

***PARK RIDGE-NILES
SCHOOL DISTRICT NO. 64***

Annual Financial Report

**For The Year Ended
June 30, 2015**

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64

June 30, 2015

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Independent Auditor's Report

Board of Education
Park Ridge-Niles School District No. 64
Park Ridge, IL

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 Park Ridge-Niles School District No. 64, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Park Ridge-Niles School District No. 64's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Park Ridge-Niles School District No. 64'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.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Park Ridge-Niles School District No. 64, as of June 30, 2015, 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.

Emphasis of Matter

The District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, during the year ended June 30, 2015. Statement No. 68 expands disclosures related to pensions and requires the District to report the net pension liability in the statement of net position. The adoption of

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this statement had no effect on any of the District's fund balances but reduced the District's governmental activities net position by \$8,333,530 as of July 1, 2014 as disclosed in note 15. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Park Ridge-Niles School District No. 64's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

The statistical section 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 October 15, 2015 on our consideration of Park Ridge-Niles School District No. 64'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 Park Ridge-Niles School District No. 64's internal control over financial reporting and compliance.



Klein Hall CPAs
Aurora, Illinois
October 15, 2015

**PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015**

This section of Park Ridge-Niles School District No. 64's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2015. Please read it in conjunction with the District's financial statements, which immediately follow this section. All amounts are expressed in millions of dollars unless otherwise noted.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, issued June 1999. The MD&A is management's explanation of the District's financial position.

Financial Highlights

- In total, net position increased by \$2.4. This represents a 3% increase from 2014.
- General revenues accounted for \$66.6 in revenue or 77% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$20.4 or 23% of total revenues of \$87.0.
- Total revenues were level with the prior year, and total expenses increased 5%, which is primarily due to the change in net pension liability as required by the implementation of GASB Statement No. 68.
- The District is positioned to receive a Recognition financial profile rating from the Illinois State Board of Education for 2015, which is the highest possible rating. The State Board officially approves the ratings in March.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.

The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.

Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

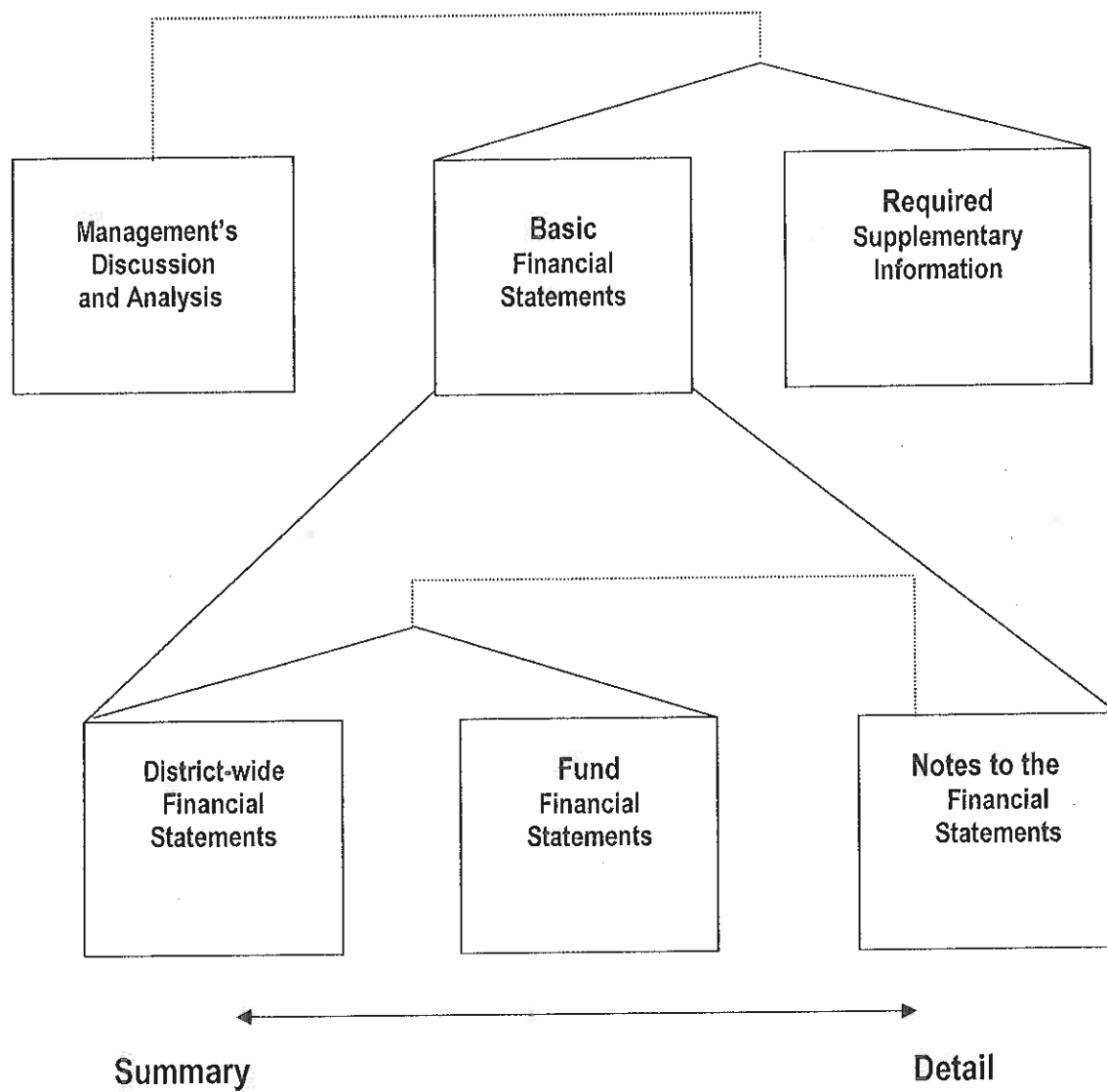
The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

**PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1

Organization of Park Ridge-Niles School District No. 64 Annual Financial Report



**PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

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

Figure A-2

Major Features of the District-wide and Fund Financial Statements

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

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

District-wide Statements

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

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

Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

To assess the District's overall health, additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities must be considered.

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

Fund Financial Statements

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

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

The District has two categories of funds:

- **Governmental funds:** Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information after each of the governmental funds statements explains the relationship (or differences) between them.
- **Fiduciary funds:** The District is the trustee, or fiduciary, for assets that belong to others, such as the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

Financial Analysis of the District as a Whole

Net position: The District's *combined* net position increased 3% to \$76.0 million as of June 30, 2015 (See Figure A-3).

Figure A-3

Condensed Statement of Net Position (in millions of dollars)

	Governmental Activities	
	2015	2014
Assets:		
Current and other assets	\$ 95.1	\$ 98.0
Capital assets	46.0	43.2
Total Assets	141.1	141.2
Deferred Outflows:		
Deferred outflows related to pensions	2.6	0.8
Total Deferred Outflows	2.6	0.8
Liabilities:		
Current liabilities	5.8	7.8
Long-term debt outstanding	28.5	29.2
Total Liabilities	34.3	37.0
Deferred Inflows:		
Property taxes levied for subsequent year	32.4	31.4
Deferred inflows related to pensions	1.0	-
Total Deferred Inflows	33.4	31.4
Net position:		
Invested in capital assets, net of related debt	30.5	25.6
Restricted	11.7	17.4
Unrestricted	33.8	30.6
Total Net Position	\$ 76.0	\$ 73.6

The District continues to maintain a stable financial position.

The District's total revenues decreased slightly to \$87.0 million (See Figure A-4). Property taxes account for approximately 74% of the District's total revenues. An additional 21% of the District's revenue comes from general state aid and state and federal grants. Only 5% comes from direct charges for services in the form of student fees or other miscellaneous local revenues such as interest income.

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

The total cost of all programs and services increased 5% to \$84.6 million (See Figure A-4). The District's expenses are predominantly related to instructing, caring for (pupil services), and transporting students (77%). The District's administrative and business activities accounted for 9% of total costs, and another 9% was for maintenance and operation of the District's buildings. 5% of expenses relate to community services, tuition paid to private facilities, and interest on long-term debt.

Total revenues surpassed expenses, increasing net position by \$2.4 million over last year.

Figure A-4
Changes in Net Position from Operating Results (in millions of dollars)

	Governmental Activities	
	2015	2014 Pre-GASB 68
Revenues		
<i>Program Revenues</i>		
Charges for Services	\$ 3.6	\$ 4.1
Operating Grants & Contributions	16.8	17.4
Capital Grants & Contributions	-	-
<i>General Revenues</i>		
Taxes	64.4	63.6
General State Aid	1.4	1.4
Other	0.8	0.8
Total Revenues	<u>\$ 87.0</u>	<u>\$ 87.3</u>
Expenses		
Instruction	54.3	53.2
Pupil & Instructional Services	8.1	6.9
Administration & Business	8.0	7.4
Transportation	2.2	1.6
Operations & Maintenance	7.6	7.4
Other	4.4	4.1
Total Expenses	<u>\$ 84.6</u>	<u>\$ 80.6</u>
Increase in net position	<u>\$ 2.4</u>	<u>\$ 6.7</u>

**PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

Figure A-5 Sources of Revenues for Fiscal Year 2015

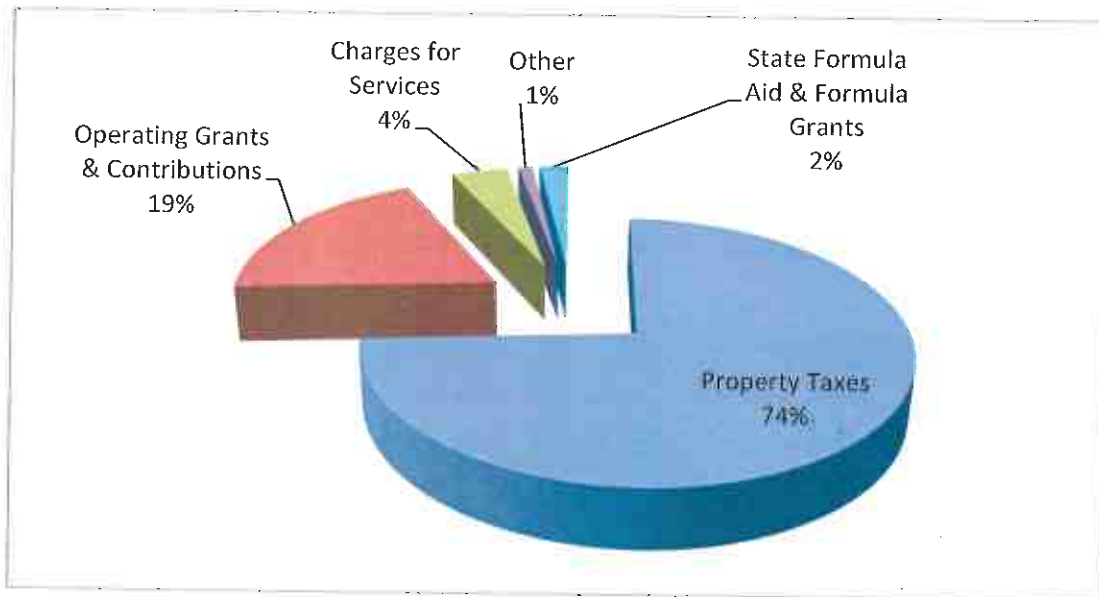
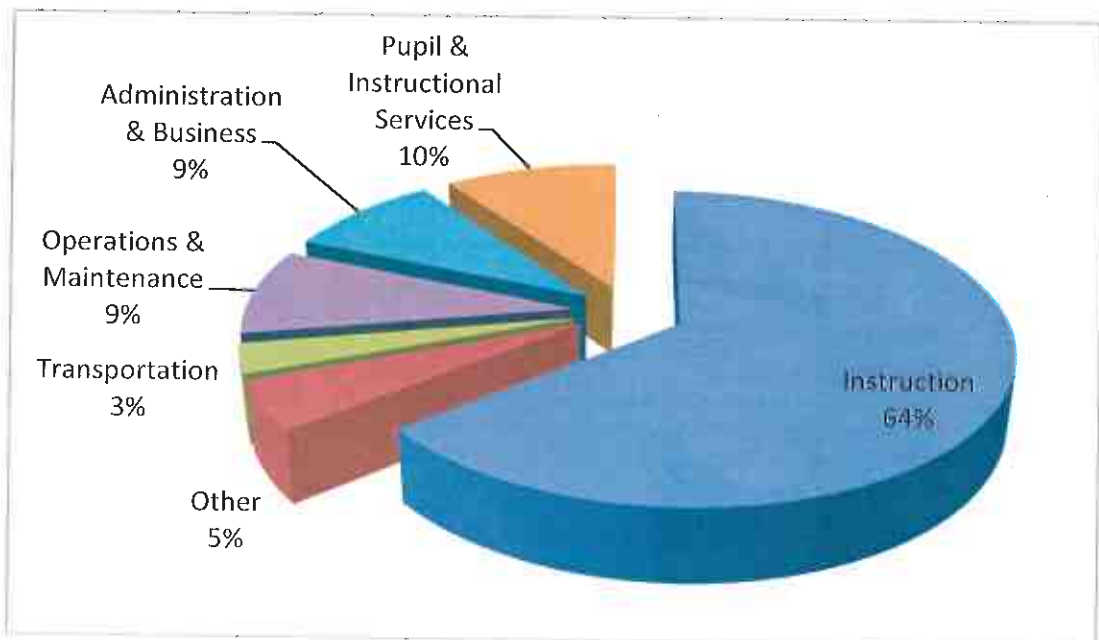


Figure A-6 Expenses for Fiscal Year 2015



**PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015**

Governmental Activities

The District's governmental activities reported no change in revenues and a 5% increase in expenses as compared to the prior year. This resulted in a \$2.4 million increase in net position for fiscal year 2014-15.

The stable health of the District's finances can be credited to both a solid real estate tax base and a focused effort on controlled spending.

Financial Analysis of the District's Funds

The financial performance of the District is reflected in its governmental funds as well. The governmental funds as a whole reported fund balances of \$56.9 million, as compared to last year's ending fund balances of \$58.8 million. The decrease is largely attributable to the District spending down the proceeds in the Capital Projects Fund from the \$8.7 million bond issuance in 2014 as part of its summer construction projects for facility improvements. The bond proceeds will be nearly exhausted by the conclusion of the 2015 summer work. Three additional funds (Tort Immunity, Transportation, and Municipal Retirement/Social Security) experienced decrease in fund balance in fiscal year 2014-15. These decreases were a result of the District levying in these funds to more accurately reflect anticipated expenditures.

The District continues to maintain fund balance at a level that complies with the Board's policy requiring operating fund balance of at least 33% of annual operating fund expenses. It is important to note that only \$45.1 million of the District's \$56.9 million total fund balance is considered unassigned. This means the remaining \$11.8 million of fund balance is restricted for specific purposes such as debt service, retirement benefits, transportation, tort liability or capital projects.

General Fund Budgetary Highlights

The District's General Fund consists of the following budgetary accounts: Educational, Operations and Maintenance, Working Cash, and Tort Immunity. The analysis below takes into account the collective performance of these accounts.

- Revenues in the General Fund were slightly lower than budgeted revenues. The \$24,000 variance equates to only a 0.03% difference from budget, which is remarkable given the uncertainty involved with predicting when tax collections and state grant revenue will be received.
- The General Fund's expenditures were lower than budgeted by \$2.2 million (or 2.8%). The budget includes an estimate for retirement payments made by the State of Illinois on behalf of the District's employees, which are recorded as a revenue and expenditure for identical amounts. \$1.1 million of the General Fund's budget to actual variance is due to a difference in estimate of the on-behalf payments. The remainder of the variance is attributable to the District's budgetary controls. The District uses enrollment and staffing projections to control spending while continuing to provide a high-quality education and new learning opportunities for its students.

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

Capital Asset and Debt Administration

Capital Assets

By the end of 2015, the District had invested \$46.0 million in a broad range of capital assets, including school buildings, technology equipment, audio-visual equipment and administrative offices (See Figure A-7). (More detailed information about capital assets can be found in Note 3 to the financial statements.) Total depreciation expense for the year was approximately \$2.2 million, while additions to buildings and equipment amounted to \$5.0 million.

Figure A-7
Capital Assets (net of depreciation, in millions of dollars)

	Governmental Activities	
	2015	2014
Land	\$ 0.4	\$ 0.4
Construction in progress	4.6	1.5
Buildings & improvements	39.9	40.8
Equipment	1.1	0.5
TOTAL	\$ 46.0	\$ 43.2

Long-Term Debt

At year-end, the District had \$28.5 million in general obligation bonds, retirement obligations, and other long-term debt outstanding – as shown in Figure A-8. (More detailed information about the District's long-term liabilities is presented in Note 4 to the financial statements.)

Figure A-8
Outstanding Long-Term Debt (in millions of dollars)

	Total School District	
	2015	2014 Restated
General obligation bonds	\$ 14.0	\$ 16.5
Other long-term debt	14.5	12.7
TOTAL	\$ 28.5	\$ 29.2

**PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015**

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 significantly affect financial operations in the future:

District revenues are linked to local, state and national economic performance. The District's primary source of funding is property taxes. The Property Tax Extension Limitation Law defines and maintains a limit on the rate of increase for property tax revenues based on the National Consumer Price Index. The release of the 2014 CPI-U of 1.5% affected the District's ability to increase its operating fund revenues for fiscal year 2015-16 and beyond.

The District continues to monitor the State of Illinois' financial condition, budget discussions, and legislation closely. The State's budgetary decisions or modifications to the State funding formula could significantly impact the District's funding levels received in future years. District funding could also be impacted by a lingering legislative debate over a possible freeze on property taxes. Such action would essentially cap any revenue growth for the District in these years.

There are also some important factors impacting future expenses of the District. State legislators continue to discuss reform measures for the TRS pension system, which potentially could lead to a shift of pension costs to local school districts. The District closely monitors news from Springfield on this topic as it becomes available and adjusts long-term financial projection assumptions accordingly.

The District's collective bargaining agreements with the Park Ridge Education Association (PREA) and the Park Ridge Teacher Assistants' Association (PRTAA) expire at the end of the 2015-16 school year. The District will begin the process of negotiating new contracts with both groups in the spring.

The Illinois State Board of Education requires the District to survey its buildings every ten years for compliance with the Health Life Safety Code. In 2015 the District and its architects completed the Ten Year Health Life Safety. The District's Board and administration have been evaluating the results to determine which facility improvements should be done in addition to those required by the Health Life Safety survey as well as the appropriate funding mechanisms for these projects.

Contacting the District's Financial Management

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

Park Ridge-Niles School District 64
164 South Prospect Avenue
Park Ridge, Illinois 60068

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities
Assets	
Cash and investments	\$ 61,270,348
Receivables:	
Property taxes	32,374,585
Due from other governments	835,125
Other receivables	179,318
Other current assets	457,923
Capital assets:	
Land and construction in progress	4,967,984
Other capital assets, net of accumulated depreciation	41,012,223
Total Assets	<u>141,097,506</u>
Deferred Outflows	
Deferred outflows related to pensions	<u>2,603,371</u>
Total Deferred Outflows	<u>2,603,371</u>
Liabilities	
Liabilities	
Accounts payable	881,221
Accrued salaries and related expenditures	4,972,074
Noncurrent liabilities:	
Due within one year	2,983,186
Due in more than one year	25,528,474
Total Liabilities	<u>34,364,955</u>
Deferred Inflows	
Property taxes levied for subsequent year	32,374,585
Deferred inflows related to pensions	<u>1,002,018</u>
Total Deferred Inflows	<u>33,376,603</u>
Net Position	
Net investment in capital assets	30,455,652
Restricted	11,740,819
Unrestricted	33,762,848
Total Net Position	<u>\$ 75,959,319</u>

See accompanying notes to basic financial statements

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental Activities:					
Instructional services:					
Regular programs	\$ 42,133,305	\$ 2,011,871	\$ 13,030,448	\$ -	\$ (27,090,986)
Special programs	11,340,819	-	3,071,544	-	(8,269,275)
Other programs	849,312	743,381	44,211	-	(61,720)
Support services:					
Pupils	4,624,343	-	-	-	(4,624,343)
Instructional staff	3,446,356	-	-	-	(3,446,356)
General administration	2,565,877	-	-	-	(2,565,877)
School administration	3,030,209	-	-	-	(3,030,209)
Business	2,365,899	637,703	35,401	-	(1,692,795)
Operation and maintenance of facilities	7,645,213	148,109	111,822	-	(7,385,282)
Transportation	2,178,662	53,835	483,761	-	(1,641,066)
Central	2,022,457	-	-	-	(2,022,457)
Community services	907,087	-	-	-	(907,087)
Payments to other districts	893,320	-	-	-	(893,320)
Interest on long-term liabilities	607,200	-	-	-	(607,200)
Total school district	<u>\$ 84,610,059</u>	<u>\$ 3,594,899</u>	<u>\$ 16,777,187</u>	<u>\$ -</u>	<u>(64,237,973)</u>
General revenues:					
Property taxes levied for:					
General purposes					56,779,997
Transportation					1,019,847
Retirement					2,132,345
Debt service					3,246,908
Personal property replacement taxes					1,227,952
Federal and state aid not restricted to specific purposes					1,353,495
Earnings on investments					604,149
Miscellaneous					229,820
Total general revenues					<u>66,594,513</u>
Change in net position					2,356,540
Net position - beginning					82,064,265
Prior period adjustments					<u>(8,461,486)</u>
Net position - beginning, restated					<u>73,602,779</u>
Net position - ending					<u>\$ 75,959,319</u>

See accompanying notes to basic financial statements

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>			
Assets:			
Cash and investments	\$ 50,179,042	\$ 11,091,306	\$ 61,270,348
Receivables:			
Property taxes	29,099,794	3,274,791	32,374,585
Due from other governments	717,275	117,850	835,125
Other receivables	159,695	19,623	179,318
Other current assets	414,888	43,035	457,923
TOTAL ASSETS	<u>\$ 80,570,694</u>	<u>\$ 14,546,605</u>	<u>\$ 95,117,299</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 277,700	\$ 603,521	\$ 881,221
Accrued salaries and related expenditures	4,972,074	-	4,972,074
Total Liabilities	<u>5,249,774</u>	<u>603,521</u>	<u>5,853,295</u>
Deferred Inflows:			
Unavailable property tax revenue	29,099,794	3,274,791	32,374,585
Fund Balances:			
Restricted	1,072,526	-	1,072,526
Unassigned	45,148,600	-	45,148,600
Reported as:			
Restricted - Capital Projects Funds	-	3,608,205	3,608,205
Restricted - Special Revenues Funds	-	3,316,133	3,316,133
Restricted - Debt Service Funds	-	3,743,955	3,743,955
Total Fund Balances	<u>46,221,126</u>	<u>10,668,293</u>	<u>56,889,419</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 80,570,694</u>	<u>\$ 14,546,605</u>	<u>\$ 95,117,299</u>

See accompanying notes to basic financial statements.

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015

Total fund balances - governmental funds	\$ 56,889,419
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The cost of the assets is \$82,052,529 and the accumulated depreciation is \$36,072,322.	45,980,207
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

General obligation bonds	(14,822,813)	
Capital lease	(701,742)	
Other post employment benefits	(2,602,285)	
Net pension liability - TRS	(4,112,280)	
Net pension liability - IMRF	(6,025,809)	
Compensated absences	(246,731)	(28,511,660)

Deferred inflows and outflows of resources related to pensions are not reported in governmental funds

Deferred outflows	2,603,371	
Deferred inflows	(1,002,018)	1,601,353

Net position of governmental activities	\$ <u>75,959,319</u>
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PARK RIDGE-NILE SCHOOL DISTRICT NO. 64
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015

	General	Other Governmental Funds	Totals Governmental Funds
REVENUES			
Local sources	\$ 61,942,030	\$ 6,665,148	\$ 68,607,178
State sources	16,310,055	595,583	16,905,638
Federal sources	1,453,783	-	1,453,783
Total Revenues	<u>79,705,868</u>	<u>7,260,731</u>	<u>86,966,599</u>
EXPENDITURES			
Current operating:			
Instruction	52,715,211	919,516	53,634,727
Support services	22,413,439	8,381,126	30,794,565
Community services	819,137	60,313	879,450
Payments to other districts	872,283	-	872,283
Debt service:			
Principal	-	2,647,957	2,647,957
Interest and other	-	687,994	687,994
Total Expenditures	<u>76,820,070</u>	<u>12,696,906</u>	<u>89,516,976</u>
Excess (deficiency) of revenues over expenditures	<u>2,885,798</u>	<u>(5,436,175)</u>	<u>(2,550,377)</u>
OTHER FINANCING SOURCES (USES)			
Capital lease proceeds	615,117	-	615,117
Transfers in	161,515	154,628	316,143
Sale of capital asset	832	-	832
Transfers out	(316,143)	-	(316,143)
Total other financing sources (uses)	<u>461,321</u>	<u>154,628</u>	<u>615,949</u>
Net changes in fund balance	3,347,119	(5,281,547)	(1,934,428)
Fund balances at beginning of year	<u>42,874,007</u>	<u>15,949,840</u>	<u>58,823,847</u>
FUND BALANCES AT END OF YEAR	<u><u>\$ 46,221,126</u></u>	<u><u>\$ 10,668,293</u></u>	<u><u>\$ 56,889,419</u></u>

See accompanying notes to basic financial statements.

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015

Net change in fund balances - total governmental funds	\$ (1,934,428)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$1,500 are capitalized and the cost is allocated over their estimated lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	5,015,497	
Depreciation expense	<u>(2,228,824)</u>	2,786,673

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:

Increase in other post employment benefits	(424,795)	
Decrease in compensated absences	18,662	
Decrease in net pension liability - TRS	1,082,891	
Increase in net pension liability - IMRF	(2,065,544)	
Increase in deferred inflows/outflows related to pensions	<u>779,447</u>	(609,339)

The governmental funds report bond and loan proceeds as an other financing source, while repayment of bond and loan principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of bonds and loans and related items is as follows:

Proceeds from capital lease	(615,117)	
Repayment of capital lease principal	127,957	
Amortization of premium on bond issuances	80,794	
Repayment of bond and loan principal	<u>2,520,000</u>	2,113,634

Change in net position of governmental activities	\$ <u><u>2,356,540</u></u>
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PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
AGENCY FUND - ACTIVITY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2015

Assets:

Cash	\$ 198,774
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Liabilities:

Due to organizations	\$ 198,774
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See accompanying notes to basic financial statements.

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Park Ridge-Niles School District 64 (the District) operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies, consistently applied in the preparation of the accompanying financial statements is described below.

a. The Reporting Entity

Accounting principles generally accepted in the United States of America require that the financial statements of the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by Government Accounting Standards Board Statements (GASB) has been considered and there are no agencies or entities which should be presented with the District. Using the same criteria, the District is not included as a component unit of any other governmental entity.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. This report does not contain any component units.

b. 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 legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The following summarizes the fund types used by the District:

Governmental funds include the following fund types:

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (concluded)

June 30, 2015

General Fund - The General Fund, which consists of the legally mandated Educational Account, Operations and Maintenance Account, Tort Immunity Account and Working Cash Account, is used to account for the revenues and expenditures, which are used in providing education in the District. It is used to account for all financial resources except those required to be accounted for in other funds.

Educational Account – These accounts are used for most of the instructional and administrative aspects of the District's operations, as well as providing school lunch services to students. The revenue consists primarily of local property taxes, state government aid and student registration fees and lunch receipts from the District food service program.

Operations and Maintenance Account – These accounts are used for expenditures made for operation, repair and maintenance of District property. Revenue consists primarily of local property taxes.

Working Cash Account – This fund accounts for financial resources held by the District to be used as loans for working capital requirements to any other fund for which taxes are levied. The Working Cash Account was established and has been used to respond to fluctuations in cash flow resulting from unpredictable property tax collections. The earnings of the fund are allowed to be transferred to another fund under the Illinois Compiled Statutes. The principal of the fund, accumulated from bond issues, can be used as a source from which the District borrows money to support temporary deficiencies in other funds, or may be partially or fully transferred to the General Fund's Educational Account, upon Board approval.

Tort Immunity Account – This fund accounts for revenues and expenditures related to tort immunity. Revenue is primarily derived from local property taxes.

Special Revenue Funds - Special Revenue Funds account for the proceeds of specific revenue sources (other than Debt Service and Capital Projects Funds) that are legally restricted to expenditures for specified purposes. The District's Special Revenue Funds are the Transportation and Municipal Retirement/Social Security Funds.

Transportation Fund – This fund accounts for the revenue and expenditures relating to student transportation, both to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund – This fund accounts for the District's portion of the pension contributions to the Illinois Municipal Retirement Fund for noncertified employees and social security contributions

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (continued)

June 30, 2015

for applicable certified and noncertified employees. Revenue to finance the contributions is derived primarily from local property taxes.

Debt Service Funds - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Debt Service Fund - The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. Since there are no legal requirements on bond indentures, which mandate that a separate fund be established for each bond issue, the District maintains one Debt Service Fund for all bond issues.

Capital Projects Funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Capital Projects Fund - The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary Fund Type

Agency Funds - The Agency Funds (Activity Funds) account for assets held by the District in trustee capacity or as an agent for student organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. In accordance with GASB 34, fiduciary funds are not included in the government-wide financial statements.

The District reports the following funds as major governmental funds:

General Fund

The District has adopted a policy consistent with GASB Statement No. 34 to net the interfund receivables and payables for combined totals used to determine the major funds. Consequently, the interfund loan balances, which net to zero, are not utilized to determine major funds.

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

c. Basis of Presentation

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. For the most part, the effect of interfund activity has been removed from these statements. All of the District's operating activities are considered "governmental activities"; that is, activities that are normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered "business activities".

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to students 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 instead 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation

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

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities in the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as a revenue of the current period. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

eligibility requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available only when the District receives the cash.

On-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the state to the Teachers Retirement System) have been recognized in the financial statements.

Property taxes, replacement taxes, certain state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and recognized as revenue at that time.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until earned.

d. Deposits and Investments

State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly-rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments are stated at fair value. Changes in fair value of investments are included as investment income.

e. Capital Assets

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$1,500 for furniture, equipment, and buildings and improvements and an estimated useful life of 1 year or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

Assets	Years
Buildings	60-80 years
Land improvements	15-20 years
Vehicles	8-18 years
Equipment	1-20 years

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

f. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to a "due to/from other funds". These amounts are eliminated in the governmental activities column in the statement of net position. Receivables are expected to be collected within one year.

g. Deferred Inflows/Unearned Revenue

Deferred inflows and unearned revenue arise when assets are recognized before revenue recognition criteria have been satisfied. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred inflows. Property taxes for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance fiscal year 2016 operations, have been recorded as deferred inflows. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue. At the end of the current fiscal year, the various components of deferred inflows and unavailable revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Totals</u>
Property taxes receivable for subsequent year	\$ 32,374,585	\$ 32,374,585
Total	<u>\$ 32,374,585</u>	<u>\$ 32,374,585</u>

h. Property Taxes

The District must file its tax levy ordinance by the last Tuesday in December of each year. The District's property tax is levied each year on all taxable real property located in the District. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

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

The Cook County Assessor is responsible for the assessment of all taxable real property within Cook County except for certain railroad property which is assessed directly by the State. The County is reassessed every three years by the Assessor.

The County Clerk computes the annual tax rate by dividing the levy into the assessed valuation of the taxing district. The County Clerk then computes the rate for each parcel of real property by

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (continued)

June 30, 2015

aggregating the tax rates of all units having jurisdiction over that parcel. Property taxes are collected by the Cook County Collector who remits to the units their respective shares of the collections. Taxes levied in one calendar year become due and payable in two installments on March 1 and September 1 during the following calendar year. The first installment is an estimated bill and is 55% 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. Substantial collections are received by the District in March and September.

In the fund financial statements, the property tax levy receivable collected within the current year or expected to be collected within 60 days of year end (provided any 60 day collections do not include taxes from the second installment) to be used to pay liabilities of the current period is recognized as revenue. The tax receivable less the amount expected to be collected within 60 days of year end to be used to pay liabilities of the current period is reflected as deferred revenue in the fund financial statements. All property taxes receivable over one year old have been written off.

i. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the extent required by Illinois law in the Municipal Retirement/Social Security Fund with the balance allocated to funds at the discretion of the District.

j. Prepaid Items

Certain payments to vendors that reflect cost applicable to future accounting periods are recorded as prepaid assets.

k. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when in benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2015 are determined on the basis of current salary rates and include salary related payments.

The District's compensated absences consist of vacation time and sick days. Employees who work a twelve-month year entitled to be compensated for vacation time. Vacation time earned in the previous year is credited to each employee on July 1 of the new year.

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

All certified employees receive a specified number of sick days per year depending on their years of service, in accordance with the agreement between the Board of Education and the Park Ridge Education Association. Unused sick leave days accumulate to a maximum of 340 days. The District does not reimburse employees for unused sick days upon termination of employment. Upon retirement, a certified employee can opt to be reimbursed for a maximum of 80 unused sick days at the rate of \$55 per day. Any remaining days of unused sick leave can be applied towards service credit for TRS.

Classified personnel receive a specified number of sick days per year depending on their years of service. All classified personnel can accumulate unused sick days to a maximum of 275 days. The District does not reimburse classified employees for unused sick days remaining upon termination of employment. However, upon retirement, a classified employee can opt to be reimbursed for a maximum of 80 unused sick days at the rate of \$55 per day. A classified employee may apply any remaining unused sick leave towards service credit for IMRF.

Due to the nature of the policies on sick leave, and the fact that any liability is contingent upon future events and cannot be reasonably estimated, no liability is provided in the future events and cannot be reasonably estimated, no liability is provided in the financial statements for accumulated unpaid sick leave.

l. Long-term Obligations

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

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

m. Comparative Data

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2014, from which such summarized information was derived.

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

n. Eliminations and Reclassifications

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

o. Net Position

Government-Wide Statements

Net Position is classified and displayed in three components:

Net investment in capital assets. Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.

Restricted. Consists of restricted assets reduced by liabilities and deferred inflows or resources related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.

Unrestricted. Net amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investments in capital assets or the restricted component of net position.

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

p. 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 positions of the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF), together "the Plans," and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

NOTE 2. DEPOSITS AND INVESTMENTS

Investments held by the District which are short-term highly liquid investments having a remaining maturity of one year or less at the time of purchase are reported by the District at amortized cost. All other investments are reported at fair value. Gains or losses on the sale of investments are recognized upon realization. The District has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

Cash and Investments Under the Custody of the Township Treasurer

Under the Illinois Compiled Statutes, the Maine Township School Treasurer is the lawful custodian of all school funds. The Treasurer is appointed by the Township School Trustees, an independently elected body, to serve the school districts in the township. The Treasurer is the direct recipient of property taxes, replacement taxes and most state and federal aid and disburses school funds upon lawful order of the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below. For these purposes, the Treasurer is permitted to combine monies from more than one fund of a single district and to combine monies of more than one district in the township. Monies combined under these circumstances, as well as investment earnings, are accounted for separately for each fund and/or district.

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

The Treasurer's investment policies are established by the Maine Township School Trustees as prescribed by the Illinois School Code and the Illinois Compiled Statutes. The Treasurer is authorized to invest in obligations of the U.S. Treasury, backed by the full faith and credit of the U.S. Government, certificates of deposit issued by commercial banks and savings and loan associations, and commercial paper rated within the three highest classifications by at least two standard rating services (subject to certain limitations).

The Treasurer's Office operates as a non-rated, 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 Treasurer also holds money market type investments, certificates of deposits and other deposits with financial institutions. As of June 30, 2015, the fair value of all cash and investments held by the Treasurer's office was \$402,905,811 and the fair value of the District's proportionate share of the pool was \$61,270,348.

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

Because all cash and investments are pooled by a separate legal governmental agency (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.

Deposits and Custodial Credit Risk

	Carrying Value	Bank Balance
Deposits with financial institutions - Fiduciary Funds	\$ 188,803	\$ 211,529

Investments

At year end, the District had the following investments (Fiduciary Funds):

Investment Type	Fair Value	Maturity	Portfolio	Interest Rate
Illinois School District Liquid Asset Fund	\$ 9,971	On demand	100%	Variable

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the District's policy states investments shall provide sufficient liquidity to enable the District to meet all operating requirements that may be reasonably anticipated.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the investments in commercial paper and corporate bonds to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The District has no investment policy that would further limit its investment choices.

The District's policy states that the Treasurer shall diversify its investments to the best of its ability based upon the type of funds invested, available institutions to invest in, and the cash flow needs of those funds. Diversification can be by type of investment, number of institutions invested in, and length of maturity. Maturities of investments of the various funds of the District shall be determined to enable the District to have available sufficient cash for all operation purposes.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. The trust is not registered with the SEC as an investment company. Investments are rated AAAM and are valued at share price, which is the price for which the investment could be sold.

Custodial Credit Risk – Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (continued)

June 30, 2015

financial institution holding the funds. As of June 30, 2015, the bank balance of the District's deposits with financial institutions totaled \$211,529; this amount was fully insured through FDIC.

NOTE 3. CAPITAL ASSETS

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

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Capital assets, not being depreciated:				
Land	\$ 353,013	\$ -	\$ -	\$ 353,013
Construction in progress	1,549,104	3,065,867	-	4,614,971
Total capital assets not being depreciated	1,902,117	3,065,867	-	4,967,984
Capital assets, being depreciated:				
Buildings	60,746,621	1,019,324	-	61,765,945
Improvements other than buildings	5,756,545	50,783	-	5,807,328
Equipment and vehicles	8,656,254	879,523	24,505	9,511,272
Total capital assets being depreciated	75,159,420	1,949,630	24,505	77,084,545
Accumulated depreciation for:				
Buildings	24,624,677	1,654,669	-	26,279,346
Improvements other than buildings	1,103,461	263,889	-	1,367,350
Equipment and vehicles	8,139,865	310,266	24,505	8,425,626
Total accumulation depreciation	33,868,003	2,228,824	24,505	36,072,322
Total capital assets being depreciated, net	41,291,417	(279,194)	-	41,012,223
Total capital assets, net	\$ 43,193,534	\$ 2,786,673	\$ -	\$ 45,980,207

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

Depreciation expense was charged to functions of the District as follows:

Instructional services:	
Regular programs	\$ 36,331
Special programs	48,365
Fiscal services	3,120
Internal services	2,006
Supporting services:	
Business	614,264
Operations and maintenance of facilities	1,472,584
Community services	27,637
Central	24,517
	<u>\$ 2,228,824</u>

NOTE 4. LONG-TERM DEBT

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

	Balance July 1, 2014	Additions	Reductions	Balance June 30, 2015	Amount due in one year
General Obligation Bonds Payable:					
3/13/14 A General Obligation	\$ 7,900,000	\$ -	\$ -	\$ 7,900,000	\$ -
3/13/14 B Taxable General Obligation	800,000	-	-	800,000	-
12/1/08 General Obligation Refunding					
School Bonds	1,160,000	-	370,000	790,000	385,000
11/1/01 School Bonds, Series 2001	6,635,000	-	2,150,000	4,485,000	2,185,000
Total Bonds Payable	16,495,000	-	2,520,000	13,975,000	2,570,000
Net OPEB Obligation	2,177,490	424,795	-	2,602,285	-
Premium on Bonds Issued	928,607	-	80,794	847,813	-
Capital Lease	214,582	615,117	127,957	701,742	166,455
Net Pension Liability- TRS	5,195,171	-	1,082,891	4,112,280	-
Net Pension Liability- IMRF	3,960,265	3,750,062	1,684,518	6,025,809	-
Compensated Absences	265,393	404,256	422,918	246,731	246,731
Total Long-Term Debt	<u>\$ 29,236,508</u>	<u>\$ 5,194,230</u>	<u>\$ 5,919,078</u>	<u>\$ 28,511,660</u>	<u>\$ 2,983,186</u>

General Obligation Bonds Payable

General obligation bonds payable at June 30, 2015 are comprised of the following individual issues:

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (continued)

June 30, 2015

Series 2014A general obligation bonds dated March 18, 2014 issued in the original principal amount of \$7,900,000 for the purpose of funding; principal payments from \$340,000 to \$2,065,000 due annually from 2018 through 2022 at an interest rate of 3.00% to 4.00%.

Series 2014B funding and refunding bonds dated March 18, 2014 issued in the original principal amount of \$800,000 for the purpose of funding and refunding; principal payments of \$800,000 due in 2018 at an interest rate of 1.30%. Proceeds of \$710,000 of this bond was used to defease the Series 2001 bond.

Series 2008 refunding bonds dated December 1, 2008 issued in the original principal amount of \$2,555,000 for the purpose of funding and refunding; principal payments from \$240,000 to \$405,000 due annually through 2016 at an interest rate of 4.00%.

Series 2001 refunding bond dated November 1, 2001, issued in the original principal amount of \$17,065,000 for the purpose of funding and refunding; principal payments from \$1,320,000 to \$2,580,000 due annually from November 1, 2008 through 2016 at interest rates from 3.75% to 5.50%.

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements.

As of June 30, 2015, \$6,425,000 of bonds outstanding is considered defeased.

At June 30, 2015 the annual cash flow requirements of all bonds payable to retirement were as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2016	\$ 2,570,000	\$ 523,488	\$ 3,093,488
2017	2,705,000	384,350	3,089,350
2018	2,520,000	273,400	2,793,400
2019	1,830,000	197,200	2,027,200
2020	1,945,000	121,700	2,066,700
2021-2022	2,405,000	51,600	2,456,600
Total	\$ 13,975,000	\$ 1,551,738	\$ 15,526,738

Payments to retire bonds payable will be made from debt service levies in future periods. There is \$3,743,955 of fund equity available in the Debt Service Fund to service outstanding bonds payable.

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

The District is subject to the *Illinois Compiled Statutes* which limits the amount of bond indebtedness, to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2015 the statutory debt limit for the District was \$97,583,700 providing a debt margin of \$87,352,655 after taking into account amounts available in the Debt Service Fund.

Capital Leases. The District has entered into lease agreements as lessee for financing the acquisition of equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. At June 30, 2015, \$829,699 of amounts included in capital assets were acquired via capital leases. The obligations for the capital leases will be repaid from the Debt Service Fund. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2015, are as follows:

	<u>Amount</u>
2016	\$ 196,807
2017	196,056
2018	187,469
2019	138,651
2020	<u>55,261</u>
Total minimum lease payments	774,244
Less: amount representing interest	<u>(72,502)</u>
Present value of minimum lease payments	<u>\$ 701,742</u>

NOTE 5. JOINT VENTURE - FEDERATION OF DISTRICTS FOR SPECIAL EDUCATION (FDSE)

The District is a member of various joint agreements that provide special education services residents of many school districts. The District believes that because it does not control the selection of the governing authority and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

NOTE 6. RISK MANAGEMENT

The District is a member of Collective Liability Insurance Cooperative (CLIC), which has been formed to provide casualty, workman's compensation, property and liability protections and to administer some or all insurance coverages and protection other than health, life and accident coverages procured by the member districts. It is intended, by the creation of CLIC to allow a member District to equalize annual fluctuations in insurance costs by establishing a program whereby reserves may be created and temporary deficits of individual Districts covered and to

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (continued)

June 30, 2015

ultimately equalize the risks and stabilize the costs of providing casualty, property and liability protections. If, during any fiscal year, the funds on hand in the account of CLIC are not sufficient to pay expenses of administration, the Board of Directors shall require supplementary payment from all members. Such payment shall be made in the same proportion as prior payments during that year to CLIC. Complete financial statements for CLIC can be obtained from its administrator, 2 Pierce Place, Itasca, Illinois 60143.

The District continues to carry commercial insurance for all other risks of loss, including health insurance. Premiums have been recorded as expenditures in the appropriate funds. There have been no significant reductions in insurance coverage from coverage in the prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

NOTE 7. EMPLOYEE RETIREMENT SYSTEMS

The retirement plans of the District include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the District. IMRF is funded through property taxes and a perpetual lien of the District's corporate personal property replacement tax. Each retirement system is discussed below.

Teachers' Retirement System of the State of Illinois (TRS)

Plan Description

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

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

Benefits Provided

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

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (continued)

June 30, 2015

members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service. Disability and death benefits are also provided.

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

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

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2015, was 9.4% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2015, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$12,513,602 in pension contributions from the State of Illinois.

2.2 formula contributions. The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2015 were \$220,641, and are deferred because they were paid after the June 30, 2014 measurement date.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District 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

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS. Public Act 98-0674 now requires the two rates to be the same.

For the year ended June 30, 2015, the employer pension contribution was 33.00% of salaries paid from federal and special trust funds. For the year ended June 30, 2015, salaries totaling \$121,625 were paid from the federal and special trust funds that required employer contributions of \$40,136. These contributions are deferred because they were paid after the June 30, 2014 measurement date.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The District is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program is 146.5% and applies when the member is age 55 at retirement. For the year ended June 30, 2015, the employer did not make a payment to TRS for employer ERO contributions.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2015, the District paid \$6,737 to TRS for employer contributions due on salary increases in excess of 6% and made no payments for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2015, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the District. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 4,112,280
State's proportionate share of the net pension liability associated with the District	225,408,348
Total	<u>\$ 229,520,628</u>

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 and rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2014, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2014, the District's proportion was 0.00676%.

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (continued)

June 30, 2015

The net pension liability as of the beginning of this first measurement period under GASB Statement No. 68 was measured as of June 30, 2013, and the total pension liability was based on the June 30, 2013, actuarial valuation without any roll-up. The District's proportion of the net pension liability as of June 30, 2013, was based on the District's share of contributions to TRS for the measurement year ended June 30, 2013, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2013, the District's proportion was 0.00829%.

For the year ended June 30, 2015, the District recognized pension expense of \$12,513,602 and revenue of \$12,512,602 for support provided by the state. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,172	
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	206,673
Changes in proportion and differences between District contributions and proportionate share of contributions	-	774,012
District contributions subsequent to the measurement date	260,777	-
Total	\$ 262,949	\$ 980,685

\$260,777 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

Year Ending June 30	Net Deferred Outflows of Resources
2015	\$ (239,008)
2016	(239,008)
2017	(239,008)
2018	(239,008)
2019	(22,481)
Total	<u>\$ (978,513)</u>

Actuarial Assumptions

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

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Amortization method	Level Percent of Payroll
Remaining amortization period	30 year, open
Inflation	3.00%
Salary increases	5.75% average, including inflation
Investment rate of return	7.50%
Mortality	RP-2000 Mortality Tables with projections using scale AA that vary by member group

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap	18%	8.23%
Global equity excluding U.S.	18%	8.58%
Aggregate bonds	16%	2.27%
U.S. TIPS	2%	3.52%
NCREIF	11%	5.81%
Opportunistic real estate	4%	9.79%
ARS	8%	3.27%
Risk parity	8%	5.57%
Diversified inflation strategy	1%	3.96%
Private equity	14%	13.03%
	<u>100%</u>	

Discount rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension liability	\$ 5,078,464	\$ 4,112,280	\$ 3,312,169

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

Illinois Municipal Retirement Fund (IMRF)

Plan Description and Benefits

The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. That report may be obtained online at www.imrf.org.

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Plan Membership

As of June 30, 2015, the following employees were covered by the benefit terms:

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (continued)

June 30, 2015

Inactive employees or beneficiaries currently receiving benefits	183
Inactive employees entitled to but not yet receiving benefits	300
Active employees	<u>206</u>
Total	<u><u>689</u></u>

Contributions

As set by statute, Regular plan members are required to contribute 4.50% 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 actual contribution rate for calendar year 2014 was 14.16% of covered payroll. The District 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 the IMRF 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, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Total pension liability/(asset)	\$ 41,155,910
Plan fiduciary net position	<u>(35,130,101)</u>
Net pension liability/(asset)	<u><u>\$ 6,025,809</u></u>

Actuarial Assumptions

The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Amortization method	Level Percent of Payroll
Remaining amortization period	30 year, open
Inflation	3.50%
Price inflation	2.75%
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

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (continued)

June 30, 2015

Mortality

type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

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

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 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	63.2%	9.15%
International equities	2.6%	9.80%
Fixed income	23.5%	3.05%
Real estate	4.3%	7.35%
Alternatives	4.5%	
Private equity		13.55%
Hedge funds		5.55%
Commodities		4.40%
Cash	1.9%	2.25%
	<u>100.0%</u>	

Discount Rate

The discount rate used to measure the total pension liability for IMRF was 7.47%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

benefit payments to determine the total pension liability.

Changes in Net Pension Liability

The following presents the net pension liabilities of the District, calculated using the discount rate, as well as what the District's net pension liabilities would be if they were calculated using discount rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.47%)	Current Discount Rate (7.47%)	1% Increase (8.47%)
Net pension liability (asset)	\$ 11,169,723	\$ 6,025,809	\$ 1,749,637

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

For the year ended June 30, 2015, the District recognized pension expense of \$1,706,465. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 21,333
Changes in assumptions	1,175,659	-
Net difference between projected and actual earnings on pension plan investments	371,989	-
Contributions subsequent to the measurement date	792,774	-
Total	\$ 2,340,422	\$ 21,333

\$792,774 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

Year Ending December 31	Net Deferred Outflows of Resources
2015	\$ 773,373
2016	566,947
2017	92,997
2018	92,998
2019	-
Thereafter	-
Total	\$ 1,526,315

NOTE 8. OTHER POST-EMPLOYMENT BENEFITS

Teacher Health Insurance Security (THIS)

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

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

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

On Behalf Contributions to THIS Fund. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.02% of pay during the year ended June 30, 2015. State of Illinois contributions were \$388,025, and the district recognized revenue and expenditures of this amount during the year.

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.76% during the year ended June 30, 2015. For the year ended June 30, 2015, the District paid \$289,116 to the THIS Fund, which was 100 percent of the required contribution.

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

Retirees' Health Plan

The District administers a single-employer defined benefit healthcare plan ("the Retirees' Health Plan"). The plan provides healthcare benefits for eligible retirees and, in some cases, their dependents through the District's group health insurance plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements. Non-certified retirees and their dependents may continue coverage under the District group health insurance program until age 65 by contributing the monthly premium. Certified retirees are reimbursed for the full single monthly contribution required for the medical coverage sponsored by the Illinois Teachers' Retirement System. Coverage for certified retirees terminates when the retiree becomes eligible for Medicare benefits or reaches age 65. The Retirees' Health Plan does not issue a publicly available financial report.

The District's annual other postemployment benefit (OPEB) cost (expense is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the Retirees' Health Plan, and changes in the District's net OPEB obligation to the Retirees' Health Plan:

	June 30, 2014	June 30, 2015
Annual Required Contribution	\$ 563,419	\$ 625,262
Interest on net OPEB Obligations	94,521	97,987
Adjustment to annual required contribution	(117,119)	(127,923)
Total Annual OPEB Cost	540,821	595,326
Contributions made by the District	(253,751)	(170,531)
Increase in net OPEB obligation	287,070	424,795
Net OPEB obligation - Beginning of Year	1,890,420	2,177,490
Net OPEB obligation - End of Year	\$ 2,177,490	\$ 2,602,285

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (continued)

June 30, 2015

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the Retirees' Health Plan, and the net OPEB obligation for June 30, 2015 and the preceding year are as follows:

Fiscal Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
June 30, 2015	\$ 595,326	28.6%	\$ 2,602,285
June 30, 2014	\$ 540,821	46.9%	\$ 2,177,490

The funded status of the Retirees' Health Plan as of June 30, 2015, the most recent actuarial valuation date, is as follows:

	2015
Actuarial accrued liability (AAL)	\$ 5,699,733
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	5,699,733
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	33,606,997
UALL as a percentage of covered payroll	17.0%

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the June 30, 2015 actuarial valuation, the entry age actuarial cost method was used. Under this method a normal cost is developed by spreading the actuarial value of benefits expected to be received by each active participant over the total working lifetime of that participant, from hire to termination, as a level percentage of pay. To the extent that current assets and future normal costs

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

do not support participants' expected future benefit, an Unfunded Actuarial Accrued Liability develops and is amortized over a defined period of time. The actuarial assumptions include a 4.5% investment rate of return and a 3.5% per year salary progression.

NOTE 9. COLLECTIVE LIABILITY INSURANCE COOPERATIVE (CLIC)

The District is a member of CLIC, which has been formed to provide casualty, workman's compensation, property and liability protections and to administer some or all insurance coverages and protection other than health, life and accident coverages procured by the member districts. It is intended, by the creation of CLIC to allow a member District to equalize annual fluctuations in insurance costs by establishing a program whereby reserves may be created and temporary deficits of individual Districts covered and to ultimately equalize the risks and stabilize the costs of providing casualty, property and liability protections. If, during any fiscal year, the funds on hand in the account of CLIC are not sufficient to pay expenses of administration, the Board of Directors shall require supplementary payment from all members. Such payment shall be made in the same proportion as prior payments during that year to CLIC. Complete financial statements for CLIC can be obtained from its administrator, 2 Pierce Place, Itasca, Illinois 60143.

NOTE 10. EXCESS OF EXPENDITURES OVER BUDGETS IN INDIVIDUAL FUNDS

Expenditures exceeded the budgeted amount in the following Funds:

	Budget	Actual	Over (under)
General Fund:			
Educational Account	\$ 72,697,608	\$70,571,618	\$ (2,125,990)
Operation and Maintenance Account	5,252,127	5,269,457	17,330
Tort and Immunity Account	1,027,539	978,995	(48,544)
Total General Fund:	<u>\$ 78,977,274</u>	<u>\$76,820,070</u>	<u>\$ (2,157,204)</u>
Debt Service Fund	<u>\$ 3,187,800</u>	<u>\$ 3,335,951</u>	<u>\$ 148,151</u>
Transportation Fund	<u>\$ 1,881,450</u>	<u>\$ 2,178,662</u>	<u>\$ 297,212</u>

The expenditure variance was sufficiently absorbed by surpluses that existed at the beginning of the fiscal year and were approved by the Board of Education. Under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

NOTE 11. INTERFUND TRANSFERS

The following interfund transfers were made during the year ended June 30, 2015:

Transfer From	Transfer To	Amount
General Fund - Working Cash Account	General Fund - Education Account	\$ 161,515
General Fund - Education Account	Debt Service Fund	154,628
	Total Transfers	<u>\$ 316,143</u>

Transfers to the General Fund were for transfers of investment income. Transfers from the General Fund to the Debt Service Fund were to provide funds for payment of interest and principal on capital leases.

NOTE 12. FUND BALANCE REPORTING

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance.

A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The District has several revenue sources received within different funds that also fall into these categories –

1. Special Education

Revenues received and the related expenditures of this restricted tax levy are accounted for in the Educational Account. Expenditures exceeded revenue for this purpose, resulting in no restricted fund balance.

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (continued)

June 30, 2015

2. Tort Immunity Account

Expenditures disbursed and the related revenues received are accounted for in the Tort Immunity Account. Revenues received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$1,072,526.

3. State and Federal Grants

Proceeds from state and federal grants and the related expenditures have been included in the General Fund and various Special Revenue Funds. At June 30, 2015, expenditures exceeded revenue from state and federal grants, resulting in no restricted balances.

4. Social Security

Expenditures and the related revenues of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. Revenues received exceeded expenditures for this purpose, resulting in a restricted fund balance \$280,455. The remaining balance is restricted for Municipal Retirement purposes.

5. Capital Projects Funds

Expenditures and the related revenues received are accounted for in the Capital Projects Fund. All equity within this fund is restricted for the associated capital expenditures within this fund.

C. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the School Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

D. Assigned Fund Balance

The assigned fund balance classification refers to the amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted or committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Financial Statements (continued)

June 30, 2015

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds.

F. Reconciliation of Fund Balance Reporting

Fund	Nonspendable	Restricted	Committed	Assigned	Unassigned
Educational	\$ -	\$ -	\$ -	\$ -	\$ 26,672,392
Operations & Maintenance	-	-	-	-	3,828,144
Debt Service	-	3,743,955	-	-	-
Transportation	-	2,614,995	-	-	-
Municipal Retirement	-	701,138	-	-	-
Capital Projects	-	3,608,205	-	-	-
Working Cash	-	-	-	-	14,648,064
Tort Liability	-	1,072,526	-	-	-
	\$ -	\$ 11,740,819	\$ -	\$ -	\$ 45,148,600

G. Expenditures of Fund Balance

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

NOTE 13. STATE AND FEDERAL AID CONTINGENCIES

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any would be immaterial.

NOTE 14. COMMITMENTS

As of June 30, 2015, the District was committed to approximately \$1,700,000 in ongoing construction contracts.

PARK RIDGE-NILES SCHOOL DISTRICT 64
Notes to Financial Statements (continued)
June 30, 2015

NOTE 15. CHANGE IN ACCOUNTING PRINCIPLE

During the fiscal year ended June 30, 2015 the District implemented the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. This statement requires the District to report a net pension liability on the statement of net position for both of its pension funds. As a result, the net position of governmental activities has been restated by (\$8,333,530).

NOTE 16. PRIOR PERIOD ADJUSTMENT

A prior period adjustment was made to record (\$214,582) capital lease proceeds and net capital lease equipment of \$86,626 for fiscal year 2014, restating net position of governmental activities at June 30, 2014 by (\$127,956).

Park Ridge-Niles School District No. 64
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
YEAR ENDED JUNE 30, 2015

	<u>2015</u>
TOTAL PENSION LIABILITY	
Service Cost	\$ 1,014,840
Interest	2,769,703
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	(33,907)
Changes of Assumptions	1,868,609
Benefit Payments, Including Refunds of Member Contributions	<u>(1,869,183)</u>
Net Change in Total Pension Liability	3,750,062
Total Pension Liability - Beginning	<u>37,405,848</u>
TOTAL PENSION LIABILITY - ENDING	<u><u>\$ 41,155,910</u></u>
PLAN FIDUCIARY NET POSITION	
Contributions - Employer	\$ 1,167,236
Contributions - Member	383,252
Net Investment Income	2,030,460
Benefit Payments, Including Refunds of Member Contributions	(1,869,183)
Other(Net Transfer)	<u>(27,247)</u>
Net Change in Plan Fiduciary Net Position	1,684,518
Plan Net Position - Beginning	<u>33,445,583</u>
PLAN NET POSITION - ENDING	<u><u>\$ 35,130,101</u></u>
EMPLOYER'S NET PENSION LIABILITY (ASSET)	<u><u>\$ 6,025,809</u></u>
Plan Fiduciary Net Position	
as a Percentage of the Total Pension Liability	85.36%
Covered-Employee Payroll	\$ 8,244,547
Employer's Net Pension Liability	
as a Percentage of Covered - Employee Payroll	73.09%

Park Ridge-Niles School District No. 64
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST FISCAL YEAR

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions in Relation to Actuarially Determined Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2015	\$ 1,087,455	\$ 1,167,236	\$ (79,781)	\$ 8,244,547	14.16%

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period	29 years
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	4.00%
Inflation	3.00%
Salary increases	4.40% to 16.00% including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2011 valuation pursuant to an experience study of the period 2008 - 2010.
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Park Ridge-Niles School District No. 64
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
TEACHERS' RETIREMENT SYSTEM
YEAR ENDED JUNE 30, 2015

	<u>2015</u>
District's proportion of the net pension liability	0.0067000%
District's proportionate share of the net pension liability	\$ 4,112,280
State's proportionate share of the net pension liability associated with the District	<u>225,408,348</u>
Total	<u>\$ 229,520,628</u>
District's covered payroll	38,041,632
District's proportionate share of the net pension liability as a percentage of it's covered payroll	10.81%
Plan fiduciary net position as a percentage of the total pension liability	43.00%

Notes to Schedule

Changes of assumptions

Amounts reported in 2014 reflect an investment rate of return of 7.5%, an inflation rate of 3.0% and real return of 4.5%, and a salary increase assumption of 5.75%. In 2013, assumptions used were an investment rate of return of 8.0%, an inflation rate of 3.25% and real return of 4.75%, and salary increases of 6.00%. However, the total pension liability at the beginning and end of the year was calculated using the same assumptions, so the

Park Ridge-Niles School District No. 64
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM
LAST FISCAL YEAR

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	267,514	267,514	-	38,041,632	0.70%

PARK RIDGE-NILES SCHOOL DISTRICT 64
Schedule of Funding Progress (Unaudited)
Other Postemployment Benefits
June 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)
June 30, 2009	\$ -	\$4,424,147	\$4,424,147	0.00%
June 30, 2010	-	4,761,869	4,761,869	0.00%
June 30, 2011	-	4,802,303	4,802,303	0.00%
June 30, 2012	-	5,171,355	5,171,355	0.00%
June 30, 2013	-	4,734,856	4,734,856	0.00%
June 30, 2014	-	5,001,428	5,001,428	0.00%
June 30, 2015	-	5,699,733	5,699,733	0.00%

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - GENERAL
YEAR ENDED JUNE 30, 2015

	General		
	Original and Final Budget	Actual	Variance Over/ (Under)
REVENUES			
Local sources	\$ 60,612,481	\$ 61,942,030	\$ 1,329,549
State sources	17,506,379	16,310,055	(1,196,324)
Federal sources	1,611,206	1,453,783	(157,423)
Total Revenues	79,730,066	79,705,868	(24,198)
EXPENDITURES			
Current operating:			
Instruction	56,387,217	52,715,211	3,672,006
Support services	21,106,066	22,392,402	(1,286,336)
Community services	573,991	819,137	(245,146)
Payments to other districts	910,000	893,320	16,680
Total Expenditures	78,977,274	76,820,070	2,157,204
Excess of revenues over expenditures	752,792	2,885,798	2,133,006
OTHER FINANCING SOURCES (USES)			
Capital lease proceeds	-	615,117	615,117
Transfers in	208,944	161,515	(47,429)
Sale of capital asset	-	832	832
Transfers out	(176,378)	(316,143)	(139,765)
Total other financing sources (uses)	32,566	461,321	428,755
Net changes in fund balance	\$ 785,358	3,347,119	\$ 2,561,761
Fund balances at beginning of year		42,874,007	
FUND BALANCES AT END OF YEAR		\$ 46,221,126	

PARK RIDGE-NILES SCHOOL DISTRICT 64

Notes to Required Supplementary Information

Budgetary Comparison Schedules

June 30, 2015

BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Governmental Funds. All encumbrances are canceled at year end, and, if necessary, are reinstated at the beginning of the subsequent fiscal year.

Legal spending control for District moneys is at the fund level, but management control is exercised at budgetary line item levels within each fund. The Board of Education, in accordance with Chapter 105, Section 5/17-1 of the *Illinois Compiled Statutes*, follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget, which was not amended, was adopted on September 22, 2014.
5. Formal budgetary integration is employed as a management control device during the year for the Governmental Funds.
6. The District has adopted a legal budget for all its Governmental Funds. Total actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.
7. The budget (all appropriations) lapses at the end of each fiscal year.

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
GENERAL FUND
BALANCE SHEET BY ACCOUNT
JUNE 30, 2015

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Working Cash</u>	<u>Tort and Immunity</u>	<u>Total General</u>
<u>ASSETS</u>					
Cash and investments	\$ 30,754,064	\$ 3,872,750	\$ 14,480,051	\$ 1,072,177	\$ 50,179,042
Receivables:					
Property taxes	24,733,952	3,840,435	210,449	314,958	29,099,794
Due from other governments	717,275	-	-	-	717,275
Other receivables	83,081	3,395	72,870	349	159,695
Other current assets	287,362	32,383	95,143	-	414,888
TOTAL ASSETS	<u>\$ 56,575,734</u>	<u>\$ 7,748,963</u>	<u>\$ 14,858,513</u>	<u>\$ 1,387,484</u>	<u>\$ 80,570,694</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 197,316	\$ 80,384	\$ -	\$ -	\$ 277,700
Accrued salaries and related expenditures	4,972,074	-	-	-	4,972,074
Total Liabilities	<u>5,169,390</u>	<u>80,384</u>	<u>-</u>	<u>-</u>	<u>5,249,774</u>
Deferred Inflows:					
Unavailable property tax revenue	24,733,952	3,840,435	210,449	314,958	29,099,794
Fund Balances:					
Restricted	-	-	-	1,072,526	1,072,526
Unassigned	26,672,392	3,828,144	14,648,064	-	45,148,600
Total Fund Balances	<u>26,672,392</u>	<u>3,828,144</u>	<u>14,648,064</u>	<u>1,072,526</u>	<u>46,221,126</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 56,575,734</u>	<u>\$ 7,748,963</u>	<u>\$ 14,858,513</u>	<u>\$ 1,387,484</u>	<u>\$ 80,570,694</u>

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BY ACCOUNT
YEAR ENDED JUNE 30, 2015

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Working Cash</u>	<u>Tort and Immunity</u>	<u>Total General</u>
REVENUES					
Local sources	\$ 53,106,629	\$ 7,667,787	\$ 544,292	\$ 623,322	\$ 61,942,030
State sources	16,310,055	-	-	-	16,310,055
Federal sources	1,453,783	-	-	-	1,453,783
Total Revenues	<u>70,870,467</u>	<u>7,667,787</u>	<u>544,292</u>	<u>623,322</u>	<u>79,705,868</u>
EXPENDITURES					
Current operating:					
Instruction	52,715,211	-	-	-	52,715,211
Support services	16,164,987	5,269,457	-	978,995	22,413,439
Community services	819,137	-	-	-	819,137
Payments to other districts	872,283	-	-	-	872,283
Total Expenditures	<u>70,571,618</u>	<u>5,269,457</u>	<u>-</u>	<u>978,995</u>	<u>76,820,070</u>
Excess (deficiency) of revenues over expenditures	<u>298,849</u>	<u>2,398,330</u>	<u>544,292</u>	<u>(355,673)</u>	<u>2,885,798</u>
OTHER FINANCING SOURCES (USES)					
Capital lease proceeds	615,117	-	-	-	615,117
Transfers in	161,515	-	-	-	161,515
Sale of capital asset	-	832	-	-	832
Transfers out	(154,628)	-	(161,515)	-	(316,143)
Total other financing sources (uses)	<u>622,004</u>	<u>832</u>	<u>(161,515)</u>	<u>-</u>	<u>461,321</u>
Net changes in fund balance	920,853	2,399,162	382,777	(355,673)	3,347,119
Fund balances at beginning of year	<u>25,751,539</u>	<u>1,428,982</u>	<u>14,265,287</u>	<u>1,428,199</u>	<u>42,874,007</u>
FUND BALANCES AT END OF YEAR	<u>\$ 26,672,392</u>	<u>\$ 3,828,144</u>	<u>\$ 14,648,064</u>	<u>\$ 1,072,526</u>	<u>\$ 46,221,126</u>

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
REVENUES				
Local Sources:				
General tax levy	\$ 48,319,100	\$ 47,225,493	\$ (1,093,607)	\$ 47,176,032
Special education levy	-	1,027,963	1,027,963	389,958
Corporate replacement taxes	1,042,602	1,102,021	59,419	1,018,607
Tuition	306,935	322,134	15,199	306,280
Earnings on investments	301,000	369,743	68,743	284,620
Food services	589,200	637,703	48,503	755,948
Pupil activities	1,090,685	1,689,737	599,052	68,187
Textbooks	-	-	-	1,151,759
Contributions and donations	500	300	(200)	400
Payments of surplus monies from TIF districts	490,000	215,971	(274,029)	503,379
Payment from other LEA's	-	-	-	264,426
Other	162,200	515,564	353,364	854,929
Total Local Sources	52,302,222	53,106,629	804,407	52,774,525
State Sources:				
General state aid	1,382,828	1,353,495	(29,333)	1,359,583
Special education	2,105,966	2,050,885	(55,081)	2,096,966
School lunch aid	975	802	(173)	919
On behalf payments to TRS from the state	14,013,465	12,901,627	(1,111,838)	13,220,249
Other grants-in-aid	3,145	3,246	101	6,350
Total State Sources	17,506,379	16,310,055	(1,196,324)	16,684,067
Federal Sources:				
National school lunch program	37,100	34,599	(2,501)	32,009
Title I - low income	276,083	128,821	(147,262)	-
Preschool flow through	17,951	17,951	-	19,048
IDEA	1,034,495	1,002,708	(31,787)	1,204,704
Medicaid matching	175,392	228,739	53,347	175,392
Title II - teacher quality	70,185	40,965	(29,220)	75,065
Total Federal Sources	1,611,206	1,453,783	(157,423)	1,506,218
Total Revenues	\$ 71,419,807	\$ 70,870,467	\$ (549,340)	\$ 70,964,810

(Continued)

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
EXPENDITURES				
Current operating:				
Instruction:				
Regular programs:				
Salaries	\$ 25,383,649	\$ 24,975,365	\$ 408,284	\$ 24,297,522
Employee benefits	2,889,387	2,790,559	98,828	2,735,905
On-behalf payments to TRS from the state	14,013,465	12,901,627	1,111,838	13,220,249
Purchased services	66,965	89,189	(22,224)	69,601
Supplies and materials	2,112,986	484,460	1,628,526	999,146
Capital outlay	88,000	9,620	78,380	237,784
Other	1,500	1,465	35	1,280
Non capitalized equipment	-	27,864	(27,864)	-
Total	44,555,952	41,280,149	3,275,803	41,561,487
Pre-K programs:				
Salaries	567,240	-	567,240	-
Employee benefits	70,719	-	70,719	-
Purchased services	2,000	-	2,000	-
Supplies and materials	13,740	-	13,740	-
Total	653,699	-	653,699	-
Special programs:				
Salaries	6,855,206	5,904,839	950,367	6,263,763
Employee benefits	1,106,514	1,129,273	(22,759)	1,077,897
Purchased services	22,326	29,723	(7,397)	30,251
Supplies and materials	72,000	73,783	(1,783)	69,605
Capital outlay	9,000	-	9,000	4,996
Total	8,065,046	7,137,618	927,428	7,446,512
Special programs pre-K:				
Salaries	128,445	790,637	(662,192)	541,297
Employee benefits	25,815	74,871	(49,056)	67,062
Purchased services	-	-	-	3,047
Supplies and materials	-	20,230	(20,230)	13,106
Total	\$ 154,260	\$ 885,738	\$ (731,478)	\$ 624,512

(Continued)

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
Remedial and supplemental programs K-12				
Salaries	\$ -	\$ 170,978	\$ (170,978)	\$ 122,286
Employee benefits	-	28,670	(28,670)	25,195
Total	-	199,648	(199,648)	147,481
CTE programs:				
Purchased services	-	3,065	(3,065)	-
Supplies and materials	-	48,850	(48,850)	-
Capital outlay	-	11,750	(11,750)	-
Total	-	63,665	(63,665)	-
Interscholastic programs:				
Salaries	93,480	100,381	(6,901)	95,633
Employee benefits	1,070	1,197	(127)	1,155
Purchased services	10,760	7,622	3,138	5,819
Supplies and materials	6,900	6,533	367	5,841
Capital outlay	500	240	260	-
Other	2,400	2,046	354	1,400
Total	115,110	118,019	(2,909)	109,848
Summer school:				
Salaries	238,291	197,982	40,309	160,993
Employee benefits	1,982	2,016	(34)	1,572
Purchased services	8,000	1,703	6,297	6,980
Supplies and materials	9,500	11,381	(1,881)	9,674
Total	257,773	213,082	44,691	179,219
Gifted programs:				
Salaries	1,103,718	1,220,745	(117,027)	1,025,874
Employee benefits	130,097	146,636	(16,539)	126,200
Purchased services	7,185	519	6,666	2,776
Supplies and materials	13,658	13,982	(324)	10,547
Total	\$ 1,254,658	\$ 1,381,882	\$ (127,224)	\$ 1,165,397

(Continued)

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
Bilingual:				
Salaries	\$ 422,940	\$ 532,616	\$ (109,676)	\$ 402,867
Employee benefits	53,079	54,237	(1,158)	51,165
Purchased services	2,200	1,762	438	779
Supplies and materials	2,500	2,609	(109)	12,974
Total	480,719	591,224	(110,505)	467,785
Special education programs K-12- private tuition				
Other objects	850,000	844,186	5,814	796,246
Total	850,000	844,186	5,814	796,246
Total Instruction	56,387,217	52,715,211	3,672,006	52,498,487
Support Services:				
Pupils:				
Attendance and social work:				
Salaries	1,004,435	989,843	14,592	956,366
Employee benefits	115,426	122,730	(7,304)	113,302
Supplies and materials	315	187	128	173
Total	1,120,176	1,112,760	7,416	1,069,841
Guidance services:				
Salaries	153,869	152,168	1,701	146,491
Employee benefits	10,955	11,120	(165)	10,560
Supplies and materials	2,900	2,027	873	2,141
Total	167,724	165,315	2,409	159,192
Health services:				
Salaries	1,015,862	941,551	74,311	926,752
Employee benefits	134,840	141,039	(6,199)	130,985
Purchased services	60,207	88,843	(28,636)	46,017
Supplies and materials	9,200	13,177	(3,977)	6,605
Capital outlay	1,535	12,044	(10,509)	-
Non-capitalized equipment	-	2,006	(2,006)	-
Total	\$ 1,221,644	\$ 1,198,660	\$ 22,984	\$ 1,110,359

(Continued)

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
Psychological services:				
Salaries	\$ 456,000	\$ 465,258	\$ (9,258)	\$ 427,613
Employee benefits	37,542	31,971	5,571	28,410
Purchased services	3,640	4,258	(618)	5,945
Supplies and materials	7,000	17,661	(10,661)	6,918
Other	700	525	175	700
Total	504,882	519,673	(14,791)	469,586
Speech pathology and audiology services:				
Salaries	1,288,615	1,262,399	26,216	1,226,238
Employee benefits	157,916	174,035	(16,119)	151,606
Purchased services	2,000	112	1,888	125
Supplies and materials	1,000	1,364	(364)	862
Total	1,449,531	1,437,910	11,621	1,378,831
Instructional staff:				
Improvement of instruction services:				
Salaries	755,033	644,020	111,013	581,867
Employee benefits	76,603	76,175	428	76,396
Purchased services	252,109	251,690	419	180,918
Supplies and materials	55,070	20,967	34,103	463,688
Other	1,400	600	800	600
Total	1,140,215	993,452	146,763	1,303,469
Education media:				
Salaries	753,360	679,750	73,610	711,479
Employee benefits	92,310	96,023	(3,713)	89,383
Purchased services	56,500	64,250	(7,750)	56,149
Supplies and materials	96,274	1,523,031	(1,426,757)	86,701
Total	998,444	2,363,054	(1,364,610)	943,712
Assessment and testing:				
Purchased services	36,000	-	36,000	12,000
Supplies and materials	-	7,051	(7,051)	-
Total	\$ 36,000	\$ 7,051	\$ 28,949	\$ 12,000

(Continued)

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
General administration:				
Board of education:				
Salaries	\$ 25,000	\$ -	\$ 25,000	\$ -
Employee Benefits	491,132	306,454	184,678	401,052
Purchased services	494,574	367,343	127,231	377,708
Supplies and materials	1,500	3,688	(2,188)	1,431
Other	16,000	13,339	2,661	10,833
Total	1,028,206	690,824	337,382	791,024
Executive administration:				
Salaries	279,408	279,407	1	284,901
Employee benefits	44,132	56,127	(11,995)	43,631
Purchased services	12,820	12,133	687	6,149
Supplies and materials	500	3,590	(3,090)	489
Capital outlay	4,000	2,736	1,264	1,332
Other	3,500	3,045	455	4,902
Total	344,360	357,038	(12,678)	341,404
Special area administrative services:				
Salaries	266,332	356,893	(90,561)	254,776
Employee benefits	57,648	78,050	(20,402)	56,880
Purchased services	10,063	7,653	2,410	3,073
Supplies and materials	1,000	-	1,000	54
Total	335,043	442,596	(107,553)	314,783
School administration:				
Office of the principal:				
Salaries	2,368,343	2,304,849	63,494	2,326,541
Employee benefits	480,485	502,105	(21,620)	470,827
Purchased services	107,973	38,702	69,271	45,444
Supplies and materials	28,017	11,968	16,049	16,193
Non-capitalized equipment	-	13,635	(13,635)	-
Total	\$ 2,984,818	\$ 2,871,259	\$ 113,559	\$ 2,859,005

(Continued)

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
Direction of business support services:				
Salaries	\$ -	\$ 210,432	\$ (210,432)	\$ -
Employee benefits	-	15,316	(15,316)	-
Purchased services	-	6,642	(6,642)	-
Total	-	232,390	(232,390)	-
Fiscal services:				
Salaries	612,495	397,613	214,882	594,759
Employee benefits	79,192	69,259	9,933	74,596
Purchased services	57,185	72,949	(15,764)	107,580
Supplies and materials	80,500	6,773	73,727	2,924
Capital outlay	5,000	-	5,000	2,991
Other	115,000	126,430	(11,430)	112,081
Total	949,372	673,024	276,348	894,931
Pupil transportation services:				
Purchased services	20,000	49,406	(29,406)	157
Total	20,000	49,406	(29,406)	157
Food services:				
Purchased services	575,003	571,503	3,500	566,887
Supplies and materials	6,000	1,744	4,256	5,951
Total	581,003	573,247	7,756	572,838
Internal services:				
Purchased services	260,000	175,928	84,072	237,389
Supplies and materials	-	58,669	(58,669)	59,791
Total	260,000	234,597	25,403	297,180
Information services:				
Salaries	111,523	111,523	-	108,716
Employee benefits	191	203	(12)	190
Purchased services	43,387	19,558	23,829	34,499
Capital outlay	-	287,782	(287,782)	-
Total	\$ 155,101	\$ 419,066	\$ (263,965)	\$ 143,405

(Continued)

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
Staff services:				
Salaries	\$ 335,546	\$ 317,109	\$ 18,437	\$ 291,920
Employee benefits	62,031	63,703	(1,672)	59,654
Purchased services	63,320	78,116	(14,796)	83,980
Supplies and materials	1,500	40	1,460	53
Total	462,397	458,968	3,429	435,607
Data processing services:				
Salaries	702,902	690,727	12,175	588,372
Employee benefits	103,031	109,563	(6,532)	111,806
Purchased services	187,451	143,159	44,292	150,319
Supplies and materials	53,900	-	53,900	49,816
Capital outlay	20,200	410,067	(389,867)	192,344
Non capitalized equipment	-	11,181	(11,181)	-
Total	1,067,484	1,364,697	(297,213)	1,092,657
Total Support Services	14,826,400	16,164,987	(1,338,587)	14,189,981
Community services:				
Salaries	522,500	734,952	(212,452)	802,936
Employee benefits	2,721	43,764	(41,043)	25,878
Purchased services	15,470	21,334	(5,864)	14,277
Supplies and materials	33,000	19,087	13,913	29,395
Other	300	-	300	158
Total Community Services	573,991	819,137	(245,146)	872,644
Payments to other districts and governmental units:				
Payments for special education programs	-	20,008	(20,008)	-
Purchased services	-	852,275	(112,275)	837,196
Other	740,000	-	740,000	-
Other payments to in-state govt. units	170,000	-	170,000	-
Total	910,000	872,283	37,717	837,196
Total Expenditures	72,697,608	70,571,618	2,125,990	68,398,308
Excess (deficiency) of revenues over expenditures	\$ (1,277,801)	\$ 298,849	\$ 1,576,650	\$ 2,566,502

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
OTHER FINANCING SOURCES (USES)				
Capital lease proceeds	\$ -	\$ 615,117	\$ 615,117	\$ -
Transfers in	208,944	161,515	(47,429)	208,944
Transfers out	-	(154,628)	(154,628)	-
Total other financing sources (uses)	208,944	622,004	413,060	208,944
Net changes in fund balance	<u>\$ (1,068,857)</u>	920,853	<u>\$ 1,989,710</u>	2,775,446
Fund balance at beginning of year		25,751,539		22,976,093
FUND BALANCE AT END OF YEAR		<u>\$ 26,672,392</u>		<u>\$ 25,751,539</u>

(Concluded)

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
OPERATIONS AND MAINTENANCE ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			
	Final Budget	Actual	Variance over/under	2014 Actual
REVENUES				
Local Sources:				
General tax levy	\$ 6,879,000	\$ 7,506,696	\$ 627,696	\$ 8,086,148
Earnings on investments	5,205	12,982	7,777	7,508
Rentals	53,004	65,177	12,173	52,293
Other	75,425	82,932	7,507	76,955
Total Local Sources	7,012,634	7,667,787	655,153	8,222,904
Total Revenues	7,012,634	7,667,787	655,153	8,222,904
EXPENDITURES				
Current operating:				
Support services:				
Facilities acquisition services:				
Purchased services	20,000	1,085	18,915	10,467
Capital outlay	-	951	(951)	-
Total Facilities Acquisition Services	20,000	2,036	17,964	10,467
Operations and maintenance of				
Plant services:				
Salaries	2,691,824	2,655,243	36,581	2,592,678
Employee benefits	393,700	385,064	8,636	368,900
Purchased services	941,292	1,070,441	(129,149)	936,500
Supplies and materials	1,005,311	941,401	63,910	897,564
Capital outlay	200,000	105,494	94,506	458,825
Non-capitalized equipment	-	88,741	(88,741)	-
Total Operation and Maintenance of Plant Services	5,232,127	5,246,384	(14,257)	5,254,467
Total Support Services	\$ 5,252,127	\$ 5,248,420	\$ 3,707	\$ 5,264,934

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
OPERATIONS AND MAINTENANCE ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
Payments to other districts and governmental units:				
Purchased services	\$ -	\$ 21,037	\$ (21,037)	\$ 4,781
Total payments to other districts	-	21,037	(21,037)	4,781
Total Expenditures	5,252,127	5,269,457	(17,330)	5,269,715
Excess of revenues over expenditures	1,760,507	2,398,330	637,823	2,953,189
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	8,600,000
Sale of capital asset	-	832	832	1,000
Transfers out	-	-	-	(8,600,000)
Total other financing sources (uses)	-	832	832	1,000
Net changes in fund balance	<u>\$ 1,760,507</u>	2,399,162	<u>\$ 638,655</u>	2,954,189
Fund balance (deficit) at beginning of year		<u>1,428,982</u>		<u>(1,525,207)</u>
FUND BALANCE AT END OF YEAR		<u>\$ 3,828,144</u>		<u>\$ 1,428,982</u>

(Concluded)

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
WORKING CASH ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
REVENUES				
Local Sources:				
General tax levy	\$ 407,000	\$ 408,488	\$ 1,488	\$ 389,981
Earnings on investments	170,010	135,804	(34,206)	200,200
Total Local Sources	577,010	544,292	(32,718)	590,181
Total Revenues	577,010	544,292	(32,718)	590,181
Excess of revenues over expenditures	577,010	544,292	(32,718)	590,181
OTHER FINANCING SOURCES (USES)				
Principal on bond sold	-	-	-	832,230
Premium on bond sold	-	-	-	7,767,770
Transfers out	(176,378)	(161,515)	14,863	(8,776,377)
Total other financing sources (uses)	(176,378)	(161,515)	14,863	(176,377)
Net changes in fund balance	<u>\$ 400,632</u>	382,777	<u>\$ (17,855)</u>	413,804
Fund balance at beginning of year		<u>14,265,287</u>		<u>13,851,483</u>
FUND BALANCE AT END OF YEAR		<u>\$ 14,648,064</u>		<u>\$ 14,265,287</u>

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
TORT IMMUNITY AND JUDGMENT ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
REVENUES				
Local Sources:				
Tort immunity levy	\$ 713,100	\$ 611,357	\$ (101,743)	\$ 583,922
Earnings on investments	7,015	10,884	3,869	13,798
Other	500	1,081	581	7,668
Total Local Sources	720,615	623,322	(97,293)	605,388
EXPENDITURES				
Support Services:				
Workers' compensation or workers' occupational disease act payment:				
Purchased services	473,916	464,666	9,250	409,406
Total	473,916	464,666	9,250	409,406
Unemployment insurance payment:				
Employee benefits	40,400	12,682	27,718	24,060
Total	40,400	12,682	27,718	24,060
Insurance payment:				
Purchased services	-	169,651	(169,651)	169,491
Total	-	169,651	(169,651)	169,491
Risk management and claims services payments:				
Purchased services	-	-	-	25,786
Supplies and materials	-	-	-	13
Capital outlay	-	-	-	153,433
Total	-	-	-	179,232
Educational, inspectional, supervisory services related to loss prevention or reduction:				
Purchased services	6,000	72,549	(66,549)	5,622
Supplies and materials	15,000	11,407	3,593	-
Capital outlay	250,000	243,406	6,594	-
Non-capitalized equipment	-	4,634	(4,634)	-
Total	\$ 271,000	\$ 331,996	\$ (60,996)	\$ 5,622

(Continued)

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
TORT IMMUNITY AND JUDGMENT ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
Property insurance: Purchased services	\$ 242,223	\$ -	\$ 242,223	\$ -
Total	242,223	-	242,223	-
Total Support Services	1,027,539	978,995	48,544	787,811
Total Expenditures	1,027,539	978,995	48,544	787,811
Deficiency of revenues over expenditures	<u>\$ (306,924)</u>	(355,673)	<u>\$ (48,749)</u>	(182,423)
Fund balance at beginning of year		<u>1,428,199</u>		<u>1,610,622</u>
FUND BALANCE AT END OF YEAR		<u>\$ 1,072,526</u>		<u>\$ 1,428,199</u>

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015

	<u>Transportation</u>	<u>Municipal Retirement/ Social Security</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>					
Assets:					
Cash and investments	\$ 2,460,426	\$ 698,455	\$ 3,743,955	\$ 4,188,470	\$ 11,091,306
Receivables:					
Property taxes	525,407	1,097,342	1,652,042	-	3,274,791
Due from other governments	117,850	-	-	-	117,850
Other receivables	16,301	2,683	-	639	19,623
Other assets	39,872	-	-	3,163	43,035
TOTAL ASSETS	<u>\$ 3,159,856</u>	<u>\$ 1,798,480</u>	<u>\$ 5,395,997</u>	<u>\$ 4,192,272</u>	<u>\$ 14,546,605</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 19,454	\$ -	\$ -	\$ 584,067	\$ 603,521
Total Liabilities	<u>19,454</u>	<u>-</u>	<u>-</u>	<u>584,067</u>	<u>603,521</u>
Deferred Inflows:					
Unavailable property tax revenue	525,407	1,097,342	1,652,042	-	3,274,791
Fund Balance:					
Restricted	2,614,995	701,138	3,743,955	3,608,205	10,668,293
Total Fund Balance	<u>2,614,995</u>	<u>701,138</u>	<u>3,743,955</u>	<u>3,608,205</u>	<u>10,668,293</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 3,159,856</u>	<u>\$ 1,798,480</u>	<u>\$ 5,395,997</u>	<u>\$ 4,192,272</u>	<u>\$ 14,546,605</u>

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015

	Transportation	Municipal Retirement/ Social Security	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
REVENUES					
Local sources	\$ 1,107,885	\$ 2,260,481	\$ 3,253,467	\$ 43,315	\$ 6,665,148
State sources	483,761	-	-	111,822	595,583
Total Revenues	1,591,646	2,260,481	3,253,467	155,137	7,260,731
EXPENDITURES					
Current operating:					
Instruction	-	919,516	-	-	919,516
Support services	2,178,662	1,330,393	-	4,872,071	8,381,126
Community services	-	60,313	-	-	60,313
Debt service:					
Principal	-	-	2,647,957	-	2,647,957
Interest and other	-	-	687,994	-	687,994
Total Expenditures	2,178,662	2,310,222	3,335,951	4,872,071	12,696,906
Deficiency of revenues over expenditures	(587,016)	(49,741)	(82,484)	(4,716,934)	(5,436,175)
OTHER FINANCING SOURCES					
Transfers In	-	-	154,628	-	154,628
Total other financing uses	-	-	154,628	-	154,628
Net changes in fund balance	(587,016)	(49,741)	72,144	(4,716,934)	(5,281,547)
Fund balances at beginning of year	3,202,011	750,879	3,671,811	8,325,139	15,949,840
FUND BALANCES AT END OF YEAR	\$ 2,614,995	\$ 701,138	\$ 3,743,955	\$ 3,608,205	\$ 10,668,293

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
REVENUES				
Local Sources:				
General tax levy	\$ 1,120,200	\$ 1,019,847	\$ (100,353)	\$ 972,999
Regular transportation fees	66,905	53,835	(13,070)	67,529
Earnings on investments	23,725	33,543	9,818	35,389
Other	-	660	660	-
Total Local Sources	1,210,830	1,107,885	(102,945)	1,075,917
State Sources:				
Transportation aid	530,539	483,761	(46,778)	548,855
Total State Sources	530,539	483,761	(46,778)	548,855
Total Revenues	1,741,369	1,591,646	(149,723)	1,624,772
EXPENDITURES				
Current operating:				
Support Services:				
Pupil Transportation Services:				
Salaries	14,500	13,438	1,062	13,258
Employee benefits	2,050	1,747	303	1,708
Purchased services	1,864,900	2,163,477	(298,577)	1,590,524
Total Support Services	1,881,450	2,178,662	(297,212)	1,605,490
Total Expenditures	1,881,450	2,178,662	(297,212)	1,605,490
Net changes in fund balance	\$ (140,081)	(587,016)	\$ (446,935)	19,282
Fund balance at beginning of year		3,202,011		3,182,729
FUND BALANCE AT END OF YEAR		\$ 2,614,995		\$ 3,202,011

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
REVENUES				
Local Sources:				
General tax levy	\$ 2,392,600	\$ 1,316,749	\$ (1,075,851)	\$ 1,024,398
Social security/medicare only levy	-	815,596	815,596	779,511
Corporate replacement taxes	123,654	125,931	2,277	123,654
Earnings on investments	5,540	2,205	(3,335)	4,975
Total Local Sources	2,521,794	2,260,481	(261,313)	1,932,538
Total Revenues	2,521,794	2,260,481	(261,313)	1,932,538
EXPENDITURES				
Current operating:				
Instruction				
Regular programs	375,700	217,938	157,762	368,799
Pre-k	-	145,452	(145,452)	-
Special education programs	544,350	516,496	27,854	537,739
Interscholastic programs	16,000	3,374	12,626	2,498
Summer school programs	8,700	8,280	420	6,992
Gifted programs	21,400	17,838	3,562	15,235
Bilingual programs	12,000	10,138	1,862	7,952
Total instruction	978,150	919,516	58,634	939,215
Support Services				
Pupils	202,500	190,025	12,475	189,414
Instructional staff	104,550	82,799	21,751	91,434
General administration	68,250	99,160	(30,910)	217,842
School administration	210,700	158,950	51,750	169,800
Business	664,080	634,183	29,897	619,053
Central	182,200	165,276	16,924	157,706
Total support services	1,432,280	1,330,393	101,887	1,445,249
Community services				
Community services - employee benefits	132,300	60,313	71,987	91,907
Total Expenditures	2,542,730	2,310,222	232,508	2,476,371
Net changes in fund balance	<u>\$ (20,936)</u>	(49,741)	<u>\$ (28,805)</u>	(543,833)
Fund balance at beginning of year		750,879		1,294,712
FUND BALANCE AT END OF YEAR		<u>\$ 701,138</u>		<u>\$ 750,879</u>

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
REVENUES				
Local Sources:				
General tax levy	\$ 3,452,000	\$ 3,246,908	\$ (205,092)	\$ 3,020,266
Earnings on investments	33,070	6,559	(26,511)	63,527
Total Local Sources	3,485,070	3,253,467	(231,603)	3,083,793
Total Revenues	3,485,070	3,253,467	(231,603)	3,083,793
EXPENDITURES				
Debt service:				
Principal retirement	2,520,000	2,647,957	(127,957)	2,275,000
Interest on bonds	657,800	684,471	(26,671)	558,867
Other	10,000	3,523	6,477	147,328
Total Expenditures	3,187,800	3,335,951	(148,151)	2,981,195
Excess of revenues (deficiency) over expenditures	297,270	(82,484)	(379,754)	102,598
OTHER FINANCING SOURCES (USES)				
Principal on bond sold	-	-	-	932,230
Deposit with paying agent	-	-	-	(788,480)
Transfers out	(32,566)	154,628	187,194	(32,567)
Total other financing sources (uses)	(32,566)	154,628	187,194	111,183
Net changes in fund balance	\$ 264,704	72,144	\$ (192,560)	213,781
Fund balance at beginning of year		3,671,811		3,458,030
FUND BALANCE AT END OF YEAR		\$ 3,743,955		\$ 3,671,811

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE ACTUAL TOTALS FOR 2014

	2015			2014
	Final Budget	Actual	Variance over/under	Actual
REVENUES				
Local Sources:				
Earnings on investments	\$ 35,900	\$ 32,429	\$ (3,471)	\$ 41,938
Other	10,886	10,886	-	-
Total Local Sources	46,786	43,315	(3,471)	41,938
State Sources:				
Other grants-in-aid	-	111,822	111,822	235,279
Total State Sources	-	111,822	111,822	235,279
Total Revenues	46,786	155,137	108,351	277,217
EXPENDITURES				
Facilities acquisition:				
Purchased services	645,000	603,857	41,143	689,897
Capital outlay	5,222,000	4,237,386	984,614	4,749,770
Salaries	-	30,750	(30,750)	-
Other Objects	2,000	78	1,922	-
Total support services	5,869,000	4,872,071	996,929	5,439,667
Other support services:				
Purchased services	-	-	-	68
Other	-	-	-	705
Total other support services	-	-	-	773
Total Expenditures	5,869,000	4,872,071	996,929	5,440,440
Deficiency of revenues over expenditures	(5,822,214)	(4,716,934)	1,105,280	(5,163,223)
OTHER FINANCING SOURCES				
Transfers in	-	-	-	8,600,000
Net changes in fund balance	\$ (5,822,214)	(4,716,934)	\$ 1,105,280	3,436,777
Fund balance at beginning of year		8,325,139		4,888,362
FUND BALANCE AT END OF YEAR		\$ 3,608,205		\$ 8,325,139

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
AGENCY FUND - ACTIVITY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
Assets:				
Cash	<u>\$ 106,931</u>	<u>\$ 545,693</u>	<u>\$ 453,850</u>	<u>\$ 198,774</u>
Liabilities:				
Due to organizations	<u>\$ 106,931</u>	<u>\$ 545,693</u>	<u>\$ 453,850</u>	<u>\$ 198,774</u>

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
SCHEDULE OF PROPERTY TAX RATES, EXTENSIONS AND COLLECTIONS
LAST FIVE TAX LEVY YEARS

	2014	2013	2012	2011	2010
Assessed Valuation	<u>\$1,414,256,518</u>	<u>\$1,399,438,847</u>	<u>\$1,705,216,205</u>	<u>\$1,843,115,448</u>	<u>\$2,016,342,297</u>
Rates extended:					
Educational	3.4048	3.4609	2.7710	2.3906	2.1686
Tort immunity	0.0448	0.0440	0.0348	0.0394	0.0360
Special education	0.1170	0.0294	0.0233	0.0284	0.0240
Operations and maintenance	0.5468	0.5439	0.4796	0.4513	0.3815
Transportation	0.0748	0.0734	0.0581	0.0805	0.0841
Illinois municipal retirement/ Social security	0.1562	0.1533	0.0930	0.1036	0.1080
Debt service	0.2352	0.2368	0.1752	0.1621	0.1483
Working cash	0.0300	0.0294	0.0233	0.0282	0.0000
Total rates extended	<u>4.6096</u>	<u>4.5711</u>	<u>3.6583</u>	<u>3.2841</u>	<u>2.9505</u>
Property tax extensions:					
Educational	\$ 48,151,978	\$ 48,433,179	\$ 47,251,541	\$ 44,061,698	\$ 43,726,428
Tort immunity	634,226	615,753	593,415	726,892	726,337
Special education	1,654,366	411,435	397,315	523,689	484,225
Operations and maintenance	7,733,420	7,611,547	8,178,216	8,318,803	7,691,912
Transportation	1,058,004	1,027,188	990,730	1,483,786	1,694,787
Illinois municipal retirement/ Social security	2,209,699	2,145,339	1,585,850	1,907,724	2,179,012
Debt service	3,326,689	3,313,381	2,988,064	2,987,250	2,991,030
Working cash	423,778	411,435	397,315	519,209	-
Total levies extended	<u>\$ 65,192,160</u>	<u>\$ 63,969,257</u>	<u>\$ 62,382,446</u>	<u>\$ 60,529,051</u>	<u>\$ 59,493,731</u>
Total collections	<u>\$ 32,817,577</u>	<u>\$ 63,197,229</u>	<u>\$ 61,519,147</u>	<u>\$ 60,377,816</u>	<u>\$ 57,441,746</u>
Percentage of extensions collected	<u>50.34%</u>	<u>98.79%</u>	<u>98.62%</u>	<u>99.75%</u>	<u>96.55%</u>

Tax rates are expressed in dollars per one hundred of assessed valuation.

Source of information: Cook County Levy, Rate and Extension Reports for 2010-2014.

PARK RIDGE-NILES SCHOOL DISTRICT NO. 64
OPERATING COST AND TUITION CHARGE
YEARS ENDED JUNE 30, 2015 AND JUNE 30, 2014

	<u>2015</u>	<u>2014</u>
Expenditures:		
Educational Fund	\$ 57,669,991	\$ 55,178,059
Operations and Maintenance Fund	5,269,457	5,269,715
Debt Service Fund	3,335,951	2,981,195
Transportation Fund	2,178,662	1,605,490
Municipal Retirement/Social Security Fund	2,310,222	2,476,371
Tort Immunity Fund	978,995	787,811
	<u>71,743,278</u>	<u>68,298,641</u>
Total expenditures		
Less revenues/expenditures not applicable to operating expense of regular program:		
Summer school	221,362	186,211
Tuition paid	844,186	796,246
Community services	879,450	964,551
Capital outlay	840,684	898,272
Non-capitalized equipment	143,427	-
Bond and other principal retired	2,647,957	2,275,000
Payments to other districts and governmental units	1,990,736	1,520,518
	<u>7,567,802</u>	<u>6,640,798</u>
Regular operating expenditures	64,175,476	61,657,843
Offsetting revenues	<u>6,880,306</u>	<u>7,298,941</u>
Net operating expenditures	57,295,170	54,358,902
Depreciation allowance	<u>2,243,630</u>	<u>1,927,634</u>
Total allowance for tuition computation	<u>\$ 59,538,800</u>	<u>\$ 56,286,536</u>
Average daily attendance	<u>4,110</u>	<u>4,069</u>
Per capita tuition charge	<u>\$ 14,485</u>	<u>\$ 13,833</u>

Source of information: 2014 & 2015 annual financial reports

