

Western Springs School District 101

Western Springs, Illinois

Annual Financial Report

Year Ended June 30, 2017

Western Springs School District 101

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2017

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MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
Western Springs School District 101
Western Springs, 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 Western Springs School District 101, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Western Springs School District 101's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

(Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Western Springs School District 101, as of June 30, 2017, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis on pages 5 through 13, the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois pension data on page 59 through 62, and budgetary comparison schedules and notes to the required supplementary information on pages 63 through 78, 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 for the year ended June 30, 2017 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Western Springs School District 101's basic financial statements. The other schedules listed in the table of contents as supplementary financial information and other supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Information (Continued)

The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information for the year ended June 30, 2017 has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2017 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information for the year ended June 30, 2017 is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2017.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Western Springs School District 101, as of and for the year ended June 30, 2016 (not presented herein), and have issued our report thereon dated December 12, 2016, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Western Springs School District 101's basic financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund with comparative actual amounts for the year ended June 30, 2016 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund have been subjected to the auditing procedures applied in the audit of the 2016 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2016.

The other supplemental information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2017, on our consideration of Western Springs School District 101'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 Western Springs School District 101's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.



Certified Public Accountants

Deerfield, Illinois
December 11, 2017

Western Springs School District 101

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2017

The management discussion and analysis of Western Springs School District 101's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2017. 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. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights (in dollars)

- In total, net position decreased by \$754,291 from the beginning balance. This represents a 7.7% decrease from the prior year. This decrease was driven by two major factors. The first of these was a revenue shortfall of \$516,000 due to budgeted revenues coming in below expectations from local sources. The second of these factors was the continued increase in salary and benefit commitments to instructional staff, as Full-Time Equivalency (FTE) was expanded to better meet student instructional and support needs.
- General revenues accounted for \$16,863,465 in revenue or 66.5% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$8,511,446 or 33.5% of total revenues of \$25,374,911.
- The District had \$26,129,202 in expenses related to government activities. However, only \$8,511,446 of these expenses was offset by program specific charges and grants.
- The District has continued its one-to-one technology initiative that began in 2013. The on-going annual cost for this initiative is approximately \$50,000, which is offset on an annual basis by technology fees collected from District families from grades kindergarten through eighth-grade.
- The District completed its third year of a lease agreement with Apple Computer for desktop computers and back-end networking equipment, as the lease liability was satisfied at the beginning of FY 2017.
- The District completed the third year of a five-year contract with the Western Springs Education Association. The Agreement includes a Pay For Performance (PFP) component for all District staff, with the exception of administration, that increases annual compensation by as much as 1.5%, based on student performance in the areas of Academic Achievement, Academic Growth, and Learning Environment. Staff received a 1.0% salary increase in fiscal year 2017 based on these indicators, the second consecutive year since its onset that staff did not receive the maximum 1.5% PFP. Total year-to-year certified compensation increased 4.0%, as this PFP increase was added to a base 3.0% increase by contract, a provision that persists through the end of the current contract agreement in 2019.
- In order to place our staff in a competitive compensation position, relative to other local school districts, the District made a mid-contract/impact bargained compensation adjustment at the onset of the 2015-16 school year that significantly increased certified staff pay. The adjustments included a major starting salary increase for staff entering the District (from \$37,111 to \$43,000), as well as adjustments to each existing staff member's annual salary. No returning staff member received less than a \$1,500 pay increase that year, with the majority receiving in excess of that amount. [Staff members for that fiscal year received between a 6.0% and 19.2% increase, year-to-year.] The overall impact to the FY 2016 budget was approximately \$600,000; however, the compensation adjustments have had a compounding impact to subsequent budgets, including the FY 2017 budget. The District also increased non-certified staff (teaching assistants and administrative assistants) compensation during FY 2016 and FY 2017 to place personnel holding these positions into a more competitively favorable position, as well.

Western Springs School District 101

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2017

Financial Highlights (in dollars) (Continued)

- The District's student enrollment (1,420 students) has decreased 9.7% from its two-decade high enrollment of 1,573 students in 2009. However, this fiscal year 2017 enrollment figure is still 6.0% higher than 2001 (1,340 students). The Board of Education recently updated its enrollment projections from a study performed by John Kasarda and Associates. John Kasarda and Associates findings indicate a flat to slight-upward trend in student enrollment numbers through 2020-21.

Overview of the Financial Statements

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

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

This report also contains required supplementary information, supplementary financial information, and other supplemental 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, and liabilities and deferred inflows, 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 fiscal year being reported. All changes in net position are reported on an accrual basis, 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 result in cash flows in future fiscal periods.

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

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).

Western Springs School District 101
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2017

Fund financial statements (Continued)

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 funds 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 school district's near term financing needs.

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

The District adopts an annual budget for each of the funds listed above – General (including Educational and Working Cash Accounts), Operations and Maintenance, Debt Service, Transportation, Municipal Retirement, Social Security, Capital Projects, and Fire Prevention and Safety. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with this budget.

Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The agency funds use the accrual basis of accounting.

Notes to the financial statements

The notes to the financial statements provide additional information that is essential to a better understanding of the data provided in the government wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide other postemployment benefits and pension data related to the Illinois Municipal Retirement Fund (IMRF) and Teachers' Retirement System (TRS).

Government-wide Financial Analysis

The District's net position was lower on June 30, 2017 than the year before, decreasing 7.7% to \$8,993,960 from the beginning net position of \$9,748,251. This decrease was driven by two major factors. The first of these factors was a revenue shortfall of \$516,000 due to a combination of budgeted revenues coming in below expectations from local sources. The second of these factors was the continued increase in salary and benefit commitments to instructional staff, as Full-Time Equivalency (FTE) was expanded to better meet student instructional and support needs. The following table reflects the condensed statement of net position for the District's governmental activities.

Western Springs School District 101
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2017

Table 1
Condensed Statements of Net Position
(in thousands of dollars)

	<u>2016</u>	<u>2017</u>
Assets:		
Current and other assets	\$ 18,365	\$ 18,385
Capital assets	<u>23,754</u>	<u>23,025</u>
Total assets	<u>42,119</u>	<u>41,410</u>
Deferred outflows of resources:		
Deferred loss of refunding of bonds	83	68
Deferred outflows related to pensions	<u>679</u>	<u>834</u>
Total deferred outflows	<u>762</u>	<u>902</u>
Liabilities:		
Current liabilities	534	659
Long-term liabilities	<u>24,959</u>	<u>24,791</u>
Total liabilities	<u>25,493</u>	<u>25,450</u>
Deferred inflows of resources:		
Property taxes levied for a future period	7,468	7,721
Deferred inflows related to pensions	<u>172</u>	<u>147</u>
Total deferred inflows	<u>7,640</u>	<u>7,868</u>
Net Position:		
Net investment in capital assets	3,697	2,370
Restricted	1,308	1,348
Unrestricted	<u>4,743</u>	<u>5,276</u>
Total net position	<u>\$ 9,748</u>	<u>\$ 8,994</u>

Western Springs School District 101
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2017

Table 2

Changes in Net Position
(in thousands of dollars)

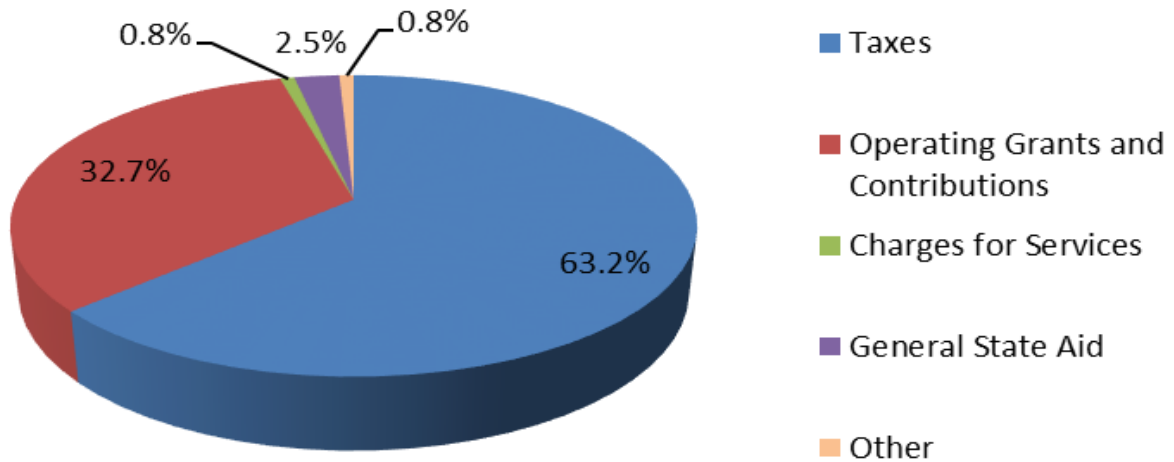
	<u>2016</u>	<u>2017</u>
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 230	\$ 207
Operating grants and contributions	5,661	8,304
<i>General revenues:</i>		
Taxes	15,864	16,025
General state aid	532	643
Other	<u>253</u>	<u>196</u>
Total revenues	<u>22,540</u>	<u>25,375</u>
Expenses:		
Instruction	14,731	17,913
Pupil and instructional staff services	2,281	2,337
Administration and business	2,329	2,661
Transportation	210	220
Operations and maintenance	1,485	1,537
Other	<u>1,360</u>	<u>1,461</u>
Total expenses	<u>22,396</u>	<u>26,129</u>
Increase (decrease) in net position	<u>\$ 144</u>	<u>\$ (754)</u>

Taxes (including property taxes and personal property replacement taxes) accounted for the largest portion of the District's revenues, contributing 63.2%. The remainder of revenues came from state and federal grants and other sources. The total cost of all of the District's programs was \$26,129,202 with instruction representing 68.5% of the total.

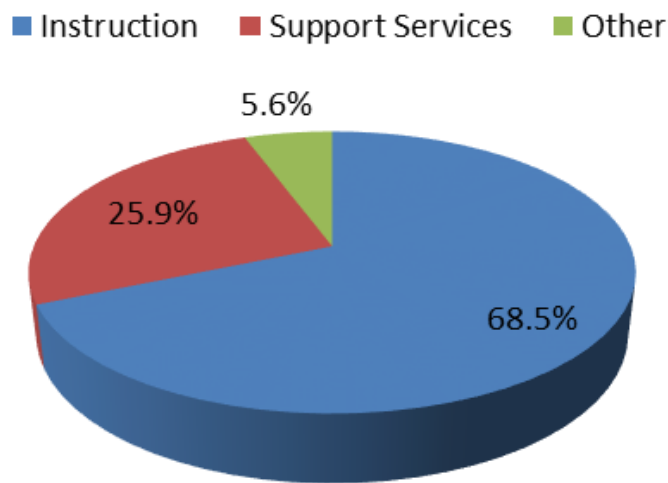
Revenues in the governmental activities of the District of \$25,374,911 were exceeded by expenses by \$754,291. Fiscal year 2017 marked another increase of per pupil expenditures, year-to-year, up to a historic high for the District of \$12,002, compared to a per pupil expenditure of \$11,208 in FY 2016 and \$10,602 in FY 2015. This was due, in part, to a decrease in the average daily attendance, an increase in overall personnel full-time equivalents (FTE) support for children, minimal staff turnover (resulting in greater teaching experience and higher pay) for existing staff, and the compounding impact of FY 2016's impact bargaining that raised teacher salaries, non-certified staff salaries and benefits, and stipends.

Western Springs School District 101
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2017

Government-Wide Revenues by Source



Government-Wide Expenses by Function



Western Springs School District 101
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2017

Financial Analysis of the District's Funds

The District's governmental funds had a combined fund balance of \$10,130,857 as of June 30, 2017. This is a decrease of \$296,128 from the prior year combined fund balance of \$10,426,985. This fund balance decrease is directly due to the salary and benefit adjustments made over the past two fiscal years for teaching staff and non-certified support staff.

General Fund Budgetary Highlights

Over the course of the year, the District did not amend the annual operating budget. The District budgeted for the General Fund's fund balance to decrease by \$173,200. The actual decrease in the General Fund's fund balance was \$364,340.

Capital Assets and Debt Administration

Capital assets

By the end of 2017, the District had compiled a total investment of \$31,201,557 (\$23,025,084, net of accumulated depreciation) in a broad range of capital assets including construction in progress, land, buildings, building improvements, and equipment and vehicles. Total depreciation expense for the year was \$835,576. More detailed information about capital assets can be found in Note E of the notes to the financial statements.

Table 3			
Capital Assets (net of depreciation)			
(in thousands of dollars)			
	<u>2016</u>		<u>2017</u>
Land	\$ 532	\$	532
Construction in progress	-		37
Buildings	22,300		21,795
Land improvements	283		238
Equipment and vehicles	<u>639</u>		<u>423</u>
Total	<u>\$ 23,754</u>	\$	<u>23,025</u>

Long term liabilities

The District retired \$615,000 in existing bonds in 2017 through scheduled payments. Other long-term liabilities increased, due mainly to the changes in net pension liabilities for TRS and IMRF. At the end of fiscal 2017, the District had an available debt margin of \$12,611,142. More detailed information on long term debt can be found in Note F of the notes to the financial statements.

Western Springs School District 101
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2017

Table 4
Outstanding Long Term Liabilities
(in thousands of dollars)

	<u>2016</u>	<u>2017</u>
General obligation bonds	\$ 22,411	\$ 21,751
Other long-term liabilities	<u>2,548</u>	<u>3,040</u>
Total	<u>\$ 24,959</u>	<u>\$ 24,791</u>

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following circumstances that will affect financial operations in the future:

After reviewing the District's current long-range financial projections, it is expected that the District's financial condition will continue to be relatively strong, but on a slightly declining trajectory over the next five fiscal years. Fund balances are strong, representing approximately 48% of annual budget once capital expansion funds are accounted for. The District does face rising costs for staff health insurance and salaries due to additional FTE and staff tenure increases and will enter fiscal year 2018 in the fourth year of a five-year contract agreement with its teachers.

A structural deficit and related litigation costs by the District's state-mandated third-party relationship with the Lyons Township Treasurer's Office (TTO) are a potential liability the District may encounter in future years. Ongoing litigation between the TTO and Lyons Township High School District 204 (LT) are issues of likely fiscal impact over which the District has very little control. The District's "share" of the structural deficit at TTO places the District's liability at just under \$220,000 if the funds are not recovered. This shortfall may grow due to legal fees and ongoing unresolved billing between LT and TTO, or may diminish by funds recovered should litigation be resolved.

Of substantial note is that the District is subject to the property tax cap, which limits the amount of property tax revenue that the District is able to generate. A limiting tax rate is calculated based on the total property values in the District and requested levy. Due to the fact that the increase in tax revenues is set by the increase in the Consumer Price Index (CPI), the remaining variables are the tax rate and the property values. Those variables have an inverse relationship; as one increases, the other decreases. In times when the increase in property values significantly outpaces the increase in the CPI, the limiting rate actually decreases. That occurred in the District in tax years 2007-2010. Conversely, when property values significantly decrease, the opposite change, or increase in the rate takes place. That occurred in tax years 2011 through 2013. Furthermore, state imposed, individual fund tax rate ceilings still exist and precede the enactment of the tax cap. Over the past seven years, local property values have declined primarily due to drops in residential property values, but the District is unlikely to reach any of its fund tax rate ceilings in the near future. This allows for continued strong local support of the school district, which generally has accounted for 90-92% of all funding on an annual basis.

Additionally, the State of Illinois passed comprehensive school funding legislation that added overall funds to Illinois schools; however, District 101 will see no new dollars due to that legislation. The District faces potential revenue freezes if recently introduced local property tax freeze legislation is adopted. Any such adoption would likely occur in FY 2019, but the impact on the District would be significant, as overall revenues through taxes collected potentially would be frozen at FY 2018 levels.

Western Springs School District 101
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2017

Factors Bearing on the District's Future (Continued)

The current collective bargaining agreement with the teacher's union expires in 2019. This contract, which was originally negotiated in 2011 and renewed in May 2014, reflects the effort to tie a portion of teacher compensation directly to student performance. An annual 3.0% base salary increase is in place, with an additional 1.5% "Pay For Performance" portion tied to student performance via objective *Academic Achievement*, *Academic Growth* and *Learning Environment* measures. Thus, the contract improves the educational climate of the schools through the alignment of adult efforts with student outcomes. Moreover, it does so in a way that recognizes the District's fiscal responsibility to the taxpayers in the community, including contract provisions that ensure the District will not incur Teacher's Retirement System (TRS) penalties for salary increases above 6% for retiring members. Furthermore, the contract continues to limit the costs for employee health insurance benefits, employing cost-capping measures for the District.

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, 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 Business Office:

Dr. Brian Barnhart, Superintendent
Western Springs School District 101
4225 Wolf Road
Western Springs, Illinois 60558

BASIC FINANCIAL STATEMENTS

Western Springs School District 101
 STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
June 30, 2017

ASSETS

Cash and investments	\$	10,277,420
Receivables (net of allowance for uncollectibles):		
Property taxes		7,721,375
Replacement taxes		14,853
Intergovernmental		371,374
Capital assets:		
Land		532,300
Construction in progress		36,784
Depreciable buildings, property, and equipment, net		<u>22,456,000</u>
Total assets		<u>41,410,106</u>

DEFERRED OUTFLOW OF RESOURCES

Deferred loss on refunding of bonds		67,577
Deferred outflows related to pensions		<u>833,816</u>
Total deferred outflows		<u>901,393</u>

LIABILITIES

Accounts payable		270,998
Salaries and wages payable		9,458
Payroll deductions payable		249,469
Claims payable		2,865
Interest payable		125,899
Long-term liabilities:		
Due within one year		678,412
Due after one year		<u>24,112,324</u>
Total liabilities		<u>25,449,425</u>

DEFERRED INFLOW OF RESOURCES

Property taxes levied for a future period		7,721,375
Deferred inflows related to pensions		<u>146,739</u>
Total deferred inflows		<u>7,868,114</u>

NET POSITION

Net investment in capital assets		2,370,084
Restricted For:		
Operations and maintenance		666,477
Student transportation		218,264
Retirement benefits		271,106
Capital projects		191,579
Unrestricted		<u>5,276,450</u>
Total net position	<u>\$</u>	<u>8,993,960</u>

The accompanying notes are an integral part of this statement.

Western Springs School District 101

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2017

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 8,021,104	\$ 177,095	\$ 87,519	\$ (7,756,490)
Special programs	1,524,182	-	603,412	(920,770)
Other instructional programs	895,109	-	-	(895,109)
State retirement contributions	7,463,349	-	7,463,349	-
Support services:				
Pupils	717,100	-	-	(717,100)
Instructional staff	1,620,879	-	14,284	(1,606,595)
General administration	751,213	-	-	(751,213)
School administration	1,180,231	-	-	(1,180,231)
Business	730,160	14,736	9,585	(705,839)
Transportation	220,121	15,382	126,084	(78,655)
Operations and maintenance	1,537,839	-	-	(1,537,839)
Community services	5,549	-	-	(5,549)
Nonprogrammed charges - excluding special education	555,842	-	-	(555,842)
Interest and fees	<u>906,524</u>	<u>-</u>	<u>-</u>	<u>(906,524)</u>
 Total governmental activities	 <u>\$ 26,129,202</u>	 <u>\$ 207,213</u>	 <u>\$ 8,304,233</u>	 <u>\$ (17,617,756)</u>
 General revenues:				
Taxes:				
Real estate taxes, levied for general purposes				12,212,115
Real estate taxes, levied for specific purposes				3,332,187
Real estate taxes, levied for debt service				375,448
Personal property replacement taxes				104,829
State aid-formula grants				642,711
Investment earnings				152,060
Miscellaneous				<u>44,115</u>
Total general revenues				<u>16,863,465</u>
 Change in net position				 (754,291)
Net position, beginning of year				<u>9,748,251</u>
Net position, end of year				<u>\$ 8,993,960</u>

The accompanying notes are an integral part of this statement.

Western Springs School District 101

Governmental Funds

BALANCE SHEET

June 30, 2017

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
ASSETS				
Cash and investments	\$ 8,806,786	\$ 729,915	\$ 176,120	\$ 256,253
Receivables (net of allowance for uncollectibles):				
Property taxes	5,922,500	1,142,441	142,837	190,448
Replacement taxes	-	-	-	14,853
Intergovernmental	<u>308,194</u>	<u>-</u>	<u>63,180</u>	<u>-</u>
Total assets	<u>\$ 15,037,480</u>	<u>\$ 1,872,356</u>	<u>\$ 382,137</u>	<u>\$ 461,554</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 171,330	\$ 56,096	\$ 21,036	\$ -
Salaries and wages payable	2,116	7,342	-	-
Payroll deductions payable	249,469	-	-	-
Claims payable	<u>2,865</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>425,780</u>	<u>63,438</u>	<u>21,036</u>	<u>-</u>
DEFERRED INFLOWS				
Property taxes levied for a future period	<u>5,922,500</u>	<u>1,142,441</u>	<u>142,837</u>	<u>190,448</u>
Total deferred inflows	<u>5,922,500</u>	<u>1,142,441</u>	<u>142,837</u>	<u>190,448</u>
FUND BALANCES				
Restricted	-	666,477	218,264	271,106
Unassigned	<u>8,689,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>8,689,200</u>	<u>666,477</u>	<u>218,264</u>	<u>271,106</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 15,037,480</u>	<u>\$ 1,872,356</u>	<u>\$ 382,137</u>	<u>\$ 461,554</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 94,231	\$ 12,481	\$ 201,634	\$ 10,277,420
180,312	-	142,837	7,721,375
-	-	-	14,853
-	-	-	371,374
<u>\$ 274,543</u>	<u>\$ 12,481</u>	<u>\$ 344,471</u>	<u>\$ 18,385,022</u>
\$ -	\$ -	\$ 22,536	\$ 270,998
-	-	-	9,458
-	-	-	249,469
-	-	-	2,865
-	-	22,536	532,790
180,312	-	142,837	7,721,375
180,312	-	142,837	7,721,375
94,231	12,481	179,098	1,441,657
-	-	-	8,689,200
94,231	12,481	179,098	10,130,857
<u>\$ 274,543</u>	<u>\$ 12,481</u>	<u>\$ 344,471</u>	<u>\$ 18,385,022</u>

Western Springs School District 101
 RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
 FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2017

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

Total fund balances - governmental funds	\$	10,130,857
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.		23,025,084
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:		
Deferred outflows of resources related to pensions	\$ 662,795	
Deferred outflows of 2017 employer contributions related to pensions	<u>171,021</u>	833,816
Deferred inflows of resources related to pensions		(146,739)
Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, accordingly, is not recognized in the governmental funds balance sheet.		(125,899)
Deferred charges included in the statement of net position are not available to pay for current expenditures and accordingly, are not included in the governmental funds balance sheet.		67,577
Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet.		<u>(24,790,736)</u>
Net position of governmental activities	\$	<u><u>8,993,960</u></u>

The accompanying notes are an integral part of this statement.

Western Springs School District 101

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2017

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
Revenues				
Property taxes	\$ 12,212,115	\$ 2,386,207	\$ 298,272	\$ 397,548
Replacement taxes	14,474	-	-	90,355
State aid	8,659,747	-	126,084	-
Federal aid	161,113	-	-	-
Interest	121,868	19,494	2,382	3,892
Other	231,737	4,209	15,382	-
	<u>21,401,054</u>	<u>2,409,910</u>	<u>442,120</u>	<u>491,795</u>
Total revenues				
Expenditures				
Current:				
Instruction:				
Regular programs	7,400,792	-	-	193,144
Special programs	1,324,266	-	-	26,058
Other instructional programs	879,398	-	-	14,688
State retirement contributions	7,463,349	-	-	-
Support services:				
Pupils	654,302	-	-	22,104
Instructional staff	1,254,014	-	-	51,991
General administration	680,662	-	-	43,463
School administration	1,082,785	-	-	45,488
Business	167,295	-	-	11,721
Transportation	-	-	220,121	-
Operations and maintenance	-	1,215,700	-	84,012
Community services	4,500	-	-	-
Nonprogrammed charges	555,842	-	147,807	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	256,583	45,430	-	-
	<u>21,723,788</u>	<u>1,261,130</u>	<u>367,928</u>	<u>492,669</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	(322,734)	1,148,780	74,192	(874)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers (out)	(207,931)	(1,124,340)	-	-
Capital lease proceeds	166,325	-	-	-
	<u>(41,606)</u>	<u>(1,124,340)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)				
Net change in fund balance	(364,340)	24,440	74,192	(874)
Fund balance, beginning of year	9,053,540	642,037	144,072	271,980
Fund balance, end of year	<u>\$ 8,689,200</u>	<u>\$ 666,477</u>	<u>\$ 218,264</u>	<u>\$ 271,106</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 375,448	\$ -	\$ 250,160	\$ 15,919,750
-	-	-	104,829
-	-	-	8,785,831
-	-	-	161,113
1,736	141	2,547	152,060
-	-	-	251,328
<u>377,184</u>	<u>141</u>	<u>252,707</u>	<u>25,374,911</u>
-	-	-	7,593,936
-	-	-	1,350,324
-	-	-	894,086
-	-	-	7,463,349
-	-	-	676,406
-	-	-	1,306,005
-	-	-	724,125
-	-	-	1,128,273
-	24,992	74,277	278,285
-	-	-	220,121
-	-	-	1,299,712
-	-	-	4,500
-	-	-	703,649
817,088	-	-	817,088
874,083	-	-	874,083
-	-	201,409	503,422
<u>1,691,171</u>	<u>24,992</u>	<u>275,686</u>	<u>25,837,364</u>
(1,313,987)	(24,851)	(22,979)	(462,453)
1,332,271	-	-	1,332,271
-	-	-	(1,332,271)
-	-	-	166,325
<u>1,332,271</u>	<u>-</u>	<u>-</u>	<u>166,325</u>
18,284	(24,851)	(22,979)	(296,128)
<u>75,947</u>	<u>37,332</u>	<u>202,077</u>	<u>10,426,985</u>
<u>\$ 94,231</u>	<u>\$ 12,481</u>	<u>\$ 179,098</u>	<u>\$ 10,130,857</u>

Western Springs School District 101

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

For the Year Ended June 30, 2017

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

Net change in fund balances - total governmental funds \$ (296,128)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeds capital outlay in the current period. (729,547)

Governmental funds report the effects of refunding gains and losses when refunding debt is issued. However, these amounts are deferred and amortized in the statement of activities. (15,942)

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

Deferred outflows and inflows of resources related to IMRF pension 54,534

Deferred outflows and inflows of resources related to TRS pension 125,322

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds. (60,600)

Governmental funds report the effects of premiums, discounts, and similar items when the debt is issued. However, these amounts are deferred and amortized in the statement of activities. This is the amount of the current year net effect of these differences. 44,101

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. 123,969

Change in net position - governmental activities \$ (754,291)

The accompanying notes are an integral part of this statement.

Western Springs School District 101
Agency Fund
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2017

	Student Activity Fund
<hr/>	
ASSETS	
Cash	\$ <u>175,351</u>
LIABILITIES	
Due to student groups	\$ 120,256
Due to employees	<u>55,095</u>
	<u>\$ 175,351</u>

The accompanying notes are an integral part of this statement.

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Western Springs School District 101 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

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

1. **Reporting Entity**

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

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

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

2. **Fund Accounting**

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

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

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

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

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

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

a. General Fund

The *General Fund* includes the Educational Account and the Working Cash Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the District, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources held by the District to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid upon collection of property taxes in the fund(s) loaned to. As allowed by the School Code of Illinois, this Fund may be abolished to the Educational Account or may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Account of at least 0.05% of the District's current equalized assessed valuation.

b. Special Revenue Funds

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

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

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

c. Debt Service Fund

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

d. Capital Projects Fund

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

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

e. Fiduciary Fund

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

The *Agency Funds* - include student activity funds and convenience accounts. These funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for assets held by the District which are owned, operated, and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational, or cultural purposes. They account for activities such as student yearbook, student clubs and council. Convenience accounts account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc.

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

The fiduciary fund statements are reported using the accrual basis of accounting.

5. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles, except that the District does not budget for "on-behalf" contributions from the state for the employer's share of the Teacher's Retirement Pension (see budgetary reconciliation in the notes to the required supplementary information). Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Deposits and Investments

The Illinois Compiled Statutes require the District to utilize the investment services of the Lyons Township School Treasurer. Investments are stated at fair value. Changes in fair value are included in investment income.

7. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position / fund balance that applies to a future periods. At June 30, 2017, the District has deferred outflows of resources for deferred loss on refunding of bonds in addition to deferred outflows of resources related to pensions. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting periods. At June 30, 2017, the District's has deferred inflows of resources related to property taxes levied for a future period and pensions.

8. Personal Property Replacement Taxes

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

9. Capital Assets

Capital assets, which include land, construction in progress, buildings and building improvements, land improvements, and equipment and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Capital Assets (Continued)

Depreciation of capital assets is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings and building improvements	20 - 50
Land improvements	15 - 30
Equipment and vehicles	5 - 15

Construction in progress is stated at cost and includes engineering and design costs incurred for planned construction. No provision for depreciation is made on construction in progress until the asset is completed and put in use.

10. Compensated Absences

Employees receive a specified number of vacation days per year depending on the years of service, in accordance with the agreement between the Board of Education and the District. Vacations are usually taken within the calendar year. If an employee's vacation balance at year-end is greater than the annual allotment of vacation days allowed per the District's vacation policy, then the employee forfeits the excess days and there is no compensation for these days. Only benefits considered to be vested are disclosed in these statements. Eligible employees (full time secretaries and administrators) are allowed to carry over one year's worth of vacation, and the Superintendent and Assistant Superintendent are limited to 5 days of carry over. The compensated absences are considered long-term and are accounted for as a long-term liability in the government-wide statements. The compensated absences liability includes any salary-related payments.

Employees receive a specified number of sick days per year depending on the years of service, in accordance with the agreement between the Board of Education and the District. The unused portion is accumulated and carried forward but does not vest. Employee sick leave is recognized when paid. Upon termination, employees do not receive any sick leave pay.

11. Long-Term Obligations

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

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Long-Term Obligations (Continued)

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

12. Restricted Net Position

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

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

13. Use of Estimates

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

14. Fund Balance

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

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash, such as prepaid items or inventories.

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Fund Balance (Continued)

- b. *Restricted* - refers to amounts that are subject to outside restrictions, such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds, as well as debt service and capital projects funds, are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. At June 30, 2017, the District had no committed fund balances.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegates the authority to assign amounts to be used for specific purposes. The Board of Education delegated this authority to the Superintendent or Superintendent's designee. At June 30, 2017, the District had no assigned fund balances.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally they act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified. The remaining restricted fund balances are for the purpose of the restricted funds as described in Note A-3.

15. Pensions

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

Western Springs School District 101
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

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

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

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

General obligation bonds	\$ (21,215,000)
Unamortized bond discounts	95,617
Unamortized bond premiums	(632,388)
Capital leases	(160,136)
Compensated absences	(75,042)
IMRF net pension liability	(1,688,463)
TRS net pension liability	<u>(1,115,324)</u>
Net adjustment to reduce fund-balance total governmental funds to arrive at net position - governmental activities	<u>\$ (24,790,736)</u>

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

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

Capital outlay	\$ 106,029
Depreciation expense	<u>(835,576)</u>
Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	<u>\$ (729,547)</u>

Western Springs School District 101
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

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

Another element of that reconciliation states that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds." The details of this difference are as follows:

Principal repayments	
General obligation bonds	\$ 615,000
Capital leases	202,088
Capital lease proceeds	(166,325)
Compensated absences, net	(12,543)
IMRF pension expense, net	(375,547)
TRS pension expense, net	<u>(138,704)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities.	<u>\$ 123,969</u>

NOTE C - DEPOSITS AND INVESTMENTS

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

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

1. Cash and Investments Under the Custody of the Township Treasurer

The Illinois Compiled Statutes require the District to utilize the investment services of the Lyons Township School Treasurer (the Treasurer). As such, the Treasurer is the lawful custodian of these school funds. The Treasurer is appointed by the School Trustees, an independently elected body, to serve the school districts in the township. The investment policies are established by the Treasurer, as prescribed by the Illinois School Code. The Treasurer is the direct recipient of property taxes, replacement taxes, and most state and federal aid, and disburses school funds upon lawful order to the School Board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions.

District cash and investments (other than the student activity, convenience accounts, and imprest funds) are part of a common pool for all the school districts and cooperatives within the township. The Treasurer maintains records that segregate the cash and investment balances by district or cooperative. Income from investments is distributed monthly based upon the District's percentage participation in the pool. Cash for all funds, including cash applicable to the Debt Service Fund and the Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

The Treasurer's office operates as a nonrated, external investment pool. The fair value of the District's investment in the Treasurer's pool is determined by the District's proportionate share of the fair value of the investments held by the Treasurer's office.

The weighted-average maturity of all pooled marketable investments held by the Treasurer was 7.69 years, at June 30, 2017. The Treasurer also holds money market type investments and deposits with financial institutions, including certificates of deposit. As of the same date, the fair value of all investments held by the Treasurer's office was \$163,965,978, and the fair value of the District's proportionate share of the pool was 5.604%. Further information about investments held at the Treasurer's office is available from the Treasurer's financial statements.

Because all cash and investments are pooled by the Treasurer, categorization by risk category is not determinable. Further information about whether investments are insured, collateralized, or uncollateralized is available from the Treasurer's financial statements.

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Cash and Investments in the Custody of the District

Deposits of the student activity and imprest funds, which are held in the District's custody, consist of deposits with financial institutions. At June 30, 2017, the carrying value of the District's Agency Fund and imprest funds were \$180,351, all of which were deposited with financial institutions.

Custodial Credit Risk - With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2017, the District had no uninsured cash balances.

NOTE D - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on December 19, 2016. The District's property tax is levied each year on all taxable real property located in the District, and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations: individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

The Cook County Assessor is responsible for the assessment of all taxable property within Cook County except for certain railroad property, which is assessed directly by the state. One third of the county is reassessed every year.

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the state. Each year, the Illinois Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment between counties at one-third of market value. This factor (the equalization factor) is then applied to the assessed valuation to compute the valuation of property to which the tax rate will be applied (the equalized assessed valuation). The equalization factor for Cook County was 2.8032 for 2016.

The County Clerk adds the equalized assessed valuation of all real property in the County to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2016 tax levy was \$492,554,760.

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments on March 1 and August 1 during the following year. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment is based on the current levy, assessment, and equalization, and any changes from the prior year will be reflected in the second installment bill.

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE D - PROPERTY TAXES RECEIVABLE (Continued)

The portion of the 2016 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectibles of 1%. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Such time, thereafter, does not exceed 60 days. Net taxes receivable less the amount expected to be collected within 60 days is reflected as a deferred inflow of resources - property taxes levied for a future period (deferred inflow).

NOTE E - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

	Balance July 1, 2016	Transfers / Additions	Transfers / Deletions	Balance June 30, 2017
Capital assets, not being depreciated				
Land	\$ 532,300	\$ -	\$ -	\$ 532,300
Construction in progress	-	36,784	-	36,784
	<u>532,300</u>	<u>36,784</u>	<u>-</u>	<u>569,084</u>
Total capital assets, not being depreciated				
Capital assets, being depreciated				
Buildings and building improvements	27,916,829	71,915	-	27,988,744
Land improvements	446,164	-	26,360	419,804
Equipment and vehicles	2,200,235	23,690	-	2,223,925
	<u>30,563,228</u>	<u>95,605</u>	<u>26,360</u>	<u>30,632,473</u>
Total capital assets, being depreciated				
Less accumulated depreciation for:				
Buildings and building improvements	5,616,743	577,021	-	6,193,764
Land improvements	163,074	18,245	-	181,319
Equipment and vehicles	1,561,080	240,310	-	1,801,390
	<u>7,340,897</u>	<u>835,576</u>	<u>-</u>	<u>8,176,473</u>
Total accumulated depreciation				
Total capital assets, being depreciated, net	<u>23,222,331</u>	<u>(739,971)</u>	<u>26,360</u>	<u>22,456,000</u>
Governmental activities capital assets, net	<u>\$ 23,754,631</u>	<u>\$ (703,187)</u>	<u>\$ 26,360</u>	<u>\$ 23,025,084</u>

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE E - CAPITAL ASSETS (Continued)

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

Governmental activities		
General government		
Regular programs	\$	418,928
Special programs		22,995
Instructional staff		235,511
General administration		24,780
School administration		41,124
Business		18,778
Operations and maintenance		<u>73,460</u>
 Total depreciation from governmental activities	 \$	 <u><u>835,576</u></u>

NOTE F - LONG-TERM LIABILITIES

The following is the long-term liability activity for the District for the year ended June 30, 2017:

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2017</u>
Bonds payable				
General obligation bonds	\$ 21,830,000	\$ -	\$ 615,000	\$ 21,215,000
Unamortized discounts	(100,495)	-	(4,878)	(95,617)
Unamortized premium	681,367	-	48,979	632,388
 Total bonds payable	 <u>22,410,872</u>	 <u>-</u>	 <u>659,101</u>	 <u>21,751,771</u>
 Capital lease	 195,899	 166,325	 202,088	 160,136
Compensated absences	62,499	149,509	136,966	75,042
IMRF net pension liability	1,312,916	1,597,803	1,222,256	1,688,463
TRS net pension liability	976,620	209,083	70,379	1,115,324
 Total long-term liabilities - governmental activities	 <u>\$ 24,958,806</u>	 <u>\$ 2,122,720</u>	 <u>\$ 2,290,790</u>	 <u>\$ 24,790,736</u>

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE F - LONG-TERM LIABILITIES (Continued)

	Due within one year
General obligation bonds	\$ 640,000
Capital lease	38,412
Total long-term liabilities - governmental activities	\$ 678,412

1. General Obligation Bonds

The summary of activity in bonds payable for the year ended June 30, 2017 is as follows:

	Bonds July 1, 2016	Debt Issued	Debt Retired	Bonds June 30, 2017
Series 2005 Refunding Bonds interest at 4.00%, maturing November 1, 2017	\$ 350,000	\$ -	\$ 170,000	\$ 180,000
Series 2012 Refunding / Alternative Revenue Source Bonds interest at 2.00% to 3.00%, maturing November 1, 2022	2,220,000	-	295,000	1,925,000
Series 2014A Revenue Bonds interest at 2.00% to 5.00%, maturing December 1, 2034	4,785,000	-	150,000	4,635,000
Series 2014B Refunding / Revenue Bonds interest at 4.00% to 5.00%, maturing November 1, 2039	11,000,000	-	-	11,000,000
Series 2014C Refunding / Revenue Bonds interest at 4.40% maturing November 1, 2027	560,000	-	-	560,000

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE F - LONG-TERM LIABILITIES (Continued)

1. General Obligation Bonds (Continued)

	Bonds Payable July 1, 2016	Debt Issued	Debt Retired	Bonds Payable June 30, 2017
Series 2015 Refunding / Revenue Bonds interest at 2.00% to 4.00%, maturing November 1, 2025	\$ 2,915,000	\$ -	\$ -	\$ 2,915,000
Total	\$ 21,830,000	\$ -	\$ 615,000	\$ 21,215,000

At June 30, 2017, the District's future cash flow requirements for retirement of bond principal and interest were as follows:

	Year Ending June 30	Principal	Interest	Total
	2018	\$ 640,000	\$ 848,090	\$ 1,488,090
	2019	685,000	830,015	1,515,015
	2020	705,000	813,790	1,518,790
	2021	725,000	795,890	1,520,890
	2022	750,000	775,140	1,525,140
	2023 - 2027	4,160,000	3,454,617	7,614,617
	2028 - 2032	5,620,000	2,347,025	7,967,025
	2033 - 2037	5,695,000	1,038,718	6,733,718
	2038 - 2039	2,235,000	95,944	2,330,944
		\$ 21,215,000	\$ 10,999,229	\$ 32,214,229

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$94,231 in the Debt Service Fund to service the outstanding bonds payable at June 30, 2017.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2017, the statutory debt limit for the District was \$33,986,278, of which \$12,611,142 is fully available.

The District defeased the debt by placing the proceeds of new issues in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased debt are not included in the District's financial statements. At June 30, 2017, \$3,365,000 of bonds principal outstanding are considered defeased.

Western Springs School District 101
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE F - LONG-TERM LIABILITIES (Continued)

2. Capital Lease

The District currently has a lease agreement for financing the acquisition of several copiers. The lease requires annual payments. The obligations for these loans will be repaid from the Debt Service Fund, with funding provided by transfers from the General (Educational Account) Fund.

At June 30, 2017, the District's future minimum lease payment for retirement of the lease payable principal and interest were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 38,412	\$ 8,292	\$ 46,704
2019	40,704	6,000	46,704
2020	43,133	3,571	46,704
2021	37,887	1,034	38,921
	\$ 160,136	\$ 18,897	\$ 179,033

NOTE G - OPERATING LEASES

The District leases equipment and land use under noncancelable operating leases. The total expense for such leases were approximately \$16,000 for the year ended June 30, 2017. At June 30, 2017, future minimum lease payments for these leases were as follows:

Year Ending June 30,	Total
2018	\$ 16,368
2019	16,368
2020	16,368
2021	15,000
2022	15,000
2023-2024	30,000
Total	\$ 109,104

Western Springs School District 101
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE H - RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the following public entity risk pools: the Collective Liability Insurance Cooperative (CLIC) for property damage and injury claims, and the Illinois Public Risk Fund for workers' compensation claims. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. Complete financial statements for CLIC can be obtained from its Treasurer, 624 Kenilworth, Grayslake, Illinois 60030.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. Premiums have been recorded as expenditures in the appropriate funds. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District is self-insured for dental coverage that is provided to District personnel. A third-party administrator administers claims for a monthly fee per participant. Expenditures are recorded as incurred in the form of direct contributions from the District to the third-party administrator for payment of employee dental claims and administration fees. The District's liability will not exceed \$220,500, as there were 147 covered participants at year-end and each participants' individual annual limit is \$1,500.

At June 30, 2017, total unpaid claims, including an estimate of claims that have been incurred but not reported to the administrative agent, totaled \$2,865. These estimates are developed based on reports prepared by the administrative agent. The District does not allocate overhead costs or other nonincremental costs to the claims liability.

The balance of claims liabilities at June 30, 2017 and June 30, 2016 are as follows:

	<u>2017</u>	<u>2016</u>
Unpaid claims, beginning of fiscal year	\$ 2,449	\$ 4,868
Incurred claims (including IBNRs)	98,174	82,739
Claim payments	<u>97,758</u>	<u>85,158</u>
Unpaid claims, end of fiscal year	<u>\$ 2,865</u>	<u>\$ 2,449</u>

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES

1. Teachers' Retirement System of the State of Illinois

General Information about the Pension Plan

Plan Description

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

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

Benefits Provided

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

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

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

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

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

General Information about the Pension Plan (Continued)

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2016, was 9.4 percent of creditable earnings. On July 1, 2016, the rate dropped to 9.0 percent of pay due to the expiration of the Early Retirement Option (ERO). The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2017, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$7,354,147 in pension contributions from the state of Illinois.

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2017, were \$56,551, and are deferred because they were paid after the June 30, 2016 measurement date.

Federal and Special Trust Fund Contributions

When TRS members are paid from federal and special trust funds administered by the 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.

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

1. 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, 2017, the employer pension contribution was 38.54 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2017, salaries totaling \$0 were paid from federal and special trust funds that required employer contributions of \$0.

Early Retirement Cost Contributions

Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members retiring under the ERO. The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the program that ended on June 30, 2016 is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2017, the District paid \$0 to TRS for employer ERO contributions for retirements that occurred before July 1, 2017.

The District is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2017, the District had employer contributions due on salary increases in excess of 6 percent to TRS of \$1,421 and \$0 for sick leave days granted in excess of the normal annual allotment.

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

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

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

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

District's proportionate share of the net pension liability	\$ 1,115,324
State's proportionate share of the net pension liability associated with the District	<u>74,884,835</u>
Total	<u>\$ 76,000,159</u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015, and rolled forward to June 30, 2016. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2016, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2016, the District's proportion was 0.0014129461 percent, which was a decrease of 0.0000778472 percent from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$7,423,938 and revenue of \$7,354,147 for support provided by the state. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

1. 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)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 8,247	\$ 756
Net difference between projected and actual earnings on pension plan investments	31,510	-
Change of assumptions	95,790	-
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>45,879</u>	<u>134,020</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>181,426</u>	<u>134,776</u>
District contributions subsequent to the measurement date	<u>56,551</u>	<u>-</u>
Total deferred amounts related to pensions	<u><u>\$ 237,977</u></u>	<u><u>\$ 134,776</u></u>

The District reported \$56,551 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	<u>Net Deferred Inflows of Resources</u>
2018	\$ 8,769
2019	8,769
2020	(39,121)
2021	(22,423)
2022	<u>(2,644)</u>
Total	<u><u>\$ (46,650)</u></u>

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

1. 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

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

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

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

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

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

Western Springs School District 101
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

1. 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)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equities large cap	14.4 %	6.94 %
U.S. equities small/mid cap	3.6	8.09
International equities developed	14.4	7.46
Emerging market equities	3.6	10.15
U.S. bonds core	10.7	2.44
International debt developed	5.3	1.7
Real estate	15.0	5.44
Commodities (real return)	11.0	4.28
Hedge funds (absolute return)	8.0	4.16
Private equity	14.0	10.63
Total	<u>100 %</u>	

Discount Rate

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

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

Western Springs School District 101
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

1. 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)

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

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.83 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.83 percent) or 1-percentage-point higher (7.83 percent) than the current rate:

	<u>1% Decrease</u> <u>(5.83%)</u>	<u>Current</u> <u>Discount</u> <u>(6.83%)</u>	<u>1% Increase</u> <u>(7.83%)</u>
District's proportionate share of the net pension liability	\$ 1,364,086	\$ 1,115,324	\$ 912,151

TRS Fiduciary Net Position

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

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund

Plan Description

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

Benefits Provided

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

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

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

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Employees Covered by Benefit Terms

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

Retirees and beneficiaries currently receiving benefits	77
Inactive plan members entitled to but not yet receiving benefits	176
Active plan members	61
Total	314

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2016 was 13.49%. For the fiscal year ended June 30, 2017 the District contributed \$219,964 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

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

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.75%
Salary Increases	3.75% to 14.50%
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Mortality

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

Long-term Expected Rate of Return

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38%	6.85%
International Equity	17%	6.75%
Fixed Income	27%	3.00%
Real Estate	8%	5.75%
Alternative Investments	9%	2.65-7.35%
Cash Equivalents	1%	2.25%
Total	100%	

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Single Discount Rate

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

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

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

Western Springs School District 101
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Changes in Net Pension Liability

The following table shows the components of the change in the District's net pension liability for the calendar year ended December 31, 2016:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2015	\$ 7,055,609	\$ 5,742,693	\$ 1,312,916
Changes for the year:			
Service cost	163,885	-	163,885
Interest on the total pension liability	516,759	-	516,759
Changes of benefit terms	-	-	-
Difference between expected and actual experience of the total pension liability	496,173	-	496,173
Changes of assumptions	(32,528)	-	(32,528)
Contributions - employer	-	215,065	(215,065)
Contributions - employees	-	71,742	(71,742)
Net investment income	-	391,480	(391,480)
Benefit payments, including refunds of employee contributions	(420,986)	(420,986)	-
Other (net transfer)	-	90,455	(90,455)
Net changes	<u>723,303</u>	<u>347,756</u>	<u>375,547</u>
Balances at December 31, 2016	<u>\$ 7,778,912</u>	<u>\$ 6,090,449</u>	<u>\$ 1,688,463</u>

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

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

	1% Lower (6.50%)	Current Discount Rate (7.50%)	1% Higher (8.50%)
Net pension liability	\$ <u>2,559,039</u>	\$ <u>1,688,463</u>	\$ <u>959,024</u>

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

For the year ended June 30, 2017, the District recognized pension expense of \$540,976. At June 30, 2017, the District reported deferred outflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 182,477	\$ -
Change of assumptions	-	11,963
Net difference between projected and actual earnings on pension plan investments	<u>298,892</u>	<u>-</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>481,369</u>	<u>11,963</u>
Pension contributions made subsequent to the measurement date	<u>114,470</u>	<u>-</u>
Total deferred amounts related to pensions	<u>\$ 595,839</u>	<u>\$ 11,963</u>

The District reported \$114,470 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2018.

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

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

Year Ended June 30,	Net Deferred Outflows of Resources
2018	\$ 272,657
2019	102,142
2020	87,089
2021	7,518
2022	-
Thereafter	-
Total	\$ 469,406

3. Summary of Pension Items

Below is a summary of the various pension items:

	TRS	IMRF	Total
Deferred outflows of resources:			
Employer contributions	\$ 56,551	\$ 114,470	\$ 171,021
Experience	8,247	182,477	190,724
Assumptions	95,790	-	95,790
Proportionate share	45,879	-	45,879
Investments	31,510	298,892	330,402
	\$ 237,977	\$ 595,839	\$ 833,816
Net pension liability	\$ 1,115,324	\$ 1,688,463	\$ 2,803,787
Deferred inflows of resources:			
Experience	\$ 756	\$ -	\$ 756
Assumptions	-	11,963	11,963
Proportionate share	134,020	-	134,020
	\$ 134,776	\$ 11,963	\$ 146,739

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE I - PENSION LIABILITIES (Continued)

4. Social Security/Medicare

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

NOTE J - OTHER POSTEMPLOYMENT BENEFITS

1. Teacher Health Insurance Security (THIS) Fund

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

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

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

On-behalf contributions to the THIS Fund

The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.12 percent of pay during the year ended June 30, 2017. State of Illinois contributions were \$109,202, and the District recognized revenue and expenditures of this amount during the year.

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE J - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teacher Health Insurance Security (THIS) Fund (Continued)

District contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.84 percent during the year ended June 30, 2017. For the year ended June 30, 2017, the District paid \$81,901 to the THIS Fund, which was 100 percent of the required contribution.

Further Information on the THIS Fund

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

2. District Postemployment Plan

The District currently provides postemployment benefits to four individuals. The agreements terminate when the individuals reach age 65. The amount paid by the District for the year ended June 30, 2017 was \$0.

NOTE K - INTERFUND TRANSFERS

The District transferred \$1,124,340 from the Operations and Maintenance Fund to the Debt Service Fund. The amount transferred is to be used for principal and interest payments on alternate revenue bonds.

The District transferred \$207,931 from the General (Educational) Fund to the Debt Service Fund. The amount transferred is to be used for principal and interest payments on capital leases.

NOTE L - JOINT AGREEMENTS

The District is a member of various joint agreements that provide certain special education services to residents of many school districts. The District is also a member in risk management pools, CLIC and Illinois Public Risk Fund, as mentioned in Note H. The District believes that, because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint governing boards, these are properly excluded as component units of the District.

Western Springs School District 101
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

NOTE M - CONSTRUCTION COMMITMENTS

The District has ongoing contracts for renovations in the next fiscal year. Commitments under these contracts approximate \$163,000, at June 30, 2017.

NOTE N - CONTINGENCIES

1. Litigation

The District is not aware of any significant litigation that would materially affect the balances reported at June 30, 2017. With regard to other pending matters, the eventual outcome and related liability, if any, are not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs.

2. Grants

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

NOTE O - SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 11, 2017, the date that these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the statement of net position/balance sheet date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Western Springs School District 101

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Illinois Municipal Retirement Fund

June 30, 2017

Calendar year ended December 31,	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability			
Service cost	\$ 163,885	\$ 151,671	\$ 152,668
Interest on the total pension liability	516,759	487,854	447,141
Difference between expected and actual experience of the total pension liability	496,173	150,215	17,946
Assumption changes	(32,528)	7,246	325,437
Benefit payments and refunds	(420,986)	(392,781)	(370,587)
Net change in total pension liability	<u>723,303</u>	<u>404,205</u>	<u>572,605</u>
Total pension liability, beginning	7,055,609	6,651,404	6,078,799
Total pension liability, ending	<u>\$ 7,778,912</u>	<u>\$ 7,055,609</u>	<u>\$ 6,651,404</u>
Plan fiduciary net position			
Contributions, employer	\$ 215,065	\$ 190,210	\$ 170,574
Contributions, employee	71,742	64,262	60,535
Net investment income	391,480	27,840	328,157
Benefit payments, including refunds of employee contributions	(420,986)	(392,781)	(370,587)
Other (net transfer)	<u>90,455</u>	<u>216,092</u>	<u>(977)</u>
Net change in plan fiduciary net position	347,756	105,623	187,702
Plan fiduciary net position, beginning	5,742,693	5,637,070	5,449,368
Plan fiduciary net position, ending	<u>\$ 6,090,449</u>	<u>\$ 5,742,693</u>	<u>\$ 5,637,070</u>
Net pension liability	<u>\$ 1,688,463</u>	<u>\$ 1,312,916</u>	<u>\$ 1,014,334</u>
Plan fiduciary net position as a percentage of the total pension liability	78.29 %	81.39 %	84.75 %
Covered Valuation Payroll	\$ 1,594,257	\$ 1,409,771	\$ 1,290,275
Net pension liability as a percentage of covered valuation payroll	105.91 %	93.13 %	78.61 %

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

Western Springs School District 101
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
 Illinois Municipal Retirement Fund
June 30, 2017

<u>Calendar Year</u> Ending <u>December 31,</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>Covered</u> <u>Valuation</u> <u>Payroll</u>	<u>Actual Contribution</u> as a % of <u>Covered Valuation Payroll</u>
2016	\$ 215,065	* \$ 215,065	\$ -	\$ 1,594,257	13.49 %
2015	188,063	190,210	(2,147)	1,409,771	13.49 %
2014	170,575	170,574	1	1,290,275	13.22 %

* Estimated based on contribution rate of 13.49% and covered valuation payroll of \$1,594,257 (most recent information available).

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

Western Springs School District 101
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
Teachers' Retirement System of the State of Illinois
June 30, 2017

	<u>2016</u>		<u>2015</u>		<u>2014</u>
District's proportion of the net pension liability	0.0014129461	%	0.0014907933	%	0.0013699579
					%
District's proportionate share of the net pension liability	\$ 1,115,324		\$ 976,620		\$ 833,733
State's proportionate share of the net pension liability associated with the District	<u>74,884,835</u>		<u>58,317,006</u>		<u>51,992,405</u>
Total	<u>\$ 76,000,159</u>		<u>\$ 59,293,626</u>		<u>\$ 52,826,138</u>
District's covered-employee payroll	\$ 9,459,214		\$ 8,697,280		\$ 8,755,174
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	11.79	%	11.23	%	9.52
					%
Plan fiduciary net position as a percentage of the total pension liability	36.40	%	41.50	%	43.00
					%

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

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

Western Springs School District 101
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
 Teachers' Retirement System of the State of Illinois
June 30, 2017

Fiscal year ended June 30,	2016	2015	2014
Contractually required contribution	\$ 56,551	\$ 54,863	\$ 50,780
Contributions in relation to the contractually required contribution	<u>(54,719)</u>	<u>(52,237)</u>	<u>(50,739)</u>
Contribution deficiency (excess)	\$ <u>1,832</u>	\$ <u>2,626</u>	\$ <u>41</u>
District's covered-employee payroll	\$ 9,750,168	\$ 9,459,214	\$ 8,697,280
Contributions as a percentage of covered-employee payroll	0.56 %	0.55 %	0.58 %

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

Western Springs School District 101
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2017
 With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			2016 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Revenues				
Local sources				
General levy	\$ 12,826,000	\$ 12,132,661	\$ (693,339)	\$ 12,374,913
Special education levy	80,000	79,454	(546)	80,834
replacement taxes	1,000	14,474	13,474	2,000
Special education tuition from other districts	20,000	-	(20,000)	20,469
Interest on investments	101,000	121,868	20,868	121,552
Sales to pupils - lunch	14,000	14,736	736	14,293
Fees	108,000	108,697	697	108,668
Rentals - regular textbook	70,000	68,398	(1,602)	71,870
Refund of prior years' expenditures	-	2,729	2,729	-
Other	15,000	37,177	22,177	72,956
Total local sources	<u>13,235,000</u>	<u>12,580,194</u>	<u>(654,806)</u>	<u>12,867,555</u>
State sources				
General State Aid	540,000	642,711	102,711	532,150
Special Education - Private Facility Tuition	110,000	123,040	13,040	127,742
Special Education - Funding for Children Requiring Sp Ed Services	150,000	192,878	42,878	171,811
Special Education - Personnel	220,000	237,236	17,236	260,675
Special Education - Summer School	1,000	533	(467)	689
Other state sources	1,000	-	(1,000)	869
Total state sources	<u>1,022,000</u>	<u>1,196,398</u>	<u>174,398</u>	<u>1,093,936</u>
Federal sources				
Title V - Other	30,000	-	(30,000)	-
Special Milk Program	10,000	9,585	(415)	10,165
Title I - Low Income	65,000	87,519	22,519	102,880

(Continued)

Western Springs School District 101
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2017
 With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			2016 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Federal sources (continued)				
Federal - Special Education				
- I.D.E.A. - Flow Through	\$ -	\$ 4,531	\$ 4,531	\$ 441
Federal - Special Education				
- I.D.E.A. - Room and Board	4,000	45,194	41,194	-
Title II - Teacher Quality	<u>15,000</u>	<u>14,284</u>	<u>(716)</u>	<u>14,991</u>
Total federal sources	<u>124,000</u>	<u>161,113</u>	<u>37,113</u>	<u>128,477</u>
Total revenues	<u>14,381,000</u>	<u>13,937,705</u>	<u>(443,295)</u>	<u>14,089,968</u>
Expenditures				
Instruction				
Regular programs				
Salaries	6,325,000	6,357,217	(32,217)	6,046,775
Employee benefits	785,000	675,293	109,707	729,079
Purchased services	95,500	239,284	(143,784)	101,063
Supplies and materials	132,400	128,998	3,402	105,360
Capital outlay	<u>2,000</u>	<u>340</u>	<u>1,660</u>	<u>149</u>
Total	<u>7,339,900</u>	<u>7,401,132</u>	<u>(61,232)</u>	<u>6,982,426</u>
Tuition Payment to Charter Schools				
Purchased services	<u>53,500</u>	<u>-</u>	<u>53,500</u>	<u>-</u>
Total	<u>53,500</u>	<u>-</u>	<u>53,500</u>	<u>-</u>
Special education programs				
Salaries	1,033,000	1,046,663	(13,663)	969,256
Employee benefits	183,700	137,841	45,859	164,160
Purchased services	4,000	4,464	(464)	2,506
Supplies and materials	8,000	8,786	(786)	5,824
Capital outlay	<u>1,500</u>	<u>1,593</u>	<u>(93)</u>	<u>1,459</u>
Total	<u>1,230,200</u>	<u>1,199,347</u>	<u>30,853</u>	<u>1,143,205</u>

(Continued)

Western Springs School District 101

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2017

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

	2017			2016 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Special education programs pre-K				
Salaries	\$ 90,000	\$ 119,662	\$ (29,662)	\$ 81,781
Employee benefits	11,500	6,413	5,087	7,537
Supplies and materials	2,500	437	2,063	168
Capital outlay	1,000	-	1,000	15
Termination benefits	570,000	-	570,000	-
Total	675,000	126,512	548,488	89,501
Interscholastic programs				
Salaries	426,500	453,685	(27,185)	414,903
Employee benefits	26,400	18,955	7,445	19,090
Purchased services	9,400	7,771	1,629	6,824
Supplies and materials	15,000	12,214	2,786	13,762
Total	477,300	492,625	(15,325)	454,579
Gifted programs				
Salaries	359,000	362,048	(3,048)	319,541
Employee benefits	49,000	24,372	24,628	44,495
Purchased services	1,000	-	1,000	-
Supplies and materials	1,000	353	647	423
Total	410,000	386,773	23,227	364,459
Total instruction	10,185,900	9,606,389	579,511	9,034,170
Support services				
Pupils				
Attendance and social work services				
Salaries	209,500	211,461	(1,961)	191,325
Employee benefits	18,500	15,587	2,913	15,818
Purchased services	-	1,706	(1,706)	8,075
Total	228,000	228,754	(754)	215,218

(Continued)

Western Springs School District 101
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2017
 With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			2016 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Health services				
Salaries	\$ 126,000	\$ 130,386	\$ (4,386)	\$ 123,557
Employee benefits	8,900	8,008	892	7,530
Purchased services	600	596	4	85
Supplies and materials	2,000	2,032	(32)	1,906
Capital outlay	300	446	(146)	-
Total	<u>137,800</u>	<u>141,468</u>	<u>(3,668)</u>	<u>133,078</u>
Speech pathology and audiology services				
Salaries	275,000	272,408	2,592	298,897
Employee benefits	24,000	10,425	13,575	22,958
Purchased services	500	-	500	85
Supplies and materials	1,500	1,693	(193)	888
Total	<u>301,000</u>	<u>284,526</u>	<u>16,474</u>	<u>322,828</u>
Total pupils	<u>666,800</u>	<u>654,748</u>	<u>12,052</u>	<u>671,124</u>
Instructional staff				
Improvement of instruction services				
Salaries	423,500	379,401	44,099	384,744
Employee benefits	61,000	65,939	(4,939)	59,140
Purchased services	249,000	174,335	74,665	181,304
Supplies and materials	311,500	358,018	(46,518)	401,148
Capital outlay	300,000	228,849	71,151	33,060
Total	<u>1,345,000</u>	<u>1,206,542</u>	<u>138,458</u>	<u>1,059,396</u>

(Continued)

Western Springs School District 101
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2017
 With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			2016 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Educational media services				
Salaries	\$ 247,000	\$ 250,199	\$ (3,199)	\$ 233,376
Employee benefits	24,700	10,008	14,692	12,831
Supplies and materials	16,700	16,114	586	16,214
Capital outlay	<u>5,000</u>	<u>7,251</u>	<u>(2,251)</u>	<u>9,568</u>
Total	<u>293,400</u>	<u>283,572</u>	<u>9,828</u>	<u>271,989</u>
Total instructional staff	<u>1,638,400</u>	<u>1,490,114</u>	<u>148,286</u>	<u>1,331,385</u>
General administration				
Board of education services				
Employee benefits	15,000	6,931	8,069	15,801
Purchased services	227,000	196,635	30,365	219,825
Supplies and materials	5,000	4,487	513	5,650
Capital outlay	<u>25,000</u>	<u>15,696</u>	<u>9,304</u>	<u>13,775</u>
Total	<u>272,000</u>	<u>223,749</u>	<u>48,251</u>	<u>255,051</u>
Executive administration services				
Salaries	373,000	387,310	(14,310)	365,188
Employee benefits	78,100	57,688	20,412	72,249
Purchased services	28,600	26,068	2,532	35,698
Supplies and materials	2,000	1,543	457	1,796
Capital outlay	<u>4,000</u>	<u>2,408</u>	<u>1,592</u>	<u>-</u>
Total	<u>485,700</u>	<u>475,017</u>	<u>10,683</u>	<u>474,931</u>
Total general administration	<u>757,700</u>	<u>698,766</u>	<u>58,934</u>	<u>729,982</u>

(Continued)

Western Springs School District 101
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2017
 With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			2016 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
School administration				
Office of the principal services				
Salaries	\$ 758,000	\$ 781,587	\$ (23,587)	\$ 794,043
Employee benefits	267,600	200,432	67,168	237,874
Purchased services	62,000	100,766	(38,766)	50,997
Supplies and materials	-	-	-	356
Total	<u>1,087,600</u>	<u>1,082,785</u>	<u>4,815</u>	<u>1,083,270</u>
Total school administration	<u>1,087,600</u>	<u>1,082,785</u>	<u>4,815</u>	<u>1,083,270</u>
Business				
Food services				
Salaries	117,300	103,901	13,399	109,341
Employee benefits	30,000	30,002	(2)	24,037
Purchased services	31,000	21,000	10,000	21,000
Supplies and materials	15,000	12,392	2,608	12,450
Total	<u>193,300</u>	<u>167,295</u>	<u>26,005</u>	<u>166,828</u>
Total business	<u>193,300</u>	<u>167,295</u>	<u>26,005</u>	<u>166,828</u>
Total support services	<u>4,343,800</u>	<u>4,093,708</u>	<u>250,092</u>	<u>3,982,589</u>
Community services				
Salaries	3,300	3,300	-	3,300
Employee benefits	-	-	-	256
Purchased services	1,200	1,200	-	1,200
Total	<u>4,500</u>	<u>4,500</u>	<u>-</u>	<u>4,756</u>

(Continued)

Western Springs School District 101
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2017
 With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			2016 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Payments to other districts and government units				
Payments for special education programs - tuition				
Other objects	\$ -	\$ 555,842	\$ (555,842)	\$ 491,935
Provision for contingencies	20,000	-	20,000	-
Total expenditures	14,554,200	14,260,439	293,761	13,513,450
Excess (deficiency) of revenues over expenditures	(173,200)	(322,734)	(149,534)	576,518
Other financing sources (uses)				
Permanent transfer from Working				
Cash Fund - abatement	-	-	-	(650,000)
Proceeds from capital leases	-	166,325	166,325	-
Transfer to pay principal and interest on technology loan	-	-	-	(172,548)
Transfer to Debt Service Fund for principal on capital leases	-	(202,088)	(202,088)	(179,603)
Transfer to Debt Service Fund for interest on capital leases	-	(5,843)	(5,843)	(8,674)
Total other financing sources (uses)	-	(41,606)	(41,606)	(1,010,825)
Net change to fund balance	\$ (173,200)	(364,340)	\$ (191,140)	(434,307)
Fund balance, beginning of year		9,053,540		9,487,847
Fund balance, end of year		\$ 8,689,200		\$ 9,053,540

(Concluded)

Western Springs School District 101
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2017
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 2,400,000	\$ 2,386,207	\$ (13,793)	\$ 2,031,472
Interest on investments	5,000	19,494	14,494	9,550
Refund of prior years' expenditures	-	-	-	23,307
Other	<u>20,000</u>	<u>4,209</u>	<u>(15,791)</u>	<u>16,457</u>
Total local sources	<u>2,425,000</u>	<u>2,409,910</u>	<u>(15,090)</u>	<u>2,080,786</u>
State sources				
Infrastructure Improvements - Maintenance Projects	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>	<u>-</u>
Total state sources	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>	<u>-</u>
Total revenues	<u>2,430,000</u>	<u>2,409,910</u>	<u>(20,090)</u>	<u>2,080,786</u>
Expenditures				
Support services				
Business				
Facilities acquisition and construction services				
Capital outlay	<u>55,000</u>	<u>45,430</u>	<u>9,570</u>	<u>40,340</u>
Total	<u>55,000</u>	<u>45,430</u>	<u>9,570</u>	<u>40,340</u>

(Continued)

Western Springs School District 101
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2017
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Original and Final Budget	Actual		
Operation and maintenance				
of plant services				
Salaries	\$ 516,000	\$ 506,579	\$ 9,421	\$ 514,832
Employee benefits	111,000	104,091	6,909	125,276
Purchased services	287,000	222,562	64,438	283,613
Supplies and materials	388,000	382,468	5,532	376,511
Capital outlay	22,000	-	22,000	4,239
Other objects	10,000	-	10,000	-
Total	<u>1,334,000</u>	<u>1,215,700</u>	<u>118,300</u>	<u>1,304,471</u>
Total business	<u>1,389,000</u>	<u>1,261,130</u>	<u>127,870</u>	<u>1,344,811</u>
Total support services	<u>1,389,000</u>	<u>1,261,130</u>	<u>127,870</u>	<u>1,344,811</u>
Total expenditures	<u>1,389,000</u>	<u>1,261,130</u>	<u>127,870</u>	<u>1,344,811</u>
Excess of revenues				
over expenditures	<u>1,041,000</u>	<u>1,148,780</u>	<u>107,780</u>	<u>735,975</u>
Other financing sources (uses)				
Permanent transfer from Working				
Cash Fund - abatement	-	-	-	650,000
Transfer to Debt Service Fund for principal				
and interest on alternative revenue bonds	<u>(600,000)</u>	<u>(1,124,340)</u>	<u>(524,340)</u>	<u>(1,100,000)</u>
Total other financing sources (uses)	<u>(600,000)</u>	<u>(1,124,340)</u>	<u>(524,340)</u>	<u>(450,000)</u>
Net change in fund balance	<u>\$ 441,000</u>	24,440	<u>\$ (416,560)</u>	285,975
Fund balance, beginning of year		<u>642,037</u>		<u>356,062</u>
Fund balance, end of year		<u>\$ 666,477</u>		<u>\$ 642,037</u>

(Concluded)

Western Springs School District 101
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2017
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 300,000	\$ 298,272	\$ (1,728)	\$ 253,994
Regular transportation fees from pupils or parents	-	14,057	14,057	15,045
Regular transportation fees from other districts	-	1,325	1,325	-
Interest on investments	1,000	2,382	1,382	2,221
Total local sources	<u>301,000</u>	<u>316,036</u>	<u>15,036</u>	<u>271,260</u>
State sources				
Transportation - Special Education	<u>80,000</u>	<u>126,084</u>	<u>46,084</u>	<u>91,224</u>
Total state sources	<u>80,000</u>	<u>126,084</u>	<u>46,084</u>	<u>91,224</u>
Total revenues	<u>381,000</u>	<u>442,120</u>	<u>61,120</u>	<u>362,484</u>
Expenditures				
Support services				
Business				
Pupil transportation services				
Salaries	10,000	10,031	(31)	9,738
Employee benefits	2,300	2,011	289	2,054
Purchased services	<u>335,000</u>	<u>208,079</u>	<u>126,921</u>	<u>197,236</u>
Total	<u>347,300</u>	<u>220,121</u>	<u>127,179</u>	<u>209,028</u>
Total support services	<u>347,300</u>	<u>220,121</u>	<u>127,179</u>	<u>209,028</u>

(Continued)

Western Springs School District 101
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2017
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Original and Final Budget	Actual		
Payments to other districts and government units				
Payment for special education programs				
Purchased services	\$ -	\$ 147,807	\$ (147,807)	\$ 193,479
Total nonprogrammed charges	-	147,807	(147,807)	193,479
Total expenditures	347,300	367,928	(20,628)	402,507
Excess (deficiency) of revenues over expenditures	\$ 33,700	74,192	\$ 40,492	(40,023)
Fund balance, beginning of year		144,072		184,095
Fund balance, end of year		\$ 218,264		\$ 144,072

(Concluded)

Western Springs School District 101
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2017
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 200,000	\$ 198,774	\$ (1,226)	\$ 202,199
Social security/Medicare only levy	202,000	198,774	(3,226)	202,199
Corporate personal property replacement taxes	80,000	90,355	10,355	72,286
Interest on investments	<u>1,000</u>	<u>3,892</u>	<u>2,892</u>	<u>3,079</u>
Total local sources	<u>483,000</u>	<u>491,795</u>	<u>8,795</u>	<u>479,763</u>
Total revenues	<u>483,000</u>	<u>491,795</u>	<u>8,795</u>	<u>479,763</u>
Expenditures				
Instruction				
Regular programs	175,000	193,144	(18,144)	162,508
Special education programs	14,000	16,100	(2,100)	13,733
Special education programs pre-K	3,000	9,958	(6,958)	2,544
Interscholastic programs	8,000	9,353	(1,353)	7,867
Gifted programs	<u>5,000</u>	<u>5,335</u>	<u>(335)</u>	<u>4,531</u>
Total instruction	<u>205,000</u>	<u>233,890</u>	<u>(28,890)</u>	<u>191,183</u>
Support services				
Pupils				
Attendance and social work services	4,000	3,048	952	3,051
Health services	15,000	14,937	63	14,446
and audiology services	<u>4,000</u>	<u>4,119</u>	<u>(119)</u>	<u>4,178</u>
Total pupils	<u>23,000</u>	<u>22,104</u>	<u>896</u>	<u>21,675</u>

(Continued)

Western Springs School District 101
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2017
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Original and Final Budget	Actual		
Instructional staff				
Improvement of instruction services	\$ 43,000	\$ 43,752	\$ (752)	\$ 41,900
Educational media services	<u>6,500</u>	<u>8,239</u>	<u>(1,739)</u>	<u>6,545</u>
Total instructional staff	<u>49,500</u>	<u>51,991</u>	<u>(2,491)</u>	<u>48,445</u>
General administration				
Board of education services	-	43	(43)	-
Executive administration services	<u>41,500</u>	<u>43,420</u>	<u>(1,920)</u>	<u>40,550</u>
Total general administration	<u>41,500</u>	<u>43,463</u>	<u>(1,963)</u>	<u>40,550</u>
School administration				
Office of the principal services	<u>22,000</u>	<u>45,488</u>	<u>(23,488)</u>	<u>42,887</u>
Total school administration	<u>22,000</u>	<u>45,488</u>	<u>(23,488)</u>	<u>42,887</u>
Business				
Operation and maintenance of plant services	87,000	84,012	2,988	86,291
Food services	<u>12,500</u>	<u>11,721</u>	<u>779</u>	<u>12,352</u>
Total business	<u>99,500</u>	<u>95,733</u>	<u>3,767</u>	<u>98,643</u>
Total support services	<u>235,500</u>	<u>258,779</u>	<u>(23,279)</u>	<u>252,200</u>
Community services	<u>-</u>	<u>-</u>	<u>-</u>	<u>44</u>
Total expenditures	<u>440,500</u>	<u>492,669</u>	<u>(52,169)</u>	<u>443,427</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 42,500</u>	(874)	<u>\$ (43,374)</u>	36,336
Fund balance, beginning of year		<u>271,980</u>		<u>235,644</u>
Fund balance, end of year		<u>\$ 271,106</u>		<u>\$ 271,980</u>

(Concluded)

Western Springs School District 101
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2017

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the General Fund which does not budget for on-behalf pension payments from the State of Illinois. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse as fiscal year-end.

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

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
- d) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on September 19, 2016.

Western Springs School District 101
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2017

2. EXPENDITURES IN EXCESS OF BUDGET

The following funds had expenditures in excess of budget at June 30, 2017:

Funds	Variance
Debt Service	\$ 1,691,171
Transportation	20,628
Municipal Retirement / Social Security	52,169

The expenditures in excess of budget in the Debt Service Fund is a result of no budget for expenditures in fiscal year ended June 30, 2017.

3. BUDGET RECONCILIATION

The Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds (GAAP Basis) includes "on-behalf" payments received and made from the amounts contributed by the state of Illinois for the employer's share of the Teacher's Retirement System pension. The District does not budget for these amounts. The difference between the budget and the GAAP basis are as follows:

	<u>Revenues</u>	<u>Expenditures</u>
General fund - budgetary basis	\$ 13,937,705	\$ 14,260,439
To adjust for on-behalf payments received	7,463,349	-
To adjust for on-behalf payments made	-	7,463,349
General fund - GAAP basis	\$ 21,401,054	\$ 21,723,788

4. TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Changes of Assumptions

For the 2016 measurement year, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit.

For the 2015 measurement year, the assumed investment rate of return was 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

For the 2014 measurement year, the assumed investment rate of return was also 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 percent. However, salary increases were assumed to vary by age.

Western Springs School District 101
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2017

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2016 IMRF CONTRIBUTION RATE*

Valuation Date:

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

Methods and Assumptions Used to Determine the 2016 Contribution Rate:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 27-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.

Asset Valuation Method	SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 22 years for most employers (two employers were financed over 31 years). 5-year smoothed market; 20% corridor
Wage Growth	3.50%
Price Inflation	2.75% - approximate; no explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 calculation pursuant to an experience study of the period 2011-2013.

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

Other Information:

Notes There were no benefit changes during the year.

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

SUPPLEMENTARY FINANCIAL INFORMATION

Western Springs School District 101

General Fund

COMBINING BALANCE SHEET

June 30, 2017

	Educational Account	Working Cash Account	Total
ASSETS			
Cash and investments	\$ 8,569,141	\$ 237,645	\$ 8,806,786
Receivables (net of allowance for uncollectibles):			
Property taxes	5,808,780	113,720	5,922,500
Intergovernmental	<u>308,194</u>	<u>-</u>	<u>308,194</u>
 Total assets	 <u>\$ 14,686,115</u>	 <u>\$ 351,365</u>	 <u>\$ 15,037,480</u>
 LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 171,330	\$ -	\$ 171,330
Salaries and wages payable	2,116	-	2,116
Payroll deductions payable	249,469	-	249,469
Claims payable	<u>2,865</u>	<u>-</u>	<u>2,865</u>
 Total liabilities	 <u>425,780</u>	 <u>-</u>	 <u>425,780</u>
 DEFERRED INFLOWS			
Property taxes levied for a future period	<u>5,808,780</u>	<u>113,720</u>	<u>5,922,500</u>
 Total deferred inflows	 <u>5,808,780</u>	 <u>113,720</u>	 <u>5,922,500</u>
 FUND BALANCES			
Unassigned	<u>8,451,555</u>	<u>237,645</u>	<u>8,689,200</u>
 Total fund balance	 <u>8,451,555</u>	 <u>237,645</u>	 <u>8,689,200</u>
 Total liabilities, deferred inflows, and fund balance	 <u>\$ 14,686,115</u>	 <u>\$ 351,365</u>	 <u>\$ 15,037,480</u>

Western Springs School District 101

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES For the Year Ended June 30, 2017

	Educational Account	Working Cash Account	Total
Revenues			
Property taxes	\$ 11,990,421	\$ 221,694	\$ 12,212,115
Replacement taxes	14,474	-	14,474
State aid	8,659,747	-	8,659,747
Federal aid	161,113	-	161,113
Interest	119,384	2,484	121,868
Other	231,737	-	231,737
Total revenues	21,176,876	224,178	21,401,054
Expenditures			
Current:			
Instruction:			
Regular programs	7,400,792	-	7,400,792
Special programs	1,324,266	-	1,324,266
Other instructional programs	879,398	-	879,398
State retirement contributions	7,463,349	-	7,463,349
Support services:			
Pupils	654,302	-	654,302
Instructional staff	1,254,014	-	1,254,014
General administration	680,662	-	680,662
School administration	1,082,785	-	1,082,785
Business	167,295	-	167,295
Community services	4,500	-	4,500
Nonprogrammed charges	555,842	-	555,842
Capital outlay	256,583	-	256,583
Total expenditures	21,723,788	-	21,723,788
Excess (deficiency) of revenues over expenditures	(546,912)	224,178	(322,734)
Other financing sources (uses)			
Transfers (out)	(207,931)	-	(207,931)
Capital lease proceeds	166,325	-	166,325
Total other financing sources (uses)	(41,606)	-	(41,606)
Net change in fund balance	(588,518)	224,178	(364,340)
Fund balance, beginning of year	9,040,073	13,467	9,053,540
Fund balance, end of year	\$ 8,451,555	\$ 237,645	\$ 8,689,200

Western Springs School District 101
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2017
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			2016 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Revenues				
Local sources				
General levy	\$ 375,000	\$ 375,448	\$ 448	\$ 441,363
Interest on investments	<u>1,000</u>	<u>1,736</u>	<u>736</u>	<u>379</u>
Total local sources	<u>376,000</u>	<u>377,184</u>	<u>1,184</u>	<u>441,742</u>
Total revenues	<u>376,000</u>	<u>377,184</u>	<u>1,184</u>	<u>441,742</u>
Expenditures				
Debt service				
Debt services - interest				
Bonds and certificates - interest	<u>-</u>	<u>871,483</u>	<u>(871,483)</u>	<u>892,418</u>
Total debt service - interest	<u>-</u>	<u>871,483</u>	<u>(871,483)</u>	<u>892,418</u>
Principal payments on long-term debt	<u>-</u>	<u>817,088</u>	<u>(817,088)</u>	<u>944,597</u>
Other debt service				
Other objects	<u>-</u>	<u>2,600</u>	<u>(2,600)</u>	<u>2,825</u>
Total	<u>-</u>	<u>2,600</u>	<u>(2,600)</u>	<u>2,825</u>
Total debt service	<u>-</u>	<u>1,691,171</u>	<u>(1,691,171)</u>	<u>1,839,840</u>
Total expenditures	<u>-</u>	<u>1,691,171</u>	<u>(1,691,171)</u>	<u>1,839,840</u>
Excess (deficiency) of revenues over expenditures	<u>376,000</u>	<u>(1,313,987)</u>	<u>(1,689,987)</u>	<u>(1,398,098)</u>

(Continued)

Western Springs School District 101
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2017
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			2016 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Other financing sources				
Transfer to pay for principal on capital leases	\$ -	\$ 202,088	\$ 202,088	\$ 179,603
Transfer to pay for interest on capital leases	-	5,843	5,843	8,674
Transfer to pay for principal and interest on alternative revenue bonds	600,000	1,124,340	524,340	1,100,000
Transfer to pay for principal and interest on technology loan	-	-	-	172,548
Total other financing sources	<u>600,000</u>	<u>1,332,271</u>	<u>732,271</u>	<u>1,460,825</u>
Net change in fund balance	<u>\$ 976,000</u>	18,284	<u>\$ (957,716)</u>	62,727
Fund balance, beginning of year		<u>75,947</u>		<u>13,220</u>
Fund balance, end of year		<u>\$ 94,231</u>		<u>\$ 75,947</u>

(Concluded)

Western Springs School District 101
 Capital Projects Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2017
 With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
Interest on investments	\$ 1,000	\$ 141	\$ (859)	\$ 1,373
Total revenues	<u>1,000</u>	<u>141</u>	<u>(859)</u>	<u>1,373</u>
Expenditures				
Support services				
Facilities acquisition and construction services				
Capital outlay	-	-	-	202,707
Non-capitalized equipment	<u>25,000</u>	<u>24,992</u>	<u>8</u>	<u>66,742</u>
Total support services	<u>25,000</u>	<u>24,992</u>	<u>8</u>	<u>269,449</u>
Total expenditures	<u>25,000</u>	<u>24,992</u>	<u>8</u>	<u>269,449</u>
Deficiency of revenues over expenditures	<u>\$ (24,000)</u>	<u>(24,851)</u>	<u>\$ (851)</u>	<u>(268,076)</u>
Fund balance, beginning of year		<u>37,332</u>		<u>305,408</u>
Fund balance, end of year		<u>\$ 12,481</u>		<u>\$ 37,332</u>

Western Springs School District 101
 Fire Prevention and Safety Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2017
 With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017		Variance From Final Budget	2016 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 200,000	\$ 250,160	\$ 50,160	\$ 202,199
Interest on investments	<u>1,000</u>	<u>2,547</u>	<u>1,547</u>	<u>2,558</u>
Total local sources	<u>201,000</u>	<u>252,707</u>	<u>51,707</u>	<u>204,757</u>
Total revenues	<u>201,000</u>	<u>252,707</u>	<u>51,707</u>	<u>204,757</u>
Expenditures				
Support services				
Facilities acquisition and construction services				
Capital outlay	260,000	201,409	58,591	200,795
Non-capitalized equipment	<u>25,000</u>	<u>74,277</u>	<u>(49,277)</u>	<u>970</u>
Total support services	<u>285,000</u>	<u>275,686</u>	<u>9,314</u>	<u>201,765</u>
Total expenditures	<u>285,000</u>	<u>275,686</u>	<u>9,314</u>	<u>201,765</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (84,000)</u>	<u>(22,979)</u>	<u>\$ 61,021</u>	<u>2,992</u>
Fund balance, beginning of year		<u>202,077</u>		<u>199,085</u>
Fund balance, end of year		<u>\$ 179,098</u>		<u>\$ 202,077</u>

Western Springs School District 101
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Assets				
Cash	\$ 193,163	\$ 327,832	\$ 345,644	\$ 175,351
Liabilities				
Due to:				
<i>Field Park Elementary</i>				
Activity	\$ 2,464	\$ 7,675	\$ 7,593	\$ 2,546
Garden	1,078	104	260	922
Library	2,674	3,006	3,203	2,477
Student Council	1,483	1,221	1,500	1,204
<i>Forest Hills Elementary</i>				
Activity	2,269	10,638	12,101	806
Library	3,339	1,707	1,210	3,836
Student Council	-	2,458	2,302	156
<i>Laidlaw Elementary</i>				
Activity	6,962	48,565	50,762	4,765
Library	2,825	3,386	3,220	2,991
<i>McClure Junior High</i>				
Even Exchange	(9,162)	72,584	63,391	31
Graduation	568	6,200	6,363	405
Library	2,739	2,740	2,374	3,105
Magazine	505	9,202	9,359	348
Musical	3,358	8,477	7,252	4,583
Photo	11,150	12,327	10,678	12,799
Student Council	7,315	6,331	11,688	1,958
Club	-	1,204	500	704
Uniforms	7,066	16,170	16,568	6,668
Vending	2,662	1,390	2,867	1,185
Yearbook	3,861	542	-	4,403
<i>General District</i>				
Camps	53	-	-	53
Even Exchange	54,890	32,730	32,525	55,095
Foundation	(8,208)	28,630	25,718	(5,296)
Interest	889	165	-	1,054
Summer School	44,461	50,380	74,210	20,631
Chromebooks	5,058	-	-	5,058
Tech	42,864	-	-	42,864
Total liabilities	\$ 193,163	\$ 327,832	\$ 345,644	\$ 175,351

Western Springs School District 101
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2017

	Maturity as follows			Total
	for the Year Ended June 30	Principal	Interest	
Series 2005 Refunding Bonds dated December 1, 2005 (Interest at 4.00%, Principal due November 1)	2018	\$ 180,000	\$ 3,600	\$ 183,600
	Total	\$ 180,000	\$ 3,600	\$ 183,600
Series 2012 Refunding / Alternative Revenue Source Bonds dated April 9, 2012 (Interest at 2.00% to 3.00%, Principal due November 1)	2018	\$ 300,000	\$ 51,650	\$ 351,650
	2019	305,000	42,575	347,575
	2020	320,000	34,000	354,000
	2021	320,000	25,200	345,200
	2022	335,000	15,375	350,375
	2023	345,000	5,175	350,175
Total	\$ 1,925,000	\$ 173,975	\$ 2,098,975	
Series 2014A Revenue Bonds dated May 7, 2014 (Interest at 2.00% to 5.00%, Principal due December 1)	2018	\$ 160,000	\$ 203,200	\$ 363,200
	2019	170,000	199,900	369,900
	2020	175,000	196,450	371,450
	2021	185,000	191,925	376,925
	2022	195,000	186,225	381,225
	2023	210,000	180,150	390,150
	2024	220,000	171,500	391,500
	2025	240,000	160,000	400,000
	2026	255,000	147,625	402,625
	2027	275,000	134,375	409,375
	2028	295,000	120,125	415,125
	2029	315,000	104,875	419,875
	2030	340,000	88,500	428,500
	2031	360,000	71,000	431,000
	2032	385,000	52,375	437,375
2033	415,000	32,375	447,375	
2034	440,000	11,000	451,000	
Total	\$ 4,635,000	\$ 2,251,600	\$ 6,886,600	

(Continued)

Western Springs School District 101
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2017

	Maturity as follows			Total
	for the Year Ended June 30	Principal	Interest	
Series 2014B Refunding / Revenue Bonds dated May 7, 2014 (Interest at 4.00% to 5.00%, Principal due November 1)	2018	\$ -	\$ 473,175	\$ 473,175
	2019	-	473,175	473,175
	2020	-	473,175	473,175
	2021	-	473,175	473,175
	2022	-	473,175	473,175
	2023	-	473,175	473,175
	2024	-	473,175	473,175
	2025	-	473,175	473,175
	2026	-	473,175	473,175
	2027	-	473,175	473,175
	2028	710,000	455,425	1,165,425
	2029	750,000	418,925	1,168,925
	2030	785,000	380,550	1,165,550
	2031	825,000	344,425	1,169,425
	2032	855,000	310,825	1,165,825
	2033	890,000	275,925	1,165,925
	2034	930,000	239,525	1,169,525
	2035	965,000	201,625	1,166,625
	2036	1,005,000	160,968	1,165,968
	2037	1,050,000	117,300	1,167,300
2038	1,095,000	71,719	1,166,719	
2039	1,140,000	24,225	1,164,225	
Total	\$ 11,000,000	\$ 7,733,187	\$ 18,733,187	

(Continued)

Western Springs School District 101
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2017

	Maturity as follows for the Year			Total
	Ended June 30	Principal	Interest	
Series 2014C Refunding / Revenue Bonds dated May 7, 2014 (Interest at 4.40%, Principal due November 1)	2018	\$ -	\$ 24,640	\$ 24,640
	2019	-	24,640	24,640
	2020	-	24,640	24,640
	2021	-	24,640	24,640
	2022	-	24,640	24,640
	2023	-	24,640	24,640
	2024	-	24,640	24,640
	2025	-	24,640	24,640
	2026	-	24,640	24,640
	2027	560,000	12,320	572,320
Total		\$ 560,000	\$ 234,080	\$ 794,080
Series 2015 Refunding / Revenue Bonds dated January 6, 2015 (Interest at 2.00% to 4.00%, Principal due November 1)	2018	\$ -	\$ 91,825	\$ 91,825
	2019	210,000	89,725	299,725
	2020	210,000	85,525	295,525
	2021	220,000	80,950	300,950
	2022	220,000	75,725	295,725
	2023	225,000	70,162	295,162
	2024	585,000	58,575	643,575
	2025	610,000	37,600	647,600
	2026	635,000	12,700	647,700
Total		\$ 2,915,000	\$ 602,787	\$ 3,517,787
Total General Obligation Bonds		\$ 21,215,000	\$ 10,999,229	\$ 32,214,229

(Concluded)

OTHER SUPPLEMENTAL INFORMATION
(Unaudited)

Western Springs School District 101
PROPERTY TAX RATES - LEVIES AND COLLECTIONS
LAST FIVE TAX LEVY YEARS

	2016	2015	2014	2013	2012
Assessed valuation	\$ 492,554,760	\$ 468,110,476	\$ 477,537,842	\$ 450,906,363	\$ 475,214,103
Rates Extended					
Educational	2.4609	2.5271	2.6201	2.7513	2.5628
Special Education	0.0162	0.0171	0.0168	0.0177	0.0168
Operations and Maintenance	0.4873	0.5127	0.3367	0.2661	0.2525
Debt Service	0.0770	0.0803	0.1052	0.0712	0.0700
Transportation	0.0609	0.0641	0.0421	0.0444	0.0358
Municipal Retirement	0.0406	0.0427	0.0421	0.0444	0.0379
Social Security	0.0406	0.0427	0.0421	0.0444	0.0379
Working Cash	0.0485	0.0440	-	-	-
Fire Prevention and Safety	0.0609	0.0427	0.0421	0.0665	0.0421
Total rates extended	3.2929	3.3734	3.2472	3.3060	3.0558
Levies Extended					
Educational	\$ 12,121,366	\$ 11,829,521	\$ 12,512,120	\$ 12,405,907	\$ 12,179,024
Special Education	80,000	80,000	80,405	80,000	80,000
Operations and Maintenance	2,400,000	2,400,000	1,608,081	1,200,000	1,200,000
Debt Service	379,021	375,690	502,322	321,211	332,467
Transportation	300,000	300,000	201,011	200,000	170,000
Municipal Retirement	200,000	200,000	201,011	200,000	180,000
Social Security	200,000	200,000	201,011	200,000	180,000
Working Cash	238,883	206,000	-	-	-
Fire Prevention and Safety	300,000	200,000	201,011	300,000	200,000
Total levies extended	\$ 16,219,270	\$ 15,791,211	\$ 15,506,972	\$ 14,907,118	\$ 14,521,491
Total Collections	\$ 8,335,702	\$ 15,748,768	\$ 15,415,029	\$ 14,776,902	\$ 14,459,206
Percentage of extensions collected	51.39%	99.73%	99.41%	99.13%	99.57%

Note: Tax Rates are expressed in dollars per \$100 of assessed valuation.

Western Springs School District 101
OPERATING COSTS AND TUITION CHARGE
June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating costs per pupil		
Average Daily Attendance (ADA):	<u>1,342.26</u>	<u>1,402.20</u>
Operating costs:		
Educational	\$ 14,260,439	\$ 13,513,450
Operations and Maintenance	1,261,130	1,344,811
Debt Service	1,691,171	1,839,840
Transportation	367,928	402,507
Municipal Retirement/Social Security	<u>492,669</u>	<u>443,427</u>
Subtotal	<u>18,073,337</u>	<u>17,544,035</u>
Less Revenues/Expenditures of Nonregular Programs:		
Pre-K Programs	136,470	92,030
Payments to Other Districts and Gov't Units	703,649	685,414
Capital Outlay	300,420	101,146
Debt Principal Retired	817,088	944,597
Community Services	<u>5,825</u>	<u>4,800</u>
Subtotal	<u>1,963,452</u>	<u>1,827,987</u>
Operating costs	<u>\$ 16,108,292</u>	<u>\$ 15,716,048</u>
Operating costs per pupil - based on ADA	<u>\$ 12,001</u>	<u>\$ 11,208</u>
Tuition Charge		
Operating costs	\$ 16,108,292	\$ 15,716,048
Less - revenues from specific programs, such as special education or lunch programs	<u>1,046,772</u>	<u>991,363</u>
Net operating costs	15,061,520	14,724,685
Depreciation allowance	<u>845,503</u>	<u>835,811</u>
Allowance tuition costs	<u>\$ 15,907,023</u>	<u>\$ 15,560,496</u>
Tuition charge per pupil - based on ADA	<u>\$ 11,851</u>	<u>\$ 11,097</u>

Source of information: Annual Financial Reports