014, the District issued \$9,095,000 in General Obligation Refunding School Bonds, Series 2014 and on February 4, 2015 the District issued \$36,415,000 in General Obligation School Bonds, Series 2015A. The Series 2014 bonds and a portion of the Series 2015A bonds (\$1,963,289) were used to refund an outstanding 2001A issue and \$12,565,000

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 - LONG-TERM LIABILITY ACTIVITY (Continued)

of an outstanding 2006 issue. The net proceeds of \$20,884,088 were used to purchase U.S. government securities. These securities were deposited in an Irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded debt. As a result, the 2001A and 2006 bond issues are considered to be defeased and the liability for the amount refunded on these bond issues has been removed from the District's liabilities. At June 30, 2016, a total of \$13,768,920 of defeased debt is still outstanding. The refunding of the 2001A and 2006 Series Bonds generated a gain of \$2,551,738.

NOTE 6 - PROPERTY TAXES

Property taxes receivable and unavailable revenue recorded in these financial statements are from the 2015 tax levy. The unavailable revenue is 50% of the 2015 tax levy. These taxes are unavailable as only a portion of the taxes (approximately 50%) are collected before the end of the fiscal year and the District does not consider the remaining amounts to be available and does not budget for their use until the following fiscal year. The District has determined that 50% of the 2015 tax levy (\$16,719,722) and 50% of the 2014 tax levy, plus back taxes, less uncollectible amounts (\$16,498,270) are allocable for use in fiscal year 2016. Therefore, 50% of each of these levies are recorded in these financial statements as property taxes revenue. A summary of assessed valuations, rates, and extensions for tax years 2015, 2014, and 2013 is as follows:

Assessed Valuation	2015		2014		2013	
	Rate	Extension	Rate	Extension	Rate	Extension
	\$320,607,359		\$335,376,991		\$354,921,126	
Educational	3.9353	\$ 12,616,788	3.6928	\$ 12,384,838	3.9980	\$ 14,189,747
Special Education	0.7542	2,418,146	0.6922	2,321,426	0.7980	2,832,271
Tort Immunity	0.2601	833,977	0.3356	1,125,609	0.2890	1,025,722
Operations and Maintenance	0.7197	2,307,421	0.6609	2,216,453	0.7480	2,654,810
Debt Service	1.8126	5,811,393	1.8059	6,056,690	1.8260	6,480,860
Transportation	2.0754	6,654,001	2.0068	6,730,255	0.9410	3,339,808
Illinois Municipal Retirement	0.2179	698,619	0.1565	524,952	0.3680	1,306,110
Social Security	0.4693	1,504,674	0.4454	1,493,873	0.3320	1,178,338
Working Cash	0.0181	57,975	0.0172	57,557	0.0160	56,787
Fire Prevention and Safety	0.0883	283,058	0.0838	281,026	0.0920	326,527
SEDOL Municipal Retirement	0.0084	27,088	0.0075	25,194	0.0100	35,492
Lease Educational Facility	0.0706	226,304	0.0670	224,679	-	-
	<u>10.4300</u>	<u>\$ 33,439,445</u>	<u>9.9716</u>	<u>\$ 33,442,552</u>	<u>9.4180</u>	<u>\$ 33,426,472</u>

NOTE 7 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended June 30, 2016, the following funds had expenditures that exceeded the budget:

Fund	Budget	Actual	Excess of Actual Over Budget
Operations and Maintenance Fund	\$ 5,382,304	\$ 5,739,794	\$ 357,490
Transportation Fund	4,200,070	4,507,539	307,469
Illinois Municipal Retirement Fund	2,488,427	2,598,629	110,202

NOTE 8 - OPERATING LEASES, AS LESSEE

The District leases postage meters, buses, and the use of a school building under operating leases.

Annual requirements to cover outstanding lease agreements at June 30, 2016 are:

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 8 - OPERATING LEASES, AS LESSEE (Continued)

Year Ending June 30	Amount
2017	\$ 959,607
2018	963,248
2019	1,705,217
2020	193,214
2021	197,079
2022	201,020
2023	205,040
2024	209,141
	\$ 4,633,566

Rental expense under these leases for the year ended June 30, 2016 was \$805,840.

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 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.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS

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

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

○ **Benefits Provided** (Continued)

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, 2016 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, 2016, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$20,844,752 in pension contributions from the State of Illinois.

▪ **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, 2016 were \$247,151, and are deferred because they were paid after the June 30, 2015 measurement date.

▪ **Federal and Special Trust Fund Contributions**

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

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)

▪ **Federal and Special Trust Fund Contributions** (Continued)

For the year ended June 30, 2016, the District pension contribution was 36.06% of salaries paid from federal and special trust funds. For the year ended June 30, 2016, salaries totaling \$1,349,418 were paid from federal and special trust funds that required District contributions of \$486,600. These contributions are deferred because they were paid after the June 30, 2015 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, 2016, the District paid \$0 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, 2016, the District paid \$14,689 to TRS for employer contributions due on salary increases in excess of 6% and \$0 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2016, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 9,450,329
State's proportionate share of the net pension liability associated with the District	254,426,343
Total Net Pension Liability	<u>\$ 263,876,672</u>

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 and rolled forward to June 30, 2015. The District's

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)

proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2015, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2015, the District's proportion was 0.0144257651, which is a decrease of .0050684579% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$20,844,752 and revenue of \$20,844,752 for support provided by the State. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows of Resources
Differences between expected and actual experience	\$ 3,512	\$ (10,359)	\$ (6,847)
Net difference between projected and actual earnings on pension investments	187,157	(330,919)	(143,762)
Changes of assumptions	130,688	-	130,688
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,990,230	(2,581,181)	(590,951)
Employer contributions subsequent to the measurement date	733,751	-	733,751
	<u>\$ 3,045,338</u>	<u>\$ (2,922,459)</u>	<u>122,879</u>

\$733,751 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30	
2017	\$ (50,668)
2018	(50,668)
2019	(50,668)
2020	(458,867)
	<u>\$ (610,871)</u>

○ **Actuarial Assumptions**

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

Inflation	3.00%
Salary Increases	varies by amount of service credit
Investment Rate of Return	7.5%, net of pension plan investment expenses, including inflation

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)

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap	18.0%	7.53%
Global equity excluding U.S.	18.0%	7.88%
Aggregate bonds	16.0%	1.57%
U.S. TIPS	2.0%	2.82%
NCREIF	11.0%	5.11%
Opportunistic real estate	4.0%	9.09%
ARS	8.0%	2.57%
Risk Parity	8.0%	4.87%
Diversified inflation strategy	1.0%	3.26%
Private Equity	14.0%	12.33%
Total	100.0%	

○ **Discount Rate**

At June 30, 2015, the discount rate used to measure total pension liability was a blended rate of 7.47%, which was a change from the June 30, 2014 rate of 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.

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)

○ **Discount Rate** (Continued)

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

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

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

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

	1% Decrease 6.47%	Current Discount Rate 7.47%	1% Increase 8.47%
Employer's proportionate share of the net pension liability	\$ 11,678,290	\$ 9,450,329	\$ 7,623,341

○ **TRS Fiduciary Net Position**

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

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. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

B. *Illinois Municipal Retirement Fund* (Continued)

➤ **Plan Description** (Continued)

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.

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

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

B. *Illinois Municipal Retirement Fund* (Continued)

➤ **Employees Covered by Benefit Terms** (Continued)

Retirees and beneficiaries currently receiving benefits	180
Inactive plan members entitled to but not yet receiving benefits	278
Active plan members	310
Total	<u>768</u>

➤ **Contributions**

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2015 was 7.70%. For the fiscal year ended June 30, 2016, the District contributed \$932,870 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, 2015, calculated in accordance with GASB Statement No. 68, were as follows:

Total Pension Liability	\$ 35,564,639
IMRF Fiduciary Net Position	33,123,978
District's Net Pension Liability/(Asset)	2,440,661
IMRF Fiduciary Net Position as a Percentage of the Total Pension Liability	93.14%

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.

➤ **Actuarial Assumptions**

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2015 using the following actuarial methods and assumptions.

Assumptions	
Inflation	3.50%
Price Inflation	2.75%
Salary Increases	3.75% to 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.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

B. *Illinois Municipal Retirement Fund* (Continued)

➤ **Actuarial Assumptions** (Continued)

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	38.0%	7.39%
International Equities	17.0%	7.59%
Fixed Income	27.0%	3.00%
Real Estate	8.0%	6.00%
Alternatives	9.0%	
Private Equity		8.15%
Hedge Funds		5.25%
Commodities		2.75%
Cash	1.0%	2.25%
	100.0%	

➤ **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).

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

B. *Illinois Municipal Retirement Fund* (Continued)

➤ **Single Discount Rate** (Continued)

For the purpose of this discount rate, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.57%; and resulting single discount rate is 7.49%.

➤ **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/(Asset)	\$ 7,526,188	\$ 2,440,661	\$ 1,710,773

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

For the year ended June 30, 2016, the District recognized pension expense of \$2,868,288. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
Expense in Future Periods			
Differences between expected and actual experience	\$ 1,258,975	\$ -	\$ 1,258,975
Assumption changes	752,299	-	752,299
Net difference between projected and actual earnings on pension investment	2,131,965	-	2,131,965
Total deferred amounts to be recognized in pension expense in future periods	\$ 4,143,239	\$ -	\$ 4,143,239
Pension contributions made subsequent to the measurement date	503,936	-	503,936
Total deferred amounts related to pensions	<u>\$ 4,647,175</u>	<u>\$ -</u>	<u>\$ 4,647,175</u>

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
2016	\$ 1,346,941
2017	1,346,941
2018	932,041
2019	517,316
2020	-
Thereafter	-
	<u>\$ 4,143,239</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - RETIREMENT FUND COMMITMENTS (Continued)

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

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

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

➤ **On behalf contributions to the THIS Fund**

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.07% of pay during the year ended June 30, 2016. State of Illinois contributions were \$455,950, and the District recognized revenue and expenditures of this amount during the year.

➤ **Employer contributions to the THIS Fund**

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.80% during the year ended June 30, 2016. For the year ended June 30, 2016, the District paid \$340,897 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."

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 10 - POST EMPLOYMENT BENEFIT COMMITMENTS (Continued)

B. *Retiree Insurance Plan*

➤ **Plan Overview**

The District provides post-employment benefits other than pensions (“OPEB”) to employees who meet certain criteria. The Plan, a single-employer defined benefit plan, provides pre- and post-Medicare postretirement healthcare benefits to all employees who work for the District and receive a pension from the District through IMRF or TRS. The Plan does not issue a stand-alone financial report.

Membership in the Plan consisted of the following at July 1, 2014 (date of latest actuarial valuation):

Active Participants (fully eligible for retirement)	37
Active Participants (not yet fully eligible for retirement)	784
Retirees	<u>52</u>
Total	<u><u>873</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. 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	\$	1,780,538
Interest on net OPEB obligation		188,788
Adjustment to annual required contribution		<u>(321,061)</u>
Annual OPEB cost (expense)	\$	1,648,265
Contributions made		<u>459,003</u>
Increase/(decrease) in net OPEB obligation	\$	1,189,262
Net OPEB obligation - beginning of year		<u>6,292,936</u>
Net OPEB obligation - end of year	\$	<u><u>7,482,198</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:

Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2017	\$ 1,648,265	\$ 459,003	27.8%	\$ 7,482,198
6/30/2016	1,316,823	450,702	34.2%	6,292,936
6/30/2015	1,329,417	384,546	28.9%	5,426,815
6/30/2014	1,076,685	373,346	34.7%	4,481,944

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 10 - POST EMPLOYMENT BENEFIT COMMITMENTS (Continued)

B. *Retiree Insurance Plan* (Continued)

➤ **Funding Status and Funding Progress**

The Schedule of Funding Progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents 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	Projected Unit Credit
Amortization Period	Level Dollar
Remaining Amortization Period	30 Years
Asset Valuation Method	N/A
Discount Rate	3%
Projected Salary Increases	3%
Healthcare Inflation Rate	Initial - (1.5%) Ultimate - 5%
Percentage of Active Employees Assumed to Elect Benefit	100% of teachers and support staff will elect coverage
Employer Provided Benefit	100% of the employee single coverage premium for the HMO plan until the earlier of death or age 65

NOTE 11 - INTERFUND TRANSFERS

Interfund transfers during the year ended June 30, 2016 were as follows:

Transfer from	Transfer to	Amount
General Fund	Debt Services Fund	\$ 165,737
Transportation Fund	General Fund	4,645,327
General Fund	Capital Projects Fund	2,029,000

The transfer from the General Fund to the Debt Services Fund was made for payment of long-term debt. The transfer from the Transportation Fund to the General Fund was made to cover operating expenses. The transfer from the General Fund to the Capital Projects Fund was made to cover construction costs.

NOTE 12 - JOINT VENTURES

A. *Special Education District of Lake County (SEDOL)*

The District and thirty-one other districts within Lake County have entered into a joint agreement to provide special education programs and services to the students enrolled.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 12 - JOINT VENTURES (Continued)

A. *Special Education District of Lake County (SEDOL) (Continued)*

Each member district has a financial responsibility for annual and special assessments as established by the management council.

A summary of the Statement of Net Position of SEDOL at June 30, 2015 (most recent information available) is as follows:

Assets	\$ 66,033,702
Deferred Outflows of Resources	3,853,044
	<u>\$ 69,886,746</u>
Liabilities	\$ 20,547,167
Deferred Inflows of Resources	3,558,646
Net Position	45,780,933
	<u>\$ 69,886,746</u>
Revenues Received	\$ 81,004,948
Expenditures Disbursed	78,269,712
Net Increase/(Decrease) in Net Position	<u>\$ 2,735,236</u>

Complete financial statements for SEDOL can be obtained from the Administrative Offices at 18160 Gages Lake Road, Gages Lake, Illinois 60030-1819.

B. *Lake County Area Vocational System (LCAVS)*

The District and seventeen other districts within Lake and McHenry Counties 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 (cash basis) of LCAVS at June 30, 2015 (most recent information available) is as follows:

Assets	<u>\$ 30,304,953</u>
Liabilities	\$ 314,089
Fund Equity	29,990,864
	<u>\$ 30,304,953</u>
Revenues Received	\$ 9,579,442
Expenditures Disbursed	11,040,140
Net Increase/(Decrease) in Fund Balance	<u>\$ (1,460,698)</u>

Complete financial statements for LCAVS can be obtained from the Administrative Offices at 19525 W. Washington Street, Grayslake, Illinois 60030.

NOTE 13 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to handle these risks of loss. During fiscal year 2016, 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.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 13 - RISK MANAGEMENT (Continued)

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 a member.

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 of 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, 2016, there were no significant adjustments in premiums based on actual experience.

NOTE 14 - CONTINGENCIES

A former District employee has filed a suit against the District and certain District personnel alleging that violations of the federal *Fair Labor Standards Act* (FLSA) and the Illinois *Minimum Wage Law* occurred when overtime was not appropriately being paid. The District's defense is that the individual's position is exempt from the overtime provisions of the FLSA and the Illinois *Minimum Wage Law*. The complaint requests 1) overtime pay in excess of \$30,000 with interest rate of 2% per month of unpaid overtime pursuant to the *Minimum Wage Law*; 2) liquidated damages in excess of \$30,000; 3) \$50,000 in emotional distress damages; 4) \$250,000 in punitive damages; and 5) attorneys' fees, expenses, and costs. The District has filed an answer and a counterclaim against this individual for breach of contract. The District's insurer is providing coverage for this matter.

On May 1, 2007, the District entered into a Service Agreement for Internet Access, Connectivity for Internet Access, WAN Service for Internet Access, Web Hosting and Email Hosting for the District. This agreement was amended on March 24, 2011 and an E-Rate Service Agreement became effective on July 1, 2011. The services to be provided were eligible for E-Rate funding at the rate of 85% of the total Agreement cost. A timely Funding Request Form 471 was filed by the District. The request was denied, stating that the bid matrix was not correct and the District did not retain the documents relating to the bidding process. The District refused to pay the balance on the Agreement. The Vendor has issued invoices and demanded the balance be paid in full. The District denied liability and refused to pay the invoice, but subsequently made a counter offer to pay \$125,000. The Vendor rejected the offer. The District awaits either a counter demand or complaint. If negotiations fail, the District would be liable for the cost of litigation through trial and a loss at trial would expose the District to the contract amount of \$425,502 plus interest.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 15 - CONSTRUCTION COMMITMENTS

The District has renovation and building addition projects at Round Lake Senior High School as of June 30, 2016. These projects have outstanding commitments of \$8,309,404 that have not been included as expenses in these financial statements.

The District has renovation and main entrance addition projects at Ellis School as of June 30, 2016. These projects have outstanding commitments of \$419,726 that have not been included as expenses in these financial statements.

NOTE 16 - LEGAL DEBT LIMITATION

The Illinois School Code limits the amount of indebtedness to 13.8% of the most recent available equalized assessed valuation (EAV) of the District. The District's legal debt limitation is as follows:

2015 EAV	\$ 320,607,359
Rate	<u>13.8%</u>
Debt Margin	\$ 44,243,816
Current Debt	<u>51,489,587</u>
Remaining Debt Margin	<u><u>\$ (7,245,771)</u></u>

NOTE 17 - CHANGE IN ACCOUNTING PRINCIPLE

Effective in the year ended June 30, 2016, the District has implemented GASB Statement No. 72, *Fair Value Measurement and Application*. This statement further clarifies how the fair value is determined for assets and liabilities. The Statement also requires additional disclosures about the fair value measurement of the investments held by the District (See Note 3).

NOTE 18 - SUBSEQUENT EVENTS

After year-end the District was informed by the State that a portion of their fiscal year 2016 special education expenses needed to be paid from the general state aid funding in order to ensure that the State properly demonstrated maintenance of fiscal effort for IDEA Part B Flow Through. For the year ended June 30, 2016, \$14,720 of the District's special education expenses (in State expense line item 1200) was paid with general state aid.

The District has evaluated subsequent events through November 10, 2016, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION
LIABILITY AND RELATED RATIOS
JUNE 30, 2016

	<u>6/30/2016 *</u>	<u>6/30/2015 *</u>
TOTAL PENSION LIABILITY		
Service Cost	\$ 1,253,675	\$ 1,179,421
Interest	2,404,860	2,087,423
Differences Between Expected and Actual Experience	1,086,394	823,914
Changes in Assumptions	46,832	1,366,993
Benefit Payments, Including Refunds of Member Contributions	<u>(1,330,161)</u>	<u>(1,194,621)</u>
Net Change in Total Pension Liability	\$ 3,461,600	\$ 4,263,130
Total Pension Liability - Beginning	<u>32,103,039</u>	<u>27,839,909</u>
Total Pension Liability - Ending	<u>\$ 35,564,639</u>	<u>\$ 32,103,039</u>
PLAN FIDUCIARY NET POSITION		
Contributions - Employer	\$ 932,870	\$ 833,541
Contributions - Member	545,191	490,304
Net Investment Income	168,946	1,932,312
Benefit Payments, Including Refunds of Member Contributions	<u>(1,330,161)</u>	<u>(1,194,621)</u>
Other	<u>(908,139)</u>	<u>41,104</u>
Net Change in Plan Fiduciary Net Position	\$ (591,293)	\$ 2,102,640
Plan Net Position - Beginning	<u>33,715,271</u>	<u>31,612,631</u>
Plan Net Position - Ending	<u>\$ 33,123,978</u>	<u>\$ 33,715,271</u>
District's Net Pension Liability	<u>\$ 2,440,661</u>	<u>\$ (1,612,232)</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	93.14%	105.02%
Covered-Employee Payroll	\$ 12,116,766	\$ 10,890,599
Employer's Net Pension Liability as a percentage of Covered-Employee Payroll	20.14%	-14.80%

* 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.

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTION
JUNE 30, 2016

	6/30/2016 *	6/30/2015 *
Actuarially-Determined Contribution	\$ 932,991	\$ 833,131
Contributions in relation to Actuarially-Determined Contribution	932,870	833,541
Contribution deficiency/(excess)	\$ 121	\$ (410)
Covered-Employee Payroll	\$ 12,116,766	\$ 10,890,599
Contributions as a percentage of Covered-Employee Payroll	7.70%	7.65%

Notes to Schedule:

Actuarial Method and Assumptions Used on the Calculation of the 2015 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: 28-year closed period until remaining period reaches 15 years (then 15-year rolling 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, 2013 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.

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
 SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE
 OF THE NET PENSION LIABILITY
 JUNE 30, 2016

	6/30/2016 *	6/30/2015 *
Employer's proportion of the Net Pension Liability	0.0144258%	0.0194942%
Employer's proportionate share of the Net Pension Liability	\$ 9,450,329	\$ 11,863,847
State's proportionate share of the Net Pension Liability associated with the employer	254,426,343	251,311,069
Total	\$ 263,876,672	\$ 263,174,916
Employer's Covered-Employee Payroll	\$ 40,741,298	\$ 37,860,882
Employer's proportionate share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	23.20%	31.34%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	41.50%	43.00%

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

Changes of Assumptions: Amounts reported in 2015 reflect an investment rate of return of 7.5%, an inflation rate of 3.0% and real return of 4.5%, and salary increases that vary by service credit. In 2014, assumptions used were an investment rate of return of 7.5%, an inflation rate of 3.0% and real return of 4.5%, and salary increases of 5.75%.

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.

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
 SCHEDULE OF EMPLOYER CONTRIBUTION
 JUNE 30, 2016

	<u>6/30/2016 *</u>	<u>6/30/2015 *</u>
Statutorily-Required Contribution	\$ 505,476	\$ 695,544
Contributions in relation to Statutorily-Required Contribution	<u>505,476</u>	<u>695,544</u>
Contribution deficiency/(excess)	<u>\$ -</u>	<u>\$ -</u>
Employer's Covered-Employee Payroll	\$ 40,741,298	\$ 37,860,882
Contributions as a percentage of Covered-Employee Payroll	1.24%	1.84%

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

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.

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 RETIREE INSURANCE PLAN
 SCHEDULE OF FUNDING PROGRESS
 JUNE 30, 2016

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability - Unit Credit (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll ((b-a)/c)
7/1/2014	\$ -	\$ 9,187,517	\$ 9,187,517	0%	N/A	N/A
7/1/2012	-	7,430,205	7,430,205	0%	N/A	N/A
7/1/2010	-	7,787,292	7,787,292	0%	N/A	N/A

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 16,134,433	\$ 16,134,433	\$ 15,981,642	\$ (152,791)
Payments in Lieu of Taxes	119,513	119,513	111,181	(8,332)
Tuition	410,000	410,000	393,631	(16,369)
Earnings on Investments	63,100	63,100	61,853	(1,247)
Food Service	150,000	150,000	96,239	(53,761)
District/School Activity Income	135,000	154,724	174,998	20,274
Other Local Sources	211,000	992,495	336,362	(656,133)
State Aid				
General State Aid	39,727,138	39,727,138	39,675,741	(51,397)
Special Education	3,255,000	3,255,000	2,978,616	(276,384)
Career and Technical Education	18,113	18,113	18,117	4
Bilingual	836,143	836,004	295,248	(540,756)
State Free Lunch and Breakfast	40,000	40,000	29,260	(10,740)
Driver Education	45,000	45,000	45,618	618
Truant Alternative / Optional Education	55,700	55,079	55,074	(5)
Early Childhood - Block Grant	221,651	221,651	234,573	12,922
Other Restricted Revenue from State Sources	5,292	4,304	4,303	(1)
Federal Aid				
Food Service	3,302,000	3,302,000	3,344,905	42,905
Title I	1,914,868	2,286,331	2,284,162	(2,169)
Federal Special Education	584,256	629,618	739,083	109,465
CTE - Perkins	36,621	36,621	36,268	(353)
Emergency Immigrant Assistance	-	-	2,860	2,860
Title III - English Language Acquisition	230,860	230,860	261,670	30,810
Title II - Teacher Quality	214,643	216,027	213,982	(2,045)
Medicaid Matching Funds - Administrative Outreach	215,000	215,000	192,291	(22,709)
Medicaid Matching Funds - Fee-for-Service Program	800,000	800,000	793,234	(6,766)
On-Behalf Payments	25,000,000	25,000,000	21,300,702	(3,699,298)
Total Revenues	\$ 93,725,331	\$ 94,943,011	\$ 89,661,613	\$ (5,281,398)
EXPENDITURES				
Instruction				
Regular Programs				
Salaries	\$ 25,199,495	\$ 26,117,682	\$ 23,736,426	\$ 2,381,256
Employee Benefits	4,326,492	4,326,492	3,669,076	657,416
Purchased Services	492,483	651,754	756,062	(104,308)
Supplies and Materials	942,248	952,520	946,854	5,666
Other Objects	35,100	35,322	4,358	30,964
Non-Capitalized Equipment	21,758	16,200	29,624	(13,424)
	<u>\$ 31,017,576</u>	<u>\$ 32,099,970</u>	<u>\$ 29,142,400</u>	<u>\$ 2,957,570</u>
Pre-K Programs				
Salaries	\$ 136,441	\$ 136,441	\$ 152,301	\$ (15,860)
Employee Benefits	38,375	38,343	38,374	(31)
Purchased Services	-	1,280	10,953	(9,673)
Supplies and Materials	-	-	81,236	(81,236)
	<u>\$ 174,816</u>	<u>\$ 176,064</u>	<u>\$ 282,864</u>	<u>\$ (106,800)</u>
Special Education Programs				
Salaries	\$ 6,441,397	\$ 6,441,397	\$ 6,592,642	\$ (151,245)
Employee Benefits	1,131,463	1,078,200	1,088,794	(10,594)
Purchased Services	19,300	19,300	68,903	(49,603)
Supplies and Materials	13,374	13,874	30,926	(17,052)
Other Objects	1,700	1,700	110	1,590
Non-Capitalized Equipment	-	-	5,038	(5,038)
	<u>\$ 7,607,234</u>	<u>\$ 7,554,471</u>	<u>\$ 7,786,413</u>	<u>\$ (231,942)</u>
Special Education Programs Pre-K				
Salaries	\$ 592,032	\$ 580,548	\$ 604,147	\$ (23,599)
Employee Benefits	138,879	138,879	128,771	10,108
Purchased Services	17,000	26,984	16,100	10,884
Supplies and Materials	-	4,464	19,800	(15,336)
	<u>\$ 747,911</u>	<u>\$ 750,875</u>	<u>\$ 768,818</u>	<u>\$ (17,943)</u>
Remedial and Supplemental Programs K-12				
Salaries	\$ 837,304	\$ 837,304	\$ 902,647	\$ (65,343)
Employee Benefits	263,852	263,852	267,351	(3,499)
	<u>\$ 1,101,156</u>	<u>\$ 1,101,156</u>	<u>\$ 1,169,998</u>	<u>\$ (68,842)</u>
CTE Programs				
Salaries	\$ 420,235	\$ 420,235	\$ 453,213	\$ (32,978)
Employee Benefits	54,933	54,933	55,018	(85)
Purchased Services	-	1,105	1,128	(23)
Supplies and Materials	29,605	18,830	14,128	4,702
Non-Capitalized Equipment	32,379	24,830	43,893	(19,063)
	<u>\$ 537,152</u>	<u>\$ 519,933</u>	<u>\$ 567,380</u>	<u>\$ (47,447)</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
EXPENDITURES (Continued)				
Instruction (Continued)				
Interscholastic Programs				
Salaries	\$ 663,679	\$ 663,679	\$ 919,833	\$ (256,154)
Employee Benefits	8,967	8,967	20,804	(11,837)
Purchased Services	47,000	59,227	58,642	585
Supplies and Materials	119,675	142,269	147,735	(5,466)
Other Objects	40,475	25,857	36,443	(10,586)
Non-Capitalized Equipment	-	9,600	11,597	(1,997)
	<u>\$ 879,796</u>	<u>\$ 909,599</u>	<u>\$ 1,195,054</u>	<u>\$ (285,455)</u>
Summer School Programs				
Salaries	\$ 176,505	\$ 176,505	\$ 648,107	\$ (471,602)
Employee Benefits	-	-	46,415	(46,415)
Purchased Services	-	-	4,800	(4,800)
Supplies and Materials	4,250	4,250	3,504	746
	<u>\$ 180,755</u>	<u>\$ 180,755</u>	<u>\$ 702,826</u>	<u>\$ (522,071)</u>
Driver's Education Programs				
Salaries	\$ 145,962	\$ 145,962	\$ 171,121	\$ (25,159)
Employee Benefits	11,844	11,844	12,490	(646)
Purchased Services	5,300	5,300	7,393	(2,093)
Supplies and Materials	850	850	892	(42)
	<u>\$ 163,956</u>	<u>\$ 163,956</u>	<u>\$ 191,896</u>	<u>\$ (27,940)</u>
Bilingual Programs				
Salaries	\$ 3,944,249	\$ 3,940,182	\$ 3,961,467	\$ (21,285)
Employee Benefits	693,877	689,877	656,209	33,668
Supplies and Materials	4,993	6,093	5,515	578
	<u>\$ 4,643,119</u>	<u>\$ 4,636,152</u>	<u>\$ 4,623,191</u>	<u>\$ 12,961</u>
Truant Alternative and Optional Programs				
Salaries	\$ 67,644	\$ 67,644	\$ 67,884	\$ (240)
Employee Benefits	19,100	19,100	19,099	1
	<u>\$ 86,744</u>	<u>\$ 86,744</u>	<u>\$ 86,983</u>	<u>\$ (239)</u>
Private Tuition - Other Objects				
Special Education Programs K-12	\$ 1,467,312	\$ 1,467,312	\$ 1,861,514	\$ (394,202)
	<u>\$ 1,467,312</u>	<u>\$ 1,467,312</u>	<u>\$ 1,861,514</u>	<u>\$ (394,202)</u>
Total Instruction	<u>\$ 48,607,527</u>	<u>\$ 49,646,987</u>	<u>\$ 48,379,337</u>	<u>\$ 1,267,650</u>
Support Services				
Pupils				
Attendance and Social Work Services				
Salaries	\$ 1,278,323	\$ 1,278,323	\$ 1,286,612	\$ (8,289)
Employee Benefits	188,584	188,584	179,412	9,172
Purchased Services	1,000	1,000	-	1,000
Supplies and Materials	13,862	11,862	6,760	5,102
Other Objects	300	300	-	300
	<u>\$ 1,482,069</u>	<u>\$ 1,480,069</u>	<u>\$ 1,472,784</u>	<u>\$ 7,285</u>
Guidance Services				
Salaries	\$ 642,184	\$ 642,184	\$ 667,073	\$ (24,889)
Employee Benefits	122,385	122,385	118,173	4,212
Purchased Services	2,400	1,400	1,290	110
Supplies and Materials	5,500	4,500	3,880	620
Other Objects	1,500	1,500	1,411	89
	<u>\$ 773,969</u>	<u>\$ 771,969</u>	<u>\$ 791,827</u>	<u>\$ (19,858)</u>
Health Services				
Salaries	\$ 558,159	\$ 558,159	\$ 509,828	\$ 48,331
Employee Benefits	117,731	117,731	98,887	18,844
Purchased Services	10,000	10,000	80,626	(70,626)
Supplies and Materials	4,000	4,000	11,610	(7,610)
	<u>\$ 689,890</u>	<u>\$ 689,890</u>	<u>\$ 700,951</u>	<u>\$ (11,061)</u>
Psychological Services				
Salaries	\$ 814,789	\$ 814,789	\$ 726,153	\$ 88,636
Employee Benefits	98,316	98,316	69,563	28,753
Purchased Services	1,500	1,500	126,168	(124,668)
Supplies and Materials	5,000	5,000	5,116	(116)
Other Objects	500	500	150	350
Non-Capitalized Equipment	-	-	3,002	(3,002)
	<u>\$ 920,105</u>	<u>\$ 920,105</u>	<u>\$ 930,152</u>	<u>\$ (10,047)</u>
Speech Pathology and Audiology Services				
Salaries	\$ 1,012,637	\$ 1,012,637	\$ 900,204	\$ 112,433
Employee Benefits	140,204	140,204	117,111	23,093
Purchased Services	500	500	283,615	(283,115)
Supplies and Materials	10,000	21,411	15,573	5,838
	<u>\$ 1,163,341</u>	<u>\$ 1,174,752</u>	<u>\$ 1,316,503</u>	<u>\$ (141,751)</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
EXPENDITURES (Continued)				
Support Services (Continued)				
Pupils (Continued)				
Other Support Services - Pupils				
Salaries	\$ 857,999	\$ 857,999	\$ 1,060,544	\$ (202,545)
Employee Benefits	179,685	179,685	166,284	13,401
Purchased Services	11,000	20,562	44,583	(24,021)
Supplies and Materials	12,500	8,500	47,824	(39,324)
Non-Capitalized Equipment	-	-	1,070	(1,070)
	<u>\$ 1,061,184</u>	<u>\$ 1,066,746</u>	<u>\$ 1,320,305</u>	<u>\$ (253,559)</u>
Total Support Services - Pupils	<u>\$ 6,090,558</u>	<u>\$ 6,103,531</u>	<u>\$ 6,532,522</u>	<u>\$ (428,991)</u>
Instructional Staff				
Improvement of Instruction Services				
Salaries	\$ 600,172	\$ 600,172	\$ 735,472	\$ (135,300)
Employee Benefits	411,228	411,172	463,485	(52,313)
Purchased Services	67,770	125,898	172,011	(46,113)
Supplies and Materials	84,900	85,564	4,542	81,022
Other Objects	-	-	240	(240)
	<u>\$ 1,164,070</u>	<u>\$ 1,222,806</u>	<u>\$ 1,375,750</u>	<u>\$ (152,944)</u>
Educational Media Services				
Salaries	\$ 344,517	\$ 344,517	\$ 335,890	\$ 8,627
Employee Benefits	84,197	84,197	80,895	3,302
Purchased Services	10,500	9,500	9,455	45
Supplies and Materials	17,642	16,126	19,189	(3,063)
	<u>\$ 456,856</u>	<u>\$ 454,340</u>	<u>\$ 445,429</u>	<u>\$ 8,911</u>
Assessment and Testing				
Purchased Services	\$ 2,500	\$ 500	\$ 2,800	\$ (2,300)
Supplies and Materials	2,000	13,050	6,933	6,117
Other Objects	750	750	-	750
	<u>\$ 5,250</u>	<u>\$ 14,300</u>	<u>\$ 9,733</u>	<u>\$ 4,567</u>
Total Support Services - Instructional Staff	<u>\$ 1,626,176</u>	<u>\$ 1,691,446</u>	<u>\$ 1,830,912</u>	<u>\$ (139,466)</u>
General Administration				
Board of Education Services				
Salaries	\$ -	\$ -	\$ 645	\$ (645)
Purchased Services	114,300	114,300	90,150	24,150
Supplies and Materials	9,000	9,000	12,318	(3,318)
Other Objects	20,000	20,000	4,573	15,427
Non-Capitalized Equipment	2,000	2,000	-	2,000
	<u>\$ 145,300</u>	<u>\$ 145,300</u>	<u>\$ 107,686</u>	<u>\$ 37,614</u>
Executive Administration Services				
Salaries	\$ 300,200	\$ 300,200	\$ 230,200	\$ 70,000
Employee Benefits	56,414	56,414	67,056	(10,642)
Purchased Services	15,000	15,000	15,680	(680)
Supplies and Materials	2,750	2,750	9,611	(6,861)
Other Objects	9,338	9,338	30,176	(20,838)
Non-Capitalized Equipment	-	-	1,828	(1,828)
	<u>\$ 383,702</u>	<u>\$ 383,702</u>	<u>\$ 354,551</u>	<u>\$ 29,151</u>
Special Area Administration Services				
Salaries	\$ 1,075,159	\$ 1,075,159	\$ 1,005,498	\$ 69,661
Employee Benefits	323,535	319,269	289,446	29,823
Purchased Services	-	-	23	(23)
Supplies and Materials	15,000	15,000	6,355	8,645
Other Objects	2,000	2,000	1,099	901
	<u>\$ 1,415,694</u>	<u>\$ 1,411,428</u>	<u>\$ 1,302,421</u>	<u>\$ 109,007</u>
Tort Immunity Services				
Purchased Services	\$ 975,372	\$ 975,372	\$ 917,581	\$ 57,791
	<u>\$ 975,372</u>	<u>\$ 975,372</u>	<u>\$ 917,581</u>	<u>\$ 57,791</u>
Total Support Services - General Administration	<u>\$ 2,920,068</u>	<u>\$ 2,915,802</u>	<u>\$ 2,682,239</u>	<u>\$ 233,563</u>
School Administration				
Office of the Principal Services				
Salaries	\$ 3,413,079	\$ 3,413,079	\$ 3,423,417	\$ (10,338)
Employee Benefits	834,856	834,856	818,389	16,467
Purchased Services	25,400	20,607	24,109	(3,502)
Supplies and Materials	28,020	24,378	25,957	(1,579)
Other Objects	7,600	8,103	7,531	572
	<u>\$ 4,308,955</u>	<u>\$ 4,301,023</u>	<u>\$ 4,299,403</u>	<u>\$ 1,620</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
EXPENDITURES (Continued)				
Support Services (Continued)				
School Administration (Continued)				
Other Support Services - School Administration				
Salaries	\$ 398,396	\$ 398,396	\$ 363,800	\$ 34,596
Employee Benefits	76,284	76,284	65,898	10,386
Other Objects	-	-	227	(227)
	<u>\$ 474,680</u>	<u>\$ 474,680</u>	<u>\$ 429,925</u>	<u>\$ 44,755</u>
Total Support Services - School Administration	<u>\$ 4,783,635</u>	<u>\$ 4,775,703</u>	<u>\$ 4,729,328</u>	<u>\$ 46,375</u>
Business				
Direction of Business Support Services				
Salaries	\$ 166,240	\$ 166,240	\$ 292,255	\$ (126,015)
Employee Benefits	46,042	46,042	62,928	(16,886)
Purchased Services	-	-	986	(986)
Supplies and Materials	-	-	72	(72)
Other Objects	-	-	1,155	(1,155)
Termination Benefits	-	-	134	(134)
	<u>\$ 212,282</u>	<u>\$ 212,282</u>	<u>\$ 357,530</u>	<u>\$ (145,248)</u>
Fiscal Services				
Salaries	\$ 308,263	\$ 308,263	\$ 236,338	\$ 71,925
Employee Benefits	47,998	47,998	46,257	1,741
Purchased Services	30,353	30,353	69,213	(38,860)
Supplies and Materials	20,650	20,650	4,515	16,135
Other Objects	2,000	64,458	105,440	(40,982)
Non-Capitalized Equipment	3,000	3,000	-	3,000
	<u>\$ 412,264</u>	<u>\$ 474,722</u>	<u>\$ 461,763</u>	<u>\$ 12,959</u>
Internal Services				
Purchased Services	\$ 190,566	\$ 190,566	\$ 103,901	\$ 86,665
Supplies and Materials	77,044	78,175	69,317	8,858
	<u>\$ 267,610</u>	<u>\$ 268,741</u>	<u>\$ 173,218</u>	<u>\$ 95,523</u>
Total Support Services - Business	<u>\$ 892,156</u>	<u>\$ 955,745</u>	<u>\$ 992,511</u>	<u>\$ (36,766)</u>
Operations and Maintenance				
Employee Benefits	\$ -	\$ -	\$ 348	\$ (348)
Total Support Services - Operation and Maintenance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 348</u>	<u>\$ (348)</u>
Transportation Services				
Salaries	\$ -	\$ -	\$ 564	\$ (564)
Employee Benefits	-	-	7,806	(7,806)
Total Support Services - Transportation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,370</u>	<u>\$ (8,370)</u>
Food Services				
Purchased Services	\$ 2,195,743	\$ 2,195,743	\$ 2,481,381	\$ (285,638)
Supplies and Materials	5,000	7,518	2,653	4,865
Non-Capitalized Equipment	34,200	34,200	65,601	(31,401)
Total Support Services - Food Services	<u>\$ 2,234,943</u>	<u>\$ 2,237,461</u>	<u>\$ 2,549,635</u>	<u>\$ (312,174)</u>
Central				
Information Services				
Salaries	\$ 813,822	\$ 813,822	\$ 791,803	\$ 22,019
Employee Benefits	154,717	154,717	124,781	29,936
Purchased Services	362,500	362,500	1,098,897	(736,397)
Supplies and Materials	151,750	151,750	71,716	80,034
Other Objects	250	250	740	(490)
Non-Capitalized Equipment	200,000	200,000	3,115	196,885
Termination Benefits	-	-	1,132	(1,132)
	<u>\$ 1,683,039</u>	<u>\$ 1,683,039</u>	<u>\$ 2,092,184</u>	<u>\$ (409,145)</u>
Staff Services				
Salaries	\$ 665,838	\$ 665,838	\$ 431,558	\$ 234,280
Employee Benefits	94,194	94,194	79,780	14,414
Purchased Services	29,975	29,975	52,030	(22,055)
Supplies and Materials	7,000	7,000	4,408	2,592
Other Objects	8,500	8,500	8,512	(12)
	<u>\$ 805,507</u>	<u>\$ 805,507</u>	<u>\$ 576,288</u>	<u>\$ 229,219</u>
Total Support Services - Central	<u>\$ 2,488,546</u>	<u>\$ 2,488,546</u>	<u>\$ 2,668,472</u>	<u>\$ (179,926)</u>
Other Support Services				
Salaries	\$ -	\$ -	\$ 2,082	\$ (2,082)
Employee Benefits	-	-	26	(26)
Supplies and Materials	-	500	-	500
Total Other Support Services	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 2,108</u>	<u>\$ (1,608)</u>
Total Support Services	<u>\$ 21,036,082</u>	<u>\$ 21,168,734</u>	<u>\$ 21,996,445</u>	<u>\$ (827,711)</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
EXPENDITURES (Continued)				
Community Services				
Salaries	\$ 166,944	\$ 166,944	\$ 165,579	\$ 1,365
Employee Benefits	46,338	46,338	45,587	751
Purchased Services	31,440	55,080	43,956	11,124
Supplies and Materials	6,500	17,209	10,981	6,228
Total Community Services	<u>\$ 251,222</u>	<u>\$ 285,571</u>	<u>\$ 266,103</u>	<u>\$ 19,468</u>
Payments to Other Districts and Governmental Units				
Payments to Other Districts and Governmental Units (In-State)				
Payments for Special Education Programs				
Purchased Services	\$ 377,500	\$ 377,500	\$ 363,092	\$ 14,408
	<u>\$ 377,500</u>	<u>\$ 377,500</u>	<u>\$ 363,092</u>	<u>\$ 14,408</u>
Other Payments to In-State Governmental Units				
Other Objects	\$ 20,000	\$ 20,000	\$ 40,057	\$ (20,057)
	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 40,057</u>	<u>\$ (20,057)</u>
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 397,500</u>	<u>\$ 397,500</u>	<u>\$ 403,149</u>	<u>\$ (5,649)</u>
Payments to Other Districts and Governmental Units-Tuition (In-State)				
Payments for Special Education Programs				
Other Objects	\$ 2,455,000	\$ 2,455,000	\$ 2,277,878	\$ 177,122
Payment for CTE Programs				
Other Objects	450,000	450,000	493,843	(43,843)
Payments for Other Programs				
Other Objects	-	-	5,886	(5,886)
Other Payments to In-State Governmental Units				
Other Objects	100,000	100,000	119,820	(19,820)
Total Payments to Other Districts and Governmental Units-Tuition (In-State)	<u>\$ 3,005,000</u>	<u>\$ 3,005,000</u>	<u>\$ 2,897,427</u>	<u>\$ 107,573</u>
Total Payments to Other Districts and Governmental Units	<u>\$ 3,402,500</u>	<u>\$ 3,402,500</u>	<u>\$ 3,300,576</u>	<u>\$ 101,924</u>
Capital Outlay				
Instruction				
Other Instructional Programs	\$ 5,000	\$ 16,219	\$ -	\$ 16,219
Support Services				
School Administration	-	-	9,654	(9,654)
Business	-	-	108,579	(108,579)
Central	82,650	82,650	-	82,650
Total Capital Outlay	<u>\$ 87,650</u>	<u>\$ 98,869</u>	<u>\$ 118,233</u>	<u>\$ (19,364)</u>
Provision for Contingencies	<u>\$ 12,738</u>	<u>\$ 12,738</u>	<u>\$ -</u>	<u>\$ 12,738</u>
On-Behalf Payments	<u>\$ 25,000,000</u>	<u>\$ 25,000,000</u>	<u>\$ 21,300,702</u>	<u>\$ 3,699,298</u>
Total Expenditures	<u>\$ 98,397,719</u>	<u>\$ 99,615,399</u>	<u>\$ 95,361,396</u>	<u>\$ 4,254,003</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>\$ (4,672,388)</u>	<u>\$ (4,672,388)</u>	<u>\$ (5,699,783)</u>	<u>\$ (1,027,395)</u>
OTHER FINANCING SOURCES (USES)				
Interfund Transfers	\$ 4,739,929	\$ 4,739,929	\$ 4,479,590	\$ (260,339)
Issuance of Debt	-	2,050,000	2,029,000	(21,000)
Abolishment or Abatement of the Working Cash Fund	-	(2,050,000)	(2,029,000)	21,000
	<u>\$ 4,739,929</u>	<u>\$ 4,739,929</u>	<u>\$ 4,479,590</u>	<u>\$ (260,339)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 67,541</u>	<u>\$ 67,541</u>	<u>\$ (1,220,193)</u>	<u>\$ (1,287,734)</u>
FUND BALANCE - JULY 1, 2015	<u>25,366,502</u>	<u>24,895,714</u>	<u>24,895,715</u>	
FUND BALANCE - JUNE 30, 2016	<u>\$ 25,434,043</u>	<u>\$ 24,963,255</u>	<u>\$ 23,675,522</u>	

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - OPERATIONS AND MAINTENANCE FUND
 YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 2,299,400	\$ 2,299,400	\$ 2,293,431	\$ (5,969)
Earnings on Investments	4,000	4,000	8,272	4,272
Other Local Sources	20,000	20,000	18,357	(1,643)
State Aid				
General State Aid	3,058,904	3,058,904	3,058,904	-
Total Revenues	<u>\$ 5,382,304</u>	<u>\$ 5,382,304</u>	<u>\$ 5,378,964</u>	<u>\$ (3,340)</u>
EXPENDITURES				
Support Services				
Operations and Maintenance				
Salaries	\$ 2,327,420	\$ 2,327,420	\$ 2,401,252	\$ (73,832)
Employee Benefits	504,014	504,014	475,336	28,678
Purchased Services	706,700	706,700	1,266,493	(559,793)
Supplies and Materials	1,378,305	1,378,305	1,426,755	(48,450)
Other Objects	500	500	108	392
Non-Capitalized Equipment	20,000	20,000	7,318	12,682
Termination Benefits	-	-	16,382	(16,382)
Total Support Services - Operations and Maintenance	<u>\$ 4,936,939</u>	<u>\$ 4,936,939</u>	<u>\$ 5,593,644</u>	<u>\$ (656,705)</u>
Total Support Services	<u>\$ 4,936,939</u>	<u>\$ 4,936,939</u>	<u>\$ 5,593,644</u>	<u>\$ (656,705)</u>
Capital Outlay				
Support Services				
Operations and Maintenance	\$ 445,365	\$ 445,365	\$ 146,150	\$ 299,215
Total Capital Outlay	<u>\$ 445,365</u>	<u>\$ 445,365</u>	<u>\$ 146,150</u>	<u>\$ 299,215</u>
Total Expenditures	<u>\$ 5,382,304</u>	<u>\$ 5,382,304</u>	<u>\$ 5,739,794</u>	<u>\$ (357,490)</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ (360,830)	\$ (360,830)
OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ (360,830)	<u>\$ (360,830)</u>
FUND BALANCE - JULY 1, 2015	<u>3,977,692</u>	<u>4,061,200</u>	<u>4,061,200</u>	
FUND BALANCE - JUNE 30, 2016	<u>\$ 3,977,692</u>	<u>\$ 4,061,200</u>	<u>\$ 3,700,370</u>	

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ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - TRANSPORTATION FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 6,640,736	\$ 6,640,736	\$ 6,645,228	\$ 4,492
Transportation Fees	53,000	53,000	44,682	(8,318)
Earnings on Investments	10,000	10,000	20,790	10,790
Other Local Sources	2,000	2,000	1,182	(818)
State Aid				
Transportation	2,400,000	2,400,000	2,487,501	87,501
Total Revenues	\$ 9,105,736	\$ 9,105,736	\$ 9,199,383	\$ 93,647
EXPENDITURES				
Support Services				
Transportation				
Salaries	\$ 1,518,622	\$ 1,518,622	\$ 1,787,441	\$ (268,819)
Employee Benefits	483,543	483,543	474,710	8,833
Purchased Services	1,862,750	1,862,750	1,894,692	(31,942)
Supplies and Materials	332,155	332,155	270,719	61,436
Other Objects	500	500	1,680	(1,180)
Non-Capitalized Equipment	2,500	2,500	3,246	(746)
Total Support Services - Transportation	\$ 4,200,070	\$ 4,200,070	\$ 4,432,488	\$ (232,418)
Total Support Services	\$ 4,200,070	\$ 4,200,070	\$ 4,432,488	\$ (232,418)
Capital Outlay				
Support Services				
Transportation	\$ -	\$ -	\$ 75,051	\$ (75,051)
Total Capital Outlay	\$ -	\$ -	\$ 75,051	\$ (75,051)
Total Expenditures	\$ 4,200,070	\$ 4,200,070	\$ 4,507,539	\$ (307,469)
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 4,905,666	\$ 4,905,666	\$ 4,691,844	\$ (213,822)
OTHER FINANCING SOURCES (USES)				
Interfund Transfers	(4,905,666)	(4,905,666)	(4,645,327)	260,339
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ 46,517	\$ 46,517
FUND BALANCE - JULY 1, 2015	6,564,880	6,567,308	6,567,309	
FUND BALANCE - JUNE 30, 2016	\$ 6,564,880	\$ 6,567,308	\$ 6,613,826	

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ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
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, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 609,795	\$ 609,795	\$ 608,475	\$ (1,320)
FICA/Medicare Only Purposes Levies	1,493,425	1,493,425	1,489,132	(4,293)
Other Tax Levies	26,031	26,031	25,975	(56)
Payments in Lieu of Taxes	122,500	121,740	113,960	(7,780)
Earnings on Investments	2,000	2,000	2,561	561
State Aid				
Bilingual Education	10,356	10,495	9,762	(733)
Truant Alternative/Optional Education	4,300	4,921	4,926	5
Early Childhood - Block Grant	12,479	12,479	12,389	(90)
Federal Aid				
Title I	64,863	89,863	65,941	(23,922)
Federal - Special Education	87,549	92,038	66,751	(25,287)
Title III - English Language Acquisition	23,890	23,890	18,596	(5,294)
Title II - Teacher Quality	1,750	1,750	1,494	(256)
Total Revenues	\$ 2,458,938	\$ 2,488,427	\$ 2,419,962	\$ (68,465)
EXPENDITURES				
Instruction				
Regular Programs				
Employee Benefits	\$ 484,123	\$ 509,123	\$ 447,523	\$ 61,600
Pre-K Programs				
Employee Benefits	9,903	9,903	9,890	13
Special Education Programs				
Employee Benefits	316,158	316,158	321,203	(5,045)
Special Education Programs - Pre-K				
Employee Benefits	43,452	47,941	42,790	5,151
Remedial and Supplemental Programs - K-12				
Employee Benefits	32,806	32,806	30,099	2,707
CTE Programs				
Employee Benefits	6,093	6,093	4,802	1,291
Interscholastic Programs				
Employee Benefits	8,320	8,320	33,710	(25,390)
Summer School Programs				
Employee Benefits	-	-	19,871	(19,871)
Driver's Education Programs				
Employee Benefits	1,797	1,797	461	1,336
Bilingual Programs				
Employee Benefits	91,506	91,506	86,992	4,514
Truant Alternative and Optional Programs				
Employee Benefits	10,484	10,484	10,501	(17)
Total Instruction	\$ 1,004,642	\$ 1,034,131	\$ 1,007,842	\$ 26,289
Support Services				
Pupils				
Attendance and Social Work Services				
Employee Benefits	\$ 28,086	\$ 28,086	\$ 26,606	\$ 1,480
Guidance Services				
Employee Benefits	15,464	15,464	15,713	(249)
Health Services				
Employee Benefits	86,514	86,514	76,214	10,300
Psychological Services				
Employee Benefits	11,816	11,816	10,852	964
Speech Pathology and Audiology Services				
Employee Benefits	14,684	14,684	12,738	1,946
Other Support Services - Pupils				
Employee Benefits	132,992	132,992	143,591	(10,599)
Total Supports Services - Pupils	\$ 289,556	\$ 289,556	\$ 285,714	\$ 3,842
Instructional Staff				
Improvement of Instruction Services				
Employee Benefits	\$ 13,503	\$ 13,503	\$ 18,733	\$ (5,230)
Educational Media Services				
Employee Benefits	53,400	53,400	51,251	2,149
Total Support Services - Instructional Staff	\$ 66,903	\$ 66,903	\$ 69,984	\$ (3,081)

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
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, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
EXPENDITURES (Continued)				
Support Services (Continued)				
General Administration				
Board of Education Services				
Employee Benefits	\$ -	\$ -	\$ 113	\$ (113)
Executive Administration Services				
Employee Benefits	14,521	14,521	4,006	10,515
Special Area Administrative Services				
Employee Benefits	32,586	32,586	23,608	8,978
Total Support Services - General Administration	<u>\$ 47,107</u>	<u>\$ 47,107</u>	<u>\$ 27,727</u>	<u>\$ 19,380</u>
School Administration				
Office of the Principal Services				
Employee Benefits	\$ 216,609	\$ 216,609	\$ 220,738	\$ (4,129)
Other Support Services - School Administration				
Employee Benefits	5,856	5,856	5,245	611
Total Support Services - School Administration	<u>\$ 222,465</u>	<u>\$ 222,465</u>	<u>\$ 225,983</u>	<u>\$ (3,518)</u>
Business				
Direction of Business Support Services				
Employee Benefits	\$ 2,693	\$ 2,693	\$ 21,981	\$ (19,288)
Fiscal Services				
Employee Benefits	48,292	48,292	39,217	9,075
Total Support Services - Business	<u>\$ 50,985</u>	<u>\$ 50,985</u>	<u>\$ 61,198</u>	<u>\$ (10,213)</u>
Facilities Acquisition and Construction				
Employee Benefits	\$ -	\$ -	\$ 97	\$ (97)
Total Support Services - Facilities Acquisition and Construction	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 97</u>	<u>\$ (97)</u>
Operations and Maintenance				
Employee Benefits	\$ 356,980	\$ 356,980	\$ 372,540	\$ (15,560)
Total Support Services - Operations and Maintenance	<u>\$ 356,980</u>	<u>\$ 356,980</u>	<u>\$ 372,540</u>	<u>\$ (15,560)</u>
Transportation				
Employee Benefits	\$ 212,244	\$ 212,244	\$ 277,339	\$ (65,095)
Total Support Services - Transportation	<u>\$ 212,244</u>	<u>\$ 212,244</u>	<u>\$ 277,339</u>	<u>\$ (65,095)</u>
Central				
Information Services				
Employee Benefits	\$ 123,283	\$ 123,283	\$ 141,827	\$ (18,544)
Staff Services				
Employee Benefits	61,224	61,224	77,759	(16,535)
Total Support Services - Central	<u>\$ 184,507</u>	<u>\$ 184,507</u>	<u>\$ 219,586</u>	<u>\$ (35,079)</u>
Other Support Services				
Employee Benefits	\$ -	\$ -	\$ 56	(56)
Total Other Support Services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ (56)</u>
Total Support Services	<u>\$ 1,430,747</u>	<u>\$ 1,430,747</u>	<u>\$ 1,540,224</u>	<u>\$ (109,477)</u>
Community Services				
Employee Benefits	\$ 23,549	\$ 23,549	\$ 25,370	\$ (1,821)
Total Community Services	<u>\$ 23,549</u>	<u>\$ 23,549</u>	<u>\$ 25,370</u>	<u>\$ (1,821)</u>
Payments to Other Districts and Governmental Units				
Payments for Special Education Programs				
Employee Benefits	\$ -	\$ -	\$ 25,193	\$ (25,193)
Total Payments to Other Districts and Governmental Units	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,193</u>	<u>\$ (25,193)</u>
Total Expenditures	<u>\$ 2,458,938</u>	<u>\$ 2,488,427</u>	<u>\$ 2,598,629</u>	<u>\$ (110,202)</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 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, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ (178,667)	\$ (178,667)
OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ (178,667)	<u>\$ (178,667)</u>
FUND BALANCE - JULY 1, 2015	<u>1,271,407</u>	<u>1,271,451</u>	<u>1,271,451</u>	
FUND BALANCE - JUNE 30, 2016	<u>\$ 1,271,407</u>	<u>\$ 1,271,451</u>	<u>\$ 1,092,784</u>	

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 JUNE 30, 2016

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 28, 2015 and amended on June 20, 2016. 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, 2016 the following funds presented as Required Supplementary Information had expenditures that exceeded the budget:

Fund	Budget	Actual	Excess of Actual Over Budget
Operations and Maintenance Fund	\$ 5,382,304	\$ 5,739,794	\$ 357,490
Transportation Fund	4,200,070	4,507,539	307,469
Illinois Municipal Retirement Fund	2,488,427	2,598,629	110,202

SUPPLEMENTARY INFORMATION

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 COMBINING BALANCE SHEET
 GENERAL FUND
 JUNE 30, 2016

	Educational Fund	Working Cash Fund	Tort Fund	Total General Fund
ASSETS				
Cash and Cash Equivalents	\$ 3,444,492	\$ 528,206	\$ 384	\$ 3,973,082
Investments, at Fair Value	19,034,473	6,053,502	481,887	25,569,862
Property Taxes Receivable, net of allowance of \$0	7,657,881	29,180	419,756	8,106,817
Due from Other Governments, net of allowance of \$0	2,418,803	-	-	2,418,803
Other Accounts Receivable, net of allowance of \$0	1,083,404	-	-	1,083,404
Prepaid Expenses	96,063	-	-	96,063
Total Assets	<u>\$ 33,735,116</u>	<u>\$ 6,610,888</u>	<u>\$ 902,027</u>	<u>\$ 41,248,031</u>
LIABILITIES				
Accounts Payable and Accrued Expenses	\$ 858,509	\$ -	\$ 20,623	\$ 879,132
Payroll Liabilities	8,547,450	-	-	8,547,450
Total Liabilities	<u>\$ 9,405,959</u>	<u>\$ -</u>	<u>\$ 20,623</u>	<u>\$ 9,426,582</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes - Subsequent Year	\$ 7,613,303	\$ 28,988	\$ 416,988	\$ 8,059,279
Tuition - Subsequent Year	86,648	-	-	86,648
Total Deferred Inflows of Resources	<u>\$ 7,699,951</u>	<u>\$ 28,988</u>	<u>\$ 416,988</u>	<u>\$ 8,145,927</u>
FUND BALANCE				
Nonspendable				
Prepaid Expenses	\$ 96,063	\$ -	\$ -	\$ 96,063
Restricted				
Tort Liability	-	-	295,249	295,249
Unassigned	16,533,143	6,581,900	169,167	23,284,210
Total Fund Balance	<u>\$ 16,629,206</u>	<u>\$ 6,581,900</u>	<u>\$ 464,416</u>	<u>\$ 23,675,522</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 33,735,116</u>	<u>\$ 6,610,888</u>	<u>\$ 902,027</u>	<u>\$ 41,248,031</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 GENERAL FUND
 YEAR ENDED JUNE 30, 2016

	Educational Fund	Working Cash Fund	Tort Fund	Total General Fund
REVENUES				
Property Taxes	\$ 14,952,195	\$ 57,382	\$ 972,065	\$ 15,981,642
Payments in Lieu of Taxes	111,181	-	-	111,181
Tuition	393,631	-	-	393,631
Earnings on Investments	44,175	17,249	429	61,853
Food Service	96,239	-	-	96,239
District/School Activity Income	174,998	-	-	174,998
Other Local Sources	336,362	-	-	336,362
State Aid	43,336,550	-	-	43,336,550
Federal Aid	7,868,455	-	-	7,868,455
On-Behalf Payments	21,300,702	-	-	21,300,702
	<u>\$ 88,614,488</u>	<u>\$ 74,631</u>	<u>\$ 972,494</u>	<u>\$ 89,661,613</u>
EXPENDITURES				
Current				
Instruction				
Regular Programs	\$ 29,425,264	\$ -	\$ -	\$ 29,425,264
Special Education Programs	8,555,231	-	-	8,555,231
Other Instructional Programs	10,398,842	-	-	10,398,842
Support Services				
Pupils	6,532,522	-	-	6,532,522
Instructional Staff	1,830,912	-	-	1,830,912
General Administration	1,764,658	-	917,581	2,682,239
School Administration	4,729,328	-	-	4,729,328
Business	992,511	-	-	992,511
Operations and Maintenance	348	-	-	348
Transportation	8,370	-	-	8,370
Food Services	2,549,635	-	-	2,549,635
Central	2,668,472	-	-	2,668,472
Other Support Services	2,108	-	-	2,108
Community Services	266,103	-	-	266,103
Payments to Other Districts and Governmental Units	3,300,576	-	-	3,300,576
Capital Outlay	118,233	-	-	118,233
On-Behalf Payments	21,300,702	-	-	21,300,702
	<u>\$ 94,443,815</u>	<u>\$ -</u>	<u>\$ 917,581</u>	<u>\$ 95,361,396</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (5,829,327)</u>	<u>\$ 74,631</u>	<u>\$ 54,913</u>	<u>\$ (5,699,783)</u>
OTHER FINANCING SOURCES (USES)				
Interfund Transfers	\$ 4,479,590	\$ -	\$ -	\$ 4,479,590
Issuance of Debt	-	2,029,000	-	2,029,000
Abolishment or Abatement of the Working Cash Fund	-	(2,029,000)	-	(2,029,000)
	<u>\$ 4,479,590</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,479,590</u>
NET CHANGE IN FUND BALANCES	<u>\$ (1,349,737)</u>	<u>\$ 74,631</u>	<u>\$ 54,913</u>	<u>\$ (1,220,193)</u>
FUND BALANCES - JULY 1, 2015	<u>17,978,943</u>	<u>6,507,269</u>	<u>409,503</u>	<u>24,895,715</u>
FUND BALANCES - JUNE 30, 2016	<u>\$ 16,629,206</u>	<u>\$ 6,581,900</u>	<u>\$ 464,416</u>	<u>\$ 23,675,522</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 15,101,620	\$ 15,101,620	\$ 14,952,195	\$ (149,425)
Payments in Lieu of Taxes	119,513	119,513	111,181	(8,332)
Tuition	410,000	410,000	393,631	(16,369)
Earnings on Investments	53,000	53,000	44,175	(8,825)
Food Service	150,000	150,000	96,239	(53,761)
District/School Activity Income	135,000	154,724	174,998	20,274
Other Local Sources	211,000	992,495	336,362	(656,133)
State Aid				
General State Aid	39,727,138	39,727,138	39,675,741	(51,397)
Special Education	3,255,000	3,255,000	2,978,616	(276,384)
Career and Technical Education	18,113	18,113	18,117	4
Bilingual	836,143	836,004	295,248	(540,756)
State Free Lunch and Breakfast	40,000	40,000	29,260	(10,740)
Driver Education	45,000	45,000	45,618	618
Truant Alternative / Optional Education	55,700	55,079	55,074	(5)
Early Childhood - Block Grant	221,651	221,651	234,573	12,922
Other Restricted Revenue from State Sources	5,292	4,304	4,303	(1)
Federal Aid				
Food Service	3,302,000	3,302,000	3,344,905	42,905
Title I	1,914,868	2,286,331	2,284,162	(2,169)
Federal Special Education	584,256	629,618	739,083	109,465
CTE - Perkins	36,621	36,621	36,268	(353)
Emergency Immigrant Assistance	-	-	2,860	2,860
Title III - English Language Acquisition	230,860	230,860	261,670	30,810
Title II - Teacher Quality	214,643	216,027	213,982	(2,045)
Medicaid Matching Funds - Administrative Outreach	215,000	215,000	192,291	(22,709)
Medicaid Matching Funds - Fee-for-Service Program	800,000	800,000	793,234	(6,766)
On-Behalf Payments	25,000,000	25,000,000	21,300,702	(3,699,298)
Total Revenues	<u>\$ 92,682,418</u>	<u>\$ 93,900,098</u>	<u>\$ 88,614,488</u>	<u>\$ (5,285,610)</u>
EXPENDITURES				
Instruction				
Regular Programs				
Salaries	\$ 25,199,495	\$ 26,117,682	\$ 23,736,426	\$ 2,381,256
Employee Benefits	4,326,492	4,326,492	3,669,076	657,416
Purchased Services	492,483	651,754	756,062	(104,308)
Supplies and Materials	942,248	952,520	946,854	5,666
Other Objects	35,100	35,322	4,358	30,964
Non-Capitalized Equipment	21,758	16,200	29,624	(13,424)
	<u>\$ 31,017,576</u>	<u>\$ 32,099,970</u>	<u>\$ 29,142,400</u>	<u>\$ 2,957,570</u>
Pre-K Programs				
Salaries	\$ 136,441	\$ 136,441	\$ 152,301	\$ (15,860)
Employee Benefits	38,375	38,343	38,374	(31)
Purchased Services	-	1,280	10,953	(9,673)
Supplies and Materials	-	-	81,236	(81,236)
	<u>\$ 174,816</u>	<u>\$ 176,064</u>	<u>\$ 282,864</u>	<u>\$ (106,800)</u>
Special Education Programs				
Salaries	\$ 6,441,397	\$ 6,441,397	\$ 6,592,642	\$ (151,245)
Employee Benefits	1,131,463	1,078,200	1,088,794	(10,594)
Purchased Services	19,300	19,300	68,903	(49,603)
Supplies and Materials	13,374	13,874	30,926	(17,052)
Other Objects	1,700	1,700	110	1,590
Non-Capitalized Equipment	-	-	5,038	(5,038)
	<u>\$ 7,607,234</u>	<u>\$ 7,554,471</u>	<u>\$ 7,786,413</u>	<u>\$ (231,942)</u>
Special Education Programs Pre-K				
Salaries	\$ 592,032	\$ 580,548	\$ 604,147	\$ (23,599)
Employee Benefits	138,879	138,879	128,771	10,108
Purchased Services	17,000	26,984	16,100	10,884
Supplies and Materials	-	4,464	19,800	(15,336)
	<u>\$ 747,911</u>	<u>\$ 750,875</u>	<u>\$ 768,818</u>	<u>\$ (17,943)</u>
Remedial and Supplemental Programs K-12				
Salaries	\$ 837,304	\$ 837,304	\$ 902,647	\$ (65,343)
Employee Benefits	263,852	263,852	267,351	(3,499)
	<u>\$ 1,101,156</u>	<u>\$ 1,101,156</u>	<u>\$ 1,169,998</u>	<u>\$ (68,842)</u>
CTE Programs				
Salaries	\$ 420,235	\$ 420,235	\$ 453,213	\$ (32,978)
Employee Benefits	54,933	54,933	55,018	(85)
Purchased Services	-	1,105	1,128	(23)
Supplies and Materials	29,605	18,830	14,128	4,702
Non-Capitalized Equipment	32,379	24,830	43,893	(19,063)
	<u>\$ 537,152</u>	<u>\$ 519,933</u>	<u>\$ 567,380</u>	<u>\$ (47,447)</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
EXPENDITURES (Continued)				
Instruction (Continued)				
Interscholastic Programs				
Salaries	\$ 663,679	\$ 663,679	\$ 919,833	\$ (256,154)
Employee Benefits	8,967	8,967	20,804	(11,837)
Purchased Services	47,000	59,227	58,642	585
Supplies and Materials	119,675	142,269	147,735	(5,466)
Other Objects	40,475	25,857	36,443	(10,586)
Non-Capitalized Equipment	-	9,600	11,597	(1,997)
	<u>\$ 879,796</u>	<u>\$ 909,599</u>	<u>\$ 1,195,054</u>	<u>\$ (285,455)</u>
Summer School Programs				
Salaries	\$ 176,505	\$ 176,505	\$ 648,107	\$ (471,602)
Employee Benefits	-	-	46,415	(46,415)
Purchased Services	-	-	4,800	(4,800)
Supplies and Materials	4,250	4,250	3,504	746
	<u>\$ 180,755</u>	<u>\$ 180,755</u>	<u>\$ 702,826</u>	<u>\$ (522,071)</u>
Driver's Education Programs				
Salaries	\$ 145,962	\$ 145,962	\$ 171,121	\$ (25,159)
Employee Benefits	11,844	11,844	12,490	(646)
Purchased Services	5,300	5,300	7,393	(2,093)
Supplies and Materials	850	850	892	(42)
	<u>\$ 163,956</u>	<u>\$ 163,956</u>	<u>\$ 191,896</u>	<u>\$ (27,940)</u>
Bilingual Programs				
Salaries	\$ 3,944,249	\$ 3,940,182	\$ 3,961,467	\$ (21,285)
Employee Benefits	693,877	689,877	656,209	33,668
Supplies and Materials	4,993	6,093	5,515	578
	<u>\$ 4,643,119</u>	<u>\$ 4,636,152</u>	<u>\$ 4,623,191</u>	<u>\$ 12,961</u>
Truant Alternative and Optional Programs				
Salaries	\$ 67,644	\$ 67,644	\$ 67,884	\$ (240)
Employee Benefits	19,100	19,100	19,099	1
	<u>\$ 86,744</u>	<u>\$ 86,744</u>	<u>\$ 86,983</u>	<u>\$ (239)</u>
Private Tuition - Other Objects				
Special Education Programs K-12	\$ 1,467,312	\$ 1,467,312	\$ 1,861,514	\$ (394,202)
	<u>\$ 1,467,312</u>	<u>\$ 1,467,312</u>	<u>\$ 1,861,514</u>	<u>\$ (394,202)</u>
Total Instruction	<u>\$ 48,607,527</u>	<u>\$ 49,646,987</u>	<u>\$ 48,379,337</u>	<u>\$ 1,267,650</u>
Support Services				
Pupils				
Attendance and Social Work Services				
Salaries	\$ 1,278,323	\$ 1,278,323	\$ 1,286,612	\$ (8,289)
Employee Benefits	188,584	188,584	179,412	9,172
Purchased Services	1,000	1,000	-	1,000
Supplies and Materials	13,862	11,862	6,760	5,102
Other Objects	300	300	-	300
	<u>\$ 1,482,069</u>	<u>\$ 1,480,069</u>	<u>\$ 1,472,784</u>	<u>\$ 7,285</u>
Guidance Services				
Salaries	\$ 642,184	\$ 642,184	\$ 667,073	\$ (24,889)
Employee Benefits	122,385	122,385	118,173	4,212
Purchased Services	2,400	1,400	1,290	110
Supplies and Materials	5,500	4,500	3,880	620
Other Objects	1,500	1,500	1,411	89
	<u>\$ 773,969</u>	<u>\$ 771,969</u>	<u>\$ 791,827</u>	<u>\$ (19,858)</u>
Health Services				
Salaries	\$ 558,159	\$ 558,159	\$ 509,828	\$ 48,331
Employee Benefits	117,731	117,731	98,887	18,844
Purchased Services	10,000	10,000	80,626	(70,626)
Supplies and Materials	4,000	4,000	11,610	(7,610)
	<u>\$ 689,890</u>	<u>\$ 689,890</u>	<u>\$ 700,951</u>	<u>\$ (11,061)</u>
Psychological Services				
Salaries	\$ 814,789	\$ 814,789	\$ 726,153	\$ 88,636
Employee Benefits	98,316	98,316	69,563	28,753
Purchased Services	1,500	1,500	126,168	(124,668)
Supplies and Materials	5,000	5,000	5,116	(116)
Other Objects	500	500	150	350
Non-Capitalized Equipment	-	-	3,002	(3,002)
	<u>\$ 920,105</u>	<u>\$ 920,105</u>	<u>\$ 930,152</u>	<u>\$ (10,047)</u>
Speech Pathology and Audiology Services				
Salaries	\$ 1,012,637	\$ 1,012,637	\$ 900,204	\$ 112,433
Employee Benefits	140,204	140,204	117,111	23,093
Purchased Services	500	500	283,615	(283,115)
Supplies and Materials	10,000	21,411	15,573	5,838
	<u>\$ 1,163,341</u>	<u>\$ 1,174,752</u>	<u>\$ 1,316,503</u>	<u>\$ (141,751)</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
EXPENDITURES (Continued)				
Support Services (Continued)				
Pupils (Continued)				
Other Support Services - Pupils				
Salaries	\$ 857,999	\$ 857,999	\$ 1,060,544	\$ (202,545)
Employee Benefits	179,685	179,685	166,284	13,401
Purchased Services	11,000	20,562	44,583	(24,021)
Supplies and Materials	12,500	8,500	47,824	(39,324)
Non-Capitalized Equipment	-	-	1,070	(1,070)
	<u>\$ 1,061,184</u>	<u>\$ 1,066,746</u>	<u>\$ 1,320,305</u>	<u>\$ (253,559)</u>
Total Support Services - Pupils	<u>\$ 6,090,558</u>	<u>\$ 6,103,531</u>	<u>\$ 6,532,522</u>	<u>\$ (428,991)</u>
Instructional Staff				
Improvement of Instruction Services				
Salaries	\$ 600,172	\$ 600,172	\$ 735,472	\$ (135,300)
Employee Benefits	411,228	411,172	463,485	(52,313)
Purchased Services	67,770	125,898	172,011	(46,113)
Supplies and Materials	84,900	85,564	4,542	81,022
Other Objects	-	-	240	(240)
	<u>\$ 1,164,070</u>	<u>\$ 1,222,806</u>	<u>\$ 1,375,750</u>	<u>\$ (152,944)</u>
Educational Media Services				
Salaries	\$ 344,517	\$ 344,517	\$ 335,890	\$ 8,627
Employee Benefits	84,197	84,197	80,895	3,302
Purchased Services	10,500	9,500	9,455	45
Supplies and Materials	17,642	16,126	19,189	(3,063)
	<u>\$ 456,856</u>	<u>\$ 454,340</u>	<u>\$ 445,429</u>	<u>\$ 8,911</u>
Assessment and Testing				
Purchased Services	\$ 2,500	\$ 500	\$ 2,800	\$ (2,300)
Supplies and Materials	2,000	13,050	6,933	6,117
Other Objects	750	750	-	750
	<u>\$ 5,250</u>	<u>\$ 14,300</u>	<u>\$ 9,733</u>	<u>\$ 4,567</u>
Total Support Services - Instructional Staff	<u>\$ 1,626,176</u>	<u>\$ 1,691,446</u>	<u>\$ 1,830,912</u>	<u>\$ (139,466)</u>
General Administration				
Board of Education Services				
Salaries	\$ -	\$ -	\$ 645	\$ (645)
Purchased Services	114,300	114,300	90,150	24,150
Supplies and Materials	9,000	9,000	12,318	(3,318)
Other Objects	20,000	20,000	4,573	15,427
Non-Capitalized Equipment	2,000	2,000	-	2,000
	<u>\$ 145,300</u>	<u>\$ 145,300</u>	<u>\$ 107,686</u>	<u>\$ 37,614</u>
Executive Administration Services				
Salaries	\$ 300,200	\$ 300,200	\$ 230,200	\$ 70,000
Employee Benefits	56,414	56,414	67,056	(10,642)
Purchased Services	15,000	15,000	15,680	(680)
Supplies and Materials	2,750	2,750	9,611	(6,861)
Other Objects	9,338	9,338	30,176	(20,838)
Non-Capitalized Equipment	-	-	1,828	(1,828)
	<u>\$ 383,702</u>	<u>\$ 383,702</u>	<u>\$ 354,551</u>	<u>\$ 29,151</u>
Special Area Administration Services				
Salaries	\$ 1,075,159	\$ 1,075,159	\$ 1,005,498	\$ 69,661
Employee Benefits	323,535	319,269	289,446	29,823
Purchased Services	-	-	23	(23)
Supplies and Materials	15,000	15,000	6,355	8,645
Other Objects	2,000	2,000	1,099	901
	<u>\$ 1,415,694</u>	<u>\$ 1,411,428</u>	<u>\$ 1,302,421</u>	<u>\$ 109,007</u>
Total Support Services - General Administration	<u>\$ 1,944,696</u>	<u>\$ 1,940,430</u>	<u>\$ 1,764,658</u>	<u>\$ 175,772</u>
School Administration				
Office of the Principal Services				
Salaries	\$ 3,413,079	\$ 3,413,079	\$ 3,423,417	\$ (10,338)
Employee Benefits	834,856	834,856	818,389	16,467
Purchased Services	25,400	20,607	24,109	(3,502)
Supplies and Materials	28,020	24,378	25,957	(1,579)
Other Objects	7,600	8,103	7,531	572
	<u>\$ 4,308,955</u>	<u>\$ 4,301,023</u>	<u>\$ 4,299,403</u>	<u>\$ 1,620</u>
Other Support Services - School Administration				
Salaries	\$ 398,396	\$ 398,396	\$ 363,800	\$ 34,596
Employee Benefits	76,284	76,284	65,898	10,386
Other Objects	-	-	227	(227)
	<u>\$ 474,680</u>	<u>\$ 474,680</u>	<u>\$ 429,925</u>	<u>\$ 44,755</u>
Total Support Services - School Administration	<u>\$ 4,783,635</u>	<u>\$ 4,775,703</u>	<u>\$ 4,729,328</u>	<u>\$ 46,375</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 GENERAL FUND - EDUCATIONAL FUND
 YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
EXPENDITURES (Continued)				
Support Services (Continued)				
Business				
Direction of Business Support Services				
Salaries	\$ 166,240	\$ 166,240	\$ 292,255	\$ (126,015)
Employee Benefits	46,042	46,042	62,928	(16,886)
Purchased Services	-	-	986	(986)
Supplies and Materials	-	-	72	(72)
Other Objects	-	-	1,155	(1,155)
Termination Benefits	-	-	134	(134)
	<u>\$ 212,282</u>	<u>\$ 212,282</u>	<u>\$ 357,530</u>	<u>\$ (145,248)</u>
Fiscal Services				
Salaries	\$ 308,263	\$ 308,263	\$ 236,338	\$ 71,925
Employee Benefits	47,998	47,998	46,257	1,741
Purchased Services	30,353	30,353	69,213	(38,860)
Supplies and Materials	20,650	20,650	4,515	16,135
Other Objects	2,000	64,458	105,440	(40,982)
Non-Capitalized Equipment	3,000	3,000	-	3,000
	<u>\$ 412,264</u>	<u>\$ 474,722</u>	<u>\$ 461,763</u>	<u>\$ 12,959</u>
Internal Services				
Purchased Services	\$ 190,566	\$ 190,566	\$ 103,901	\$ 86,665
Supplies and Materials	77,044	78,175	69,317	8,858
	<u>\$ 267,610</u>	<u>\$ 268,741</u>	<u>\$ 173,218</u>	<u>\$ 95,523</u>
Total Support Services - Business	<u>\$ 892,156</u>	<u>\$ 955,745</u>	<u>\$ 992,511</u>	<u>\$ (36,766)</u>
Operations and Maintenance				
Employee Benefits	\$ -	\$ -	\$ 348	\$ (348)
Total Support Services - Operation and Maintenance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 348</u>	<u>\$ (348)</u>
Transportation				
Salaries	\$ -	\$ -	\$ 564	\$ (564)
Employee Benefits	-	-	7,806	(7,806)
Total Support Services - Transportation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,370</u>	<u>\$ (8,370)</u>
Food Services				
Purchased Services	\$ 2,195,743	\$ 2,195,743	\$ 2,481,381	\$ (285,638)
Supplies and Materials	5,000	7,518	2,653	4,865
Non-Capitalized Equipment	34,200	34,200	65,601	(31,401)
Total Support Services - Food Services	<u>\$ 2,234,943</u>	<u>\$ 2,237,461</u>	<u>\$ 2,549,635</u>	<u>\$ (312,174)</u>
Central				
Information Services				
Salaries	\$ 813,822	\$ 813,822	\$ 791,803	\$ 22,019
Employee Benefits	154,717	154,717	124,781	29,936
Purchased Services	362,500	362,500	1,098,897	(736,397)
Supplies and Materials	151,750	151,750	71,716	80,034
Other Objects	250	250	740	(490)
Non-Capitalized Equipment	200,000	200,000	3,115	196,885
Termination Benefits	-	-	1,132	(1,132)
	<u>\$ 1,683,039</u>	<u>\$ 1,683,039</u>	<u>\$ 2,092,184</u>	<u>\$ (409,145)</u>
Staff Services				
Salaries	\$ 665,838	\$ 665,838	\$ 431,558	\$ 234,280
Employee Benefits	94,194	94,194	79,780	14,414
Purchased Services	29,975	29,975	52,030	(22,055)
Supplies and Materials	7,000	7,000	4,408	2,592
Other Objects	8,500	8,500	8,512	(12)
	<u>\$ 805,507</u>	<u>\$ 805,507</u>	<u>\$ 576,288</u>	<u>\$ 229,219</u>
Total Support Services - Central	<u>\$ 2,488,546</u>	<u>\$ 2,488,546</u>	<u>\$ 2,668,472</u>	<u>\$ (179,926)</u>
Other Support Services				
Salaries	\$ -	-	\$ 2,082	\$ (2,082)
Employee Benefits	-	-	26	(26)
Supplies and Materials	-	500	-	500
Total Other Support Services	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 2,108</u>	<u>\$ (1,608)</u>
Total Support Services	<u>\$ 20,060,710</u>	<u>\$ 20,193,362</u>	<u>\$ 21,078,864</u>	<u>\$ (885,502)</u>
Community Services				
Salaries	\$ 166,944	\$ 166,944	\$ 165,579	\$ 1,365
Employee Benefits	46,338	46,338	45,587	751
Purchased Services	31,440	55,080	43,956	11,124
Supplies and Materials	6,500	17,209	10,981	6,228
Total Community Services	<u>\$ 251,222</u>	<u>\$ 285,571</u>	<u>\$ 266,103</u>	<u>\$ 19,468</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
EXPENDITURES (Continued)				
Payments to Other Districts and Governmental Units				
Payments to Other Districts and Governmental Units (In-State)				
Payments for Special Education Programs				
Purchased Services	\$ 377,500	\$ 377,500	\$ 363,092	\$ 14,408
	<u>\$ 377,500</u>	<u>\$ 377,500</u>	<u>\$ 363,092</u>	<u>\$ 14,408</u>
Other Payments to In-State Governmental Units				
Other Objects	\$ 20,000	\$ 20,000	\$ 40,057	\$ (20,057)
	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 40,057</u>	<u>\$ (20,057)</u>
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 397,500</u>	<u>\$ 397,500</u>	<u>\$ 403,149</u>	<u>\$ (5,649)</u>
Payments to Other Districts and Governmental Units-Tuition (In-State)				
Payments for Special Education Programs				
Other Objects	\$ 2,455,000	\$ 2,455,000	\$ 2,277,878	\$ 177,122
Payment for CTE Programs				
Other Objects	450,000	450,000	493,843	(43,843)
Payments for Other Programs				
Other Objects	-	-	5,886	(5,886)
Other Payments to In-State Governmental Units				
Other Objects	100,000	100,000	119,820	(19,820)
Total Payments to Other Districts and Governmental Units-Tuition (In-State)	<u>\$ 3,005,000</u>	<u>\$ 3,005,000</u>	<u>\$ 2,897,427</u>	<u>\$ 107,573</u>
Total Payments to Other Districts and Governmental Units	<u>\$ 3,402,500</u>	<u>\$ 3,402,500</u>	<u>\$ 3,300,576</u>	<u>\$ 101,924</u>
Capital Outlay				
Instruction				
Other Instructional Programs	\$ 5,000	\$ 16,219	\$ -	\$ 16,219
Support Services				
School Administration	-	-	9,654	(9,654)
Business	-	-	108,579	(108,579)
Central	82,650	82,650	-	82,650
Total Capital Outlay	<u>\$ 87,650</u>	<u>\$ 98,869</u>	<u>\$ 118,233</u>	<u>\$ (19,364)</u>
Provision for Contingencies	<u>\$ 12,738</u>	<u>\$ 12,738</u>	<u>\$ -</u>	<u>\$ 12,738</u>
On-Behalf Payments	<u>\$ 25,000,000</u>	<u>\$ 25,000,000</u>	<u>\$ 21,300,702</u>	<u>\$ 3,699,298</u>
Total Expenditures	<u>\$ 97,422,347</u>	<u>\$ 98,640,027</u>	<u>\$ 94,443,815</u>	<u>\$ 4,196,212</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (4,739,929)	\$ (4,739,929)	\$ (5,829,327)	\$ (1,089,398)
OTHER FINANCING SOURCES (USES)				
Interfund Transfers	<u>4,739,929</u>	<u>4,739,929</u>	<u>4,479,590</u>	<u>(260,339)</u>
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ (1,349,737)	<u>\$ (1,349,737)</u>
FUND BALANCE - JULY 1, 2015	<u>18,532,662</u>	<u>17,978,942</u>	<u>17,978,943</u>	
FUND BALANCE - JUNE 30, 2016	<u>\$ 18,532,662</u>	<u>\$ 17,978,942</u>	<u>\$ 16,629,206</u>	

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - WORKING CASH FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 57,541	\$ 57,541	\$ 57,382	\$ (159)
Earnings on Investments	10,000	10,000	17,249	7,249
Total Revenues	<u>\$ 67,541</u>	<u>\$ 67,541</u>	<u>\$ 74,631</u>	<u>\$ 7,090</u>
EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 67,541</u>	<u>\$ 67,541</u>	<u>\$ 74,631</u>	<u>\$ 7,090</u>
OTHER FINANCING SOURCES (USES)				
Issuance of Debt	\$ -	\$ 2,050,000	\$ 2,029,000	\$ (21,000)
Abolishment or Abatement of the Working Cash Fund	-	(2,050,000)	(2,029,000)	21,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET CHANGE IN FUND BALANCE	\$ 67,541	\$ 67,541	\$ 74,631	<u>\$ 7,090</u>
FUND BALANCE - JULY 1, 2015	<u>6,373,069</u>	<u>6,507,269</u>	<u>6,507,269</u>	
FUND BALANCE - JUNE 30, 2016	<u>\$ 6,440,610</u>	<u>\$ 6,574,810</u>	<u>\$ 6,581,900</u>	

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - TORT FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 975,272	\$ 975,272	\$ 972,065	\$ (3,207)
Earnings on Investments	100	100	429	329
Total Revenues	<u>\$ 975,372</u>	<u>\$ 975,372</u>	<u>\$ 972,494</u>	<u>\$ (2,878)</u>
EXPENDITURES				
Support Services				
General Administration				
Workers' Compensation or Worker's Occupational Disease Act				
Purchased Services	\$ 389,500	\$ 389,500	\$ 419,053	\$ (29,553)
	<u>\$ 389,500</u>	<u>\$ 389,500</u>	<u>\$ 419,053</u>	<u>\$ (29,553)</u>
Unemployment Insurance Payments				
Purchased Services	\$ 85,600	\$ 85,600	\$ 42,061	\$ 43,539
	<u>\$ 85,600</u>	<u>\$ 85,600</u>	<u>\$ 42,061</u>	<u>\$ 43,539</u>
Insurance Payments				
Purchased Services	\$ 272,215	\$ 272,215	\$ 269,013	\$ 3,202
	<u>\$ 272,215</u>	<u>\$ 272,215</u>	<u>\$ 269,013</u>	<u>\$ 3,202</u>
Judgment and Settlements				
Other Objects	\$ 19,657	\$ 19,657	\$ -	\$ 19,657
	<u>\$ 19,657</u>	<u>\$ 19,657</u>	<u>\$ -</u>	<u>\$ 19,657</u>
Educational, Inspectional, Supervisory Services				
Purchased Services	\$ 67,142	\$ 67,142	\$ 42,960	\$ 24,182
	<u>\$ 67,142</u>	<u>\$ 67,142</u>	<u>\$ 42,960</u>	<u>\$ 24,182</u>
Legal Services				
Purchased Services	\$ 141,258	\$ 141,258	\$ 144,494	\$ (3,236)
	<u>\$ 141,258</u>	<u>\$ 141,258</u>	<u>\$ 144,494</u>	<u>\$ (3,236)</u>
Total Support Services - General Administration	<u>\$ 975,372</u>	<u>\$ 975,372</u>	<u>\$ 917,581</u>	<u>\$ 57,791</u>
Total Support Services	<u>\$ 975,372</u>	<u>\$ 975,372</u>	<u>\$ 917,581</u>	<u>\$ 57,791</u>
Total Expenditures	<u>\$ 975,372</u>	<u>\$ 975,372</u>	<u>\$ 917,581</u>	<u>\$ 57,791</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	\$ 54,913	\$ 54,913
OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ 54,913	<u>\$ 54,913</u>
FUND BALANCE - JULY 1, 2015	460,771	409,503	409,503	
FUND BALANCE - JUNE 30, 2016	<u>\$ 460,771</u>	<u>\$ 409,503</u>	<u>\$ 464,416</u>	

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICES FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 5,875,516	\$ 5,875,516	\$ 5,893,919	\$ 18,403
Earnings on Investments	7,500	7,500	4,635	(2,865)
Total Revenues	<u>\$ 5,883,016</u>	<u>\$ 5,883,016</u>	<u>\$ 5,898,554</u>	<u>\$ 15,538</u>
EXPENDITURES				
Debt Services				
Interest				
Other Interest on Long-Term Debt				
Other Objects	\$ 2,737,133	\$ 4,724,595	\$ 4,724,594	\$ 1
Total Debt Services - Interest	<u>\$ 2,737,133</u>	<u>\$ 4,724,595</u>	<u>\$ 4,724,594</u>	<u>\$ 1</u>
Debt Services - Payment of Principal on Long-Term Debt				
Other Objects	\$ 3,174,296	\$ 2,436,436	\$ 2,436,434	\$ 2
Total Debt Services - Payment of Principal on Long-Term Debt	<u>\$ 3,174,296</u>	<u>\$ 2,436,436</u>	<u>\$ 2,436,434</u>	<u>\$ 2</u>
Debt Services - Other				
Purchased Services	\$ -	\$ 95,000	\$ 71,660	\$ 23,340
Other Objects	-	-	4,881	(4,881)
Total Debt Services - Other	<u>\$ -</u>	<u>\$ 95,000</u>	<u>\$ 76,541</u>	<u>\$ 18,459</u>
Total Debt Services	<u>\$ 5,911,429</u>	<u>\$ 7,256,031</u>	<u>\$ 7,237,569</u>	<u>\$ 18,462</u>
Total Expenditures	<u>\$ 5,911,429</u>	<u>\$ 7,256,031</u>	<u>\$ 7,237,569</u>	<u>\$ 18,462</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (28,413)	\$ (1,373,015)	\$ (1,339,015)	\$ 34,000
OTHER FINANCING SOURCES (USES)				
Interfund Transfers	165,737	165,737	165,737	-
NET CHANGE IN FUND BALANCE	\$ 137,324	\$ (1,207,278)	\$ (1,173,278)	<u>\$ 34,000</u>
FUND BALANCE - JULY 1, 2015	<u>6,705,234</u>	<u>6,481,960</u>	<u>6,481,961</u>	
FUND BALANCE - JUNE 30, 2016	<u>\$ 6,842,558</u>	<u>\$ 5,274,682</u>	<u>\$ 5,308,683</u>	

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
REVENUES				
Earnings on Investments	\$ 35,200	\$ 35,200	\$ 44,282	\$ 9,082
Total Revenues	<u>\$ 35,200</u>	<u>\$ 35,200</u>	<u>\$ 44,282</u>	<u>\$ 9,082</u>
EXPENDITURES				
Support Services				
Facilities Acquisition and Construction				
Purchased Services	\$ 24,000,000	\$ 24,250,000	\$ -	\$ 24,250,000
Supplies and Materials	-	-	13,269	(13,269)
Non-Capitalized Equipment	-	-	150,171	(150,171)
Total Support Services - Facilities Acquisition and Construction	<u>\$ 24,000,000</u>	<u>\$ 24,250,000</u>	<u>\$ 163,440</u>	<u>\$ 24,086,560</u>
Total Support Services	<u>\$ 24,000,000</u>	<u>\$ 24,250,000</u>	<u>\$ 163,440</u>	<u>\$ 24,086,560</u>
Capital Outlay				
Support Services				
Facilities Acquisition and Construction	\$ -	\$ -	\$ 20,356,720	\$ (20,356,720)
Total Capital Outlay	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,356,720</u>	<u>\$ (20,356,720)</u>
Total Expenditures	<u>\$ 24,000,000</u>	<u>\$ 24,250,000</u>	<u>\$ 20,520,160</u>	<u>\$ 3,729,840</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (23,964,800)	\$ (24,214,800)	\$ (20,475,878)	\$ 3,738,922
OTHER FINANCING SOURCES (USES)				
Abolishment or Abatement of the Working Cash Fund	-	2,050,000	2,029,000	(21,000)
NET CHANGE IN FUND BALANCE	\$ (23,964,800)	\$ (22,164,800)	\$ (18,446,878)	<u>\$ 3,717,922</u>
FUND BALANCE - JULY 1, 2015	<u>27,569,631</u>	<u>27,569,631</u>	<u>27,569,630</u>	
FUND BALANCE - JUNE 30, 2016	<u>\$ 3,604,831</u>	<u>\$ 5,404,831</u>	<u>\$ 9,122,752</u>	

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND - FIRE PREVENTION AND SAFETY FUND
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance from Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 280,942	\$ 280,942	\$ 280,190	\$ (752)
Earnings on Investments	1,000	1,000	957	(43)
Total Revenues	<u>\$ 281,942</u>	<u>\$ 281,942</u>	<u>\$ 281,147</u>	<u>\$ (795)</u>
EXPENDITURES				
Support Services				
Operations and Maintenance				
Purchased Services	\$ 450,000	\$ 550,000	\$ 468,579	\$ 81,421
Supplies and Materials	-	-	19,058	(19,058)
Total Support Services - Operations and Maintenance	<u>\$ 450,000</u>	<u>\$ 550,000</u>	<u>\$ 487,637</u>	<u>\$ 62,363</u>
Total Support Services	<u>\$ 450,000</u>	<u>\$ 550,000</u>	<u>\$ 487,637</u>	<u>\$ 62,363</u>
Capital Outlay				
Operations and Maintenance	\$ -	\$ -	\$ 9,945	\$ (9,945)
Total Capital Outlay	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,945</u>	<u>\$ (9,945)</u>
Total Expenditures	<u>\$ 450,000</u>	<u>\$ 550,000</u>	<u>\$ 497,582</u>	<u>\$ 52,418</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (168,058)	\$ (268,058)	\$ (216,435)	\$ 51,623
OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	\$ (168,058)	\$ (268,058)	\$ (216,435)	<u>\$ 51,623</u>
FUND BALANCE - JULY 1, 2015	<u>391,068</u>	<u>391,068</u>	<u>391,068</u>	
FUND BALANCE - JUNE 30, 2016	<u>\$ 223,010</u>	<u>\$ 123,010</u>	<u>\$ 174,633</u>	

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
ACTIVITY FUNDS
FOR YEAR ENDED JUNE 30, 2016

ASSETS	BALANCE JULY 1, 2015	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2016
Cash and Cash Equivalents	\$ 90,503	\$ 170,433	\$ 187,570	\$ 73,366
LIABILITIES				
Amounts Due to Activity				
Elementary				
Beach School Store	\$ 1,960	\$ -	\$ -	\$ 1,960
Beach Student Council	416	-	-	416
Ellis Student Council	1,864	2,177	2,636	1,405
Indian Hills Student Council	1,134	2,344	1,443	2,035
Magee Band	1,241	-	228	1,013
Magee Cheerleading	1,238	2,401	1,840	1,799
Magee Chorus	5	-	-	5
Magee Cougar Crew	1,379	627	1,596	410
Magee Drama	861	-	130	731
Magee Environmental Club	460	-	-	460
Magee Mentoring	2,109	1,030	1,260	1,879
Magee National Jr Honor Society	728	355	114	969
Magee Springfield	(88)	88	-	-
Magee Pep Club	235	-	-	235
Magee Tied Awareness	1,229	1,782	2,204	807
Magee Student Council	1,555	1,195	2,028	722
Magee Bionic Club	1,298	1,029	1,963	364
Murphy Student Council	2,440	291	747	1,984
RLMS Art Club	155	1,205	650	710
RLMS Band	316	6,605	5,614	1,307
RLMS Basketball - Girls	48	-	-	48
RLMS Cheerleading	939	2,813	2,655	1,097
RLMS Chorus	18	-	-	18
RLMS Drama	1,061	1,050	268	1,843
RLMS Environmental Club	219	-	-	219
RLMS Mentoring	1,244	2,475	2,883	836
RLMS Junior National Honor Society	484	1,128	1,240	372
RLMS Pep Club	580	903	426	1,057
RLMS Student Council	2,746	593	574	2,765
RLMS College Campus Trip	642	-	-	642
RLMS Washington DC	5,007	2,778	5,477	2,308
RLMS Springfield Trip	1,390	19,923	20,750	563
Village Student Council	188	600	765	23
District	-	-	32	(32)
District Reimbursement	251	-	251	-
	<u>\$ 35,352</u>	<u>\$ 53,392</u>	<u>\$ 57,774</u>	<u>\$ 30,970</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
ACTIVITY FUNDS
FOR YEAR ENDED JUNE 30, 2016

LIABILITIES	BALANCE JULY 1, 2015	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2016
Amounts Due to Activity (Continued)				
High School				
Art Club	\$ 656	\$ 3,475	\$ 3,744	\$ 387
Band	84	1,200	-	1,284
Baseball - Boys	1,075	774	807	1,042
Basketball - Boys	13	-	-	13
Boys Soccer	37	60	112	(15)
Bowling - Girls	528	1,179	388	1,319
Cheerleading	12,515	34,386	42,309	4,592
Chorus	96	762	-	858
Cross Country	6,601	12,725	15,081	4,245
District	-	-	32	(32)
Drama	6,030	5,162	9,018	2,174
Football	448	551	513	486
Girls Basketball	46	219	-	265
Girls Soccer	84	11,740	8,145	3,679
Girls Softball	121	277	-	398
Health Club	-	2,020	1,005	1,015
Math Club	80	1	-	81
National Honor Society	8,524	10,086	11,738	6,872
Student Council	7,036	28,822	32,573	3,285
Tennis - Boys	125	455	107	473
Tennis - Girls	1,045	-	944	101
Track - Boys	(102)	103	-	1
Track - Girls	(12)	31	-	19
Volleyball - Girls	1,641	2,741	3,146	1,236
Wrestling	-	272	134	138
Ila Bauer Scholarship	4,476	-	-	4,476
Ben Martindale Scholarship	4,004	-	-	4,004
	<u>\$ 55,151</u>	<u>\$ 117,041</u>	<u>\$ 129,796</u>	<u>\$ 42,396</u>
	<u>\$ 90,503</u>	<u>\$ 170,433</u>	<u>\$ 187,570</u>	<u>\$ 73,366</u>

See Accompanying Independent Auditor's Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 COMPUTATION OF OPERATING EXPENSE PER PUPIL
 AND PER CAPITA TUITION CHARGE
 FOR YEAR ENDED JUNE 30, 2016

OPERATING EXPENSE PER PUPIL		
EXPENDITURES:		
ED	Total Expenditures	\$ 73,143,113
O&M	Total Expenditures	5,739,794
DS	Total Expenditures	7,237,569
TR	Total Expenditures	4,507,539
MR/SS	Total Expenditures	2,598,629
TORT	Total Expenditures	917,581
	Total Expenditures	\$ 94,144,225

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

ED	Pre-K Programs	\$ 282,864
ED	Special Education Programs Pre-K	768,818
ED	Summer School Programs	702,826
ED	Special Education Programs K-12 - Private Tuition	1,861,514
ED	Community Services	266,103
ED	Total Payments to Other District & Govt Units	3,300,576
ED	Capital Outlay	118,233
ED	Non-Capitalized Equipment	164,768
O&M	Capital Outlay	146,150
O&M	Non-Capitalized Equipment	7,318
DS	Debt Service - Payments of Principal on Long-Term Debt	2,436,434
TR	Capital Outlay	75,051
TR	Non-Capitalized Equipment	3,246
MR/SS	Pre-K Programs	9,890
MR/SS	Special Education Programs - Pre-K	42,790
MR/SS	Summer School Programs	19,871
MR/SS	Community Services	25,370
MR/SS	Total Payments to Other Dist & Govt Units	25,193
	Total Deductions	\$ 10,257,015
	Total Operating Expenses (Regular K-12)	83,887,210
	9 Mo ADA (See the General State Aid Claim for 2010-2011 (ISBE 54-33, L12))	6,615.05
	Estimated OEPP	\$ 12,681.27

PER CAPITA TUITION CHARGE		
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LESS OFFSETTING RECEIPTS/REVENUES:		
TR	Regular - Transp Fees from Other Sources (In State)	\$ 32,536
TR	Regular - Transp Fees from Co-curricular Activities (In State)	12,146
ED	Total Food Service	96,239
ED-O&M	Total District/School Activity Income	174,998
ED-O&M	Rentals	9,332
ED-O&M-TR	Total Special Education	2,978,616
ED-O&M-MR/SS	Total Career and Technical Education	18,117
ED-MR/SS	Total Bilingual Ed	305,010
ED	State Free Lunch & Breakfast	29,260
ED-O&M	Driver Education	45,618
ED-O&M-TR-MR/SS	Total Transportation	2,487,501
ED-TR-MR/SS	Truant Alternative/Optional Education	60,000
ED-O&M-DS-TR-MR/SS-Tort	Other Restricted Revenue from State Sources	4,303
ED-MR/SS	Total Food Service	3,344,905
ED-O&M-TR-MR/SS	Total Title I	2,350,103
ED-O&M-TR-MR/SS	Fed - Spec Education - IDEA - Flow Through	624,323
ED-O&M-TR-MR/SS	Fed - Spec Education - IDEA - Room & Board	119,460
ED-O&M-MR/SS	Total CTE - Perkins	36,268
ED-TR-MR/SS	Advanced Placement Fee/International Baccalaureate	2,860
ED-TR-MR/SS	Title III - Immigrant Education Program (IEP)	280,266
ED-O&M-TR-MR/SS	Title II - Eisenhower Professional Development Formula	215,476
ED-O&M-TR-MR/SS	Federal Charter Schools	192,291
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Administrative Outreach	793,234
	Total Allowance for PCTC Computation	\$ 14,212,862
	Net Operating Expense for PCTC Computation	69,674,348
	Total Depreciation Allowance (from page 27, Col I)	1,736,913
	Total Allowance for PCTC Computation	71,411,261
	9 Mo ADA	6,615.05
	Total Estimated PCTC	\$ 10,795.27

Unaudited

STATISTICAL SECTION

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

Contents	Page
Financial Trends	77
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	81
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	
Debt Capacity	85
These schedules present information to help the reader assess the affordability of the District's current level of outstanding debt and the District's ability to issue additional debt in the future	
Demographic and Economic Information	90
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	92
These schedules contain information about the District's service and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	

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

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
CHANGES IN NET POSITION
LAST SEVEN FISCAL YEARS

	2016	2015	2014	2013	2012	2011	2010
Expenses							
Governmental Activities							
Instruction							
Regular Programs	\$ 31,506,641	\$ 30,244,288	\$ 27,245,665	\$ 20,837,896	\$ 22,418,167	\$ 21,896,666	\$ 20,990,334
Special Education Programs	9,263,172	8,498,507	7,019,041	6,669,405	6,575,279	6,140,817	5,757,123
Other Instructional Programs	10,740,663	9,848,931	9,906,022	9,451,845	10,746,276	11,091,582	10,942,586
Supporting Services							
Pupils	7,028,535	6,599,281	5,671,563	6,013,039	4,460,743	4,193,755	3,877,219
Instructional Staff	1,952,519	2,493,675	1,950,447	1,873,079	2,003,790	1,929,893	2,136,614
General Administration	2,739,884	2,888,694	2,768,389	2,911,237	2,852,235	2,004,990	1,815,634
School Administration	5,125,896	4,666,228	4,502,095	3,718,378	3,234,150	3,139,591	2,991,339
Business	1,095,658	1,167,717	1,155,436	998,920	1,077,641	965,147	963,357
Facilities Acquisition and Construction	163,608	-	506,513	1,847	40,268	166,883	776,219
Operations and Maintenance	6,740,832	6,275,686	5,612,071	5,781,988	5,087,139	5,355,880	5,055,879
Transportation	4,920,051	4,692,036	4,263,100	5,049,483	4,259,677	4,091,200	3,817,088
Food Services	2,597,382	2,536,299	2,151,438	2,494,645	2,514,745	2,353,814	2,424,251
Central	3,037,380	2,392,570	2,808,663	2,849,066	1,472,282	1,220,786	73,886
Other Support Services	2,205	363	217,288	226,631	277,326	127,344	61,238
Community Services	310,124	228,184	264,749	296,898	207,054	191,936	249,742
Payments to Other Governments	3,325,769	3,452,402	3,148,448	3,338,130	3,530,658	3,439,086	3,121,549
Interest and Fees on Long-Term Debt	1,741,231	2,648,666	2,876,037	3,195,110	3,300,005	3,525,311	3,720,178
On-Behalf Retirement Contributions	21,300,702	20,648,770	13,307,743	9,767,363	8,388,700	7,249,972	7,136,019
Depreciation - Unallocated	1,669,913	1,721,003	1,800,740	1,943,460	2,100,796	2,204,090	2,148,978
Total Governmental Activities Expenses	\$ 115,262,165	\$ 111,003,300	\$ 97,175,448	\$ 87,418,420	\$ 84,546,931	\$ 81,288,743	\$ 78,059,233
Program Revenues							
Governmental Activities							
Charges for Service							
Regular Programs	\$ 212,209	\$ 161,320	\$ 170,052	\$ 153,983	\$ 94,841	\$ 126,505	\$ 823,387
Other Instructional Programs	486,903	437,974	500,367	527,657	717,811	665,654	33,552
Operations and Maintenance	9,332	13,725	6,279	11,923	11,445	7,834	21,236
Transportation	44,682	46,722	43,253	61,731	71,615	84,992	84,479
Food Services	96,239	102,650	444,990	541,219	619,027	482,687	566,259
Operating Grants and Contributions	35,497,325	34,384,483	27,139,822	23,731,998	24,937,806	20,661,212	18,970,330
Total Governmental Activities Program Revenues	\$ 36,346,690	\$ 35,146,874	\$ 28,304,763	\$ 25,028,511	\$ 26,452,545	\$ 22,028,884	\$ 20,499,243
Net (Expense) Revenue	\$ (78,915,475)	\$ (75,856,426)	\$ (68,870,685)	\$ (62,389,909)	\$ (58,094,386)	\$ (59,259,859)	\$ (57,559,990)

(continued)

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
CHANGES IN NET POSITION
LAST SEVEN FISCAL YEARS

	2016	2015	2014	2013	2012	2011	2010
General Revenues							
Governmental Activities							
Taxes							
Property Taxes, Levied for General Purposes	\$ 27,324,073	\$ 26,984,357	\$ 26,582,717	\$ 25,998,851	\$ 24,993,660	\$ 24,184,257	\$ 23,771,391
Property Taxes, Levied for Debt Service	5,893,919	6,225,598	6,485,706	6,485,681	6,270,308	6,024,066	5,918,508
Personal Property Replacement Taxes	225,141	244,553	233,646	222,938	210,638	238,826	193,600
TIF Revenues	-	-	-	-	1,080,508	1,116,095	1,089,613
Grants and Contributions not Restricted to Specific Activities	42,734,645	38,828,995	36,289,770	33,913,672	34,117,507	33,201,558	30,833,076
Unrestricted Investment Earnings	143,350	89,407	58,393	110,410	56,624	175,964	230,822
Bond Premium Amortization							
(Gain)/Loss on Refunding	-	(2,551,738)	-	(66,592)	-	-	-
Miscellaneous	216,086	257,899	403,485	143,377	383,928	616,033	130,886
Gain/(Loss) on Sale of Capital Assets	-	(55,080)	-	-	(880)	(91,359)	-
Total Governmental Activities General Revenues	\$ 76,537,214	\$ 70,023,991	\$ 70,053,717	\$ 66,808,337	\$ 67,112,293	\$ 65,465,440	\$ 62,167,896
Change in Net Position	\$ (2,378,261)	\$ (5,832,435)	\$ 1,183,032	\$ 4,418,428	\$ 9,017,907	\$ 6,205,581	\$ 4,607,906
Net Position - Beginning	29,957,903	43,563,536	42,380,504	37,962,076	28,934,558	28,728,861	31,207,846
Net Position Adjustment	-	(7,773,198)	-	-	9,611	(5,999,884)	(7,086,891)
Net Position - Ending	\$ 27,579,642	\$ 29,957,903	\$ 43,563,536	\$ 42,380,504	\$ 37,962,076	\$ 28,934,558	\$ 28,728,861
Net Position by Component							
Governmental Activities							
Net Investment in Capital Assets	\$ 15,067,833	\$ 14,438,183	\$ 16,979,329	\$ 15,339,651	\$ 13,470,815	\$ 11,544,846	\$ 14,537,557
Restricted for:							
Tort	295,249	240,765	-	-	-	-	67,489
Drivers Education	-	-	-	-	3,060	88,622	-
Operations and Maintenance	-	-	-	-	-	1,514,712	4,255,309
Debt Service	-	-	-	-	-	-	651,189
Transportation	2,294,291	2,312,596	2,491,162	2,394,214	2,607,358	2,698,171	3,227,197
Retirement	354,441	729,945	754,817	518,542	595,561	638,250	1,007,020
Capital Projects	-	-	-	-	-	-	385,854
Fire Prevention and Safety	169,191	386,584	435,962	598,926	498,457	321,001	269,511
Working Cash	-	-	-	-	-	-	6,209,786
Unrestricted (Deficit)	9,398,637	11,849,830	22,902,266	23,529,171	20,786,825	12,128,956	(1,882,051)
Total Governmental Activities Net Position	\$ 27,579,642	\$ 29,957,903	\$ 43,563,536	\$ 42,380,504	\$ 37,962,076	\$ 28,934,558	\$ 28,728,861

Source: 2010-2016 Annual Financial Reports

Note: The District implemented GASB No. 34 in fiscal year 2010 therefore financial information prior to that date is not available on the GASB No. 34 basis

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
REVENUES										
Local Sources	\$ 34,651,934	\$ 34,562,503	\$ 34,928,890	\$ 34,257,770	\$ 34,510,404	\$ 33,722,915	\$ 32,863,733	\$ 32,832,915	\$ 32,759,959	\$ 30,777,691
State Sources	48,910,032	45,003,360	43,086,145	41,083,471	41,934,838	40,162,717	30,259,772	27,030,814	30,762,212	28,552,300
Federal Sources	8,021,237	7,561,350	7,035,704	6,794,835	8,731,776	6,450,079	12,407,615	9,928,188	3,162,984	3,953,014
On-Behalf Payments	21,300,702	20,648,770	13,307,743	9,767,363	8,388,700	7,249,972	7,136,019	5,061,455	3,241,649	2,300,892
	<u>\$ 112,883,905</u>	<u>\$ 107,775,983</u>	<u>\$ 98,358,482</u>	<u>\$ 91,903,439</u>	<u>\$ 93,565,718</u>	<u>\$ 87,585,683</u>	<u>\$ 82,667,139</u>	<u>\$ 74,853,372</u>	<u>\$ 69,926,804</u>	<u>\$ 65,583,897</u>
EXPENDITURES										
Instruction	\$ 49,387,179	\$ 46,594,335	\$ 43,285,541	\$ 39,383,623	\$ 38,934,594	\$ 38,340,818	\$ 36,373,694	\$ 34,307,224	\$ 29,642,806	\$ 26,991,985
Support Services	34,213,878	33,282,391	31,620,089	33,261,924	27,246,555	25,460,304	24,604,569	22,795,312	24,444,169	22,765,169
Community Services	291,473	222,434	264,749	296,898	207,054	192,004	251,322	218,382	168,756	82,282
Payments to Other Governments	3,325,769	3,452,402	3,148,448	3,338,130	3,530,658	3,439,086	3,121,549	2,363,071	6,093,486	4,405,451
Debt Service										
Principal	2,436,434	3,175,474	3,293,010	3,446,655	3,827,464	4,556,431	4,497,396	4,436,270	2,438,831	2,356,880
Interest and Fees	4,801,135	3,554,770	3,392,252	3,227,739	2,995,605	2,926,787	2,825,790	2,627,084	3,020,137	1,437,180
Capital Outlay	20,706,099	2,220,718	447,980	441,194	259,698	216,614	691,112	6,125,644	9,662,281	989,066
On-Behalf Payments	21,300,702	20,648,770	13,307,743	9,767,363	8,388,700	7,249,972	7,136,019	5,061,455	3,241,649	2,300,892
	<u>\$ 136,462,669</u>	<u>\$ 113,151,294</u>	<u>\$ 98,759,812</u>	<u>\$ 93,163,526</u>	<u>\$ 85,390,328</u>	<u>\$ 82,382,016</u>	<u>\$ 79,501,451</u>	<u>\$ 77,934,442</u>	<u>\$ 78,712,115</u>	<u>\$ 61,328,905</u>
Excess or (Deficiency) of										
Revenues over Expenditures	<u>\$ (23,578,764)</u>	<u>\$ (5,375,311)</u>	<u>\$ (401,330)</u>	<u>\$ (1,260,087)</u>	<u>\$ 8,175,390</u>	<u>\$ 5,203,667</u>	<u>\$ 3,165,688</u>	<u>\$ (3,081,070)</u>	<u>\$ (8,785,311)</u>	<u>\$ 4,254,992</u>
Other Financing Sources (Uses)										
Issuance of Debt	\$ 2,029,000	\$ 48,230,699	\$ -	\$ 3,200,000	\$ -	\$ 182,040	\$ 47,606	\$ 1,773,892	\$ -	\$ -
Premium on Issuance of Debt	-	3,485,147	-	85,615	-	-	-	-	-	-
Discount on Issuance of Debt	-	(472,145)	-	-	-	-	-	-	-	-
Payments to Refunding Bond Escrow Agent	-	(20,884,088)	-	(3,206,592)	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	21,625	-	-	-	49,000	-	-	-	899,310
Other Sources	-	1,702	-	-	-	-	-	-	-	-
	<u>\$ 2,029,000</u>	<u>\$ 30,382,940</u>	<u>\$ -</u>	<u>\$ 79,023</u>	<u>\$ -</u>	<u>\$ 231,040</u>	<u>\$ 47,606</u>	<u>\$ 1,773,892</u>	<u>\$ -</u>	<u>\$ 899,310</u>
Net Change in Fund Balance	<u>\$ (21,549,764)</u>	<u>\$ 25,007,629</u>	<u>\$ (401,330)</u>	<u>\$ (1,181,064)</u>	<u>\$ 8,175,390</u>	<u>\$ 5,434,707</u>	<u>\$ 3,213,294</u>	<u>\$ (1,307,178)</u>	<u>\$ (8,785,311)</u>	<u>\$ 5,154,302</u>
Debt Service as a Percentage										
of Noncapital Expenditures	6.25%	6.07%	6.80%	7.20%	8.01%	9.11%	9.29%	9.84%	7.91%	6.29%

Source: 2007-2016 Annual Financial Reports

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	GASB 54						Pre-GASB 54			
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund										
Nonspendable	\$ 96,063	\$ 111,316	\$ 356,240	\$ 115,273	\$ 66,861	\$ 244,800	\$ -	\$ -	\$ -	\$ -
Restricted	295,249	240,765	-	-	3,060	88,622	-	-	-	-
Unassigned	23,284,210	24,543,634	27,372,705	27,654,423	29,000,182	23,618,894	-	-	-	-
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	13,516,343	11,272,763	10,403,138	9,475,510
Total General Fund	\$ 23,675,522	\$ 24,895,715	\$ 27,728,945	\$ 27,769,696	\$ 29,070,103	\$ 23,952,316	\$ 13,516,343	\$ 11,272,763	\$ 10,403,138	\$ 9,475,510
All Other Governmental Funds										
Nonspendable	\$ 20,978	\$ 182,745	\$ 362,377	\$ 358,704	\$ 441,221	\$ 542,389	\$ -	\$ -	\$ -	\$ -
Restricted	7,938,682	9,567,864	8,805,132	8,663,444	8,756,267	10,110,276	-	-	-	-
Committed	9,122,752	27,569,630	21,547	178,001	179,581	219,629	-	-	-	-
Assigned	8,930,636	9,022,380	9,312,704	9,662,190	9,365,927	4,813,099	-	-	-	-
Reserved	-	-	-	-	-	-	616,882	507,792	281,277	-
Unreserved, reported in:										
Operations and Maintenance Fund	-	-	-	-	-	-	4,305,774	4,270,548	1,648,678	963,051
Debt Services Fund	-	-	-	-	-	-	5,209,248	4,918,697	5,049,538	4,415,037
Transportation Fund	-	-	-	-	-	-	3,231,977	3,231,977	2,824,807	2,575,203
Illinois Municipal Retirement/Social Security Fund	-	-	-	-	-	-	390,138	499,228	577,227	827,910
Capital Projects Fund	-	-	-	-	-	-	385,854	143,580	5,735,864	17,487,949
Working Cash Fund	-	-	-	-	-	-	6,209,786	6,082,322	5,859,323	5,532,553
Tort Fund	-	-	-	-	-	-	67,489	37,090	-	-
Fire Prevention/Life Safety Fund	-	-	-	-	-	-	269,511	243,849	135,172	23,122
Total All Other Governmental Funds	\$ 26,013,048	\$ 46,342,619	\$ 18,501,760	\$ 18,862,339	\$ 18,742,996	\$ 15,685,393	\$ 20,686,659	\$ 19,935,083	\$ 22,111,886	\$ 31,824,825
Total All Governmental Funds	\$ 49,688,570	\$ 71,238,334	\$ 46,230,705	\$ 46,632,035	\$ 47,813,099	\$ 39,637,709	\$ 34,203,002	\$ 31,207,846	\$ 32,515,024	\$ 41,300,335

Source: 2007-2016 Annual Financial Reports

Note: The Working Cash Fund and Tort Fund are included in the General Fund in 2011 through 2016. The Tort Fund is included in the General Fund for 2006 through 2008.

Note: GASB 54 was implemented in fiscal year 2011. With this implementation, the Working Cash Fund and the Tort Fund were combined with the General Fund and governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN LEVY YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Taxes Extended for Levy Year	\$ 33,439,445	\$ 33,442,552	\$ 33,426,472	\$ 32,990,572	\$ 32,096,357	\$ 30,771,244	\$ 29,871,156	\$ 29,721,419	\$ 28,366,931	\$ 27,482,101
Amount of Levy Collected within the Fiscal Year of the Levy	16,608,749	16,614,194	16,584,111	16,304,766	15,841,679	14,962,281	14,558,714	14,482,753	13,813,386	13,437,634
Percentage of Levy Collected within the Fiscal Year of the Levy	49.67%	49.68%	49.61%	49.42%	49.36%	48.62%	48.74%	48.73%	48.70%	48.90%
Amount of Collections in Subsequent Years	N/A	16,605,350	16,617,804	16,540,687	16,190,888	15,401,844	15,246,042	15,159,262	15,430,430	14,035,759
Amount of Levy Collected to Date	16,608,749	33,219,544	33,201,915	32,845,453	32,032,567	30,364,125	29,804,756	29,642,015	29,243,816	27,473,393
Percentage of Levy Collected to Date	49.67%	99.33%	99.33%	99.56%	99.80%	98.68%	99.78%	99.73%	103.09%	99.97%

Source: Lake County Clerk's Office, Lake County Treasurer's Office

Note: Amounts collected in subsequent years for the 2015 levy is not yet available.

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN LEVY YEARS

Levy Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Railroad Property	Total Taxable Equalized Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
2015	\$ 251,352,253	\$ 1,158,993	\$ 59,006,593	\$ 9,089,520	\$ -	\$ 320,607,359	10.4300	\$ 961,822,077
2014	269,047,165	1,227,153	56,779,864	8,322,809	-	335,376,991	9.9716	1,006,130,973
2013	283,661,881	1,165,055	61,570,190	8,524,000	-	354,921,126	9.4180	1,064,763,378
2012	315,581,376	1,256,251	67,083,960	9,948,668	-	393,870,255	8.3760	1,181,610,765
2011	378,188,938	1,014,930	75,783,402	11,326,219	-	466,313,489	6.8830	1,398,940,467
2010	439,527,179	1,058,071	77,222,061	11,362,833	-	529,170,144	5.8150	1,587,510,432
2009	459,802,020	901,983	81,220,966	12,065,292	-	553,990,261	5.3920	1,661,970,783
2008	462,752,512	824,538	83,671,738	12,687,515	-	559,936,303	5.3080	1,679,808,909
2007	444,030,400	802,080	78,559,061	12,338,977	-	535,730,518	5.2950	1,607,191,554
2006	417,661,892	764,390	60,660,483	10,179,761	-	489,266,526	5.6170	1,467,799,578

Source: Lake County Clerk's Office

Note: The total direct tax rate is the total property tax extension divided by the total taxable equalized assessed value. The County assesses property at approximately 33.3% of actual value for all types of property.

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN LEVY YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Lake County	0.663	0.682	0.663	0.608	0.554	0.505	0.464	0.453	0.444	0.450
Lake County Forest Preserve District	0.208	0.210	0.218	0.212	0.201	0.198	0.200	0.199	0.201	0.204
Township of Avon	0.081	0.081	0.076	0.067	0.057	0.067	0.065	0.064	0.063	0.066
Road and Bridge-Avon	0.105	0.108	0.102	0.007	0.006	0.011	0.017	0.017	0.017	0.017
Special Road Improvement-Avon	-	-	-	0.083	0.070	0.065	0.063	0.062	0.061	0.066
Central Lake County Joint Action Water Agency	0.054	0.056	0.055	0.052	0.047	0.045	0.042	0.042	0.042	0.046
Village of Round Lake Beach	0.864	0.832	0.777	0.702	0.599	0.543	0.544	0.531	0.517	0.524
Greater Round Lake Fire Protection District	1.171	1.155	1.093	0.988	0.862	0.754	0.688	0.664	0.652	0.674
Round Lake Library District	0.709	0.709	0.656	0.581	0.475	0.404	0.371	0.365	0.363	0.375
Round Lake Park District	0.849	0.842	0.797	0.720	0.603	0.530	0.485	0.477	0.473	0.486
Round Lake Sanitary District	-	-	-	-	-	-	-	-	-	-
Community College District #532	0.299	0.306	0.296	0.272	0.240	0.218	0.200	0.196	0.192	0.195
Total Overlapping Rate	5.003	4.981	4.733	4.292	3.714	3.340	3.139	3.070	3.025	3.103
Round Lake Area Schools Community Unit District No. 116	10.430	9.971	9.418	8.376	6.883	5.815	5.392	5.308	5.295	5.617
Total Rate	15.433	14.952	14.151	12.668	10.597	9.155	8.531	8.378	8.320	8.720

Source: Lake County Clerk's Office

Note: Tax rates are per \$100 equalized assessed valuation.

Note: The District is subject to the property tax extension limitation law, which limits the District's ability to raise its direct rates.

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 PRINCIPAL TAXPAYERS IN THE DISTRICT
 CURRENT LEVY YEAR AND NINE YEARS AGO

Taxpayer	2015		2006 (3)	
	Equalized Assessed Value(1)	Percentage of Total District Equalized Assessed Valuation(2)	Equalized Assessed Value	Percentage of Total District Equalized Assessed Valuation(4)
Mept Coventry Glen, LLC	\$ 5,562,904	1.74%	\$ 2,945,908	0.60%
BRE Retail Residual Owner 3 LLC	4,444,629	1.39%		
Cedar Villas Associates LLC	3,699,630	1.15%	3,647,349	0.75%
Illinois Underground and Illinois Underground Contractors Inc.	2,561,758	0.80%	2,890,700	0.59%
Rosewood Apartments	1,910,175	0.60%	2,277,595	0.47%
Timber Creek Homes	1,870,266	0.58%	1,694,184	0.35%
Cadillac Sand Realty LLC	1,606,744	0.50%	2,078,651	0.42%
Kmart Corp Property Tax Compliance	1,321,775	0.41%	4,116,602	0.84%
Eagle Creek SC LLC	1,138,914	0.36%	1,260,815	
Round Lake Beach LP	977,993	0.31%		
Bradley Operating Ltd.			3,709,184	0.76%
Ferdinand, Mark R			2,023,899	0.41%
	<u>\$ 25,094,788</u>	<u>7.83%</u>	<u>\$ 26,644,887</u>	<u>5.19%</u>

Source: Lake County Clerk's Office

- (1) Includes tax year 2015 equalized assessed valuations of property parcels with an aggregate total over approximately \$185,000.
- (2) Uses the District's 2015 Equalized Assessed Valuation of \$320,607,359.
- (3) Includes tax year 2006 equalized assessed valuations of property parcels with an aggregate total over approximately \$185,000.
- (4) Uses the District's 2006 Equalized Assessed Valuation of \$489,266,526.

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 LEGAL DEBT MARGINS
 LAST TEN FISCAL YEARS

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Debt Limit	\$ 44,243,816	\$ 46,282,025	\$ 48,979,115	\$ 54,354,095	\$ 64,351,261	\$ 73,025,480	\$ 76,450,656	\$ 77,271,210	\$ 73,930,811	\$ 67,518,781
Total Net Debt Applicable to Limit	51,474,625	51,462,730	22,993,729	25,817,759	31,659,026	35,473,691	39,781,217	44,191,042	48,037,518	51,482,012
Legal Debt Margin	\$ (7,230,809)	\$ (5,180,705)	\$ 25,985,386	\$ 28,536,336	\$ 32,692,235	\$ 37,551,789	\$ 36,669,439	\$ 33,080,168	\$ 25,893,293	\$ 16,036,769
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	116.34%	111.19%	46.95%	47.50%	49.20%	48.58%	52.04%	57.19%	64.98%	76.25%

Source: 2007-2016 Annual Financial Reports

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 COMPUTATION OF LEGAL DEBT MARGIN
 JUNE 30, 2016

Equalized Assessed Value 2015 Tax Year	\$	320,607,359	
Statutory Debt Limit Percentage		<u>13.8%</u>	
Statutory Debt Limit	\$		44,243,816
Total Debt Outstanding	\$	64,012,552	
Exempted Debt		<u>12,522,965</u>	
Net Debt Subjected to the Limit			<u>51,489,587</u>
Legal Debt Margin	\$		<u><u>(7,245,771)</u></u>

Source: 2016 Annual Financial Report

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

June 30,	General Obligation Bonds	Alternative Revenue Bonds	Lease/ Purchase Agreements	SEDOL Bonds	Total Debt	Percentage of Estimated Actual Property Value	Personal Income	Ratio of Outstanding Debt per Personal Income	Estimated Population	Outstanding Debt Per Capita
2016	\$ 63,090,975	\$ -	\$ 146,728	\$ 774,849	\$ 64,012,552	7%	\$ 678,151,000	9%	28,241	2,267
2015	65,125,100	-	193,657	844,178	66,162,935	7%	793,408,352	8%	29,416	2,249
2014	39,822,492	-	31,346	921,242	40,775,080	4%	739,306,150	6%	29,590	1,378
2013	43,592,848	-	89,831	995,224	44,677,903	4%	658,083,700	7%	36,509	1,224
2012	46,913,818	-	157,243	1,065,611	48,136,672	3%	658,083,700	7%	36,509	1,318
2011	49,857,519	-	764,952	1,135,348	51,757,819	3%	665,551,700	8%	36,420	1,421
2010	52,447,687	655,000	1,307,706	1,203,981	55,614,374	3%	668,974,600	8%	35,103	1,584
2009	40,867,398	1,285,000	2,038,644	1,266,716	45,457,758	3%	704,003,700	6%	34,962	1,300
2008	43,830,040	1,895,000	2,312,478	82,617	48,120,135	3%	704,003,700	7%	34,854	1,381
2007	46,268,870	2,490,000	2,723,142	-	51,482,012	4%	N/A	N/A	35,052	1,469

Sources: Debt information was obtained from the District's Annual Financial Reports for 2007-2016. Personal income and estimated population were obtained from the U.S. Census Bureau: Population - School District Data Files, Income - American FactFinder, American Community Survey 5-year estimates (2008-2012), and 3-year estimates (2009-2011), most recent available.

N/A - information not available at time of publication

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
NET BONDED DEBT
LAST TEN FISCAL YEARS

June 30,	General Bonded Debt	Less: Amounts Available to Repay Principal	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Taxable Value	Net General Bonded Debt Per Capita
2016	\$ 63,090,975	\$ 5,308,683	\$ 57,782,292	6.01%	\$ 2,046
2015	65,125,100	6,481,961	58,643,139	5.83%	1,994
2014	39,822,492	5,638,061	34,184,431	3.21%	1,155
2013	43,592,848	5,645,765	37,947,083	3.21%	1,039
2012	46,913,818	5,541,749	41,372,069	2.96%	1,133
2011	49,857,519	5,380,326	44,477,193	2.80%	1,221
2010	52,447,687	5,209,248	47,238,439	2.84%	1,346
2009	40,867,398	4,918,697	35,948,701	2.14%	1,028
2008	43,830,040	5,049,538	38,780,502	2.41%	1,113
2007	46,268,870	4,415,037	41,853,833	2.85%	1,194

Sources: Debt information was obtained from the District's Annual Financial Reports for 2007-2016.

N/A - information not available at time of publication

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 JUNE 30, 2016

Taxing Authority	Outstanding Bonded Debt		Percentage of Debt Applicable to District	District's Share of Debt
Lake County Forest Preserve	\$ 284,615,000	(4)	1.4000%	\$ 3,984,610
Lake County	-	(1)	1.4000%	-
Central Lake County Joint Action Water Agency	8,905,000		4.5600%	406,068
Village of Round Lake	-	(1)	28.2770%	-
Village of Round Lake Beach	7,265,000	(3)	57.2160%	4,156,742
Village of Round Lake Park	1,190,000		64.6920%	769,835
Round Lake Park District	886,000	(1)(4)	46.1530%	408,916
Community College #532	17,230,000	(1)(4)	1.4440%	<u>248,801</u>
 Total Overlapping Bonded Debt				 \$ 9,974,972
 Round Lake Area Schools Community Unit District No. 116	 63,090,975	(2)	 100.00%	 <u>63,090,975</u>
 Total Direct and Overlapping General Obligation Bonded Debt				 <u><u>\$ 73,065,947</u></u>

- (1) Excludes outstanding principal amounts of General Obligation Alternate Revenue Source Bonds.
- (2) Includes outstanding original principal amounts of Capital Appreciation Bonds.
- (3) Considered to be self-supported debt as abatements are filed annually.
- (4) Excludes outstanding Debt Certificates.

Source: Lake County Clerk's Office

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

Year	Population (1)	Personal Income	Per Capita Personal Income	Unemployment Rate (2)
2016	28,241	\$ 678,151,000	24,013	7.4%
2015	29,416	793,408,352	26,972	9.1%
2014	29,590	739,306,150	24,985	12.1%
2013	36,509	658,083,700	18,025	12.4%
2012	36,509	658,083,700	18,025	13.7%
2011	36,420	665,551,700	18,274	14.6%
2010	35,103	668,974,600	19,057	14.5%
2009	34,962	704,003,700	20,136	10.4%
2008	34,854	704,003,700	20,199	8.0%
2007	35,052	N/A	N/A	6.9%

Sources: (1) U.S. Census Bureau information -
 Population - School District Data Files
 Income - American FactFinder, American Community Survey 5-year estimates (2008-2012) and 3-year estimates (2009-2011), most recent available.

(2) Illinois Department of Employment Security - Village of Round Lake Beach information chosen because it has the largest population of all the communities in the District - 28,148 of 36,509 or approximately 78% of the District in 2011.

N/A - information not available at time of publication

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2016				2007			
	Employees	Data Source	Rank	Percentage of Total District Employment ***	Employees	Data Source	Rank	Percentage of Total District Employment ***
Baxter Healthcare	1,900	(1)	1	13.74%	2,100	(6)	1	16.73%
School District 116	920	(3)	2	6.65%	N/A			
Round Lake Area Park District *	301	(5)	3	2.18%	295	(6)	3	2.35%
Jewel Osco	250	(5)	4	1.81%	N/A			
Wal-Mart Superstore	220	(5)	5	1.59%	300	(6)	2	2.39%
Nor States Bank	190	(5)	6	1.37%	N/A			
Kohl's	110	(5)	7	0.80%	N/A			
Hillcrest Nursing Center	100	(5)	8	0.72%	N/A			
Ace Hardware	90	(5)	9	0.65%	N/A			
Midwest Printed Circuit Services	85	(1)	10	0.61%	140	(6)	5	1.12%
Village of Round Lake Beach	77	(3)	11	0.56%	88	(6)	7	0.70%
The Grieve Corp	70	(5)	12	0.51%	70	(6)	8	0.56%
Village of Round Lake	47	(3)	13	0.34%	N/A			
Super Kmart	N/A				190	(6)	4	1.51%
Round Lake Senior High School	N/A				130	(6)	6	1.04%
G M Sign Inc.	N/A				60	(6)	9	0.48%
Synnestvedt Co. Nursery	N/A				50	(6)	10	0.40%

Source:

- (1) 2016 Illinois Manufacturers Directory
 - (2) 2016 Illinois Services Directory
 - (3) Village Financial Report or Employer Official Website
 - (4) Phone canvass of employers
 - (5) ReferenceUSA.com
 - (6) 2006 and 2007 Official Statements - Round Lake & Round Lake Beach
- * Includes Part-Time, Seasonal, and Temporary employees
 *** Illinois Department of Employment Security

IDES: The estimated number of persons employed in the District in 2015 is 13,830
 IDES: The estimated number of persons employed in the District in 2007 is 12,550

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
STAFFING INFORMATION BY FUNCTION
LAST TEN FISCAL YEARS

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<u>Administration:</u>										
Central Office	19.0	22.0	20.0	20.0	16.0	15.8	12.8	17.2	17.3	20.8
Site Based	31.0	23.0	23.0	24.0	22.1	19.5	21.0	22.0	17.3	16.0
Total Administration	50.0	45.0	43.0	44.0	38.1	35.3	33.8	39.2	34.7	36.8
<u>Teachers:</u>										
High School - Regular Ed	129.0	121.7	113.6	101.6	99.8	92.8	94.3	91.8	90.5	84.1
Middle School - Regular Ed	108.0	107.0	99.2	81.6	75.8	75.0	77.6	77.1	49.2	49.6
Elementary School - Regular Ed	196.0	196.0	189.1	163.7	159.7	154.5	156.3	159.7	152.8	158.2
<i>Subtotal Regular Ed</i>	<i>433.0</i>	<i>424.7</i>	<i>401.9</i>	<i>346.9</i>	<i>335.3</i>	<i>322.3</i>	<i>328.2</i>	<i>328.6</i>	<i>292.5</i>	<i>292.0</i>
High School - Special Ed	26.0	20.0	19.4	17.4	17.4	15.0	16.0	14.8	14.6	14.0
Middle School - Special Ed	19.0	16.0	16.0	18.0	18.0	18.0	17.7	18.5	8.0	8.0
Elementary School - Special Ed	41.0	39.5	28.5	26.7	28.9	32.0	28.5	28.6	47.0	32.0
<i>Subtotal Special Ed</i>	<i>86.0</i>	<i>75.5</i>	<i>63.9</i>	<i>62.1</i>	<i>64.2</i>	<i>65.0</i>	<i>62.2</i>	<i>61.9</i>	<i>69.6</i>	<i>54.0</i>
Total Teachers	519.0	500.2	465.8	409.0	399.6	387.3	390.4	390.5	362.1	346.0
<u>Pupil Support:</u>										
Social Workers	17.5	14.0	13.0	13.8	13.0	12.5	12.0	12.0	10.1	10.0
Psychologists	10.9	9.5	10.0	9.0	8.5	6.0	6.0	6.0	7.0	7.0
Counselors	10.0	9.0	7.0	6.0	6.0	6.0	6.0	6.0	6.0	5.0
Speech & Language Therapist	12.1	13.9	11.2	10.2	10.2	8.2	7.9	7.6	6.6	4.5
Occupational & Physical Therapists	5.2	4.0	4.0	4.0	4.0	4.4	3.4	4.2	3.0	3.0
Truancy/Other	4.0	4.0	1.0	4.8	7.0	3.3	2.0	3.0	3.6	2.0
Total Pupil Support	59.7	54.4	46.2	47.9	48.7	40.3	37.3	38.8	36.3	31.5
<u>Other Support Staff:</u>										
Aides	140.0	133.0	110.0	108.3	118.5	108.0	103.0	102.7	90.1	84.8
Bus Drivers	47.0	47.0	47.0	48.2	49.3	46.6	42.5	39.0	37.5	34.7
Clerical Support	51.0	51.0	52.5	53.9	48.7	46.2	49.4	46.6	43.8	41.6
Custodial	54.0	52.0	47.0	49.3	50.2	48.8	45.9	45.5	41.4	41.1
Total Other Support Staff	292.0	283.0	256.5	259.6	266.7	249.6	240.7	233.8	212.8	202.2
Grand Total	920.7	882.6	811.5	760.4	753.1	712.6	702.3	702.3	645.9	616.4

Source: District Records

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
ILLINOIS STATE BOARD OF EDUCATION SCHOOL DISTRICT FINANCIAL PROFILE
LAST TEN FISCAL YEARS

	2016 Est.	2015	2014	2013	2012	2011	2010	2009	2008	2007
Fund Balance to Revenue Ratio	0.41	0.46	0.52	0.54	0.54	0.47	0.42	0.42	0.35	0.33
Expenditures to Revenue Ratio	1.02	1.05	1.00	1.03	0.89	0.93	0.96	0.97	0.96	0.90
Days Cash on Hand	167.89	181.65	216.00	189.00	204.00	180.00	161.00	148.00	145.00	153.00
Short-Term Borrowing Remaining	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Long-Term Debt Margin Remaining	(26.94)	(22.23)	48.70	47.85	49.14	49.86	47.96	41.60	35.02	23.70
Financial Profile Score										
Fund Balance to Revenue Score	4	4	4	4	4	4	4	4	4	4
Expenditures to Revenue Score	3	3	4	3	4	4	4	4	4	4
Days Cash on Hand Score	3	4	4	4	4	3	3	3	3	3
Short-Term Borrowing Score	4	4	4	4	4	4	4	4	4	4
Long-Term Debt Margin Score	1	1	2	2	2	2	2	2	2	1
Weighted Scores										
Fund Balance to Revenue Weighted	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Expenditures to Revenue Weighted	1.05	1.05	1.40	1.05	1.40	1.40	1.40	1.40	1.40	1.40
Days Cash on Hand Weighted	0.30	0.40	0.40	0.40	0.40	0.30	0.30	0.30	0.30	0.30
Short-Term Borrowing Weighted	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Long-Term Debt Margin Weighted	0.10	0.10	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.10
Total Profile Score	3.25	3.35	3.80	3.45	3.80	3.70	3.70	3.70	3.70	3.60
Designation	Review	Review	Recognition	Review	Recognition	Recognition	Recognition	Recognition	Recognition	Recognition

Sources: Obtained from Illinois State Board of Education

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
 OPERATING INDICATORS BY FUNCTION
 LAST TEN FISCAL YEARS

Year	Enrollment	Direct Operating Expenditures *	Direct Operating Cost Per Pupil	Total Direct Expenditures **	Direct Cost Per Pupil	Teaching Staff FTE	Pupil-Teacher Ratio	% of Students Receiving Free and Reduced Price Meals
2016	7,182	\$ 85,989,075	11,973	\$ 115,161,967	16,035	519.00	13.8	67.7%
2015	7,249	83,124,680	11,467	92,502,524	12,761	500.20	14.5	68.0%
2014	7,265	76,900,406	10,585	85,452,069	11,762	465.80	15.6	76.6%
2013	7,274	75,807,910	10,422	83,396,163	11,465	409.00	17.8	75.0%
2012	7,225	69,511,779	9,621	77,001,628	10,658	399.56	18.1	68.3%
2011	7,127	66,874,232	9,383	75,132,044	10,542	387.32	18.4	63.8%
2010	6,936	63,578,914	9,167	72,365,432	10,433	390.43	17.8	60.4%
2009	6,863	59,668,997	8,694	72,872,987	10,618	390.46	17.6	51.3%
2008	6,869	57,754,710	8,408	75,470,466	10,987	362.10	19.0	62.9%
2007	6,844	51,476,551	7,521	59,028,013	8,625	345.97	19.8	54.1%

* - Operating Funds include Educational (excluding On-behalf payments), Operations and Maintenance, Transportation, IMRF/SS and Working Cash Funds.

** - Total Direct Expenditures include total expenditures except On-behalf payments

Source: 2007-2016 Annual Financial Reports filed with the Illinois State Board of Education, School Report Card/Fall Housing

ROUND LAKE AREA SCHOOLS COMMUNITY UNIT DISTRICT NO. 116
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Building Area sq ft	Capacity pupils	Capacity with Mobile Classrooms pupils	Housed Students										
				2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	
St. Paul Lutheran Church (leased) *	3,200	120	120	n/a	n/a	106	106	95	96	89	n/a	n/a	n/a	
420 Greenwood Drive Early Education Center	32,435	296	296	192	183	482	543	468	501	512	506	671	652	
882 Nippersink Road Pleviak Elementary (leased)***	75,254	705	705	498	522	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
304 E Grand Ave, Lake Villa Round Lake Beach Elementary School	43,454	624	653	450	486	524	592	588	560	541	584	673	671	
1421 N. Ardmore Drive Indian Hill Elementary School	58,880	546	662	521	503	515	517	584	569	592	611	758	678	
1920 Lotus Drive W.J. Murphy Elementary School	45,630	676	676	579	601	654	659	641	654	668	640	669	691	
220 Greenwood Street Raymond Ellis Elementary School	59,960	752	752	695	748	758	708	741	720	718	737	818	835	
720 Central Park Drive Village Elementary School	42,775	516	516	458	430	474	453	473	475	440	452	507	516	
880 Nippersink Road John T. Magee Middle School **	93,000	880	880	686	701	683	685	718	684	705	623	n/a	n/a	
500 Cedar Lake Rd. Round Lake Middle School	80,112	993	1,109	948	962	1,012	969	964	938	887	947	1,022	1,015	
2000 Lotus Drive Round Lake Senior High School	232,910	1,538	1,886	2,137	2,103	2,057	1,994	1,920	1,884	1,873	1,763	1,751	1,786	
800 N. High School Drive Administration Service Center	6,000	n/a	n/a	-	-	-	-	-	-	-	-	-	-	
Operations Service Center	4,000	n/a	n/a	-	-	-	-	-	-	-	-	-	-	
Education Service Center (Round Lake Transition Center)	5,750	20	20	18	10	-	-	-	-	-	-	-	-	

Source: District's capital asset records

* Did not start leasing until 2010

** School was closed for renovations from 2006-2008

*** Did not start leasing until 2015