

**Mundelein Consolidated High School
District 120**

Annual Financial Report

Year Ended June 30, 2014

Mundelein Consolidated High School District 120
ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2014

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1 - 4
Management's Discussion and Analysis	5 - 13
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position - Governmental Activities	14
Statement of Activities	15
Fund Financial Statements	
Balance Sheet - Governmental Funds	16 - 17
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	18
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	19 - 20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Fiduciary Assets and Liabilities - Agency Fund	22
Notes to the Financial Statements	23 - 53
Required Supplementary Information (Unaudited)	
Schedule of Funding Progress - Illinois Municipal Retirement Fund	54
Schedule of Funding Progress - Other Postemployment Benefits	55
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund - Budgetary Basis	56 - 68
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Operations and Maintenance Fund	69 - 70
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Transportation Fund	71 - 72
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Municipal Retirement/Social Security Fund	73 - 75
Notes to the Required Supplementary Information	76 - 77

(Continued)

Mundelein Consolidated High School District 120
ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2014

TABLE OF CONTENTS

	<u>Page</u>
Supplementary Financial Information	
General Fund	
Combining Balance Sheet	78
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	79 - 80
Schedule of Revenues, Expenditures, and Changes in Fund Balances -	
Budget and Actual - Debt Service Fund	81 - 82
Schedule of Revenues, Expenditures, and Changes in Fund Balances -	
Budget and Actual - Capital Projects Fund	83 - 84
Statement of Changes in Assets and Liabilities -	
Agency Fund - Student Activity Funds	85 - 88
Other Supplemental Information	
Operating Costs and Tuition Charge	89

(Concluded)

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
Mundelein Consolidated High School District 120
Mundelein, 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 Mundelein Consolidated High School District 120, as of and for the year ended June 30, 2014, 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

Mundelein Consolidated High School District 120's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

(Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Mundelein Consolidated High School District 120, as of June 30, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note A-2 to the financial statements, net position as of July 1, 2013 has been restated as a result of an adjustment due to the implementation of the Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities* (GASB 65). Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the supplementary information, such as management's discussion and analysis and budgetary comparison information on pages 5 through 13, the Illinois Municipal Retirement Fund historical data on page 54, the other postemployment benefits data on page 55, and the budgetary comparison schedules and notes to required supplementary information on pages 56 through 77 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit, for the year ended June 30, 2014, was conducted for the purpose of forming opinions on the financial statements that collectively comprise Mundelein Consolidated High School District 120's basic financial statements. The other schedules listed in the table of contents as supplementary information and other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Information (Continued)

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2014.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Mundelein Consolidated High School District 120, as of and for the year ended June 30, 2013 (not presented herein), and have issued our report thereon dated October 18, 2013, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund and Debt Service Fund with comparative actual amounts for the year ended June 30, 2013 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund and Debt Service Fund have been subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund and Debt Service Fund are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2013.

The other supplemental information 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 it.

The Members of the Board of Education
Mundelein Consolidated High School District 120
Mundelein, Illinois

(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2014 on our consideration of Mundelein Consolidated High School District 120'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.

MILLER, COOPER & CO., LTD.



Certified Public Accountants

Deerfield, Illinois
October 14, 2014

Mundelein Consolidated High School District 120
Management's Discussion and Analysis
For the Year Ended June 30, 2014

The Management Discussion and Analysis of Mundelein Consolidated High School District 120 (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2014. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (the "MD&A") and is included in this analysis.

Financial Highlights

- As of June 30, 2014, the total assets of the District exceeded its total deferred inflows and liabilities, resulting in a net position balance of \$31,075,502.
- The District's net position was \$27,416,858 (as restated, see Note O to the financial statements), as of June 30, 2013. The difference between the prior year balance of \$27,416,858 and the current net position balance at June 30, 2014, of \$31,075,502 is \$3,658,644.
- At the close of the 2013-14 fiscal year, the District's governmental funds reported a combined ending fund balance of \$17,486,383, which reflects an increase of \$1,288,981 in comparison with the prior year. The combined fund balance was \$16,197,402, as of June 30, 2013.

Overview of the Financial Statements

This Management Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components:

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

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

Government-wide financial statements

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

The Governmental Accounting Standards Board (GASB) has issued Statement No. 65, *Items Previously Reported as Assets and Liabilities* (GASB 65), which was adopted by the District as of the fiscal year ended June 30, 2014. This Statement established accounting and financial reporting standards that reclassify, as deferred outflows or resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and other accounting guidance. The implementation of GASB 65 (Note A-2) required bond issuance costs to be expensed in the year incurred. As a result of this implementation, net position as of July 1, 2013 decreased by \$133,201. Please refer to the Notes to the Financial Statements, Note A, Item 2 and Note O for further information.

Mundelein Consolidated High School District 120
Management's Discussion and Analysis
For the Year Ended June 30, 2014

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

The statement of activities presents information showing how the District's net position changed during the fiscal year being reported. All changes in net position are reported 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.

These statements include all assets, deferred inflows, and liabilities using the accrual basis of accounting. This basis of accounting considers all revenues available when they are collectible within the current period or soon enough thereafter to pay the liabilities of the current period. Expenditures are recorded when the related liability is incurred, except for unmatured principal and interest on general long-term debt and certain compensated absences, claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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

Fund financial statements

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

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.

The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General (includes the Educational, Tort Immunity and Judgment, and Working Cash Accounts), Operations and Maintenance, Debt Service, Transportation, Municipal Retirement/Social Security, and Capital Projects Funds, all of which are considered to be major funds.

Mundelein Consolidated High School District 120
Management's Discussion and Analysis
For the Year Ended June 30, 2014

The District adopts an annual budget for each of the funds listed above. Budgetary comparison schedules have 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 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 for the 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 statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in meeting its obligation to provide as fully adequate as possible educational services and extracurricular activities to all of its residents' students.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the Mundelein Consolidated High School District 120, total assets exceeded total deferred inflows and liabilities by \$31,075,502 at the close of the most recent fiscal year. The unrestricted net position at June 30, 2014 was \$10,793,179. This figure is \$1,677,317 greater than the prior year unrestricted net position of \$9,115,862 (as restated, see Note N). A portion of the District's net position reflects its investment in capital assets (e.g. land, buildings, improvements other than buildings, machinery, and equipment); less any related debt outstanding used to acquire those assets. The increase in total net position of \$3,658,644 indicates that the District's overall financial position improved during this fiscal year.

Total revenues for the District were \$42,459,373 in fiscal year 2014 (full accrual), an increase of \$1,696,970 from the prior fiscal year. The net increase results primarily from increases in property taxes of \$922,449, and in state sources of \$650,662 primarily from receiving 5 payments instead of 4 on mandated categorical grants and increased "on-behalf" payments. These totals include "on-behalf" payments representing calculated revenues to be paid directly to the Teachers' Retirement System (TRS) by the state (for more detailed information see Note E – Retirement Fund Commitments – Teachers' Retirement System).

Total actual expenditures for the District were \$38,800,729 in fiscal year 2014 (full accrual), an increase of \$5,446,473 from the prior fiscal year. This increase is reflected in large part to the increase in the state's on-behalf contribution to the Teachers' Retirement System as well as the purchase of 2,100 chromebooks.

Mundelein Consolidated High School District 120
Management's Discussion and Analysis
For the Year Ended June 30, 2014

Statement of Net Position
(Millions of dollars)

	<u>2014</u>	<u>2013</u>
Current Assets	\$ 50.856	\$ 48.861
Capital Assets, net	32.548	32.440
Total Assets	83.404	81.301
Current Liabilities	1.862	1.694
Long-term Liabilities	18.923	21.182
Total Liabilities	20.785	22.876
Unavailable Property Tax Revenues	31.543	31.008
Total Deferred Inflows	31.543	31.008
Net Position:		
Net investment in capital assets	16.050	13.749
Restricted	4.233	4.552
Unrestricted	10.793	9.116
Total Net Position (as restated, see Note O)	\$ 31.076	\$ 27.417

Statement of Activities- Full Accrual
(Millions of dollars)

	<u>2014</u>	<u>2013</u>
Revenues		
Program Revenues		
Charges for Services	\$ 1.102	\$ 1.158
Operating Grants and Contributions	8.680	7.781
Total Program Revenues	9.782	8.939
General Revenues		
Property Taxes	31.025	30.103
Replacement Taxes	0.326	0.322
Operating grants and contributions not restricted	1.202	1.139
Interest and Investment earnings	0.045	0.045
Miscellaneous	0.079	0.214
Total General Revenues	32.677	31.823
Total Revenue	42.459	40.762
Expenses		
Instruction	24.201	22.439
Support Services	13.557	9.581
Community Services	0.011	0.102
Nonprogrammed Charges	0.384	0.340
Interest and Fees	0.647	0.892
Total Expenses	38.800	33.354
Change in Net Position	\$ 3.659	\$ 7.408

Mundelein Consolidated High School District 120
Management's Discussion and Analysis
For the Year Ended June 30, 2014

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

At the end of the most recent fiscal year, the District's governmental funds reported a total combined ending fund balance of \$17,486,383. The unassigned fund balance component is \$13,218,531 and the restricted fund balance component is \$4,267,852.

General Fund (Educational, Working Cash, and Tort Immunity and Judgment Accounts):

Educational Account– The greatest variety and the largest volume of transactions are recorded in the Educational Account because the Educational Account covers expenditures that include the direct costs of all instruction, special education, interscholastic athletics and clubs, tuition-based programs, adult education, technology, guidance, social work, support services, lunch programs, administration, staff training, and security. Certain revenues that must be credited to this Fund include educational tax levies, tuition, lunch program receipts, state and federal grants and aid, and student fee revenue.

- At the end of fiscal year 2014, the Educational Fund had a fund balance of \$12,831,705. The fund balance as of June 30, 2013 was \$10,299,156. This difference reflects an increase in the fund balance of \$2,532,549.

Working Cash Account – If a separate tax is levied for working cash purposes or if bonds are sold for this purpose, this Fund is created. Interfund loans from the Working Cash Fund may be made to any fund for which taxes are levied.

- At the end of fiscal year 2014, the Working Cash Fund had a fund balance of \$639,996. The fund balance as of June 30, 2013 was \$627,261. This difference reflects an increase in the fund balance of \$12,735.

Tort Immunity and Judgment Account - This fund is required if taxes are levied or bonds sold for tort immunity or tort judgment purposes. Property taxes assigned to this fund were used to pay premiums for a) Workers' Compensation insurance, b) Property/Liability/Auto/Boiler Mechanical/School Board Legal Liability insurances, and c) Unemployment claims.

- At the end of fiscal year 2014, the Tort Immunity and Judgment Fund had a fund balance of \$222,989. The fund balance as of June 30, 2013 was \$150,238. The difference reflects an increase in the fund balance of \$72,751.

Operations and Maintenance Fund – All costs of maintaining, improving, or repairing school buildings and mechanical systems and grounds, and rental of buildings and property for school purposes, are reported in the Operations and Maintenance Fund. The facilities services contract costs, as well as salaries and insurance benefit costs of any District maintenance employees, as well as all costs of electricity, natural gas, water, telephone service, fuel, and maintenance and grounds equipment are included in the Operations and Maintenance Fund.

- At the end of fiscal year 2014, the Operations and Maintenance Fund had a fund balance of \$893,526. The fund balance as of June 30, 2013 was \$1,469,098. This difference reflects a decrease in the fund balance of \$575,572.

Mundelein Consolidated High School District 120
Management's Discussion and Analysis
For the Year Ended June 30, 2014

Transportation Fund – The costs of student transportation services are accounted for in the Transportation Fund and include the costs of the District's contractual services for regular routes, special education, field trips, and most athletic and club trips. The expense for fuel and for purchase and maintenance of the district's multi-function white buses and vans are also included. Monies received for transportation purposes include the tax levy and state reimbursements for regular and special education transportation.

- At the end of fiscal year 2014, the Transportation Fund had a fund balance of \$2,232,289. The fund balance as of June 30, 2013 was \$1,918,939. This difference reflects an increase in the fund balance of \$313,350.

Municipal Retirement/Social Security Fund – This Fund consists of two separate tax levies, one for the purpose of providing resources for the District's share of retirement benefits for support staff employees covered by the Illinois Municipal Retirement Fund, and a separate levy for the purpose of providing resources for the District's share of Social Security and Medicare-only payments for covered employees.

- At the end of fiscal year 2014, the Municipal Retirement/Social Security Fund had a fund balance of \$751,669. The fund balance as of June 30, 2013 was \$818,146. The difference reflects a decrease in the fund balance of \$66,477.

Debt Service Fund - Bonds are generally issued to finance the construction of buildings and large capital projects, and may be issued for other purposes. Taxes are levied to provide cash to retire these bonds and to pay the interest on them. To protect the bondholders, these tax collections are made independently by the county clerk and must be accounted for in the Debt Service Fund. Debt certificate payments are also made from this Fund with monies transferred from the Operations and Maintenance Fund.

- At the end of fiscal year 2014, the Debt Service Fund had a fund balance of \$167,379. The fund balance as of June 30, 2013 was \$101,385. This difference reflects an increase in the fund balance of \$65,994. This fund balance may only be used to pay the principal and interest on the District's outstanding bonded debt.

Capital Projects Fund - This fund is required to account for costs associated with large building projects including the architectural and construction management expenses associated with these projects. Most recently the projects undertaken and completed include restroom renovations and replacement of the exterior windows in the courtyard of the B-wing.

- At the end of fiscal year 2014, the Capital Projects Fund had a negative fund balance of \$253,170. The fund balance as of June 30, 2013 was \$813,179. Expenditures on the above mentioned projects during 2013-2014 were \$1,423,529.

Mundelein Consolidated High School District 120
Management's Discussion and Analysis
For the Year Ended June 30, 2014

The District's total revenues were \$42,459,373 (modified accrual). Approximately 76.8% of total governmental fund revenues come from local sources, 8.4% from state sources, 2.8% from federal sources, and 12% of revenues are calculated to be paid directly to TRS by the state (for more detailed information see Note E, Retirement Fund Commitments – Teachers' Retirement System).

2013-14 Budgetary Highlights

Annual budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America. All annual unencumbered appropriations lapse at fiscal year-end. The budget is prepared by fund, function, and object, and this format conforms to Illinois State Board of Education presentation guidelines.

- In August 2013, the Board adopted the 2013-14 Annual Budget. This was the seventh straight year with a balanced or surplus budget.
- The One-to-One Initiative included the purchase of 2,100 Chrome Books for all students.
- In June 2011, the District issued \$10,000,000 in General Obligation Limited School Bonds. The bond proceeds were used to fund capital projects over the last three years including installation of the new synthetic turf and track at the stadium, total renovation of the swimming pool facility, replacement of exterior windows in the B-wing, renovation of public restrooms, and several building infrastructure improvement projects.

The following specific results are shown below for the Educational Account (included in the General Fund) - the District's main operating fund:

- In the Educational Account, the District's largest operating fund, actual revenues of \$33.711 million exceeded actual expenditures of \$31.170 million by \$2.541 million. This Fund's ending balance increased from \$10.299 million to \$12.832 million. This fund balance represents approximately 41% of the 2013-14 expenditures.

Capital Assets and Debt Administration

Capital assets

As of June 30, 2014, the District had \$32.548 million invested in capital assets (net of depreciation), including land, buildings, improvements, and equipment. As of June 30, 2013, the District had \$32.440 million invested in capital assets. Additional information on the District's capital assets can be found in the notes to the financial statements (Note G).

Mundelein Consolidated High School District 120
Management's Discussion and Analysis
For the Year Ended June 30, 2014

Capital Assets (net of depreciation) (in thousands of dollars)		
	<u>2014</u>	<u>2013</u>
Land & Construction in Progress	\$9.903	\$ 9.489
Buildings	19.475	19.923
Improvements Other Than Buildings	1.963	1.994
Equipment and Transportation		
Equipment	<u>1.207</u>	<u>1.034</u>
Total	<u>\$32.548</u>	<u>\$32.440</u>

Long-term debt

As of June 30, 2014, the District had \$18.923 million in total long-term debt. This is a decrease of \$2.257 million compared to the previous fiscal year, an 11% reduction. Additional information regarding the District's long-term liabilities can be found in the notes to the financial statements (Note H). A summary of long-term debt is listed below:

Outstanding Long-Term Debt (in thousands of dollars)		
	<u>2014</u>	<u>2013</u>
General obligation bonds	\$13.759	\$15.832
Debt Certificates	5.035	5.210
Lease/Purchase Agreements	0.000	0.015
Loan	0.002	0.009
Other Postemployment Benefits	0.025	0.020
Compensated Absences	0.006	0.000
Net Pension Obligation	<u>0.096</u>	<u>0.094</u>
TOTAL	<u>\$18.923</u>	<u>\$21.180</u>

Factors Bearing on the District's Future

While the District continues to enjoy excellent financial results, the unresolved pension reform at the state level is still an area of concern with the possibility of a pension cost shift from the state to the District. The District is also concerned about the potential significant loss of state revenue if Senate Bill 16 passes the state House of Representatives.

Mundelein Consolidated High School District 120
Management's Discussion and Analysis
For the Year Ended June 30, 2014

A new building addition is planned to break ground in the spring of 2015. With 25 new classroom spaces including a state of the art STEM (Science, Technology, Engineering, and Mathematics) lab and Project Lead the Way lab. Great value will be added to the District's educational programs through improved college and career readiness for our students. The District will receive a Capital Development Board grant from the State of Illinois of up to \$8.3 million for this new classroom space. This grant will cover 35% of the total project cost leaving 65% of the cost to be financed locally through existing bonding authority and funds.

The information that is presented includes all items that management is aware of as of the date of this auditors' report.

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, please contact the Business Office.

BASIC FINANCIAL STATEMENTS

Mundelein Consolidated High School District 120
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
June 30, 2014

ASSETS

Cash and investments	\$	35,140,738
Receivables (net of allowance for uncollectibles):		
Property taxes		15,453,364
Replacement taxes		55,281
Intergovernmental		148,686
Other current assets		58,157
Capital assets:		
Land		8,982,366
Construction in progress		920,169
Depreciable buildings, property, and equipment, net		<u>22,645,150</u>
Total assets		<u>83,403,911</u>

LIABILITIES

Accounts payable		1,185,732
Salaries and wages payable		463,372
Interest payable		35,764
Unearned revenue		177,252
Long-term liabilities:		
Due within one year		2,602,805
Due after one year		<u>16,319,997</u>
Total liabilities		<u>20,784,922</u>

DEFERRED INFLOW OF RESOURCES

Unavailable property tax revenue		<u>31,543,487</u>
Total deferred inflows		<u>31,543,487</u>

NET POSITION

Net investment in capital assets		16,050,235
Restricted For:		
Operations and maintenance		893,526
Debt service		131,615
Student transportation		2,232,289
Retirement benefits		751,669
Tort immunity		222,989
Unrestricted		<u>10,793,179</u>
Total net position	<u>\$</u>	<u>31,075,502</u>

The accompanying notes are an integral part of this statement.

Mundelein Consolidated High School District 120

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2014

Functions / Programs	Expenses	PROGRAM REVENUES			Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
Instruction:					
Regular programs	\$12,604,801	\$ 681,209	\$ 623,186	\$ -	\$ (11,300,406)
Special programs	4,141,668	-	1,358,672	-	(2,782,996)
Other instructional programs	2,336,373	41,650	257,382	-	(2,037,341)
State retirement contributions	5,118,059	-	5,118,059	-	-
Support services:					
Pupils	2,111,254	-	-	-	(2,111,254)
Instructional staff	454,234	-	34,686	-	(419,548)
General administration	1,418,402	-	-	-	(1,418,402)
School administration	1,402,726	-	-	-	(1,402,726)
Business	1,646,111	356,478	332,268	100,000	(857,365)
Transportation	1,535,644	-	855,924	-	(679,720)
Operations and maintenance	3,295,688	22,742	-	-	(3,272,946)
Central	1,688,209	-	-	-	(1,688,209)
Other supporting services	4,770	-	-	-	(4,770)
Community services	11,201	-	-	-	(11,201)
Nonprogrammed charges - excluding special education	384,117	-	-	-	(384,117)
Interest and fees	<u>647,472</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(647,472)</u>
 Total governmental activities	 <u>\$38,800,729</u>	 <u>\$ 1,102,079</u>	 <u>\$ 8,580,177</u>	 <u>\$ 100,000</u>	 <u>\$ (29,018,473)</u>
General revenues:					
Taxes:					
Real estate taxes, levied for general purposes					23,368,130
Real estate taxes, levied for specific purposes					5,087,610
Real estate taxes, levied for debt service					2,569,244
Personal property replacement taxes					325,657
State aid-formula grants					1,202,533
Investment earnings					45,002
Miscellaneous					<u>78,941</u>
Total general revenues					<u>32,677,117</u>
Change in net position					3,658,644
Net position, beginning of year, as restated (See Note O)					<u>27,416,858</u>
Net position, end of year					<u>\$ 31,075,502</u>

The accompanying notes are an integral part of this statement.

Mundelein Consolidated High School District 120

Governmental Funds

BALANCE SHEET

June 30, 2014

	<u>General</u>	<u>Operations and Maintenance</u>	<u>Transportation</u>	<u>Municipal Retirement / Soc. Sec.</u>
ASSETS				
Cash and investments	\$ 26,414,273	\$ 3,065,302	\$ 2,716,023	\$ 1,181,912
Receivables (net of allowance for uncollectibles):				
Property taxes	11,667,435	1,653,422	426,501	414,817
Replacement taxes	55,281	-	-	-
Intergovernmental	148,686	-	-	-
Other current assets	<u>56,491</u>	<u>-</u>	<u>-</u>	<u>1,666</u>
 Total assets	<u>\$ 38,342,166</u>	<u>\$ 4,718,724</u>	<u>\$ 3,142,524</u>	<u>\$ 1,598,395</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 191,222	\$ 450,224	\$ 39,659	\$ -
Salaries and wages payable	463,372	-	-	-
Unearned school fees	<u>177,252</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total liabilities	<u>831,846</u>	<u>450,224</u>	<u>39,659</u>	<u>-</u>
DEFERRED INFLOWS				
Unavailable property taxes	<u>23,815,630</u>	<u>3,374,974</u>	<u>870,576</u>	<u>846,726</u>
 Total deferred inflows	<u>23,815,630</u>	<u>3,374,974</u>	<u>870,576</u>	<u>846,726</u>
FUND BALANCES				
Restricted	222,989	893,526	2,232,289	751,669
Unassigned	<u>13,471,701</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total fund balance	<u>13,694,690</u>	<u>893,526</u>	<u>2,232,289</u>	<u>751,669</u>
 Total liabilities, deferred inflows, and fund balance	<u>\$ 38,342,166</u>	<u>\$ 4,718,724</u>	<u>\$ 3,142,524</u>	<u>\$ 1,598,395</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Total
\$ 1,511,771	\$ 251,457	\$ 35,140,738
1,291,189	-	15,453,364
-	-	55,281
-	-	148,686
<u>-</u>	<u>-</u>	<u>58,157</u>
<u>\$ 2,802,960</u>	<u>\$ 251,457</u>	<u>\$ 50,856,226</u>
\$ -	\$ 504,627	\$ 1,185,732
-	-	463,372
<u>-</u>	<u>-</u>	<u>177,252</u>
<u>-</u>	<u>504,627</u>	<u>1,826,356</u>
<u>2,635,581</u>	<u>-</u>	<u>31,543,487</u>
<u>2,635,581</u>	<u>-</u>	<u>31,543,487</u>
167,379	-	4,267,852
<u>-</u>	<u>(253,170)</u>	<u>13,218,531</u>
<u>167,379</u>	<u>(253,170)</u>	<u>17,486,383</u>
<u>\$ 2,802,960</u>	<u>\$ 251,457</u>	<u>\$ 50,856,226</u>

Mundelein Consolidated High School District 120
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
For the Year Ended June 30, 2014

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

Total fund balances - governmental funds	\$ 17,486,383
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.	32,547,685
Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, therefore, is not recognized in the governmental funds balance sheet.	(35,764)
Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet.	<u>(18,922,802)</u>
Net position - governmental activities	<u>\$ 31,075,502</u>

The accompanying notes are an integral part of this statement.

Mundelein Consolidated High School District 120

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2014

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
Revenues				
Property taxes	\$ 23,609,791	\$ 3,078,004	\$ 992,084	\$ 775,861
Replacement taxes	308,657	-	-	17,000
State aid	7,719,577	-	855,924	-
Federal aid	1,207,209	-	-	-
Interest	33,996	3,852	2,396	938
Other	<u>1,086,389</u>	<u>94,631</u>	<u>-</u>	<u>-</u>
Total revenues	<u>33,965,619</u>	<u>3,176,487</u>	<u>1,850,404</u>	<u>793,799</u>
Expenditures				
Current:				
Instruction:				
Regular programs	11,191,382	-	-	167,035
Special programs	2,116,382	-	-	99,161
Other instructional programs	2,200,794	-	-	135,413
State retirement contributions	5,118,059	-	-	-
Support services:				
Pupils	2,041,731	-	-	69,321
Instructional staff	442,297	-	-	11,903
General administration	1,323,319	-	-	89,074
School administration	1,332,526	-	-	69,968
Business	1,190,211	133,194	-	45,478
Transportation	5,488	-	1,530,156	-
Operations and maintenance	493,811	2,573,791	-	95,259
Central	1,345,412	-	-	77,583
Other supporting services	4,770	-	-	-
Community services	11,120	-	-	81
Nonprogrammed charges	2,310,017	-	-	-
Debt service:				
Principal	-	-	6,509	-
Interest and other	-	-	63	-
Capital outlay	<u>211,374</u>	<u>388,919</u>	<u>326</u>	<u>-</u>
Total expenditures	<u>31,338,693</u>	<u>3,095,904</u>	<u>1,537,054</u>	<u>860,276</u>
Excess (deficiency) of revenues over expenditures	2,626,926	80,583	313,350	(66,477)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers (out)	<u>(8,891)</u>	<u>(656,155)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(8,891)</u>	<u>(656,155)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	2,618,035	(575,572)	313,350	(66,477)
Fund balance, beginning of year	<u>11,076,655</u>	<u>1,469,098</u>	<u>1,918,939</u>	<u>818,146</u>
Fund balance (deficit), end of year	<u>\$ 13,694,690</u>	<u>\$ 893,526</u>	<u>\$ 2,232,289</u>	<u>\$ 751,669</u>

The accompanying notes are an integral part of this statement.

	Debt Service	Capital Projects	Total
\$	2,569,244	\$ -	\$ 31,024,984
	-	-	325,657
	-	100,000	8,675,501
	-	-	1,207,209
	3,640	180	45,002
	-	-	1,181,020
	<u>2,572,884</u>	<u>100,180</u>	<u>42,459,373</u>
	-	-	11,358,417
	-	-	2,215,543
	-	-	2,336,207
	-	-	5,118,059
	-	-	2,111,052
	-	-	454,200
	-	-	1,412,393
	-	-	1,402,494
	-	8,601	1,377,484
	-	-	1,535,644
	-	-	3,162,861
	-	-	1,422,995
	-	-	4,770
	-	-	11,201
	-	-	2,310,017
	2,470,000	-	2,476,509
	444,936	-	444,999
	-	1,414,928	2,015,547
	<u>2,914,936</u>	<u>1,423,529</u>	<u>41,170,392</u>
	(342,052)	(1,323,349)	1,288,981
	408,046	257,000	665,046
	-	-	(665,046)
	<u>408,046</u>	<u>257,000</u>	<u>-</u>
	65,994	(1,066,349)	1,288,981
	<u>101,385</u>	<u>813,179</u>	<u>16,197,402</u>
\$	<u>167,379</u>	<u>(253,170)</u>	<u>\$ 17,486,383</u>

Mundelein Consolidated High School District 120

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

For the Year Ended June 30, 2014

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

Net change in fund balances - total governmental funds	\$ 1,288,981
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense and loss on disposal in the current period.	108,077
Accrued interest reported in the statement of activities does not require the use of current financial resources, and, therefore, is not reported as expenditures in the governmental funds.	3,709
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and increases in compensated absences consume the current financial resources of the governmental funds.	<u>2,257,877</u>
Change in net position - governmental activities	<u>\$ 3,658,644</u>

The accompanying notes are an integral part of this statement.

Mundelein Consolidated High School District 120

Agency Fund

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

June 30, 2014

	Student Activity Fund
<hr/>	
ASSETS	
Cash and investments	<u>\$ 307,124</u>
LIABILITIES	
Due to student groups	<u>\$ 307,124</u>

The accompanying notes are an integral part of this statement.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Mundelein Consolidated High School District 120 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units, hereinafter referred to as generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

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

1. Reporting Entity

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

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

Also, the District is not included as a component unit in any other governmental reporting entity, as defined by the Governmental Accounting Standards Board (GASB) pronouncements.

2. New Accounting Pronouncement

The Governmental Accounting Standards Board (GASB) has issued Statement No. 65, *Items Previously Reported as Assets and Liabilities* (GASB 65), which was implemented by the District during the fiscal year ended June 30, 2014. This Statement established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in limiting the use of the term deferred in financial statement presentations.

Specific changes to the District's financial statements relate to the following: unearned and unavailable property taxes, and bond issuance costs. Deferred property taxes are now reported as a deferred inflow of unavailable revenue rather than a liability. These reclassifications for reporting purposes had no impact on the net position of the District. Bond issuances costs are no longer considered an asset and are expensed in the year the costs are incurred. See Note O for the effect of this restatement.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fund Accounting

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

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

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

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

4. Government-Wide and Fund Financial Statements

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

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

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

a. General Fund

The *General Fund* includes the Educational Account, the Working Cash Account, and the Tort Immunity and Judgment Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources, held by the District, to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid within one year. As allowed by the School Code of Illinois, this Fund may be permanently abolished and become part of the Educational Account or it may be partially abated to any fund in need, as long as the District maintains a balance in the Working Cash Account of at least .05% of the District's current Equalized Assessed Valuation. The Tort Immunity and Judgment Account is used to account for revenues derived from a specific property tax levy and state reimbursement grants and expenditures of these monies is for risk management activities.

b. Special Revenue Funds

The special revenue funds are used to account for and report the proceeds of specific revenue sources (other than those accounted for in the Debt Service, Capital Projects, or Fiduciary Funds) that are legally restricted to expenditures for specified purposes.

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

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

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

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

c. Debt Service Fund

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

d. Capital Projects Fund

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

e. Fiduciary Fund

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

The Student Activity (Agency) Funds - are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. These Funds account for assets held by the District which are owned, operated, and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational, or cultural purposes. They account for activities such as student yearbook, student clubs and council, and scholarships.

5. Fund Balance

In the fund financial statements, governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Fund Balance (Continued)

- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds are by definition restricted for those specific purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. As of June 30, 2014, the District has no committed fund balance.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegates the authority to assign amounts to be used for specific purposes. The Board of Education delegated this authority to the Business Manager. As of June 30, 2014, the District has no assigned fund balance.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

Governmental fund balances reported on the fund financial statements at June 30, 2014 are as follows:

The restricted fund balance in the General Fund is comprised of \$222,989, representing the remaining unspent portion of the restricted tort immunity levy. The remaining restricted fund balances are for the purpose of the restricted funds as described in Note A-4.

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

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Governmental funds are used to account for the District's general governmental activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers revenues, except for property tax revenues, available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if vouchered by year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences, claims, and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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

The District reports unearned/unavailable revenue on its financial statements. Unearned revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned/unavailable revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned/unavailable revenue is removed from the balance sheet and revenue is recognized.

7. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position / fund balance that applies to a future period(s). At June 30, 2014, the District has no deferred outflows of resources. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting period(s). At June 30, 2014, the District's unavailable property taxes are reported as deferred inflows of resources.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

9. Deposits and Investments

Investments are stated at fair value. Due to the nature of the District's investments, fair value approximates cost. No amortization is made to interest income for discounted federal securities. Gains and losses on the sale of investments are recorded as interest income at the date of sale or maturity.

10. Personal Property Replacement Taxes

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

11. Prepaid Items

Prepaid items are recorded at cost and amortized over the term of the underlying agreements. Reported prepaid expenditures are equally offset by fund balance reserves, which indicate that they do not constitute "available spendable resources" even though they are a component of current assets. These are accounted for using the consumption method. At June 30, 2014, the District had no prepaid items.

12. Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, equipment, and transportation equipment are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of \$2,500 or more. Such assets are recorded at historical cost or estimated fair value at the date of donation.

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

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

<u>Assets</u>	<u>Years</u>
Buildings	30 - 40
Improvements other than buildings	20
Equipment	5 - 20
Transportation equipment	8

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Accumulated Unpaid Vacation and Sick Pay

Vacation benefits are granted to employees in varying amounts to specified maximums depending on tenure with the District. Vacation can accumulate for carryover up to 20 days. At June 30, 2014, accumulated unpaid vacation pay was \$5,902.

Sick leave is accumulated from year to year without limit, but it is not paid upon termination.

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

14. Long-Term Obligations

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

In the fund financial statements, governmental funds recognize bond premiums and discounts, losses on refunding, and bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance cost and losses on refunding are reported as debt service expenditures.

15. Use of Estimates

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

16. Restricted Net Position

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

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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

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

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

General obligation bonds	\$ 13,590,356
Debt certificates	5,035,000
Other postemployment benefits	24,688
Vehicle loan	1,903
Unamortized premium	168,872
Compensated absences	5,902
Net IMRF pension obligation	<u>96,081</u>
Net adjustment to reduce total fund balances - governmental funds to arrive at net position - governmental activities	<u>\$ 18,922,802</u>

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

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

Capital outlay	\$ 1,763,651
Depreciation expense	(1,630,243)
Loss on disposals	<u>(25,331)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position - governmental activities	<u>\$ 108,077</u>

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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

(Continued)

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

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

Principal repayments	
General obligation bonds	\$ 2,295,000
Debt certificates	175,000
Capital leases	15,206
Vehicle loan	7,536
Issuance of long-term liabilities	
Accretion on general obligation bonds	(241,344)
Net IMRF pension obligation	(2,012)
Other postemployment benefits (net change)	(4,536)
Compensated absences (net change)	(5,902)
Amortization of bond premium	<u>18,929</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position - governmental activities	\$ <u><u>2,257,877</u></u>

NOTE C - DEPOSITS AND INVESTMENTS

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

At June 30, 2014, the District's cash and investments consisted of the following:

	<u>Government- wide</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	\$ 35,140,738	\$ 307,124	\$ 35,447,862

At June 30, 2014, the District's cash and investments consisted of the following:

	<u>Total</u>
Deposits with financial institutions	\$ 2,953,991
Illinois School District Liquid Asset Fund Plus	15,893,871
Illinois School District Liquid Asset Fund Plus - Term Series	<u>16,600,000</u>
	<u>\$ 35,447,862</u>

1. Interest Rate Risk

The District's investment policy seeks to ensure 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's investment portfolio to be sufficiently liquid to enable the District to meet all operating requirements as they come due. A portion of the portfolio is required to be invested in readily available funds to ensure appropriate liquidity.

2. Credit Risk

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) and Illinois School District Liquid Asset Fund Plus - Term Series are unrated, not-for-profit investment trusts formed pursuant to the Illinois School Code and managed by a Board of Trustees elected from participating members. They are not registered with the SEC as an investment company, but operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments are valued at share price, which is the price for which the investment could be sold.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

3. Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2014, the bank balances of the District's deposits with financial institutions total \$35,552,535, and the District had no uninsured cash balances.

NOTE D - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on November 19, 2013. 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 tax year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations: individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

The County Clerk adds the Equalized Assessed Valuation of all real property in the District to the valuation of property assessed directly by the state (to which the Equalization Factor is not applied) to arrive at the base amount (the Assessment Base) used to calculate the annual tax rates, as described above. The Equalized Assessed Valuation for the extension for the 2013 tax levy was \$1,190,024,957.

Property taxes are collected by the Lake 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 June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

The 2013 property tax levy is recognized as a receivable in fiscal 2014, net of estimated uncollectible amounts of approximately 1%. The District considers that the 2013 levy is to be used to finance operations in fiscal 2015. Therefore, the entire 2013 levy, including amounts collected in fiscal 2015, has been recognized as deferred inflows - unavailable property tax revenues in the accompanying financial statements.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE E - RETIREMENT FUND COMMITMENTS

1. Teachers' Retirement System of the State of Illinois

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing, multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago.

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 state of Illinois maintains the primary responsibility for funding the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the system's administration.

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The active member contribution rate for the year ended June 30, 2014 was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after January 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2013 and 2012.

The state of Illinois makes contributions directly to TRS on behalf of the District's TRS-covered employees.

On-behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2014, state of Illinois contributions were based on 35.41 percent of creditable earnings not paid from federal funds, and the District recognized revenue and expenditures of \$4,981,334 in pension contributions that the state of Illinois paid directly to TRS. For the years ended June 30, 2013 and June 30, 2012, the contribution rates were 28.05 percent, \$3,838,412 and 24.91 percent, \$3,363,663, respectively.

The District makes other types of employer contributions directly to TRS:

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2014 were \$81,753. Contributions for the years ending June 30, 2013 and June 30, 2012 were \$79,449 and \$78,356, respectively.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

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

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, 2014, the employer pension contribution was 35.41 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2013 and 2012, the employer contribution was 28.05 and 24.91 percent, respectively. For the year ended June 30, 2014, salaries totaling \$27,811 were paid from federal and special trust funds that required employer contributions of \$9,848. For the years ended June 30, 2013 and June 30, 2012, required District contributions were \$3,884 and \$1,597, respectively.

Early Retirement Option (ERO)

The District is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member.

The maximum employer ERO contribution under the current program is 146.5 percent and applies when the member is age 55 at retirement.

For the year ended June 30, 2014, the District paid \$0 to TRS for employer contributions under the ERO program. For the years ended June 30, 2013 and June 30, 2012, the District paid \$0 and \$188,712, respectively, in employer ERO contributions.

Salary Increases Over 6 Percent and Excess Sick Leave

If the District grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the District makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent.

For the year ended June 30, 2014, the District paid \$411 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2013 and June 30, 2012, the District paid \$5,479 and \$8,747, respectively.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

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

Salary Increases Over 6 Percent and Excess Sick Leave (Continued)

If the District grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the District makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary rate reported by the granting employer during the four-year sick leave review period, and the TRS total normal cost rate (17.29 percent of salary during the year ended June 30, 2014).

For the year ended June 30, 2014, the District paid \$0 to TRS for sick leave days granted in excess of the normal annual allotment. For the years ended June 30, 2013 and June 30, 2012, the District paid \$0 and \$0, respectively.

Further Information on TRS

TRS financial information, an explanation of TRS benefits, and descriptions of member, employer, and state funding requirements can be found in the TRS Comprehensive Annual Financial Report for the year ended June 30, 2013. The report for the year ended June 30, 2014 is expected to be available in late 2014.

The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, 2815 West Washington Street, P.O. Box 19253, Springfield, IL 62794-9253. The most current report is also available on the TRS Web site at <http://trs.illinois.gov>.

THIS Fund Employer Contributions

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Beginning February 1, 2014, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

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

THIS Fund Employer Contributions (Continued)

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. 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 the THIS Fund.

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

On-behalf Contributions to the THIS Fund

The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members, which were 0.97 percent of pay during the year ended June 30, 2014. State of Illinois contributions were \$136,725, and the District recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2013 and June 30, 2012 were 0.92 and 0.88 percent of pay, respectively. State contributions on behalf of District employees were \$126,022 and \$118,885, respectively.

Employer Contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.72 percent during the year ended June 30, 2014 and 0.69 and 0.66 percent during the years ended June 30, 2013 and June 30, 2012, respectively. For the year ended June 30, 2014, the District paid \$101,487 to the THIS Fund. For the years ended June 30, 2013 and June 30, 2012, the District paid \$89,164 and \$88,306, respectively, which was 100 percent of the required contribution.

Further Information on the THIS Fund

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The District's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information (RSI). That report may be obtained on-line at www.imrf.org.

Funding Policy

As set by state statute, the District's regular plan members are required to contribute 4.5 percent of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual required contribution rate for calendar year 2013 was 16.01 percent. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by state statute.

Fiscal IMRF Pension Cost and Net IMRF Pension Obligation

The District's annual IMRF pension cost is calculated based on the annual required contribution (ARC) of the employer. The following table shows the components of the District's annual IMRF pension cost for the fiscal year, the amount actually contributed to the plan for the fiscal year, and changes in the District's net IMRF pension obligation as of June 30, 2014.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

2. **Illinois Municipal Retirement Fund** (Continued)

Fiscal IMRF Pension Cost and Net IMRF Pension Obligation (Continued)

	<u>June 30, 2014</u>
Annual Required Contribution (ARC)	\$ 365,452
Interest on net pension obligation	7,055
Adjustment to annual required contribution	<u>(5,043)</u>
Annual IMRF cost	367,464
Contributions made	<u>365,452</u>
Increase in IMRF pension obligation	2,012
Net IMRF pension obligation at July 1, 2013	<u>94,069</u>
Net IMRF pension obligation at June 30, 2014	<u>\$ 96,081</u>

Annual Pension Cost

Information related to the employer's contributions are on a fiscal year basis. The actuarial and trend information are on a calendar basis as that is the year used by the IMRF. The required contribution for the fiscal year 2014 was \$365,452.

Trend Information

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/14	\$ 367,464	99%	\$ 96,081
06/30/13	346,279	99%	94,069
06/30/12	325,793	93%	92,100

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Annual Pension Cost (Continued)

The required contribution for 2013 was determined as part of the December 31, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10 percent per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3 percent annually. The actuarial value of the District's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The District's regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30-year basis.

Funded Status and Funding Progress

As of December 31, 2013, the most recent actuarial valuation date, the regular plan was 36.07 percent funded. The actuarial accrued liability for benefits was \$4,361,922 and the actuarial value of assets was \$1,573,177, resulting in an underfunded actuarial accrued liability (UAAL) of \$2,788,745. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$2,274,291 and the ratio of the UAAL to the covered payroll was 123 percent.

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

3. Social Security/Medicare

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE F - OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The District is a participant in the Educational Benefits Cooperative (EBC) for medical, dental, and life insurance. The District's policy and applicable collective bargaining agreements do not permit retirees in the administrative, nonunion support, and certified Mundelein Education Association or "MEA" employment categories to participate in the health care plan. Retirees in the support staff category represented by the Mundelein Education Support Association ("MESA") are eligible to participate in the health care plan. Such MESA retirees pay 100% of the applicable annual premiums. For 2014, a total of 205 former employees or spouses accessed a postemployment benefit(s) through the District.

Funding Policy

MEA retirees may be reimbursed up to \$2,750 in each of the first two years after retirement for documented health care plan expenses. Again, these employees do not participate in the District health care plan. Currently, the District contributes 87.5 percent to the postemployment benefits. For fiscal year 2014, the District contributed \$39,255 toward the cost of the postemployment benefits for retirees.

Annual OPEB Cost and Net OPEB Obligation

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with 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 to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation to the Retiree Health Plan:

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

	<u>June 30, 2014</u>
Annual required contribution	\$ 42,985
Interest on net OPEB obligation	<u>806</u>
Annual OPEB cost	43,791
Contributions made	<u>(39,255)</u>
Increase in net OPEB obligation	4,536
Net OPEB obligation beginning of year	<u>20,152</u>
Net OPEB obligation end of year	<u><u>\$ 24,688</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2014 and the two preceding fiscal years were as follows:

Trend Information			
Actuarial Valuation Date	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/14*	\$ 43,791	89.6%	\$ 24,688
6/30/13	35,883	104.1%	20,152
6/30/12	36,846	101.4%	21,639

* Annual OPEB cost estimated using ARC from most recent valuation

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Funding Status and Funding Progress

As of June 30, 2013 (the most recent actuarial date), the actuarial accrued liability for benefits was \$357,782, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) and the ratio of the unfunded actuarial accrued liability to the covered payroll were not available.

The projection of future benefit payments for an ongoing plan involved 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 with past expectations and new estimates are made about the future.

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

Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The 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.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Methods and Assumptions (Continued)

The following simplifying assumptions were made:

Contribution rates:	
District	Not Applicable
Plan members	0.00%
Actuarial valuation date	June 30, 2013
Actuarial cost method	Entry age
Amortization period	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return*	4.00%
Projected salary increases	4.00%
Healthcare inflation rate	8.00% initial 6.00% ultimate
Mortality, Turnover, Disability, Retirement ages	Similar rates utilized for IMRF
Percentage of active employees assumed to elect benefit	Teachers 100%, IMRF 20%
Employer Provided Benefit	Explicit (teachers only): 2 years of \$2,500-\$2,750 Implicit (IMRF only): 40% of premium to age 65 (50% of \$548/mo + 50% of \$1,332/mo)

*Includes inflation at 3.00%

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE G - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>Balance</u> <u>July 1, 2013</u>	<u>Increases /</u> <u>Transfers</u>	<u>Decreases /</u> <u>Transfers</u>	<u>Balance</u> <u>June 30, 2014</u>
Capital assets, not being depreciated				
Land	\$ 8,982,366	\$ -	\$ -	\$ 8,982,366
Construction in progress	<u>506,812</u>	<u>920,169</u>	<u>506,812</u>	<u>920,169</u>
 Total capital assets, not being depreciated	 <u>9,489,178</u>	 <u>920,169</u>	 <u>506,812</u>	 <u>9,902,535</u>
 Capital assets, being depreciated				
Buildings	39,562,809	739,412	-	40,302,221
Improvements other than buildings	3,051,961	105,050	13,056	3,143,955
Equipment	5,098,321	505,832	161,520	5,442,633
Transportation equipment	<u>285,537</u>	<u>-</u>	<u>17,369</u>	<u>268,168</u>
 Total capital assets, being depreciated	 <u>47,998,628</u>	 <u>1,350,294</u>	 <u>191,945</u>	 <u>49,156,977</u>
 Less accumulated depreciation for:				
Buildings	19,640,175	1,187,082	-	20,827,257
Improvements other than buildings	1,057,895	129,449	6,202	1,181,142
Equipment	4,143,872	296,053	143,043	4,296,882
Transportation equipment	<u>206,256</u>	<u>17,659</u>	<u>17,369</u>	<u>206,546</u>
 Total accumulated depreciation	 <u>25,048,198</u>	 <u>1,630,243</u>	 <u>166,614</u>	 <u>26,511,827</u>
 Total capital assets being depreciated, net	 <u>22,950,430</u>	 <u>(279,949)</u>	 <u>25,331</u>	 <u>22,645,150</u>
Governmental activities capital assets, net	<u>\$ 32,439,608</u>	<u>\$ 640,220</u>	<u>\$ 532,143</u>	<u>\$ 32,547,685</u>

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE G - CAPITAL ASSETS (Continued)

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

Governmental activities		
General Government		
Regular programs	\$	1,222,682
Business services		16,301
Operations and maintenance		130,418
Central		<u>260,842</u>
	\$	<u><u>1,630,243</u></u>

Loss on disposals was charged to functions/programs of the primary government as follows:

Governmental activities		
General Government		
Regular programs	\$	18,998
Business services		253
Operations and maintenance		2,026
Central		<u>4,054</u>
	\$	<u><u>25,331</u></u>

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE H - LONG-TERM LIABILITIES

1. Changes in General Long-term Liabilities

During the year ended June 30, 2014, the following is the long-term liability activity for the District:

	<u>Balance July 1, 2013</u>	<u>Additions / Accretion</u>	<u>Reductions</u>	<u>Balance June 30, 2014</u>
Bonds payable:				
General obligation bonds	\$ 15,644,012	\$ 241,344	\$ 2,295,000	\$ 13,590,356
Add unamortized premium	187,801	-	18,929	168,872
Debt certificates	5,210,000	-	175,000	5,035,000
Capital leases	15,206	-	15,206	-
Vehicle loan	9,439	-	7,536	1,903
Other postemployment benefits	20,152	43,791	39,255	24,688
Compensated absences	-	5,902	-	5,902
Net IMRF pension obligation	94,069	2,012	-	96,081
	<u>21,180,679</u>	<u>293,049</u>	<u>2,550,926</u>	<u>18,922,802</u>
Total long-term liabilities - governmental activities	<u>\$ 21,180,679</u>	<u>\$ 293,049</u>	<u>\$ 2,550,926</u>	<u>\$ 18,922,802</u>

At June 30, 2014, amounts due within one year on the outstanding long-term liabilities were as follows:

Bonds payable:	
General obligation bonds	\$ 2,420,000
Debt certificates	175,000
Compensated absences	5,902
Vehicle loan	<u>1,903</u>
Total long-term liabilities - governmental activities	<u>\$ 2,602,805</u>

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE H - LONG-TERM LIABILITIES (Continued)

2. General Obligation Bonds Payable

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

<u>Purpose</u>	<u>Interest Rates</u>	<u>Carrying Amount</u>	<u>Face Amount</u>
2002 Limited Tax Capital Appreciation School Bonds	3.60% - 5.19%	\$ 4,680,356	\$ 5,680,000
2008 Refunding School Bonds	4.00%	335,000	335,000
2011 General Obligation Limited School Bonds	2.00% - 4.00%	<u>8,575,000</u>	<u>8,575,000</u>
		\$ <u>13,590,356</u>	\$ <u>14,590,000</u>

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

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 2,420,000	\$ 196,148	\$ 2,616,148
2016	2,560,000	153,022	2,713,022
2017	2,740,000	105,481	2,845,481
2018	2,375,000	60,166	2,435,166
2019	1,790,000	25,337	1,815,337
2020-2022	<u>2,705,000</u>	<u>5,750</u>	<u>2,710,750</u>
	\$ <u>14,590,000</u>	\$ <u>545,904</u>	\$ <u>15,135,904</u>

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$167,379 in the Debt Service Fund to service the outstanding bond payable. As of June 30, 2014, the District was in compliance with all significant bond covenants.

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included on the District's financial statements. At June 30, 2014, approximately \$1,335,000 remained in the irrevocable trust account.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE H - LONG-TERM LIABILITIES (Continued)

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2014, the statutory debt limit for the District was \$83,118,563, providing a debt margin of \$63,491,660.

3. Debt Certificates

Annual debt service requirements to maturity for debt certificates are as follows for governmental-type activities:

Year ending June 30,	Principal	Interest	Total
2015	\$ 175,000	\$ 209,815	\$ 384,815
2016	185,000	202,926	387,926
2017	195,000	195,369	390,369
2018	440,000	182,467	622,467
2019	455,000	164,090	619,090
2020-2024	2,595,000	503,736	3,098,736
2025-2026	990,000	65,147	1,055,147
	\$ 5,035,000	\$ 1,523,550	\$ 6,558,550

Principal and interest payments on the debt certificates will be repaid from the Debt Service Fund with funding provided by the Operations and Maintenance Fund.

4. Vehicle Loan

During the year ended June 30, 2012, the District financed a truck for operations and maintenance. The loan requires quarterly payments through March 2015. The obligation will be repaid from the Debt Service Fund, with funding provided by the Operations and Maintenance Fund. Total repayments on the loan amounted to \$7,536 in the current year.

Year ending June 30,	Principal	Interest	Total
2015	\$ 1,903	\$ 17	\$ 1,920

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE I - OPERATING LEASES AND SUBSEQUENT EVENT

The District leases copiers from a third party. The lease term requires monthly payments of \$2,404 through July 2018. Subsequent to year end, the District entered into three operating leases for vehicles to be used in the drivers' education program. Each agreement requires monthly principal and interest payments of \$236 through June 2016. Future minimum lease payments for these leases are as follows:

Year Ending		
June 30		Total
2015	\$	37,359
2016		37,359
2017		28,848
2018		28,848
2019		2,404
	\$	<u>134,818</u>

NOTE J - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases coverage against such risks. To protect the District from such risks, the District participates in the Collective Liability Insurance Cooperative (CLIC) public entity risk pool for property damage and injury claims. The arrangements with the pool provide that the pool will be self-sustaining through member premiums, and will reinsure through commercial companies for claims in excess of certain levels established by the pool. Settled claims resulting from these risks have not exceeded commercial insurance 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. 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 K - JOINT AGREEMENTS

1. Special Education District of Lake County (SEDOL)

The District is a member of the Special Education District of Lake County (SEDOL) joint agreement that provides certain special education services to residents of many school districts. It is also a member of the risk management pool listed above (Note J). The District believes that, because it does not control the selection of the governing authority and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not required to be included as component units of the District.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE K - JOINT AGREEMENTS (Continued)

2. Lake County Area Vocational System (LCAVS)

The District and seventeen other districts within Lake and McHenry Counties have entered into a joint agreement to provide vocational programs for member districts that are not offering these services individually. Each member district has a financial responsibility for annual and special assessments, as established by the management council. Total amounts paid under the terms of the joint agreement were approximately \$276,000 for the year ended June 30, 2014.

NOTE L - INTERFUND TRANSFERS

The District transferred \$257,000 from the Operations and Maintenance Fund to the Capital Projects Fund. The amount transferred represents funds transferred to pay for the District's capital improvement projects.

The District transferred \$216,377 from the Operations and Maintenance Fund to the Debt Service Fund. The amount transferred represents funds transferred to pay interest on the District's debt certificates.

The District transferred \$175,000 from the Operations and Maintenance Fund to the Debt Service Fund. The amount transferred represents funds transferred to pay principal on the District's debt certificates.

The District transferred \$7,778 from the Operations and Maintenance Fund to the Debt Service Fund. The amount transferred represents funds transferred to pay principal and interest on the District's vehicle loan.

The District transferred \$8,891 from the Educational Fund to the Debt Service Fund. The amount transferred represents funds transferred to pay principal and interest on the District's capital leases.

NOTE M - CONTINGENCIES

1. Litigation

The District is not involved in any significant litigation that would materially affect the balances reported at June 30, 2014. With regard to other pending matters, the eventual outcome and related liability, if any, is not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs.

2. Grants

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

NOTE N - CONSTRUCTION COMMITMENTS

The District has entered into certain contracts for construction in the next fiscal year. Commitments under these contracts approximate \$554,000, at June 30, 2014.

NOTE O - PRIOR PERIOD ADJUSTMENT

The implementation of GASB 65 (Note A-2) required bond issuance costs to be expensed in the year incurred. As a result of this implementation, net position as of July 1, 2013 was restated and decreased by \$133,201.

NOTE P - DEFICIT FUND BALANCE

At June 30, 2014, the following fund has a deficit fund balance.

<u>Fund</u>		<u>Deficit</u>
Capital Projects Fund	\$	253,170

District management expects to fund this deficit through future operating revenues.

NOTE Q - SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 14, 2014, the date that these financial statements were available to be issued. Management has determined that no events or transactions, other than the operating leases identified in Note I, have occurred subsequent to the statement of net position / balance sheet date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Mundelein Consolidated High School District 120
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND
June 30, 2014

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2)-(1)]/(5)
12/31/13	\$ 1,573,177	\$ 4,361,922	36.07 %	\$ 2,788,745	\$ 2,274,291	122.62 %
12/31/12	1,210,946	4,104,265	29.50	2,893,319	2,067,799	139.92
12/31/11	1,052,886	3,955,867	26.62	2,902,981	2,119,038	137.00

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$2,371,673. On a market basis, the funded ratio would be 54.37%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Mundelein Consolidated High School District 120. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

Mundelein Consolidated High School District 120

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS

June 30, 2014

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2)-(1)]/(5)
6/30/2014*	\$ -	\$ 357,782	0.00 %	\$ 357,782	\$ NA	NA %
6/30/2013*	-	357,782	0.00	357,782	NA	NA
6/30/2012	-	297,122	0.00	297,122	NA	NA

NA - not available

*6/30/2013 information is the most recent available.

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
General levy	\$22,772,260	\$22,772,260	\$23,024,716	\$ 252,456	\$21,912,972
Leasing levy	75,488	75,488	76,314	826	111,233
Special education levy	503,254	503,254	508,761	5,507	583,975
Corporate personal property replacement taxes	300,259	300,259	308,657	8,398	309,866
Summer school tuition from pupils or parents	41,500	41,500	41,650	150	51,759
Interest on investments	20,300	20,300	33,996	13,696	28,617
Sales to pupils - lunch	72,500	72,500	85,335	12,835	81,872
Sales to pupils - breakfast	4,000	4,000	5,506	1,506	4,684
Sales to adults	215,000	215,000	255,656	40,656	241,976
Other food service	8,350	8,350	9,981	1,631	9,077
Admissions - athletic	21,000	21,000	26,496	5,496	21,680
Fees	374,500	374,500	367,646	(6,854)	404,339
Book store sales	21,500	21,500	26,421	4,921	22,186
Other district/school activity revenue	251,500	251,500	253,501	2,001	261,718
Other - textbooks	6,000	6,000	7,145	1,145	6,870
Other	5,100	5,100	7,052	1,952	32,859
Total local sources	<u>24,692,511</u>	<u>24,692,511</u>	<u>25,038,833</u>	<u>346,322</u>	<u>24,085,683</u>
State sources					
General State Aid	1,184,300	1,184,300	1,202,533	18,233	1,139,425
Special Education - Private Facility Tuition	400,000	400,000	418,987	18,987	336,763
Special Education - Extraordinary	325,000	325,000	278,232	(46,768)	293,198
Special Education - Personnel	250,000	250,000	235,387	(14,613)	281,639

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Special Education - Orphanage					
- Individual	\$ 425,000	\$ -	\$ -	\$ -	\$ 391,335
Special Education -					
- Summer School	1,250	1,250	2,478	1,228	1,446
CTE - Secondary Program					
Improvement (CTEI)	19,795	19,795	17,995	(1,800)	16,359
Bilingual Ed. - Downstate					
- T.P.I. and T.P.E.	47,349	47,349	35,219	(12,130)	28,603
State Free Lunch and Breakfast	5,000	5,000	5,509	509	5,610
Driver Education	40,000	40,000	46,799	6,799	46,245
Adult Education (from ICCB)	334,907	334,907	358,379	23,472	327,536
Technology - Learning					
Technology Centers	1,600	1,600	-	(1,600)	-
Other state sources	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>	<u>31,050</u>
Total state sources	<u>3,084,201</u>	<u>2,659,201</u>	<u>2,601,518</u>	<u>(57,683)</u>	<u>2,899,209</u>
Federal sources					
National School Lunch Program	185,000	185,000	260,550	75,550	229,636
Special Breakfast Program	40,000	40,000	66,209	26,209	55,159
Title I - Low Income	193,509	266,520	218,008	(48,512)	210,885
Federal - Special Education					
- I.D.E.A. - Flow Through	214,503	214,503	343,291	128,788	81,638
Federal - Special Education					
- I.D.E.A. - Room and Board	17,000	17,000	20,365	3,365	35,138
CTE - Perkins -					
Title IIIIE Technical Prep	18,035	18,035	-	(18,035)	-
CTE - Other	-	-	17,947	17,947	16,819
Federal - Adult Education	175,816	175,816	175,816	-	173,568
Emergency Immigrant Assistance	7,950	7,950	8,402	452	5,806
Title III - English					
Language Acquisition	-	-	2,003	2,003	7,453
Title II - Teacher Quality	49,596	55,497	34,686	(20,811)	57,685

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Medicaid Matching Funds - Administrative Outreach	\$ -	\$ -	\$ 6,587	\$ 6,587	\$ 15,170
Medicaid Matching Funds - Fee-For-Service-Program	-	-	53,345	53,345	6,954
Total federal sources	<u>901,409</u>	<u>980,321</u>	<u>1,207,209</u>	<u>226,888</u>	<u>895,911</u>
Total revenues	<u>28,678,121</u>	<u>28,332,033</u>	<u>28,847,560</u>	<u>515,527</u>	<u>27,880,803</u>
Expenditures					
Instruction					
Regular programs					
Salaries	8,670,073	8,675,234	8,807,054	(131,820)	8,346,731
Employee benefits	2,056,172	1,932,374	1,699,266	233,108	2,027,335
Purchased services	129,819	129,819	123,957	5,862	-
Supplies and materials	539,000	547,955	444,356	103,599	408,422
Capital outlay	28,000	28,000	23,823	4,177	181,710
Other objects	12,000	12,000	5,763	6,237	5,260
Non-capitalized equipment	<u>145,500</u>	<u>149,000</u>	<u>110,986</u>	<u>38,014</u>	<u>-</u>
Total	<u>11,580,564</u>	<u>11,474,382</u>	<u>11,215,205</u>	<u>259,177</u>	<u>10,969,458</u>
Special education programs					
Salaries	2,116,630	2,116,630	2,034,783	81,847	1,973,598
Employee benefits	37,918	47,218	43,011	4,207	25,407
Purchased services	18,000	18,000	8,418	9,582	10,158
Supplies and materials	45,400	45,400	23,130	22,270	12,967
Capital outlay	25,700	25,700	-	25,700	-
Non-capitalized equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>174</u>
Total	<u>2,243,648</u>	<u>2,252,948</u>	<u>2,109,342</u>	<u>143,606</u>	<u>2,022,304</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Remedial and Supplemental programs K-12					
Salaries	\$ -	\$ -	\$ 1,515	\$ (1,515)	\$ 3,165
Employee benefits	-	-	20	(20)	37
Purchased services	<u>5,000</u>	<u>5,000</u>	<u>5,505</u>	<u>(505)</u>	<u>1,485</u>
Total	<u>5,000</u>	<u>5,000</u>	<u>7,040</u>	<u>(2,040)</u>	<u>4,687</u>
Adult/continuing education programs					
Salaries	423,643	502,643	330,242	172,401	347,582
Employee benefits	13,535	13,535	13,594	(59)	13,221
Purchased services	7,500	7,500	1,975	5,525	2,665
Supplies and materials	<u>64,566</u>	<u>84,566</u>	<u>149,801</u>	<u>(65,235)</u>	<u>63,300</u>
Total	<u>509,244</u>	<u>608,244</u>	<u>495,612</u>	<u>112,632</u>	<u>426,768</u>
CTE programs					
Supplies and materials	620	620	-	620	16,828
Capital outlay	<u>37,210</u>	<u>55,825</u>	<u>54,658</u>	<u>1,167</u>	<u>16,879</u>
Total	<u>37,830</u>	<u>56,445</u>	<u>54,658</u>	<u>1,787</u>	<u>33,707</u>
Interscholastic programs					
Salaries	967,241	967,241	1,011,275	(44,034)	967,832
Employee benefits	-	8,400	7,989	411	13,436
Purchased services	165,500	165,500	134,267	31,233	-
Supplies and materials	145,500	145,500	160,173	(14,673)	133,513
Capital outlay	-	-	-	-	147,533
Non-capitalized equipment	<u>16,500</u>	<u>16,500</u>	<u>4,157</u>	<u>12,343</u>	<u>-</u>
Total	<u>1,294,741</u>	<u>1,303,141</u>	<u>1,317,861</u>	<u>(14,720)</u>	<u>1,262,314</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Summer school programs					
Salaries	\$ 50,000	\$ 50,000	\$ 92,641	\$ (42,641)	\$ 69,445
Employee benefits	-	750	1,113	(363)	777
Purchased services	500	500	200	300	172
Supplies and materials	<u>9,580</u>	<u>9,580</u>	<u>1,198</u>	<u>8,382</u>	<u>-</u>
Total	<u>60,080</u>	<u>60,830</u>	<u>95,152</u>	<u>(34,322)</u>	<u>70,394</u>
Drivers education programs					
Supplies and materials	<u>-</u>	<u>-</u>	<u>425</u>	<u>(425)</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>425</u>	<u>(425)</u>	<u>-</u>
Bilingual programs					
Salaries	311,944	314,284	279,492	34,792	259,291
Employee benefits	7,089	2,600	2,692	(92)	2,278
Purchased services	1,670	1,500	2,205	(705)	1,027
Supplies and materials	8,276	8,276	7,355	921	8,296
Capital outlay	<u>13,700</u>	<u>6,349</u>	<u>6,349</u>	<u>-</u>	<u>-</u>
Total	<u>342,679</u>	<u>333,009</u>	<u>298,093</u>	<u>34,916</u>	<u>270,892</u>
Total instruction	<u>16,073,786</u>	<u>16,093,999</u>	<u>15,593,388</u>	<u>500,611</u>	<u>15,060,524</u>
Support services					
Pupils					
Attendance and social work services					
Salaries	378,208	378,208	442,989	(64,781)	360,737
Employee benefits	288,717	293,517	287,001	6,516	173,389
Supplies and materials	<u>2,500</u>	<u>2,500</u>	<u>105</u>	<u>2,395</u>	<u>875</u>
Total	<u>669,425</u>	<u>674,225</u>	<u>730,095</u>	<u>(55,870)</u>	<u>535,001</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Final Budget	Actual	Variance From Final Budget	
Guidance services					
Salaries	\$ 978,559	\$ 978,559	\$ 980,616	\$ (2,057)	\$ 985,003
Employee benefits	-	13,000	12,528	472	16,265
Purchased services	78,398	78,398	64,425	13,973	41,864
Supplies and materials	<u>36,400</u>	<u>36,400</u>	<u>29,122</u>	<u>7,278</u>	<u>18,592</u>
Total	<u>1,093,357</u>	<u>1,106,357</u>	<u>1,086,691</u>	<u>19,666</u>	<u>1,061,724</u>
Health services					
Salaries	127,099	127,099	159,631	(32,532)	119,905
Employee benefits	-	1,680	1,680	-	1,523
Purchased services	-	-	184	(184)	-
Supplies and materials	<u>2,500</u>	<u>2,500</u>	<u>2,080</u>	<u>420</u>	<u>1,618</u>
Total	<u>129,599</u>	<u>131,279</u>	<u>163,575</u>	<u>(32,296)</u>	<u>123,046</u>
Psychological services					
Purchased services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,500</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,500</u>
Speech pathology and audiology services					
Salaries	60,583	60,583	60,583	-	57,819
Employee benefits	<u>-</u>	<u>750</u>	<u>787</u>	<u>(37)</u>	<u>734</u>
Total	<u>60,583</u>	<u>61,333</u>	<u>61,370</u>	<u>(37)</u>	<u>58,553</u>
Total pupils	<u>1,952,964</u>	<u>1,973,194</u>	<u>2,041,731</u>	<u>(68,537)</u>	<u>1,782,824</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Instructional staff					
Improvement of instruction services					
Salaries	\$ 17,712	\$ 36,434	\$ 32,021	\$ 4,413	\$ 52,854
Employee benefits	-	-	484	(484)	738
Purchased services	25,855	29,204	34,484	(5,280)	75,250
Supplies and materials	4,500	13,997	4,117	9,880	2,670
Other objects	<u>3,824</u>	<u>3,910</u>	<u>3,910</u>	<u>-</u>	<u>3,815</u>
Total	<u>51,891</u>	<u>83,545</u>	<u>75,016</u>	<u>8,529</u>	<u>135,327</u>
Educational media services					
Salaries	253,423	253,423	239,915	13,508	253,321
Employee benefits	-	2,600	2,688	(88)	3,380
Supplies and materials	<u>30,100</u>	<u>30,100</u>	<u>29,121</u>	<u>979</u>	<u>29,970</u>
Total	<u>283,523</u>	<u>286,123</u>	<u>271,724</u>	<u>14,399</u>	<u>286,671</u>
Assessment and testing					
Purchased services	64,213	77,434	95,305	(17,871)	54,463
Supplies and materials	<u>-</u>	<u>270</u>	<u>252</u>	<u>18</u>	<u>-</u>
Total	<u>64,213</u>	<u>77,704</u>	<u>95,557</u>	<u>(17,853)</u>	<u>54,463</u>
Total instructional staff	<u>399,627</u>	<u>447,372</u>	<u>442,297</u>	<u>5,075</u>	<u>476,461</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
General administration					
Board of education services					
Salaries	\$ 74,274	\$ 74,274	\$ 50,000	\$ 24,274	\$ 48,000
Employee benefits	454,708	454,708	464,976	(10,268)	3,395
Purchased services	284,995	288,295	326,697	(38,402)	-
Supplies and materials	7,500	7,500	2,800	4,700	7,263
Capital outlay	-	-	-	-	220,253
Other objects	<u>11,000</u>	<u>11,000</u>	<u>11,211</u>	<u>(211)</u>	<u>9,911</u>
Total	<u>832,477</u>	<u>835,777</u>	<u>855,684</u>	<u>(19,907)</u>	<u>288,822</u>
Executive administration services					
Salaries	300,985	300,985	348,770	(47,785)	318,326
Employee benefits	-	7,000	5,707	1,293	10,803
Purchased services	9,000	9,000	10,737	(1,737)	5,814
Supplies and materials	8,000	8,000	6,044	1,956	6,303
Capital outlay	-	-	-	-	4,000
Other objects	3,000	3,000	4,795	(1,795)	2,727
Non-capitalized equipment	<u>4,000</u>	<u>4,000</u>	<u>2,173</u>	<u>1,827</u>	<u>-</u>
Total	<u>324,985</u>	<u>331,985</u>	<u>378,226</u>	<u>(46,241)</u>	<u>347,973</u>
Special area administrative services					
Supplies and materials	<u>528</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>219</u>
Total	<u>528</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>219</u>
Tort immunity services					
Purchased services	<u>239,246</u>	<u>239,246</u>	<u>169,195</u>	<u>70,051</u>	<u>153,933</u>
Total	<u>239,246</u>	<u>239,246</u>	<u>169,195</u>	<u>70,051</u>	<u>153,933</u>
Total general administration	<u>1,397,236</u>	<u>1,407,008</u>	<u>1,403,105</u>	<u>3,903</u>	<u>790,947</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Actual	Variance	2013 Actual
	Original Budget	Final Budget		From Final Budget	
School administration					
Office of the principal services					
Salaries	\$ 711,207	\$ 711,207	\$ 697,422	\$ 13,785	\$ 808,767
Employee benefits	5,000	14,200	8,281	5,919	30,437
Purchased services	53,000	53,000	38,846	14,154	31,098
Supplies and materials	72,000	72,000	72,346	(346)	55,869
Other objects	8,250	8,250	10,434	(2,184)	9,472
Total	849,457	858,657	827,329	31,328	935,643
Other support services - school administration					
Salaries	444,776	444,776	498,714	(53,938)	408,191
Employee benefits	-	6,500	6,483	17	11,148
Total	444,776	451,276	505,197	(53,921)	419,339
Total school administration	1,294,233	1,309,933	1,332,526	(22,593)	1,354,982
Business					
Direction of business support services					
Salaries	154,000	154,000	169,978	(15,978)	217,499
Employee benefits	-	4,000	3,433	567	7,978
Purchased services	53,000	53,000	68,642	(15,642)	53,029
Supplies and materials	3,000	3,000	2,782	218	3,960
Capital outlay	-	-	1,148	(1,148)	1,024
Non-capitalized equipment	5,000	5,000	1,000	4,000	-
Total	215,000	219,000	246,983	(27,983)	283,490

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Final Budget	Actual	Variance From Final Budget	
Fiscal services					
Salaries	\$ 194,107	\$ 194,107	\$ 152,055	\$ 42,052	\$ 147,650
Employee benefits	-	-	-	-	9,536
Purchased services	750	750	451	299	729
Supplies and materials	<u>2,000</u>	<u>2,000</u>	<u>1,833</u>	<u>167</u>	<u>1,561</u>
Total	<u>196,857</u>	<u>196,857</u>	<u>154,339</u>	<u>42,518</u>	<u>159,476</u>
Operation and maintenance of plant services					
Salaries	299,657	299,657	348,584	(48,927)	346,257
Employee benefits	-	-	-	-	4,040
Purchased services	113,100	113,100	35,495	77,605	222,339
Supplies and materials	43,000	43,000	29,716	13,284	7,306
Capital outlay	-	-	148	(148)	3,410
Non-capitalized equipment	<u>5,000</u>	<u>5,000</u>	<u>230</u>	<u>4,770</u>	<u>-</u>
Total	<u>460,757</u>	<u>460,757</u>	<u>414,173</u>	<u>46,584</u>	<u>583,352</u>
Pupil transportation services					
Purchased services	<u>6,700</u>	<u>6,700</u>	<u>5,488</u>	<u>1,212</u>	<u>1,691</u>
Total	<u>6,700</u>	<u>6,700</u>	<u>5,488</u>	<u>1,212</u>	<u>1,691</u>
Food services					
Purchased services	578,000	578,000	618,736	(40,736)	578,781
Supplies and materials	<u>1,500</u>	<u>1,500</u>	<u>1,261</u>	<u>239</u>	<u>321</u>
Total	<u>579,500</u>	<u>579,500</u>	<u>619,997</u>	<u>(40,497)</u>	<u>579,102</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Internal services					
Salaries	\$ 31,139	\$ 31,139	\$ 31,671	\$ (532)	\$ 48,179
Purchased services	88,000	88,000	95,468	(7,468)	7,042
Supplies and materials	57,000	57,000	42,901	14,099	41,762
Capital outlay	<u>-</u>	<u>-</u>	<u>22,093</u>	<u>(22,093)</u>	<u>45,750</u>
Total	<u>176,139</u>	<u>176,139</u>	<u>192,133</u>	<u>(15,994)</u>	<u>142,733</u>
Total business	<u>1,634,953</u>	<u>1,638,953</u>	<u>1,633,113</u>	<u>5,840</u>	<u>1,749,844</u>
Central					
Staff services					
Salaries	13,075	13,063	10,250	2,813	9,473
Employee benefits	-	-	70	(70)	65
Purchased services	1,800	-	-	-	1,546
Supplies and materials	<u>5,750</u>	<u>4,000</u>	<u>3,602</u>	<u>398</u>	<u>2,691</u>
Total	<u>20,625</u>	<u>17,063</u>	<u>13,922</u>	<u>3,141</u>	<u>13,775</u>
Data processing services					
Salaries	306,990	306,990	333,032	(26,042)	286,719
Employee benefits	-	-	-	-	5,640
Purchased services	190,100	190,100	164,552	25,548	101,202
Supplies and materials	96,250	96,250	87,347	8,903	69,806
Capital outlay	100,000	100,000	103,155	(3,155)	283,539
Non-capitalized equipment	<u>75,000</u>	<u>800,000</u>	<u>746,559</u>	<u>53,441</u>	<u>-</u>
Total	<u>768,340</u>	<u>1,493,340</u>	<u>1,434,645</u>	<u>58,695</u>	<u>746,906</u>
Total central	<u>788,965</u>	<u>1,510,403</u>	<u>1,448,567</u>	<u>61,836</u>	<u>760,681</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Other supporting services					
Purchased services	\$ 41,157	\$ 49,527	\$ 4,368	\$ 45,159	\$ 18,083
Supplies and materials	<u>1,000</u>	<u>1,000</u>	<u>402</u>	<u>598</u>	<u>456</u>
Total	<u>42,157</u>	<u>50,527</u>	<u>4,770</u>	<u>45,757</u>	<u>18,539</u>
Total support services	<u>7,510,135</u>	<u>8,337,390</u>	<u>8,306,109</u>	<u>31,281</u>	<u>6,934,278</u>
Community services					
Salaries	3,650	3,728	2,018	1,710	2,599
Employee benefits	-	-	11	(11)	6
Purchased services	41,943	42,251	4,790	37,461	95,046
Supplies and materials	<u>4,130</u>	<u>5,100</u>	<u>4,301</u>	<u>799</u>	<u>4,078</u>
Total	<u>49,723</u>	<u>51,079</u>	<u>11,120</u>	<u>39,959</u>	<u>101,729</u>
Payments to other districts and government units					
Payments for regular programs					
Other objects	<u>50,000</u>	<u>50,000</u>	<u>23,085</u>	<u>26,915</u>	<u>5,488</u>
Total	<u>50,000</u>	<u>50,000</u>	<u>23,085</u>	<u>26,915</u>	<u>5,488</u>
Payments for special education programs					
Other objects	<u>2,697,000</u>	<u>2,697,000</u>	<u>1,925,900</u>	<u>771,100</u>	<u>2,269,160</u>
Total	<u>2,697,000</u>	<u>2,697,000</u>	<u>1,925,900</u>	<u>771,100</u>	<u>2,269,160</u>
Payments for CTE education programs					
Purchased services	5,000	5,000	-	5,000	-
Other objects	<u>475,000</u>	<u>475,000</u>	<u>283,765</u>	<u>191,235</u>	<u>295,234</u>
Total	<u>480,000</u>	<u>480,000</u>	<u>283,765</u>	<u>196,235</u>	<u>295,234</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Other payments to in-state governmental units					
Purchased services	\$ 4,217	\$ 4,217	\$ 4,217	\$ -	\$ 4,217
Total	<u>4,217</u>	<u>4,217</u>	<u>4,217</u>	<u>-</u>	<u>4,217</u>
Payments for regular programs - tuition					
Other objects	135,000	135,000	64,331	70,669	30,398
Payments for regular programs - transfers					
Other objects	<u>30,000</u>	<u>30,000</u>	<u>8,719</u>	<u>21,281</u>	<u>4,355</u>
Total payments to other districts and other government units	<u>3,396,217</u>	<u>3,396,217</u>	<u>2,310,017</u>	<u>1,086,200</u>	<u>2,608,852</u>
Total expenditures	<u>27,029,861</u>	<u>27,878,685</u>	<u>26,220,634</u>	<u>1,658,051</u>	<u>24,705,383</u>
Excess of revenues over expenditures	<u>1,648,260</u>	<u>453,348</u>	<u>2,626,926</u>	<u>2,173,578</u>	<u>3,175,420</u>
Other financing uses					
Transfer to Debt Service Fund for principal on capital leases	-	-	(8,697)	(8,697)	(19,610)
Transfer to Debt Service Fund for interest on capital leases	<u>-</u>	<u>-</u>	<u>(194)</u>	<u>(194)</u>	<u>(1,727)</u>
Total other financing uses	<u>-</u>	<u>-</u>	<u>(8,891)</u>	<u>(8,891)</u>	<u>(21,337)</u>
Net change to fund balance	<u>\$ 1,648,260</u>	<u>\$ 453,348</u>	2,618,035	<u>\$ 2,164,687</u>	3,154,083
Fund balance, beginning of year			<u>11,076,655</u>		<u>7,922,572</u>
Fund balance, end of year			<u>\$13,694,690</u>		<u>\$11,076,655</u>

(Concluded)

Mundelein Consolidated High School District 120
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
General levy	\$3,044,689	\$3,044,689	\$3,078,004	\$ 33,315	\$2,502,751
Interest on investments	2,000	2,000	3,852	1,852	2,809
Rentals	83,000	83,000	22,742	(60,258)	59,169
Contributions and donations from private sources	100,000	100,000	57,618	(42,382)	125,331
Other	-	-	14,271	14,271	48,586
Total local sources	<u>3,229,689</u>	<u>3,229,689</u>	<u>3,176,487</u>	<u>(53,202)</u>	<u>2,738,646</u>
Total revenues	<u>3,229,689</u>	<u>3,229,689</u>	<u>3,176,487</u>	<u>(53,202)</u>	<u>2,738,646</u>
Expenditures					
Support services					
Facilities acquisition and construction services					
Purchased services	-	-	51,499	(51,499)	-
Capital outlay	-	-	363,880	(363,880)	-
Other objects	-	-	81,695	(81,695)	-
Total	<u>-</u>	<u>-</u>	<u>497,074</u>	<u>(497,074)</u>	<u>-</u>
Operation and maintenance of plant services					
Salaries	71,117	71,117	74,145	(3,028)	65,774
Employee benefits	26,832	26,832	26,169	663	-
Purchased services	1,625,135	1,618,135	1,617,639	496	-
Supplies and materials	619,150	619,150	618,776	374	553,697
Capital outlay	57,778	57,778	25,039	32,739	1,159,741

(Continued)

Mundelein Consolidated High School District 120
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Other objects	\$ 239,146	\$ 239,146	\$ 190,907	\$ 48,239	\$ 83,794
Non-capitalized equipment	<u>40,000</u>	<u>40,000</u>	<u>46,155</u>	<u>(6,155)</u>	<u>-</u>
Total	<u>2,679,158</u>	<u>2,672,158</u>	<u>2,598,830</u>	<u>73,328</u>	<u>1,863,006</u>
Total business	<u>2,679,158</u>	<u>2,672,158</u>	<u>3,095,904</u>	<u>(423,746)</u>	<u>1,863,006</u>
Total support services	<u>2,679,158</u>	<u>2,672,158</u>	<u>3,095,904</u>	<u>(423,746)</u>	<u>1,863,006</u>
Provision for contingencies	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>40,000</u>	<u>-</u>
Total expenditures	<u>2,719,158</u>	<u>2,712,158</u>	<u>3,095,904</u>	<u>(383,746)</u>	<u>1,863,006</u>
Excess of revenues over expenditures	<u>510,531</u>	<u>517,531</u>	<u>80,583</u>	<u>(436,948)</u>	<u>875,640</u>
Other financing uses					
Transfer to Debt Service Fund for principal on revenue bonds	(175,000)	(175,000)	(175,000)	-	(165,000)
Transfer to Debt Service Fund for interest on revenue bonds	(216,377)	(216,377)	(216,377)	-	(222,546)
Transfer to Capital Projects Fund	(257,895)	(257,895)	(257,000)	(895)	-
Other uses not classified elsewhere	<u>-</u>	<u>-</u>	<u>(7,778)</u>	<u>7,778</u>	<u>(7,776)</u>
Total other financing uses	<u>(649,272)</u>	<u>(649,272)</u>	<u>(656,155)</u>	<u>6,883</u>	<u>(395,322)</u>
Net change in fund balance	<u>\$ (138,741)</u>	<u>\$ (131,741)</u>	(575,572)	<u>\$ (430,065)</u>	480,318
Fund balance, beginning of year			<u>1,469,098</u>		<u>988,780</u>
Fund balance, end of year			<u>\$ 893,526</u>		<u>\$1,469,098</u>

(Concluded)

Mundelein Consolidated High School District 120
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Actual	Variance	2013 Actual
	Original Budget	Final Budget		From Final Budget	
Revenues					
Local sources					
General levy	\$ 981,346	\$ 981,346	\$ 992,084	\$ 10,738	\$ 1,348,705
Interest on investments	<u>1,500</u>	<u>1,500</u>	<u>2,396</u>	<u>896</u>	<u>2,247</u>
Total local sources	<u>982,846</u>	<u>982,846</u>	<u>994,480</u>	<u>11,634</u>	<u>1,350,952</u>
State sources					
Transportation - Regular/Vocational	100,535	100,535	49,176	(51,359)	141,341
Transportation - Special Education	<u>925,494</u>	<u>925,494</u>	<u>806,748</u>	<u>(118,746)</u>	<u>969,855</u>
Total state sources	<u>1,026,029</u>	<u>1,026,029</u>	<u>855,924</u>	<u>(170,105)</u>	<u>1,111,196</u>
Total revenues	<u>2,008,875</u>	<u>2,008,875</u>	<u>1,850,404</u>	<u>(158,471)</u>	<u>2,462,148</u>
Expenditures					
Business					
Pupil transportation services					
Purchased services	1,764,000	1,764,000	1,387,599	376,401	1,527,149
Supplies and materials	198,000	198,000	142,557	55,443	141,618
Capital outlay	<u>46,000</u>	<u>46,000</u>	<u>326</u>	<u>45,674</u>	<u>-</u>
Total	<u>2,008,000</u>	<u>2,008,000</u>	<u>1,530,482</u>	<u>477,518</u>	<u>1,668,767</u>
Total support services	<u>2,008,000</u>	<u>2,008,000</u>	<u>1,530,482</u>	<u>477,518</u>	<u>1,668,767</u>

(Continued)

Mundelein Consolidated High School District 120
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Debt service					
Other interest	\$ -	\$ -	\$ 63	\$ (63)	\$ -
Capital leases					
Principal	-	-	6,509	(6,509)	27,319
Total	-	-	6,509	(6,509)	27,319
Total debt service	-	-	6,572	(6,572)	28,229
Total expenditures	2,008,000	2,008,000	1,537,054	470,946	1,696,996
Excess of revenues over expenditures	875	875	313,350	312,475	765,152
Net change in fund balance	\$ 875	\$ 875	313,350	\$ 312,475	765,152
Fund balance, beginning of year			1,918,939		1,153,787
Fund balance, end of year			\$ 2,232,289		\$ 1,918,939

(Concluded)

Mundelein Consolidated High School District 120
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Final Budget	Actual	Variance From Final Budget	
Revenues					
Local sources					
General levy	\$ 416,142	\$ 416,142	\$ 356,133	\$ (60,009)	\$ 500,550
Special education levy	-	-	63,595	63,595	69,527
Social security/Medicare only levy	352,277	352,277	356,133	3,856	500,550
Corporate personal property replacement taxes	17,000	17,000	17,000	-	12,051
Interest on investments	<u>1,000</u>	<u>1,000</u>	<u>938</u>	<u>(62)</u>	<u>1,133</u>
Total local sources	<u>786,419</u>	<u>786,419</u>	<u>793,799</u>	<u>7,380</u>	<u>1,083,811</u>
Total revenues	<u>786,419</u>	<u>786,419</u>	<u>793,799</u>	<u>7,380</u>	<u>1,083,811</u>
Expenditures					
Instruction					
Regular programs	160,168	153,200	167,035	(13,835)	145,513
Special education programs	-	81,235	99,139	(17,904)	93,675
Remedial and supplemental programs K-12	-	-	22	(22)	59
Adult/continuing education programs	-	41,840	46,427	(4,587)	46,158
Interscholastic programs	-	64,900	66,398	(1,498)	58,040
Summer school programs	-	1,450	2,719	(1,269)	1,741
Bilingual programs	<u>-</u>	<u>17,050</u>	<u>19,869</u>	<u>(2,819)</u>	<u>21,399</u>
Total instruction	<u>160,168</u>	<u>359,675</u>	<u>401,609</u>	<u>(41,934)</u>	<u>366,585</u>

(Continued)

Mundelein Consolidated High School District 120
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Final Budget	Actual	Variance From Final Budget	
Support services					
Pupils					
Attendance and social work services	\$ 322,665	\$ 22,185	\$ 23,036	\$ (851)	\$ 21,790
Guidance services	-	38,200	36,501	1,699	29,566
Health services	-	8,830	8,974	(144)	1,745
Speech pathology and audiology services	-	650	810	(160)	780
Total pupils	<u>322,665</u>	<u>69,865</u>	<u>69,321</u>	<u>544</u>	<u>53,881</u>
Instructional staff					
Improvement of instruction services	-	-	631	(631)	1,004
Educational media services	-	8,400	11,272	(2,872)	15,294
Total instructional staff	<u>-</u>	<u>8,400</u>	<u>11,903</u>	<u>(3,503)</u>	<u>16,298</u>
General administration					
Board of education services	275,894	70,045	70,501	(456)	70,148
Executive administration services	-	18,500	18,573	(73)	17,840
Total general administration	<u>275,894</u>	<u>88,545</u>	<u>89,074</u>	<u>(529)</u>	<u>87,988</u>
School administration					
Office of the principal services	-	62,800	63,074	(274)	63,940
Other support services - school administration	-	7,000	6,894	106	5,725
Total school administration	<u>-</u>	<u>69,800</u>	<u>69,968</u>	<u>(168)</u>	<u>69,665</u>

(Continued)

Mundelein Consolidated High School District 120
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014				2013 Actual
	Original Budget	Final Budget	Actual	Variance From Final Budget	
Business					
Direction of business support services	\$ 50,000	\$ 2,500	\$ 2,469	\$ 31	\$ 3,185
Fiscal services	-	35,500	35,580	(80)	34,661
Operation and maintenance of plant services	-	92,200	95,259	(3,059)	93,317
Internal services	-	6,500	7,429	(929)	11,389
Total business	<u>50,000</u>	<u>136,700</u>	<u>140,737</u>	<u>(4,037)</u>	<u>142,552</u>
Central					
Staff services	-	-	75	(75)	71
Data processing services	-	76,100	77,508	(1,408)	67,715
Total central	<u>-</u>	<u>76,100</u>	<u>77,583</u>	<u>(1,483)</u>	<u>67,786</u>
Total support services	<u>648,559</u>	<u>449,410</u>	<u>458,586</u>	<u>(9,176)</u>	<u>438,170</u>
Community services	<u>-</u>	<u>-</u>	<u>81</u>	<u>(81)</u>	<u>13</u>
Total expenditures	<u>808,727</u>	<u>809,085</u>	<u>860,276</u>	<u>(51,191)</u>	<u>804,768</u>
Excess (deficiency) of revenues over expenditures	<u>(22,308)</u>	<u>(22,666)</u>	<u>(66,477)</u>	<u>(43,811)</u>	<u>279,043</u>
Net change in fund balance	<u>\$ (22,308)</u>	<u>\$ (22,666)</u>	<u>(66,477)</u>	<u>\$ (43,811)</u>	<u>279,043</u>
Fund balance, beginning of year			<u>818,146</u>		<u>539,103</u>
Fund balance, end of year			<u>\$ 751,669</u>		<u>\$ 818,146</u>

(Concluded)

Mundelein Consolidated High School District 120

Notes to the Required Supplementary Information

June 30, 2014

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

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

- a) Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) Prior to October 1, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- e) The Board of Education may amend the budget by the same procedures required of its original adoption.
- f) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- g) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on August 27, 2013, and as amended by the Board of Education on June 17, 2014.

2. BUDGET RECONCILIATION

The statement of revenues, expenditures, and changes in fund balance - governmental funds (GAAP basis) includes "on-behalf" payments received and made for the amounts contributed by the state of Illinois for the employer's share of the Teachers' Retirement System pension. The District does not budget for these amounts. The differences between the budget and GAAP basis are as follows:

	<u>Revenues</u>	<u>Expenditures</u>
General fund - budgetary basis	\$ 28,847,560	\$ 26,220,634
To adjust for on-behalf payments received	5,118,059	-
To adjust for on-behalf payments made	-	5,118,059
	<u>\$ 33,965,619</u>	<u>\$ 31,338,693</u>

Mundelein Consolidated High School District 120

Notes to the Required Supplementary Information

June 30, 2014

3. EXPENDITURES IN EXCESS OF BUDGETS

The following funds had an excess of expenditures over budget as follows:

<u>Fund</u>	<u>Variance</u>
Operations & Maintenance Fund	383,746
Municipal Retirement / Social Security Fund	51,191

SUPPLEMENTARY FINANCIAL INFORMATION

Mundelein Consolidated High School District 120

General Fund

COMBINING BALANCE SHEET

June 30, 2014

	<u>Educational</u>	<u>Tort Immunity and Judgment</u>	<u>Working Cash</u>	<u>Total</u>
ASSETS				
Cash and investments	\$ 25,417,458	\$ 344,653	\$ 652,162	\$ 26,414,273
Property taxes	11,538,901	116,850	11,684	11,667,435
Replacement taxes	55,281	-	-	55,281
Intergovernmental	148,686	-	-	148,686
Other current assets	<u>56,491</u>	<u>-</u>	<u>-</u>	<u>56,491</u>
Total assets	<u>\$ 37,216,817</u>	<u>\$ 461,503</u>	<u>\$ 663,846</u>	<u>\$ 38,342,166</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 191,222	\$ -	\$ -	\$ 191,222
Salaries and wages payable	463,372	-	-	463,372
Unearned school fees	<u>177,252</u>	<u>-</u>	<u>-</u>	<u>177,252</u>
Total liabilities	<u>831,846</u>	<u>-</u>	<u>-</u>	<u>831,846</u>
DEFERRED INFLOWS				
Unavailable property taxes	<u>23,553,266</u>	<u>238,514</u>	<u>23,850</u>	<u>23,815,630</u>
Total deferred inflows	<u>23,553,266</u>	<u>238,514</u>	<u>23,850</u>	<u>23,815,630</u>
FUND BALANCES				
Restricted	-	222,989	-	222,989
Unassigned	<u>12,831,705</u>	<u>-</u>	<u>639,996</u>	<u>13,471,701</u>
Total fund balance	<u>12,831,705</u>	<u>222,989</u>	<u>639,996</u>	<u>13,694,690</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 37,216,817</u>	<u>\$ 461,503</u>	<u>\$ 663,846</u>	<u>\$ 38,342,166</u>

Mundelein Consolidated High School District 120

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES For the Year Ended June 30, 2014

	Educational	Tort Immunity and Judgment	Working Cash	Total
Revenues				
Property taxes	\$ 23,355,410	\$ 241,661	\$ 12,720	\$ 23,609,791
Replacement taxes	308,657	-	-	308,657
State aid	7,719,577	-	-	7,719,577
Federal aid	1,207,209	-	-	1,207,209
Interest	33,696	285	15	33,996
Other	1,086,389	-	-	1,086,389
	<u>33,710,938</u>	<u>241,946</u>	<u>12,735</u>	<u>33,965,619</u>
Total revenues				
Expenditures				
Current:				
Instruction:				
Regular programs	11,191,382	-	-	11,191,382
Special programs	2,116,382	-	-	2,116,382
Other instructional programs	2,200,794	-	-	2,200,794
State retirement contributions	5,118,059	-	-	5,118,059
Support services:				
Pupils	2,041,731	-	-	2,041,731
Instructional staff	442,297	-	-	442,297
General administration	1,233,910	89,409	-	1,323,319
School administration	1,332,526	-	-	1,332,526
Business	1,190,211	-	-	1,190,211
Transportation	5,488	-	-	5,488
Operations and maintenance	414,025	79,786	-	493,811
Central	1,345,412	-	-	1,345,412
Other supporting services	4,770	-	-	4,770
Community services	11,120	-	-	11,120
Nonprogrammed charges	2,310,017	-	-	2,310,017
Debt service:				
Capital outlay	211,374	-	-	211,374
	<u>31,169,498</u>	<u>169,195</u>	<u>-</u>	<u>31,338,693</u>
Total expenditures				
Excess of revenues over expenditures	<u>2,541,440</u>	<u>72,751</u>	<u>12,735</u>	<u>2,626,926</u>

(Continued)

Mundelein Consolidated High School District 120

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES For the Year Ended June 30, 2014

	<u>Educational</u>	<u>Tort Immunity and Judgment</u>	<u>Working Cash</u>	<u>Total</u>
Other financing uses				
Transfers out	\$ (8,891)	\$ -	\$ -	\$ (8,891)
Total other financing uses	<u>(8,891)</u>	<u>-</u>	<u>-</u>	<u>(8,891)</u>
Net change in fund balance	2,532,549	72,751	12,735	2,618,035
Fund balance, beginning of year	<u>10,299,156</u>	<u>150,238</u>	<u>627,261</u>	<u>11,076,655</u>
Fund balance, end of year	<u>\$ 12,831,705</u>	<u>\$ 222,989</u>	<u>\$ 639,996</u>	<u>\$ 13,694,690</u>

(Concluded)

Mundelein Consolidated High School District 120
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
General levy	\$ 2,580,136	\$ 2,580,136	\$ 2,569,244	\$ (10,892)	\$ 2,572,272
Interest on investments	<u>1,500</u>	<u>1,500</u>	<u>3,640</u>	<u>2,140</u>	<u>3,217</u>
Total local sources	<u>2,581,636</u>	<u>2,581,636</u>	<u>2,572,884</u>	<u>(8,752)</u>	<u>2,575,489</u>
Total revenues	<u>2,581,636</u>	<u>2,581,636</u>	<u>2,572,884</u>	<u>(8,752)</u>	<u>2,575,489</u>
Expenditures					
Debt service					
Bonds - interest	767,235	767,235	467,624	299,611	537,537
Total debt service - interest	<u>767,235</u>	<u>767,235</u>	<u>467,624</u>	<u>299,611</u>	<u>537,537</u>
Principal payments on long-term debt	<u>2,169,954</u>	<u>2,169,954</u>	<u>2,470,000</u>	<u>(300,046)</u>	<u>2,650,000</u>
Other debt service					
Other objects	<u>2,150</u>	<u>2,150</u>	<u>(22,688)</u>	<u>24,838</u>	<u>126,895</u>
Total	<u>2,150</u>	<u>2,150</u>	<u>(22,688)</u>	<u>24,838</u>	<u>126,895</u>
Total debt service	<u>2,939,339</u>	<u>2,939,339</u>	<u>2,914,936</u>	<u>24,403</u>	<u>3,314,432</u>
Total expenditures	<u>2,939,339</u>	<u>2,939,339</u>	<u>2,914,936</u>	<u>24,403</u>	<u>3,314,432</u>
Deficiency of revenues over expenditures	<u>(357,703)</u>	<u>(357,703)</u>	<u>(342,052)</u>	<u>15,651</u>	<u>(738,943)</u>

(Continued)

Mundelein Consolidated High School District 120
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2014
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Other financing sources					
Transfer to pay for principal on capital leases	\$ -	\$ -	\$ 8,697	\$ -	\$ 19,610
Transfer to pay for interest on capital leases	-	-	194	-	1,727
Transfer to pay for principal on revenue bonds	175,000	175,000	175,000	-	165,000
Transfer to pay for interest on revenue bonds	216,377	216,377	216,377	-	222,546
Other sources not classified elsewhere	<u>-</u>	<u>-</u>	<u>7,778</u>	<u>-</u>	<u>7,776</u>
Total other financing sources	<u>391,377</u>	<u>391,377</u>	<u>408,046</u>	<u>-</u>	<u>416,659</u>
Net change in fund balance	<u>\$ 33,674</u>	<u>\$ 33,674</u>	65,994	<u>\$ 15,651</u>	(322,284)
Fund balance, beginning of year			<u>101,385</u>		<u>423,669</u>
Fund balance, end of year			<u>\$ 167,379</u>		<u>\$ 101,385</u>

(Concluded)

Mundelein Consolidated High School District 120
 Capital Projects Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
Interest on investments	\$ 500	\$ 500	\$ 180	\$ (320)	\$ 7,072
Total local sources	<u>500</u>	<u>500</u>	<u>180</u>	<u>(320)</u>	<u>7,072</u>
State sources					
Infrastructure Improvements - Construction	-	-	100,000	100,000	-
Other state sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total state sources	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>50,000</u>
Federal sources					
Total revenues	<u>500</u>	<u>500</u>	<u>100,180</u>	<u>99,680</u>	<u>57,072</u>
Expenditures					
Support services					
Facilities acquisition and construction services					
Purchased services	1,315,000	1,315,000	8,601	1,306,399	-
Capital outlay	<u>200,000</u>	<u>200,000</u>	<u>1,414,928</u>	<u>(1,214,928)</u>	<u>3,653,918</u>
Total	<u>1,515,000</u>	<u>1,515,000</u>	<u>1,423,529</u>	<u>91,471</u>	<u>3,653,918</u>
Total support services	<u>1,515,000</u>	<u>1,515,000</u>	<u>1,423,529</u>	<u>91,471</u>	<u>3,653,918</u>
Total expenditures	<u>1,515,000</u>	<u>1,515,000</u>	<u>1,423,529</u>	<u>91,471</u>	<u>3,653,918</u>
Deficiency of revenues over expenditures	<u>(1,514,500)</u>	<u>(1,514,500)</u>	<u>(1,323,349)</u>	<u>191,151</u>	<u>(3,596,846)</u>

(Continued)

Mundelein Consolidated High School District 120
 Capital Projects Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2014
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			Variance From Final Budget	2013 Actual
	Original Budget	Final Budget	Actual		
Other financing sources					
Transfer to Capital Projects Fund	\$ 257,895	\$ 257,895	\$ 257,000	\$ 895	\$ -
Total other financing sources	<u>257,895</u>	<u>257,895</u>	<u>257,000</u>	<u>895</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,256,605)</u>	<u>\$ (1,256,605)</u>	(1,066,349)	<u>\$ 192,046</u>	(3,596,846)
Fund balance, beginning of year			<u>813,179</u>		<u>4,410,025</u>
Fund balance (deficit), end of year			<u>\$ (253,170)</u>		<u>\$ 813,179</u>

(Concluded)

Mundelein Consolidated High School District 120
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2014

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2014</u>
Assets				
Cash and cash equivalents	\$ 287,388	\$ 713,437	\$ 693,701	\$ 307,124
Total assets	<u>\$ 287,388</u>	<u>\$ 713,437</u>	<u>\$ 693,701</u>	<u>\$ 307,124</u>
Liabilities				
Due to student groups				
Band Camp	\$ 3,055	\$ 8,270	\$ 9,345	\$ 1,980
Baseball Camp	1,620	2,930	3,990	560
Basketball Camp - Boys	10,842	11,597	18,215	4,224
Cheerleading Camp	700	1,150	247	1,603
Dance Team Camp	50	1,350	1,350	50
Football Camp	6,586	11,381	15,311	2,656
Basketball Camp - Girls	2,119	2,620	3,221	1,518
Softball Camp	512	2,930	3,001	441
Gymnastics Camp	954	2,390	2,891	453
Lacrosse Camp	510	2,206	2,546	170
Soccer Camp - Both	2,855	6,885	8,750	990
Tennis Camp	1,625	4,684	5,130	1,179
Volleyball Camp - Both	2,450	5,530	5,810	2,170
Swimming Camp - Both	1,285	2,390	3,675	-
Cross Country - Both	538	1,800	2,038	300
Diving Camp	445	2,280	2,150	575
Golf Camp - Girls	120	768	312	576
Speed Camp	100	750	650	200
Vocal Music Camp	1,600	700	800	1,500
Throw Camp	240	360	600	-
Gymnastics Camp - Boys	600	490	220	870
Track - Speed Camp	100	-	-	100
Water Polo Camp - Boys	500	3,625	2,625	1,500
Water Polo Camp - Girls	800	2,650	3,000	450
Water Polo Camp - Youth	105	3,700	1,350	2,455
Flags Camp	300	575	-	875
Volleyball - Fundraiser	-	8,271	6,636	1,635
Gymnastics Bob Bohl Invite	4,246	5,072	4,837	4,481
Basketball - Thanksgiving - Boys	5,825	5,501	6,348	4,978
Basketball -Girls - Holiday	4,236	8,887	3,260	9,863
Basketball - Girls - Thanksgiving	3,869	4,840	103	8,606

(Continued)

Mundelein Consolidated High School District 120
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Golf - Boys - JV Invite	\$ 206	\$ 1,520	\$ 1,726	\$ -
Golf - Boys - JV Quad	-	580	166	414
Golf - Boys - Varsity Invite	267	1,680	-	1,947
Golf - Girls - JV Quad	707	-	204	503
Golf - Girls - Varsity Invite	561	1,680	1,812	429
Gymnastics - Girls - JV Invite	1,103	1,050	30	2,123
Gymnastics - Girls - Lake County	1,203	720	-	1,923
NCS Tournament	68	2,063	1,650	481
Waterpolo - Both - P/L Invite	1,400	1,310	-	2,710
Waterpolo - Girls - Mini	300	150	-	450
Golf - Boys - Hawthorn Invite	540	720	-	1,260
IHSA Tournament - Girls	6,179	245	6,424	-
IHSA Tournament - Boys	4,644	9,230	8,959	4,915
Dance Invite	-	7,775	3,534	4,241
Golf - Boys - Geneva Invite	-	475	-	475
Academic Scholarship	6,533	9,951	6,500	9,984
AP Exams	16,023	77,101	79,548	13,576
Student Assistance	4,164	2,684	316	6,531
Venkus Scholarship	485	15	-	500
Interact	2,144	-	701	1,443
Voice - Joe Flynn Memorial	443	33	191	284
Meloy-Stroth Scholarship	685	-	72	613
Mustang Parent Club	2,149	9,666	10,708	1,107
Test Prep	13	-	13	-
Super Seniors	642	700	314	1,028
Interest Earned	2,732	2,619	3,708	1,643
Field Trips	371	850	-	1,221
MHS Booster Club	2,555	16,788	-	19,343
Retirement Dinner	-	1,680	-	1,680
Coke Sponsorship Funding	12,000	5,000	2,000	15,000
Summer Reading	236	-	-	236
MHS Ceaf	2,915	1,573	2,308	2,181
PBIS	329	18	-	347
George Chresanthakes Memorial	1,275	-	1,275	-
Poetry Slam Team	163	-	-	163
Lifesource Scholarship	250	4,500	4,750	-
Mundelein Art Fest Scholarship	1,000	1,000	1,500	500
T-shirt Purchase	-	4,082	1,541	2,541

(Continued)

Mundelein Consolidated High School District 120
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Concession Sales	\$ -	\$ 21,356	\$ 17,056	\$ 4,300
Vaughn Memorial Scholarship	-	500	-	500
F.B.L.A. - Art Department	415	-	415	-
F.B.L.A. - General	16,220	71,824	80,456	7,588
F.B.L.A. - Boosters	2,786	4,362	5,701	1,446
F.B.L.A. - Gym Clothing	5,289	3,412	2,930	5,771
F.B.L.A. - District Sales	245	-	-	245
Art Club	660	34	277	417
Band General	2,077	28,619	13,550	17,146
Band Fundraiser	1,583	-	1,583	-
Broadcasting	2,414	3,783	3,720	2,477
Chess Club	22	-	-	22
Dance Team - General	-	466	466	-
Hispanic Outreach	20	-	20	-
Yearbook	7,632	1,602	4,466	4,768
Mock Trial	42	-	-	42
National Honor Society	549	205	284	470
Orchesis	695	2,983	3,375	303
Students Against Drunk Driving	336	631	631	336
Spanish Club	65	-	65	-
Student Leadership	19,585	74,690	80,019	14,256
Thespians	12,939	23,434	26,213	10,160
Vocal Music	16,009	17,931	22,326	11,613
Activity Specials	2,352	662	3,011	3
Habitat for Humanity	948	-	948	-
Economics Club	467	11,103	10,485	1,085
Black Student Union	6	433	300	139
Gay-Straight Alliance	263	249	298	214
Best Buddies	420	1,093	460	1,053
Robotics Club	1,118	500	1,518	100
Recycling Club	-	333	316	17
Temas Latinos	202	-	-	202
Pasos Latinos	217	400	283	334
Music Invite	4,176	39,418	41,894	1,700
Mundelein Superintendents	516	-	287	229
Stand Up Coalition	131	-	-	131
Click, Operation	318	1,514	1,411	421
Link Crew	557	-	450	107

(Continued)

Mundelein Consolidated High School District 120
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
MHS Drink Oasis	\$ 1,539	\$ -	\$ 844	\$ 695
Dance Invite	3,832	-	3,832	-
Newspaper	-	140	-	140
Athletic Special	9,265	26,568	26,673	9,160
Athletic Special - Booster		10	-	10
Baseball General	602	1,600	2,193	9
Basketball General - Boys	134	9,010	6,284	2,860
Cross Country General	353	6,315	4,468	2,200
Gymnastics General - Boys	696	847	863	680
Soccer General - Boys	4,604	217	4,532	289
Tennis General - Boys	1,157	303	288	1,171
Track General - Boys	1,297	817	-	2,114
Volleyball General - Boys	128	1,575	892	811
Waterpolo General - Boys	1,278	2,448	2,320	1,406
Cheerleading General	296	650	1,012	(66)
Color Guard - Winter	390	4,797	4,524	663
Football General	13,862	15,472	11,783	17,551
Basketball General - Girls	685	6,275	359	6,601
Golf General - Girls	146	312	154	304
Gymnastics General - Girls	44	5,511	5,285	270
Soccer General - Girls	547	5,132	5,293	386
Softball General	3,116	920	2,302	1,734
Tennis General - Girls	1,750	35	415	1,370
Track General - Girls	205	700	223	682
Volleyball General - Girls	643	1,736	1,911	468
Waterpolo General - Girls	1,029	2,455	2,133	1,351
Golf General - Boys	502	-	-	502
Lacrosse General	1,370	3,552	2,490	2,432
Wrestling General	186	-	156	30
Swimming and Diving - Girls	358	3,806	3,894	270
Athletic Trainers	582	2,412	1,695	1,299
Swimming and Diving - Boys	676	4,081	3,763	994
Soccer - Intramural	71	787	130	729
Dance Team - General	1,699	9,381	9,417	1,663
Total liabilities	\$ 287,388	\$ 713,437	\$ 693,701	\$ 307,124

(Concluded)

OTHER SUPPLEMENTAL INFORMATION

Mundelein Consolidated High School District 120
OPERATING COSTS AND TUITION CHARGE
June 30, 2014 and 2013

Operating costs per pupil	2014	2013
Average Daily Attendance (ADA):	1,908.88	1,950.80
Operating costs:		
Educational	\$ 26,051,439	\$ 24,551,450
Operations and Maintenance	3,095,904	1,863,006
Debt Service	2,914,936	3,314,432
Transportation	1,537,054	1,696,996
Municipal Retirement/Social Security	860,276	804,768
Tort	169,195	153,933
Subtotal	34,628,804	32,384,585
Less Revenues/Expenditures of Non regular Programs:		
Payments to Other District and Govt Units	2,310,017	2,608,852
Adult education	542,039	472,926
Summer school	97,871	72,135
Community services	11,201	101,742
Capital outlay	1,511,879	2,064,469
Debt principal retired	2,476,509	2,677,319
Subtotal	6,949,516	7,997,443
Operating costs	\$ 27,679,288	\$ 24,387,142
Operating costs per pupil - based on ADA	\$ 14,500	\$ 12,501
Tuition Charge		
Operating costs	\$ 27,679,288	\$ 24,387,142
Less - revenues from specific programs, such as special education or lunch programs	3,988,352	4,379,358
Net operating costs	23,690,936	20,007,784
Depreciation allowance	1,721,369	1,346,661
Allowance tuition costs	\$ 25,412,305	\$ 21,354,445
Tuition charge per pupil - based on ADA	\$ 13,313	\$ 10,947