

**Schaumburg
Community
School
District
No. 54
Schaumburg,
IL**



**Comprehensive
Annual
Financial Report
for the fiscal year
ended
June 30, 2019**

**Schaumburg Community
Consolidated School District No. 54
Schaumburg, Illinois**

Comprehensive Annual Financial Report
June 30, 2019

Submitted by: Business Operations

Ric King, Assistant Superintendent

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SCHOOL DISTRICT 54
Ensuring Student Success

524 East Schaumburg Road
Schaumburg, Illinois 60194

Phone 847/357-5011
FAX 847/357-5001
TTY 847/357-5076
<http://sd54.org>

Andrew D. DuRoss
Superintendent of Schools

Ric King
Assistant Superintendent
Business Operations

October 11, 2019

To the President and Members of the
Board of Education and Citizens of the District
Schaumburg Community Consolidated School District No. 54
Schaumburg, Illinois

The Comprehensive Annual Financial Report ("CAFR") of Schaumburg Community Consolidated School District No. 54 (the "District"), Schaumburg, Illinois, as of and for the year ended June 30, 2019, is submitted herewith. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds; and that all disclosures necessary for public understanding of the District's financial status have been incorporated within this report.

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

Financial Statements

The CAFR includes all funds and account groups of the District and is presented in three sections: Introductory, Financial, and Statistical. The introductory section includes this transmittal letter, ASBO Certificate of Excellence, the District's organization chart, and a list of principal officers and elected officials. The financial section includes the independent auditor's report on the financial statements and schedules, MD&A, basic financial statements and required supplemental information such as the combining and individual fund financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and Subpart F of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including a schedule of federal financial assistance and the independent auditor's reports on the internal control structure and on compliance with applicable laws and regulations, is included under separate cover.



SCHOOL DISTRICT 54
Ensuring Student Success

The financial reporting entity of the District is to include the District, as the primary government, organizations for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. Based on these criteria, there are no other organizations or agencies whose financial statements should be combined with the general purpose financial statements of the District.

History of the District

The District opened its doors to 74 students in the fall of 1952, and currently serves 15,282 students from Schaumburg Township, Elk Grove Village, Streamwood, Hanover Park and Roselle. The District's enrollment is slowly growing.

Accounting Systems and Budgetary Control

In developing and evaluating the District's accounting system, consideration is given to the adequacy of the internal accounting controls. Such controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. We believe that the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial data.

Budgetary control is maintained at line item levels within each program and/or cost centers before being combined to form totals by fund. All actual activity compared to budget is reported to the District's management on a monthly basis. This monthly report compares each line item account balance to the annual budget with accumulation to the cost center and fund levels. Full disclosures are made if extraordinary variances appear during the year. A description of the budget development cycle is discussed in detail in Note 1 to the required supplementary information financial statements.

General Governmental Activities

The general governmental activities include all services provided by the District. Included are the general, special revenue, debt service and capital project funds. The activities include all instructional, maintenance, and administrative costs of the District.

Property taxes are the most significant revenue source of the District. The three factors that affect property tax revenues are assessed valuation, tax multiplier, and the tax rate.

Other revenue sources consist of state aid, federal aid and other local revenues exclusive of property taxes. Other local revenues include transportation fees, tuition, consumable material fees, and building rentals.

The equalized assessed valuation of the District of \$4,486,944,821 represents a decrease in the tax base of approximately 2.19 percent over the preceding year. The tax multiplier is determined by a state agency which attempts to equalize the assessment on real property in order to determine the property value for taxing purposes. This value is referred to as the equalized assessed valuation ("EAV").



SCHOOL DISTRICT 54
Ensuring Student Success

Real estate tax bills in Cook County are payable in two unequal installments, with the second payment falling due and payable after the close of the fiscal year. Allocations of tax rates for the 2018 property tax levy for fiscal 2019 and the preceding two fiscal years are as follows (per \$100 assessed value):

	Calendar Year		
	2018	2017	2016
General	\$3.743	\$3.562	\$3.506
Special			
Revenue	0.286	0.281	0.283
Capital Project	0.001	0.001	0.001
	<u>\$4.030</u>	<u>\$3.844</u>	<u>\$3.790</u>

PROSPECTS FOR THE FUTURE AND ECONOMIC CONDITION

The District's financial outlook for the future continues to be positive, albeit with some caution. The District's student enrollment has increased slightly over the past three years, and that trend is expected to continue.

The District has 28 school buildings and 3 administrative facilities. The Buildings range in age from 4 years to 60 years old and are in remarkable shape due to the District's proactive maintenance program.

The District's capital improvement budget for 2020 is approximately \$12 million, designated mainly for technology replacements, small additions and scheduled building life cycle replacements. Funding for these projects will be from accumulated fund balances and local sources.

54 PROMISE: INSPIRING INNOVATION, IGNITING STUDENT POTENTIAL

In District 54, we promise to ensure the academic success and social-emotional well-being of all of our students. This booklet, *The District 54 Promise*, was adopted in April 2018 as a multiyear strategic plan. While we have updated our strategic plan, our focus remains the same. We strive every day to improve the lives of our students. When we talk about the strategic plan, we are really sharing our promise to the District 54 students, staff, parents and community. That promise revolves around the three district goals and the four strategic focus areas defined below.

The District 54 Promise is more than a document. It's a commitment to do whatever it takes to support our students and families. By communicating this plan with you, our families, we hope you will promise to help us achieve our mission of ensuring student success?

ONE DISTRICT, ONE MISSION: ENSURING STUDENT SUCCESS

DISTRICT 54 GOALS

- District 54 will ensure the **success of the whole child** by providing comprehensive approaches and programming, grounded in the belief that each child deserves to be Healthy, Safe, Engaged, Supported and Challenged.
- District 54 will perform in the **top 10%** of all schools in reading and math growth and proficiency as measured by state and local assessments.
- District 54 will close the **achievement gap for ALL** students in reading and math as measured by state and local assessments.



SCHOOL DISTRICT 54

Ensuring Student Success

STRATEGIC FOCUS AREA 1: SUPPORTING WHOLE CHILD ACADEMIC AND SOCIAL-EMOTIONAL SUCCESS

Priority Action Steps

- Design high quality instructional lessons that engage, support and challenge all students.
- Implement a Social and Emotional Learning Curriculum that ensures all students are healthy, safe, engaged and supported.
- Engage staff and community in partnership opportunities focused on supporting the academic and social-emotional success of our students.

STRATEGIC FOCUS AREA 2: CULTIVATING INNOVATION IN LEARNING SPACE AND INSTRUCTIONAL DESIGN

Priority Action Steps

- Reconfigure and update existing learning spaces to align with a shared vision of 21st Century classrooms.
- Implement an instructional technology plan that includes 1:1 digital connectivity for all students and technology integration that enhances the teaching and learning experiences provided.
- Establish "Innovate 54 Teams" of teachers and administrators from each school who will work to deeply embed progressive pedagogical approaches and foster a culture of innovation across the District 54 community.

STRATEGIC FOCUS AREA 3: RECRUITMENT, DEVELOPMENT AND ENGAGEMENT OF EXCEPTIONAL PERSONNEL

Priority Action Steps

- Recruit and hire prospective employees who encompass the behaviors and attitudes aligned to the district mission.
- Offer a comprehensive induction program for all new hires, while providing ongoing support and training through the District 54 mentoring program.
- Utilize Professional Learning Communities and professional development for ongoing improvement of instructional practices and school culture.

STRATEGIC FOCUS AREA 4: FACILITIES AND FISCAL RESPONSIBILITY

Priority Action Steps

- Maintain fiscal responsibility that ensures District 54 sustains long-term financial stability.
- Develop a long-term facilities plan that ensures safety, accommodates for increasing enrollment and provides for 21st century learning modifications.
- Provide competitive salaries and benefits that are fiscally responsible while recognizing the significant contributions our employees make to the district each and every day.



SCHOOL DISTRICT 54

Ensuring Student Success

Debt Administration

The District is debt free after making a final debt payment in December 2011.

Local Economy and Economic Outlook

The general economic outlook for the Schaumburg area continues to be very strong. The District's economic base continues to be diversified and strong. It is expected that development will continue at an improved rate in the foreseeable future. Current projections continue to provide a strong economic outlook for the District. The District has remained fiscally responsible while academically surging.

Independent Audit

The School Code of Illinois and the District require an annual audit of the financial statements of all funds of the District. The audit for the year ended June 30, 2019 was done by RSM US LLP, independent certified public accountants, who were selected by the District's Board of Education. Their report has been included in the financial section of this report.

Awards

The Association of School Business Officials (ASBO) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2018. This was the 47th consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

Acknowledgments

We wish to thank the entire staff of the Business Office for their dedicated service in the preparation of the Comprehensive Annual Financial Report on a timely basis.

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

Closing Statement

It is our intention that this Comprehensive Annual Financial Report will provide the District's management, outside investors, and interested local citizens with a meaningful financial presentation. We hope that all readers of this report will obtain a clear and concise understanding of the District's financial condition as of June 30, 2019.

Respectfully submitted:

Andrew D. DuRoss
Superintendent of Schools

Ric King
Assistant Superintendent, Business Operations



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

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

**Schaumburg Community Consolidated
School District 54**

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2018.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, appearing to read 'Tom Wohlleber'.

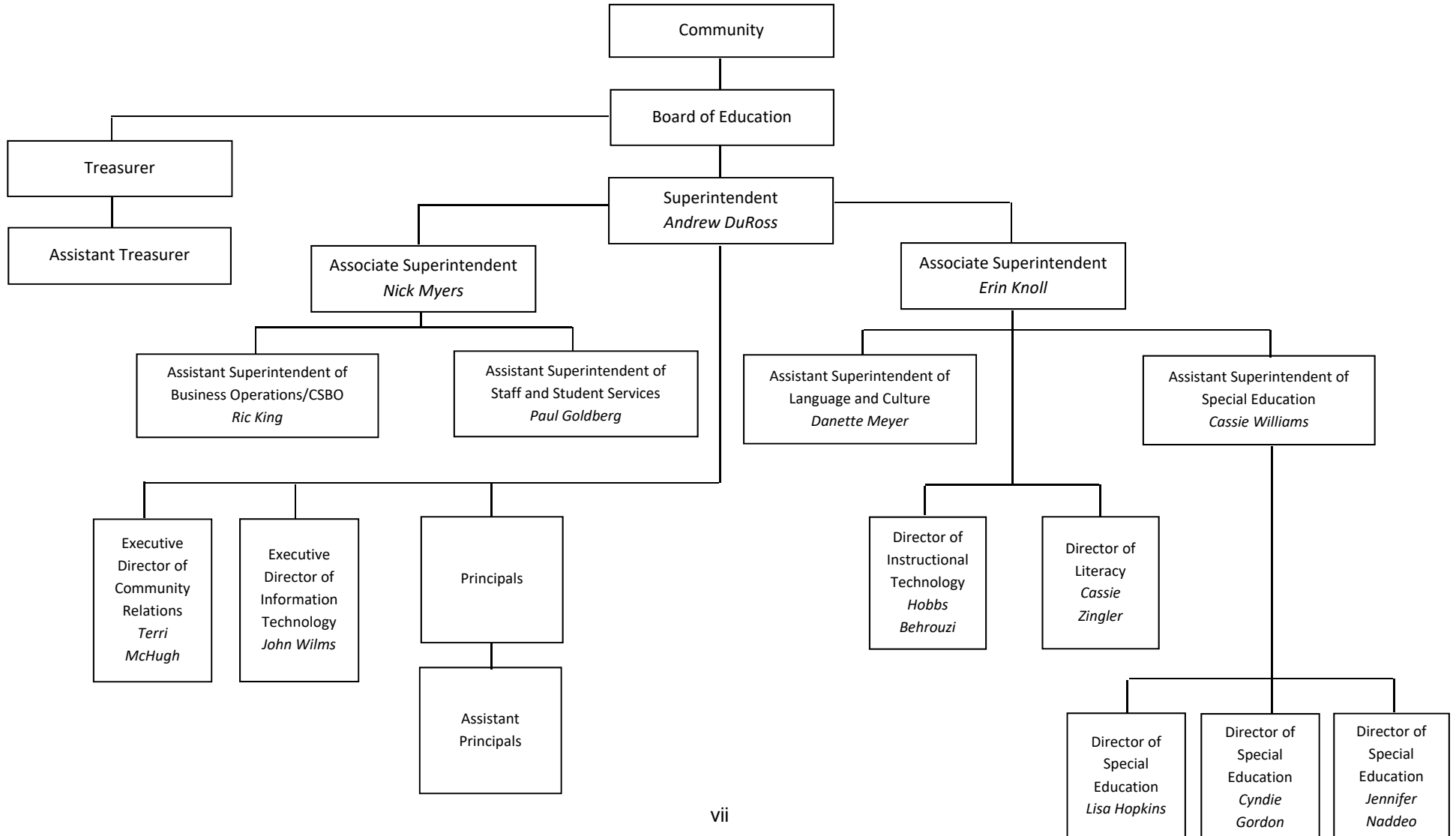
Tom Wohlleber, CSRM
President

A handwritten signature in black ink, appearing to read 'Siobhán McMahon'.

Siobhán McMahon, CAE
Chief Operating Officer



ORGANIZATIONAL STRUCTURE



Board of Education and Administrative Staff

Schaumburg Community Consolidated School District 54

BOARD OF EDUCATION

Bob Kaplan, President

Mary Kay Prusnick, Vice President

Ken Van Dyke, Secretary

Bill Harper

Barbara Hengels

Jim Pye

Nicholas Scipione

ADMINISTRATIVE STAFF

Andrew D. DuRoss, Superintendent of Schools

Nick Myers, Associate Superintendent

Erin Knoll, Assistant Superintendent, Teaching and Learning

Paul Goldberg, Assistant Superintendent, District Improvement

Ric King, Treasurer/Assistant Superintendent, Business Operations

Danette Meyer, Assistant Superintendent of Language and Culture

Cassie Williams, Assistant Superintendent for

Student and Administrative Services

Official Issuing Report

Ric King, Treasurer/Assistant Superintendent, Business Operations



RSM US LLP

Independent Auditor's Report

Members of the Board of Education
Schaumburg Community Consolidated School District No. 54

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Schaumburg Community Consolidated School District No. 54, Illinois (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of Schaumburg Community Consolidated School District No. 54, Illinois, as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis (pages 3 – 12), schedules of net pension and other postemployment benefit (OPEB) liabilities, employer contributions (pages 51 – 57), and budgetary comparison information (page 58) and related notes (pages 59 – 60), be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, such as the combining and individual fund financial statements and the other information, such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information as listed in the table of contents 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

RSM US LLP

Chicago, Illinois
October 11, 2019

Required Supplementary Information

**Management's Discussion
And Analysis (MD&A)**

Schaumburg Community Consolidated School District No. 54

Management's Discussion and Analysis

This management's discussion and analysis of Schaumburg Community Consolidated School District No. 54's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2019. The management of the District encourages readers to consider the information presented herein in conjunction with the financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

- Overall revenues were \$303.6 million, \$9.6 million less than expenses. Increase in revenues was due to \$7.0 million or 4.1 percent increase in property taxes. Of that \$7.0 million increase in property taxes, approximately \$4.0 million is attributable to the decrease in property tax appeal losses. Additional increases in revenue pertain to \$5.2 million or 39.4 percent increase in operating grants and contributions. The total costs increased by \$0.8 million or 0.3 percent.
- Enrollment continues to increase at a moderate level.

Overview of the Financial Statements

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

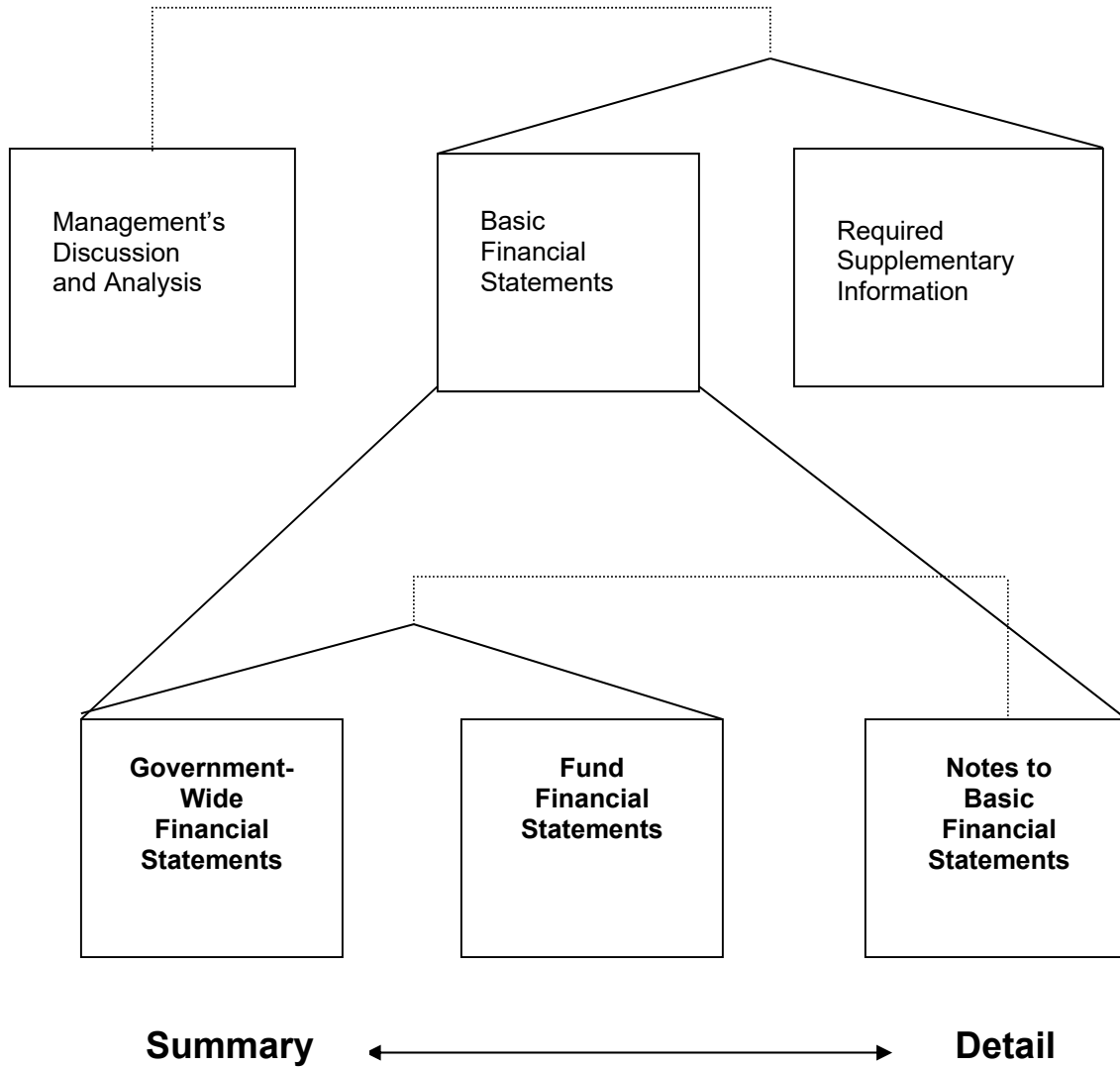
- The first two statements are *government-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the government-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the *short-term* as well as what remains for future spending.
- *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements.

Management's Discussion and Analysis

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

Figure A-1
Organization of the District's Annual Financial Report



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

Schaumburg Community Consolidated School District No. 54

Management’s Discussion and Analysis

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

Figure A-2 Major Features of the Government-Wide and Fund Financial Statements			
	Government-Wide Statements	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds).	The activities of the District that are not proprietary or fiduciary, such as Educational and Operations and Maintenance.	Instances in which the District administers resources on behalf of someone else, such as student activities monies.
Required financial statements	<ul style="list-style-type: none"> • Statement of net position. • Statement of activities. 	<ul style="list-style-type: none"> • Balance sheet. • Statement of revenues, expenditures, and changes in fund balance. 	<ul style="list-style-type: none"> • Statement of fiduciary assets and liabilities.
Accounting basis and measurement focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial focus.	Accrual accounting and economic resources focus.
Type of asset/liability information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both financial and capital, short-term and long-term.	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included.	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both short-term and long-term; funds do not currently contain capital assets, although they can.
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All additions and deductions during the year, regardless of when cash is received or paid.

Schaumburg Community Consolidated School District No. 54

Management's Discussion and Analysis

Government-Wide Statements

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

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

- Over time, increases or decreases in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

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

Fund Financial Statements

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

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues.

The District has two categories of funds:

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

Schaumburg Community Consolidated School District No. 54

Management's Discussion and Analysis

Financial Analysis of the District as a Whole

Net position. The District's *combined* net position was lower on June 30, 2019, than they were the year before, decreasing 5.9 percent to \$152.5 million. (See Figure A-3)

Figure A-3
Condensed Statement of Net Position (in millions of dollars)

	Governmental Activities	
	<u>2019</u>	<u>2018</u>
Current assets	\$ 260.6	\$ 268.2
Capital assets	<u>190.0</u>	<u>180.6</u>
Total assets	<u>\$ 450.6</u>	<u>\$ 448.8</u>
Deferred outflows of resources	\$ 27.4	\$ 13.0
Total assets and deferred outflows of resources	<u>\$ 478.0</u>	<u>\$ 461.8</u>
Current liabilities	\$ 31.3	\$ 27.8
Other liabilities	<u>176.8</u>	<u>158.1</u>
Total liabilities	\$ 208.1	\$ 185.9
Deferred inflows of resources	<u>\$ 117.4</u>	<u>\$ 113.8</u>
Net position		
Net investment in capital assets	\$ 190.0	\$ 180.6
Restricted	14.8	15.0
Unrestricted	<u>(52.3)</u>	<u>(33.5)</u>
Total net position	<u>\$ 152.5</u>	<u>\$ 162.1</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 478.0</u>	<u>\$ 461.8</u>

The District's decrease in financial position is the product of many factors with the most significant occurring in other liabilities which increased by 11.8% or \$18.7 million. Other liabilities include the District's pension and OPEB liabilities. The pension liabilities increased by \$12.8 million and the OPEB liabilities increased by \$6.0 million. These liabilities were offset by decreases in other accrued liabilities.

Changes in net position. The District's total revenues were \$303.6 million. (See Figure A-4) Property taxes accounted for most of the District's revenue, contributing about 58.2 cents of every dollar raised. (See Figure A-5) Another 39.9 cents came from state and federal aid for specific programs and state on-behalf contributions and the remainder from fees charged for services, unrestricted state aid and miscellaneous sources.

Schaumburg Community Consolidated School District No. 54

Management's Discussion and Analysis

The total cost of all programs and services was \$313.2 million. The District's expenses are predominantly related to instructing, caring for (pupil services) and transporting students (58.5 percent). (See Figure A-6) State on-behalf contribution expense accounted for 27.9 percent of total costs. The District's administrative and business activities accounted for 5.6 percent of total costs.

Total expenses surpassed revenues, decreasing net position by \$9.6 million over last year.

Figure A-4

Changes in Net Position from Operating Results (in millions of dollars)

	Governmental Activities		% Change
	2019	2018	2018-2019
Revenues			
Program revenues			
Charges for services	\$1.8	\$1.8	0.0%
Operating grants and contributions	18.4	13.2	39.4%
State on-behalf contributions - TRS and THIS	86.1	87.3	-1.4%
General revenues			
Taxes	176.7	169.7	4.1%
Investment earnings	3.6	2.6	38.5%
Evidence-based funding	16.5	16.1	2.5%
Other	0.5	0.7	-28.6%
Total revenues	303.6	291.4	4.2%
Expenses			
Instruction	141.5	139.1	1.7%
State on-behalf contributions - TRS and THIS	86.1	87.3	-1.4%
Pupil and instructional services	32.6	31.4	3.8%
Administration and business	17.3	17.4	-0.6%
Operations and maintenance	19.1	22.3	-14.3%
Transportation	13.6	12.2	11.5%
Other	3.0	2.7	11.1%
Total expenses	313.2	312.4	0.3%
Decrease in net position	(9.6)	(21.0)	
Net position:			
Beginning net position	162.1	183.1	
Ending net position	\$152.5	\$162.1	

Figure A-5 Government-Wide Revenues By Source

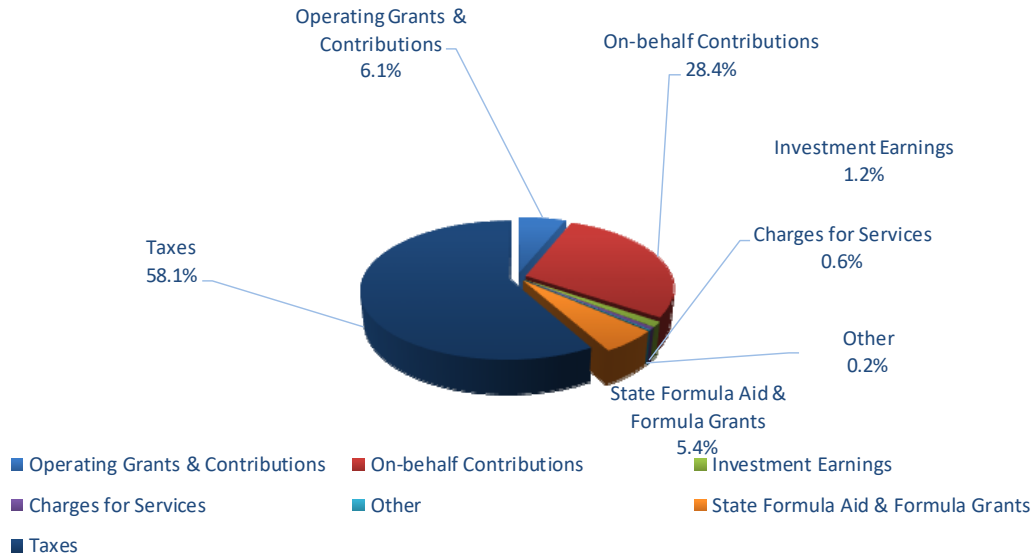
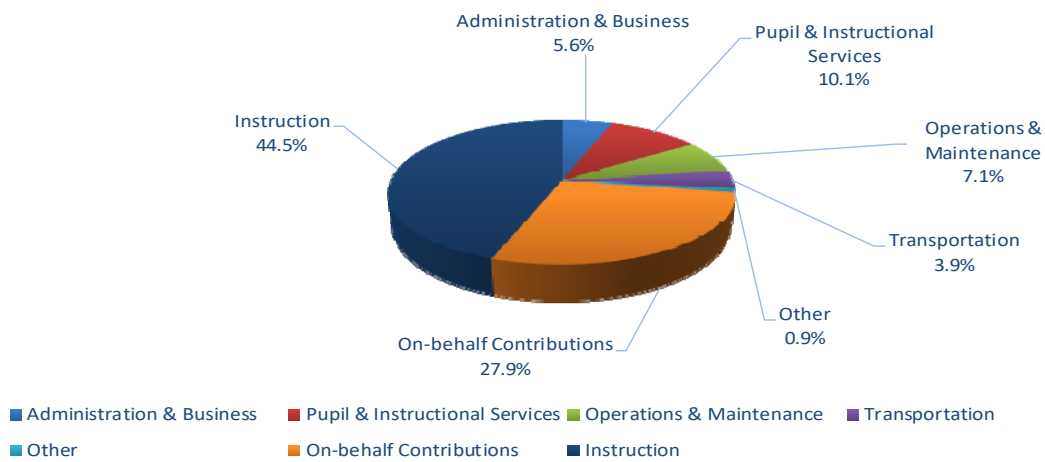


Figure A-6 Government-Wide Expenses



Schaumburg Community Consolidated School District No. 54

Management's Discussion and Analysis

Governmental Activities

Revenues for the District's governmental activities were \$303.6 million in 2019, an increase of 4.2 percent over 2018. Total expenses in 2019 were \$313.2 million, an increase of 0.3 percent over 2018. Net position decreased by \$9.6 million in 2019.

The good health of the District's finances can be credited to both a strong property tax base and budgetary controls put in place by the Board of Education.

- Stable real estate values led to continued strong property tax revenues in 2019, despite the fact property tax appeals decreased in 2019. Operating grants and contributions for governmental activities continue to remain consistent with no new significant funding initiatives realized in 2019.

Figure A-7 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and other. State on-behalf contributions are presented separately. The table also shows each activity's *net cost* (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

Figure A-7
Net Cost of Governmental Activities (in millions of dollars)

	Total Cost of Services			Net Cost of Services		
	2019	2018	Percentage Change 2018-2019	2019	2018	Percentage Change 2018-2019
Instruction	\$ 141.5	\$ 139.1	1.7 %	\$ 131.7	\$ 134.0	(1.7)%
State on-behalf contributions - TRS and THIS	86.1	87.3	(1.4)%	-	-	0.0 %
Pupil and instructional services	32.6	31.4	3.8 %	29.0	28.9	0.3 %
Administration and business	17.3	17.4	(0.6)%	17.1	17.0	0.6 %
Operations and maintenance	19.1	22.3	(14.3)%	18.6	21.7	(14.3)%
Transportation	13.6	12.2	11.5 %	7.6	5.8	31.0 %
Other	3.0	2.7	11.1 %	2.9	2.7	7.4 %
TOTAL	\$ 313.2	\$ 312.4		\$ 206.9	\$ 210.1	

- The cost of all *governmental* activities this year was \$313.2 million.
- Some of the cost was financed by the users of the District's programs through charges for services (\$1.8 million).
- The federal and state governments subsidized certain programs with grants and contributions of \$121.0 million; of this amount \$16.5 million is evidence-based funding (formerly general state aid), \$18.4 million is operating grants and contributions, and \$86.1 million is State on-behalf contributions for TRS and THIS.
- Most of the District's costs, however, were financed by District taxpayers.

Schaumburg Community Consolidated School District No. 54

Management's Discussion and Analysis

Financial Analysis of the District's Funds

As the District completed the year, its governmental funds reported combined fund balances of \$136.4 million.

The District's fund balance for its major governmental fund decreased by \$11.8 million from the prior fiscal year. The fund balance for the nonmajor governmental fund decreased slightly from the prior year.

General Fund Budgetary Highlights

Over the course of the year, the District did not revise the annual operating budget.

The District's final budget for the General Fund anticipated that expenditures would exceed revenues by \$11.7 million before other financing sources. Actual revenues of the General Fund were less than expenditures by \$11.8 million at year-end. The main factors were:

- Actual revenues were \$2.0 million lower than expected due to the State of Illinois on behalf contributions for TRS and THIS recognized in the governmental funds coming in lower than expected. The decrease in the State of Illinois on-behalf recognized in the governmental funds was offset by a \$2.0 million increase in state aid, \$1.9 million increase in federal aid, and \$1.8 million increase in property and replacement taxes.
- The actual expenditures were \$1.9 million under budget due to the State of Illinois on behalf payment being less than anticipated, but were offset by higher than expected capital outlay expenditures and instruction services expenditures for regular and special programs.

Capital Asset and Debt Administration

Capital Assets

By the end of 2019, the District had invested \$190.0 million in a broad range of capital assets, including school buildings, computer and audio-visual equipment, and administrative offices. (See Figure A-8) (More detailed information about capital assets can be found in Note 3 to the basic financial statements.) Total depreciation expense for the year amounted to \$8.7 million, while net building improvements and additions to equipment and furniture amounted to \$18.1 million.

Figure A-8
Capital Assets (net of depreciation, in millions of dollars)

	Governmental Activities		Total Percentage Change
	2019	2018	
Land	\$ 1.3	\$ 1.3	0.0%
Construction in process	6.8	6.0	13.3%
Improvements, other than building	2.9	3.2	(9.4)%
Buildings and improvements	170.5	164.8	3.5%
Machinery and equipment	8.5	5.3	60.4%
TOTAL	\$ 190.0	\$ 180.6	5.2%

Schaumburg Community Consolidated School District No. 54

Management's Discussion and Analysis

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was unaware of any existing circumstances that could significantly affect its financial health in the future.

Schaumburg Community Consolidated School District No. 54's student enrollment has increased steadily over the last four years with a present enrollment of 15,282. The current facilities adequately accommodate the District's enrollment. The near term future plans call for repair and maintenance to existing facilities as the main capital needs of the District. The District is in the middle of life safety renovations that will last several years and are considered repair and maintenance.

The District's certified staff are under contract through the 2021 fiscal year and so long as property tax revenue increases stay in line with salary increases, the District projects a strong financial picture for the foreseeable future.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Assistant Superintendent, Business Operations, 524 East Schaumburg Road, Schaumburg, Illinois 60194.

Basic Financial Statements

**Government-Wide
Financial Statements (GWFS)**

Schaumburg Community Consolidated School District No. 54

Statement of Net Position
June 30, 2019

	Governmental Activities
Assets	
Current Assets	
Cash and investments	\$ 164,984,150
Receivables:	
Property taxes, net	83,446,991
Prepaid items	850,800
Due from other governmental units	11,352,742
Total current assets	<u>260,634,683</u>
Noncurrent Assets	
Capital assets, not being depreciated	8,162,015
Capital assets, being depreciated, net	181,873,945
Total noncurrent assets	<u>190,035,960</u>
Total assets	<u>450,670,643</u>
Deferred Outflows of Resources	
Pension-related adjustments - TRS	2,657,903
Pension-related adjustments - IMRF	15,582,707
OPEB-related adjustments - District Plan	1,445,849
OPEB-related adjustments - THIS	7,676,248
Total deferred outflows of resources	<u>27,362,707</u>
Total assets and deferred outflows of resources	<u>\$ 478,033,350</u>

(Continued)

Schaumburg Community Consolidated School District No. 54

Statement of Net Position (Continued)
June 30, 2019

	Governmental Activities
Liabilities	
Current Liabilities	
Accounts payable	\$ 12,980,198
Accrued payroll	15,833,183
Unearned revenue	293,890
Compensated absences	449,943
Accrued liabilities	1,743,332
Total current liabilities	<u>31,300,546</u>
Long-Term Liabilities, net of current maturities	
Collective net pension liability - TRS	12,044,237
Net pension liability - IMRF	29,999,730
Total OPEB liability - District Plan	11,740,001
Collective total OPEB liability - THIS	123,034,985
Total long-term liabilities	<u>176,818,953</u>
Total liabilities	<u>208,119,499</u>
Deferred Inflows of Resources	
Pension-related adjustments - TRS	8,477,465
Pension-related adjustments - IMRF	1,541,554
OPEB-related adjustments - District Plan	324,521
OPEB-related adjustments - THIS	18,418,677
Deferred property taxes	88,604,928
Total deferred inflows of resources	<u>117,367,145</u>
Net Position	
Net investment in capital assets	190,035,960
Restricted for:	
Transportation	9,637,321
Retirement benefits	2,983,946
Debt service	2,037,807
Capital projects	105,889
Unrestricted	(52,254,217)
Total net position	<u>152,546,706</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 478,033,350</u>

See notes to basic financial statements.

Schaumburg Community Consolidated School District No. 54

**Statement of Activities
Year Ended June 30, 2019**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Instruction:				
Regular programs	\$ 91,641,203	\$ 968,751	\$ -	\$ (90,672,452)
Special programs	36,907,959	-	6,245,275	(30,662,684)
Other instructional programs	12,990,190	-	2,636,337	(10,353,853)
State on-behalf contributions - TRS and THIS	86,065,433	-	86,065,433	-
Support services:				
Pupils	15,123,980	-	-	(15,123,980)
Instructional staff	17,454,921	-	3,609,884	(13,845,037)
General administration	1,155,328	-	-	(1,155,328)
School administration	10,867,280	-	-	(10,867,280)
Business	5,326,686	166,213	160,547	(4,999,926)
Transportation	13,587,039	419,681	5,586,076	(7,581,282)
Operations and maintenance	19,127,389	293,509	194,105	(18,639,775)
Central	1,530,557	-	-	(1,530,557)
Payments to other governments	1,418,512	-	-	(1,418,512)
Total governmental activities	<u>\$ 313,196,477</u>	<u>\$ 1,848,154</u>	<u>\$ 104,497,657</u>	<u>(206,850,666)</u>
General revenues:				
Taxes:				
Property taxes				174,703,745
Corporate property replacement taxes				2,042,652
Evidence-based funding				16,500,631
Investment earnings				3,562,189
Miscellaneous				477,769
Total general revenues				<u>197,286,986</u>
Change in net position				<u>(9,563,680)</u>
Net position:				
July 1, 2018				<u>162,110,386</u>
June 30, 2019				<u>\$ 152,546,706</u>

See notes to basic financial statements.

Fund Financial Statements (FFS)

Schaumburg Community Consolidated School District No. 54

**Balance Sheet
Governmental Funds
June 30, 2019**

	Major Fund General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 154,239,585	\$ 10,744,565	\$ 164,984,150
Receivables:			
Property taxes, net	77,500,730	5,946,261	83,446,991
Prepaid items	850,800	-	850,800
Due from other governmental units	4,199,027	7,153,715	11,352,742
Total assets	\$ 236,790,142	\$ 23,844,541	\$ 260,634,683
Liabilities			
Accounts payable	\$ 10,684,602	\$ 2,295,596	\$ 12,980,198
Accrued payroll	15,467,707	365,476	15,833,183
Unearned revenue	189,190	104,700	293,890
Accrued liabilities	707,197	-	707,197
Total liabilities	27,048,696	2,765,772	29,814,468
Deferred Inflows of Resources			
Deferred property taxes	82,291,122	6,313,806	88,604,928
Deferred other revenues	88,674	5,766,550	5,855,224
Total deferred inflows of resources	82,379,796	12,080,356	94,460,152
Fund Balances:			
Nonspendable:			
Prepaid items	850,800	-	850,800
Restricted for:			
Retirement benefits	-	2,983,946	2,983,946
Transportation	-	3,870,771	3,870,771
Debt service	-	2,037,807	2,037,807
Capital projects	-	105,889	105,889
Unassigned	126,510,850	-	126,510,850
Total fund balances	127,361,650	8,998,413	136,360,063
Total liabilities, deferred inflows of resources, and fund balances	\$ 236,790,142	\$ 23,844,541	\$ 260,634,683

See notes to basic financial statements.

Schaumburg Community Consolidated School District No. 54

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2019

Total fund balances - governmental funds	\$ 136,360,063
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	190,035,960
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Certain revenues that are reported as deferred inflows of resources in the fund financial statements because they are not available but are recognized as revenue in the government-wide financial statements.	5,855,224
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Certain pension-related items are reported in the government-wide financial statements but not in the fund financial statements. These amounts consist of:

Deferred outflows of resources related to pension expense - TRS	2,657,903
Deferred outflows of resources related to pension expense - IMRF	15,582,707
Deferred inflows of resources related to pension expense - TRS	(8,477,465)
Deferred inflows of resources related to pension expense - IMRF	(1,541,554)

Certain OPEB-related items are reported in the government-wide financial statements but not in the fund financial statements. These amounts consist of:

Deferred outflows of resources related to OPEB expense - District Plan	1,445,849
Deferred outflows of resources related to OPEB expense - THIS	7,676,248
Deferred inflows of resources related to OPEB expense - District Plan	(324,521)
Deferred inflows of resources related to OPEB expense - THIS	(18,418,677)

Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.

The liabilities consist of:

Health insurance claims incurred, but not reported	(1,036,135)
Compensated absences	(449,943)
Collective net pension liability - TRS	(12,044,237)
Net pension liability - IMRF	(29,999,730)
Total OPEB liability - District Plan	(11,740,001)
Collective total OPEB liability - THIS	<u>(123,034,985)</u>

Net position of governmental activities	<u>\$ 152,546,706</u>
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See notes to basic financial statements.

Schaumburg Community Consolidated School District No. 54

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2019**

	<u>Major Fund General Fund</u>	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Property and replacement taxes	\$ 164,131,677	\$ 12,614,720	\$ 176,746,397
State aid	20,661,817	7,352,488	28,014,305
State on-behalf contributions - TRS and THIS	47,943,743	-	47,943,743
Federal aid	9,168,148	-	9,168,148
Interest	3,327,461	234,728	3,562,189
Other	1,905,327	420,596	2,325,923
Total revenues	247,138,173	20,622,532	267,760,705
Expenditures:			
Current:			
Instruction:			
Regular programs	84,071,234	1,787,552	85,858,786
Special programs	34,216,285	1,624,061	35,840,346
Other instructional programs	12,249,298	717,739	12,967,037
State on-behalf contributions - TRS and THIS	47,943,743	-	47,943,743
Support services:			
Pupils	14,624,660	499,320	15,123,980
Instructional staff	12,434,159	817,368	13,251,527
General administration	1,029,520	16,052	1,045,572
School administration	10,636,571	230,709	10,867,280
Business	4,920,918	405,768	5,326,686
Transportation	-	13,587,039	13,587,039
Operations and maintenance	13,382,130	854,987	14,237,117
Central	1,353,769	44,675	1,398,444
Payments to other governments	1,418,512	-	1,418,512
Capital outlay	20,625,209	51,622	20,676,831
Total expenditures	258,906,008	20,636,892	279,542,900
Net change in fund balances	(11,767,835)	(14,360)	(11,782,195)
Fund balances:			
July 1, 2017	139,129,485	9,012,773	148,142,258
June 30, 2018	<u>\$ 127,361,650</u>	<u>\$ 8,998,413</u>	<u>\$ 136,360,063</u>

See notes to basic financial statements.

Schaumburg Community Consolidated School District No. 54

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Year Ended June 30, 2019**

Net change in fund balances - total governmental funds \$ (11,782,195)

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

Revenues that are reported as deferred inflows of resources in the fund financial statements because they are not available but are recognized as revenue in the government-wide financial statements.

Prior year deferred balance	(8,104,821)	
Current year deferred balance	5,855,224	(2,249,597)

Governmental funds report capital outlays as expenditures paid while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital outlays	18,117,332	
Loss on disposal	(15,842)	
Depreciation expense	(8,674,055)	9,427,435

Items related to pension expense and revenue are reported as deferred inflows and outflows on the government-wide financial statements, but not on the fund financial statements.

Deferred outflows of resources related to pension expense - TRS	(1,190,310)	
Deferred outflows of resources related to pension expense - IMRF	12,562,079	
Deferred inflows of resources related to pension expense - TRS	(5,371,784)	
Deferred inflows of resources related to pension expense - IMRF	8,503,108	14,503,093

Items related to OPEB expense and revenue are reported as deferred inflows and outflows on the government-wide financial statements, but not on the fund financial statements.

Deferred outflows of resources related to OPEB expense - District Plan	414,841	
Deferred outflows of resources related to OPEB expense - THIS	2,570,177	
Deferred inflows of resources related to OPEB expense - District Plan	(168,915)	
Deferred inflows of resources related to OPEB expense - THIS	(4,297,808)	(1,481,705)

Some revenues and expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

These activities consists of changes in:

State on-behalf contribution revenue - TRS and THIS	38,121,690	
State on-behalf expense - TRS and THIS	(38,121,690)	
Retirement benefits	47,907	
Health insurance claims incurred, but not reported	667,055	
Compensated absences	48,333	
Collective net pension liability - TRS	8,628,060	
Net pension liability - IMRF	(21,399,327)	
Total OPEB liability - District Plan	(965,145)	
Collective total OPEB liability - THIS	(5,007,594)	

Change in net position of governmental activities	\$ (9,563,680)
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See notes to basic financial statements.

Schaumburg Community Consolidated School District No. 54

Statement of Fiduciary Assets and Liabilities

Agency Funds

June 30, 2019

	Student Activity Fund
Assets, cash	<u>\$ 603,439</u>
Liabilities, due to activity fund organizations	<u>\$ 603,439</u>

See notes to basic financial statements.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

Nature of Activities

Schaumburg Community Consolidated School District No. 54 (the District) operates as a public school system under the direction of its Board of Education. The District is organized under The School Code of the State of Illinois (School Code), as amended. The District serves the communities of Schaumburg Township, Elk Grove Village, Streamwood, Hanover Park and Roselle.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

Financial Reporting Entity

As defined by generally accepted accounting principles established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government and the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Financial benefit or financial burden is created if any one of the following relationships exists:

- 1) The primary government is legally entitled to or has access to the component unit's resources.
- 2) The primary government is legally required or has assumed the obligation to finance the deficits of, provide support to, the component unit.
- 3) The primary government is obligated in some manner for the other component unit's debt.

Based upon the application criteria, no component units have been included within the reporting entity.

Basis of Presentation

Government-Wide Financial Statements: The government-wide Statement of Net Position and Statement of Activities report the overall financial activity of the District. Eliminations have been made to minimize the double counting of internal activities of the District. The financial activities of the District consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e., instruction, support services, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

Fund Financial Statements: Separate financial statements are provided for governmental funds and fiduciary (agency) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the District's funds. The District has the following governmental funds – General, Special Revenue, Debt Service, and Capital Projects. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The District administers the following major governmental fund:

General Fund – This is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

All remaining governmental funds are aggregated and reported as nonmajor governmental funds.

Additionally, the District administers an agency fund that is used to account for assets held by the District in an agency capacity. These funds are held on behalf of the students of the District.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus while the fiduciary statements do not have a measurement focus. The government-wide financial statements and the fiduciary statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, state-shared revenues and various state, federal and local grants. On an accrual basis, revenues from taxes are recognized when the District has a legal claim to the resources. Property taxes are recognized as revenues in the year they are levied (i.e., intended to finance). Grants, entitlements, state-shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, in the governmental fund financial statements, compensated absences are recorded only when payment is due (upon employee retirement or termination). General capital asset acquisitions are reported as expenditures in governmental funds.

Property Taxes

Property taxes are levied each year on all taxable real property in the District on or before the last Tuesday in December. The 2018 tax levy was passed by the Board of Education on November 17, 2018 and attached as an enforceable lien on the property as of the preceding January 1. The taxes become due and collectible in March and September 2019, and are collected by the county collector, who in turn remits to the District its respective share. The District receives these remittances within one month of the collection dates. Approximately one-half the 2018 levy is intended to finance fiscal year beginning July 1, 2018 and the District recognizes property tax revenue provided they are collected within 60 days after year-end with the remaining portion of the levy to be recognized in the following fiscal year. Property taxes not collected within 60 days after year-end or collected prior to the year they are intended to finance are reflected as deferred inflows of resources in the current year. This methodology conforms to the measurable and available criteria for revenue recognition. A reduction for collection losses, based on historical collection experience, has been provided to reduce the taxes receivable to the estimated amounts to be collected. At June 30, 2019, the allowance for uncollectible amounts was approximately 2 percent of the total levy, \$3,616,528.

The Property Tax Extension Limitation Law imposes mandatory property tax limitations on the ability of taxing districts in Illinois to raise revenues through unlimited property tax increases. The increase in property tax extensions is limited to the lesser of 5 percent or the percentage increase in the Consumer Price Index for all Urban Consumers. The limitation includes taxes levied for purposes without a statutory maximum rate. The amount of the limitation may be adjusted for new property added or annexed to the tax base or due to voter approved increases.

Cash and Investments

For purposes of reporting cash, all highly liquid investments with original maturities of three months or less when purchased are considered to be cash.

The District has investments in non-participating and participating certificates of deposits (CDs), municipal bonds, and US agency securities. Non-participating CDs are valued at cost. Participating CDs, municipal bonds and US agency securities are valued at fair value, if maturity is greater than one year at time of purchase, or amortized cost if maturity is less than one year at purchase. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Changes in the carrying value of investments resulting in unrealized gains or losses are reported as a component of investment earnings in the statements of revenues, expenses, and changes in net position.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The method used to report prepaid items is the purchase method.

Interfund Activity

Transfers are flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. There were no transfers in 2019 or 2018.

Capital Assets

Capital assets which include land, construction in progress, buildings and improvements, and machinery and equipment, are reported in the Statement of Net Position. Capital assets are defined as assets with an initial individual cost of more than \$500, and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized in the government-wide financial statements. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

These assets have been valued at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at their acquisition value at the date of donation.

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

Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position and is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	50 years
Machinery and equipment	5 – 10 years
Improvements other than buildings	20 years

Compensated Absences

Certified employees working less than 12 months a year do not earn vacation days. Full-time employees working 12 months a year earn vacation days which accumulate as they accrue, however, unused vacation days from the previous fiscal year must be used by December 31 of the current fiscal year. If they are not, they will be lost. Vacation pay includes the actual salary plus salary related payments. Compensated absences are reported on the government-wide financial statements.

Substantially all full-time employees receive 9 sick days and 5 personal days per year, and these days may accumulate to a maximum of 280 days for certified employees and 240 days for noncertified employees. These accumulated sick days do not vest and have not been recognized as a liability as they will not be paid in cash.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Deferred Inflows or Deferred Outflows of Resources and Unearned Revenue

Deferred inflows of resources are the acquisition of net position or fund balance that is applicable to future reporting periods. Deferred outflows of resources are the consumption of net position that is applicable to future reporting periods.

Property taxes that are received or recorded as receivables prior to the period the levy is intended to finance are recorded as deferred inflows of resources on both the fund financial statements and government-wide financial statements. Potential grant revenue is recorded as deferred inflows of resources on the fund financial statements when it has not yet met both the “measurable” and “available” criteria for recognition in the current period.

The net difference between projected and actual earnings on pension and other postemployment benefits (OPEB) plan investments, changes in proportion and differences between employer contributions and proportionate share of contributions, as well as pension and OPEB payments made subsequent to the pension and OPEB liability measurement date are reported as deferred outflows or inflows of resources on the government-wide financial statements. See Note 6 for pension related disclosures and Note 7 for OPEB related disclosures.

Unearned revenues arise when resources are received by the District before it has a legal claim to them. In subsequent periods, when revenue recognition criteria are met or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

Long-Term Obligations

In the government-wide financial statements, long-term obligations, including retirement benefits and other post-employment benefits, are reported as liabilities in the Statement of Net Position.

Net Position

The District’s government-wide net position is reported in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation.

Restricted net position results when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position that does not meet the criteria of the two preceding categories.

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

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Balances

Within the governmental fund types, the District's fund balances are reported in one of the following classifications:

Nonspendable – includes amounts that cannot be spent because they are either: (a) not in spendable form; or (b) legally or contractually required to be maintained intact.

Restricted – includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – includes 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. Committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The District's highest level of decision-making authority rests with the District's Board of Education. The District passes formal resolutions to commit their fund balances. At June 30, 2019, the District has no committed fund balance amounts.

Assigned – includes amounts that are constrained by the District's *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: (a) the District's Board of Education itself; or (b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District's Board of Education has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned. At June 30, 2019, the District has no assigned fund balance amounts.

Unassigned – includes the residual fund balance that has not been restricted, committed, or assigned within the General Fund and unassigned deficit fund balances of other governmental funds.

It is the District's policy for the General Fund to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e., committed, assigned or unassigned fund balances) are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used. For all other governmental funds, it is the District's policy to consider unrestricted resources to have been spent first, followed by restricted resources.

The General Fund includes the Working Cash stabilization account. Under the State of Illinois School Code, the District is authorized to incur indebtedness and issue bonds and to levy a tax annually on all taxable property of the District in order to enable the District to have in its treasury at all times sufficient money to meet demands thereon. These working cash funds may be lent to other District governmental funds in need, but may only be expended for other purposes upon the passage of a resolution by the Board of Education to abolish the funds to the General Fund educational account or abate the fund to any fund of the District most in need. At June 30, 2019, the District had working cash stabilization fund balances of \$44,687,493 that have been classified as unassigned fund balances in the General Fund.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Eliminations and Reclassifications

In the process of aggregating data for the government-wide Statement of Activities, some amounts reported as interfund activity and interfund balances in the funds are eliminated or reclassified.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures during the period. Actual results could differ from these estimates.

Note 2. Cash and Investments

Deposits

State statutes authorize the District to make deposits in interest bearing depository accounts in federally insured and/or state chartered banks, savings and loan associations, and credit unions. As of June 30, 2019, the District had deposits with federally insured financial institutions of \$15,740,474 with bank balances totaling \$15,978,706. The Agency Funds had deposits with federal insured financial institutions of \$603,439. The District and Agency Fund deposits were fully insured or collateralized as of June 30, 2019.

As of June 30, 2019, the District had non-participating CD's in the amount of \$23,369,300.

Custodial Credit Risk – Deposits: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk.

Investments

As of June 30, 2019, the District had the following investments:

Investment Type		Investment Maturities (in Years)	
		Less Than 1	1-5
Federal Farm Credit Bank (FFCB)	\$ 10,710,450	\$ 2,143,030	\$ 8,567,420
Federal Home Loan Mortgage Corporation (FHLMC)	42,060,035	6,205,544	35,854,491
Federal Home Loan Bank (FHLB)	33,761,124	16,694,399	17,066,725
Illinois School District Liquid Asset Fund (ISDLAF)	1,115,142	1,115,142	-
U.S. Treasury Notes	12,448,338	12,448,338	-
Municipal Bonds	608,332	608,332	-
Participating Certificates of Deposit	19,088,997	15,713,296	3,375,701
Money Market	6,081,958	6,081,958	-
Total	<u>\$ 125,874,376</u>	<u>\$ 61,010,039</u>	<u>\$ 64,864,337</u>

The ISDLAF is shown as maturing in less than one year because the weighted average maturity of the pool is less than one year.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 2. Cash and Investments (Continued)

Interest Rate Risk: The District's investment policy does not limit the District's investment portfolio to specific maturities.

The ISDLAF is a not-for-profit pooled investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Directors elected from the participating members. The ISDLAF is not registered with the SEC as an investment company. Investments in the ISDLAF are valued at the ISDLAF share price, which is the price the investment could be sold for. The fair value of the pool is measured at net asset value (NAV).

Credit Risk: State statutes authorize the District to invest in direct obligations of, or obligations guaranteed by, the United States Treasury or agencies of the United States, and short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000. U.S. Treasury obligations are backed by the full faith and credit of the U.S. Government and are not considered to have credit risk. The District is also authorized to invest in the ISDLAF. The District restricted its investments to only those investments described above.

As of June 30, 2019, the FFCB, FHLMC, and FHLB investments are rated AA+ and above by Standard & Poor's and Aaa and above by Moody's Investors Services. The Municipal Bonds are rated AA- and above by Standard & Poor's and Aa2 and above by Moody's Investors Services. The ISDLAF is rated AAAM by Standard & Poor's. The Money Market funds are not rated.

Concentration of Credit Risk: The District's investment policy does not restrict the amount of investment in any one issuer. More than 5 percent of the District's investments are in FHLMC, FHLB, and FFCB. These investments make up 33.4 percent, 26.8 percent and 8.5 percent, respectively, of the District's total investments. The ISDLAF, participating CD's, and Money Market funds are not subject to concentration of credit risk.

Custodial Credit Risk – Investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The FFCB, FHLMC, FHLB, U.S. Treasury Notes, and Municipal Bonds investments are held by the District's agent in the District's name. The ISDLAF and Money Market funds are not subject to custodial credit risk. The District's investment policy does not address custodial credit risk for investments.

In accordance with GASB Statement No. 72, *Fair Value Measurement and Application Risk*, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation on the inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant observable inputs. Level 3 inputs are significant unobservable inputs.

The District has the following as of June 30, 2019:

Investments by fair value level	June 30, 2019	Quoted Prices in	Significant	Significant
		Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
U.S. agency securities	\$ 72,525,849	\$ -	\$ 72,525,849	\$ -
Municipal bonds	608,332	-	608,332	-
Participating certificates of deposit	9,859,997	-	9,859,997	-
Total debt securities	<u>\$ 82,994,178</u>	<u>\$ -</u>	<u>\$ 82,994,178</u>	<u>\$ -</u>

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 2. Cash and Investments (Continued)

Investments measured at the net asset value (NAV) or amortized cost

		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Money Market	\$ 6,081,958	N/A	Daily	One Day
U.S. agency securities	14,005,760	N/A	Daily	One Day
Participating Certificates of Deposit	9,229,000	N/A	Daily	One Day
U.S. Treasury securities	12,448,338	N/A	Daily	One Day
ISDLAF	<u>1,115,142</u>	N/A	Daily	One Day
Total investments measured at the NAV or amortized cost	<u>42,880,198</u>			
Total investments	<u><u>\$ 125,874,376</u></u>			

The above deposits and investments are presented in the basic financial statements as cash and investments as follows:

Statement of net position, governmental activities	\$ 164,984,150
Statement of fiduciary assets and liabilities, agency funds	<u>603,439</u>
	<u><u>\$ 165,587,589</u></u>

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 3. Capital Assets

Capital asset balances and activity for the year ended June 30, 2019, are as follows:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,331,538	\$ -	\$ 22,451	\$ 1,309,087
Construction in progress	5,951,316	6,852,928	5,951,316	6,852,928
Total capital assets not being depreciated	<u>7,282,854</u>	<u>6,852,928</u>	<u>5,973,767</u>	<u>8,162,015</u>
Capital assets, being depreciated:				
Improvements other than building	6,708,017	-	-	6,708,017
Buildings and improvements	278,289,567	12,046,936	241,800	290,094,703
Machinery and equipment	19,387,461	5,191,235	22,092	24,556,604
Total capital assets being depreciated	<u>304,385,045</u>	<u>17,238,171</u>	<u>263,892</u>	<u>321,359,324</u>
Less accumulated depreciation:				
Improvements other than building	(3,492,646)	(335,400)	-	(3,828,046)
Buildings and improvements	(113,512,389)	(6,291,504)	(231,922)	(119,571,971)
Machinery and equipment	(14,054,339)	(2,047,151)	(16,128)	(16,085,362)
Total accumulated depreciation	<u>(131,059,374)</u>	<u>(8,674,055)</u>	<u>(248,050)</u>	<u>(139,485,379)</u>
Total capital assets, being depreciated, net	<u>173,325,671</u>	<u>8,564,116</u>	<u>15,842</u>	<u>181,873,945</u>
Governmental activities				
Capital assets, net	<u>\$ 180,608,525</u>	<u>\$ 15,417,044</u>	<u>\$ 5,989,609</u>	<u>\$ 190,035,960</u>

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 3. Capital Assets (Continued)

Depreciation expense was charged to governmental activities as follows:

Instruction:	
Regular programs	\$ 823,094
Special programs	1,067,614
Other instructional programs	23,153
Support services:	
Instructional staff	4,203,394
General administration	109,756
Central	2,314,931
Operations and maintenance	<u>132,113</u>
	<u><u>\$ 8,674,055</u></u>

Note 4. Long-Term Obligations

Long-term obligations as of June 30, 2019, and a summary of activity for the year then ended are as follows:

	<u>Retirement Benefits</u>
Balance, July 1, 2018	\$ 47,907
Retirement benefits paid	<u>(47,907)</u>
Balance, June 30, 2019	<u><u>\$ -</u></u>

The District provided retirement benefits to all noncertified and certified full-time employees that elected to retire before June 30, 2016. These benefits no longer exist for employees after June 30, 2016. The benefits are computed by taking various percentages of the employee's salary in their final year multiplied by the years of service in the District (not to exceed 20 years or 50 percent). Benefits are payable upon retirement up to a 3-year period. The General Fund is used to liquidate the retirement benefits.

Per Illinois school code (105 ILCS 5/prec. Sec. 19-1 heading), the legal debt limit of the District was \$309,599,193 based upon 6.9 percent of its 2018 equalized assessed valuation of \$4,486,944,821. The District has no outstanding debt subject to the legal debt margin as of June 30, 2019.

Note 5. 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 is self-insured for medical and dental benefits that are provided for its employees up to \$170,000 per plan year for each employee, but maintains coverage with an insurance carrier for excess amounts. Settlements have not exceeded coverages for each of the past three fiscal years. The plan is administered by a third party administrator who processes the claims for a monthly fee. Expenditures are recorded as incurred in the form of direct contributions from the District to the third party administrator for payment of employee health claims and administrative fees.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 5. Risk Management (Continued)

At June 30, 2019, total unpaid claims, including an estimate of claims incurred but not yet reported are developed based on reports prepared by the administrative agent are summarized as follows:

	2019	2018
Self-insurance liability, July 1	\$ 1,913,585	\$ 1,031,226
Current year claims and changes in estimate	20,250,882	20,263,055
Actual claims paid	<u>(20,917,937)</u>	<u>(19,380,696)</u>
Self-insurance liability, June 30	<u>\$ 1,246,530</u>	<u>\$ 1,913,585</u>

The District's liability for medical and dental claims is included in accrued liabilities in the Statement of Net Position. Of this amount, the District recorded \$210,395 in the General Fund.

The District purchases commercial insurance for all other risks of loss, including general liability, property and equipment, workers' compensation, and umbrella coverages. The insurance coverage is consistent with the prior year and the amounts of settled claims have not exceeded commercial insurance coverage in any of the past three years.

Note 6. Retirement Plan Commitments

Teachers' Retirement System

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

TRS issues a publicly available financial report that can be obtained at <http://trs.illinois.gov/pubs/cafrs/fy2018>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

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

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

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 6. Retirement Plan Commitments (Continued)

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2020. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2021. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs will begin in 2019 and will be funded by bonds issued by the state of Illinois.

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2019, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On behalf contributions to TRS. The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2019, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenses of \$77,488,681 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$46,515,996 in the General Fund based on the current financial resources measurement basis.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2019, were \$667,873 and are reported as a deferred outflow of resources on the statement of net position because they were paid after the June 30, 2018, measurement date.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

Previously, employer contributions for employees paid from federal and special trust funds were at the same rate as the state contribution rate to TRS and were much higher.

For the year ended June 30, 2019, the employer pension contribution was 9.85 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2019, salaries totaling \$1,968,391 were paid from federal and special trust funds that required District contributions of \$193,887. Actual contributions were \$171,600 and reported as a deferred outflow of resources on the statement of net position because they were paid after the June 30, 2018, measurement date.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 6. Retirement Plan Commitments (Continued)

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. The state legislature passed a law reducing that rate to 3 percent effective July 1, 2018. That provision has been repealed and effective June 5, 2019, the limiting rate is increased back to 6 percent. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. Additionally PA 100-0023 requires school districts to pay for a portion of the cost of a member's pension if that member's salary, determined on a full-time equivalent basis, is greater than the governor's statutory salary (currently \$177,412). The amount charged to the employer is the employer normal cost, or 9.85 percent

For the year ended June 30, 2019, the District paid \$1,533 to TRS for employer contributions due on salary increases in excess of the statutory limit. There were no payments for sick leave days granted in excess of the normal annual allotment and the District paid \$33,752 for member salaries in excess of the governor's statutory salary.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2019, the employer reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The state's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the employer were as follows:

Employer's proportionate share of the net pension liability	\$ 12,044,237
State's proportionate share of the net pension liability associated with the District	<u>825,080,726</u>
Total	<u>\$ 837,124,963</u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017, and rolled forward to June 30, 2018. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2018, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2018, the employer's proportion was 0.0155 percent, which was a decrease of 0.0115 from its proportion measured as of June 30, 2017.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 6. Retirement Plan Commitments (Continued)

For the year ended June 30, 2019, the employer recognized an offset to expenses of \$76,272,097 in the governmental activities based on the economic resources measurement basis and expenditures in the amount of \$47,355,469 in the General Fund based on the current financial resources measurement basis. At June 30, 2019, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 242,066	\$ 2,626
Net difference between projected and actual earnings on pension plan investments	-	36,878
Changes in proportion and differences between District contributions and proportionate share of contributions	1,048,109	8,096,602
Changes of assumptions	528,255	341,359
Total deferred amounts to be recognized in pension expense in future periods	1,818,430	8,477,465
District contributions subsequent to the measurement date	839,473	-
	<u>\$ 2,657,903</u>	<u>\$ 8,477,465</u>

The District reported \$839,473 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year Ending June 30,

2020	\$ (1,481,255)
2021	(1,528,414)
2022	(1,431,096)
2023	(1,514,741)
2024	(703,529)
	<u>\$ (6,659,035)</u>

Actuarial Assumptions. The total pension liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 6. Retirement Plan Commitments (Continued)

In the June 30, 2018 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates are used on a fully-generational basis using projection table MP-2017. In the June 30, 2017 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2014.

The long-term (20 year) expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	15.0 %	6.7 %
U.S. equities small/mid cap	2.0	7.9
International equities developed	13.6	7.0
Emerging market equities	3.4	9.4
U.S. bonds core	8.0	2.2
U.S. bonds high yield	4.2	4.4
International debt developed	2.2	1.3
Emerging international debt	2.6	4.5
Real estate	16.0	5.4
Real return	4.0	1.8
Absolute return	14.0	3.9
Private equity	15.0	10.2
	100.0 %	

Discount Rate. At June 30, 2018, the discount rate used to measure the total pension liability was 7.00 percent, which was unchanged from the June 30, 2017 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2018, was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 6. Retirement Plan Commitments (Continued)

Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the net pension liability	\$ 14,771,118	\$ 12,044,237	\$ 9,848,277

Payables to TRS. As of June 30, 2019, the District reported no payables to TRS.

TRS Fiduciary Net Position. Detailed information about TRS’ fiduciary net position as of June 30, 2018, is available in the separately issued TRS *Comprehensive Annual Financial Report*.

Illinois Municipal Retirement Fund

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

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

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 6. Retirement Plan Commitments (Continued)

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

- 3 percent of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms. As of December 31, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	745
Inactive Plan Members entitled to but not yet receiving benefits	869
Active Plan Members	761
Total	<u>2,375</u>

Contributions. As set by statute, the District's Regular Plan Members are required to contribute 4.5 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rates for calendar years 2019 and 2018 were 10.70 percent and 12.63 percent, respectively. For the fiscal year ended June 30, 2019, the District contributed \$3,234,626 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability. The District's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50 percent.
- **Salary Increases** were expected to be 3.39 percent to 14.25 percent, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25 percent.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study of the period 2014-2016.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 6. Retirement Plan Commitments (Continued)

- For **Non-disabled Retirees**, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **Long-Term Expected Rate of Return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Projected Returns / Risk	
		One year Arithmetic	Ten Year Geometric
Domestic equity	37.0 %	8.50 %	7.15 %
International equity	18.0	9.20	7.25
Fixed income	28.0	3.75	3.75
Real estate	9.0	7.30	6.25
Alternative investments	7.0		
Private equity		12.40	8.50
Hedge funds		5.75	5.50
Commodities		4.75	3.20
Cash equivalents	<u>1.0</u>	2.50	2.50
	<u><u>100.0 %</u></u>		

Actuarial assumptions changed from the prior year. The discount rate changed from 7.50 percent to 7.25 percent.

Discount rate. A single discount rate of 7.25 percent was used to measure the total pension liability. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rate reflects:

1. The long-term expected rate of return (7.25 percent) on pension plan investments during the period in which the fiduciary net position is projected to be sufficient to pay benefits, and
2. The tax-exempt municipal bond rate (3.71 percent) based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date to the extent that the contributions for use with the long-term expected rate of return are not met.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 6. Retirement Plan Commitments (Continued)

Based on those assumptions, IMRF's fiduciary net position at December 31, 2018, was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25 percent and the municipal bond rate was not used.

Changes in the Net Pension Liability. The following table shows the components of the District's annual pension liability and related plan fiduciary net position for the calendar year ended December 31, 2018:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2017	\$ 156,226,862	\$ 147,626,459	\$ 8,600,403
Changes for the year:			
Service cost	2,772,747	-	2,772,747
Interest on the total pension liability	11,496,772	-	11,496,772
Difference between expected and actual experience of the Total Pension Liability	1,672,680	-	1,672,680
Changes of assumptions	4,435,476	-	4,435,476
Contributions - employer	-	3,437,356	(3,437,356)
Contributions - employees	-	1,238,742	(1,238,742)
Net investment income	-	(8,300,964)	8,300,964
Benefit payments, including refunds of employee contributions	(8,645,878)	(8,645,878)	-
Other (net transfer)	-	2,603,214	(2,603,214)
Balances at December 31, 2018	<u>\$ 167,958,659</u>	<u>\$ 137,958,929</u>	<u>\$ 29,999,730</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25 percent, as well as what the plan's net pension liability (asset) would be if it were calculated using a Single Discount Rate that is 1.0 percent lower or 1.0 percent higher:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net pension liability	\$ 49,954,324	\$ 29,999,730	\$ 13,404,858

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 6. Retirement Plan Commitments (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2019, the District recognized pension expense of \$3,566,730. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,594,939	\$ -
Changes of assumptions	2,847,294	1,541,554
Net difference between projected and actual earnings on pension plan investments	9,385,886	-
Total deferred amounts to be recognized in pension expense in future periods	13,828,119	1,541,554
District contributions subsequent to the measurement date	1,754,588	-
	<u>\$ 15,582,707</u>	<u>\$ 1,541,554</u>

The District reported \$1,754,588 as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as reduction of the net pension liability in the reporting year ending June 30, 2020. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31:

2020	\$ 4,205,570
2021	3,043,113
2022	1,173,540
2023	3,864,342
	<u>\$ 12,286,565</u>

Note 7. Post Employment Benefit Plans Other Than Pensions

Retiree Health Plan

Plan Description. The District provides District paid retiree medical coverage (including prescription drugs) to current and future eligible retirees ranging from three years to age 65 depending on employment classification. Dependents are provided access to coverage on a fully contributory basis. This is a single-employer plan. The Retiree Health Plan does not issue a publicly available financial report.

Benefits Provided. Certified retirees receive coverage under the TRS health plan with a District contribution set at the TRS HMO Manual Care Insurance Plan rate. Non-certified retirees receive coverage under the District health plan with the District contribution set at the existing District Plan premium rate for HMO coverage.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 7. Post Employment Benefit Plans Other Than Pensions (Continued)

Employees Covered by Benefit Terms. At June 30, 2019, the following employees were covered by the benefit terms:

Inactive Plan Members currently receiving benefits	125
Active Plan Members	2,141
Total	<u>2,266</u>

Total OPEB Liability. The District's total OPEB liability was measured as of June 30, 2018, and rolled forward to June 30, 2019.

	<u>Total OPEB Liability</u>
Balances at June 30, 2018	\$ 10,774,856
Changes for the year:	
Service cost	545,542
Interest on the total OPEB liability	372,591
Changes of assumptions	569,179
Benefit payments	(319,430)
Other (net transfer)	<u>(202,737)</u>
Balances at June 30, 2019	<u>\$ 11,740,001</u>

Actuarial Assumptions. The following are the methods and assumptions used to determine total OPEB liability at June 30, 2019:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Inflation Rate** was assumed to be 3.00 percent.
- The **Discount Rate** was assumed to 2.79 percent based on the S&P Municipal Bond 20 Year High-Grade Rate Index.
- **Salary Increases** was assumed to be 4.00 percent, including inflation.
- For **Healthcare Cost Trend Rates**, actual trend rate used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 5.50 percent and 6.50 percent for the HMO plan and PPO plan, respectively, and both gradually decrease to an ultimate trend of 4.50 percent. Trend rates for TRIP Managed Care Option starts and remains constant at 3.00 percent.

Mortality rates for IMRF employees and retirees were from the December 31, 2016, IMRF Actuarial Valuation Report (<https://www.imrf.org/en/employers/employer-resources/reports-for-employers>). Mortality rates for TRS employees and retirees were from the June 30, 2017, Teachers' Retirement System Actuarial Valuation Report (<https://www.trsil.org/financial/actuarial-reports/valuation-reports>).

An actuarial assumption was changed from the prior year. The discount rate was changed from 3.51 percent to 2.79 percent to reflect the change in the S&P Municipal Bond 20 Year High-Grade Rate Index as of June 30, 2019.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 7. Post Employment Benefit Plans Other Than Pensions (Continued)

Sensitivity of the Employer's Proportionate Share of the Total OPEB Liability to Changes in the Single Discount Rate. The following presents the District's total OPEB liability, calculated using a Single Discount Rate of 2.79 percent, as well as what the District's total OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (1.79%)	Current Discount Rate (2.79%)	1% Increase (3.79%)
District's proportionate share of the collective total OPEB liability	\$ 12,684,085	\$ 11,740,001	\$ 10,884,173

Sensitivity of Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the District's total OPEB liability, calculated using the healthcare cost trend rates as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates.

	1% Decrease(a)	Healthcare Cost Trend Rates Assumption	1% Increase(b)
District's proportionate share of the collective total OPEB liability	\$ 10,540,788	\$ 11,740,001	\$ 13,173,256

(a) One percentage point decrease in healthcare trend rates are 4.50 percent and 5.50 percent in 2018 for HMO and PPO plans, respectively, both decreasing to an ultimate trend rate of 3.50 percent in 2028. TRIP Managed Care Option reflects a flat annual trend rate of 2.00 percent.

(b) One percentage point increase in healthcare trend rates are 6.50 percent and 7.50 percent in 2018 for HMO and PPO plans, respectively, both decreasing to an ultimate trend rate of 5.50 percent in 2028. TRIP Managed Care Option reflects a flat annual trend rate of 4.00 percent.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 7. Post Employment Benefit Plans Other Than Pensions (Continued)

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2019, the District recognized OPEB expense of \$1,038,648. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 148,542	\$ -
Changes of assumptions	1,297,307	324,521
Total deferred amounts to be recognized in expense in future periods	<u>\$ 1,445,849</u>	<u>\$ 324,521</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

Fiscal Year Ending June 30:

2020	\$ 120,514
2021	120,514
2022	120,514
2023	120,514
2024	120,514
Thereafter	<u>518,758</u>
	<u>\$ 1,121,328</u>

Teachers' Health Insurance Security Fund

Plan Description. The District participates in the Teachers' Health Insurance Security Fund (THIS) of the State of Illinois. THIS is a cost-sharing multiple-employer defined benefit post-employment healthcare plan (OPEB) established by the Illinois legislature for the benefit of eligible retired Illinois public school teachers employed outside the City of Chicago (members). All District employees receiving monthly benefits from the Teachers' Retirement System (TRS) who have at least eight years of creditable service with TRS, the survivor of an annuitant or benefit recipient who had at least eight years of creditable service or a recipient of a monthly disability benefit are eligible to enroll in THIS.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Plan and amendments to the Plan can be made only by legislative action with the Governor's approval. The Plan is administered by the Illinois Department of Central Management Services. The publicly available financial report of the Plan may be found on the website of the Illinois Auditor General. The current reports are listed under "Central Management Services" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>).

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 7. Post Employment Benefit Plans Other Than Pensions (Continued)

Benefits Provided. THIS provides medical, prescription, and behavioral health benefits for eligible retirees and their dependents, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan. The premiums charged reflect approximately a 75 percent subsidy for members that elect a managed care plan or elect the Teachers' Choice Health Plan (TCHP) plan if a managed care plan is either not available or only partially available. Members receive approximately a 50 percent subsidy if they elect the TCHP when a managed care plan is available. Medicare primary dependent beneficiaries enrolled in a managed care plan or in the TCHP when no managed care plan is available receive a premium subsidy.

Contributions. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6) specifies the contribution requirements of the participating school districts and covered employees. For the year ended June 30, 2019, required contributions are as follows:

- Active members contribute 1.24 percent of covered payroll.
- Employers contribute 0.92 percent of covered payroll. 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. For the year ended June 30, 2019, the District paid \$1,059,296 to the THIS Fund, which was 100 percent of the required contribution.
- The State of Illinois makes contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members. The State contributed 1.24 percent of covered payroll. For the year ended June 30, 2019, the District recognized revenue and expense of \$8,576,752 in the governmental activities based on the economic resources measurement basis and revenue and expenditures of \$1,427,747 in the General Fund based on the current financial resources measurement.
- Retired members contribute through premium payments based on the coverage elected, Medicare eligibility, and the age of the member and dependents. The premium for retired members is not permitted to increase by more than 5.0 percent per year by statute. The Federal Government provides a Medicare Part D subsidy.

OPEB Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources. At June 30, 2019, the District reported a liability for its proportionate share of the collective net OPEB liability that reflected a reduction for state pension support provided for the District. The state's support and total are for disclosure purposes only. The OPEB proportionate shares are as follows:

District's proportionate share of the collective total OPEB liability	\$ 123,034,985
The State's proportionate share of the collective total OPEB liability associated with the District	<u>165,209,237</u>
Total THIS total collective OPEB liability associated with the District	<u><u>\$ 288,244,222</u></u>

The collective total OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the collective total OPEB liability was determined by an actuarial valuation as June 30, 2017, and rolled forward to June 30, 2018. The employer's proportionate share of the total OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2018, relative to the contributions of all participating employers and the State during that period. At June 30, 2018, the District's proportion was 0.467 percent, which was an increase of 0.012 from its proportion measured as of June 30, 2017.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 7. Post Employment Benefit Plans Other Than Pensions (Continued)

For the year ended June 30, 2019, the District recognized the following for OPEB expense/expenditure and revenue pertaining to the District's employees:

	Governmental Activities	General Fund
State on-behalf contribution - OPEB revenue and expense/expenditure	\$ 8,576,752	\$ 1,427,747
District OPEB expense/expenditure	7,727,630	1,059,296
Total OPEB expense/expenditure	<u>\$ 16,304,382</u>	<u>\$ 2,487,043</u>

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 441,452
Changes in proportion and differences between District contributions and proportionate share of contributions	6,616,952	57,489
Net difference between projected and actual investment earnings	-	3,776
Changes of assumptions	-	17,915,960
Total deferred amounts to be recognized in expense in future periods	6,616,952	18,418,677
District contributions subsequent to the measurement date	1,059,296	-
	<u>\$ 7,676,248</u>	<u>\$ 18,418,677</u>

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 7. Post Employment Benefit Plans Other Than Pensions (Continued)

The District reported \$1,059,296 as deferred outflows of resources resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the collective net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in expense as follows:

Fiscal Year Ending June 30:

2020	\$ (2,161,071)
2021	(2,161,071)
2022	(2,161,071)
2023	(2,160,738)
2024	(2,160,044)
Thereafter	<u>(997,730)</u>
	<u>\$ (11,801,725)</u>

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2017 and rolled forward to June 30, 2018, based on the entry age normal cost method and using the following actuarial assumptions:

Discount rate	3.62% at June 30, 2018
Inflation	2.75%
Salary increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.00% and 9.00% for non-Medicare costs and post- Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.36% is added to non- Medicare cost on and after 2021 to account for the Excise Tax.

Eighty percent of future retirees that are currently active are assumed to elect healthcare coverage, with 80 percent electing single coverage and 20 percent electing two-person coverage.

Seventy percent of current deferred vested participants with at least seven years of service and younger than 70 as of June 30, 2017, are assumed to elect healthcare coverage, with 80 percent electing single coverage and 20 percent electing two-person coverage.

The pension-related assumptions disclosed in the TRS experience study for the period July 1, 2011 through June 30, 2014, were applied to the THIS actuarial valuation as of June 30, 2017. Among other pension-related assumptions, mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disabled annuitants mortality rates were based on the RP-2014 Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table, sex distinct. All tables reflect future mortality improvements using Projection Scale MP-2014.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 7. Post Employment Benefit Plans Other Than Pensions (Continued)

The following OPEB-related assumption changes were made since the June 30, 2014, OPEB actuarial valuation date:

- The discount rate was changed from 3.56 percent at June 30, 2016 to 3.62 percent at June 30, 2017;
- The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2017, projected plan cost for plan year end June 30, 2018, premium changes through plan year end 2019, and expectation of future trend increases after June 30, 2018;
- The Excise trend rate adjustment was updated based on available premium and enrollment information as of June 30, 2018;
- Per capita claim costs were updated based on projected claims and enrollment experience through June 30, 2018, and updated premium rates through plan year 2019; and
- Healthcare plan participation rates by plan were updated based on observed experience.

The long-term expected rate of return assumption was set to zero. As such, ranges of expected future real rates of return by asset class were not developed.

Discount Rate. Since THIS is financed on a pay-as-you-go basis, a long-term rate of return was not used and the discount rate used to measure the total OPEB liability was the 20-year general obligation bond index rate (source was Fidelity Index's 20-year municipal GO AA Index). The discount rate as of June 30, 2018, was 3.62 percent, which was an increase from the June 30, 2017, rate of 3.56 percent. The projection of cash flows used to determine the discount rate assumed that employee, employer, and State contributions would be made at the current statutorily-required rates. Based on those assumptions, THIS's fiduciary net position was not projected to be sufficient to make projected OPEB payments for current active and inactive employees beyond the current year.

Sensitivity of the Employer's Proportionate Share of the Total OPEB Liability to Changes in the Single Discount Rate. The following presents the District's total OPEB liability, calculated using a Single Discount Rate of 3.62 percent, as well as what the District's total OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (2.62%)	Current Discount Rate (3.62%)	1% Increase (4.62%)
District's proportionate share of the collective total OPEB liability	\$ 147,935,466	\$ 123,034,985	\$ 103,378,123

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 7. Post Employment Benefit Plans Other Than Pensions (Continued)

Sensitivity of Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the District's total OPEB liability, calculated using the healthcare cost trend rates as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates.

	Healthcare Cost Trend Rates		
	1% Decrease(a)	Assumption	1% Increase(b)
District's proportionate share of the collective total OPEB liability	\$ 99,761,426	\$ 123,034,985	\$ 154,389,993

(a) One percentage point decrease in healthcare trend rates are 7.00 percent in 2019 decreasing to an ultimate trend rate of 3.86 percent in 2026, for non-Medicare coverage, and 8.00 percent in 2019 decreasing to an ultimate trend rate of 3.50 percent in 2028 for Medicare coverage.

(b) One percentage point increase in healthcare trend rates are 9.00 percent in 2019 decreasing to an ultimate trend rate of 5.86 percent in 2026, for non-Medicare coverage, and 10.00 percent in 2019 decreasing to an ultimate trend rate of 5.50 percent in 2028 for Medicare coverage.

OPEB plan fiduciary net position. Detailed information about the THIS plan fiduciary net position is available in the separately issued THIS financial report.

Payable to the OPEB plan. The District had no outstanding amount of contributions to the THIS plan for the year ended June 30, 2019.

Note 8. Operating Leases

The District leases office equipment under a noncancelable operating lease that expires in July 2020. Total lease costs were approximately \$257,000 for the year ended June 30, 2019.

Future minimum lease payments for this lease are as follows:

<u>Year Ending June 30,</u>	
2020	\$ 256,987
2021	21,415
	<u>\$ 278,402</u>

Note 9. Contingencies

The District is a defendant in various lawsuits. Although the outcome of these proceedings is not presently determinable, in the opinion of the District's management through consultation with legal counsel, the resolution of these matters does not impose a material commitment of the District's net position at June 30, 2019.

Schaumburg Community Consolidated School District No. 54

Notes to Basic Financial Statements

Note 10. Pronouncements Issued But Not Yet Adopted

GASB Statement No. 84, *Fiduciary Activities*, will be effective for the District beginning with its year ending June 30, 2020. This statement establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. Statement 84 provides that governments should report activities meeting certain criteria in a fiduciary fund in the basic financial statements and present a statement of fiduciary net position and a statement of changes in fiduciary net position. Statement 84 also describes four fiduciary funds that should be reported, if applicable: pension/employee benefit trust funds; investment trust funds; private purpose trust funds; and custodial funds with fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

GASB Statement No. 87, *Leases*, will be effective for the District beginning with its year ending June 30, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, will be effective for the District beginning with its year ended June 30, 2021. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and 61*, will be effective for the District beginning with its year ended June 30, 2020. This Statement improves financial reporting by providing users of financial statements with essential information related to presentation of majority equity interests in legally separate organizations that previously were reported inconsistently. In addition, it requires reporting of information about component units if the government acquires 100 percent equity interest in the component unit.

GASB Statement No. 91, *Conduit Debt Obligations*, will be effective for the District beginning with its year ending June 30, 2022. This Statement establishes a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice. Under Statement 91 a government entity no longer reports a liability for any conduit debt that it has issued; however, the issuer should recognize a liability for any additional commitments or voluntary commitments to support the debt service.

Management of the District is still in the process of determining what effect, if any, the above Statements will have on the basic financial statements and related disclosures.

**Required Supplementary
Information**

Schaumburg Community Consolidated School District No. 54

**Schedule of the Employer's Proportionate Share of the Net Pension Liability
Teachers' Retirement System**

For the fiscal year ending*	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability	0.0155%	0.0270%	0.0247%	0.0287%	0.0282%
Employer's proportionate share of the net pension liability	\$ 12,044,237	\$ 20,672,297	\$ 19,521,124	\$ 18,822,678	\$ 17,177,868
State's proportionate share of the net pension liability associated with the employer	825,080,726	774,641,207	793,190,732	647,303,317	598,668,353
Total	<u>\$ 837,124,963</u>	<u>\$ 795,313,504</u>	<u>\$ 812,711,856</u>	<u>\$ 666,125,995</u>	<u>\$ 615,846,221</u>
Employer's covered-employee payroll	\$ 110,730,632	\$ 104,599,023	\$ 101,822,289	\$ 98,114,868	\$ 96,967,218
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	10.9%	19.8%	19.2%	19.2%	17.7%
Plan fiduciary net position as a percentage of the total pension liability	40.0%	39.3%	36.4%	41.5%	43.0%

Notes to Schedules

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

The information in this schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

Schaumburg Community Consolidated School District No. 54

**Schedule of Employer Contributions
Teachers' Retirement System**

For the fiscal year ending	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Statutorily-required contribution	\$ 861,704	\$ 796,071	\$ 1,116,879	\$ 1,020,043	\$ 985,730	\$ 989,375	\$ 995,212	\$ 959,093	\$ 967,020	\$ 1,306,209
Contributions in relation to the statutorily-required contribution	839,473	801,687	1,035,800	1,016,530	1,047,954	989,375	995,212	959,093	967,020	1,306,209
Contribution (excess) deficiency	\$ 22,231	\$ (5,616)	\$ 81,079	\$ 3,513	\$ (62,224)	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered-employee payroll	\$ 115,140,880	\$ 110,730,632	\$ 104,599,023	\$ 101,822,289	\$ 98,114,868	\$ 96,967,218	\$ 94,990,435	\$ 91,270,000	\$ 93,238,333	\$ 89,791,270
Contributions as a percentage of covered-employee payroll	0.73%	0.72%	0.99%	1.00%	1.07%	1.02%	1.05%	1.05%	1.04%	1.45%

Notes to Schedules

Changes of Assumptions

For the 2018, 2017 and 2016 measurement years, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.5 percent and a real rate of return of 4.5 percent. Salary increases were assumed to vary by service credit, but the rates of increase in the 2018 measurement year were slightly higher.

For the 2015 measurement year, the assumed investment rate of return of 7.5 percent, including an inflation rate of 3.0 percent and real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

For the 2014 measurement year, the assumed investment rate of return was also 7.5 percent, including an inflation rate of 3.0 percent and real return of 4.5 percent. However, salary increases were assumed to vary by age.

Schaumburg Community Consolidated School District No. 54

Schedule of Changes in the Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund

For calendar year ended	2018	2017	2016	2015	2014
Total Pension Liability					
Service cost	\$ 2,772,747	\$ 2,886,796	\$ 2,853,844	\$ 2,817,449	\$ 3,006,159
Interest on the total pension liability	11,496,772	11,285,212	10,853,362	10,256,836	9,302,058
Differences between expected and actual experience of the total pension liability	1,672,680	1,601,363	(592,520)	1,859,255	1,129,619
Changes of assumptions	4,435,476	(4,736,486)	(530,559)	173,524	5,963,048
Benefit payments, including refunds of employee contributions	(8,645,878)	(7,672,227)	(7,175,319)	(6,736,826)	(5,684,172)
Net change in total pension liability	11,731,797	3,364,658	5,408,808	8,370,238	13,716,712
Total pension liability - beginning	156,226,862	152,862,204	147,453,396	139,083,158	125,366,466
Total pension liability - ending	<u>\$ 167,958,659</u>	<u>\$ 156,226,862</u>	<u>\$ 152,862,204</u>	<u>\$ 147,453,396</u>	<u>\$ 139,083,178</u>
Plan fiduciary net position					
Contributions - employer	\$ 3,437,356	\$ 3,372,105	\$ 3,322,485	\$ 3,030,875	\$ 3,082,835
Contributions - employee	1,238,742	1,194,893	1,190,705	1,141,629	1,115,359
Net investment income	(8,300,964)	22,997,912	8,498,277	615,154	7,168,645
Benefit payments, including refunds of employee contributions	(8,645,878)	(7,672,227)	(7,175,319)	(6,736,826)	(5,684,172)
Other (net transfer)	2,603,214	(2,142,099)	712,443	963,500	368,532
Net change in plan fiduciary net position	(9,667,530)	17,750,584	6,548,591	(985,668)	6,051,199
Plan fiduciary net position - beginning	147,626,459	129,875,875	123,327,284	124,312,952	118,261,753
Plan fiduciary net position - ending	<u>\$ 137,958,929</u>	<u>\$ 147,626,459</u>	<u>\$ 129,875,875</u>	<u>\$ 123,327,284</u>	<u>\$ 124,312,952</u>
Net pension liability	<u>\$ 29,999,730</u>	<u>\$ 8,600,403</u>	<u>\$ 22,986,329</u>	<u>\$ 24,126,112</u>	<u>\$ 14,770,226</u>
Plan fiduciary net position as a percentage of the total pension liability	82.14%	94.40%	84.96%	83.64%	83.64%
Covered valuation payroll	\$ 27,224,543	\$ 26,160,626	\$ 25,218,136	\$ 24,383,549	\$ 23,879,426
Net pension liability as a percentage of covered valuation payroll	110.19%	32.88%	91.15%	98.94%	60.21%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Schaumburg Community Consolidated School District No. 54

**Schedule of Employer Contributions
Illinois Municipal Retirement Fund**

Fiscal Year Ended June 30,	Actuarially Determined Contribution*	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2019	\$ 3,234,626	\$ 3,234,626	\$ -	\$ 28,116,434	11.50%
2018	3,403,509	3,393,325	10,184	26,717,134	12.70%
2017	3,328,026	3,328,026	-	24,800,843	13.42%
2016	3,184,143	3,184,143	-	24,131,488	13.19%
2015	3,097,829	3,097,829	-	24,205,135	12.80%
2014	3,245,923	3,245,923	-	24,508,224	13.24%
2013	3,195,789	3,195,789	-	24,226,684	13.19%
2012	2,982,577	2,982,577	-	23,663,499	12.60%
2011	2,839,359	2,839,359	-	23,511,390	12.08%
2010	2,638,615	2,638,615	-	23,462,625	11.25%

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2018 Contribution Rate*

Valuation Date:

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

Methods and Assumptions Used to Determine 2018 Contribution Rates:

Actuarial Cost Method: Aggregate entry age normal
 Amortization Method: Level percentage of payroll, closed
 Remaining Amortization Period: 25-year closed period
 Asset Valuation Method: 5-year smoothed market; 20% corridor
 Wage Growth: 3.50%
 Price Inflation: 2.75%
 Salary Increases: 3.75% to 14.50%, including inflation
 Investment Rate of Return: 7.50%
 Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013.
 Mortality: For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that was applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projections scale MP-2014 (base year 2012). The IMRF specific rates were developed from RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2016 actuarial valuation; note two-year lag between valuation and rate setting.

Schaumburg Community Consolidated School District No. 54

**Schedule of Changes in the OPEB Liability and Related Ratios
District OPEB Plan**

For fiscal year ended	2019	2018
Total OPEB Liability		
Service cost	\$ 545,542	\$ 443,035
Interest on the total OPEB liability	372,591	321,024
Differences between expected and actual experience of the total OPEB liability	-	181,528
Changes of assumptions	569,179	369,021
Benefit payments, including refunds of employee contributions	(319,430)	(196,174)
Other (net transfer)	(202,737)	412,338
Net change in total OPEB liability	965,145	1,530,772
Total OPEB liability - beginning	10,774,856	9,244,084
Total OPEB liability - ending	\$ 11,740,001	\$ 10,774,856
 Covered employee payroll	 \$ 128,122,756	 \$ 128,122,756
 Total OPEB liability as a percentage of covered employee payroll	 9.16%	 8.41%

Notes to Schedule:

Changes of benefit assumptions. Changes of assumptions reflect the effects of changes in the discount rate. The following are the discount rates used in each period:

2019 - 2.79%

2018 - 3.51%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Schaumburg Community Consolidated School District No. 54

**Schedule of the District's Proportionate Share of the Collective Net OPEB Liability
Teachers' Health Insurance Security Fund**

For the fiscal year ending June 30,*	2019	2018
District's proportion of the collective total OPEB liability	0.466999%	0.454834%
District's proportionate share of the collective total OPEB liability	\$ 123,034,985	\$ 118,027,391
The State's proportionate share of the collective total OPEB liability associated with the District	<u>165,209,237</u>	<u>154,999,232</u>
Total	<u>\$ 288,244,222</u>	<u>\$ 273,026,623</u>
Employee covered payroll	\$ 110,730,632	\$ 104,599,023
Collective total OPEB liability as a percentage of the employee covered payroll	111.1%	112.8%
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%

Notes to Schedules

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

Changes of benefit assumptions. Changes of assumptions reflect the effects of changes in the discount rate. The following are the discount rates used in each period:

2019 - 3.62%

2018 - 3.56%

Other changes in assumption pertain to the healthcare trend assumption based on claim and enrollment experience, the excise trend rate adjustment based on projected claims and enrollment experience, per capita claim costs based on projected claims and enrollment experience, and healthcare plan participation rates by plan based on observed experience.

The information in this schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75

Schaumburg Community Consolidated School District No. 54

Schedule of District Contributions
Teachers' Health Insurance Security Fund

For the fiscal year ending June 30,	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Statutorily-required contribution	\$ 1,059,296	\$ 974,430	\$ 1,116,879	\$ 814,578	\$ 745,673	\$ 698,164	\$ 655,434	\$ 602,382	\$ 615,373	\$ 565,685
Contributions in relation to the statutorily-required contribution	1,059,296	974,430	1,035,800	814,578	745,673	698,164	655,434	602,382	615,373	565,685
Contribution (excess) deficiency	\$ -	\$ -	\$ 81,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 115,140,880	\$ 110,730,632	\$ 104,599,023	\$ 101,822,289	\$ 98,114,868	\$ 96,967,218	\$ 94,990,435	\$ 91,270,000	\$ 93,238,333	\$ 89,791,270
Contributions as a percentage of covered-employee payroll	0.92%	0.88%	0.99%	0.80%	0.76%	0.72%	0.69%	0.66%	0.66%	0.63%

Schaumburg Community Consolidated School District No. 54

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
General Fund
Year Ended June 30, 2019**

	Original and Final Budget	Actual	Variance
Revenues:			
Property and replacement taxes	\$ 162,367,301	\$ 164,131,677	\$ 1,764,376
State aid	18,620,124	20,661,817	2,041,693
State on-behalf contributions - TRS and THIS	56,925,000	47,943,743	(8,981,257)
Federal aid	7,285,000	9,168,148	1,883,148
Interest	2,145,000	3,327,461	1,182,461
Other	1,766,500	1,905,327	138,827
Total revenues	<u>249,108,925</u>	<u>247,138,173</u>	<u>(1,970,752)</u>
Expenditures:			
Current:			
Instruction:			
Regular programs	77,741,557	84,071,234	(6,329,677)
Special programs	33,304,216	34,216,285	(912,069)
Other instructional programs	13,982,853	12,249,298	1,733,555
State on-behalf contributions - TRS and THIS	56,925,000	47,943,743	8,981,257
Support services:			
Pupils	15,192,458	14,624,660	567,798
Instructional staff	14,007,548	12,434,159	1,573,389
General administration	926,159	1,029,520	(103,361)
School administration	10,420,020	10,636,571	(216,551)
Business	5,141,069	4,920,918	220,151
Operations and maintenance	14,188,347	13,382,130	806,217
Central	1,347,846	1,353,769	(5,923)
Payments to other governments	576,344	1,418,512	(842,168)
Capital outlay	17,091,065	20,625,209	(3,534,144)
Total expenditures	<u>260,844,482</u>	<u>258,906,008</u>	<u>1,938,474</u>
Change in fund balance	<u>\$ (11,735,557)</u>	<u>(11,767,835)</u>	<u>\$ (32,278)</u>
Fund balance:			
July 1, 2018		<u>139,129,485</u>	
June 30, 2019		<u>\$ 127,361,650</u>	

See note to required supplementary information.

Schaumburg Community Consolidated School District No. 54

Notes to Required Supplementary Information

Note 1. Budgetary Information

Annual budgets are adopted for all governmental fund types. The annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America at the fund level. All budgets, except those of the capital projects fund, which is prepared on a project-by-project basis lapse at fiscal year-end.

On or before July 1 of each year, the Superintendent is to submit for review by the Board of Education a proposed budget for the school year commencing on that date. After reviewing the proposed budget, the Board of Education holds public hearings and a final budget must be prepared and adopted no later than September 30.

The appropriated budget is prepared by fund and by function. The General Fund budget is further detailed by account (Education, Operations and Maintenance, and Working Cash). The Board of Education may make transfers between functions within a fund not exceeding in the aggregate 10 percent of the total of such fund, and may amend the total budget following the same procedures required to adopt the original budget. The legal level of budgetary control is at the fund level. No supplemental budget was required.

Note 2. Budget Overexpenditures

The following funds over expended their budgets for the year ended June 30, 2019:

Transportation	\$ 2,209,328
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Schaumburg Community Consolidated School District No. 54

Notes to Required Supplementary Information

Note 3. Note to Schedule of Contributions - Teachers' Health Insurance Security Fund

Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Fiscal Year End	June 30, 2019

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2018, contribution rates are 1.18% of pay for active members, 0.84% of pay for school districts and 1.18% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Market value
Investment Rate of Return	0%, net of OPEB plan investment expense, including inflation
Inflation	2.75%
Salary Increases	Depends on service and ranges from 9.25% at less than 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2016, actuarial valuation.
Mortality	Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2014.
Healthcare Cost Trend Rates	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.36% is added to non-Medicare cost on and after 2022 to account for the Excise tax.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs – From Birth to Death"
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

Supplementary Information

Schaumburg Community Consolidated School District No. 54

Combining Balance Sheet
 General Fund, by Accounts
 June 30, 2019

	Educational Account	Operations and Maintenance Account	Working Cash	Total
Assets				
Cash and investments	\$ 104,684,594	\$ 4,866,029	\$ 44,688,962	\$ 154,239,585
Receivables:				
Property taxes, net	66,297,706	11,179,258	23,766	77,500,730
Prepaid items	850,800	-	-	850,800
Due from other governmental units	4,199,027	-	-	4,199,027
Total assets	\$ 176,032,127	\$ 16,045,287	\$ 44,712,728	\$ 236,790,142
Liabilities				
Accounts payable	\$ 4,626,748	\$ 6,057,854	\$ -	\$ 10,684,602
Accrued payroll	15,426,597	41,110	-	15,467,707
Unearned revenue	189,190	-	-	189,190
Accrued liabilities	707,197	-	-	707,197
Total liabilities	20,949,732	6,098,964	-	27,048,696
Deferred Inflows of Resources				
Deferred property taxes	70,395,629	11,870,258	25,235	82,291,122
Deferred other revenues	88,674	-	-	88,674
Total deferred inflows of resources	70,484,303	11,870,258	25,235	82,379,796
Fund Balance				
Nonspendable:				
Prepaid items	850,800	-	-	850,800
Unassigned	83,747,292	(1,923,935)	44,687,493	126,510,850
Total fund balance	84,598,092	(1,923,935)	44,687,493	127,361,650
Total liabilities, deferred inflows of resources, and fund balance	\$ 176,032,127	\$ 16,045,287	\$ 44,712,728	\$ 236,790,142

Schaumburg Community Consolidated School District No. 54

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
General Fund, by Accounts
Year Ended June 30, 2019**

	Educational Account		Operations and Maintenance Account	
	Budget	Actual	Budget	Actual
Revenues:				
Property and replacement taxes	\$ 143,966,528	\$ 142,894,958	\$ 18,348,534	\$ 21,190,967
State aid	18,270,124	20,467,712	350,000	194,105
State on-behalf contributions - TRS and THIS	56,925,000	47,943,743	-	-
Federal aid	7,285,000	9,168,148	-	-
Interest	1,500,000	2,399,407	120,000	113,623
Other	1,381,500	1,592,327	385,000	313,000
Total revenues	229,328,152	224,466,295	19,203,534	21,811,695
Expenditures:				
Current:				
Instruction:				
Regular programs	77,741,557	84,071,234	-	-
Special programs	33,304,216	34,216,285	-	-
Other instructional programs	13,982,853	12,249,298	-	-
State on-behalf contributions - TRS and THIS	56,925,000	47,943,743	-	-
Support services:				
Pupils	15,192,458	14,624,660	-	-
Instructional staff	14,007,548	12,434,159	-	-
General administration	926,159	1,029,520	-	-
School administration	10,420,020	10,636,571	-	-
Business	5,141,069	4,920,918	-	-
Operations and maintenance	-	-	14,188,347	13,382,130
Central	1,347,846	1,353,769	-	-
Payments to other governments	576,344	1,418,512	-	-
Capital outlay	3,921,436	4,136,268	13,169,629	16,488,941
Total expenditures	233,486,506	229,034,937	27,357,976	29,871,071
Change in fund balance	\$ (4,158,354)	(4,568,642)	\$ (8,154,442)	(8,059,376)
Fund balance:				
July 1, 2018		<u>89,166,734</u>		<u>6,135,441</u>
June 30, 2019		<u>\$ 84,598,092</u>		<u>\$ (1,923,935)</u>

Working Cash		Total	
Budget	Actual	Budget	Actual
\$ 52,239	\$ 45,752	\$ 162,367,301	\$ 164,131,677
-	-	18,620,124	20,661,817
-	-	56,925,000	47,943,743
-	-	7,285,000	9,168,148
525,000	814,431	2,145,000	3,327,461
-	-	1,766,500	1,905,327
<u>577,239</u>	<u>860,183</u>	<u>249,108,925</u>	<u>247,138,173</u>

-	-	77,741,557	84,071,234
-	-	33,304,216	34,216,285
-	-	13,982,853	12,249,298
-	-	56,925,000	47,943,743
-	-	15,192,458	14,624,660
-	-	14,007,548	12,434,159
-	-	926,159	1,029,520
-	-	10,420,020	10,636,571
-	-	5,141,069	4,920,918
-	-	14,188,347	13,382,130
-	-	1,347,846	1,353,769
-	-	576,344	1,418,512
-	-	17,091,065	20,625,209
-	-	<u>260,844,482</u>	<u>258,906,008</u>

<u>\$ 577,239</u>	860,183	<u>\$ (11,735,557)</u>	(11,767,835)
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<u>43,827,310</u>	<u>139,129,485</u>
<u>\$ 44,687,493</u>	<u>\$ 127,361,650</u>

Nonmajor Governmental Funds

Transportation Fund – Accounts for resources accumulated and payments made for transportation costs of the District.

Social Security / Municipal Retirement Fund – Accounts for resources accumulated and payments made for employer share of Illinois Municipal Retirement, Social Security, and Medicare.

Debt Service Fund – Accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Life Safety Fund – Accounts for resources accumulated and payments made for life safety projects performed by the District.

Schaumburg Community Consolidated School District No. 54

Combining Balance Sheet - by Fund Type
 Nonmajor Governmental Funds
 June 30, 2019

	Special Revenue Funds	
	Transportation Fund	Social Security / Municipal Retirement Fund
Assets		
Cash and investments	\$ 5,047,256	\$ 3,552,144
Receivables:		
Property taxes, net	2,642,787	3,279,708
Due from other governmental units	7,153,715	-
Total assets	\$ 14,843,758	\$ 6,831,852
Liabilities		
Accounts payable	\$ 2,295,596	\$ -
Accrued payroll	-	365,476
Unearned revenue	104,700	-
Total liabilities	2,400,296	365,476
Deferred Inflows of Resources		
Deferred property taxes	2,806,141	3,482,430
Deferred other revenues	5,766,550	-
Total deferred inflows of resources	8,572,691	3,482,430
Fund Balances		
Restricted for:		
Retirement benefits	-	2,983,946
Transportation	3,870,771	-
Debt service	-	-
Capital projects	-	-
Total fund balances	3,870,771	2,983,946
Total liabilities, deferred inflows of resources, and fund balances	\$ 14,843,758	\$ 6,831,852

Debt Service Fund	Capital Project Fund Life Safety	Total Nonmajor Governmental Funds
\$ 2,037,807	\$ 107,358	\$ 10,744,565
-	23,766	5,946,261
-	-	7,153,715
<u>\$ 2,037,807</u>	<u>\$ 131,124</u>	<u>\$ 23,844,541</u>
\$ -	\$ -	\$ 2,295,596
-	-	365,476
-	-	104,700
<u>-</u>	<u>-</u>	<u>2,765,772</u>
-	25,235	6,313,806
-	-	5,766,550
<u>-</u>	<u>25,235</u>	<u>12,080,356</u>
-	-	2,983,946
-	-	3,870,771
2,037,807	-	2,037,807
-	105,889	105,889
<u>2,037,807</u>	<u>105,889</u>	<u>8,998,413</u>
<u>\$ 2,037,807</u>	<u>\$ 131,124</u>	<u>\$ 23,844,541</u>

Schaumburg Community Consolidated School District No. 54

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
by Fund Type
Nonmajor Governmental Funds
Year Ended June 30, 2019**

	Special Revenue Funds	
	Transportation Fund	Social Security / Municipal Retirement Fund
Revenues:		
Property taxes	\$ 5,634,248	\$ 6,944,405
State aid	7,352,488	-
Interest	101,395	88,385
Other	420,596	-
Total revenues	13,508,727	7,032,790
Expenditures:		
Current:		
Instruction:		
Regular programs	-	1,787,552
Special programs	-	1,624,061
Other instructional programs	-	717,739
Support services:		
Pupils	-	499,320
Instructional staff	-	817,368
General administration	-	16,052
School administration	-	230,709
Business	-	405,768
Transportation	13,557,489	29,550
Operations and maintenance	-	854,987
Central	-	44,675
Capital outlay	-	-
Total expenditures	13,557,489	7,027,781
Change in fund balances	(48,762)	5,009
Fund balances:		
July 1, 2018	3,919,533	2,978,937
June 30, 2019	\$ 3,870,771	\$ 2,983,946

Debt Service Fund	<u>Capital Project Fund</u> Life Safety	Total Nonmajor Governmental Funds
\$ (6,210)	\$ 42,277	\$ 12,614,720
-	-	7,352,488
42,014	2,934	234,728
-	-	420,596
<u>35,804</u>	<u>45,211</u>	<u>20,622,532</u>
-	-	1,787,552
-	-	1,624,061
-	-	717,739
-	-	499,320
-	-	817,368
-	-	16,052
-	-	230,709
-	-	405,768
-	-	13,587,039
-	-	854,987
-	-	44,675
-	51,622	51,622
<u>-</u>	<u>51,622</u>	<u>20,636,892</u>
35,804	(6,411)	(14,360)
<u>2,002,003</u>	<u>112,300</u>	<u>9,012,773</u>
<u>\$ 2,037,807</u>	<u>\$ 105,889</u>	<u>\$ 8,998,413</u>

Schaumburg Community Consolidated School District No. 54

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Special Revenue Funds
Year Ended June 30, 2019**

	Transportation Fund		Social Security / Municipal Retirement Fund	
	Budget	Actual	Budget	Actual
Revenues:				
Property taxes	\$ 5,746,383	\$ 5,634,248	\$ 7,000,132	\$ 6,944,405
State aid	4,805,000	7,352,488	-	-
Interest	75,000	101,395	63,237	88,385
Other	380,000	420,596	-	-
Total revenues	11,006,383	13,508,727	7,063,369	7,032,790
Expenditures:				
Current:				
Instruction:				
Regular programs	-	-	1,801,298	1,787,552
Special programs	-	-	1,629,698	1,624,061
Other instructional programs	-	-	438,162	717,739
Support services:				
Pupils	-	-	439,095	499,320
Instructional staff	-	-	538,037	817,368
General administration	-	-	12,543	16,052
School administration	-	-	510,070	230,709
Business	-	-	506,408	405,768
Transportation	11,348,161	13,557,489	40,467	29,550
Operations and maintenance	-	-	1,080,042	854,987
Central	-	-	65,261	44,675
Total expenditures	11,348,161	13,557,489	7,061,081	7,027,781
Change in fund balances	\$ (341,778)	(48,762)	\$ 2,288	5,009
Fund balances:				
July 1, 2018		<u>3,919,533</u>		<u>2,978,937</u>
June 30, 2019		<u>\$ 3,870,771</u>		<u>\$ 2,983,946</u>

Statistical Section

Financial Trends Information	70 – 78
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity Information	79 – 82
These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property and sales taxes.	
Debt Capacity Information	83 – 85
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	86 – 87
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	88 – 91
These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	

Schaumburg Community Consolidated School District No. 54

**Net Position by Component
Last Ten Fiscal Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 134,098,782	\$ 132,860,381	\$ 140,756,497	\$ 150,025,544	\$ 162,555,602	\$ 183,055,093	\$ 184,324,710	\$ 180,238,957	\$ 180,608,525	\$ 190,035,960
Restricted	-	80,677,332	80,502,412	30,952,514	21,833,789	8,798,364	11,900,587	14,881,498	15,032,758	14,764,963
Unrestricted	156,596,450	93,139,507	94,725,709	139,340,729	115,450,902	112,736,544	112,887,929	114,380,246	(33,530,897)	(52,254,217)
Total primary government net position	<u>\$ 290,695,232</u>	<u>\$ 306,677,220</u>	<u>\$ 315,984,618</u>	<u>\$ 320,318,787</u>	<u>\$ 299,840,293</u>	<u>\$ 304,590,001</u>	<u>\$ 309,113,226</u>	<u>\$ 309,500,701</u>	<u>\$ 162,110,386</u>	<u>\$ 152,546,706</u>

Note: The 2014 net position was restated in 2015 due to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No.27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to Measurement Date - An Amendment of GASB Statement No. 68*.
The 2017 net position was restated in 2018 due to the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Source of information: District's Comprehensive Annual Financial Report

Schaumburg Community Consolidated School District No. 54

Expenses, Program Revenues, and Net (Expense) Revenue Last Ten Fiscal Years

	2010	2011	2012	2013
Expenses				
Governmental activities:				
Instruction:				
Regular programs	\$ 79,322,699	\$ 83,065,378	\$ 76,823,486	\$ 83,290,778
Special programs	29,150,155	27,893,516	30,873,327	30,343,308
Other instructional programs	10,602,443	11,681,279	12,188,337	12,879,482
State on-behalf contributions - TRS and THIS	-	-	-	-
Support services:				
Pupils	16,153,139	16,770,351	13,420,179	17,991,809
Instructional staff	15,282,460	14,481,250	17,389,863	16,094,612
General administration	1,913,775	1,845,075	2,125,341	2,041,363
School administration	10,837,410	10,998,914	10,788,538	11,211,393
Business	5,247,953	6,805,705	6,290,268	7,863,792
Transportation	10,013,269	8,694,483	9,059,162	8,231,664
Operations and maintenance	12,454,373	12,301,688	25,502,053	15,857,229
Central	1,417,555	1,618,431	1,199,183	1,506,564
Community services	-	-	-	-
Payments to other governments	449,540	514,879	469,157	487,387
Interest and charges	237,621	110,993	16,765	-
Total primary government expenses	193,082,392	196,781,942	206,145,659	207,799,381
Program Revenues				
Governmental activities:				
Charges for services:				
Regular programs	1,052,210	1,026,921	952,382	841,389
Business	109,535	113,061	182,477	170,160
Transportation	373,010	434,511	392,062	370,061
Operations and maintenance	339,670	272,495	280,319	404,885
Operating grants and contributions	42,681,689	43,820,688	43,752,153	47,714,496
Total primary government program revenues	44,556,114	45,667,676	45,559,393	49,500,991
Net Expense				
Total primary government net expense	\$ (148,526,278)	\$ (151,114,266)	\$ (160,586,266)	\$ (158,298,390)

Note: Beginning in fiscal year 2018, the State on-behalf contributions - TRS and THIS were reclassified from Instruction and Support services.

Source of information: District's Comprehensive Annual Financial Report

	2014	2015	2016	2017	2018	2019
\$	88,468,318	\$ 102,688,748	\$ 100,537,734	\$ 121,914,289	\$ 89,421,633	\$ 91,641,203
	33,423,778	34,775,646	42,428,904	45,133,237	33,679,520	36,907,959
	14,008,616	14,039,526	16,094,130	18,402,983	15,960,283	12,990,190
	-	-	-	-	87,235,143	86,065,433
	17,456,534	18,125,547	19,536,019	20,915,975	15,699,708	15,123,980
	14,505,380	13,394,597	17,736,376	20,261,964	15,722,687	17,454,921
	2,107,828	2,007,146	1,526,002	1,518,674	1,150,875	1,155,328
	11,858,463	12,661,831	13,114,142	14,245,044	10,661,283	10,867,280
	10,098,821	10,862,150	7,191,156	7,910,641	5,578,723	5,326,686
	8,697,869	8,886,376	9,156,336	10,051,886	12,233,933	13,587,039
	17,009,468	19,013,109	18,116,081	16,345,748	22,302,535	19,127,389
	1,606,004	1,476,952	1,679,039	1,520,468	1,451,278	1,530,557
	-	-	-	-	-	-
	557,447	633,759	732,232	1,261,901	1,272,506	1,418,512
	-	-	-	-	-	-
	219,798,526	238,565,387	247,848,151	279,482,810	312,370,107	313,196,477
	950,187	687,016	928,349	951,507	941,808	968,751
	145,784	118,697	144,232	176,169	173,027	166,213
	456,577	334,272	375,276	368,081	384,941	419,681
	351,943	352,304	362,681	330,103	312,439	293,509
	53,445,950	67,866,228	72,913,746	99,455,666	100,456,274	104,497,657
	55,350,441	69,358,517	74,724,284	101,281,526	102,268,489	106,345,811
\$	(164,448,085)	\$ (169,206,870)	\$ (173,123,867)	\$ (178,201,284)	\$ (210,101,618)	\$ (206,850,666)

Schaumburg Community Consolidated School District No. 54

**General Revenues and Total Change in Net Position
Last Ten Fiscal Years**

	2010	2011	2012	2013
Net Expense				
Total primary government net expense	\$ (148,526,278)	\$ (151,114,266)	\$ (160,586,266)	\$ (158,298,390)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes	152,788,220	156,073,445	159,991,255	152,332,087
Corporate property replacement taxes	1,735,650	2,141,088	1,888,321	1,998,613
General state aid	5,084,146	6,715,259	7,143,031	7,433,886
Investment earnings	2,929,885	1,811,500	511,277	592,786
Miscellaneous	450,131	354,962	359,780	275,187
Total primary government	162,988,032	167,096,254	169,893,664	162,632,559
Change in Net Position				
Total primary government	\$ 14,461,754	\$ 15,981,988	\$ 9,307,398	\$ 4,334,169

Source of information: District's Comprehensive Annual Financial Report

2014	2015	2016	2017	2018	2019
\$ (164,448,085)	\$ (169,206,870)	\$ (173,123,867)	\$ (151,114,266)	\$ (210,101,618)	\$ (206,850,666)
158,605,593	162,322,341	165,548,648	156,073,445	167,533,439	174,703,745
2,094,562	2,191,588	2,017,477	2,141,088	2,187,939	2,042,652
8,007,182	8,273,790	8,639,031	6,715,259	16,091,938	16,500,631
910,355	823,046	981,737	1,811,500	2,617,649	3,562,189
294,137	345,813	460,199	354,962	669,320	477,769
169,911,829	173,956,578	177,647,092	167,096,254	189,100,285	197,286,986
\$ 5,463,744	\$ 4,749,708	\$ 4,523,225	\$ 15,981,988	\$ (21,001,333)	\$ (9,563,680)

Schaumburg Community Consolidated School District No. 54

**Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years**

(modified accrual basis of accounting)

	2010	2011	2012	2013
Revenues:				
Property and replacement taxes	\$ 154,523,870	\$ 158,214,533	\$ 161,879,576	\$ 154,330,700
State aid	35,605,560	42,631,118	43,481,177	50,089,495
State on-behalf contributions - TRS and THIS	-	-	-	-
Federal aid	11,942,570	7,826,230	8,122,444	5,721,735
Interest	2,929,885	1,811,500	511,277	592,786
Other	2,324,556	2,201,950	2,167,020	2,061,682
Total revenues	207,326,441	212,685,331	216,161,494	212,796,398
Expenditures:				
Instruction	121,407,600	125,901,038	126,669,418	134,341,491
Support services	64,029,627	69,175,139	71,883,075	75,003,977
Payments to other governments	391,088	446,652	404,356	413,054
Capital outlay	13,468,590	8,234,421	8,347,220	7,795,105
Debt service:				
Principal	8,380,000	8,530,000	8,700,000	-
Interest and fees	481,766	348,695	130,850	-
Total expenditures	208,158,671	212,635,945	216,134,919	217,553,627
Excess (deficiency) of revenues over (under) expenditures	(832,230)	49,386	26,575	(4,757,229)
Other Financing Sources (Uses):				
Bonds issued	17,230,000	-	-	-
Premium on bonds	536,254	-	-	-
Transfers in	1,879,276	20,004,747	133,778	4,597,763
Transfers (out)	(1,879,276)	(20,004,747)	(133,778)	(4,597,763)
Total other financing sources (uses)	17,766,254	-	-	-
Net Change in Fund Balances	\$ 16,934,024	\$ 49,386	\$ 26,575	\$ (4,757,229)
Debt Service as a Percentage of Noncapital Expenditures	4.47%	4.54%	4.48%	0.00%

Note: Beginning in fiscal year 2018, the On-behalf contributions were reclassified from State aid.
Source of information: District's Comprehensive Annual Financial Report

	2014	2015	2016	2017	2018	2019
\$	160,700,155	\$ 164,513,929	\$ 167,566,125	\$ 167,709,489	\$ 169,721,378	\$ 176,746,397
	54,390,941	69,925,015	72,098,268	99,559,860	26,554,632	28,014,305
	-	-	-	-	43,627,489	47,943,743
	6,035,335	8,506,093	6,976,615	7,358,603	7,705,743	9,168,148
	910,355	823,046	981,737	1,202,068	2,617,649	3,562,189
	2,198,628	1,838,102	2,270,737	2,209,520	2,481,535	2,325,923
	<u>224,235,414</u>	<u>245,606,185</u>	<u>249,893,482</u>	<u>278,039,540</u>	<u>252,708,426</u>	<u>267,760,705</u>
	145,557,273	159,820,841	168,844,564	200,918,015	169,388,813	182,609,912
	65,772,018	63,766,803	64,445,514	64,765,104	71,579,989	74,837,645
	451,755	481,402	541,245	843,797	1,272,506	1,418,512
	21,422,292	31,702,652	12,747,673	6,084,366	15,877,815	20,676,831
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>233,203,338</u>	<u>255,771,698</u>	<u>246,578,996</u>	<u>272,611,282</u>	<u>258,119,123</u>	<u>279,542,900</u>
	(8,967,924)	(10,165,513)	3,314,486	5,428,258	(5,410,697)	(11,782,195)
	-	-	-	-	-	-
	-	-	-	-	-	-
	4,689,816	2,788,627	3,273,112	1,939,465	-	-
	(4,689,816)	(2,788,627)	(3,273,112)	(1,939,465)	-	-
	-	-	-	-	-	-
\$	<u>(8,967,924)</u>	<u>(10,165,513)</u>	<u>3,314,486</u>	<u>5,428,258</u>	<u>(5,410,697)</u>	<u>(11,782,195)</u>
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Schaumburg Community Consolidated School District No. 54

**Fund Balances, Governmental Funds
Last Ten Fiscal Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund:										
Nonspendable	\$ 720,395	\$ 665,428	\$ 718,619	\$ 764,635	\$ 2,075	\$ 738,293	\$ 780,594	\$ 799,891	\$ 863,562	\$ 850,800
Restricted	83,761,487	67,526,015	67,192,852	17,836,742	12,726,069	-	-	-	-	-
Unassigned	61,312,053	67,264,048	76,105,406	-	879,176	1,291,199	705,289	299,160	47,907	-
Reserved	-	-	-	127,492,907	133,541,794	135,772,379	137,327,843	142,088,165	138,218,016	126,510,850
Total General Fund	\$ 145,793,935	\$ 135,455,491	\$ 144,016,877	\$ 146,094,284	\$ 147,149,114	\$ 137,801,871	\$ 138,813,726	\$ 143,187,216	\$ 139,129,485	\$ 127,361,650
All Other Governmental Funds:										
Restricted	\$ 12,941,615	\$ 13,171,997	\$ 13,309,560	\$ 10,015,772	\$ 6,007,720	\$ 5,448,364	\$ 11,250,436	\$ 10,365,739	\$ 9,012,773	\$ 8,998,413
Committed	9,889,366	20,046,814	9,374,440	5,833,592	4,593,327	4,772,553	-	-	-	-
Assigned	-	-	2,000,000	2,000,000	2,000,000	2,000,000	-	-	-	-
Unassigned, reported in: Capital project funds	-	-	-	-	(4,774,437)	(5,212,577)	(1,939,465)	-	-	-
Total all other governmental funds	\$ 22,830,981	\$ 33,218,811	\$ 24,684,000	\$ 17,849,364	\$ 7,826,610	\$ 7,008,340	\$ 9,310,971	\$ 10,365,739	\$ 9,012,773	\$ 8,998,413

Note: The District implemented GASB 54 as of July 1, 2010. The fund balances for the year-ended June 30, 2010 are presented using GASB 54 as the beginning fund balances for the year-ended June 30, 2011 needed to be determined for implementation. Fund balance presentation prior to 2010 is based on pre GASB 54 presentation.

Source of information: District's Comprehensive Annual Financial Report

Schaumburg Community Consolidated School District No. 54

**Property Tax Levies and Collections
Last Ten Levy Years**

Tax Levy Year	Taxes Levied	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	Total Percentage of Levy
		Amount	Percentage of Levy			
2018	\$ 180,826,383	\$ 93,762,863	51.85 %	\$ -	\$ 93,762,863	51.85 %
2017	176,326,485	92,057,311	52.21	83,702,099	175,759,410	99.68
2016	171,857,337	89,780,767	52.24	81,221,601	171,002,368	99.50
2015	170,014,004	88,310,985	51.94	80,963,616	169,274,601	99.57
2014	168,022,070	86,601,865	51.54	80,500,052	167,101,917	99.45
2013	165,153,037	84,334,820	51.06	79,159,597	163,494,417	99.00
2012	160,790,999	82,891,349	51.55	74,954,352	157,845,701	98.17
2011	155,737,585	85,414,654	54.85	66,947,279	152,361,933	97.83
2010	162,514,868	82,989,223	51.07	74,933,320	157,922,543	97.17
2009	158,046,507	82,447,417	52.17	69,237,414	151,684,831	95.97

Note: Levy year 2018 is the current levy year for the District as the property tax levy is on a calendar year in the State of Illinois.

Source of information: Cook County Levy, Rate and Extension Reports

Schaumburg Community Consolidated School District No. 54

**Property Tax Rates - Direct and Overlapping Governments *
Last Ten Levy Years**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Schaumburg Public Library	0.258	0.295	0.321	0.331	0.384	0.386	0.402	0.352	0.357	0.357
County of Cook	0.415	0.423	0.487	0.531	0.591	0.568	0.586	0.533	0.527	0.489
Forest Preserve District	0.049	0.051	0.058	0.063	0.069	0.069	0.069	0.063	0.062	0.062
Metropolitan Water Reclamation District	0.261	0.274	0.320	0.370	0.417	0.430	0.426	0.406	0.402	0.396
Township of Schaumburg	0.069	0.082	0.093	0.100	0.117	0.115	0.120	0.103	0.105	0.110
Village of Schaumburg	0.527	0.567	0.597	0.642	0.706	0.692	0.709	0.622	0.616	0.622
General Assistance of Schaumburg	0.006	0.008	0.009	0.011	0.013	0.016	0.017	0.015	0.016	0.017
Road and Bridge	0.017	0.020	0.023	0.026	0.031	0.032	0.034	0.030	0.031	0.033
Northwest Mosquito Abatement	0.008	0.009	0.010	0.011	0.013	0.013	0.011	0.010	0.010	0.011
Schaumburg Park District	0.423	0.488	0.551	0.606	0.700	0.704	0.729	0.643	0.653	0.682
Palatine High School District No. 211	1.916	2.204	2.482	2.772	3.197	3.213	3.309	2.871	2.922	3.044
Community College District No. 512	0.258	0.295	0.334	0.373	0.444	0.451	0.466	0.466	0.425	0.443
Total overlapping rate	4.207	4.716	5.285	5.836	6.682	6.689	6.878	6.114	6.126	6.266
Schaumburg Community Consolidated School District No. 54	2.592	2.995	3.195	3.578	4.148	4.168	4.332	3.790	3.844	4.030
Total rate	6.799	7.711	8.480	9.414	10.830	10.857	11.210	9.904	9.970	10.296

* Tax rates are expressed in dollars per one hundred dollars of equalized assessed valuation (EAV).

Source of information: Cook County Clerk's Office.

Note: Levy year 2018 is the current levy year for the District as the property tax levy is on a calendar year in the State of Illinois.

Note: The totals depicted reflect the typical tax rates for individual taxpayers within the District. By showing all other overlapping rates, we would have materially distorted the true picture of tax rate burden within the District.

Schaumburg Community Consolidated School District No. 54

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Levy Years**

(Modified accrual basis of accounting)

Levy Year	Residential Property	Commercial Property	Industrial Property	Total Taxable Equalized Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
2018	\$ 2,553,071,603	\$ 1,607,223,635	\$ 326,649,583	\$ 4,486,944,821	4.030	\$ 13,460,834,463
2017	2,602,855,964	1,659,240,399	325,242,312	4,587,338,675	3.844	13,762,016,025
2016	2,621,141,444	1,649,527,325	263,825,603	4,534,494,372	3.790	13,603,483,116
2015	2,184,767,138	1,500,170,277	224,810,506	3,909,747,921	4.332	11,729,243,763
2014	2,249,431,742	1,539,933,558	241,874,381	4,031,239,681	4.168	12,093,719,043
2013	2,211,392,117	1,526,553,363	243,675,185	3,981,620,665	4.148	11,944,861,995
2012	2,591,811,303	1,624,141,962	268,149,336	4,484,102,601	3.578	13,452,307,803
2011	2,581,105,184	1,789,510,204	503,282,339	4,873,897,727	3.195	14,621,693,181
2010	2,789,176,195	2,060,097,479	576,650,753	5,425,924,427	2.995	16,277,773,281
2009	3,128,399,283	2,337,487,087	633,858,123	6,099,744,493	2.592	18,299,233,479

Source of Information: Cook County Tax Extension Office

Note: Levy year 2018 is the current levy year for the District as the property tax levy is on a calendar year in the State of Illinois.

Note: The county assesses property at approximately 33.3 percent of actual value. Estimated actual taxable value is calculated by dividing taxable value by percentage. Tax rates are per \$100 of assessed value.

Schaumburg Community Consolidated School District No. 54

**Representative Ten Largest Taxpayers
Current Year and Nine Years Ago**

Employer	Rank	2018 Equalized		Percentage		2010 Equalized		Percentage	
		Assessed	Valuation	of Total	District	Assessed	Valuation	of Total	District
				Equalized		Equalized		Equalized	
				Assessed	Rank	Assessed		Assessed	Rank
				Valuation		Valuation		Valuation	
Simon Property Group (Woodfield Mall)	1	\$	233,326,330	5.20%	1	\$	244,659,682	4.51%	
Zurich (90 North Schaumburg)	2		104,004,469	2.32%	-		-	-	
Blackstone (Streets of Woodfield)	3		55,183,748	1.23%	6		70,853,191	1.31%	
DDR Corporation (Woodfield Green)	4		44,942,820	1.00%	-		-	-	
Glenstar Properties, LLC (Manulife formerly)	5		41,702,520	0.93%	2		118,327,945	2.18%	
IRC (Woodfield Plaza)	6		41,451,699	0.92%	9		53,641,784	0.99%	
KBS Woodfield Preserve	7		39,305,571	0.88%	7		68,523,458	1.26%	
Martingale Road LLC (Woodfield CC Formerly)	8		36,112,090	0.80%	10		49,947,035	0.92%	
Piedmont	9		32,195,841	0.72%	3		117,526,151	2.17%	
RMS Properties	10		31,498,843	0.70%	-		-	-	
Retail Properties of America	-		-	-	8		64,451,959	1.19%	
Marc Realty Corporate Office	-		-	-	5		71,071,958	1.31%	
UrbanStreet Group (Motorola formerly)	-		-	-	4		91,324,783	1.68%	
			<u>\$ 659,723,931</u>	<u>14.70%</u>			<u>\$ 950,327,946</u>	<u>17.51%</u>	
Total District Equalized Assessed Valuation			<u>\$ 4,486,944,821</u>	<u>100.00%</u>			<u>\$ 5,425,924,427</u>	<u>100.00%</u>	

Source: Village of Schaumburg 2019 CAFR.

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked.

Schaumburg Community Consolidated School District No. 54

Ratio of General Bonded Debt to Equalized Assessed Valuation and General Bonded Debt Per Capita Last Ten Fiscal Years

Fiscal Year Ended June 30:	Tax Levy Year	General Bonded Debt	Equalized Assessed Valuation	Percentage of General Bonded Debt to Equalized Assessed Valuation	Estimated Population	General Bonded Debt Per Capita	Personal Income	Percentage Personal Income
2019	2018	\$ -	\$ 4,486,944,821	0.00%	74,229	\$ -	\$ 2,888,473,077	0.00%
2018	2017	-	4,587,338,675	0.00%	74,229	-	2,743,206,924	0.00%
2017	2016	-	4,534,494,372	0.00%	74,229	-	2,662,223,085	0.00%
2016	2015	-	3,909,747,921	0.00%	74,227	-	2,666,604,975	0.00%
2015	2014	-	4,031,239,681	0.00%	74,227	-	2,630,085,291	0.00%
2014	2013	-	3,981,620,665	0.00%	74,781	-	2,649,087,403	0.00%
2013	2012	-	4,484,102,601	0.00%	74,227	-	2,659,553,410	0.00%
2012	2011	-	4,873,897,727	0.00%	74,227	-	2,657,549,281	0.00%
2011	2010	8,700,000	5,425,924,427	0.16%	75,936	115	2,736,823,717	0.32%
2010	2009	17,230,000	6,099,744,493	0.28%	75,936	227	2,322,654,432	0.74%

Note: Population and income estimates were based on most recent census data.

Source of information: Village of Schaumburg and District Comprehensive Annual Financial Report

Schaumburg Community Consolidated School District No. 54

**Ratios of General Bonded Debt Outstanding and Legal Debt Margin
Last Ten Fiscal Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Equalized Assessed Value (EAV)	\$ 6,099,744,493	\$ 5,425,924,427	\$ 4,873,897,727	\$ 4,484,102,601	\$ 3,981,620,665	\$ 4,031,239,681	\$ 3,909,747,921	\$ 4,534,494,372	\$ 4,587,338,675	\$ 4,486,944,821
Statutory Debt Limit Percentage	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
Debt Percentage of EAV	0.28%	0.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Estimated Population	75,936	75,936	74,227	74,227	74,781	74,227	74,227	74,229	74,229	74,229
General Bonded Debt Per Capita	\$ 227	\$ 115	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Statutory Debt Limit	\$ 420,882,370	\$ 374,388,785	\$ 336,298,943	\$ 309,403,079	\$ 274,731,826	\$ 278,155,538	\$ 269,772,607	\$ 312,880,112	\$ 316,526,369	\$ 309,599,193
General Bonded Debt	\$ 17,230,000	\$ 8,700,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Debt Margin	\$ 403,652,370	\$ 365,688,785	\$ 336,298,943	\$ 309,403,079	\$ 274,731,826	\$ 278,155,538	\$ 269,772,607	\$ 312,880,112	\$ 316,526,369	\$ 309,599,193
Amount Available in Debt Service Fund for the Payment of Debt	\$ 9,508,047	\$ 9,909,669	\$ 9,924,196	\$ 5,566,611	\$ 2,361,991	\$ 2,221,244	\$ 2,140,042	\$ 2,051,099	\$ 2,002,003	\$ 2,037,807

Note: Population estimates were based on most recent census data.

Source of information: District's Comprehensive Annual Financial Report and Cook County Tax Extension Office.

Schaumburg Community Consolidated School District No. 54

**Computation of Direct and Overlapping Bonded Debt
June 30, 2019**

Taxing Authority	Outstanding Bonds	Estimated Percentage Applicable	Amount Applicable
Cook County	\$ 2,950,121,750	3.800 %	\$ 112,104,627
Cook County Forest Preserve	145,190,000	3.800	5,517,220
Metropolitan Water Reclamation District	2,776,430,889	3.880	107,725,518
DuPage Water Commission	-	0.290	-
Village of Elk Grove	117,990,000	15.240	17,981,676
Village of Hanover Park	15,584,283	22.150	3,451,919
Village of Hoffman Estates	177,574,764	50.250	89,231,319
City of Rolling Meadows	13,541,852	2.170	293,858
Village of Roselle	-	13.190	-
Village of Schaumburg	75,447,601	93.130	70,264,351
Village of Streamwood	2,456,322	3.020	74,181
High School District #211	-	62.140	-
Community College #509	169,196,792	1.040	1,759,647
Community College #512	134,849,515	24.530	33,078,586
Elk Grove Park District	950,000	14.260	135,470
Hanover Park Park District	1,292,960	14.730	190,453
Hoffman Estates Park District	14,196,000	55.020	7,810,639
Rolling Meadows Park District	1,100,000	2.600	28,600
Roselle Park District	1,431,000	0.590	8,443
Schaumburg Park District	13,924,916	97.840	13,624,138
			463,280,645
Total Overlapping General Obligation			463,280,645
Schaumburg Community Consolidated School District No. 54			-
Total direct and overlapping bonded debt			\$ 463,280,645

Note: The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

Source of information: Cook County Clerk's Office and various municipal web sites.

Schaumburg Community Consolidated School District No. 54

**Demographic and Economic Statistics
Last Ten Calendar Years**

Year	Schaumburg Population	Personal Income	Per-Capita Personal Income	Median Age	Education Level in Years of Schooling	(1) School Enrollment	(2) Unemployment Rate
2019	74,229	\$ 2,888,473,077	\$ 38,913	37.8	14.7	15,282	2.9%
2018	74,229	2,743,206,924	36,956	37.8	14	14,939	2.7%
2017	74,229	2,662,223,085	35,865	37.8	14	14,714	3.4%
2016	74,227	2,666,604,975	35,925	37.7	14	14,482	5.1%
2015	74,227	2,630,085,291	35,433	37.8	14	14,354	4.6%
2014	74,781	2,649,087,403	35,425	37.8	14	14,538	5.5%
2013	74,227	2,659,553,410	35,830	37.8	14	14,168	7.1%
2012	74,227	2,657,549,281	35,803	37.8	14	14,056	6.9%
2011	75,936	2,736,823,717	30,587	35.3	14	14,249	7.0%
2010	75,936	2,322,654,432	30,587	35.3	14	14,287	8.7%

Source: Village of Schaumburg Comprehensive Annual Financial Report and Illinois Department of Employment Security.

Note 1: Children from District 54

Note 2: Unemployment rates are based on the District's fiscal year.

Schaumburg Community Consolidated School District No. 54

**Principal Employers
Current Year and Nine Years Ago**

Employer	2019			2010		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Woodfield Shopping Center	4,000	1	5.33%	4,000	2	5.16%
Zurich American Insurance Group	2,600	2	3.47%	2,300	3	2.97%
Schaumburg School District 54	2,099	3	2.71%	1,933	4	2.49%
Motorola Solutions, Inc.	1,600	4	2.13%	7,000	1	9.03%
Catamaran/Optimum Rx	1,300	5	1.73%	-	-	-
IBM	900	6	1.20%	950	5	1
Genworth Financial Capital	850	7	1.13%	850	6	1.10%
Paylocity	800	8	1.07%	-	-	-
National Pizza Products	700	9	93.00%	510	9	0.66%
Friendship Village	650	10	87.00%	-	-	-
Comcast	-	-	-	725	7	0.94%
Verizon	-	-	-	625	8	0.81%
Village of Schaumburg	-	-	-	510	10	0.69%
Total	15,499		20.57%	19,403		25.02%

Source: Village of Schaumburg 2019 CAFR

Schaumburg Community Consolidated School District No. 54

**Number of Full-Time Employees
Last Ten Fiscal Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Administration:										
Superintendent	1	1	1	1	1	1	1	1	1	1
Associate Superintendent	-	-	-	-	1	1	1	1	1	1
Assistant Superintendents	5	5	5	5	5	5	6	6	6	6
District Administrators	16	16	13	13	13	10	7	7	9	7
Principals and Assistants	45	46	45	45	46	47	45	46	48	48
	<u>67</u>	<u>68</u>	<u>64</u>	<u>64</u>	<u>66</u>	<u>64</u>	<u>60</u>	<u>61</u>	<u>65</u>	<u>63</u>
Teachers:										
K-6, Resource, Gifted	631	636	634	634	636	684	747	760	778	795
Junior High	143	147	141	141	143	141	142	146	148	159
Art, Music, P.E., Health	103	99	112	112	112	112	123	129	129	130
Special Education	259	280	247	247	254	246	243	253	286	282
Psychologists	27	26	26	26	27	29	28	28	30	31
	<u>1,163</u>	<u>1,188</u>	<u>1,160</u>	<u>1,160</u>	<u>1,172</u>	<u>1,212</u>	<u>1,283</u>	<u>1,316</u>	<u>1,371</u>	<u>1,397</u>
Other Supporting Staff:										
Library Clerks	27	27	27	27	27	27	27	27	27	27
Clerical 10/12 month	134	128	127	127	127	117	120	120	115	119
Aides	348	305	271	271	277	271	288	310	342	350
Tutors	35	44	39	40	25	-	-	-	-	-
Operations and Maintenance	130	130	130	130	132	135	124	130	134	143
	<u>674</u>	<u>634</u>	<u>594</u>	<u>595</u>	<u>588</u>	<u>550</u>	<u>559</u>	<u>587</u>	<u>618</u>	<u>639</u>
Grand total	<u>1,904</u>	<u>1,890</u>	<u>1,818</u>	<u>1,819</u>	<u>1,826</u>	<u>1,826</u>	<u>1,902</u>	<u>1,964</u>	<u>2,054</u>	<u>2,099</u>

Source of information: District personnel records.

Note: Student population has been relatively consistent over the past few years and hence the District's overall employee count has not fluctuated extensively.



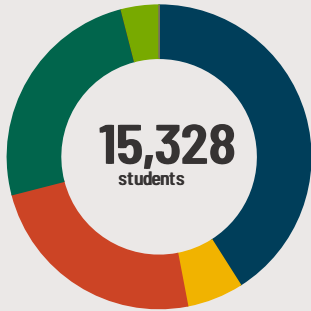
Schaumburg CCSD 54

524 E Schaumburg Rd Schaumburg, IL 60194 (847)357-5000

Grades: PK - 8

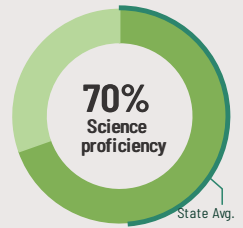
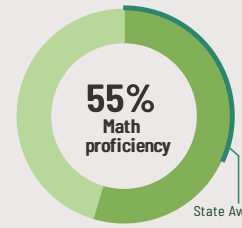
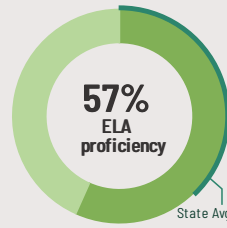
Superintendent: Mr. Andrew DuRoss

Fast Facts



Student Characteristics

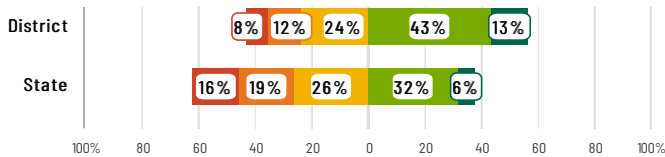
White	41%
Black	6%
Hispanic	24%
Asian	25%
American Indian	0%
Two or More Races	4%
Pacific Islander	0%
Low Income	18%
English Learners	21%
With IEPs	11%
With Disabilities	-
Homeless	1%



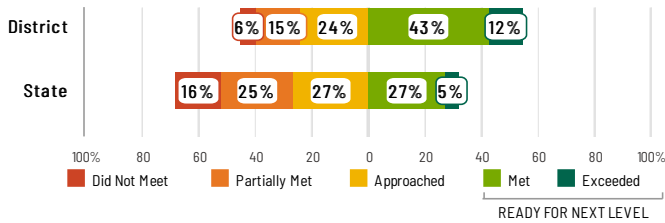
Academic Success

All Illinois students in grades 3-8 take the IAR assessment each year. High school students take the SAT in English Language Arts and Math.

English Language Arts



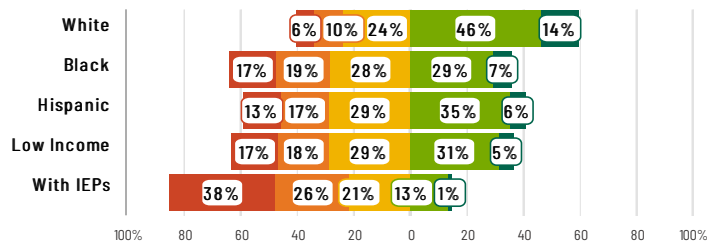
Mathematics



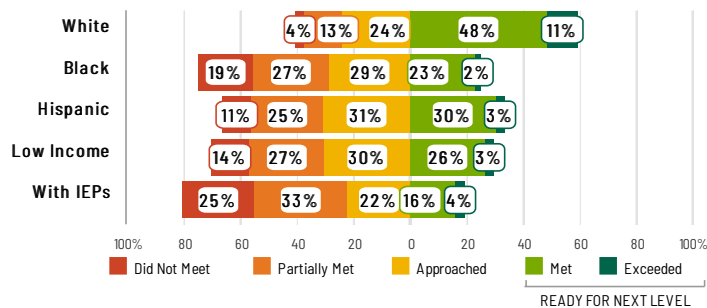
Success by Student Group

This display shows IAR ELA & Math performance levels for each student group. No data is shown for groups with fewer than 10 students.

English Language Arts

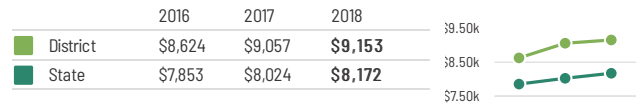


Mathematics

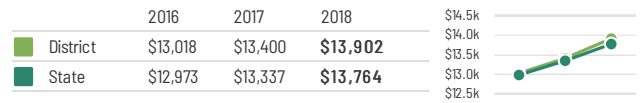


District Finance

Instructional Spending per Pupil includes only the activities directly dealing with the teaching of students or the interaction between teachers and students.



Operational Spending per Pupil includes all costs for overall operations in this district, including Instructional Spending, but excluding summer school, adult education, capital expenditures, and long-term debt payments.



Student Attendance and Mobility

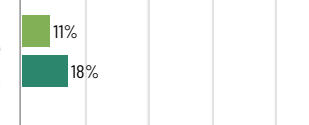
Attendance Rate

Rate at which students are present at school, not including excused or unexcused absences



Chronic Absenteeism

Percentage of students who miss 10% or more of school days per year either with or without a valid excuse



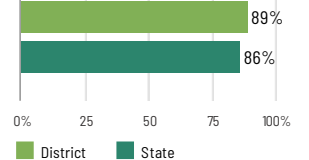
Student Mobility

Percentage of students who transfer in or out of the school during the school year, not including graduates



Teacher Retention

Percentage of full time teachers who return to the same school year to year





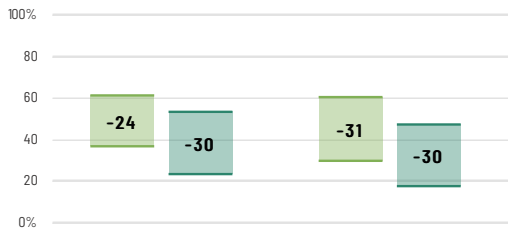
Schaumburg CCSD 54

Schools in District

School Name	Grades	Summative Designation	School Name	Grades	Summative Designation
Dwight D Eisenhower JHS	7 - 8	Commendable	Fairview Elem School	K - 6	Commendable
Helen Keller JHS	6 - 8	Commendable	Frederick Nerge Elem School	K - 6	Exemplary
Jane Addams JHS	4 - 8	Commendable	Hanover Highlands Elem School	K - 6	Commendable
Margaret Mead JHS	7 - 8	Commendable	Hoover Math and Science Academy	K - 6	Exemplary
Robert Frost JHS	7 - 8	Commendable	John Muir Literacy Academy	K - 6	Exemplary
Adlai Stevenson Elem School	K - 6	Exemplary	Lakeview Elem School	K - 6	Commendable
Adolph Link Elem School	K - 6	Commendable	Lincoln Prairie School	K - 8	Commendable
Albert Einstein Elem School	K - 6	Commendable	MacArthur International Spanish Academy	K - 6	Exemplary
Anne Fox Elem School	K - 6	Commendable	Michael Collins Elem School	K - 6	Exemplary
Buzz Aldrin Elem School	K - 6	Exemplary	Nathan Hale Elem School	K - 6	Exemplary
Campanelli Elem School	K - 6	Exemplary	Neil Armstrong Elem School	K - 6	Exemplary
Elizabeth Blackwell Elem School	K - 6	Commendable	Thomas Dooley Elem School	K - 6	Exemplary
Enders-Salk Elem School	K - 6	Commendable	Winston Churchill Elem School	K - 6	Commendable
Everett Dirksen Elementary Sch	K - 6	Commendable	The District 54 Early Learning Center	PK	

Achievement Gap

Achievement gaps display the differences in academic performance between student groups. The display below shows the gap in readiness for the next level between low income (LI) students and non-low income (non-LI) students on the IAR assessment for both English Language Arts (ELA) and Math.



	IAR ELA		IAR Math	
	District	State	District	State
Non-Low Income	61%	53%	60%	47%
Low Income	37%	23%	30%	17%
Gap	-24	-30	-31	-30

Educator Measures

This district has had an average of **2 principal(s)** at the same school over the past 6 years. District wide in the last three years, an average of **89% of teachers** return to the same school each year.

FOR MORE INFORMATION

Visit IllinoisReportCard.com to see additional details about each item of information for this school. There you will find charts spanning multiple years, detailed explanations, resources, more of the school's programs and activities, and powerful tools that let you dig deeper into data.

Most of this data has been collected by ISBE from school districts through data systems. Some information, such as the School Highlights, is entered directly by principals and can be updated throughout the year.

Schaumburg Community Consolidated School District No. 54

**Capital Assets by Type and Capital Assets by Function
Last Ten Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Capital Assets by Type										
Land	\$ 1,331,538	\$ 1,331,538	\$ 1,331,538	\$ 1,331,538	\$ 1,331,538	\$ 1,331,538	\$ 1,331,538	\$ 1,331,538	\$ 1,331,538	\$ 1,309,087
Construction in process	7,471,684	11,622,200	9,428,053	13,494,759	9,000,000	2,634,390	959,998	-	5,951,316	6,852,928
Improvements other than building	2,247,129	3,889,309	6,708,017	6,708,017	6,708,017	6,708,017	6,708,017	6,708,017	6,708,017	6,708,017
Buildings and improvements	185,685,692	191,515,196	196,695,267	206,878,661	228,766,819	261,949,567	272,775,016	276,614,310	278,289,567	290,094,703
Machinery and equipment	32,444,517	35,303,841	16,735,560	19,069,418	22,534,474	27,163,988	17,236,213	18,365,237	19,387,461	24,556,604
Total by Type	\$ 229,180,560	\$ 243,662,084	\$ 230,898,435	\$ 247,482,393	\$ 268,340,848	\$ 299,787,500	\$ 299,010,782	\$ 303,019,102	\$ 311,667,899	\$ 329,521,339
Capital Assets by Function										
Educational Account:										
Regular Programs	\$ 10,138,994	\$ 12,013,858	\$ 4,974,136	\$ 5,009,128	\$ 5,041,910	\$ 5,051,082	\$ 2,683,182	\$ 2,684,882	\$ 2,688,166	\$ 2,688,166
Special Programs	4,791,057	5,445,623	5,690,046	5,710,654	5,838,583	5,953,592	3,162,604	3,206,910	3,239,968	3,486,753
Title 1	87,811	142,349	142,349	142,349	142,349	142,349	75,617	75,617	75,617	75,617
Improvement of instruction	8,704,075	8,765,764	3,347,825	5,626,083	8,872,376	12,338,349	8,471,971	9,071,586	9,679,687	13,727,983
Administration	464,399	465,411	465,411	465,411	523,464	567,276	301,342	312,895	351,369	358,457
Data Processing	810,043	810,043	810,043	810,043	810,043	810,043	430,302	430,302	431,472	431,472
Other unclassified	220,670	220,670	-	-	-	-	-	-	-	-
Total Educational Account	25,217,049	27,863,718	15,429,810	17,763,668	21,228,725	24,862,691	15,125,018	15,782,192	16,466,279	20,768,448
Operations and Maintenance account,										
Operation and maintenance of plant services	16,910,834	17,123,489	13,816,124	16,161,539	26,680,730	30,970,919	39,931,872	40,415,273	40,753,411	41,620,386
Construction Fund	187,052,677	198,674,877	201,652,501	213,557,186	220,431,393	243,953,890	243,953,892	246,821,637	254,448,209	267,132,505
Total by Function	\$ 229,180,560	\$ 243,662,084	\$ 230,898,435	\$ 247,482,393	\$ 268,340,848	\$ 299,787,500	\$ 299,010,782	\$ 303,019,102	\$ 311,667,899	\$ 329,521,339

Source of information: District's Comprehensive Annual Financial Report