

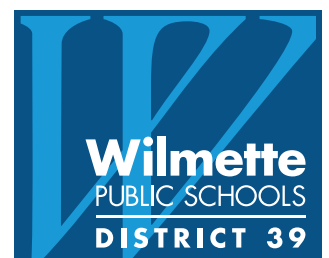


Wilmette

Public School District 39

Wilmette, Illinois

Comprehensive Annual Financial Report
Year ended June 30, 2016



COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

WILMETTE PUBLIC SCHOOLS DISTRICT 39

WILMETTE, ILLINOIS

For the Fiscal Year Ended June 30, 2016

Official Issuing Report

Gail F. Buscemi, Business Manager

Department Issuing Report

Business Office

WILMETTE PUBLIC SCHOOLS DISTRICT 39

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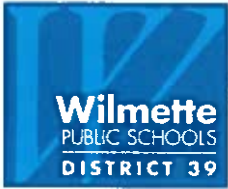
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October 31, 2016

President and Members of the
Board of Education
Wilmette Public Schools District 39
615 Locust Road
Wilmette, Illinois 60091

The Comprehensive Annual Financial Report of Elementary School District 39, Wilmette, Illinois, for the fiscal year ended June 30, 2016 is submitted herewith. The audit fieldwork was completed on August 11, 2016 and the report was subsequently issued. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data as presented are: (1) accurate in all material aspects, (2) presented in a manner designed to fairly set forth the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds; and (3) that all disclosures necessary for maximum public understanding of the District's financial status have been incorporated in the report.

Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent auditors' report.

BASIS OF ACCOUNTING AND REPORTING

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The Introductory Section includes the transmittal letter, the District's organizational chart, and a list of principal officials. The Financial Section includes the management's discussion and analysis, government-wide financial statements, the fund financial statements, required supplementary information, individual fund statements, as well as the independent auditors' report. The Statistical Section includes a number of tables of unaudited data depicting the financial history of the District for the past ten years, demographics, and other miscellaneous information.

School District 39 is required to undergo an annual single audit in conformity with the provisions of the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) Information related to this single audit, including the schedule of federal expenditures of federal awards, findings and recommendations and independent auditors' report on the internal control structure and compliance with applicable laws and regulations are included in a separate report.

This report includes all funds of the District. The District reports on the full accrual basis of accounting for its government-wide financial statements and modified accrual for its fund financial statements. These bases are applied to the District's budget and accounting records. The Notes to Basic Financial Statements expand upon these bases as well as the District's accounting policies and procedures. All District funds are included in this report and have been audited by Klein Hall CPAs.

GENERAL INFORMATION

The District is located approximately 15 miles north of the Chicago Loop, bordering Lake Michigan and comprises most of the Village of Wilmette and a small portion of Glenview. The village is a residential community with a population of about 27,413. It consists of moderate to high-income residential housing and a prosperous commercial downtown area. There is no heavy industry in Wilmette. Wilmette, as a community, is built out.

District 39 was founded in 1901 and currently includes four elementary schools, one middle school, one junior high school and an administration building and had an enrollment of 3,732 in 2016. An elected 7-member Board of Education and a full-time administrative staff govern the District. The District employs 554 persons. Of these, 18 are administrators, 331 are teachers and 205 are non-certified personnel. Elementary students in the District continue their education at New Trier Township High School, which is recognized as one of the leading high school educational institutions in the United States.

District 39 enjoys a high level of parental participation and involvement because parents make it a priority to be involved in their children's education. Many adults are engaged in professional pursuits. The high academic level characterizing the community contributes to the respect citizens have for quality education. As a result, citizens devote substantial time and effort to ensure that excellence prevails.

Community involvement is of paramount importance to District 39. Integral to the community is the Wilmette Educational Foundation, which provides financial assistance to support individual, school, and community endeavors. Teachers, administrators, the Board of Education, and community members value the Foundation as well. Community members are also involved in the Community Review Committee that helps study and prioritize goals for the school district.

REPORTING ENTITY

The District defines its reporting entity by applying the criteria set forth in GASB Statements 14 and 61 to potential component units. Briefly, a component unit is an organization for which the District is financially accountable or other organizations that, because of the nature or significance of their relationship with the District, would cause the District's financial statements to be misleading or incomplete if they were omitted from the reporting entity. These criteria are discussed in more detail in Note 1 to the general purpose financial statements.

Using these criteria, management has determined that the District has no component units, nor is it a component unit of any other organization.

DISTRICT FUNDS

The District's accounts are organized as separate accounting entities called funds. District resources are allocated to and accounted for in individual funds as required by the State of Illinois. Each fund has specific functions based upon the purposes for which the District's resources are to be expended. This allows for a more controlled process of spending activities. The following describes the fund types implemented in School District 39:

- 1) **General Fund** – accounts for the revenues and expenditures that are used in providing the educational program for the children of the District.
- 2) **Special Revenue Funds** – account for specific revenue sources that are legally restricted to expenditures for specified purposes (e.g., Operations and Maintenance, Transportation, Working Cash and Municipal Retirement/Social Security).
- 3) **Debt Service Fund** – accounts for the accumulation of resource for, and the payment of, general long-term debt principal, interest, and related costs. All bond issues are maintained through the Bond and Interest Fund.
- 4) **Capital Projects Fund** – accounts for financial resources to be used for the acquisition or construction of major capital facilities.
- 5) **Agency Fund** – accounts for the assets held by the District for student organizations.

ACCOUNTING SYSTEMS AND BUDGETARY CONTROL

The financial statements have been prepared in accordance with generally accepted accounting principles that are appropriate to local governmental units of this type. The presentation allows the reader to obtain an overview of the District's financial operations by viewing the basic financial statements in the front section of the report. All of the figures used in the following discussion were obtained or derived from these financial statements, attached herewith.

In developing and evaluating the District's accounting system, consideration is given to the adequacy of the internal accounting controls. Such controls are designed to provide reasonable, but not absolute, assurance for the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. We believe that our internal accounting controls adequately safeguard District assets and provide reasonable assurance of proper recording of financial data. Budgetary control is maintained at line item levels and built up into program and cost centers before being combined to create fund totals. All actual activity compared to budget is reported to the District's administrative team and to the Board of Education on a monthly basis. The monthly report compares each line item account balance to the annual budget with accumulation to the cost center, fund, and total district levels. Full disclosures are made if extraordinary variances appear during the year.

GENERAL GOVERNMENTAL ACCOUNTING FUNCTIONS

The District has three sources of revenue: local, state, and federal. By far the largest source, and the source the District is most dependent on, is the local source.

Revenues for general District functions of all Governmental Fund Types totaled \$69,627,480, an increase of 2.7% when compared to FY 2015.

Revenue Sources	Amount (\$000)	Percent of Total	Increase (Decrease) from 2015 (\$000)	Percentage Increase (Decrease) from 2015
Local Sources				
Property Taxes	\$ 50,241	72.2%	\$ 1,376	2.8%
Personal Property Replacement Taxes	463	0.7%	(40)	-8.0%
Earnings on Investments	89	0.1%	31	53.4%
Other	3,989	5.7%	158	4.1%
Total Local Sources	54,782	78.7%	1,525	2.9%
State and Federal Sources	14,845	21.3%	291	2.0%
Total Revenue	\$ 69,627	100.0%	\$ 1,816	2.7%

Total Local Revenues posted a net increase of 2.9% in Fiscal Year 2016 when compared to the preceding fiscal year. The on-behalf payments made by the State to the Teachers' Retirement System (TRS) increased by \$ 1,055,817 or 10.8%. This is due to an increase in the funding rate the State is required to pay from 33.00% of creditable earnings in fiscal year 2015 to 36.06% of creditable earnings in fiscal year 2016.

Allocations of the 2015 property tax levy and the preceding two levy years are as follows (per \$100 of assessed value):

Fund Type	Levy Year		
	2015	2014	2013
General (Educational)	2.7104	2.5625	2.5868
Operations & Maintenance	0.4908	0.4681	0.3758
Transportation	0.0526	0.0535	0.0640
Municipal Retirement	0.0189	0.0311	0.0508
Social Security	0.0795	0.0759	0.0621
Working Cash	0.0071	0.0068	0.0067
Debt Service	0.0835	0.0954	0.0970
Tort Immunity	0.0387	0.0434	0.0625
Life Safety	0.0000	0.0000	0.0007
Special Education	0.0199	0.0189	0.0187
Total Tax Rate	3.5014	3.3556	3.3251
Collection/Levy	51.7%	99.6%	99.4%

The expenditures of the major functions of all governmental fund types increased by \$1,799,102 from the prior fiscal year. This represents a percentage increase of 2.6%. Variances in levels of expenditures for major functions of the District over the preceding year are shown in the following tabulation:

Expenditures	Amount (\$000)	Percent of Total	Increase (Decrease) from 2015 (\$000)	Percentage Increase (Decrease) from 2015
Function				
Instruction	\$ 41,405	58.9%	\$ 1,456	3.6%
Support Services	18,876	26.8%	(220)	-1.2%
Debt Service	2,350	3.3%	(2,073)	-46.9%
Capital Outlay	6,559	9.3%	2,691	69.6%
Non-programmed Charges	1,162	1.7%	(55)	-4.5%
Total Expenditures	\$ 70,352	100.0%	\$ 1,799	2.6%

Although the overall increase is 2.6%, there is a notable decrease of 46.9% in debt service due to the issuance of General Obligation Limited Tax Refunding Bonds in fiscal year 2015 to refund the General

Obligation Limited Tax School Bonds, Series 2004. There were no refunding transactions during fiscal year 2016.

Under separate collective bargaining agreements with the teachers' and support staff unions, actual labor costs increased by 2.2% in Fiscal Year 2016. Salaries account for 51.3% of total operating expenditures and 59% of General Fund expenditures.

CAPITAL ASSETS

The capital assets of the District are those assets used in the performance of general governmental functions. As of June 30, 2016, the District's capital assets, net of accumulated depreciation, amounted to \$41.1 million. This amount represents the actual and estimated original cost of the assets and is considerably less than their present replacement value.

Depreciation of capital assets is shown in order to satisfy the compliance with Governmental Accounting Standards Board Statement Number 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments but is generally not recognized in the District's accounting system. The District utilizes the assistance of an outside appraisal service for the appraisal, control and inventory of fixed assets. Although annual adjustments to inventory were made, a physical inventory had not been conducted since 2003. The appraisal service conducted a thorough physical inventory of the District's assets and equipment during the 2009-2010 Fiscal Year. This resulted in a reduction in value of capital assets in the amount of \$1,789,788. Annual updates to the inventory report will continue until the next physical inventory occurs.

Annual appraisals are used for the updating of replacement values for insurance purposes with the District providing historical cost information. The District participates in a property casualty insurance cooperative pool comprised of more than 60 school district members. The cooperative maintains a \$250,000 self-insured retention to insure losses up to \$1,000,000. Beyond that limit, outside third party specific and aggregate coverage is purchased to protect the District from severe financial losses.

ECONOMIC OUTLOOK

The District's mature tax base is characterized by resident socioeconomic levels that are among the highest in the state and nation. In addition its strong financial operations are supported by ample reserves and manageable debt burden.

The District's fully developed and affluent tax base will continue to experience steady growth for the foreseeable future based on its desirable location on the North Shore of Lake Michigan. The District continues to maintain a solid tax base and still experience some growth, mostly through residential teardowns and reassessment. Resident socioeconomic indicators greatly exceed state and national levels.

The District maintains strong financial operations by implementing prudent fiscal policies, conservative management and maintaining ample reserves. The District ended FY 2016 with an Educational Fund balance of \$31.3 million, or an adequate 54.6% of Educational Fund revenues. Adding to the district's financial flexibility is a FY 2016 Working Cash Fund balance of \$0.8 million, contributing to a combined operating fund balance of \$35.6 million. The District receives the majority of its operating revenues from property taxes (72.2% of FY 2016 revenues) followed by state and federal aid (21.3%). The District's goal is to sustain an operating fund balance (Educational, O&M, Transportation, IMRF &

Social Security, Tort Immunity & Judgment and Working Cash) at a level equivalent to 30% of annual operating expenditures. In FY16, the level was 67.1%.

The Illinois General Assembly has imposed property tax legislation on all Cook County school districts. The legislation is designed to limit increases in property tax extensions. The limitation slows the growth of property tax revenues to school districts when property values and assessments are increasing faster than the rate of inflation. The legislation limits the levy increase to the lesser of five percent or the increase in the consumer price index (CPI) for the year preceding the levy year. This combined with the use of prior year equalized assessed valuation (EAV) generate property tax receipts. The use of the CPI and prior year EAV variables in property tax calculations is intended to “restrict” the amount of increase in a school district’s levy request.

The administration, in collaboration with teachers and the Board of Education, will continue to provide an exemplary educational experience for all students in the District 39 community. With that being said, district administration continues to analyze long-range forecast financial projections, which are used in prudent fiscal planning sessions with members of the Board of Education.

MAJOR INITIATIVES

Improvements to District Facilities

The district had several capital improvement projects during the 2015-2016 school year. The following summarizes the projects by school:

Romona Elementary School

- 4 Classroom Addition
- Boiler Replacement

Central Elementary School

- Learning Commons Renovation
- Large Space A/C

Highcrest Middle School

- Partial Roof Replacement
- Parking Lot Renovation

INDEPENDENT AUDIT

The School Code of Illinois and the District’s adopted policy require an annual audit of the books of accounts, financial records and transactions of all funds of the District. The audit is performed by independent certified public accountants selected by the District’s Board of Education. The independent auditors’ opinion has been included in the Financial Section of this report.

ACKNOWLEDGEMENT

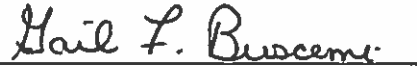
It is our belief that this Comprehensive Annual Financial Report will provide the District's management, outside investors, and interested local citizens with a most meaningful financial condition as of June 30, 2016.

We extend our appreciation to the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible, progressive manner.

Respectfully Submitted,



Dr. Raymond E. Lechner
Superintendent of Schools



Gail F. Buscemi
Business Manager

WILMETTE PUBLIC SCHOOLS DISTRICT NO. 39

**615 Locust Road
Wilmette, Illinois 60091**

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

Board of Education

		<u>Term Expires</u>
Alice D. Schaff	President	2019
Mark Steen	Vice President	2017
Kimberly W. Alcantara	Member	2017
Tracy Kearney	Member	2019
Frank Panzica	Member	2019
John M. Flanagan	Member	2017
Cindy Levine	Member	2017

District Administration

Dr. Raymond Lechner	Superintendent
Dr. Denise Thrasher	Assistant Superintendent/ Administrator for Student and Special Services
Ms. Katie Lee	Interim Administrator for Curriculum and Instruction
Mr. Tony DeMonte	Director of Technology
Mrs. Gail F. Buscemi	Business Manager

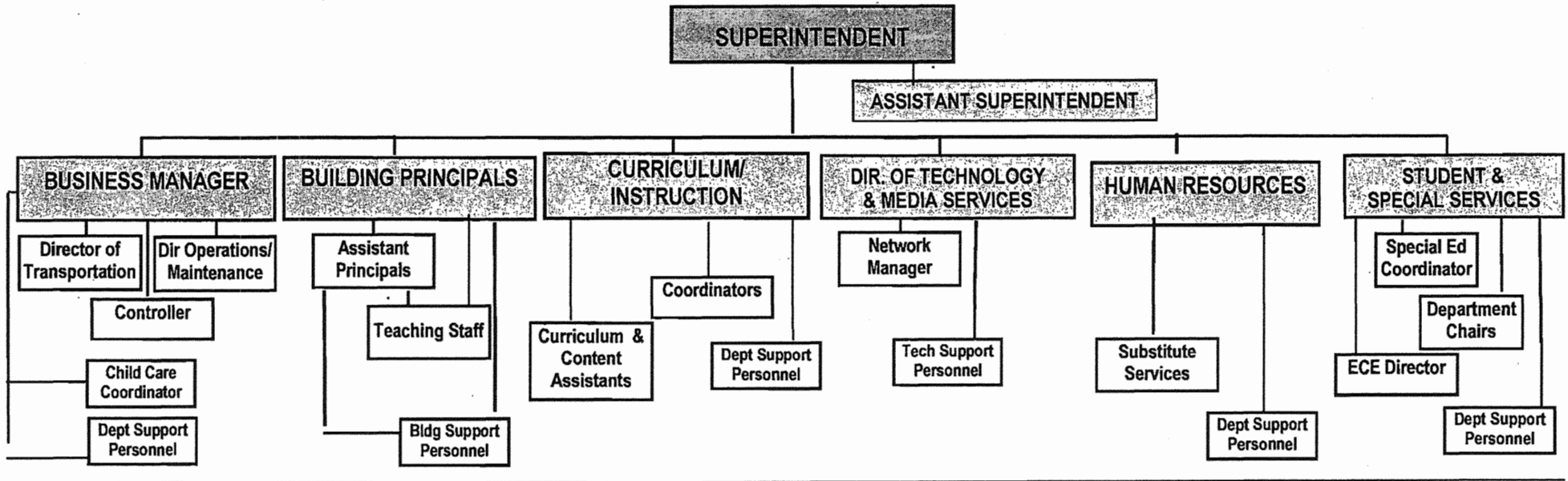
Official Issuing Report

Gail F. Buscemi
Business Manager

Department Issuing Report

Business Office

Wilmette Public Schools District 39



ADMINISTRATIVE FUNCTIONS Superintendent

- ◆ Provide professional leadership in education throughout the school system. Represent the district in an official or public capacity.
- ◆ Establish and maintain a sound organizational structure which provides all essential functions of the school system.
- ◆ Direct the long-term planning of the educational program including assessment, curriculum development, revision and the adoption of new programs.
- ◆ Inform and advise the Board of Education relative to the educational program and school operations, prepare agendas, and serve as Secretary to the Board.
- ◆ Coordinate and direct the preparation of the annual school budget and continually appraise school plant needs.
- ◆ Coordinate and direct the employee selection process, salary administration and personnel benefits program.

Business Manager	Building Level Administrators	Administrator for Curriculum/Instruction	Director of Technology and Media Services	Administrator for Human Resources	Administrator for Student & Special Services
<ul style="list-style-type: none"> ◆ Accounting/Auditing ◆ Accounts Receivable/ Payable ◆ Before School Child Care ◆ Budget Management ◆ Building and Grounds ◆ Food Services ◆ Investments ◆ Life/Safety Management ◆ Payroll ◆ Rentals ◆ Risk Management/ Insurance ◆ Transportation 	<ul style="list-style-type: none"> ◆ Building Level Public Relations ◆ Coordination of Building Special Services ◆ Coordination with PTA/PTO ◆ Home/School Communications ◆ Oversight of Instruction ◆ School-Improvement Planning ◆ Selection of Employees ◆ Site-based Facility Operations ◆ Student Safety ◆ Support Staff Evaluation ◆ Teacher Evaluation 	<ul style="list-style-type: none"> ◆ Assessment Program ◆ Curriculum Development ◆ Curriculum Review ◆ Gifted Education ◆ Grant Coordination ◆ Instructional Program ◆ Research Coordination ◆ School Improvement Process ◆ Staff Development 	<ul style="list-style-type: none"> ◆ Instructional Technology ◆ Technology Integration ◆ Media Services ◆ District LAN/WAN Operations ◆ District Email Services ◆ Information Systems ◆ Data Management ◆ Coordinates Building Technical Support ◆ Hardware/Software Evaluation & Maintenance ◆ Technology Planning ◆ Educational Technology Professional Development ◆ Web Site Development & Management ◆ Content Filtering 	<ul style="list-style-type: none"> ◆ Contract Management ◆ Employee Discipline/Due Process ◆ Employee Evaluation ◆ Grievance, Arbitration ◆ Induction of New Employees ◆ Personnel Planning ◆ Policy Revision ◆ Recruitment/Selection ◆ Retirement/Recognition ◆ Substitute Services ◆ Title IX Coordination 	<ul style="list-style-type: none"> ◆ Student and Special Services ◆ ISBE Approved Special Education Director ◆ Health Services ◆ ELL Services ◆ Counseling Services ◆ Home/Hospital Services ◆ Private/Parochial School Services ◆ Student Registration and Records ◆ Wilmette Board of Health ◆ Student Discipline and Truancy ◆ ADA/504 Compliance Monitor ◆ Safe Schools ◆ Special Education Finance

Revised: July 16, 2007



3957 75th Street, Aurora, IL 60504
Phone 630.898.5578 | Fax 630.225.5128
KleinHallcpa.com

INDEPENDENT AUDITOR'S REPORT

Board of Education
Wilmette Public Schools District 39
Wilmette, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wilmette Public Schools District 39 (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 the Wilmette Public Schools District 39 as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

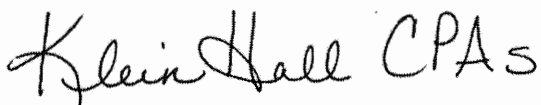
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2016, on our consideration of Wilmette Public Schools District 39'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 the District's internal control over financial reporting and compliance.



Klein Hall CPAs
Aurora, Illinois
September 29, 2016

Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2016

The discussion and analysis of Wilmette Public Schools District 39's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2016. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- For the fifteenth year in a row, the District will retain the ISBE's highest financial rating for FY16, financial recognition, and its overall weighted score remained 4.00 on a 4-point scale.
- General revenues accounted for \$52.1 or 74.7% of total revenue. General revenues consisted of property tax revenues of \$50.7, other local revenues of \$0.2 and Federal and State aid not restricted to specific purposes of \$1.2.
- The District had \$66.2 in expenses related to government activities, of which, \$17.6 were offset by program specific charges, grants and contributions.
- The District committed \$1.5 for construction projects in the coming year.
- The District completed a Learning Commons and large space a/c project at Central Elementary School.
- The District completed a four-classroom addition and boiler replacement at Romona Elementary School.
- The District completed a partial roof replacement and parking lot renovations at Highcrest Middle School.
- The District abated \$200,000 per year in the debt service levy for 2015, 2016, and 2017 to give back to the community.
- The District's long-term unutilized debt margin remains a healthy 83.1% for FY16 with an accessible debt capacity of \$83.2.
- The District permanently transferred \$1.0 from the General Fund to the Debt Service Fund to cover debt principal and interest payments, and \$4.1 from the General Fund to the Capital Projects Fund to fund construction projects.

Overview of the Financial Statements

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

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

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

Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2016

Government-wide financial statements

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

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

The statement of activities presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

Fund financial statements

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

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

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

Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2016

The District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund (Educational, Operations and Maintenance, Working Cash and Tort Immunity Accounts) and Debt Service Fund, which are considered to be major funds. The Transportation, Municipal Retirement, Capital Projects, and Fire Prevention and Safety Fund are considered nonmajor funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with this budget.

Fiduciary funds are used to account for resources held for the benefit of parties outside the school district. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that of government-wide financial statements.

Notes to the financial statements

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

Other information

In addition to the basic financial statement and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its non-certified employees and other post-employment benefits.

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2016

Government-Wide Financial Analysis

Net Position: The District's total assets and deferred outflows are \$111.9, total liabilities and deferred inflows are \$59.2, and the total net position for the year ending June 30, 2016 is \$52.7. (See Table 1)

Table 1		
Condensed Statement of Net Position		
(in millions of dollars)		
	2016	2015
Assets:		
Current assets	\$ 67.9	\$ 68.1
Capital assets	41.1	37.7
Total assets	109.0	105.8
Deferred outflows:		
Deferred refunding	0.2	0.2
Pension deferrals	2.7	1.4
Total deferred outflows	2.9	1.6
Liabilities:		
Current liabilities	6.5	6.4
Long-term debt outstanding	28.4	27.5
Total liabilities	34.9	33.9
Deferred inflows:		
Deferred revenues	24.0	24.1
Pension deferrals	0.3	0.1
Total deferred inflows	24.3	24.2
Net position:		
Net investment in capital assets	21.5	17.0
Restricted	4.9	3.9
Unrestricted	26.3	28.4
Total net position	\$ 52.7	\$ 49.3

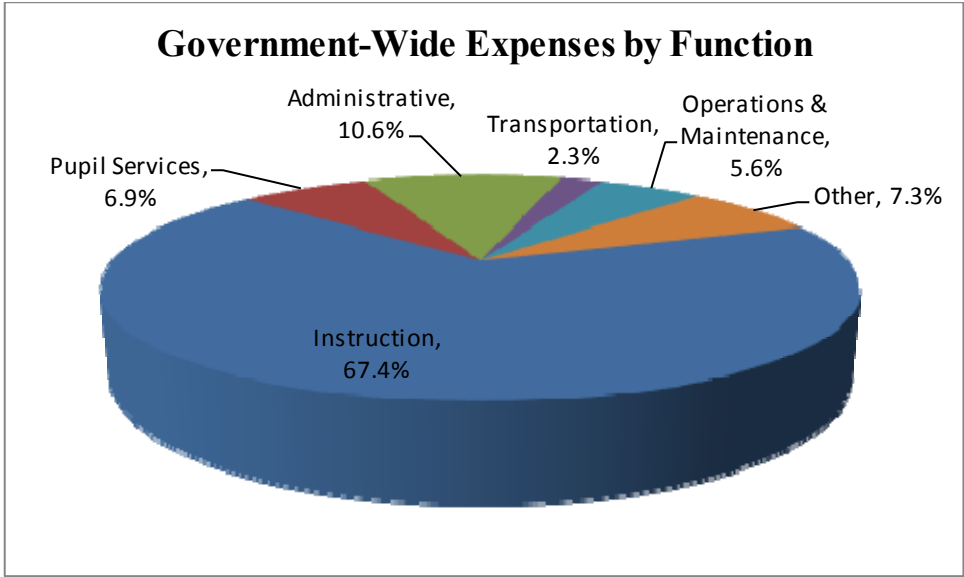
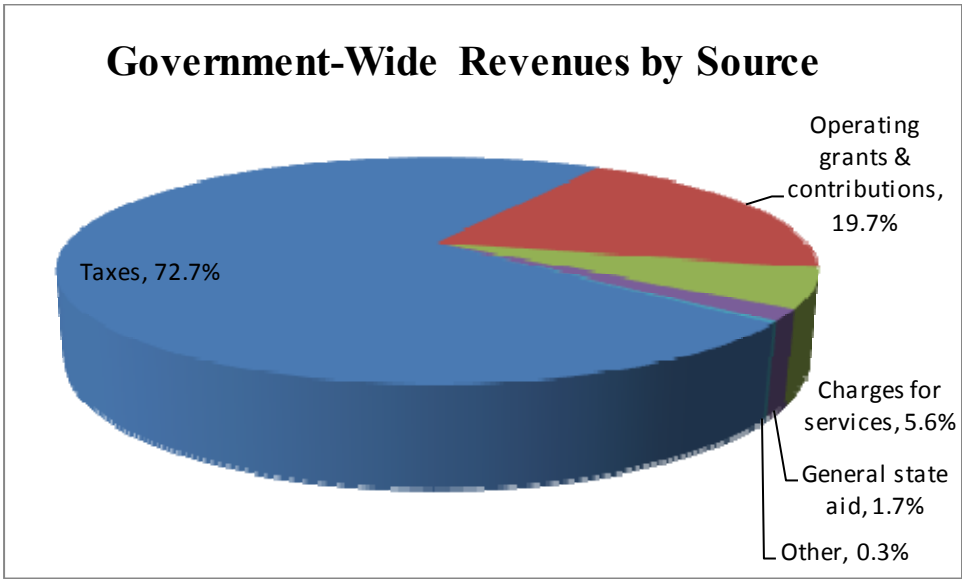
Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2016

Changes in net position: The District's net position increased by \$3.5 due to an increase in general revenues. (See Table 2)

Table 2		
Changes in Net Position		
<i>(in millions of dollars)</i>		
	2016	2015
Revenue:		
Program Revenues:		
Charges for services	\$ 3.9	\$ 3.8
Operating grants & contributions	13.7	13.4
General revenues:		
Taxes	50.7	48.9
General state aid	1.2	1.1
Other	0.2	0.6
Total revenues	\$ 69.7	\$ 67.8
Expenses:		
Instruction	44.6	42.9
Pupil & instructional services	4.6	4.5
Administration & business	7.0	6.7
Transportation	1.5	1.5
Operations & maintenance	3.7	4.5
Other	4.8	4.8
Total expenses	66.2	64.9
Increase in net position	\$ 3.5	\$ 2.9

Property taxes accounted for most of the District's revenue, contributing about 72.2 cents of every dollar raised. The remainder comes from restricted and unrestricted state and federal revenues, fees charged for services and miscellaneous sources. The total cost of all programs and services was \$66.2. The District's expenses are predominantly (76.6%) related to instruction, pupil services and transportation of students.

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2016



Financial Analysis of the District's Funds

The statement of net position includes capital assets and long-term liabilities and therefore presents a financial picture that is different from the traditional modified accrual statements. As the District completed the year, the ending fund balance in all funds was \$37.5, a \$0.1 decrease for the year.

Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2016

General Fund

FY16 revenue in the Educational Account of the General Fund exceeded expenditures by \$2.1. Local revenues increased by \$1.2 or 2.8% compared to last year. State educational aid increased by 5.5% and federal aid decreased 5.3% over 2015. Overall expenditures contributed to the enhancements of the instructional programs, negotiated certified staff salary increased, rising costs in health insurance premiums, and technology improvements. Expenditures of the Educational Account of the General Fund increased 3.2% resulting in a year-end fund balance of \$31.3, after taking into account net other financing sources of \$0.4.

In FY16, revenues of the Operations and Maintenance Account of the General Fund were \$7.1 and expenditures were \$4.8, resulting to a year-end fund balance of \$0.4, after taking into account other financing uses of (\$4.9).

The Working Cash Account of the General Fund received \$0.1 in tax levy proceeds and interest income. The District uses Working Cash Funds to help support operations through interfund transfers and loans when necessary. The ending fund balance for FY16 was \$0.8.

In FY16, revenues of the Tort Immunity Account of the General Fund were \$0.6 and expenditures were \$0.5 resulting in a year-end fund balance of \$1.0.

Transportation Fund

Overall, the FY16 Transportation Fund revenues exceeded expenditures by \$0.3. Revenue decreased by 5.7% primarily due to decreased property tax receipts and delayed State revenue. Expenditures decreased by 2.3% primarily due to a decrease in purchased services in FY16.

Illinois Municipal Retirement Fund

The Municipal Retirement/Social Security Fund expenditures exceeded revenues by \$0.1 resulting in a year end fund balance of \$0.9.

Debt Service Fund

The Debt Service Fund revenues and other financing sources were close to even with expenditures, yielding no significant change to the fund balance of \$1.9.

Fire Prevention and Life Safety Fund

In FY11, the issuance of \$5.1 in long-term debt obligations provided the Fire Prevention and Life Safety Fund the necessary resources to complete designated Life Safety Projects identified through the 10-year Life Safety Survey. The ending fund balance at FY16 was \$0.0.

Wilmette Public Schools District 39
Management's Discussion and Analysis
For the Year Ended June 30, 2016

Capital Asset and Debt Administration

Capital assets

The District's capital assets consist of a total investment of \$92.0 (\$41.1 net of accumulated depreciation). Total depreciation expense for the year was \$3.2. More detailed information about capital assets can be found in Note 4 to the basic financial statements.

Table 3				
Capital Assets (net of depreciation)				
<i>(in millions of dollars)</i>				
	2016		2015	
	\$		\$	
Land	\$	0.6	\$	0.6
Land improvements		1.6		1.7
Buildings		35.9		32.5
Vehicles & Equipment		2.7		2.8
Construction in Progress		0.3		0.1
Total	\$	<u>41.1</u>	\$	<u>37.7</u>

Wilmette Public Schools District 39
Management’s Discussion and Analysis
For the Year Ended June 30, 2016

Long-term debt

In 2016 the District issued \$0.6 of capital leases and retired \$1.7 in long-term debt. At the end of fiscal year 2016, the District had a debt margin of \$83.2. More detailed information can be found in Note 5 of the basic financial statements.

	2016	2015
General obligation bonds	\$ 12.4	\$ 13.4
Debt certificates & other	16.0	14.1
Total	\$ 28.4	\$ 27.5

ISBE Financial Profile

The Illinois State Board of Education evaluated the financial integrity of all public school districts based on five standard indicators: operational balance-to-revenue ratio, operational expenditure-to-revenue ratio, operational cash-on-hand, short term debt capacity and long term debt capacity. These scores are weighted and summed to yield a total profile score.

Projected District 39 FY ISBE Financial Profile Calculations					
Indicator	Value	Rating	Weighting	District Score	Max Possible
Fund Balance to revenue	61.0%	4	0.35	1.40	1.40
Expenses to revenue	92.3%	4	0.35	1.40	1.40
Cash on hand	277.40 days	4	0.10	0.40	0.40
Short term debt remaining	100.0%	4	0.10	0.40	0.40
Long term debt remaining	80.9%	4	0.10	0.40	0.40
Total				4.00	4.00

The District’s total profile score last year was 4.00 out of a possible 4.00. The projected score for FY16 is 4.00 out of a possible 4.00. Based on this state formula, the District will continue to be placed in the ISBE’s highest category, “Recognition”, for financial integrity. In the previous 10 years, the District has scored 4.00 in all but FY08, FY09, FY10 and FY11 when it received a 3.55.

Wilmette Public Schools District 39

Management's Discussion and Analysis

For the Year Ended June 30, 2016

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 may significantly affect its financial health in the future:

- Since 1995, the District has been subject to tax cap legislation. This legislation severely limits the ability of the District to increase revenues proportionate to the increase in expenditures. The increase in expenditures are due to such factors as the expansion of instructional programming to meet the needs of the students, rising health care costs, contributed implementation of technology and facility needs. Balancing future budgets will continue to be a difficult challenge.
- The District's certified staff negotiated a new contract through fiscal year 2019.
- The District's support staff negotiated a new contract that took effect in fiscal year 2016. The four-year contract will directly influence expenditure patterns through fiscal year 2020.
- Refunds from property tax appeals continue to have a negative effect on net local property tax revenue receipts.
- For fiscal year 2017, the District is closely watching the outcome of the State of Illinois' pension reform. Although no action has yet been taken, the State is deciding whether to shift some or all of the responsibility for funding of teachers' pensions to the local school districts. The State is expected to contribute approximately \$10.5 million to pensions for District 39 teachers for FY16. The State's decision could significantly change the District's financial position.
- There is pending litigation that could adversely impact the District's balanced budget. Senate Bill 318 amends the Property Tax Extension Limitation Law (PTELL) by implementing a tax freeze for a limited amount of years. Cook County districts would be subject to the tax freeze and all of the other provisions of PTELL for levy years 2017 and 2018.

Requests for Information

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

Wilmette Public Schools District 39
Mikaelian Education Center
615 Locust Road
Wilmette, IL 60091
(847) 256-2450

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF NET POSITION
JUNE 30, 2016

	Governmental Activities
Assets:	
Cash and investments	\$ 43,019,424
Receivables:	
Property taxes	24,013,591
Due from other governments	831,257
Other	5,402
Prepaid items	95,425
Capital assets:	
Land and construction in progress	886,705
Other capital assets, net of depreciation	40,178,789
Total assets	109,030,593
Deferred Outflows:	
Deferred amount on refunding	165,136
Deferred outflows related to pensions	2,721,995
Total deferred outflows	2,887,131
Liabilities:	
Accounts payable	147,274
Accrued salaries and related expenses	4,665,258
Unearned grants and fees	1,677,609
Noncurrent liabilities:	
Due within one year	1,724,223
Due in more than one year	26,724,891
Total liabilities	34,939,255
Deferred Inflows:	
Property taxes levied for subsequent year	24,013,815
Deferred inflows related to pensions	226,227
Total deferred inflows	24,240,042
Net Position:	
Net investment in capital assets	21,484,353
Restricted	
Liability insurance	923,344
Debt service	1,861,624
Transportation	1,202,578
Employee retirement	930,149
Capital projects	157
Unrestricted	26,336,222
Total net position	\$ 52,738,427

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016

<u>Functions</u>	<u>Expenses</u>	<u>Program Revenues</u>			Net (Expense)
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	Revenue and Changes in Net Position
					<u>Total Governmental Activities</u>
Governmental Activities:					
Instructional services:					
Regular programs	\$ 37,345,385	\$ 1,735,482	\$ 10,976,832	\$ -	\$ (24,633,071)
Special programs	7,238,849	226,832	2,219,722	-	(4,792,295)
Support services:					
Pupils	3,461,436	-	-	-	(3,461,436)
Instructional staff	1,073,663	-	48,324	-	(1,025,339)
General administration	2,160,793	-	-	-	(2,160,793)
School administration	2,035,802	-	-	-	(2,035,802)
Business	2,810,438	1,369,361	33,160	-	(1,407,917)
Operation and maintenance of facilities	3,700,819	27,779	-	-	(3,673,040)
Transportation	1,477,448	564,419	407,231	-	(505,798)
Central	2,577,624	-	-	-	(2,577,624)
Other	478,763	-	-	-	(478,763)
Community Services	192,853	-	-	-	(192,853)
Non programmed charges	970,155	-	-	-	(970,155)
Interest on long-term liabilities	650,406	-	-	-	(650,406)
Total school district	<u>\$ 66,174,434</u>	<u>\$ 3,923,873</u>	<u>\$ 13,685,269</u>	<u>\$ -</u>	<u>(48,565,292)</u>
General revenues:					
Property taxes levied for:					
					38,910,582
					10,025,399
					1,304,927
					462,864
					1,160,103
					88,735
					65,728
					<u>52,018,338</u>
					3,453,046
					<u>49,285,381</u>
					<u>\$ 52,738,427</u>

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Assets:				
Cash and investments	\$ 38,517,297	\$ 1,861,390	\$ 2,640,737	\$ 43,019,424
Receivables:				
Property taxes	22,403,112	574,220	1,036,259	24,013,591
Due from other governments	694,812	-	136,445	831,257
Other	4,836	234	332	5,402
Prepaid Items	95,425	-	-	95,425
TOTAL ASSETS	<u>\$ 61,715,482</u>	<u>\$ 2,435,844</u>	<u>\$ 3,813,773</u>	<u>\$ 67,965,099</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 111,289	\$ -	\$ 35,985	\$ 147,274
Accrued salaries and related expenditures	4,609,381	-	55,877	4,665,258
Unearned grants and fees	1,124,251	-	553,358	1,677,609
Total Liabilities	<u>5,844,921</u>	<u>-</u>	<u>645,220</u>	<u>6,490,141</u>
Deferred Inflows:				
Property taxes levied for subsequent year	22,403,926	574,220	1,035,669	24,013,815
Total Deferred Inflows	<u>22,403,926</u>	<u>574,220</u>	<u>1,035,669</u>	<u>24,013,815</u>
Fund Balances:				
Nonspendable				
Prepaid items	95,425	-	-	95,425
Restricted				
Liability insurance	923,344	-	-	923,344
Debt service		1,861,624	-	1,861,624
Transportation	-	-	1,202,578	1,202,578
Employee retirement	-	-	930,149	930,149
Capital projects	-	-	157	157
Unassigned	32,447,866	-	-	32,447,866
Total Fund Balances	<u>33,466,635</u>	<u>1,861,624</u>	<u>2,132,884</u>	<u>37,461,143</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 61,715,482</u>	<u>\$ 2,435,844</u>	<u>\$ 3,813,773</u>	<u>\$ 67,965,099</u>

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2016

Total fund balances - governmental funds	\$ 37,461,143
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 \$92,044,180 and the accumulated depreciation is \$50,978,686.	41,065,494
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Deferred amount on refunding	165,136
Long-term debt	(19,746,277)
Net pension liability	(6,157,847)
Other postemployment benefits obligation	(2,544,990)
Deferred inflows and outflows of resources related to pensions are not reported in governmental funds	
Deferred outflows	2,721,995
Deferred inflows	<u>(226,227)</u>
Net position of governmental activities	<u><u>\$ 52,738,427</u></u>

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Local sources	\$ 50,602,872	\$ 1,308,307	\$ 2,870,929	\$ 54,782,108
State sources	13,310,812	-	407,231	13,718,043
Federal sources	1,127,329	-	-	1,127,329
Total Revenues	65,041,013	1,308,307	3,278,160	69,627,480
EXPENDITURES				
Current operating:				
Instruction	40,684,271	-	720,686	41,404,957
Supporting services	18,946,486	-	6,488,434	25,434,920
Community services	180,806	-	12,047	192,853
Non-programmed charges	970,155	-	-	970,155
Debt service				
Principal	-	1,665,710	-	1,665,710
Interest and other	-	683,736	-	683,736
Total Expenditures	60,781,718	2,349,446	7,221,167	70,352,331
Excess (deficiency) of revenues over expenditures	4,259,295	(1,041,139)	(3,943,007)	(724,851)
OTHER FINANCING SOURCES (USES)				
Proceeds from capital lease	577,373	-	-	577,373
Transfers in	-	994,653	4,136,703	5,131,356
Transfers out	(5,131,356)	-	-	(5,131,356)
Total other financing sources (uses)	(4,553,983)	994,653	4,136,703	577,373
Net change in fund balances	(294,688)	(46,486)	193,696	(147,478)
Fund balances at beginning of year	33,761,323	1,908,110	1,939,188	37,608,621
FUND BALANCES AT END OF YEAR	\$ 33,466,635	\$ 1,861,624	\$ 2,132,884	\$ 37,461,143

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016

Net change in fund balances - total governmental funds \$ (147,478)

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	\$ 6,558,891	
Depreciation expense	<u>(3,216,988)</u>	3,341,903

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:

Change in net pension liability - TRS	\$ (241,145)	
Change in net pension liability - IMRF	(1,523,539)	
Change in other postemployment benefits obligation	(293,592)	
Change in deferred inflows/outflows related to pensions	<u>1,195,230</u>	(863,046)

The governmental funds record bond and loan proceeds as other financing sources, 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 leases	\$ (577,373)	
Repayment of bond and loan principal	1,665,710	
Bond premium/discount amortization	53,512	
Deferred refunding amortization	<u>(20,182)</u>	1,121,667

Change in net position of governmental activities \$ 3,453,046

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND - ACTIVITY FUNDS
JUNE 30, 2016

Assets:

Cash	<u>\$ 290,959</u>
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Liabilities:

Due to organizations	<u>\$ 290,959</u>
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See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements

June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Wilmette Public School District 39 (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, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District:

a. The Reporting Entity

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in reporting entity is made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The definition of a component unit is a legally separate organization for which the District is financially accountable and other organizations for which nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The District is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District. The District also may be financially accountable if an organization is fiscally dependent on the District, regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government or (3) a jointly appointed board. There are no component units, as defined by GASB, which are included in the District's reporting entity. Even though there are local government agencies within the geographic area served by the District, such as the municipality, library and park district, these agencies have been excluded from the report because they are legally separate and the District is not financially accountable for them.

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

Joint Ventures - The District is also a member of the following organization:

- Wilmette County Special Education Agreement (see Note 12)

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:

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

Governmental funds include the following fund types:

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 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.

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

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 for applicable

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

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

Fire Prevention and Safety Fund – The Fire Prevention and Safety Fund accounts for financial resources to be used for acquisitions and construction projects, which qualify as Fire Prevention and Safety expenditures.

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
Debt Service Fund

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

The District has adopted a policy 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.

c. Basis of Presentation – Governmental Funds 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 revenue. The District has no operating activities that would be considered business-type activities.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment are 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.

d. Net Position

Government-Wide Statements

Net position is classified and displayed in three components:

1. 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.
2. 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.
3. Unrestricted. Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2016

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.

e. Basis of Accounting/Measurement Focus

The government-wide financial statements and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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. Fiduciary fund reporting focuses on net position and changes in net position. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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. All other revenue items are considered to be measurable and available only when the District receives the cash.

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

f. Deposits and Investments

State statutes and the District's investment policy authorize the District to invest in obligations of the U.S. Treasury, certain highly rated commercial paper, corporate bonds, repurchase agreements, and State Treasurer's Investment Pool. Investments are stated at fair value, which is the market value as determined by published reports of such values.

g. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". These amounts are eliminated

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2016

in the governmental activities column in the statement of net position. Receivables are expected to be collected within one year.

h. Revenues – Exchange and nonexchange transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements that specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, interest, grants, entitlements and student fees.

i. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

j. Property Tax Revenues

The District must file its tax levy ordinance by the last Tuesday in December of each year. The District's 2015 levy ordinance was originally approved during the December 14, 2015 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations: Individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

The 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 lesser 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.

Property taxes are collected by the County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments; the first due on March 1 and the second due on August 1 for property located in Cook County. Property taxes are normally collected by the District within 60 days of the respective installments dates. Due to the allocation method used, individual fund rates for Cook County may exceed the statutory limits; however, the combined extension is limited to the statutory rate limits extended on the combined equalized assessed valuation.

The 2015 property tax levy is recognized as a receivable in fiscal year 2016. The District considers that the first installment of the 2015 levy is to be used to finance operations in fiscal 2016. The District has determined that the second installment of the 2015 levy is to be used to finance operations in fiscal year 2017 and has deferred the corresponding receivable.

k. Personal Property Replacement Taxes

Personal property replacement taxes are first allocated to the Municipal Retirement Fund, with the balance allocated to the remaining funds at the discretion of the District.

l. Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid assets under the consumption method.

m. Capital Assets

Capital assets, which include land, buildings, buildings improvements, vehicles, equipment, and construction in progress, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$1,500 and an estimated

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

useful life of one 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.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and building improvements	20-75 years
Land improvements	20-75 years
Furniture, equipment and vehicles	5-20 years

n. Compensated Absences

Employees receive fifteen sick days annually. The certified staff could accumulate up to 376 days and the non-certified staff could accumulate up to 300 days. Sick leave is not paid out upon termination.

Non-certified 12-month employees receive two to four weeks of vacation time each fiscal year depending upon years of service. As of June 30, 2016 any vacation time earned has not been accrued since amount is immaterial. Certified employees who work less than 12 calendar months per year do not earn vacation days.

o. 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 straight-line method which approximates 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 governmental fund financial statements, the full amounts of discounts, as well as bond issuance costs, are recognized 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.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

p. Reserved Fund Balances

In the governmental funds financial statements, the District reserves those portions of fund balances which are legally segregated for a specific purpose or do not represent amounts available for other appropriations.

q. 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.

r. 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, 2015, from which such information was derived.

s. 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.

t. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2. CASH AND INVESTMENTS

Deposits and Custodial Credit Risk

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

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.

At June 30, 2016 the carrying amount of the District's deposits, which include both cash and certificates of deposit (excluding cash on hand of \$240), totaled \$37,551,494 and the bank balances totaled \$39,203,867. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's investment policy requires collateral to be pledged and held by a third party custodian in the name of the District. Collateral must meet or exceed the market value of the uninsured deposits.

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

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an investment pool created and regulated by the Illinois General Assembly. The fair value of the District's investment in ISDLAF+ has been determined using the net asset value (NAV) per share (or its equivalent) of the investments. The NAV of the Liquid Class and MAX Class are determined as of the close of business on each Illinois banking day. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shares may be redeemed with seven days' advance notice. There were no known restrictions on redemption of the District's investments as of June 30, 2016.

The fair value of the District's investments as of June 30, 2016 were as follows:

<u>Investment Type</u>	<u>Fair value</u>	<u>Maturities (in years) Less than 1</u>	<u>Percent of Portfolio</u>	<u>Applicable Agency Rating</u>
ISDLAF+ Liquid Series	\$ 215	\$ 215	0.0%	AAAm
ISDLAF+ MAX Series	5,467,475	5,467,475	100.0%	AAAm
Total Investments	\$ 5,467,690	\$ 5,467,690	100.0%	

Interest Rate Risk. The District's investment policy seeks to ensure the preservation of capital in the District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However the policy requires the District investment portfolio to be sufficiently liquid to enable the District to meet all operating

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2016

requirements as they come due. A portion of the portfolio is required to be invested in readily available funds to ensure appropriate liquidity.

Credit Risk. The District's investments are rated, as shown above, by the applicable rating agency.

Concentration of Credit Risk. The District places no limit on the amount of the District may invest any one issuer.

Custodial Credit Risk. With respect to deposits, custodial credit risk is the risk that, in the event of bank failure the District's deposits may not be returned to them. 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 insured by collateral.

With respect to investments, custodial credit risk is the risk that, in the event of failure of the counterparty, the government will not be able to recover the value of its investment or collateral securities that are in possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring all investments be secured by private insurance or collateral.

Separate cash and investment accounts are not maintained for all District funds; instead, the individual funds maintain their invested and uninvested balances in the common account balance attributable to each participating fund.

Occasionally certain funds participating in the common bank accounts will incur overdrafts (deficits) in the account. The overdrafts results from expenditures that have been approved by the Board of Education.

NOTE 3. INTERFUND TRANSFERS

The following interfund transfers were made during the year ended June 30, 2016:

Transfer From	Transfer To	Amount
General Fund - Educational Account	Debt Service Fund	\$ 195,710
General Fund - Operations and Maintenance Account	Debt Service Fund	798,943
General Fund - Operations and Maintenance Account	Capital Projects Fund	<u>4,136,703</u>
		<u>\$ 5,131,356</u>

The transfer to the Capital Projects Fund was made to provide funds for building construction. Transfers to the Debt Service Fund were made to provide funds for debt service payments.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2016

NOTE 4. CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Capital assets, not being depreciated:				
Land	\$ 610,765	\$ -	\$ -	\$ 610,765
Construction in progress	122,353	275,940	122,353	275,940
Total capital assets not being depreciated	<u>733,118</u>	<u>275,940</u>	<u>122,353</u>	<u>886,705</u>
Capital Assets, being depreciated:				
Land Improvements	2,934,829	112,810	-	3,047,639
Buildings	66,591,181	5,585,548	-	72,176,729
Equipment and Vehicles	15,247,507	706,946	21,346	15,933,107
Total capital assets being depreciated	<u>84,773,517</u>	<u>6,405,304</u>	<u>21,346</u>	<u>91,157,475</u>
Accumulated depreciation for:				
Land Improvements	1,268,264	140,890	-	1,409,154
Buildings	34,083,436	2,243,897	-	36,327,333
Equipment and Vehicles	12,431,344	832,201	21,346	13,242,199
Total accumulated depreciation	<u>47,783,044</u>	<u>3,216,988</u>	<u>21,346</u>	<u>50,978,686</u>
Total capital assets being depreciated, net	<u>36,990,473</u>	<u>3,188,316</u>	<u>-</u>	<u>40,178,789</u>
Total capital assets, net	<u>\$ 37,723,591</u>	<u>\$ 3,464,256</u>	<u>\$ 122,353</u>	<u>\$ 41,065,494</u>

Depreciation expense was recognized in the operating activities of the District as follows:

Instructional /Services:	
Regular Programs	\$ 2,026,702
Special Programs	289,529
Supporting Services:	
General Administration	579,058
Operations and maintenance	321,699
	<u>\$ 3,216,988</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2016

NOTE 5. LONG-TERM DEBT

During the year ended June 30, 2016, the following changes occurred in Long-Term Debt:

	Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016	Amount due in one year
General Obligation Bonds	\$ 12,715,000	\$ -	\$ 920,000	\$ 11,795,000	\$ 970,000
Unamortized Premium	671,642	-	56,373	615,269	-
Unamortized Discount	(13,516)	-	(2,861)	(10,655)	-
Total Bonds Payable	\$ 13,373,126	\$ -	\$ 973,512	\$ 12,399,614	\$ 970,000
Debt Certificates	7,515,000	-	550,000	6,965,000	565,000
Capital Lease	-	577,373	195,710	381,663	189,223
Net Pension Liability (Asset)					
TRS	3,463,973	241,145	-	3,705,118	-
IMRF	929,190	1,523,539	-	2,452,729	-
Other Post Employment Benefits	2,251,398	293,592	-	2,544,990	-
Total Long-Term Debt	\$ 27,532,687	\$ 2,635,649	\$ 1,719,222	\$ 28,449,114	\$ 1,724,223

General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Original Indebtedness	Face Amount	Carrying Amount
Series 2007 Refunding Life Safety Bonds dated July 1, 2007 are due in annual installments through June 1, 2022	4.00%-4.20%	\$ 3,625,000	\$ 3,625,000	\$ 3,575,000
Series 2010 General Obligation Limited Tax School Bonds dated July 7, 2010 are due in annual installments through January 15, 2026	2.00%-4.13%	8,505,000	8,505,000	6,175,000
Series 2012 General Obligation Limited Tax Refunding Bonds dated June 14, 2012 are due in annual installments through December 15, 2016	1.00%	1,050,000	1,050,000	30,000
Series 2014 General Obligation Limited Tax Refunding Bonds dated December 3, 2014 are due in annual installments through December 1, 2018	0.92%	2,045,000	2,045,000	2,015,000
Total		\$ 15,225,000	\$ 15,225,000	\$ 11,795,000

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2016

Annual debt service requirements to maturity for general obligation bonds are as follows for government type activities:

Fiscal Year				
Ending June 30,	Principal	Interest	Total	
2017	\$ 970,000	\$ 405,074	\$	1,375,074
2018	1,010,000	396,276		1,406,276
2019	1,040,000	367,484		1,407,484
2020	1,135,000	324,686		1,459,686
2021	1,205,000	277,283		1,482,283
2022	1,275,000	247,120		1,522,120
2023	1,345,000	205,120		1,550,120
2024	1,420,000	155,355		1,575,355
2025	1,500,000	96,780		1,596,780
2026	895,000	34,905		929,905
Total	\$ 11,795,000	\$ 2,510,083	\$	14,305,083

Debt Margin

The District is subject to the Illinois Compiled Statutes which limits the amount of bond indebtedness, including the certificate of participation, to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2016, the statutory debt limit for the District was \$100,085,516 providing a debt margin of \$83,187,140 after taking into account amounts available in the Debt Service Fund.

Certificates of Participation

In fiscal year 2012, the District issued \$7,515,000 in Debt Certificates with an average interest rate of 3.41%. The net proceeds of \$8,176,559 (after premium and payment of underwriting fees, insurance and other issuance costs) were deposited into the Operations and Maintenance Account to be used for various projects. The debt certificates will be repaid from the Debt Service Fund.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2016

Annual debt service requirements to maturity for debt certificates are as follows:

Fiscal Year				
Ending June 30,	Principal	Interest	Total	
2017	\$ 565,000	\$ 232,217	\$	797,217
2018	550,000	212,742		762,742
2019	610,000	189,542		799,542
2020	635,000	164,642		799,642
2021	660,000	138,742		798,742
2022	685,000	111,842		796,842
2023	715,000	83,842		798,842
2024	740,000	58,442		798,442
2025	760,000	37,652		797,652
2026	775,000	17,694		792,694
2027	270,000	3,718		273,718
Total	\$ 6,965,000	\$ 1,251,075	\$	8,216,075

Long-Term Capital Leases

The District has entered into an agreement to lease technology infrastructure. The lease calls for annual payments plus interest at 1.686% payable from the Debt Service Fund through transfers from the Educational Account of the General Fund. The lease currently extends into fiscal year 2018. Total assets received under the lease amounts to \$577,373.

Remaining principal and interest requirements for the leases are as follows:

Fiscal Year				
Ending June 30,	Principal	Interest	Total	
2017	\$ 189,223	\$ 6,487	\$	195,710
2018	192,440	3,270		195,710
Total	\$ 381,663	\$ 9,757	\$	391,420

NOTE 6. RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the entity risk pools (see Notes 10 and 11). SSCIP for its general liability and property coverage and School Employees Loss Fund (SELF) for workers' compensation claims. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

pools. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. Premiums have been recorded as expenditures in the appropriate funds. 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 coverage in any of the past three fiscal years.

NOTE 7. RETIREMENT FUND 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 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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

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, 2016, was 9.4% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2016, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$10,482,692 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, 2016 were \$169,174, and are deferred because they were paid after the June 30, 2015 measurement date.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the 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 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, 2016, the employer pension contribution was 36.06% of salaries paid

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

from federal and special trust funds. For the year ended June 30, 2016, salaries totaling \$97,726 were paid from the federal and special trust funds that required employer contributions of \$35,240. These contributions are deferred because they were paid after the June 30, 2015 measurement date.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The 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, 2016, the employer made no payments to TRS for employer ERO contributions.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2016, the District made no payments 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, 2016, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the District. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 3,705,118
State's proportionate share of the net pension liability associated with the District	<u>185,731,557</u>
Total	<u>\$ 189,436,675</u>

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 and rolled forward to June 30, 2015. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2015, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2015, the District's proportion was 0.00566%, which was a decrease of 0.00003% from its proportion measured as of June 30, 2014.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2016

For the year ended June 30, 2016, the District recognized pension expense of \$10,482,692 and revenue of \$10,482,692 for support provided by the state. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,377	\$ 4,061
Changes in assumptions	51,238	-
Net difference between projected and actual earnings on pension plan investments	73,377	129,741
Changes in proportion and differences between District contributions and proportionate share of contributions	-	92,425
	125,992	226,227
Total deferred amounts to be recognized in pension expense in future periods		
District contributions subsequent to the measurement date	204,414	-
	\$ 330,406	\$ 226,227
Total		

\$204,414 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:

Year Ending June 30	Net Deferred Outflows of Resources
2016	\$ (40,867)
2017	(40,867)
2018	(40,867)
2019	22,366
2020	-
	-
Total	\$ (100,235)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2016

Actuarial Assumptions

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

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

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

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap	18%	7.53%
Global equity excluding U.S.	18%	7.88%
Aggregate bonds	16%	1.57%
U.S. TIPS	2%	2.82%
NCREIF	11%	5.11%
Opportunistic real estate	4%	9.09%
ARS	8%	2.57%
Risk parity	8%	4.87%
Diversified inflation strategy	1%	3.26%
Private equity	14%	12.33%
	100.0%	

Discount rate

At June 30, 2015, the discount rate used to measure the total pension liability was a blended rate of 7.47 percent, which was a change from the June 30, 2014 rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

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

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

Sensitivity of the 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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

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

	1% Decrease (6.47%)	Current Discount Rate (7.47%)	1% Increase (8.47%)
District's proportionate share of the net pension liability	\$ 4,578,618	\$ 3,705,118	\$ 2,988,825

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

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), and 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.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

Plan Membership

As of June 30, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	218
Inactive employees entitled to but not yet receiving benefits	634
Active employees	212
Total	<u>1,064</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 rates for calendar years 2015 and 2016 were 10.12% and 9.69% of covered payroll, respectively. 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.

Actuarial Assumptions

The total pension liability in the December 31, 2015 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 type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

Mortality 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
Domestic equities	38.0%	7.60%
International equities	17.0%	7.80%
Fixed income	27.0%	3.00%
Real estate	8.0%	6.15%
Alternatives	9.0%	5.25-8.50%
Cash	1.0%	2.25%
	<u>100.0%</u>	

Discount Rate

The Single Discount Rate used to measure the total pension liability for IMRF was 7.49%. 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 member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.49%.

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 31,386,531	\$ 30,457,341	\$ 929,190
Changes for the year:			
Service Cost	726,522	-	726,522
Interest on the Total Pension Liability	2,306,643	-	2,306,643
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual			
Experience of the Total Pension Liability	180,066	-	180,066
Changes of Assumptions	33,912	-	33,912
Contributions - Employer	-	671,124	(671,124)
Contributions - Employees	-	301,431	(301,431)
Net Investment Income	-	149,745	(149,745)
Benefit Payments, including Refunds of Employee Contributions	(1,989,115)	(1,989,115)	-
Other (Net Transfer)	-	601,304	(601,304)
Net Changes	1,258,028	(265,511)	1,523,539
Balances at December 31, 2015	\$ 32,644,559	\$ 30,191,830	\$ 2,452,729

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

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:

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

	1% Decrease (6.49%)	Current Discount Rate (7.49%)	1% Increase (8.49%)
Net pension liability (asset)	\$ 6,107,325	\$ 2,452,729	\$ (564,090)

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

For the year ended June 30, 2016, the District recognized pension expense of \$1,177,182. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 85,429	\$ -
Changes in assumptions	16,089	-
Net difference between projected and actual earnings on pension plan investments	1,939,515	-
Total deferred amounts to be recognized in pension expense in future periods	2,041,033	-
Contributions subsequent to the measurement date	350,556	-
Total	\$ 2,391,589	\$ -

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

\$350,556 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:

Year Ending December 31	Net Deferred Outflows of Resources
2016	\$ 606,758
2017	505,240
2018	505,240
2019	423,795
2020	-
Total	<u>\$ 2,041,033</u>

NOTE 8. OTHER POST EMPLOYMENT BENEFITS

Plan Description

The medical and dental benefit plans for the District are single-employer defined benefit healthcare reimbursement plans administered by the District. The District has the authority to establish and amend benefit provisions of the medical and dental benefit plans. The level of reimbursement is negotiated by the District and the applicable union groups.

Monthly Retiree Contributions

Retirees make no contributions toward the cost of District postretirement reimbursement plans.

Employer Contributions

The medical reimbursement plans for the District are funded on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation

The Annual OPEB Cost is calculated based on the Annual Required Contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 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.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2016

The following table shows the calculation of the net OPEB obligation:

	<u>FY 2016</u>	<u>FY 2015</u>
Annual Required Contribution	\$ 773,059	\$ 746,858
Interest on net OPEB obligations	56,285	49,698
Adjustment to annual required contribution	<u>(104,943)</u>	<u>(92,662)</u>
Annual OPEB cost (expense)	724,401	703,894
Estimated Contributions made by the District	<u>(430,809)</u>	<u>(440,419)</u>
Increase in net OPEB obligation	293,592	263,475
Net OPEB obligation - Beginning of Year	<u>2,251,398</u>	<u>1,987,923</u>
Net OPEB obligation - End of Year	<u>\$ 2,544,990</u>	<u>\$ 2,251,398</u>

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the Net OPEB obligation at the end of the year is as follows:

	<u>FY 2016</u>	<u>FY 2015</u>
Annual OPEB cost (expense)	\$ 724,401	\$ 703,894
Estimated contributions made by District	\$ 430,809	\$ 440,419
Percentage of Annual OPEB Cost Contributed	59.5%	62.6%
Net OPEB Obligation as of June 30	\$ 2,544,990	\$ 2,251,398

Actuarial valuations of an ongoing plan involve estimates of 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 the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

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

Valuation Method

The method used for the medical and dental benefit plans is called the projected Unit Credit Method. According to this method an equal amount of an employee's projected benefit is allocated to each

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

year from the date the employee first enters the plan until the date the employee is first eligible to receive benefits.

Valuation of Assets

There are no assets that have been set aside to fund the liabilities for this plan. These plans are funded on a pay-as-you-go basis.

Eligible Plan Participants

All active and retired employees who are participants in the medical and dental benefit plans as of the date this valuation was performed are included in the calculations in this report.

Actuarial Assumptions

These are the actuarial assumptions used for this valuation.

Valuation Date	July 1, 2015
Interest Rate	2.5%
Amortization Method	Level Dollar Amount, Open
Amortization Period for Actuarial Accrued Liability	30 Years
Amortization Factor	21.454
Percent of Current Spouses Electing Coverage	N/A
Mortality Table	RP-2000 (gender distinct)

The schedule of funding progress, presented as required supplemental information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets in increasing or decreasing over time relative to the actuarial accrued liability for 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.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

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 1.07% of pay during the year ended June 30, 2016. State of Illinois contributions were \$312,096, and the district recognized revenue and expenditures of this amount during the year.

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.80% during the year ended June 30, 2016. For the year ended June 30, 2016, the District paid \$233,343 to the THIS Fund, which was 100% 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."

NOTE 9. 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.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

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 nor 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.

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. 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 10. SUBURBAN SCHOOL COOPERATIVE INSURANCE POOL (SSCIP)

The District is a member of SSCIP, a voluntary cooperative agency consisting of Illinois public school districts and joint agreements. SSCIP's purpose is to manage and fund first-party property losses and third-party liability claims of its members. Each member district has a financial responsibility to make annual contributions based on property values, student enrollment, personnel employed, past loss history and vehicles owned.

No material decreases in insurance coverages have occurred nor have any insurance claims in excess of insurance coverages have paid per reported during the last three years.

Complete financial statements of SSCIP are available from its Treasurer at 5540 Arlington Drive, Hanover Park, IL 60103.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2016

NOTE 11. SCHOOL EMPLOYEES LOSS FUND (SELF)

The District is a member of SELF, which has been formed to reduce local school districts' workers' compensation costs. SELF is controlled by a Board of Directors which is composed of representatives designed by each school district. The day-to-day operations of SELF are managed through and Executive Board elected by the Board of Directors. Each member district has a financial responsibility for annual membership contributions, which are calculated to provide for administrative expenses, specific and aggregate excess insurance coverage, and the funding of a portion of anticipated losses and loss adjustment expenses which will be borne directly by the membership. The losses and loss adjustment expenses to be borne by the membership are those which must be incurred prior to the attachment of excess insurance coverage. Complete financial statements for SELF can be obtained from their accountant at Two Pierce Place, Itasca, IL 60143.

NOTE 12. JOINT VENTURE – WILMETTE COMMUNITY SPECIAL EDUCATION AGREEMENT (WCSEA)

The District and other districts have entered into a joint agreement to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the policy board. Complete financial statements for the Agreement can be obtained from the Administrative Offices at 615 Locust Road Wilmette, Illinois 60091.

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. CONTINGENT LIABILITIES

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST TWO CALENDAR YEARS

	2015	2014
TOTAL PENSION LIABILITY		
Service Cost	\$ 726,522	\$ 725,192
Interest	2,306,643	2,125,394
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	180,066	159,343
Changes of Assumptions	33,912	1,310,231
Benefit Payments, Including Refunds of Member Contributions	(1,989,115)	(1,819,252)
Net Change in Total Pension Liability	1,258,028	2,500,908
Total Pension Liability - Beginning	31,386,531	28,885,623
TOTAL PENSION LIABILITY - ENDING	\$ 32,644,559	\$ 31,386,531
PLAN FIDUCIARY NET POSITION		
Contributions - Employer	\$ 671,124	\$ 843,545
Contributions - Member	301,431	286,853
Net Investment Income	149,745	1,769,032
Benefit Payments, Including Refunds of Member Contributions	(1,989,115)	(1,819,252)
Administrative Expense	601,304	32,211
Net Change in Plan Fiduciary Net Position	(265,511)	1,112,389
Plan Net Position - Beginning	30,457,341	29,344,952
PLAN NET POSITION - ENDING	\$ 30,191,830	\$ 30,457,341
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 2,452,729	\$ 929,190
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.49%	97.04%
Covered-Employee Payroll	\$ 6,628,082	\$ 6,352,073
Employer's Net Pension Liability as a Percentage of Covered - Employee Payroll	37.01%	14.63%

The District implemented GASB Statement No. 68 in fiscal year 2015.
Information prior to fiscal year 2015 is not available.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST TWO FISCAL YEARS

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 632,031	\$ 843,545	\$ (211,514)	\$ 6,352,073	13.28%
2016	672,889	672,889	-	6,802,520	9.89%

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	28 years
Asset valuation method	5-year smoothed market; 20% corridor
Inflation	3.00%
Salary increases	4.40% to 16.00%
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.

The District implemented GASB Statement No. 68 in fiscal year 2015.
Information prior to fiscal year 2015 is not available.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
TEACHERS' RETIREMENT SYSTEM
LAST TWO FISCAL YEARS

	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability	0.00566%	0.00569%
District's proportionate share of the net pension liability	\$ 3,705,118	\$ 3,463,973
State's proportionate share of the net pension liability associated with the District	<u>185,731,557</u>	<u>171,634,448</u>
Total	<u>\$ 189,436,675</u>	<u>\$ 175,098,421</u>
District's covered payroll	\$ 29,265,590	\$ 28,721,251
District's proportionate share of the net pension liability as a percentage of it's covered payroll	12.66%	12.06%
Plan fiduciary net position as a percentage of the total pension liability	41.50%	43.00%

Notes to Schedule

Changes of assumptions

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

The District implemented GASB Statement No. 68 in fiscal year 2015.

Information prior to fiscal year 2015 is not available.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM
LAST TWO FISCAL YEARS

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	\$ 201,685	\$ 201,685	\$ -	\$ 28,721,251	0.70%
2016	204,414	204,414	-	29,265,590	0.70%

The District implemented GASB Statement No. 68 in fiscal year 2015.
Information prior to fiscal year 2015 is not available.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Funding Progress
 Other Postemployment Benefits
 June 30, 2016

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a)/(b)
7/1/2015	\$ -	\$ 9,126,905	\$ 9,126,905	0.00%
7/1/2014	-	8,750,525	8,750,525	0.00%
7/1/2013	-	8,521,855	8,521,855	0.00%

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2016

	General Fund		
	Original and Final Budget	Actual	Variance Over/Under
REVENUES			
Local sources	\$ 49,595,539	\$ 50,602,872	\$ 1,007,333
State sources	13,589,233	13,310,812	(278,421)
Federal sources	1,188,014	1,127,329	(60,685)
 Total Revenues	 <u>64,372,786</u>	 <u>65,041,013</u>	 <u>668,227</u>
 EXPENDITURES			
Current operating:			
Instruction	41,734,308	40,684,271	1,050,037
Support services	19,881,020	18,946,486	934,534
Community services	176,766	180,806	(4,040)
Non-programmed charges	1,110,888	970,155	140,733
 Total Expenditures	 <u>62,902,982</u>	 <u>60,781,718</u>	 <u>2,121,264</u>
 Excess (deficiency) of revenues over expenditures	 <u>1,469,804</u>	 <u>4,259,295</u>	 <u>2,789,491</u>
 OTHER FINANCING SOURCES (USES)			
Proceeds from capital lease	577,373	577,373	-
Transfers out	(5,131,356)	(5,131,356)	-
 Total other financing sources (uses)	 <u>(4,553,983)</u>	 <u>(4,553,983)</u>	 <u>-</u>
 Net change in fund balance	 <u>\$ (3,084,179)</u>	 <u>(294,688)</u>	 <u>\$ 2,789,491</u>
 Fund balances at beginning of year		 <u>33,761,323</u>	
 FUND BALANCES AT END OF YEAR		 <u>\$ 33,466,635</u>	

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Required Supplementary Information
June 30, 2016

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 August 24, 2015.
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.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
BALANCE SHEET BY ACCOUNT
GENERAL FUND
JUNE 30, 2016

<u>ASSETS</u>	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Working Cash</u>	<u>Tort Immunity</u>	<u>Total General</u>
Cash and investments	\$ 36,360,442	\$ 429,551	\$ 804,076	\$ 923,228	\$ 38,517,297
Receivables:					
Property taxes	18,724,239	3,365,280	49,422	264,171	22,403,112
Due from other governments	693,152	1,660	-	-	694,812
Other	4,565	54	101	116	4,836
Prepaid items	-	-	-	95,425	95,425
TOTAL ASSETS	<u>\$ 55,782,398</u>	<u>\$ 3,796,545</u>	<u>\$ 853,599</u>	<u>\$ 1,282,940</u>	<u>\$ 61,715,482</u>
 <u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 62,069	\$ 49,220	\$ -	\$ -	\$ 111,289
Accrued salaries and related expenditures	4,602,022	7,359	-	-	4,609,381
Unearned grants and fees	1,124,251	-	-	-	1,124,251
Total Liabilities	<u>5,788,342</u>	<u>56,579</u>	<u>-</u>	<u>-</u>	<u>5,844,921</u>
 Deferred Inflows:					
Property taxes levied for subsequent year	18,725,053	3,365,280	49,422	264,171	22,403,926
Total Deferred Inflows	<u>18,725,053</u>	<u>3,365,280</u>	<u>49,422</u>	<u>264,171</u>	<u>22,403,926</u>
 Fund balances:					
Nonspendable					
Prepaid items	-	-	-	95,425	95,425
Restricted					
Liability insurance	-	-	-	923,344	923,344
Unassigned	31,269,003	374,686	804,177	-	32,447,866
Total Fund Balances	<u>31,269,003</u>	<u>374,686</u>	<u>804,177</u>	<u>1,018,769</u>	<u>33,466,635</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 55,782,398</u>	<u>\$ 3,796,545</u>	<u>\$ 853,599</u>	<u>\$ 1,282,940</u>	<u>\$ 61,715,482</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BY ACCOUNT
GENERAL FUND
YEAR ENDED JUNE 30, 2016

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Working Cash</u>	<u>Tort Immunity</u>	<u>Total General</u>
REVENUES					
Local sources	\$ 42,790,279	\$ 7,111,421	\$ 101,269	\$ 599,903	\$ 50,602,872
State sources	13,310,812	-	-	-	13,310,812
Federal sources	1,127,329	-	-	-	1,127,329
Total Revenues	<u>57,228,420</u>	<u>7,111,421</u>	<u>101,269</u>	<u>599,903</u>	<u>65,041,013</u>
EXPENDITURES					
Current operating:					
Instruction	40,684,271	-	-	-	40,684,271
Support services	13,635,583	4,791,507	-	519,396	18,946,486
Community services	180,806	-	-	-	180,806
Non-programmed charges	970,155	-	-	-	970,155
Total Expenditures	<u>55,470,815</u>	<u>4,791,507</u>	<u>-</u>	<u>519,396</u>	<u>60,781,718</u>
Excess of revenues over expenditures	<u>1,757,605</u>	<u>2,319,914</u>	<u>101,269</u>	<u>80,507</u>	<u>4,259,295</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from capital lease	577,373	-	-	-	577,373
Transfers out	(195,710)	(4,935,646)	-	-	(5,131,356)
Total other financing sources (uses)	<u>381,663</u>	<u>(4,935,646)</u>	<u>-</u>	<u>-</u>	<u>(4,553,983)</u>
Net change in fund balance	2,139,268	(2,615,732)	101,269	80,507	(294,688)
Fund balances at beginning of year	<u>29,129,735</u>	<u>2,990,418</u>	<u>702,908</u>	<u>938,262</u>	<u>33,761,323</u>
FUND BALANCES AT END OF YEAR	<u><u>\$ 31,269,003</u></u>	<u><u>\$ 374,686</u></u>	<u><u>\$ 804,177</u></u>	<u><u>\$ 1,018,769</u></u>	<u><u>\$ 33,466,635</u></u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 37,975,907	\$ 38,626,656	\$ 650,749	\$ 37,648,782
Special education levy	279,626	283,926	4,300	273,534
Corporate personal property replacement tax	475,000	445,264	(29,736)	485,210
Tuition	475,000	605,738	130,738	492,970
Investment income	25,000	73,358	48,358	57,635
Food services	1,325,000	1,369,361	44,361	1,293,582
Pupil activities	1,123,000	1,180,952	57,952	1,181,464
Contributions from private sources	3,000	-	(3,000)	605
Other	215,624	205,024	(10,600)	187,288
Total local sources	41,897,157	42,790,279	893,122	41,621,070
State sources:				
Unrestricted:				
General state aid	932,593	1,160,103	227,510	1,098,169
Restricted:				
Special education - private facility tuition	250,000	184,324	(65,676)	264,335
Special education - extraordinary	415,000	316,346	(98,654)	404,328
Special education - personnel	987,841	826,716	(161,125)	1,075,295
Special education - orphanage individual	-	8,324	8,324	16,440
Special education - summer school	1,100	969	(131)	1,057
Bilingual education - downstate - TPI	15,857	16,528	671	11,861
Other restricted revenue from state sources	2,715	2,714	(1)	2,731
On behalf payment to TRS from the state	10,984,127	10,794,788	(189,339)	9,738,971
Total state sources	13,589,233	13,310,812	(278,421)	12,613,187
Federal sources:				
Restricted:				
Special milk program	37,500	33,160	(4,340)	37,873
Title I - low income	119,691	129,462	9,771	143,789
Federal - special education - preschool	34,474	35,826	1,352	34,449
Federal - special education - IDEA	780,359	773,815	(6,544)	784,790
Federal - special education - IDEA - R&B	75,600	-	(75,600)	50,927
Title III - English language acquisition	37,439	33,340	(4,099)	22,646
Title II - teacher quality	47,951	48,324	373	47,553
Medicaid - administrative outreach	40,000	50,780	10,780	42,522
Medicaid - fee for service	15,000	22,622	7,622	25,295
Total federal sources	1,188,014	1,127,329	(60,685)	1,189,844
Total revenues	\$ 56,674,404	\$ 57,228,420	\$ 554,016	\$ 55,424,101

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
EXPENDITURES				
Current operating:				
Instruction:				
Regular programs:				
Salaries	\$ 18,996,808	\$ 18,461,962	\$ 534,846	\$ 18,126,277
Employee benefits	2,019,833	2,088,804	(68,971)	1,877,711
On-behalf payments to TRS from the state	10,984,127	10,794,788	189,339	9,738,971
Purchased services	57,467	52,476	4,991	54,996
Supplies and materials	338,130	326,917	11,213	329,510
Capital outlay	121,668	56,180	65,488	659,870
Non-capitalized equipment	-	205	(205)	140
Total	32,518,033	31,781,332	736,701	30,787,475
Pre kindergarten programs:				
Salaries	-	661,651	(661,651)	-
Employee Benefits	-	125,347	(125,347)	-
Supplies and materials	-	9,101	(9,101)	-
Other Objects	-	88	(88)	-
Total	-	796,187	(796,187)	-
Special education programs:				
Salaries	5,915,803	5,118,778	797,025	5,663,829
Employee benefits	939,656	777,099	162,557	810,306
Purchased services	62,777	41,597	21,180	39,003
Supplies and materials	70,659	47,832	22,827	54,578
Capital outlay	17,440	5,940	11,500	14,452
Other objects	350	-	350	300
Total	7,006,685	5,991,246	1,015,439	6,582,468
Remedial and supplemental programs:				
Salaries	511,007	501,449	9,558	517,206
Employee benefits	69,187	78,389	(9,202)	65,760
Supplies and materials	1,050	12,344	(11,294)	5,140
Total	581,244	592,182	(10,938)	588,106
Interscholastic programs:				
Salaries	81,000	74,745	6,255	80,326
Employee benefits	1,100	940	160	1,019
Purchased services	11,000	9,282	1,718	11,858
Supplies and materials	12,000	11,622	378	19,314
Total	\$ 105,100	\$ 96,589	\$ 8,511	\$ 112,517

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
Summer school:				
Salaries	\$ 306,550	\$ 275,785	\$ 30,765	\$ 268,102
Employee benefits	4,100	2,717	1,383	2,690
Purchased services	750	371	379	437
Supplies and materials	30,000	26,211	3,789	21,268
Other objects	127,000	48,177	78,823	66,728
Total	468,400	353,261	115,139	359,225
Differentiation specialists:				
Salaries	617,002	611,250	5,752	583,926
Employee benefits	75,539	63,303	12,236	66,934
Total	692,541	674,553	17,988	650,860
Bilingual:				
Salaries	314,844	342,487	(27,643)	284,926
Employee benefits	32,490	43,782	(11,292)	33,545
Purchased services	450	99	351	213
Supplies and materials	14,521	12,553	1,968	3,053
Total	362,305	398,921	(36,616)	321,737
Total instruction	41,734,308	40,684,271	1,050,037	39,402,388
Support services:				
Pupils:				
Attendance and social work:				
Salaries	834,967	832,053	2,914	796,268
Employee benefits	85,848	85,803	45	77,181
Purchased services	1,640	648	992	-
Supplies and materials	1,575	841	734	1,045
Total	\$ 924,030	\$ 919,345	\$ 4,685	\$ 874,494

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
Health services:				
Salaries	\$ 261,742	\$ 250,552	\$ 11,190	\$ 224,645
Employee benefits	45,768	29,839	15,929	45,338
Purchased services	16,850	14,694	2,156	6,615
Supplies and materials	7,000	6,196	804	5,213
Other objects	300	386	(86)	-
Total	331,660	301,667	29,993	281,811
Psychological services:				
Salaries	443,320	458,818	(15,498)	421,669
Employee benefits	47,686	43,122	4,564	38,495
Purchased services	2,250	-	2,250	554
Supplies and materials	3,800	1,794	2,006	1,455
Capital outlay	800	-	800	-
Total	497,856	503,734	(5,878)	462,173
Speech pathology and audiology services:				
Salaries	670,471	648,577	21,894	649,648
Employee benefits	79,197	68,772	10,425	71,045
Purchased services	24,803	1,157	23,646	-
Supplies and materials	3,700	1,134	2,566	2,048
Total	778,171	719,640	58,531	722,741
Other support services:				
Salaries	557,216	529,013	28,203	493,066
Employee benefits	49,015	43,332	5,683	32,071
Purchased services	6,150	2,453	3,697	68,132
Supplies and materials	5,300	2,741	2,559	5
Other objects	300	-	300	-
Termination Benefits	-	286,378	(286,378)	-
Total	617,981	863,917	(245,936)	593,274
Total pupils	\$ 3,149,698	\$ 3,308,303	\$ (158,605)	\$ 2,934,493

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
Instructional staff:				
Improvement of instruction services:				
Salaries	\$ 282,480	\$ -	\$ 282,480	\$ 270,877
Employee benefits	24,016	18,241	5,775	22,231
Purchased services	98,410	93,513	4,897	112,769
Supplies and materials	800	800	-	700
Total	405,706	112,554	293,152	406,577
Educational media services:				
Salaries	724,987	753,214	(28,227)	756,410
Employee benefits	134,428	100,500	33,928	108,920
Purchased services	25,562	9,017	16,545	14,718
Supplies and materials	76,895	58,251	18,644	57,680
Capital outlay	1,000	-	1,000	1,818
Other objects	1,000	-	1,000	-
Total	963,872	920,982	42,890	939,546
Assessment/testing:				
Purchased Services	-	3,000	(3,000)	-
Supplies and materials	1,010	1,306	(296)	465
Total	1,010	4,306	(3,296)	465
Total instructional staff	1,370,588	1,037,842	332,746	1,346,588
General administration:				
Board of education:				
Salaries	72,866	72,866	-	62,621
Employee benefits	9,610	9,721	(111)	4,846
Purchased services	122,489	150,050	(27,561)	73,618
Supplies and materials	10,000	16,087	(6,087)	13,542
Other objects	10,000	7,665	2,335	6,110
Total	224,965	256,389	(31,424)	160,737
Executive administration:				
Salaries	306,562	309,426	(2,864)	299,632
Employee benefits	61,030	60,932	98	58,940
Purchased services	7,985	8,803	(818)	9,064
Supplies and materials	1,500	2,159	(659)	1,778
Capital outlay	1,000	-	1,000	-
Other objects	14,500	14,475	25	13,737
Total	\$ 392,577	\$ 395,795	\$ (3,218)	\$ 383,151

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
Special area administration:				
Salaries	\$ 300,708	\$ 300,451	\$ 257	\$ 298,938
Employee benefits	63,209	62,548	661	59,873
Purchased services	6,184	6,786	(602)	5,121
Supplies and materials	2,284	2,176	108	1,143
Capital outlay	1,000	-	1,000	-
Other objects	1,125	804	321	-
Total	374,510	372,765	1,745	365,075
Total general administration	992,052	1,024,949	(32,897)	908,963
School administration:				
Office of the principal:				
Salaries	1,503,112	1,505,409	(2,297)	1,518,749
Employee benefits	350,243	343,718	6,525	336,027
Purchased services	20,074	13,295	6,779	13,962
Supplies and materials	89,222	87,601	1,621	90,308
Capital outlay	3,490	-	3,490	-
Other objects	5,633	2,165	3,468	1,715
Total	1,971,774	1,952,188	19,586	1,960,761
Total school administration	1,971,774	1,952,188	19,586	1,960,761
Business:				
Direction of business support services:				
Salaries	83,107	83,127	(20)	76,115
Employee benefits	5,260	5,609	(349)	4,834
Purchased services	4,200	2,552	1,648	2,446
Supplies and materials	5,600	3,581	2,019	3,785
Other	2,200	1,798	402	1,414
Total	\$ 100,367	\$ 96,667	\$ 3,700	\$ 88,594

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
Fiscal services:				
Salaries	\$ 217,217	\$ 213,987	\$ 3,230	\$ 205,991
Employee benefits	34,248	27,732	6,516	31,499
Purchased services	24,000	16,856	7,144	10,541
Capital outlay	4,000	-	4,000	2,199
Other objects	50,000	38,191	11,809	41,588
Total	329,465	296,766	32,699	291,818
Food services:				
Salaries	750,205	774,865	(24,660)	746,948
Employee benefits	104,925	92,847	12,078	85,636
Purchased services	15,700	11,910	3,790	10,347
Supplies and materials	926,200	945,196	(18,996)	921,232
Capital outlay	10,000	11,800	(1,800)	8,858
Non-capitalized equipment	-	-	-	646
Total	1,807,030	1,836,618	(29,588)	1,773,667
Total business	2,236,862	2,230,051	6,811	2,154,079
Central:				
Planning, research, development and evaluation services:				
Salaries	364,790	435,498	(70,708)	378,896
Employee benefits	41,807	44,826	(3,019)	42,825
Purchased services	41,400	18,519	22,881	27,857
Supplies and materials	702,090	360,301	341,789	651,406
Capital outlay	3,000	4,017	(1,017)	24,701
Other objects	3,000	3,000	-	4,411
Total	\$ 1,156,087	\$ 866,161	\$ 289,926	\$ 1,130,096

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
Information services:				
Purchased services	\$ 223,000	\$ 204,310	\$ 18,690	\$ 210,460
Supplies and materials	8,500	8,055	445	7,727
Total	231,500	212,365	19,135	218,187
Staff services:				
Salaries	294,110	282,989	11,121	314,153
Employee benefits	44,771	50,441	(5,670)	45,990
Purchased services	72,592	51,081	21,511	55,623
Supplies and materials	3,000	3,496	(496)	2,083
Other objects	3,000	2,539	461	1,604
Total	417,473	390,546	26,927	419,453
Data processing services:				
Salaries	479,906	447,599	32,307	396,368
Employee benefits	89,024	58,808	30,216	63,081
Purchased services	166,959	158,215	8,744	190,272
Supplies and materials	198,395	211,940	(13,545)	264,222
Capital outlay	1,257,289	1,139,132	118,157	445,136
Non-Capitalized equipment	-	118,721	(118,721)	287,984
Total	2,191,573	2,134,415	57,158	1,647,063
Total central	3,996,633	3,603,487	393,146	3,414,799
Other support services:				
Employee benefits	461,000	437,456	23,544	367,841
Purchased Services	-	2,802	(2,802)	-
Supplies and materials	30,423	30,735	(312)	11,808
Capital outlay	20,000	7,770	12,230	26,731
Total	511,423	478,763	32,660	406,380
Total support services	14,229,030	13,635,583	593,447	13,126,063
Community services:				
Salaries	131,020	138,272	(7,252)	125,369
Employee benefits	9,107	8,995	112	8,543
Purchased services	12,839	12,382	457	15,111
Supplies and materials	23,800	21,157	2,643	23,349
Total community services	\$ 176,766	\$ 180,806	\$ (4,040)	\$ 172,372

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
Payments to other districts and governmental units:				
Payments for special education programs:				
Purchased services	\$ 175,624	\$ 175,624	\$ -	\$ 168,052
Other objects	15,264	13,121	2,143	11,566
Total	<u>190,888</u>	<u>188,745</u>	<u>2,143</u>	<u>179,618</u>
Payments for regular programs-tuition:				
Other objects	77,000	781,410	(704,410)	67,767
Total	<u>77,000</u>	<u>781,410</u>	<u>(704,410)</u>	<u>67,767</u>
Payments for special education programs-tuition:				
Other objects	843,000	-	843,000	785,896
Total	<u>843,000</u>	<u>-</u>	<u>843,000</u>	<u>785,896</u>
Total payments to other districts and governmental units	<u>1,110,888</u>	<u>970,155</u>	<u>140,733</u>	<u>1,033,281</u>
Total expenditures	<u>57,250,992</u>	<u>55,470,815</u>	<u>1,780,177</u>	<u>53,734,104</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (576,588)</u>	<u>\$ 1,757,605</u>	<u>\$ 2,334,193</u>	<u>\$ 1,689,997</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital lease	\$ 577,373	\$ 577,373	\$ -	\$ -
Transfer out	(195,710)	(195,710)	-	-
Total other financing sources (uses)	<u>381,663</u>	<u>381,663</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (194,925)</u>	<u>2,139,268</u>	<u>\$ 2,334,193</u>	<u>1,689,997</u>
Fund balance at beginning of year		<u>29,129,735</u>		<u>27,439,738</u>
FUND BALANCE AT END OF YEAR		<u>\$ 31,269,003</u>		<u>\$ 29,129,735</u>

(Concluded)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 6,905,128	\$ 7,044,474	\$ 139,346	\$ 6,199,563
Investment income	1,500	3,755	2,255	5,283
Rentals	40,000	27,779	(12,221)	35,569
Other	60,000	35,413	(24,587)	84,683
Total local sources	<u>7,006,628</u>	<u>7,111,421</u>	<u>104,793</u>	<u>6,325,098</u>
State sources:				
Unrestricted:				
Other restricted revenue from state sources	-	-	-	288,969
Total state sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>288,969</u>
Total revenues	<u>7,006,628</u>	<u>7,111,421</u>	<u>104,793</u>	<u>6,614,067</u>
EXPENDITURES				
Current operating:				
Support services:				
Business:				
Facilities acquisition and construction service:				
Purchased services	500,970	422,615	78,355	570,777
Capital outlay	382,265	613,723	(231,458)	2,389,860
Non-capitalized equipment	-	-	-	19,525
Total	<u>883,235</u>	<u>1,036,338</u>	<u>(153,103)</u>	<u>2,980,162</u>
Operation and maintenance of plant services:				
Salaries	1,690,327	1,607,697	82,630	1,611,071
Employee benefits	282,956	247,243	35,713	250,777
Purchased services	1,011,770	865,790	145,980	787,751
Supplies and materials	1,083,340	971,829	111,511	922,755
Capital outlay	80,000	54,531	25,469	38,632
Non-capitalized equipment	-	8,079	(8,079)	1,470
Total	<u>4,148,393</u>	<u>3,755,169</u>	<u>393,224</u>	<u>3,612,456</u>
Total support services	<u>5,031,628</u>	<u>4,791,507</u>	<u>240,121</u>	<u>6,592,618</u>
Total expenditures	<u>5,031,628</u>	<u>4,791,507</u>	<u>240,121</u>	<u>6,592,618</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 1,975,000</u>	<u>\$ 2,319,914</u>	<u>\$ 344,914</u>	<u>\$ 21,449</u>

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ (4,935,646)	\$ (4,935,646)	\$ -	\$ (884,888)
Sale of capital assets	-	-	-	4,500
Total other financing sources (uses)	<u>(4,935,646)</u>	<u>(4,935,646)</u>	<u>-</u>	<u>(880,388)</u>
Net change in fund balance	<u>\$ (2,960,646)</u>	<u>(2,615,732)</u>	<u>\$ 344,914</u>	<u>(858,939)</u>
Fund balance at beginning of year		<u>2,990,418</u>		<u>3,849,357</u>
FUND BALANCE AT END OF YEAR		<u>\$ 374,686</u>		<u>\$ 2,990,418</u>

(Concluded)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
WORKING CASH ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 100,984	\$ 99,889	\$ (1,095)	\$ 97,143
Investment income	300	1,380	1,080	1,103
Total local sources	<u>101,284</u>	<u>101,269</u>	<u>(15)</u>	<u>98,246</u>
Total revenues	<u>101,284</u>	<u>101,269</u>	<u>(15)</u>	<u>98,246</u>
Net change in fund balance	<u>\$ 101,284</u>	101,269	<u>\$ (15)</u>	98,246
Fund balance at beginning of year		<u>702,908</u>		<u>604,662</u>
FUND BALANCE AT END OF YEAR		<u>\$ 804,177</u>		<u>\$ 702,908</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TORT IMMUNITY ACCOUNT
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
Tort immunity levy	\$ 590,070	\$ 598,234	\$ 8,164	\$ 768,582
Investment income	400	1,669	1,269	1,274
Total local sources	<u>590,470</u>	<u>599,903</u>	<u>9,433</u>	<u>769,856</u>
Total revenues	<u>590,470</u>	<u>599,903</u>	<u>9,433</u>	<u>769,856</u>
EXPENDITURES				
Current operating:				
Support services:				
Insurance payments:				
Purchased services	360,000	301,889	58,111	343,120
Total	<u>360,000</u>	<u>301,889</u>	<u>58,111</u>	<u>343,120</u>
Educational, inspectional, supervisory services related to loss prevention or reduction:				
Salaries	184,490	184,481	9	190,154
Employee benefits	34,372	33,026	1,346	32,352
Total	<u>218,862</u>	<u>217,507</u>	<u>1,355</u>	<u>222,506</u>
Legal services:				
Purchased services	41,500	-	41,500	-
Total	<u>41,500</u>	<u>-</u>	<u>41,500</u>	<u>-</u>
Total support services	<u>620,362</u>	<u>519,396</u>	<u>100,966</u>	<u>565,626</u>
Total expenditures	<u>620,362</u>	<u>519,396</u>	<u>100,966</u>	<u>565,626</u>
Net change in fund balance	<u>\$ (29,892)</u>	80,507	<u>\$ 110,399</u>	204,230
Fund balance at beginning of year		<u>938,262</u>		<u>734,032</u>
FUND BALANCE AT END OF YEAR		<u>\$ 1,018,769</u>		<u>\$ 938,262</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 1,406,556	\$ 1,304,927	\$ (101,629)	\$ 1,405,511
Investment income	1,000	3,380	2,380	3,056
Total local sources	<u>1,407,556</u>	<u>1,308,307</u>	<u>(99,249)</u>	<u>1,408,567</u>
Total revenues	<u>1,407,556</u>	<u>1,308,307</u>	<u>(99,249)</u>	<u>1,408,567</u>
EXPENDITURES				
Debt service:				
Interest on long term debt	686,805	680,804	6,001	752,384
Principal payments on long term debt	1,665,710	1,665,710	-	3,645,000
Other expenses	-	2,932	(2,932)	25,250
Total	<u>2,352,515</u>	<u>2,349,446</u>	<u>3,069</u>	<u>4,422,634</u>
Total expenditures	<u>2,352,515</u>	<u>2,349,446</u>	<u>3,069</u>	<u>4,422,634</u>
Excess (deficiency) of revenues over expenditures	<u>(944,959)</u>	<u>(1,041,139)</u>	<u>(96,180)</u>	<u>(3,014,067)</u>
OTHER FINANCING SOURCES				
Transfers in	994,653	994,653	-	884,888
Bonds issued at par	-	-	-	2,045,000
Total other financing sources	<u>994,653</u>	<u>994,653</u>	<u>-</u>	<u>2,929,888</u>
Net change in fund balance	<u>\$ 49,694</u>	<u>(46,486)</u>	<u>\$ (96,180)</u>	<u>(84,179)</u>
Fund balance at beginning of year		<u>1,908,110</u>		<u>1,992,289</u>
FUND BALANCE AT END OF YEAR		<u>\$ 1,861,624</u>		<u>\$ 1,908,110</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

ASSETS	<u>Transportation</u>	<u>Municipal Retirement/ Social Security</u>	<u>Capital Projects</u>	<u>Fire Prevention and Safety</u>	<u>Total Nonmajor Governmental Funds</u>
Assets:					
Cash and investments	\$ 1,656,697	\$ 983,883	\$ -	\$ 157	\$ 2,640,737
Receivables:					
Property taxes	361,333	674,926	-	-	1,036,259
Due from other governments	136,445	-	-	-	136,445
Other	208	124	-	-	332
TOTAL ASSETS	<u>\$ 2,154,683</u>	<u>\$ 1,658,933</u>	<u>\$ -</u>	<u>\$ 157</u>	<u>\$ 3,813,773</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 35,985	\$ -	\$ -	\$ -	\$ 35,985
Accrued salaries and related expenditures	2,019	53,858	-	-	55,877
Unearned grants and fees	553,358	-	-	-	553,358
Total Liabilities	<u>591,362</u>	<u>53,858</u>	<u>-</u>	<u>-</u>	<u>645,220</u>
Deferred Inflows:					
Property taxes levied for subsequent year	360,743	674,926	-	-	1,035,669
Total Deferred Inflows	<u>360,743</u>	<u>674,926</u>	<u>-</u>	<u>-</u>	<u>1,035,669</u>
Fund Balances:					
Restricted					
Transportation	1,202,578	-	-	-	1,202,578
Employee retirement	-	930,149	-	-	930,149
Capital projects	-	-	-	157	157
Total Fund Balances	<u>1,202,578</u>	<u>930,149</u>	<u>-</u>	<u>157</u>	<u>2,132,884</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 2,154,683</u>	<u>\$ 1,658,933</u>	<u>\$ -</u>	<u>\$ 157</u>	<u>\$ 3,813,773</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	<u>Transportation</u>	<u>Municipal Retirement/ Social Security</u>	<u>Capital Projects</u>	<u>Fire Prevention and Safety</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES					
Local sources	\$ 1,350,961	\$ 1,520,531	\$ -	\$ (563)	\$ 2,870,929
State sources	407,231	-	-	-	407,231
Total Revenues	<u>1,758,192</u>	<u>1,520,531</u>	<u>-</u>	<u>(563)</u>	<u>3,278,160</u>
EXPENDITURES					
Current operating:					
Instruction	-	720,686	-	-	720,686
Support services	1,470,007	862,844	4,136,703	18,880	6,488,434
Community services	-	12,047	-	-	12,047
Total Expenditures	<u>1,470,007</u>	<u>1,595,577</u>	<u>4,136,703</u>	<u>18,880</u>	<u>7,221,167</u>
Excess (deficiency) of revenues over expenditures	<u>288,185</u>	<u>(75,046)</u>	<u>(4,136,703)</u>	<u>(19,443)</u>	<u>(3,943,007)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	4,136,703	-	4,136,703
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>4,136,703</u>	<u>-</u>	<u>4,136,703</u>
Net changes in fund balances	288,185	(75,046)	-	(19,443)	193,696
Fund balances at beginning of year	<u>914,393</u>	<u>1,005,195</u>	<u>-</u>	<u>19,600</u>	<u>1,939,188</u>
FUND BALANCES AT END OF YEAR	<u><u>\$ 1,202,578</u></u>	<u><u>\$ 930,149</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 157</u></u>	<u><u>\$ 2,132,884</u></u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TRANSPORTATION FUND
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 762,268	\$ 782,713	\$ 20,445	\$ 861,271
Transportation fees	567,500	564,419	(3,081)	535,977
Investment income	500	2,914	2,414	1,927
Other	-	915	915	4,428
Total local sources	<u>1,330,268</u>	<u>1,350,961</u>	<u>20,693</u>	<u>1,403,603</u>
State sources:				
Transportation - regular/vocational	8,000	5,730	(2,270)	6,950
Transportation - special education	250,000	401,501	151,501	454,621
Total state sources	<u>258,000</u>	<u>407,231</u>	<u>149,231</u>	<u>461,571</u>
Total revenues	<u>1,588,268</u>	<u>1,758,192</u>	<u>169,924</u>	<u>1,865,174</u>
EXPENDITURES				
Support Services:				
Business:				
Pupil transportation services:				
Salaries	51,594	51,201	393	55,102
Employee benefits	12,219	11,571	648	11,607
Purchased services	1,641,200	1,404,321	236,879	1,435,570
Supplies and materials	3,945	2,849	1,096	2,047
Other objects	500	65	435	65
Total	<u>1,709,458</u>	<u>1,470,007</u>	<u>239,451</u>	<u>1,504,391</u>
Total support services	<u>1,709,458</u>	<u>1,470,007</u>	<u>239,451</u>	<u>1,504,391</u>
Total expenditures	<u>1,709,458</u>	<u>1,470,007</u>	<u>239,451</u>	<u>1,504,391</u>
Net change in fund balance	<u>\$ (121,190)</u>	288,185	<u>\$ 409,375</u>	360,783
Fund balance at beginning of year		<u>914,393</u>		<u>553,610</u>
FUND BALANCE AT END OF YEAR		<u>\$ 1,202,578</u>		<u>\$ 914,393</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ 357,960	\$ 361,385	\$ 3,425	\$ 594,659
Social security/medicare levy	1,120,119	1,139,294	19,175	1,012,825
Corporate personal property replacement taxes	17,600	17,600	-	17,600
Investment income	700	2,252	1,552	1,960
Total local sources	1,496,379	1,520,531	24,152	1,627,044
Total revenues	1,496,379	1,520,531	24,152	1,627,044
EXPENDITURES				
Current operating:				
Instruction:				
Regular programs	353,624	325,299	28,325	315,444
Special education programs	376,240	343,951	32,289	350,612
Remedial and supplemental programs	20,061	21,941	(1,880)	18,182
Interscholastic programs	1,800	1,825	(25)	1,800
Summer school programs	13,050	11,485	1,565	11,694
Gifted programs	8,946	8,498	448	8,062
Bilingual programs	7,842	7,687	155	7,057
Total instruction	781,563	720,686	60,877	712,851
Support services:				
Pupils:				
Attendance and social work services	13,635	12,724	911	12,752
Health services	36,222	33,545	2,677	29,485
Psychological services	6,985	7,477	(492)	5,935
Speech pathology and audiology services	9,723	8,920	803	8,932
Other support services - pupils	97,747	90,467	7,280	86,758
Total pupils	164,312	153,133	11,179	143,862
Instructional staff:				
Improvement of instruction staff	2,016	2,042	(26)	2,005
Educational media services	33,871	33,779	92	31,314
Total instructional staff	35,887	35,821	66	33,319
General administration:				
Board of education services	12,461	11,906	555	10,581
Executive administration services	12,706	13,113	(407)	12,599
Special area administration services	13,022	12,371	651	12,385
Total general administration	\$ 38,189	\$ 37,390	\$ 799	\$ 35,565

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
School administration:				
Office of the principal services	\$ 87,235	\$ 83,614	\$ 3,621	\$ 82,543
Total school administration	87,235	83,614	3,621	82,543
Business:				
Direction of business support services	25,666	26,146	(480)	24,829
Fiscal services	41,951	41,629	322	40,663
Operation and maintenance of plant services	278,989	278,404	585	284,819
Pupil transportation services	7,640	7,441	199	8,808
Food services	84,558	85,997	(1,439)	85,255
Total business	438,804	439,617	(813)	444,374
Central:				
Planning, research, development, and evaluation services	10,461	16,710	(6,249)	15,746
Staff services	33,001	30,826	2,175	31,382
Data processing services	70,211	65,733	4,478	58,427
Total central	113,673	113,269	404	105,555
Total support services	878,100	862,844	15,256	845,218
Community services	12,732	12,047	685	11,019
Total expenditures	1,672,395	1,595,577	76,818	1,569,088
Net change in fund balance	<u>\$ (176,016)</u>	(75,046)	<u>\$ 100,970</u>	57,956
Fund balance at beginning of year		1,005,195		947,239
FUND BALANCE AT END OF YEAR		<u>\$ 930,149</u>		<u>\$ 1,005,195</u>

(Concluded)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
None	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Support services:				
Facilities acquisition and construction:				
Capital outlay	4,136,703	4,136,703	-	-
Total	4,136,703	4,136,703	-	-
Total support services	4,136,703	4,136,703	-	-
Total expenditures	4,136,703	4,136,703	-	-
Excess (deficiency) of revenues over expenditures	(4,136,703)	(4,136,703)	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	4,136,703	4,136,703	-	-
Total other financing sources (uses)	4,136,703	4,136,703	-	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund balance at beginning of year		-		-
FUND BALANCE AT END OF YEAR		<u>\$ -</u>		<u>\$ -</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FIRE PREVENTION AND SAFETY FUND
YEAR ENDED JUNE 30, 2016 WITH COMPARATIVE ACTUAL TOTALS FOR 2015

	2016			2015 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources:				
General levy	\$ -	\$ (590)	\$ (590)	\$ 3,691
Investment income	50	27	(23)	66
Total local sources	50	(563)	(613)	3,757
Total revenues	50	(563)	(613)	3,757
EXPENDITURES				
Support services:				
Facilities acquisition and construction:				
Purchased services	4,000	4,000	-	4,412
Capital outlay	15,000	14,880	120	160,356
Total	19,000	18,880	120	164,768
Total support services	19,000	18,880	120	164,768
Total expenditures	19,000	18,880	120	164,768
Net change in fund balance	<u>\$ (18,950)</u>	(19,443)	<u>\$ (493)</u>	(161,011)
Fund balance at beginning of year		19,600		180,611
FUND BALANCE AT END OF YEAR		<u>\$ 157</u>		<u>\$ 19,600</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUND - AGENCY FUND - ACTIVITY FUNDS
YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
Assets:				
Cash	\$ 235,368	\$ 713,038	\$ 657,447	\$ 290,959
Liabilities:				
Due to organizations	\$ 235,368	\$ 713,038	\$ 657,447	\$ 290,959

STATISTICAL SECTION (UNAUDITED)

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity

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

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2016	2015	2014	2013
Governmental activities				
Net investment in capital assets	\$ 21,484,353	\$ 17,020,783	\$ 16,212,367	\$ 17,538,397
Restricted	4,917,852	3,847,298	3,673,749	3,442,974
Unrestricted	26,336,222	28,417,300	28,962,970	25,448,371
Total governmental activities net position	<u>\$ 52,738,427</u>	<u>\$ 49,285,381</u>	<u>\$ 48,849,086</u>	<u>\$ 46,429,742</u>

Source of information: District records.

2012	2011	2010	2009	2008	2007
\$ 17,836,863	\$ 18,079,503	\$ 21,309,413	\$ 24,990,652	\$ 25,401,375	\$ 24,946,426
3,960,967	4,133,990	2,257,903	1,376,371	1,211,710	1,404,698
21,874,664	14,512,880	16,243,899	16,964,324	20,440,250	21,421,342
<u>\$ 43,672,494</u>	<u>\$ 36,726,373</u>	<u>\$ 39,811,215</u>	<u>\$ 43,331,347</u>	<u>\$ 47,053,335</u>	<u>\$ 47,772,466</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2016	2015	2014	2013
Expenses				
Governmental activities				
Instruction:				
Regular programs	\$ 24,997,778	\$ 23,568,486	\$ 22,676,311	\$ 21,921,115
Special programs	7,238,849	8,142,045	7,504,554	7,486,733
Other instructional programs	1,552,819	1,472,952	1,478,527	1,494,985
State retirement contributions	10,794,788	9,738,971	10,075,229	7,824,824
Support services:				
Pupils	3,461,436	3,078,355	3,012,830	3,071,419
Instructional staff	1,073,663	1,378,089	1,299,633	1,285,528
General administration	2,160,793	2,086,825	2,244,780	2,149,505
School administration	2,035,802	2,043,304	1,869,734	1,802,832
Business	2,810,438	2,578,588	2,312,702	2,277,739
Operations and maintenance	3,700,819	4,488,911	5,199,668	4,746,517
Transportation	1,477,448	1,513,199	1,442,327	1,384,496
Central	2,577,624	2,446,428	2,564,801	2,299,090
Other supporting services	478,763	379,649	372,647	414,176
Community services	192,853	183,391	176,676	108,810
Nonprogrammed charges-excluding special education	970,155	1,033,281	1,184,326	1,375,734
Interest and fees	650,406	768,490	1,036,702	869,273
Total governmental activities expenses	<u>66,174,434</u>	<u>64,900,964</u>	<u>64,451,447</u>	<u>60,512,776</u>
Program revenues				
Governmental activities				
Charges for services				
Instruction:				
Regular programs	1,735,482	1,549,514	1,517,240	1,448,234
Special programs	226,832	312,208	401,043	336,805
Other instructional programs	-	-	-	-
Support services:				
Business	1,369,361	1,293,582	1,314,550	1,277,669
Transportation	546,419	535,977	562,623	561,038
Operations and maintenance	27,779	120,252	183,707	33,836
Operating grants and contributions	13,685,269	13,455,402	13,517,007	11,895,628
Total governmental activities program revenues	<u>17,591,142</u>	<u>17,266,935</u>	<u>17,496,170</u>	<u>15,553,210</u>
Net revenue (expense)	<u>(48,583,292)</u>	<u>(47,634,029)</u>	<u>(46,955,277)</u>	<u>(44,959,566)</u>
Governmental activities				
General revenues				
Taxes:				
Real estate taxes, levied for general purposes	38,910,582	37,922,316	37,706,829	36,733,471
Real estate taxes, levied for specific purposes	10,025,399	9,537,734	8,575,328	7,811,155
Real estate taxes, levied for debt service	1,304,927	1,405,511	1,396,534	1,371,918
Personal property replacement taxes	462,864	502,810	480,550	458,536
State aid-formula grants	1,160,103	1,098,169	1,152,308	1,142,407
Investment earnings	88,735	72,304	51,267	55,883
Miscellaneous	65,728	9,533	11,805	143,444
Total governmental activities general revenues	<u>52,018,338</u>	<u>50,548,377</u>	<u>49,374,621</u>	<u>47,716,814</u>
Change in net position	<u>\$ 3,435,046</u>	<u>\$ 2,914,348</u>	<u>\$ 2,419,344</u>	<u>\$ 2,757,248</u>

Source of information: District records.

	2012	2011	2010	2009	2008	2007
\$	20,920,295	\$ 20,723,936	\$ 21,087,451	\$ 19,841,772	\$ 19,216,915	\$ 17,467,441
	7,537,015	8,080,170	7,600,115	7,742,514	7,010,484	6,823,349
	1,466,473	795,127	759,869	742,221	731,267	740,146
	6,613,685	6,117,663	6,157,944	4,432,743	3,310,777	2,169,789
	2,766,716	2,838,294	2,770,540	2,570,214	2,411,912	2,217,451
	1,247,151	1,393,769	1,236,682	1,341,041	956,322	824,955
	2,281,876	1,748,014	1,556,024	1,724,366	1,233,534	1,135,830
	1,722,007	1,824,531	1,752,180	1,729,293	1,841,356	1,653,609
	2,495,021	2,440,281	2,618,117	2,580,919	2,374,723	2,162,640
	4,151,168	4,107,954	1,062,364	5,083,886	4,278,779	4,038,450
	1,062,885	1,158,593	3,436,890	969,637	965,830	965,594
	2,528,137	1,888,436	2,084,898	2,488,280	2,337,801	2,275,205
	427,948	438,369	766,797	775,748	461,553	534,011
	97,760	86,275	87,955	84,932	83,063	104,922
	1,225,694	1,047,285	923,504	75,570	66,636	57,928
	721,290	636,574	644,916	745,417	657,101	529,041
	<u>57,265,121</u>	<u>55,325,271</u>	<u>54,546,246</u>	<u>52,928,553</u>	<u>47,938,053</u>	<u>43,700,361</u>
	1,390,709	1,223,443	1,617,246	816,733	847,506	735,034
	423,245	347,505	366,466	157,953	157,031	86,652
	-	-	-	162,468	221,471	269,066
	1,277,092	1,260,435	1,195,981	1,086,217	1,175,819	1,113,599
	546,040	535,481	506,143	567,488	509,451	459,051
	70,655	42,697	16,130	33,354	15,882	17,521
	10,111,158	9,726,041	9,699,032	8,499,709	6,755,446	5,463,088
	<u>13,818,899</u>	<u>13,135,602</u>	<u>13,400,998</u>	<u>11,323,922</u>	<u>9,682,606</u>	<u>8,144,011</u>
	<u>(43,446,222)</u>	<u>(42,189,669)</u>	<u>(41,145,248)</u>	<u>(41,604,631)</u>	<u>(38,255,447)</u>	<u>(35,556,350)</u>
	39,665,909	28,992,861	30,175,028	27,109,681	26,147,593	24,896,026
	7,626,065	7,008,351	7,651,920	6,952,071	6,889,164	6,593,457
	1,399,298	1,283,480	1,408,484	1,306,394	1,324,036	1,319,696
	433,232	434,068	374,135	479,385	539,807	504,375
	1,251,909	1,309,898	1,318,443	1,005,990	1,237,734	1,147,353
	13,378	29,251	157,013	707,453	1,024,889	1,407,436
	2,552	46,918	75,423	321,669	373,092	362,552
	<u>50,392,343</u>	<u>39,104,827</u>	<u>41,160,446</u>	<u>37,882,643</u>	<u>37,536,315</u>	<u>36,230,895</u>
\$	<u>6,946,121</u>	<u>\$ (3,084,842)</u>	<u>\$ 15,198</u>	<u>\$ (3,721,988)</u>	<u>\$ (719,132)</u>	<u>\$ 674,545</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Fund				
Nonspendable	\$ 95,425	\$ 92,194	\$ 88,546	\$ 91,444
Restricted	923,344	938,262	734,032	416,731
Unassigned	<u>32,447,866</u>	<u>32,730,867</u>	<u>31,805,211</u>	<u>31,370,399</u>
Total general fund	<u>\$ 33,466,635</u>	<u>\$ 33,761,323</u>	<u>\$ 32,627,789</u>	<u>\$ 31,878,574</u>
All Other Governmental Funds				
Restricted				
Debt service	\$ 1,861,624	\$ 1,908,110	\$ 1,992,289	\$ 2,195,715
Transportation	1,202,578	914,393	553,610	341,036
Employee retirement	930,149	1,005,195	947,239	720,111
Capital projects	<u>157</u>	<u>19,600</u>	<u>180,611</u>	<u>186,112</u>
Total all other governmental funds	<u>\$ 3,994,508</u>	<u>\$ 3,847,298</u>	<u>\$ 3,673,749</u>	<u>\$ 3,442,974</u>
General Fund				
Nonspendable/Reserved				
Unassigned/Unreserved				
Total general fund				
All Other Governmental Funds				
Reserved				
Restricted, reported in:				
Special revenue funds				
Debt service funds				
Capital project funds				
Total all other governmental funds				

Note: Starting in fiscal year 2011 the Working Cash and Tort Immunity Accounts are reported in the General Fund. In 2011 the District implemented GASB #54. Amounts prior to fiscal year 2011 have not been restated for GASB Statement #54.

Source of information: District records.

2012	2011	2010	2009	2008	2007
\$ 108,151	\$ 109,755				
11,685	-				
<u>30,531,413</u>	<u>14,813,397</u>				
<u>\$ 30,651,249</u>	<u>\$ 14,923,152</u>				
\$ 2,390,491	\$ 1,616,069				
159,967	249,040				
430,920	170,504				
<u>979,589</u>	<u>2,523,409</u>				
<u>\$ 3,960,967</u>	<u>\$ 4,559,022</u>				

\$ -	\$ -	\$ 99,983	\$ 99,983
<u>15,791,548</u>	<u>13,901,162</u>	<u>16,958,921</u>	<u>18,069,393</u>
<u>\$ 15,791,548</u>	<u>\$ 13,901,162</u>	<u>\$ 17,058,904</u>	<u>\$ 18,169,376</u>
\$ 98,928	\$ 826,327	\$ 717,700	\$ -
1,292,400	3,463,363	4,344,607	4,530,485
1,506,688	601,577	1,259,204	1,213,993
<u>360,639</u>	<u>2,603,946</u>	<u>3,381,033</u>	<u>(302,208)</u>
<u>\$ 3,258,655</u>	<u>\$ 7,495,213</u>	<u>\$ 9,702,544</u>	<u>\$ 5,442,270</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2016	2015	2014	2013
Revenues				
Local sources				
Property taxes	\$ 50,240,908	\$ 48,865,561	\$ 47,678,691	\$ 45,916,544
Replacement taxes	462,864	502,810	480,550	458,536
Tuition	605,738	492,970	613,586	556,632
Earnings on investments	88,735	57,635	51,267	55,883
Other local sources	3,383,863	3,338,265	3,365,577	3,100,950
Total local sources	<u>54,782,108</u>	<u>53,257,241</u>	<u>52,189,671</u>	<u>50,088,545</u>
State sources				
General state aid	1,160,103	1,098,169	1,152,308	1,142,407
Other state aid	12,557,940	12,265,558	12,338,821	10,554,853
Total state sources	<u>13,718,043</u>	<u>13,363,727</u>	<u>13,491,129</u>	<u>11,697,260</u>
Federal sources				
	1,127,329	1,189,844	1,178,187	1,340,775
Total revenues	<u>\$ 69,627,480</u>	<u>\$ 67,810,812</u>	<u>\$ 66,858,987</u>	<u>\$ 63,126,580</u>
Expenditures				
Current:				
Instruction				
Regular programs	\$ 22,108,030	\$ 20,883,513	\$ 20,214,729	\$ 19,654,850
Special programs	6,949,320	7,853,710	7,217,129	7,207,353
Other instructional programs	1,552,819	1,472,952	1,478,527	1,494,985
State retirement contributions	10,794,788	9,738,971	10,075,229	7,824,824
Total instruction	<u>41,404,957</u>	<u>39,949,146</u>	<u>38,985,614</u>	<u>36,182,012</u>
Supporting services				
Pupils	3,461,436	3,078,355	3,012,830	3,071,419
Instructional staff	1,073,663	1,378,089	1,299,633	1,285,528
General administration	1,581,735	1,510,154	1,669,931	1,591,001
School administration	2,035,802	2,043,304	1,869,734	1,802,832
Business	2,810,438	2,578,588	2,312,702	2,293,058
Operations and maintenance	3,379,120	3,067,881	4,399,628	7,182,362
Transportation	1,477,448	1,513,199	1,442,327	1,384,496
Central	2,577,624	3,520,354	2,564,801	2,916,697
Other supporting services	478,763	406,380	372,647	438,273
Total supporting services	<u>18,876,029</u>	<u>19,096,304</u>	<u>18,944,233</u>	<u>21,965,666</u>
Community services				
	192,853	183,391	176,676	108,810
Nonprogrammed charges				
	970,155	1,033,281	1,184,326	1,375,734
Total current	<u>61,443,994</u>	<u>60,262,122</u>	<u>59,290,849</u>	<u>59,632,222</u>
Other:				
Debt Service				
Principal	1,665,710	3,645,000	1,580,000	1,505,000
Interest and other	683,736	777,634	823,490	865,499
Capital outlay	6,558,891	3,868,473	4,221,657	773,727
Total other	<u>8,908,337</u>	<u>8,291,107</u>	<u>6,625,147</u>	<u>3,144,226</u>
Total expenditures	<u>\$ 70,352,331</u>	<u>\$ 68,553,229</u>	<u>\$ 65,915,996</u>	<u>\$ 62,776,448</u>
Debt service as a percentage of noncapital expenditures				
	<u>3.7%</u>	<u>6.8%</u>	<u>3.9%</u>	<u>3.8%</u>

Source of information: District records.

2012	2011	2010	2009	2008	2007
\$ 48,691,272	\$ 37,284,692	\$ 39,235,432	\$ 35,368,146	\$ 34,360,793	\$ 32,809,179
433,232	434,068	374,135	479,385	539,807	504,375
622,900	534,891	511,664	389,555	480,819	385,857
13,378	29,251	379,369	562,238	947,748	1,407,436
3,087,393	2,921,588	3,265,725	2,754,127	2,813,911	2,631,707
52,848,175	41,204,490	43,766,325	39,553,451	39,143,078	37,738,554
1,251,909	1,309,898	1,077,939	1,005,990	1,237,734	1,147,353
8,814,034	8,475,500	7,690,272	6,900,558	5,697,821	4,459,451
10,065,943	9,785,398	8,768,211	7,906,548	6,935,555	5,606,804
1,297,124	1,250,541	2,249,264	1,672,316	989,982	1,029,548
\$ 64,211,242	\$ 52,240,429	\$ 54,783,800	\$ 49,132,315	\$ 47,068,615	\$ 44,374,906
\$ 18,467,063	\$ 18,488,295	\$ 18,750,516	\$ 18,160,883	\$ 17,633,998	\$ 16,100,710
7,269,197	8,008,476	7,958,723	6,879,012	6,958,252	6,625,439
1,466,473	795,127	759,869	723,170	714,315	725,330
6,613,685	6,117,663	6,157,944	4,432,743	3,310,777	2,169,789
33,816,418	33,409,561	33,627,052	30,195,808	28,617,342	25,621,268
2,766,716	2,738,600	2,684,162	2,482,183	2,331,544	2,154,143
1,247,151	1,055,882	1,007,502	1,122,126	954,851	823,239
1,723,602	1,699,677	1,511,291	1,681,670	1,195,220	1,102,170
1,724,752	1,709,732	1,647,689	1,629,084	1,750,785	1,578,924
2,395,872	2,660,967	2,644,823	2,416,165	2,225,676	2,028,729
4,361,816	3,915,399	4,235,551	4,303,239	4,472,515	3,825,788
1,138,067	1,025,667	1,080,032	853,567	869,524	890,907
2,929,309	2,691,017	2,817,788	2,488,280	2,159,068	2,183,608
434,238	406,981	742,744	615,532	399,280	463,910
18,721,523	17,903,922	18,371,582	17,591,846	16,358,463	15,051,418
97,760	86,275	87,955	84,932	83,063	104,922
1,225,694	1,047,285	923,504	870,966	66,636	196,635
53,861,395	52,447,043	53,010,093	48,743,552	45,125,504	40,974,243
1,405,000	1,370,000	1,385,000	1,405,131	821,897	808,801
825,490	679,550	683,859	743,826	802,097	538,666
1,295,148	2,518,797	2,051,020	3,607,079	4,490,452	2,621,361
3,525,638	4,568,347	4,119,879	5,756,036	6,114,446	3,968,828
\$ 57,387,033	\$ 57,015,390	\$ 57,129,972	\$ 54,499,588	\$ 51,239,950	\$ 44,943,071
4.0%	3.8%	3.8%	4.2%	3.5%	3.2%

WILMETTE PUBLIC SCHOOLS DISTRICT 39
EQUALIZED ASSESSED VALUATION AND
ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN TAX LEVY YEARS

Tax Levy Year	Equalized Assessed Valuation	Amount of Increase Over Previous Year	Percentage Increase Over Previous Year	Actual Estimated Value *
2015	\$ 1,450,514,728	\$ (39,382,603)	-2.64%	\$ 4,351,544,184
2014	1,489,897,331	21,561,536	1.47%	4,469,691,993
2013	1,468,335,795	(167,395,826)	-10.23%	4,405,007,385
2012	1,635,731,621	(126,033,841)	-7.15%	4,907,194,863
2011	1,761,765,462	(195,117,005)	-9.97%	5,285,296,386
2010	1,956,882,467	(236,060,475)	-10.76%	5,870,647,401
2009	2,192,942,942	136,215,129	6.62%	6,578,828,826
2008	2,056,727,813	132,170,859	6.87%	6,170,183,439
2007	1,924,556,954	110,206,354	7.28%	5,773,670,862
2006	1,513,438,648	1,513,438,648	-0.43%	4,540,315,944

Source of information: Cook County Clerk's Office, Department of Tax Extension

WILMETTE PUBLIC SCHOOLS DISTRICT 39
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING
GOVERNMENTS
LAST TEN TAX LEVY YEARS

Taxing District	2015	2014	2013	2012
Cook County	0.5520	0.5680	0.5600	0.5310
Cook County Forest Preserve	0.0690	0.0690	0.0690	0.0630
Suburban Tb Sanitarium	0.0000	0.0000	0.0000	0.0000
Consolidated Elections	0.0340	0.0000	0.0310	0.0000
New Trier Township	0.0580	0.0550	0.0540	0.0470
New Trier General Assistance	0.0080	0.0070	0.0070	0.0060
Metro Water Reclamation District	0.4260	0.4300	0.4170	0.3700
North Shore Mosquito Abatement District	0.0120	0.0110	0.0070	0.0100
New Trier High School District #203	2.3800	2.2680	2.1110	1.8640
Oakton Community College #535	0.2710	0.2580	0.2560	0.2190
Wilmette Park District	0.5180	0.5460	0.5480	0.4930
Village of Wilmette	1.0780	1.0150	0.9970	0.8670
Wilmette Public Library District	0.3950	0.3810	0.3810	0.3350
Total overlapping rate	5.8010	5.6080	5.4380	4.8050
Wilmette Public School District No. 39	3.5014	3.3556	3.3251	2.9219
Total direct and overlapping rate	9.3024	8.9636	8.7631	7.7269

Source: Office of the County Clerk, Cook County, IL

2011	2010	2009	2008	2007	2006
0.4620	0.4230	0.3940	0.4150	0.4460	0.5000
0.0580	0.0510	0.0490	0.0510	0.0530	0.0570
0.0000	0.0000	0.0000	0.0000	0.0000	0.0050
0.0250	0.0000	0.0210	0.0000	0.0120	0.0000
0.0420	0.0370	0.0300	0.0310	0.0310	0.0390
0.0050	0.0040	0.0030	0.0030	0.0030	0.0030
0.3200	0.2740	0.2610	0.2520	0.2630	0.2840
0.0100	0.0090	0.0080	0.0080	0.0080	0.0090
1.6740	1.4740	1.2370	1.2900	1.2990	1.6620
0.1960	0.1600	0.1400	0.1400	0.1410	0.1660
0.4510	0.3900	0.3320	0.3480	0.3600	0.4410
0.7780	0.6740	0.5810	0.5930	0.5970	0.7280
0.3020	0.2660	0.2300	0.2410	0.2450	0.2980
4.3230	3.7620	3.2860	3.3720	3.4580	4.1920
2.6194	2.3131	1.7158	1.8114	1.8475	2.2607
6.9424	6.0751	5.0018	5.1834	5.3055	6.4527

WILMETTE PUBLIC SCHOOLS DISTRICT 39
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2015 Equalized Assessed Valuation	Percentage of total 2015 Equalized Assessed Valuation
Joseph Moss	\$ 8,556,082	0.59%
1630 Sheridan Corporation	7,281,215	0.50%
WILRI LLC	6,082,547	0.42%
New Albertsons LLC	5,217,980	0.36%
Wesley Realty Group	4,288,220	0.30%
JP Morgan Chase Bank	3,525,063	0.24%
Ger Wilmette LLC	3,234,865	0.22%
Michigan Shores Club	2,840,413	0.20%
Manor Care Wilmette IL	2,801,925	0.19%
Next Wilmette LLC	2,625,866	0.18%
	<u>\$ 46,454,176</u>	<u>3.20%</u>
 Total District assessed valuation	 <u>\$ 1,450,514,728</u>	

(1) Source of information: Cook County Clerk and Assessor's Offices

Taxpayer	2006 Equalized Assessed Valuation	Percentage of total 2006 Equalized Assessed Valuation
1630 Sheridan Corporation	\$ 14,985,015	0.99%
Plaza Del Lago	12,825,065	0.85%
Jewel Food Store	6,496,065	0.43%
3201 LLC	3,797,349	0.25%
Westmoreland Country Club	3,448,421	0.23%
Manor Health Care Corporation	3,156,004	0.21%
Wolin Levin	3,496,960	0.23%
Next Wilmette LLC	3,332,805	0.22%
Greg & Kim Polan	2,296,883	0.15%
LDP Mgmt. Inc	2,205,642	0.15%
	\$ 56,040,209	3.71%
Total District assessed valuation	\$ 1,513,438,648	

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHEDULE OF PROPERTY TAX RATES, EXTENSIONS AND COLLECTIONS
LAST TEN TAX LEVY YEARS

	2015	2014	2013	2012
Rates extended:				
Educational	\$ 2.7104	\$ 2.5625	\$ 2.5868	\$ 2.3164
Building (O&M)	0.4908	0.4681	0.3758	0.2894
Transportation	0.0526	0.0535	0.0640	0.0265
Retirement (IMRF)	0.0189	0.0311	0.0508	0.0567
Social Security	0.0795	0.0759	0.0621	0.0567
Liability Insurance	0.0387	0.0434	0.0625	0.0671
Special Education	0.0199	0.0189	0.0187	0.0165
Working Cash Fund	0.0071	0.0068	0.0067	0.0065
Life Safety	-	-	0.0007	-
Debt Service	0.0835	0.0954	0.0970	0.0861
Total rates extended	3.5014	3.3556	3.3251	2.9219
Property tax extensions:				
Educational	\$ 39,314,751	\$ 38,178,619	\$ 37,982,910	\$ 37,890,087
Building (O&M)	7,119,126	6,974,209	5,518,006	4,733,807
Transportation	762,971	797,095	939,735	433,469
Retirement (IMRF)	274,147	463,358	745,915	927,460
Social Security	1,153,159	1,130,832	911,837	927,460
Liability Insurance	561,349	646,615	917,710	1,097,576
Special Education	288,652	281,591	274,579	269,896
Working Cash Fund	102,986	101,313	98,378	106,323
Life Safety	-	-	10,278	-
Debt service	1,211,493	1,421,362	1,424,286	1,408,365
Total levies extended	\$ 50,788,635	\$ 49,994,995	\$ 48,823,634	\$ 47,794,442
Current year collections	\$ 26,267,156	\$ 25,437,542	\$ 24,828,183	\$ 24,295,144
Subsequent collections	-	24,348,810	23,689,276	23,014,966
Total collections	\$ 26,267,156	\$ 49,786,352	\$ 48,517,459	\$ 47,310,110
Percentage of extensions collected -				
current year	51.7%	50.9%	50.9%	50.8%
subsequent collections	0.0%	48.7%	48.5%	48.2%
Total percentage of extensions collected	51.7%	99.6%	99.4%	99.0%

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

Source of information: Cook County Clerk

	2011	2010	2009	2008	2007	2006
\$	2.0841	\$ 1.8402	\$ 1.3386	\$ 1.3838	\$ 1.3899	\$ 1.7011
	0.2600	0.2062	0.1783	0.1895	0.2044	0.2556
	0.0129	0.0114	-	0.0056	0.0117	0.0147
	0.0509	0.0449	0.0208	0.0316	0.0260	0.0376
	0.0509	0.0449	0.0303	0.0474	0.0260	0.0315
	0.0603	0.0383	0.0280	0.0365	0.0364	0.0450
	0.0148	0.0131	0.0097	0.0151	0.0156	0.0200
	0.0058	0.0051	0.0137	-	0.0287	0.0130
	-	0.0383	0.0352	0.0365	0.0390	0.0534
	0.0797	0.0707	0.0612	0.0654	0.0698	0.0888
	<u>2.6194</u>	<u>2.3131</u>	<u>1.7158</u>	<u>1.8114</u>	<u>1.8475</u>	<u>2.2607</u>
\$	36,716,954	\$ 36,010,551	\$ 29,354,734	\$ 28,460,999	\$ 26,749,417	\$ 25,745,105
	4,580,590	4,035,092	3,910,017	3,897,499	3,933,794	3,868,349
	227,268	223,085	-	115,177	225,173	222,475
	896,739	878,640	456,132	649,926	500,385	569,053
	896,739	878,640	664,462	974,889	500,385	476,733
	1,062,345	749,486	614,024	750,706	700,539	681,047
	260,741	256,352	212,715	310,566	300,231	302,688
	102,182	99,801	300,433	-	552,348	196,747
	-	749,486	771,916	750,706	750,577	808,176
	1,404,127	1,383,516	1,342,081	1,345,100	1,343,341	1,343,934
\$	<u>46,147,685</u>	<u>45,264,648</u>	<u>37,626,515</u>	<u>37,255,568</u>	<u>35,556,190</u>	<u>34,214,308</u>
\$	23,877,906	\$ 19,759,995	\$ 19,647,976	\$ 17,057,169	\$ 16,726,251	\$ 15,879,969
	21,884,250	24,681,617	17,166,943	19,676,027	18,266,019	17,598,143
\$	<u>45,762,156</u>	<u>44,441,612</u>	<u>36,814,919</u>	<u>36,733,196</u>	<u>34,992,270</u>	<u>33,478,112</u>
	51.7%	43.7%	52.2%	45.8%	47.0%	46.4%
	47.4%	54.5%	45.6%	52.8%	51.4%	51.4%
	<u>99.2%</u>	<u>98.2%</u>	<u>97.8%</u>	<u>98.6%</u>	<u>98.4%</u>	<u>97.8%</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	General Obligation Bonds	Debt Certificates	Capital Leases	Total	Percentage of Personal Income
2016	\$ 11,795,000	\$ 6,965,000	\$ 381,663	\$ 19,141,663	1.04%
2015	12,715,000	7,515,000	-	20,230,000	1.10%
2014	13,540,000	8,290,000	-	21,830,000	1.16%
2013	14,365,000	9,045,000	-	23,410,000	1.20%
2012	15,145,000	9,770,000	-	24,915,000	1.32%
2011	15,830,000	2,950,000	-	18,780,000	1.06%
2010	11,155,000	3,620,000	-	14,775,000	0.83%
2009	11,895,000	4,265,000	-	16,160,000	0.86%
2008	12,605,000	4,885,000	75,131	17,565,131	0.93%
2007	10,885,000	-	147,029	11,032,029	0.72%

Source of information: Annual Financial Statements 2007 to 2016.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
RATIO OF GENERAL BONDED DEBT TO EQUALIZED ASSESSED VALUATION
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	General Bonded Debt	Less: Amounts Available to Repay Principal	Net General Bonded Debt	Percentage of Net General Bonded Debt to Assessed Valuation	Net General Bonded Debt Per Capita
2016	\$ 18,760,000	\$ 1,861,624	\$ 16,898,376	1.26%	616
2015	20,230,000	1,908,110	18,321,890	1.38%	668
2014	21,830,000	1,992,289	19,837,711	1.49%	724
2013	23,410,000	2,195,715	21,214,285	1.43%	777
2012	24,915,000	2,390,491	22,524,509	1.41%	828
2011	18,780,000	1,616,069	17,163,931	0.96%	653
2010	14,775,000	1,506,688	13,268,312	0.67%	504
2009	16,160,000	1,331,877	14,828,123	0.79%	561
2008	17,490,000	1,259,204	16,230,796	0.91%	614
2007	10,885,000	1,213,993	9,671,007	0.76%	350

Source of information: Annual Financial Statements.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
JUNE 30, 2016

Jurisdiction overlapping	Bonded indebtedness	Portion applicable to School District	
		Percent	Amount
County			
Cook County	\$ 3,362,051,750	1.096%	\$ 36,848,087
Cook County Forest Preserve	116,060,000 (2)	1.096%	1,272,018
Metropolitan Water Reclamation District	2,629,938,991 (1)	1.116%	29,350,119
School Districts			
High School District 203	99,110,000 (2)	32.349%	32,061,094
Community College District 535	33,175,000 (4)	7.768%	2,577,034
Park Districts			
Wilmette Park District	16,665,000	89.838%	14,971,503
Glenview Park District	11,555,000 (2)	2.899%	334,979
Municipalities			
Village of Wilmette	86,945,000	89.661%	77,955,756
Village of Glenview	<u>43,825,000 (3)</u>	3.400%	<u>1,490,050</u>
Total overlapping debt	6,399,325,741		196,860,640
Wilmette Public School District No. 39	<u>11,795,000 (4)</u>	100.000%	<u>11,795,000</u>
Total overlapping and direct bonded debt	<u><u>6,411,120,741</u></u>		<u><u>208,655,640</u></u>

(1) Includes IEPA Revolving Loan Fund Bonds.

(2) Excludes outstanding principal amounts of General Obligation Alternative Revenue Source Bonds which are expected to be paid from sources other than general taxation.

(3) Excludes self-supporting bonds for which an abatement is filed annually.

(4) Excludes outstanding debt certificates.

Source: Offices of the Cook County Clerk, Comptroller and Treasurer of the Metropolitan Water Reclamation District of Greater Chicago

Note: Percent applicable to School District calculated using assessed valuation of the School District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit. Overlapping governments with no outstanding debt are not reflected.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Debt limit	\$ 100,085,516	\$ 102,802,916	\$ 101,315,170	\$ 112,865,482
Total net debt applicable to limit	<u>16,898,376</u>	<u>18,321,890</u>	<u>19,837,711</u>	<u>21,214,285</u>
Legal debt margin	<u>\$ 83,187,140</u>	<u>\$ 84,481,026</u>	<u>\$ 81,477,459</u>	<u>\$ 91,651,197</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>16.88%</u>	<u>17.82%</u>	<u>19.58%</u>	<u>18.80%</u>

Legal Debt Margin calculation for fiscal year June 30, 2016

Assessed valuation of taxable properties for the tax year 2015	\$ 1,450,514,728
Rate	<u>6.9%</u>
Debt Limit	<u>100,085,516</u>
Debt subject to limitation:	
Total debt subject to limitation	18,760,000
Less Debt Service Fund balance	<u>(1,861,624)</u>
Net debt outstanding subject to limitation	<u>16,898,376</u>
Legal bonded debt margin at June 30, 2016	<u>\$ 83,187,140</u>

Source of information: District records.
Assessed valuation obtained from Will County tax reports.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 121,561,817	\$ 135,024,890	\$ 151,313,063	\$ 141,911,586	\$ 132,794,430	\$ 104,427,267
<u>22,524,509</u>	<u>17,163,931</u>	<u>13,268,312</u>	<u>16,160,000</u>	<u>17,565,131</u>	<u>11,032,028</u>
<u>\$ 99,037,308</u>	<u>\$ 117,860,959</u>	<u>\$ 138,044,751</u>	<u>\$ 125,751,586</u>	<u>\$ 115,229,299</u>	<u>\$ 93,395,239</u>
<u>18.53%</u>	<u>12.71%</u>	<u>8.77%</u>	<u>11.39%</u>	<u>13.23%</u>	<u>10.56%</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
DEMOGRAPHIC AND MISCELLANEOUS STATISTICS
LAST TEN CALENDAR YEARS

Year	Population	Personal Income (<i>thousands of dollars</i>)	Per Capita Personal Income	Unemployment rate
2016	27,413	\$ 1,839,851	\$ 67,116	4.2%
2015	27,446	1,841,325	67,089	5.2%
2014	27,383	1,878,802	68,612	6.1%
2013	27,294	1,950,975	71,480	5.8%
2012	27,206	1,887,090	69,363	6.5%
2011	26,300	1,772,804	67,407	6.4%
2010	26,300	1,784,797	67,863	6.2%
2009	26,418	1,886,958	71,427	3.8%
2008	26,435	1,888,173	71,427	3.0%
2007	27,651	1,537,700	55,611	2.7%

Sources: US Census Bureau, Illinois Department of Employment Security

WILMETTE PUBLIC SCHOOLS DISTRICT 39
PRINCIPAL EMPLOYERS
CURRENT YEAR AVAILABLE AND EIGHT YEARS AGO

Employer	2016	
	Employees	Percentage of Total City Employment
Wilmette Park District	850 *	6.9%
New Trier High School District 203	709	5.8%
Wilmette School District Number 39	562 *	4.6%
Carson Pirie Scott & Co.	350 *	2.8%
Loyola Academy	299	2.4%
Jewel / Osco	250	2.0%
Village of Wilmette	215 *	1.7%
Care In The Home/Respite Care	200	1.6%
Fresh Market	150	1.2%
BHHS Koenig Rubloff Realty Group	100	0.8%
Chalet Nursery & Garden Shop	100 *	0.8%
Fort Dearborn Land Title Co.	100	0.8%
ManorCare Health Services	90	0.7%
Total	3,975	32.1%

Employer	2008	
	Employees	Percentage of Total City Employment
Wilmette Park District	800 *	N/A
Wilmette School District Number 39	621 *	N/A
Carson Pirie Scott & Co.	390	N/A
Village of Wilmette	250	N/A
Koenig & Strey GMAC Real Estate	130	N/A
F.J. Kerrigan Plumbing Co.	65	N/A
North Suburban Patrol Inc.	60	N/A
Chase Bank, Div of JP Morgan & Chase Co.	50	N/A
Bierdeman Paper Box, Inc.	45	N/A
Homers Ice Cream, Inc.	45	N/A
Total	2,456	N/A

Sources: Phone canvass of employers, Illinois Services and Manufacturers Directories, Harris Illinois Industrial Directory, Illinois Department of Commerce and Economic Opportunity, ReferenceUSA.com, individual company/organization websites

Note: District began compiling the information in 2008. Information from nine years ago was unavailable.
 Total city employment for 2016 is 12,302. Total city employment for 2008 is not available.

* Includes part-time and/or seasonal employees

WILMETTE PUBLIC SCHOOLS DISTRICT 39
NUMBER OF EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	2015- 2016	2014- 2015	2013- 2014	2012- 2013	2011- 2012
Administration:					
Superintendent	1	1	1	1	1
District Administrators	6	6	6	6	6
Principals and assistants	11	11	10	10	10
Total administration	18	18	17	17	17
Instruction:					
Teachers:					
Elementary (K-4)	91	90	89	88	85
Middle (5-8)	33	33	35	35	33
Jr. High (7-8)	35	36	35	34	32
Art	8	8	8	8	8
Music	11	11	11	11	11
Drama	3	3	3	3	3
Foreign language	20	19	20	19	18
Library media specialist	6	6	6	6	6
Physical education	19	19	19	19	19
Special education and bilingual	70	69	69	67	68
Curriculum differentiation/gifted	8	8	8	8	8
Curriculum Coordinators	2	2	2	2	2
Psychologists	6	6	6	6	6
Certified school nurse	1	1	1	1	1
School workers and counselors	10	10	10	10	10
Technology	8	8	8	8	8
Total instruction	331	329	330	325	318
Other supporting staff:					
Clerical 10 month	12	11	10	10	11
Clerical 12 month	11	9	9	9	9
Classroom assistants	26	27	26	28	29
Reading assistants	5	4	6	5	5
Special education assistants	78	78	77	76	72
Technology	7	7	5	5	5
Maintenance custodians & warehouse	34	34	34	34	30
Food Service	20	20	20	20	20
Transportation	1	1	1	2	13
Nurses	5	5	5	5	5
Occupation and physical therapists	6	6	6	6	6
Total support staff	205	202	199	200	205
Total staff	554	549	546	542	540

Source: Obtained from the District's Human Resources department.

2010 - 2011	2009 - 2010	2008 - 2009	2007 - 2008	2006 - 2007
1	1	1	1	1
6	6	6	5	3
9	9	9	9	10
16	16	16	15	14
87	91	93	89	89
34	35	34	35	34
33	35	35	33	33
9	9	9	9	8
11	13	13	12	12
3	3	3	3	2
19	20	20	17	19
6	6	6	5	6
19	19	19	19	19
78	78	78	75	72
8	8	8	8	8
2	2	1	1	4
6	6	7	6	5
1	1	1	-	-
10	10	10	9	8
8	8	9	9	8
334	344	346	330	327
11	11	11	11	18
9	11	11	10	13
31	29	24	27	22
4	4	4	3	3
81	87	92	93	79
4	5	5	5	6
32	36	37	37	39
20	20	18	18	17
12	13	12	14	11
7	7	9	9	7
6	5	7	6	4
217	228	230	233	219
567	588	592	578	560

WILMETTE PUBLIC SCHOOLS DISTRICT 39
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Average Daily Attendance	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil
2016	3,367	\$ 49,128,752	\$ 14,591	-1.43%	\$ 66,174,434	\$ 19,654
2015	3,343	49,483,852	14,802	3.69%	64,900,964	19,414
2014	3,370	48,114,916	14,276	2.56%	64,451,447	19,123
2013	3,367	46,868,947	13,920	2.34%	60,512,776	17,972
2012	3,299	44,872,597	13,602	2.89%	57,265,121	17,358
2011	3,303	43,663,704	13,219	0.74%	55,325,271	16,750
2010	3,341	43,841,587	13,122	0.48%	54,546,246	16,326
2009	3,332	43,512,656	13,059	2.97%	52,958,533	15,894
2008	3,242	41,114,752	12,682	9.28%	47,938,053	14,787
2007	3,278	38,041,791	11,605	5.06%	43,700,361	13,331

Source of information: District records.

Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced Meals
1.24%	331	10.2	2.76%
1.52%	329	10.2	2.96%
6.40%	330	10.2	3.50%
3.54%	325	10.4	2.90%
3.63%	318	10.4	2.90%
2.60%	334	9.9	2.50%
2.72%	344	9.7	2.20%
7.49%	346	9.6	0.30%
10.92%	330	9.8	0.30%
4.49%	327	10.0	0.30%

WILMETTE PUBLIC SCHOOLS DISTRICT 39
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	2016	2015	2014	2013
Harper School				
Square feet	47,000	47,000	47,000	47,000
Capacity (students)	456	456	456	456
Enrollment	432	427	399	390
Romona School				
Square feet	81,300	77,500	77,500	77,500
Capacity (students)	620	528	528	528
Enrollment	534	519	531	546
Central School				
Square feet	76,000	76,000	76,000	76,000
Capacity (students)	696	696	696	696
Enrollment	517	507	502	502
McKenzie School				
Square feet	69,000	69,000	69,000	69,000
Capacity (students)	624	624	624	624
Enrollment	502	509	522	560
Wilmette Junior High				
Square feet	119,850	119,850	119,850	119,850
Capacity (students)	917	917	917	917
Enrollment	887	884	843	827
Highest Middle School				
Square feet	123,425	123,425	123,425	123,425
Capacity (students)	850	850	850	850
Enrollment	860	842	884	877
Mikaelian Education Center				
Square feet	23,560	23,560	23,560	23,560

Source of information: District records.

2012	2011	2010	2009	2008	2007
47,000	47,000	47,000	47,000	47,000	47,000
456	456	456	456	456	456
421	410	432	419	444	439
77,500	77,500	77,500	77,500	77,500	77,500
528	528	528	528	528	528
501	531	535	495	489	512
76,000	76,000	76,000	76,000	76,000	76,000
696	696	696	696	696	696
544	534	551	551	570	542
69,000	69,000	69,000	69,000	69,000	69,000
624	624	624	624	624	624
564	545	535	508	478	478
113,000	113,000	113,000	113,000	113,000	113,000
917	917	917	917	917	917
824	822	861	880	879	834
123,425	123,425	123,425	123,425	123,425	123,425
850	850	850	850	850	850
806	802	801	812	843	857
23,560	23,560	23,560	23,560	23,560	23,560

WILMETTE PUBLIC SCHOOLS DISTRICT 39
OPERATING STATISTICS
JUNE 30, 2016

Location:	Approximately 15 miles north of Chicago's "Loop" bordering Lake Michigan and comprising most of the Village of Wilmette and a small portion of Glenview
Date of organization:	1901
Number of schools:	6
Area served:	4.4 sq. miles
Median home value:	\$ 626,500
Student enrollment:	3,732
Certified teaching staff:	331
Pupil/Teacher ratio:	11.3:1
Faculty holding masters degree:	84%