

**SCHOOL DISTRICT U-46  
ELGIN, ILLINOIS**

**ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2012**

Prepared By

Finance Department

# SCHOOL DISTRICT U-46

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**SCHOOL DISTRICT U-46**

**Principal Officials**

**BOARD OF EDUCATION**

	<u>Position</u>	<u>Term Expires</u>
Donna Smith	President	2013
Amy Kerber	Vice President	2015
Traci O'Neal Ellis	Secretary Pro-Tempore	2015
Maria Bidelman	Member	2015
Jennifer Shroder	Member	2015
Joyce Fountain	Member	2013
Dale Spencer	Member	2013
Diana Castillo	Student Advisor	2013

**SUPERINTENDENT AND EXECUTIVE STAFF**

Dr. Jose M. Torres	Superintendent of Schools
Miguel Rodriguez	Chief Legal Officer
Karen Fox	Chief of Family and Community Engagement and Special Projects
Dr. Carmen Rodriguez	Assistant Superintendent, Elementary Education
Tony Sanders	Chief of Staff
Greg Walker	Assistant Superintendent, Secondary Education
Jeffrey King	Chief Operating Officer
Ushma Shah	Chief of Equity and Social Justice

**OFFICIALS ISSUING REPORT**

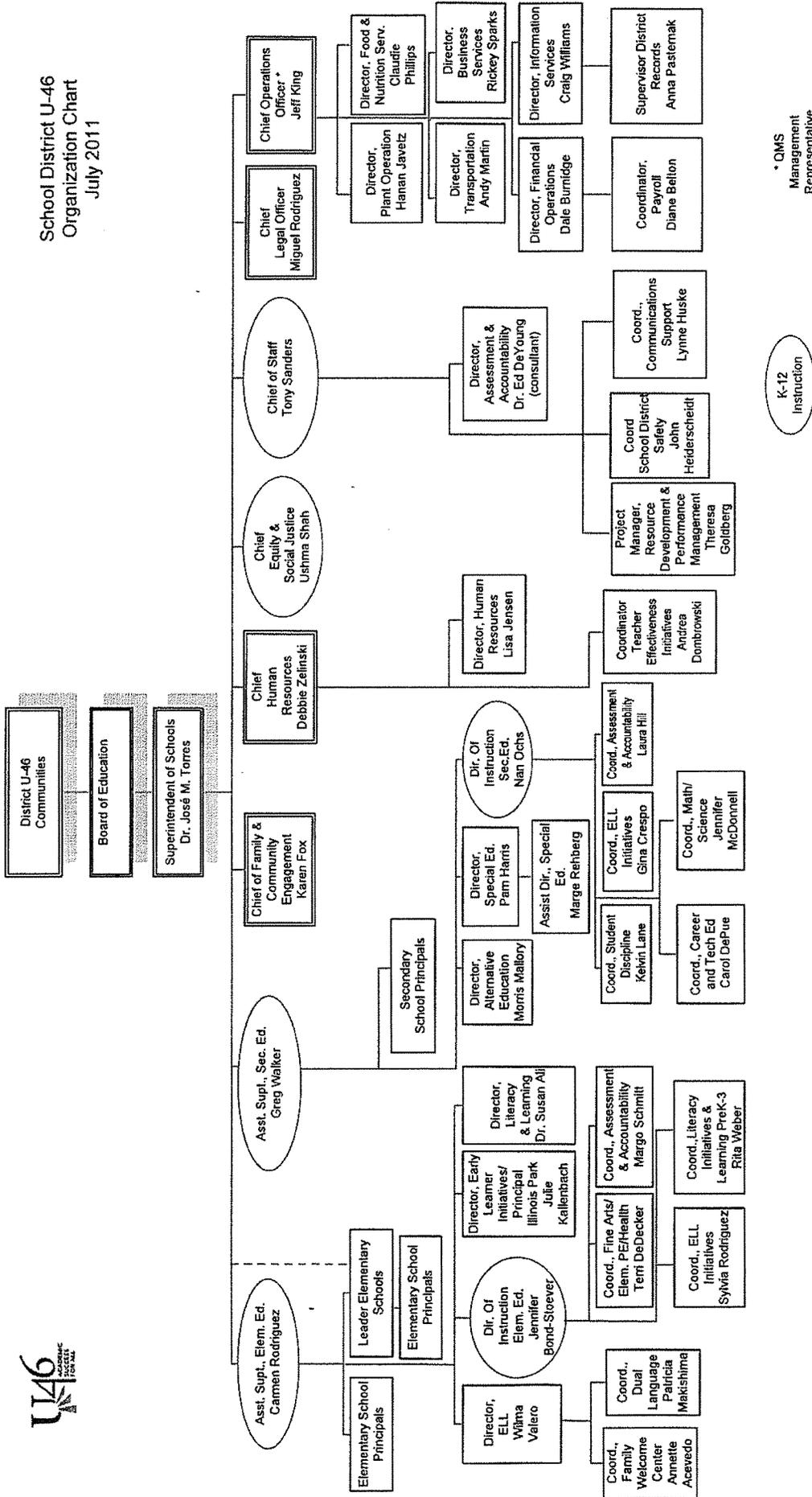
Dale Burnidge	Director of Financial Operations
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**DIVISION ISSUING REPORT**

	Finance Department
Juanita Cruz	Senior Accountant
Kathy Fitzpatrick	Grants Manager
Ray Shifrin	Pension Specialist
Jerry Ward	Accounts Payable Manager
Judy Freeman	General Accountant



School District U-46  
Organization Chart  
July 2011



\* QMS Management Representative

K-12 Instruction

## **Independent Auditor's Report**



## Independent Auditor's Report

To the Board of Education  
School District U-46  
Elgin, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of School District U-46, Elgin, Illinois (the District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of School District U-46, Elgin, Illinois as of June 30, 2012, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-12, schedules of funding progress on pages 50-51 and budgetary schedules and related note on pages 52-54 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.

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and other schedules, listed in the table of contents as other supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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 introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information 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.

*McGladrey LLP*

Chicago, Illinois  
November 30, 2012

**REQUIRED SUPPLEMENTARY INFORMATION –  
MANAGEMENT’S DISCUSSION AND ANALYSIS**

## **SCHOOL DISTRICT U-46**

Management's Discussion and Analysis  
For the Year Ended June 30, 2012

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The discussion and analysis of Elgin School District U-46's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2012. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the MD&A).

### **Financial Highlights**

- The assets of the District exceeded its liabilities at the close of the fiscal year by \$113,441,432 (net assets). Of this amount, a deficit of (\$83,366,008) represents unrestricted net assets.
- In total, net assets increased by \$31,961,250, which represents a 39.1% overall increase from the prior year. This increase was primarily the result of higher than expected revenue from State sources, and lower than expected expenses.
- General revenues were \$361,824,956 or 72.9% of all revenues. Program specific revenues, in the form of charges for services and grants, were \$134,820,038 or 27.1% of total revenues of \$496,644,994.
- Overall, the combined revenues of the District's governmental funds were \$15,717,129 greater than expenditures. After adding net other financing sources, fund balances increased by \$37,102,076. This operating surplus increased the District's governmental funds' combined fund balance by 31.8% to \$153,727,755 from \$116,625,679 in the prior year.

### **Overview of the Financial Statements**

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

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

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

## SCHOOL DISTRICT U-46

Management's Discussion and Analysis (Continued)  
For the Year Ended June 30, 2012

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### *Government-wide financial statements*

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

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

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

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction (regular education, special education and other), support services, community services, payments to other governments, on-behalf payments made by the State and interest on debt.

### *Fund financial statements*

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

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

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

## SCHOOL DISTRICT U-46

Management's Discussion and Analysis (Continued)  
For the Year Ended June 30, 2012

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The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund (the General Fund consists of four accounts: Educational Account, Tort Immunity Account, Operations and Maintenance Account and Working Cash Account), Transportation Fund, and the Debt Service Fund. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non major governmental funds is provided in the form of combining statements elsewhere in this report.

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

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

### *Notes to the financial statements*

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

### *Other information*

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

### **District-Wide Financial Analysis**

The District's net assets increased by \$31.9 million or 39.1% compared to the prior year. At year-end, total net assets were \$113.4 million (see Table 1).

The District's financial position is the product of many factors. However, several events of the last year stand out:

- The weakened economy in the state of Illinois continues to cause a delay in the District receiving revenue from the state.
- The District continued to use bond proceeds to construct, improve and expand its facilities, spending \$8,100,000 on capital asset additions.
- The District's expenditures to maintain and operate the facilities within Board policy and guidelines continue to exceed its primary revenues, forcing the District to fund the increase with new debt and available net assets. In an effort to continually monitor and contain total operating costs of the District, the District performed efficiency audits that highlighted various areas of cost containment reduction.

**SCHOOL DISTRICT U-46**

Management's Discussion and Analysis (Continued)  
For the Year Ended June 30, 2012

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**Table 1**  
**Condensed Statement of Net Assets**  
(in millions of dollars)

	<u>Governmental Activities</u>		<b>Percentage Change</b>
	<b>2012</b>	<b>2011</b>	
<b>Assets</b>			
Current and other assets	\$ 375.4	\$ 327.9	14.5%
Capital assets	371.1	377.4	(1.7)%
<b>Total assets</b>	<u>746.5</u>	<u>705.3</u>	<u>5.8%</u>
<b>Liabilities</b>			
Long-term liabilities	445.0	448.2	(0.7)%
Other liabilities	188.1	175.6	7.1%
<b>Total liabilities</b>	<u>633.1</u>	<u>623.8</u>	<u>1.5%</u>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	115.4	101.7	13.5%
Restricted	81.4	83.1	(2.0)%
Unrestricted	(83.4)	(103.3)	(19.3)%
<b>Total net assets</b>	<u>\$ 113.4</u>	<u>\$ 81.5</u>	<u>39.1%</u>

**SCHOOL DISTRICT U-46**

Management's Discussion and Analysis (Continued)  
 For the Year Ended June 30, 2012

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Table 2, Changes in Net Assets, illustrates in summary form revenues and expenses from FY 2012 and the increase in net assets of \$31.9 million. Comparative data from FY 2011 is also illustrated.

**Table 2**  
**Changes in Net Assets**  
 (in millions of dollars)

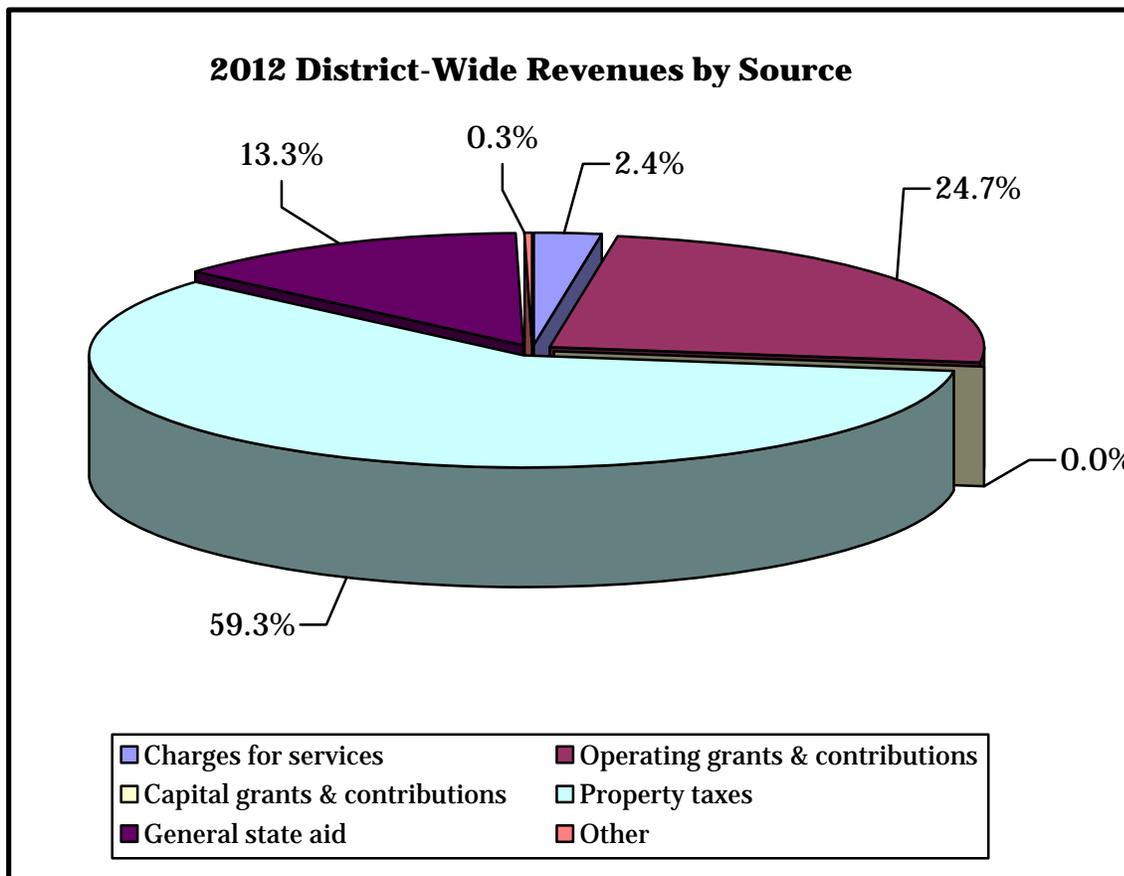
	<b>Governmental Activities</b>		<b>Percentage Change</b>
	<b>2012</b>	<b>2011</b>	
<b>Revenues</b>			
Program revenues			
Charges for services	\$ 12.1	\$ 12.0	0.8%
Operating grants and contributions	122.5	141.3	(13.3)%
Capital grants and contributions	0.2	1.0	(80.0)%
General revenues			
Property and replacement taxes	294.3	281.1	4.7%
General state aid	66.2	64.2	3.1%
Other	1.3	0.7	85.7%
<b>Total revenues</b>	<b>496.6</b>	<b>500.3</b>	<b>(0.7)%</b>
<b>Expenses</b>			
Instruction	248.1	237.5	4.5%
Support services	191.5	182.0	5.2%
Community services	3.9	5.2	(25.0)%
Debt service - interest and fees	21.2	21.7	(2.3)%
<b>Total expenses</b>	<b>464.7</b>	<b>446.4</b>	<b>4.1%</b>
<b>Increase in net assets</b>	<b>\$ 31.9</b>	<b>\$ 53.9</b>	<b>N/A</b>

## SCHOOL DISTRICT U-46

Management's Discussion and Analysis (Continued)  
For the Year Ended June 30, 2012

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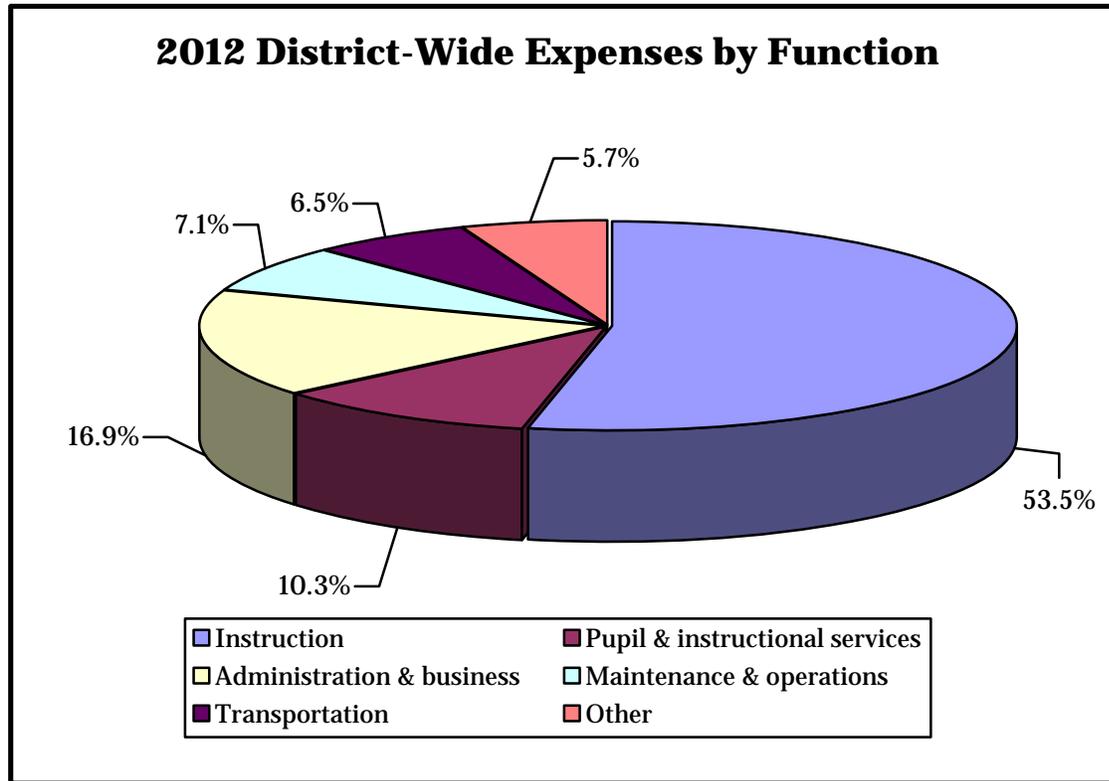
The District's total revenues were \$496.6 million. General revenues, including taxes and general state aid were 72.9% of the total or \$361.8 million. Property taxes (other than for debt service) increased \$10,002,500 over the prior year or 4.2%. This was due to an increase in the consumer price index and new construction within the District. Grants and contributions for specific programs and general state aid brought in \$188.7 million, an 8.2% decrease from the prior year, which is due to the expiration of the American Recovery and Reinvestment Act grant funding. The total cost of all programs and services in 2012 was \$464.7 million. The District's expenses are predominantly related to instruction and support services (caring for and transportation of students, etc.). These expenses accounted for 94.6% of the total (see Table 2). The District's other activities were 5.4% of total costs. Total revenues on the statement of activities surpassed expenses, increasing net assets by \$31.9 million from the prior year.



**SCHOOL DISTRICT U-46**

Management's Discussion and Analysis (Continued)  
For the Year Ended June 30, 2012

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**Financial Analysis of the District's Funds**

As the District completed the year, its governmental funds reported combined fund balances of \$153,727,755. Revenues for the District's governmental funds were \$496,207,956, while total expenditures were \$480,490,827.

The General Fund experienced a current year operating surplus after net other financing sources of \$43,273,928. The General Fund includes the Working Cash fund. This surplus resulted in an increase in the year-end fund balance to \$144,935,342.

The fund balance of the Transportation Fund decreased by \$2,311,600 as property taxes and state grants have not been sufficient to cover the costs associated with pupil transportation.

The fund balance of the Debt Service Fund increased by \$2,614,783.

## SCHOOL DISTRICT U-46

Management's Discussion and Analysis (Continued)  
For the Year Ended June 30, 2012

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### General Fund Budgetary Highlights

While the District's budget for the General Fund anticipated that revenues would exceed expenditures by \$1,332,721 before other financing sources (uses), the actual result for the year was an excess of revenues over expenditures of \$24,347,182. State and federal sources were over budget by a combined \$10,354,744 as expected grant revenues exceeded budget. Property taxes were \$4,735,685 above budget. Interest earnings and rentals and other sources were also greater than anticipated. Expenditures came in under budget by \$3,373,399 or .8%.

### Capital Asset and Debt Administration

#### *Capital assets*

Table 3 illustrates capital assets, net of depreciation:

**Table 3**  
**Capital Assets (Net of Depreciation)**  
**(in millions)**

	<b>2012</b>	<b>2011</b>	<b>Percentage Change</b>
Land	\$ 27.7	\$ 27.7	0.0%
Construction in progress	2.8	0.7	300.0%
Buildings	338.0	345.3	(2.1)%
Transportation equipment	1.4	3.0	(53.3)%
Other equipment	1.2	0.7	71.4%
Total	<u>\$ 371.1</u>	<u>\$ 377.4</u>	<u>(1.7)%</u>

Additional information about the District's capital assets is included in Note 4 to the basic financial statements.

#### *Long-term debt*

Table 4 on the following page illustrates the District's outstanding long-term debt. The District in FY 2012 issued \$31.5 million in bonds. This additional debt was offset by the repayment of existing debt of \$37.7 million for a net decrease of \$6.2 million. The District's other debt increased by nearly \$6.2 million related to accreted interest on capital appreciation bonds, other post-employment benefits and claims. Additional information is available in Note 5 – Long-Term Obligations.

The District is subject to the Illinois School Code, which limits the amount of bond indebtedness to 13.8% of the most recent available equalized assessed valuation of the District. As of June 30, 2012, the statutory debt limit for the District was \$706,054,239 providing a debt margin of \$404,364,804.

**SCHOOL DISTRICT U-46**

Management's Discussion and Analysis (Continued)  
 For the Year Ended June 30, 2012

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The ratio of general bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the District's debt position to District management, citizens, and investors. These indicators for the District at the end of fiscal year 2012 were 1.92 percent and \$1,225, respectively. Due to the decline in equalized assessed valuation, the general bonded debt to assessed valuation increased compared to fiscal year 2011 in which the ratio was 1.78 percent. The bonded debt per capita decreased from fiscal year 2011 when it was \$1,262.

**Table 4**  
**Outstanding Long-Term Obligations**  
 (in millions)

	2012	2011	Percentage Change
General obligation bonds/Debt Certificates	\$ 320.5	\$ 327.3	(2.1)%
Other	124.5	117.8	5.7%
<b>Total</b>	<b>\$ 445.0</b>	<b>\$ 445.1</b>	<b>(0.0)%</b>

**Factors Impacting the District's Future**

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

- The Illinois General Assembly has imposed property tax legislation on school districts to give property taxpayers some relief by delaying tax increases each year. The legislation limits the tax levy increase to the lesser of the consumer price index (CPI) or five percent, and in Cook County, mandates the use of prior year equalized assessed valuation (EAV) amounts to generate property tax receipts. This "tax cap" continues to limit the District's tax collection ability.
- Because the State does not provide an ongoing capital improvements budget plan, in the future, the District will be forced to issue additional debt to address the improvements needed for its aging facilities. As can be seen in Table 1, at the end of the current fiscal year, the largest portion of the District's net assets reflects its investment in capital assets (e.g., land, buildings, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.
- The current economy in the state continues to affect the District's state funding levels and timing of state receipts. The General State Aid formula was funded at 95% in fiscal year 2012.

## **SCHOOL DISTRICT U-46**

Management's Discussion and Analysis (Continued)  
For the Year Ended June 30, 2012

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### **Requests for Information**

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Chief Operations Officer, School District U-46, 355 E. Chicago St., Elgin, IL 60120.

## **BASIC FINANCIAL STATEMENTS**

**School District U-46**

**Statement of Net Assets  
June 30, 2012**

	Governmental Activities
<b>Assets</b>	
Cash and investments	\$ 182,525,543
Property taxes receivable, net of allowance	140,112,181
Replacement taxes receivable	662,540
Grants receivable	46,809,125
Accounts receivable	1,734,155
Inventory	176,480
Prepays	2,201,885
Deferred charges	1,220,985
Capital assets not being depreciated	30,536,045
Capital assets being depreciated, net of accumulated depreciation	<u>340,552,230</u>
<b>Total assets</b>	<b><u>\$ 746,531,169</u></b>
<b>Liabilities and Net Assets</b>	
Liabilities	
Accounts payable	\$ 9,517,079
Accrued payroll	25,733,184
Payroll deductions	4,416,726
Insurance claims payable	4,652,292
Accrued interest	3,091,593
Unearned property tax revenue	140,090,842
Unearned other revenue	602,132
Long-term liabilities, due within one year	37,150,327
Long-term liabilities, due in more than one year	<u>407,835,562</u>
<b>Total liabilities</b>	<b><u>633,089,737</u></b>
Commitments (Note 12)	
Net Assets	
Invested in capital assets, net of related debt	115,440,308
Restricted for:	
Working cash	61,286,284
Grant and donor programs	1,305,200
Debt service	18,775,648
Unrestricted deficit	<u>(83,366,008)</u>
<b>Total net assets</b>	<b><u>113,441,432</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 746,531,169</u></b>

See Notes to Basic Financial Statements.

School District U-46

Statement of Activities  
Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenue			Governmental Activities	Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
<b>Governmental activities:</b>						
Instruction:						
Regular programs	\$ 152,872,982	\$ 3,975,846	\$ 48,302,435	\$ -		\$ (100,594,701)
Special programs	44,739,728	61,891	36,176,927	-		(8,500,910)
Other instructional programs	50,529,484	992,260	5,366,207	-		(44,171,017)
Total instruction	248,142,194	5,029,997	89,845,569	-		(153,266,628)
Support services:						
Pupils	33,039,723	-	3,414,099	-		(29,625,624)
Instructional staff	14,662,297	-	1,516,375	-		(13,145,922)
General administration	21,364,385	-	2,210,275	-		(19,154,110)
School administration	26,796,191	-	2,771,055	-		(24,025,136)
Business	30,533,039	1,250,793	3,693,430	-		(25,588,816)
Facilities acquisition and construction	1,068,238	-	-	181,534		(886,704)
Transportation	30,391,920	1,337,334	4,813,516	-		(24,241,070)
Food service	19,112,487	4,503,273	12,509,416	-		(2,099,798)
Central	13,012,548	-	1,345,909	-		(11,666,639)
Other support services	1,551,123	-	-	-		(1,551,123)
Total support services	191,531,951	7,091,400	32,274,075	181,534		(151,984,942)
Community services	3,848,600	-	397,463	-		(3,451,137)
Debt service - interest and fees	21,160,999	-	-	-		(21,160,999)
<b>Total governmental activities</b>	<b>\$ 464,683,744</b>	<b>\$ 12,121,397</b>	<b>\$ 122,517,107</b>	<b>\$ 181,534</b>		<b>(329,863,706)</b>
General revenues:						
Taxes:						
Property taxes, general purposes						248,081,083
Property taxes, debt service						41,611,064
Replacement taxes and other payment in lieu of taxes						4,654,710
Unrestricted state grants						66,160,166
Interest and investment earnings						319,526
Other general revenues						998,407
Total general revenues						361,824,956
Change in net assets						31,961,250
Net assets:						
Beginning of year						81,480,182
End of year						\$ 113,441,432

See Notes to Basic Financial Statements.

School District U-46

**Balance Sheet  
Governmental Funds  
Year Ended June 30, 2012**

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Transportation Fund	Debt Service Fund		
<b>Assets</b>					
Cash and investments	\$ 150,765,851	\$ 400	\$ 21,864,109	\$ 9,895,183	\$ 182,525,543
Property taxes receivable, net of allowance	111,539,478	3,634,276	20,566,820	4,371,607	140,112,181
Grants receivable	25,305,073	21,504,052	-	-	46,809,125
Replacement taxes receivable	616,361	-	-	46,179	662,540
Accounts receivable	1,395,419	327,510	-	11,226	1,734,155
Due from other funds	25,391,987	-	-	-	25,391,987
Inventory	176,480	-	-	-	176,480
Prepays	2,201,885	-	-	-	2,201,885
<b>Total assets</b>	<b>\$ 317,392,534</b>	<b>\$ 25,466,238</b>	<b>\$ 42,430,929</b>	<b>\$ 14,324,195</b>	<b>\$ 399,613,896</b>
<b>Liabilities and Fund Balances (Deficits)</b>					
Liabilities					
Accounts payable	\$ 8,972,702	\$ 71,439	\$ -	\$ 472,938	\$ 9,517,079
Accrued payroll	25,573,897	159,287	-	-	25,733,184
Payroll deductions	3,972,638	-	-	444,088	4,416,726
Insurance claims payable	4,652,292	-	-	-	4,652,292
Deferred property tax revenue	111,522,490	3,633,722	20,563,688	4,370,942	140,090,842
Deferred grant revenue	17,161,041	18,320,858	-	-	35,481,899
Deferred other revenue	602,132	-	-	-	602,132
Due to other funds	-	24,352,934	-	1,039,053	25,391,987
<b>Total liabilities</b>	<b>172,457,192</b>	<b>46,538,240</b>	<b>20,563,688</b>	<b>6,327,021</b>	<b>245,886,141</b>
Fund balances (deficits)					
Nonspendable	2,378,365	-	-	-	2,378,365
Restricted	108,539,319	-	21,867,241	7,997,174	138,403,734
Unassigned	34,017,658	(21,072,002)	-	-	12,945,656
<b>Total fund balances (deficits)</b>	<b>144,935,342</b>	<b>(21,072,002)</b>	<b>21,867,241</b>	<b>7,997,174</b>	<b>153,727,755</b>
<b>Total liabilities and fund balances</b>	<b>\$ 317,392,534</b>	<b>\$ 25,466,238</b>	<b>\$ 42,430,929</b>	<b>\$ 14,324,195</b>	<b>\$ 399,613,896</b>

See Notes to Basic Financial Statements.

**School District U-46**

**Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Assets  
June 30, 2012**

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Total fund balances - governmental funds	\$	153,727,755
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds:

Capital assets	\$ 598,925,424	
Accumulated depreciation	(227,837,149)	
Net capital assets		371,088,275

Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due.		(3,091,593)
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Certain revenues that are deferred in the fund financial statements because they are not available, are recognized as revenue in the government wide financial statements.		35,481,899
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Costs related to the issuance of long-term debt are recorded as expenditures when incurred in governmental funds, but are capitalized and amortized over the life of the debt issue in the statement of net assets.		1,220,985
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Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in the governmental funds. These liabilities consist of:

General obligation bonds	(315,894,005)	
Accreted interest on long-term debt	(107,400,154)	
General obligation debt certificates	(4,605,167)	
Purchase contracts	(3,057,503)	
Compensated absences	(288,083)	
Other post employment benefits	(4,196,205)	
IMRF pension obligation	(470,892)	
Claims incurred but not reported	(10,081,533)	
Unamortized premiums related to debt issuance	(4,868,836)	
Unamortized discounts related to debt issuance	396,289	
Deferred loss on refunding	5,480,200	
		(444,985,889)

Net assets of governmental activities	\$	<u>113,441,432</u>
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See Notes to Basic Financial Statements.

School District U-46

Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)  
 Governmental Funds  
 Year Ended June 30, 2012

	Major Funds		
	General Fund	Transportation Fund	Debt Service Fund
<b>Revenues:</b>			
Property taxes	\$ 231,549,688	\$ 7,492,818	\$ 41,611,064
Replacement taxes and other payments in lieu of taxes	2,094,027	-	-
Charges for services	9,468,181	1,337,334	-
Earnings on investments	263,875	174	1,047
Impact fees, rentals and other local sources	3,571,308	-	-
State grants-in-aid	95,788,068	12,703,740	-
Federal grants-in-aid	33,912,188	-	-
State on-behalf of payments	45,591,003	-	-
<b>Total revenues</b>	<b>422,238,338</b>	<b>21,534,066</b>	<b>41,612,111</b>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular programs	125,575,427	-	-
Special programs	35,571,905	-	-
Other instructional programs	41,433,961	-	-
Intergovernmental state on-behalf of payments	45,591,003	-	-
Support services:			
Pupils	26,310,913	-	-
Instructional staff	11,885,498	-	-
General administration	17,423,079	-	-
School administration	21,133,789	-	-
Business	23,425,848	-	-
Facilities acquisition and construction	700,163	-	-
Transportation	1,178,187	21,186,407	-
Food service	15,881,190	-	-
Central	10,100,209	-	-
Other support services	1,507,343	-	-
Community services	3,087,325	-	-
Payments to other governments	7,507,509	-	-
Debt service:			
Principal	-	2,070,565	28,693,300
Interest and fees	-	133,901	12,578,528
Debt issuance costs	-	-	183,701
Capital outlay	9,577,807	454,793	-
<b>Total expenditures</b>	<b>397,891,156</b>	<b>23,845,666</b>	<b>41,455,529</b>
Excess (deficiency) of revenues over (under) expenditures	24,347,182	(2,311,600)	156,582
<b>Other financing sources (uses):</b>			
Transfer in	-	-	2,274,500
Transfer out	(2,274,500)	-	-
Issuance of purchase contracts	1,198,870	-	-
Proceeds from debt issuance	20,002,376	-	11,457,624
Premium on debt issuance	-	-	1,522,879
Discount on debt issuance	-	-	(5,801)
Transfer to escrow agent	-	-	(12,791,001)
<b>Total other financing sources (uses)</b>	<b>18,926,746</b>	<b>-</b>	<b>2,458,201</b>
<b>Net change in fund balances (deficits)</b>	<b>43,273,928</b>	<b>(2,311,600)</b>	<b>2,614,783</b>
<b>Fund balances (deficits):</b>			
Beginning of year	101,661,414	(18,760,402)	19,252,458
End of year	\$ 144,935,342	\$ (21,072,002)	\$ 21,867,241

See Notes to Basic Financial Statements.

	Nonmajor Governmental Funds	Total Governmental Funds
\$	9,038,577	\$ 289,692,147
	1,548,900	3,642,927
	-	10,805,515
	54,430	319,526
	181,534	3,752,842
	-	108,491,808
	-	33,912,188
	-	45,591,003
	<u>10,823,441</u>	<u>496,207,956</u>
	1,489,189	127,064,616
	1,611,821	37,183,726
	571,530	42,005,491
	-	45,591,003
	1,133,610	27,444,523
	304,014	12,189,512
	344,406	17,767,485
	1,141,571	22,275,360
	1,971,131	25,396,979
	360,592	1,060,755
	2,896,276	25,260,870
	3,168	15,884,358
	718,994	10,819,203
	43,415	1,550,758
	107,718	3,195,043
	-	7,507,509
	-	30,763,865
	-	12,712,429
	-	183,701
	<u>4,601,041</u>	<u>14,633,641</u>
	<u>17,298,476</u>	<u>480,490,827</u>
	<u>(6,475,035)</u>	<u>15,717,129</u>
	-	2,274,500
	-	(2,274,500)
	-	1,198,870
	-	31,460,000
	-	1,522,879
	-	(5,801)
	-	(12,791,001)
	<u>-</u>	<u>21,384,947</u>
	(6,475,035)	37,102,076
	<u>14,472,209</u>	<u>116,625,679</u>
\$	<u>7,997,174</u>	<u>\$ 153,727,755</u>

School District U-46

**Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)  
to the Statement of Activities  
Year Ended June 30, 2012**

Net change in fund balances (deficits)—total governmental funds		\$ 37,102,076
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report purchases of capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.		
Capital expenditures	\$ 8,091,401	
Depreciation	<u>(14,460,333)</u>	
Depreciation in excess of capital expenditures		(6,368,932)
Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds. The change from fiscal year 2011 to 2012 was:		
		437,038
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the statement of net assets. The following amounts were retired:		
General obligation bonds	37,710,432	
Debt certificates	545,003	
Installment notes	40,880	
Purchase contracts	3,422,550	
Accreted interest	<u>4,974,569</u>	
Total retired debt		46,693,434
Debt issuance premiums, discounts and losses on refunding debt are deferred and amortized over the life of the bonds in the statement of net assets.		
		318,923
Purchase contracts entered into during the year are expenditures in the fund financial statements but increase leases payable on the statements of net assets.		
		(1,198,870)
The issuance of bonds is shown as an other financing source in governmental funds but as an increase in bonds on the statement of net assets.		
		(31,460,000)
Costs related to the issuance of bonds are shown as expenditures in governmental funds but are amortized over the life of the bonds on the statement of activities.		
		183,701
The accretion of interest on long-term debt is not reported as an expenditure in governmental funds but as an addition to principal outstanding in the statement of activities.		
		(13,522,422)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Increase in other postemployment benefits	(1,167,605)	
Increase in IMRF pension obligation	(22,084)	
Decrease in compensated absences payable	242,062	
Decrease in accrued interest on debt	723,741	
Decrease in claims incurred but not reported	624,646	
Amortization of bond premiums	764,786	
Amortization of bond discounts	(40,220)	
Amortization of bond issuance costs	(200,691)	
Amortization of bond refunding costs	<u>(1,148,333)</u>	
		<u>(223,698)</u>
Change in net assets of governmental activities		<u>\$ 31,961,250</u>

See Notes to Basic Financial Statements.

**School District U-46**

**Statement of Fiduciary Assets and Liabilities**  
**Agency Fund**  
**Year Ended June 30, 2012**

	<u>Agency Student Activity Fund</u>
<b>Assets</b> , cash and investments	<u>\$ 3,742,444</u>
<b>Liabilities</b> , due to activity fund organizations	<u>\$ 3,742,444</u>

See Notes to Basic Financial Statements.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies

School District U-46 operates as a public school system governed by an elected seven-member board of education. The District is organized under the School Code of the State of Illinois, as amended. The District serves the communities of Bartlett, Elgin, Hanover Park, South Elgin, Streamwood, Wayne and portions of Carol Stream, Hoffman Estates, St. Charles, Schaumburg, and West Chicago.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) 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 Governmental Accounting Standards Board (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.

Based upon the application criteria, no material component units have been identified that should be included within the reporting entity.

The District is the administrative agent for the Northern Kane County Regional Vocational System (NKCRVS), a joint venture of School District U-46 and several other local districts. The NKCRVS is considered a separate entity for financial reporting purposes and issues its own basic financial statements which are available at 355 E. Chicago St., Elgin, IL 60120.

#### ***Government-Wide and Fund Financial Statements***

***Government-Wide Financial Statements:*** The government-wide Statement of Net Assets 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 Net Assets presents the District's non-fiduciary assets and liabilities with the difference reported as net assets.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

##### ***Government-wide and Fund Financial Statements (Continued)***

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. 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 emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The District has the following major governmental funds- General Fund, Transportation Fund and Debt Service Fund. All remaining governmental special revenue and capital projects funds are aggregated and reported as nonmajor governmental funds.

The District reports the following major governmental funds:

##### *General Fund*

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The District's General Fund consists of four accounts: the Educational Account, which records direct costs of instruction and administration, including the District's food service operations, the Tort Immunity Account, which records the District's risk financing activities, the Operations and Maintenance Account, which reports all costs of maintaining, improving or repairing school building and property and the Working Cash Account, which accounts for financial resources held by the District to be used for temporary interfund loans to other District funds.

##### *Transportation Fund*

The Transportation Fund, (a special revenue fund) accounts for costs of the transportation of pupils.

##### *Debt Service Fund*

The Debt Service Fund, formerly the Bond and Interest Fund, (a debt service fund) accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

The District also reports the following other fund types/funds:

***Special Revenue Funds*** - The Special Revenue Fund type is used to account for the proceeds of specific revenue sources (other than those accounted for in Debt Service, Capital Projects or Fiduciary Funds) that are legally restricted to expenditures for specified purposes. The District's nonmajor special revenue fund is the Municipal Retirement / Social Security Fund, which accounts for the District's share of retirement benefit and social security costs for employees.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

##### ***Government-wide and Fund Financial Statements (Continued)***

*Capital Projects Funds* – The Capital Projects Funds are used to account for and report financial resources that are to be used for expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The District's nonmajor capital projects funds are the Capital Projects Fund, formerly the Site and Construction Fund, which accounts for financial resources to be used for the acquisition, construction or renovation of major capital facilities, and the Fire Prevention and Safety Fund, which is used to account for the altering, reconstructing and repairing of the existing school buildings of the District.

*Fiduciary Fund* - The reporting focuses on assets and liabilities. The District's fiduciary funds are agency funds, the Student Activity Funds. These funds account for assets held by the District as an agent for the students and teachers. The funds are custodial in nature and do not involve the measurement of results of operations. The amounts due to the activity fund organizations are equal to the assets.

##### ***Measurement Focus and Basis of Accounting and Financial Statement Presentation***

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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 in the period in which they are intended to finance, when the District has a legal claim to the resources. 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 collected 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 sixty (60) days of the end of the current fiscal period. The District uses sixty days in order to capture reimbursement payments released by the state of Illinois during the month of August. The District also considers property taxes to be available if they are collected within sixty (60) days of the end of the fiscal period and intended to finance the current period.

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. The District has recognized 50% of the 2011 tax extension and 50% of the 2010 tax extension in the current fiscal year based on estimated collections, as this is the period for which the taxes have been levied (intended to finance). Property taxes are recorded net of estimated losses on collections of 1.3%. As of June 30, 2012 the property tax allowance was \$1,845,450. Revenue from replacement taxes is recognized when collected by the state, prior to disbursement to the District.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, termination benefits, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

##### ***Measurement Focus and Basis of Accounting and Financial Statement Presentation (Continued)***

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB), in which case the GASB prevails.

##### ***Real Estate Taxes***

Property taxes are levied each year on all taxable real property in the District on or before the last Tuesday in December. The 2011 tax levy was passed by the Board of Education on December 5, 2011, 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 2012 in Cook County and in June and September 2012 in DuPage County and Kane County, and are collected by the County Collector, who in turn returns to the District its respective share. The District receives the remittances from the County Treasurer within one month after collection.

The District has recorded a receivable for the uncollected portion of the 2011 taxes extended. The District has recorded deferred revenue net of any allowance, which approximates 49% of the 2011 tax extension which will be recognized as revenue in fiscal year 2013, the period for which those taxes were levied.

##### ***Investments***

The investments are stated at fair value, based on quoted market prices.

##### ***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.

##### ***Inventories***

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The cost of governmental fund-type inventories are recorded as expenditures when purchased. Year-end balances are recorded as assets. General Fund inventory consists primarily of school supplies.

##### ***Capital Assets***

Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The District maintains a capitalization threshold of \$10,000. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation for assets of governmental activities is computed using the straight-line method over the following useful lives:

Buildings	40 years
Transportation equipment	5 years
Other equipment	3-10 years

## School District U-46

### Notes to Basic Financial Statements

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#### **Note 1. Summary of Significant Accounting Policies (Continued)**

##### ***Interfund Transactions***

The District has the following types of interfund transactions:

*Loans* – amounts provided with a requirement for repayment. Interfund loans are reported as interfund receivables (due from other funds) in lender funds and interfund payables (due to other funds) in borrower funds.

*Transfers* – flows of assets (typically cash) 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.

##### ***Compensated Absences***

The District records compensated absences for vacation benefits as a liability in the government-wide financial statements as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means.

##### ***Deferred and Unearned Revenue***

The District reports deferred revenue on its balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period.

The District reports unearned revenues in the government-wide statement of net assets in connection with resources that have been received but not yet earned. In subsequent periods, when both revenue recognition criteria are met or when the District has a legal claim to the resources, the liability for unearned revenue is recognized as revenue.

##### ***Long-Term Liabilities***

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund for payment early in the following year. Other obligations (e.g. compensated absences, claims and judgments and postemployment benefits), are reported as fund liabilities when amounts have matured or are due and payable rather than when the liability is expected to be financed from expendable available financial resources. The remaining portions of such obligations have been reported as liabilities in the statement of net assets.

The District has issued two types of general obligation bonds, a conventional type for which interest is paid on the bonds semi-annually and a capital appreciation type, for which no interest is paid, but rather the interest "accrues" to long-term interest semi-annually and is finally paid upon maturity of the bonds.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

##### ***Debt Premium, Discount and Debt Issuance/Refunding Costs***

In the fund financial statements, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond, debt certificate, and purchase contract proceeds are reported as "other financing sources" as are applicable premiums or discounts. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures.

In the government-wide financial statements, bond premiums and discounts, as well as other bond issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

##### ***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 highest level of decision-making authority rests with the District's Board of Education. The District passes formal resolutions to commit their fund balances.

***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.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

##### Fund Balances (Continued)

**Unassigned** – includes the residual fund balances 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 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.

Under the State of Illinois School Code (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 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 or abate the fund. At June 30, 2012, the District had fund balances of \$108,050,377 that have been restricted pursuant to the School Code as working cash stabilization funds.

At June 30, 2012, the District had the following fund balances restricted for various purposes as follows:

Fund	Fund balance	Purpose of restriction
General Fund	\$ 488,942	Grant programs
General Fund	108,050,377	Working cash requirements
Debt service Fund	21,867,241	Repayment of principal and interest on long-term debt
Municipal Retirement/Social Security Fund	99,804	Retirement benefits
Capital Projects Fund	5,474,918	School construction projects
Fire Prevention and Safety Fund	2,422,452	Altering, reconstruction and repair of existing school buildings
	<u>\$ 138,403,734</u>	

##### Net Assets

Net assets consist of the following categories:

**Invested in capital assets, net of related debt** consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

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

**Unrestricted net assets** consist of net assets that do 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, then unrestricted resources, as they are needed.

#### ***Eliminations***

Eliminations have been made in the statement of net assets to remove the "grossing-up" effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables. Similarly, transfers between funds have been eliminated in the statement of activities.

#### ***Use of Estimates***

The preparation of financial statements in conformity with the modified accrual basis of accounting requires management to make estimates and assumptions that affect the amounts of assets and liabilities 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 may differ from these estimates.

#### Note 2. Budgetary Information

Annual budgets are adopted for all governmental fund types. The annual budgets are adopted on the modified accrual basis of accounting at the fund level. All budgets lapse at fiscal year end. The District maintains a system to measure the uncommitted budget amount available for expenditures at any time during the year. For budgetary purposes, appropriations lapse at June 30, 2012 and outstanding encumbrances are canceled at that date.

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 2011-12 budget was adopted September 26, 2011.

The appropriated budget is prepared by fund and by function. The Board of Education may make transfers between functions within a fund not exceeding in the aggregate 10% 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.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 3. Deposits and Investments

*Permitted Deposits and Investments* - State statutes and Board policy authorize the District to invest any available funds in: (1) direct obligations of or obligations guaranteed by the United States or its agencies; (2) commercial paper issued by United States corporations rated within the three highest classifications by at least two standard rating services and maturing within 180 days or less; (3) interest bearing savings accounts, certificates of deposit, or other time deposits in federally insured and/or state chartered banks and savings and loans associations; (4) the Illinois School District Liquid Asset Fund Plus (ISDLAF+); (5) the Illinois Funds; (6) money market mutual funds; (7) Bankers' acceptances of banks whose senior obligations are rated in the top two rating categories by two national rating agencies and maintain that rating during the term of the investment; (8) repurchase agreements of government securities; (9) and interest bearing bonds of any county, township, city, village incorporated town, municipality, or school district. Shares in the ISDLAF+ and the Illinois Funds represent investments in external investment pools that are regulated by the State of Illinois; the fair value of the position in the pools is the same as the value of the pool shares.

#### **Deposits**

As of June 30, 2012, the District had deposits with federally insured financial institutions of \$176,170,411 with the book balances totaling \$173,061,834.

*Custodial credit risk – deposits.* In the case of 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's investment policy requires all bank deposits in excess of FDIC insurance limits be secured by collateral. As of June 30, 2012, the District was not exposed to custodial credit risk.

#### **Investments**

##### *Interest Rate Risk*

The District's investment policy does not limit its investment portfolio to specific maturities.

##### *Credit Risk*

The District's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. Investment choices are not limited beyond the State statutes.

##### *Concentration of Credit Risk*

The District places no limit on the amount it may invest in any one issuer.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the District's investments at June 30, 2012. The schedule also includes credit ratings by Standard & Poor's at June 30, 2012:

**School District U-46**

**Notes to Basic Financial Statements**

**Note 3. Deposits and Investments (Continued)**

Investment Type	Fair Value	Investment Maturities (in Years)		% of Total Investments	Credit Ratings
		Less than 1	1 - 5		
Illinois School District Liquid Asset Fund	\$ 3,833,900	\$ 3,833,900	\$ -	29.04%	AAAm
Government Money Market Funds	1,294,000	1,294,000	-	9.80%	AAAm
Federal Home Loan Mortgage Corporation Notes	179,339	179,339	-	1.36%	AA+
	5,307,239	\$ 5,307,239	\$ -		
Illinois Funds	7,892,929			59.80%	AAAm
	<u>\$ 13,200,168</u>			<u>100.00%</u>	

The Illinois School District Liquid Asset Fund is shown as maturing in less than one year because the weighted average maturity of the pool is less than one year.

*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 Illinois School District Liquid Asset Fund Plus, Illinois Funds, and the Government Money Market Funds held by the District are not subject to custodial credit risk.

The above deposits and investments (plus \$5,985 held by the District as petty cash) are presented in the basic financial statements as cash and investments as follows:

Cash and investments per statement of net assets	\$ 182,525,543
Cash and investments per statement of fiduciary assets and liabilities	<u>3,742,444</u>
Total	<u>\$ 186,267,987</u>

**School District U-46****Notes to Basic Financial Statements**

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**Note 4. Capital Assets**

Capital asset balances and activity for the year ended June 30, 2012, are as follows:

	Balance July 1, 2011	Additions	Retirements	Balance June 30, 2012
Capital Assets, not being depreciated:				
Land	\$ 27,687,264	\$ -	\$ -	\$ 27,687,264
Construction in progress	689,289	2,848,781	689,289	2,848,781
Total capital assets, not being depreciated	28,376,553	2,848,781	689,289	30,536,045
Capital Assets, being depreciated:				
Buildings	531,093,967	5,059,849	-	536,153,816
Transportation equipment	20,914,586	-	-	20,914,586
Other equipment	10,448,917	872,060	-	11,320,977
Total capital assets being depreciated	562,457,470	5,931,909	-	568,389,379
Less accumulated depreciation:				
Buildings	185,767,165	12,458,871	-	198,226,036
Transportation equipment	17,953,958	1,593,364	-	19,547,322
Other equipment	9,655,693	408,098	-	10,063,791
Total accumulated depreciation	213,376,816	14,460,333	-	227,837,149
Total capital assets being depreciated, net	349,080,654	(8,528,424)	-	340,552,230
Governmental activities				
Capital assets, net	\$ 377,457,207	\$ (5,679,643)	\$ 689,289	\$ 371,088,275

**School District U-46**

**Notes to Basic Financial Statements**

**Note 4. Capital Assets (Continued)**

Depreciation expense was charged to governmental activities as follows:

Activity	Depreciation Expense
Regular programs	\$ 5,013,536
Special education programs	1,467,143
Other instructional programs	1,657,393
Pupils	1,082,867
Instructional staff	480,957
General administration	701,044
School administration	878,910
Business	1,002,078
Transportation	996,708
Food services	626,743
Central	426,889
Community services	126,065
Total	<u><u>\$ 14,460,333</u></u>

**Note 5. Long-Term Obligations**

The following is a summary of activity for the District's long-term debt for the year ended June 30, 2012:

	Balance July 1, 2011	Additions	Reductions	Balance June 30, 2012	Due Within One Year
G.O. Bonds/Debt Certificates Payable:					
General obligation bonds	\$ 322,144,437	\$ 31,460,000	\$ (37,710,432)	\$ 315,894,005	\$ 28,388,010
Accreted interest on long-term debt	98,852,301	13,522,422	(4,974,569)	107,400,154	5,646,990
Debt certificates	5,150,170	-	(545,003)	4,605,167	405,154
Unamortized Premium	4,110,743	1,522,879	(764,786)	4,868,836	862,850
Unamortized Discount	(430,708)	(5,801)	40,220	(396,289)	(44,329)
Deferred loss on refunding	(4,792,532)	(1,836,001)	1,148,333	(5,480,200)	(1,419,731)
Total G.O. Bonds/Debt Certificates Payable	<u>425,034,411</u>	<u>44,663,499</u>	<u>(42,806,237)</u>	<u>426,891,673</u>	<u>33,838,944</u>
Installment notes	40,880	-	(40,880)	-	-
Purchase contracts	5,281,183	1,198,870	(3,422,550)	3,057,503	1,211,954
Compensated absences	530,145	8,235,397	(8,477,459)	288,083	288,083
IMRF pension obligation	448,808	22,084	-	470,892	-
Other post employment benefits	3,028,600	1,167,605	-	4,196,205	-
Claims incurred but not reported	10,706,179	49,760,552	(50,385,198)	10,081,533	1,811,346
Total	<u><u>\$ 445,070,206</u></u>	<u><u>\$ 105,048,007</u></u>	<u><u>\$ (105,132,324)</u></u>	<u><u>\$ 444,985,889</u></u>	<u><u>\$ 37,150,327</u></u>

## School District U-46

### Notes to Basic Financial Statements

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#### Note 5. Long-Term Obligations (Continued)

At June 30, 2012 general obligation bonds consisted of the following:

**General Obligation Bonds - Payable by the Debt Service Fund:**

\$14,999,900, 1996 Capital Appreciation School Building Bonds due in annual installments of \$1,663,068 through 2013 with interest yielding 6.185%.	\$ 1,663,068
\$18,300,000, 1999 School Building Bonds due in installments of \$1,725,000 to \$7,000,000 through 2019 with interest due semiannually at 5.05% to 5.25%.	17,050,000
\$57,999,743, 2001 Capital Appreciation Construction Bonds due in annual installments of \$2,677,017 to \$14,072,352 through 2016 with interest due semiannually at 5.2% to 9.0%.	35,250,743
\$54,499,619, 2002 Illinois Development Finance Authority Program Capital Appreciation Revenue Bonds due in annual installments of \$373,209 to \$14,528,432 in years 2016 through 2021 with interest due annually in years of maturity at a rate yielding 5.3789%.	54,499,619
\$65,999,779, 2003B Capital Appreciation School Bonds due in annual installments of \$727,271 to \$18,975,627 through 2023 with interest due annually in years of maturity at a rate yielding 3.45% to 5.37%.	59,270,575
\$22,000,000, 2003D General Obligation Limited Tax School Bonds (Working Cash Bonds) due in annual installments of \$3,500,000 to \$3,845,000 through 2014 with interest due semiannually at 5.00% to 5.60%.	7,355,000
71,790,000, 2005 General Obligation School Refunding Bonds with annual installments ranging from \$365,000 to \$15,085,000 through 2020 with interest due semiannually at rates ranging from 3.00% to 5.00%.	37,410,000
\$34,405,000 2009 General Obligation Limited School Bonds due in annual installments of \$605,000 to \$4,320,000 through 2023 with interest due semiannually at 2.0% to 5.00%.	17,415,000
\$30,190,000 2010 General Obligation Refunding due in annual installments of \$3,555,000 to \$12,275,000 through 2015 with interest due semiannually at 2.00% to 4.00%.	27,020,000

School District U-46

Notes to Basic Financial Statements

**Note 5. Long-Term Obligations (Continued)**

**General Obligation Bonds - Payable by the Debt Service Fund: (Continued)**

\$25,925,000, 2011A Taxable General Obligation Limited School Bonds due in annual installments of \$195,000 to \$4,860,000 beginning in fiscal year 2012 through 2022 with interest due semiannually at 1.65% to 6.0%.	\$ 25,670,000
\$2,030,000, 2011B Taxable General Obligation Limited School Bonds due in annual installments of \$200,000 to \$230,000 beginning in fiscal year 2012 through 2021 with interest due semiannually at 0.65%.	1,830,000
\$415,000, 2012A Taxable General Obligation Limited Refunding School Bonds due in annual installments of \$10,000 to \$370,000 beginning in fiscal year 2013 through 2016 with interest due semiannually at 0.65% to 1.85%.	415,000
\$31,045,000, 2012B Taxable General Obligation Limited School Bonds due in annual installments of \$70,000 to \$7,855,000 beginning in fiscal year 2016 through 2026 with interest due semiannually at 3.0% to 4.5%.	<u>31,045,000</u>
Total General Obligation Bonds	<u><u>\$ 315,894,005</u></u>

**Debt Service Requirements to Maturity - General Obligation Bonds:**

Annual debt service requirements to maturity for all bond issues to be paid from property taxes of the Debt Service Fund for each of the next five fiscal years and in five year increments thereafter are as follows:

Due in Fiscal Year	Principal	Interest	Total Debt Service
2013	\$ 28,388,010	\$ 12,732,341	\$ 41,120,351
2014	27,555,218	15,458,632	43,013,850
2015	27,130,872	15,573,067	42,703,939
2016	24,370,682	22,200,541	46,571,223
2017	26,524,287	21,954,258	48,478,545
2018 - 2022	139,089,386	135,478,079	274,567,465
2023 - 2026	<u>42,835,550</u>	<u>31,499,550</u>	<u>74,335,100</u>
	<u><u>\$ 315,894,005</u></u>	<u><u>\$ 254,896,468</u></u>	<u><u>\$ 570,790,473</u></u>

Interest maturities include \$107,400,154 of accreted interest on capital appreciation bonds.

**Accreted Interest on Long-term Debt - Capital Appreciation Bonds:**

The District has four outstanding capital appreciation bond issues. Interest on the capital appreciation bonds are paid only when principal payments are made, not semi-annually like conventional bond issues. The District records the accretion of interest as long-term debt in the statement of net assets as if the interest had been paid semi-annually. Accreted interest on long-term debt was increased by a net total of \$8,547,853 during the fiscal year ended June 30, 2012. At year end, the total interest accreted on the capital appreciation bonds was \$107,400,154.

School District U-46

Notes to Basic Financial Statements

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**Note 5. Long-Term Obligations (Continued)**

***Debt Certificates:***

The District has one outstanding debt certificate. Payments are expected to be made from the Debt Service Fund through transfers from the General Fund. Descriptions of the District's debt certificate is as follows:

\$6,200,000, 2007 Debt Certificates (Qualified Zone Academy Bonds)  
due in annual installments of \$394,759 to \$432,360 through 2023  
with interest due annually at 0.65%.

\$ 4,605,167

***Purchase Contracts:***

As of June 30, 2012, the District had entered into 14 lease/purchase contracts for copiers, buses, computer equipment, and other equipment. One new purchase contract for computer equipment was entered into during the year ended June 30, 2012. The total cost of the property currently under leases is \$6,698,806. Future minimum payments total \$3,238,767 of which \$181,264 represents interest and \$3,057,503 represents principal. Payments are expected to be made from the Transportation Fund and the Debt Service Fund through transfers from the General Fund. Upon entering a contract, the District records the activity as capital outlay expenditures with an offsetting credit to "proceeds from purchase contracts". Some items purchased through this method however, may not be capitalized as new equipment if the value of an individual item such as a desktop computer does not meet or exceed the District's capitalization threshold.

**School District U-46**

**Notes to Basic Financial Statements**

**Note 5. Long-Term Obligations (Continued)**

***Debt Service Requirements to Maturity – Debt Certificates, Installment Note and Purchase Contracts:***

Annual debt service requirements to maturity for debt certificates, the installment note and purchase contracts to be paid from the Transportation Fund and the Debt Service Fund through transfers from the General Fund and for each of the next five fiscal years and in five year increments thereafter are as follows:

Due in Fiscal Year	Debt Certificates		Purchase Contracts		Total Debt Service
	Principal	Interest	Principal	Interest	
2013	\$ 405,154	\$ 286,804	\$ 1,211,954	\$ 99,702	\$ 2,003,614
2014	407,870	238,763	1,061,727	55,097	1,763,457
2015	410,521	188,030	370,014	17,632	986,197
2016	413,189	134,219	413,808	8,833	970,049
2017	415,822	77,158	-	-	492,980
2018-2022	2,120,251	55,598	-	-	2,175,849
2023	432,360	2,810	-	-	435,170
<b>Total</b>	<b>\$ 4,605,167</b>	<b>\$ 983,382</b>	<b>\$ 3,057,503</b>	<b>\$ 181,264</b>	<b>\$ 8,827,316</b>

***Legal Debt Margin:***

As of June 30, 2012, the legal debt limit of the District was \$706,054,239, based upon 13.8% percent of its 2011 equalized assessed valuation of \$5,116,335,065. The debt limit less outstanding debt subject to the debt limit of \$323,556,676 and less amounts held in the Debt Service Fund of \$21,867,241, results in a legal debt margin of \$404,364,805 as of June 30, 2012.

***Compensated Absences:***

The District offers sick, personal and in some cases vacation days to its employees. Depending on the union status of the District's employees the number of sick, personal and vacation days provided each year may differ.

The District provides up to 20 vacation days per year, most of which must be used by August 31st of the following year. Some vacation days may be used up until October 31st of the following year depending on the employee union. The District provides up to 3 personal days per year to its employees. Personal balances left over at the end of the year are carried forward into the sick day balance for the next year. The District also offers up to 12 sick days per year. Accumulated personal and sick days are not paid out upon termination. If an employee is vested in the Teachers' Retirement System (TRS) or the Illinois Municipal Retirement Fund (IMRF), the employee is allowed extra service credit based on unused sick days. Since accrued personal and sick days are not paid out upon termination, the District does not accrue a payable for these days at year end. Based on accumulated vacation days as of year-end, the District's maximum liability for accumulated vacation days to be paid upon its employees' termination was calculated to be \$288,083 at June 30, 2012. The amounts will be paid from the General Fund within the next year.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 5. Long-Term Obligations (Continued)

##### ***Illinois Municipal Retirement Fund (IMRF) Pension Obligation:***

IMRF Pension Obligation represents the long-term portion of the actuarially determined net IMRF pension obligation for pension benefits for eligible retirees (see Note 8). The amounts will be paid from the Municipal Retirement/Social Security Fund.

##### ***Other Postemployment Benefits Payable:***

Other postemployment benefits (OPEB) payable represent the long-term portion of the actuarially determined net OPEB obligation for healthcare insurance for eligible retirees and their dependents through the District's group health insurance plan (see Note 9). The amounts will be paid from the General Fund.

##### ***Debt Refunding:***

On March 15, 2012, in conjunction with the issuance of the series 2012A bonds, the District partially advance refunded \$370,000 of the series 2003D general obligation bonds by placing a portion of the proceeds of the series 2012A bonds in an irrevocable trust to provide for all future debt service payments on the advance refunded debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in the District's financial statements.

The refunding transaction described in the preceding paragraph resulted in an economic loss of \$9,422 and had a net effect of extending the life of the bonds by two years and increasing the District's future debt service requirements by \$28,032.

On March 15, 2012, in conjunction with the issuance of the series 2012B bonds, the District partially advance refunded \$10,585,000 of the series 2009A general obligation refunding bonds by placing a portion of the proceeds of the series 2012B bonds in an irrevocable trust to provide for all future debt service payments on the advance refunded debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in the District's financial statements.

The refunding transaction described in the preceding paragraph resulted in an economic gain of \$149,876 and had a net effect of extending the life of the bonds by three years and increasing the District's future debt service requirements by \$1,928,318.

As of June 30, 2012, the outstanding balance of all defeased bonds totaled \$46,255,000.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 6. Leases

The District paid \$56,848 on operating leases during the fiscal year ended June 30, 2012. At year-end, the District has completed all operating lease obligations.

#### Note 7. 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 the above risks. For property related risks, the District maintains excess insurance coverage to cover claims in excess of \$100,000 per occurrence to a maximum of \$250,000,000. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage in any of the past three fiscal years. For workers compensation risks, the District maintains excess insurance coverage to cover claims in excess of \$400,000 per occurrence to a maximum of \$1,000,000. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage in any of the past three fiscal years.

The District is also self-insured for medical claims to cover its employees and their qualifying dependents. The District funds a self-insurance account and has engaged an outside agency to administer its medical claims. The District does not assume unlimited liability for medical claims. As of June 30, 2012, the District had purchased (stop-loss) insurance to cover claims in excess of \$500,000 per person per year and \$2,000,000 lifetime. Estimated claims incurred but not yet submitted by insurers were estimated based on historical trends as provided by the District's third party administrator. Estimated insurance claims incurred but not reported (IBNR) liabilities at June 30, 2012, total \$10,081,533 and claims payable totaled \$4,652,292. Settled claims have not exceeded coverage in any of the past three fiscal years. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and societal factors. Changes in the balances of claims liabilities during the past two fiscal years are as follows:

	Fiscal Year Ended June 30,	
	Total 2012	Total 2011
Claims liability - beginning	\$ 13,857,628	\$ 7,456,768
Incurred claims	51,261,394	57,948,231
Claim payments	50,385,198	51,547,371
Claims liability - ending	<u>\$ 14,733,824</u>	<u>\$ 13,857,628</u>

Notes to Basic Financial Statements

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**Note 8. Employee Retirement Systems and Plans**

***Teachers' Retirement System of the State of Illinois***

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

The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The state of Illinois maintains the primary responsibility for funding the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the system's administration.

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2012, was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after January 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2011 and 2010.

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

*On Behalf Contributions to TRS*

The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2012, state of Illinois contributions were based on 24.91 percent of creditable earnings not paid from federal funds, and the District recognized revenue and expenditures of \$43,986,419 in pension contributions that the state of Illinois paid directly to TRS. For the years ended June 30, 2011 and June 30, 2010, the state of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 23.10 percent (\$39,823,622) and 23.38 percent (\$45,216,825), respectively.

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

*2.2 Formula Contributions*

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2012 were \$1,061,617. Contributions for the years ending June 30, 2011 and June 30, 2010, were \$1,030,561 and \$1,150,500, respectively.

*Federal and Special Trust Fund Contributions*

When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective for the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS.

## School District U-46

### Notes to Basic Financial Statements

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#### **Note 8. Employee Retirement Systems and Plans (Continued)**

##### ***Teachers' Retirement System of the State of Illinois (Continued)***

For the year ended June 30, 2012, the employer pension contribution was 24.91 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2011 and 2010, the employer contribution was 23.10 percent and 23.38 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2012, salaries totaling \$5,757,749 were paid from federal and special trust funds that required employer contributions of \$1,425,661. For the years ended June 30, 2011 and June 30, 2010, required District contributions were \$1,227,391 and \$759,870, respectively.

##### *Early Retirement Option (ERO)*

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

The maximum employer ERO contribution is 117.5 percent and applies when the member is age 55 at retirement.

For the year ended June 30, 2012, the District paid \$1,061,617 to TRS for employer contributions under the ERO program. For the years ended June 30, 2011 and June 30, 2010, the District paid \$1,030,561 and \$1,590,994 in employer ERO contributions, respectively.

##### *Salary Increases Over 6 Percent and Excess Sick Leave*

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

For the year ended June 30, 2012, the District paid \$109,958 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2011 and June 30, 2010, the District paid \$76,442 and \$133,225 to TRS for employer contributions due on salary increases in excess of 6 percent, respectively.

If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary used to calculate final average salary, and the TRS total normal cost rate (17.83 percent of salary during the year ended June 30, 2012).

For the year ended June 30, 2012, the District paid \$18,267 to TRS for sick leave days granted in the excess of the normal annual allotment. For the years ended June 30, 2011 and June 30, 2010, the District paid \$6,885 and \$11,866 in employer contributions granted for sick leave days, respectively.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 8. Employee Retirement Systems and Plans (Continued)

##### *Teachers' Retirement System of the State of Illinois (Continued)*

###### *Further Information on TRS*

TRS financial information, an explanation of TRS benefits, and descriptions of member, employer and state funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2011. The report for the year ended June 30, 2012, is expected to be available in late 2012.

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

##### **THIS Fund**

###### *Employer Contributions*

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

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

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

###### *On Behalf Contributions to THIS Fund*

The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.88 percent of pay during the year ended June 30, 2012. State of Illinois contributions were \$1,604,584 and the District recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2011 and June 30, 2010 were 0.88 percent and 0.84 percent of pay, respectively. State contributions on behalf of District employees were \$1,563,848 and \$1,651,857, respectively.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 8. Employee Retirement Systems and Plans (Continued)

##### ***THIS Fund (Continued)***

###### *Employer Contributions to THIS Fund*

The District also makes contributions to THIS Fund. The District's THIS Fund contribution was 0.66 percent during the years ended June 30, 2012 and June 30, 2011, and 0.63 percent during the year ended June 30, 2010. For the year ended June 30, 2012, the District paid \$1,203,438 to the THIS Fund. For the years ended June 30, 2011 and June 30, 2010, the District paid \$1,172,886 and \$1,238,893 to the THIS Fund, respectively, which was 100 percent of the required contribution.

###### *Further Information on THIS Fund*

The publicly available financial report of the THIS Fund may be obtained by writing to the Department of Healthcare and Family Services, 201 S. Grand Ave., Springfield, IL 62763-3838.

##### ***Illinois Municipal Retirement***

###### *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 plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

###### *Funding Policy*

As set by statute, the District's Regular plan members are required to contribute 4.50 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 contribution rates for calendar years 2012 and 2011 used by the District were 11.82 and 11.26 percent, respectively of annual covered payroll. The annual required contribution rates for calendar years 2012 and 2011 were 11.82 and 11.31 percent, respectively. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Information related to the employer's contributions and three year trends are on a fiscal year basis. The actuarial information is on a calendar year basis as that is the year used by IMRF.

**School District U-46**

**Notes to Basic Financial Statements**

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**Note 8. Employee Retirement Systems and Plans (Continued)**

***Illinois Municipal Retirement (Continued)***

*Funding Policy (Continued)*

The required contributions for 2012 and 2011 were determined as part of the December 31, 2010 and 2009 actuarial valuations using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 12% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular plan's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 30 year basis.

*Annual Pension Cost and Pension Obligation*

The following table shows the components of the District's annual pension cost for the fiscal year ended June 30, 2012, the amount actually contributed to the plan and changes in the District's net pension obligation to the plan:

	Government-Wide Activities
Annual required contribution	\$ 6,143,619
Interest on net IMRF obligation	33,661
Adjustment to annual required contribution	(24,061)
Annual IMRF cost	6,153,219
Contributions made	6,131,135
Increase in net IMRF obligation	22,084
Net IMRF obligation - beginning of year	448,808
Net IMRF obligation - end of year	<u>\$ 470,892</u>

*Three-Year Trend Information for the Regular Plan*

Year Ending June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2012	\$ 6,153,219	99%	\$ 470,892
2011	5,767,622	96%	448,808
2010	5,649,358	96%	236,492

## School District U-46

### Notes to Basic Financial Statements

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#### **Note 8. Employee Retirement Systems and Plans (Continued)**

##### ***Illinois Municipal Retirement (Continued)***

###### *Funded Status and Funding Progress*

As of December 31, 2011, the most recent actuarial valuation date, the Regular plan was 65.38 percent funded. The actuarial accrued liability for benefits was \$130,367,306 and the actuarial value of assets was \$85,231,336, resulting in an underfunded actuarial accrued liability (UAAL) of \$45,135,970. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$52,879,203 and the ratio of the UAAL to the covered payroll was 85 percent.

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

#### **Note 9. Other Postemployment Benefits**

The District had an actuarial valuation performed to determine its liability for other postemployment benefits (OPEB) as of July 1, 2011. According to GASB 45, an actuarial valuation should be performed at a minimum frequency of every two years for a plan the size of the District's.

###### *Plan Description*

The District administers a single-employer defined benefit healthcare plan, the "Retiree Healthcare Plan" or "the Plan". The Plan provides healthcare insurance for eligible retirees and their dependents through the District's group health insurance plan, which covers both active and retired members. Benefit provisions are established through negotiations between the District and the unions representing District employees and are renegotiated each bargaining period. Certain retirees are eligible until the first month of Medicare eligibility and others are eligible for their lifetime. The Plan does not issue a stand-alone financial report.

###### *Funding Policy*

Contribution requirements are also negotiated between the District and union representatives. All plan funding is done on a pay-as-you-go basis. Funding varies from 0 percent to 100 percent, depending on the retiree's status at the time of retirement. Currently, the current and retired employees pay a specified blended premium rate for healthcare insurance and the District pays the difference. For fiscal year 2012, the District contributed \$1,971,502 to the Plan. Plan members receiving benefits contributed \$288,134, or approximately 12.8 percent of the total premiums.

**School District U-46**

**Notes to Basic Financial Statements**

**Note 9. Other Postemployment Benefits (Continued)**

*Annual OPEB Cost and Net OPEB Obligation*

The District's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

	Government-Wide Activities
Annual required contribution	\$ 3,179,944
Interest on net OPEB obligation	151,430
Adjustment to annual required contribution	(192,267)
Annual OPEB cost	3,139,107
Contributions made	1,971,502
Increase in net OPEB obligation	1,167,605
Net OPEB obligation - beginning of year	3,028,600
Net OPEB obligation - end of year	<u>\$ 4,196,205</u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the preceding two years were as follows:

Year Ending June 30,	Annual OPEB Cost (APC)	Percentage of APC Contributed	Net OPEB Obligation
2012	\$ 3,139,107	62.8%	\$ 4,196,205
2011	3,077,348	65.8	3,028,600
2010	3,058,132	87.4	1,975,188

The District has reported the net OPEB obligation of \$4,196,205 in the statement of net assets. Payments to liquidate the liability have typically been made by the General Fund.

*Funded Status and Funding Progress*

As of July 1, 2011, the date of the most recent valuation, the actuarial accrued liability for benefits was \$27,096,192, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$222,396,323, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 12.18%.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 9. Other Postemployment Benefits (Continued)

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the District are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to basic financial statements, presents only one valuation, however, in subsequent years, multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits will be provided.

#### *Methods and Assumptions*

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

Significant methods and assumptions were as follows:

Actuarial valuation date:	July 1, 2011
Actuarial cost method:	Unit Credit Cost Method
Amortization method:	Closed, Level Dollar Method
Remaining amortization period:	30 years
Actuarial assumptions:	
Discount Rate	5.0%
Healthcare Trend Rate	Beginning at 8.0%, trending to 5.0%

#### Note 10. Other Financial Disclosures

##### ***Expenditures Exceeding Operating Budgets***

Expenditures exceeded budgeted expenditures in the following funds during fiscal year 2012:

Fund	Final Budget	Actual Expenditures	Amount Over Budget
Debt Service Fund	\$ 40,931,342	\$ 41,455,529	\$ 524,187
Municipal Retirement/Social Security Fund	9,552,199	12,336,843	2,784,644

##### ***Interfund Transfers***

During 2012, the General Fund made routine transfers of \$2,274,500 to the Debt Service Fund to provide resources to pay principal and interest on debt certificates, installment notes and purchase contracts.

**School District U-46**

**Notes to Basic Financial Statements**

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**Note 10. Other Financial Disclosures (Continued)**

***Due To/From Other Funds***

Interfund debt balances as of June 30, 2012 are as follows:

Fund	Due From Other Funds	Due To Other Funds
Major governmental funds		
General	\$ 25,391,987	\$ -
Transportation	-	24,352,934
Nonmajor Governmental Funds		1,039,053
Total	\$ 25,391,987	\$ 25,391,987

The interfund balances reflect loans to be used as resources for current operating expenditures which are expected to be repaid in the following fiscal year.

***Deficit Fund Balances***

The Transportation Fund had a deficit fund balance as of June 30, 2012 of (\$21,072,002). District management expects to reduce this deficit with future revenues and budget cuts.

**Note 11. Contingent Liabilities**

***Litigation***

The District is a defendant in various lawsuits wherein substantial amounts are claimed. In the opinion of the District's legal counsel, these suits are without substantial merit and should not result in judgments, which in aggregate would have a material adverse effect on the District's financial statements.

***Grants***

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government and the Illinois State Board of Education. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2012.

**Note 12. Commitments**

At June 30, 2011, the District had approximately \$12.0 million in outstanding construction project commitments. The projects were comprised of work to be done at various school buildings to be paid from the Fire Prevention and Safety Fund and the Capital Projects Fund.

## School District U-46

### Notes to Basic Financial Statements

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#### Note 13. New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following statements:

Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, will be effective for the District beginning with its year ending June 30, 2013. The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. This Statement establishes recognition, measurement, and disclosure requirements for SCAs for both transferors and governmental operators.

Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, will be effective for the District beginning with its year ending June 30, 2013. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements.

Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, will be effective for the District beginning with its year ending June 30, 2013. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

1. Financial Accounting Standards Board (FASB) Statements and Interpretations
2. Accounting Principles Board Opinions
3. Accounting Research Bulletins of the American Institute of Certified Public Accountants (AICPA) Committee on Accounting Procedure

Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, will be effective for the District beginning with its year ending June 30, 2013. The objective of this statement is to improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed.

Statement No. 65, *Items Previously Reported as Assets and Liabilities*, will be effective for the District beginning with its year ending June 30, 2014. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations.

Notes to Basic Financial Statements

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**Note 13. New Accounting Pronouncements (Continued)**

Statement No. 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62*, will be effective for the District beginning with its year ending June 30, 2014. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement amends Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. This Statement also amends Statement 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate.

Statement No. 68, *Accounting and Financial Reporting for Pensions*, will be effective for the District beginning with its year ended June 30, 2015. This statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI).

Management has not currently determined what impact, if any, these Statements may have on its financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Funding Progress - Illinois Municipal Retirement Fund

Schedule of Funding Progress - Retiree Healthcare Plan

Budgetary Comparison Information: General Fund and Major Special Revenue Funds

**School District U-46**

**Schedule of Funding Progress  
Illinois Municipal Retirement Fund  
Year Ended June 30, 2012**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/11	\$ 85,231,336	\$ 130,367,306	\$ 45,135,970	65.38 %	\$ 52,879,203	85.36 %
12/31/10	88,397,750	127,285,195	38,887,445	69.45	53,082,669	73.26
12/31/09	90,096,362	127,226,172	37,129,810	70.82	57,728,932	64.32

On a market value basis, the actuarial value of assets as of December 31, 2011 is \$80,088,027. On a market basis, the funded ratio would be 61.43%.

School District U-46

Schedule of Funding Progress  
 Retiree Healthcare Plan  
 June 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((b-a)/c)
07/01/11	\$ -	\$ 27,096,192	\$ 27,096,192	- %	\$ 222,396,323	12.18 %
07/01/09	-	28,990,310	28,990,310	-	241,088,582	12.02
07/01/07	-	25,908,783	25,908,783	-	230,215,824	11.25

The District adopted the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, in fiscal year 2008, using a valuation performed as of July 1, 2007.

## **GENERAL FUND**

The general fund is used to account for resources traditionally associated with government operations which are not required to be accounted for in another fund. The District's general fund consists of four accounts: the *Educational Account*, which records direct costs of instruction and administration; the *Tort Immunity Account*, which is used for the purpose of recording risk financing activities of the District; the *Operations and Maintenance Account*, which reports all costs of maintaining, improving or repairing school buildings and property; and the *Working Cash Account*, which accounts for financial resources held by the District to be used for temporary interfund loans to the Educational Account, the Operations and Maintenance Account, and the Transportation Fund.

## **MAJOR SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities of government and which cannot be diverted to other uses. The major special revenue fund maintained by the District is as follows:

Transportation Fund - To account for the revenue and expenditures related to student transportation, both to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

School District U-46

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
General Fund  
Year Ended June 30, 2012**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 226,814,003	\$ 231,549,688	\$ 4,735,685
Replacement taxes and other payments in lieu of taxes	3,277,761	2,094,027	(1,183,734)
Charges for services	9,265,000	9,468,181	203,181
Earnings on investments	106,800	263,875	157,075
Impact fees, rentals and other local sources	1,803,000	3,571,308	1,768,308
State grants-in-aid	89,613,028	95,788,068	6,175,040
Federal grants-in-aid	29,717,683	33,912,188	4,194,505
State on-behalf of payments	42,000,000	45,591,003	3,591,003
<b>Total revenues</b>	<u>402,597,276</u>	<u>422,238,338</u>	<u>19,641,062</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular programs	123,233,132	125,575,427	(2,342,295)
Special programs	38,126,728	35,571,905	2,554,823
Other instructional programs	40,507,397	41,433,961	(926,564)
Intergovernmental: State on-behalf of payments	42,000,000	45,591,003	(3,591,003)
<b>Support services:</b>			
Pupils	26,509,784	26,310,913	198,871
Instructional staff	10,834,871	11,885,498	(1,050,627)
General administration	16,365,731	17,423,079	(1,057,348)
School administration	21,352,901	21,133,789	219,112
Business	33,678,800	23,425,848	10,252,952
Facilities acquisition and construction	86,536	700,163	(613,627)
Transportation	703,097	1,178,187	(475,090)
Food service	13,984,900	15,881,190	(1,896,290)
Central	10,411,724	10,100,209	311,515
Other support	941,748	1,507,343	(565,595)
Community services	3,738,848	3,087,325	651,523
Payments to other governments	7,039,099	7,507,509	(468,410)
Capital outlay	5,242,787	9,577,807	(4,335,020)
Contingency	6,506,470	-	6,506,470
<b>Total expenditures</b>	<u>401,264,555</u>	<u>397,891,156</u>	<u>3,373,399</u>
Excess of revenues over expenditures	<u>1,332,721</u>	<u>24,347,182</u>	<u>23,014,461</u>
<b>Other financing sources (uses):</b>			
Transfer out	(1,989,788)	(2,274,500)	(284,712)
Issuance of purchase contracts	1,100,000	1,198,870	98,870
Proceeds from debt issuance	-	20,002,376	20,002,376
<b>Total other financing sources (uses)</b>	<u>(889,788)</u>	<u>18,926,746</u>	<u>19,816,534</u>
<b>Net change in fund balance</b>	<u>\$ 442,934</u>	<u>43,273,928</u>	<u>\$ 42,830,994</u>
<b>Fund balance:</b>			
Beginning of year		<u>101,661,414</u>	
End of year		<u>\$ 144,935,342</u>	

See Note to Required Supplementary Information.

School District U-46

**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -  
Budget and Actual  
Transportation Fund  
Year Ended June 30, 2012**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 8,195,230	\$ 7,492,818	\$ (702,412)
Charges for services	425,000	1,337,334	912,334
Earnings on investments	1,000	174	(826)
State grants-in-aid	10,291,805	12,703,740	2,411,935
<b>Total revenues</b>	<u>18,913,035</u>	<u>21,534,066</u>	<u>2,621,031</u>
Expenditures:			
Current:			
Support services:			
Transportation	23,305,304	21,186,407	2,118,897
Debt service			
Principal	1,959,929	2,070,565	(110,636)
Interest and fees	234,246	133,901	100,345
Capital outlay	-	454,793	(454,793)
<b>Total expenditures</b>	<u>25,499,479</u>	<u>23,845,666</u>	<u>1,653,813</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,586,444)</u>	<u>(2,311,600)</u>	<u>4,274,844</u>
<b>Net change in fund balance (deficit)</b>	<u><u>\$ (6,586,444)</u></u>	<u>(2,311,600)</u>	<u><u>\$ 4,274,844</u></u>
Fund balance (deficit):			
Beginning of year		<u>(18,760,402)</u>	
End of year		<u><u>\$ (21,072,002)</u></u>	

See Note to Required Supplementary Information.

**School District U-46**

**Note to Required Supplementary Information**

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The budgetary comparison information includes the activity of the General Fund and the major special revenue fund (Transportation Fund). The General and Transportation Funds are presented on the modified accrual basis of accounting.

**OTHER SUPPLEMENTARY INFORMATION**

School District U-46

Combining Balance Sheet  
 General Fund, by Account  
 Year Ended June 30, 2012

	Educational Account	Tort Immunity Account	Operations and Maintenance Account	Working Cash Account	Total
<b>Assets</b>					
Cash and investments	\$ 84,583,786	\$ -	\$ 4,819,252	\$ 61,362,813	\$ 150,765,851
Property taxes receivable, net of allowance	98,468,864	2,141,316	10,929,298	-	111,539,478
Grants receivable	25,305,073	-	-	-	25,305,073
Replacement taxes receivable	236,328	-	380,033	-	616,361
Accounts receivable	1,004,208	-	391,211	-	1,395,419
Due from other accounts and funds	-	-	-	46,687,564	46,687,564
Inventory	176,480	-	-	-	176,480
Prepays	2,201,885	-	-	-	2,201,885
<b>Total assets</b>	<b>\$ 211,976,624</b>	<b>\$ 2,141,316</b>	<b>\$ 16,519,794</b>	<b>\$ 108,050,377</b>	<b>\$ 338,688,111</b>
<b>Liabilities and Fund Balance (Deficit)</b>					
Liabilities					
Accounts payable	\$ 4,113,212	\$ 1,748,028	\$ 3,111,462	\$ -	\$ 8,972,702
Accrued payroll	25,291,357	-	282,540	-	25,573,897
Payroll deductions	3,972,638	-	-	-	3,972,638
Insurance claims payable	4,652,292	-	-	-	4,652,292
Deferred property tax revenue	98,453,868	2,140,989	10,927,633	-	111,522,490
Deferred grant revenue	17,161,041	-	-	-	17,161,041
Deferred other revenue	602,132	-	-	-	602,132
Due to other accounts	-	16,795,577	4,500,000	-	21,295,577
<b>Total liabilities</b>	<b>154,246,540</b>	<b>20,684,594</b>	<b>18,821,635</b>	<b>-</b>	<b>193,752,769</b>
Fund balance (deficit)					
Nonspendable	2,378,365	-	-	-	2,378,365
Restricted	488,942	-	-	108,050,377	108,539,319
Unassigned	54,862,777	(18,543,278)	(2,301,841)	-	34,017,658
<b>Total fund balance (deficit)</b>	<b>57,730,084</b>	<b>(18,543,278)</b>	<b>(2,301,841)</b>	<b>108,050,377</b>	<b>144,935,342</b>
<b>Total liabilities and fund balance</b>	<b>\$ 211,976,624</b>	<b>\$ 2,141,316</b>	<b>\$ 16,519,794</b>	<b>\$ 108,050,377</b>	<b>\$ 338,688,111</b>

School District U-46

Combining Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)  
 General Fund, by Account  
 Year Ended June 30, 2012

	Educational Account	Tort Immunity Account	Operations and Maintenance Account	Working Cash Account	Total
<b>Revenues:</b>					
Property taxes	\$ 204,588,026	\$ 4,422,076	\$ 22,539,586	\$ -	\$ 231,549,688
Replacement taxes and other payments in lieu of taxes	10,421	-	2,083,606	-	2,094,027
Charges for services	9,468,181	-	-	-	9,468,181
Earnings on investments	5,275	113	575	257,912	263,875
Rentals and other local sources	1,839,784	-	1,731,524	-	3,571,308
State grants-in-aid	94,428,810	-	1,359,258	-	95,788,068
Federal grants-in-aid	33,823,354	-	88,834	-	33,912,188
State on-behalf of payments	45,591,003	-	-	-	45,591,003
<b>Total revenues</b>	<b>389,754,854</b>	<b>4,422,189</b>	<b>27,803,383</b>	<b>257,912</b>	<b>422,238,338</b>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular programs	125,575,427	-	-	-	125,575,427
Special programs	35,571,905	-	-	-	35,571,905
Other instructional programs	41,433,961	-	-	-	41,433,961
Intergovernmental: State on-behalf of payments	45,591,003	-	-	-	45,591,003
<b>Support services:</b>					
Pupils	26,310,913	-	-	-	26,310,913
Instructional staff	11,885,498	-	-	-	11,885,498
General administration	6,888,394	10,534,685	-	-	17,423,079
School administration	21,133,789	-	-	-	21,133,789
Business	3,095,535	-	20,330,313	-	23,425,848
Facilities acquisition and construction	-	-	700,163	-	700,163
Transportation	1,176,987	-	1,200	-	1,178,187
Food service	15,881,190	-	-	-	15,881,190
Central	10,100,209	-	-	-	10,100,209
Other support services	1,507,343	-	-	-	1,507,343
Community services	3,087,325	-	-	-	3,087,325
Payments to other governments	7,507,509	-	-	-	7,507,509
Capital outlay	4,570,365	-	5,007,442	-	9,577,807
<b>Total expenditures</b>	<b>361,317,353</b>	<b>10,534,685</b>	<b>26,039,118</b>	<b>-</b>	<b>397,891,156</b>
Excess (deficiency) of revenues over (under) expenditures	28,437,501	(6,112,496)	1,764,265	257,912	24,347,182
<b>Other financing sources (uses):</b>					
Transfer in	-	-	2,135,000	-	2,135,000
Transfer out	(1,290,077)	-	(984,424)	(2,134,999)	(4,409,500)
Issuance of purchase contracts	1,198,870	-	-	-	1,198,870
Proceeds from debt issuance	-	-	-	20,002,376	20,002,376
<b>Total other financing sources (uses)</b>	<b>(91,207)</b>	<b>-</b>	<b>1,150,576</b>	<b>17,867,377</b>	<b>18,926,746</b>
<b>Net change in fund balance (deficit)</b>	<b>28,346,294</b>	<b>(6,112,496)</b>	<b>2,914,841</b>	<b>18,125,289</b>	<b>43,273,928</b>
<b>Fund balance (deficit):</b>					
Beginning of year	29,383,790	(12,430,782)	(5,216,682)	89,925,088	101,661,414
End of year	\$ 57,730,084	\$ (18,543,278)	\$ (2,301,841)	\$ 108,050,377	\$ 144,935,342

School District U-46

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 General Fund - Educational Account  
 Year Ended June 30, 2012

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 200,908,036	\$ 204,588,026	\$ 3,679,990
Replacement taxes and other payments in lieu of taxes	1,263,557	10,421	(1,253,136)
Charges for services	9,265,000	9,468,181	203,181
Earnings on investments	50,000	5,275	(44,725)
Rentals and other local sources	353,000	1,839,784	1,486,784
State grants-in-aid	88,638,028	94,428,810	5,790,782
Federal grants-in-aid	29,717,683	33,823,354	4,105,671
State on-behalf of payments	42,000,000	45,591,003	3,591,003
<b>Total revenues</b>	<b>372,195,304</b>	<b>389,754,854</b>	<b>17,559,550</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular programs	123,233,132	125,575,427	(2,342,295)
Special programs	38,126,728	35,571,905	2,554,823
Other instructional programs	40,507,397	41,433,961	(926,564)
Intergovernmental: State on-behalf of payments	42,000,000	45,591,003	(3,591,003)
<b>Support services:</b>			
Pupils	26,509,784	26,310,913	198,871
Instructional staff	10,834,871	11,885,498	(1,050,627)
General administration	6,838,587	6,888,394	(49,807)
School administration	21,352,901	21,133,789	219,112
Business	11,133,971	3,095,535	8,038,436
Transportation	703,097	1,176,987	(473,890)
Food service	13,984,900	15,881,190	(1,896,290)
Central	10,411,724	10,100,209	311,515
Other support	941,748	1,507,343	(565,595)
Community services	3,738,848	3,087,325	651,523
Payments to other governments	7,039,099	7,507,509	(468,410)
Capital outlay	3,315,000	4,570,365	(1,255,365)
Contingency	6,506,470	-	6,506,470
<b>Total expenditures</b>	<b>367,178,259</b>	<b>361,317,353</b>	<b>5,860,906</b>
Excess of revenues over expenditures	5,017,045	28,437,501	23,420,456
<b>Other financing sources (uses):</b>			
Transfer out	(808,367)	(1,290,077)	(481,710)
Proceeds from purchase contracts	1,100,000	1,198,870	98,870
<b>Total other financing sources (uses)</b>	<b>291,633</b>	<b>(91,207)</b>	<b>(382,840)</b>
<b>Net change in fund balance</b>	<b>\$ 5,308,678</b>	<b>28,346,294</b>	<b>\$ 23,037,616</b>
<b>Fund balance:</b>			
Beginning of year		29,383,790	
End of year		<u>\$ 57,730,084</u>	

School District U-46

**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -  
Budget and Actual  
General Fund - Tort Immunity Account  
Year Ended June 30, 2012**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 4,246,295	\$ 4,422,076	\$ 175,781
Earnings on investments	1,637	113	(1,524)
<b>Total revenues</b>	<u>4,247,932</u>	<u>4,422,189</u>	<u>174,257</u>
<b>Expenditures:</b>			
Current:			
Support services:			
General administration	9,527,143	10,534,685	(1,007,542)
<b>Net change in fund balance (deficit)</b>	<u>\$ (5,279,212)</u>	<u>\$ (6,112,496)</u>	<u>\$ (833,284)</u>
<b>Fund balance (deficit):</b>			
Beginning of year		<u>(12,430,782)</u>	
End of year		<u>\$ (18,543,278)</u>	

**Schedule of Tort Expenditures by Object**

Workers' compensation or workers' occupation disease acts payments	\$ 4,254,929
Unemployment insurance payments	662,383
Insurance payments (regular or self-insurance)	642,674
Educational, inspectional, supervisory services related to loss prevention or reduction	1,166,325
Legal service	<u>3,808,374</u>
<b>Total tort expenditures</b>	<u>\$ 10,534,685</u>

The District levies property taxes for tort immunity/liability purposes. As required by Public Act 91-0268 passed by the Illinois General Assembly, the District is including the above list of tort immunity purposes expenditures in its comprehensive annual financial report.

School District U-46

**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -  
Budget and Actual  
General Fund - Operations and Maintenance Account  
Year Ended June 30, 2012**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 21,659,673	\$ 22,539,586	\$ 879,913
Replacement taxes and other payments in lieu of taxes	2,014,204	2,083,606	69,402
Earnings on investments	5,163	575	(4,588)
Rentals and other local sources	1,450,000	1,731,524	281,524
Federal grants-in-aid	-	88,834	88,834
State grants-in-aid	975,000	1,359,258	384,258
<b>Total revenues</b>	<u>26,104,040</u>	<u>27,803,383</u>	<u>1,699,343</u>
Expenditures:			
Current:			
Support services:			
Business	22,544,829	20,330,313	2,214,516
Facilities acquisition and construction	86,536	700,163	(613,627)
Transportation	-	1,200	(1,200)
Capital outlay	1,927,787	5,007,442	(3,079,655)
<b>Total expenditures</b>	<u>24,559,153</u>	<u>26,039,118</u>	<u>(1,479,965)</u>
Excess of revenues over expenditures	<u>1,544,888</u>	<u>1,764,265</u>	<u>219,377</u>
Other financing sources (uses):			
Transfer in	-	2,135,000	2,135,000
Transfer out	(1,131,421)	(984,424)	146,997
<b>Total other financing sources (uses)</b>	<u>(1,131,421)</u>	<u>1,150,576</u>	<u>2,281,997</u>
<b>Net change in fund balance (deficit)</b>	<u>\$ 413,467</u>	<u>2,914,841</u>	<u>\$ 2,501,374</u>
Fund balance (deficit):			
Beginning of year		<u>(5,216,682)</u>	
End of year		<u>\$ (2,301,841)</u>	

School District U-46

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 General Fund - Working Cash Account  
 Year Ended June 30, 2012

	Original and Final Budget	Actual	Variance
Revenues:			
Earnings on investments	\$ 50,000	\$ 257,912	\$ 207,912
Expenditures	-	-	-
Excess of revenues over expenditures	50,000	257,912	207,912
Other financing sources (uses):			
Transfer out	(50,000)	(2,134,999)	(2,084,999)
Proceeds from debt issuance	-	20,002,376	20,002,376
<b>Total other financing sources (uses)</b>	<b>(50,000)</b>	<b>17,867,377</b>	<b>17,917,377</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>18,125,289</b>	<b>\$ 18,125,289</b>
Fund balance:			
Beginning of year		89,925,088	
End of year		<b>\$ 108,050,377</b>	

## **DEBT SERVICE FUND**

Debt service funds are used to account for monies accumulated to retire general long-term debt. The debt service fund maintained by the District is as follows:

Debt Service Fund - To account for the periodic payment of principal and interest on the general obligation bond issues and other long-term debt of the District. Sources of funds consist primarily of local property tax revenues and transfers from other funds of the District.

**School District U-46**

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
Debt Service Fund  
Year Ended June 30, 2012**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 40,167,334	\$ 41,611,064	\$ 1,443,730
Earnings on investments	8,816	1,047	(7,769)
<b>Total revenues</b>	<u>40,176,150</u>	<u>41,612,111</u>	<u>1,435,961</u>
<b>Expenditures:</b>			
<b>Debt service</b>			
Principal	28,359,947	28,693,300	(333,353)
Interest and fees	12,571,395	12,578,528	(7,133)
Bond issuance costs	-	183,701	(183,701)
<b>Total expenditures</b>	<u>40,931,342</u>	<u>41,455,529</u>	<u>(524,187)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(755,191)</u>	<u>156,582</u>	<u>911,773</u>
<b>Other financing sources (uses):</b>			
Transfer in	1,939,788	2,274,500	334,712
Proceeds from debt issuance	-	11,457,624	11,457,624
Premium on debt issuance	-	1,522,879	1,522,879
Discount on debt issuance	-	(5,801)	(5,801)
Transfer to escrow agent	-	(12,791,001)	(12,791,001)
<b>Total other financing sources (uses)</b>	<u>1,939,788</u>	<u>2,458,201</u>	<u>518,413</u>
<b>Net change in fund balance</b>	<u>\$ 1,184,596</u>	<u>2,614,783</u>	<u>\$ 1,430,187</u>
<b>Fund balance:</b>			
Beginning of year		<u>19,252,458</u>	
End of year		<u>\$ 21,867,241</u>	

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUND**

Municipal Retirement Fund - To account for the District's portion of the pension contributions to the Illinois Municipal Retirement Fund for classified employees and social security contributions for applicable certified and classified employees. Revenue to finance the contributions is derived primarily from local property taxes.

### **CAPITAL PROJECTS FUNDS**

Capital projects funds account for the resources used by the District for the acquisition and/or construction of capital facilities. The capital projects fund maintained by the District is as follows:

Capital Projects Fund - To account for school construction projects financed through serial bond issues and government grants.

Fire Prevention and Safety Fund - To account for resources to be used for the purpose of altering, reconstructing and repairing the existing school buildings of the District.

School District U-46

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 Year Ended June 30, 2012

	Special Revenue Fund	Capital Projects Funds		Total Nonmajor Governmental Funds
	Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	
<b>Assets</b>				
Cash	\$ 497,048	\$ 5,739,260	\$ 3,658,875	\$ 9,895,183
Property taxes receivable, net of allowance	4,371,607	-	-	4,371,607
Replacement taxes receivable	46,179	-	-	46,179
Account receivable	-	11,226	-	11,226
<b>Total assets</b>	<b>\$ 4,914,834</b>	<b>\$ 5,750,486</b>	<b>\$ 3,658,875</b>	<b>\$ 14,324,195</b>
<b>Liabilities and Fund Balances</b>				
Liabilities				
Accounts payable	\$ -	\$ 275,568	\$ 197,370	\$ 472,938
Payroll deductions	444,088	-	-	444,088
Deferred property tax revenue	4,370,942	-	-	4,370,942
Due to other funds	-	-	1,039,053	1,039,053
<b>Total liabilities</b>	<b>4,815,030</b>	<b>275,568</b>	<b>1,236,423</b>	<b>6,327,021</b>
Fund balances				
Restricted	99,804	5,474,918	2,422,452	7,997,174
<b>Total liabilities and fund balances</b>	<b>\$ 4,914,834</b>	<b>\$ 5,750,486</b>	<b>\$ 3,658,875</b>	<b>\$ 14,324,195</b>

School District U-46

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 Year Ended June 30, 2012

	Special Revenue Fund	Capital Projects Funds		Total
	Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Nonmajor Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ 9,033,324	\$ -	\$ 5,253	\$ 9,038,577
Replacement taxes	1,548,900	-	-	1,548,900
Earnings on investments	242	6,108	48,080	54,430
Impact fees, rentals and other local sources	-	181,534	-	181,534
<b>Total revenues</b>	<b>10,582,466</b>	<b>187,642</b>	<b>53,333</b>	<b>10,823,441</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular programs	1,489,189	-	-	1,489,189
Special programs	1,611,821	-	-	1,611,821
Other instructional programs	571,530	-	-	571,530
Support services:				
Pupils	1,133,610	-	-	1,133,610
Instructional staff	304,014	-	-	304,014
General administration	344,406	-	-	344,406
School administration	1,141,571	-	-	1,141,571
Business	1,971,131	-	-	1,971,131
Facilities acquisition and construction	-	44,840	315,752	360,592
Transportation	2,896,276	-	-	2,896,276
Food service	3,168	-	-	3,168
Central	718,994	-	-	718,994
Other support services	43,415	-	-	43,415
Community services	107,718	-	-	107,718
Capital outlay	-	1,302,458	3,298,583	4,601,041
<b>Total expenditures</b>	<b>12,336,843</b>	<b>1,347,298</b>	<b>3,614,335</b>	<b>17,298,476</b>
<b>Net change in fund balances</b>	<b>(1,754,377)</b>	<b>(1,159,656)</b>	<b>(3,561,002)</b>	<b>(6,475,035)</b>
<b>Fund balances:</b>				
Beginning of year	1,854,181	6,634,574	5,983,454	14,472,209
End of year	\$ 99,804	\$ 5,474,918	\$ 2,422,452	\$ 7,997,174

**School District U-46**

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
Municipal Retirement/Social Security Fund  
Year Ended June 30, 2012**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Property taxes	\$ 8,671,006	\$ 9,033,324	\$ 362,318
Replacement taxes	595,893	1,548,900	953,007
Earnings on investments	-	242	242
<b>Total revenues</b>	<u>9,266,899</u>	<u>10,582,466</u>	<u>1,315,567</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular programs	2,001,716	1,489,189	512,527
Special programs	1,601,470	1,611,821	(10,351)
Other instructional programs	473,721	571,530	(97,809)
<b>Support services:</b>			
Pupils	972,716	1,133,610	(160,894)
Instructional staff	254,373	304,014	(49,641)
General administration	273,023	344,406	(71,383)
School administration	1,124,626	1,141,571	(16,945)
Business	1,941,159	1,971,131	(29,972)
Transportation	(32,179)	2,896,276	(2,928,455)
Food service	14,253	3,168	11,085
Central	663,121	718,994	(55,873)
Other support	29,700	43,415	(13,715)
Community services	234,501	107,718	126,783
<b>Total expenditures</b>	<u>9,552,199</u>	<u>12,336,843</u>	<u>(2,784,644)</u>
<b>Net change in fund balance</b>	<u>\$ (285,300)</u>	<u>(1,754,377)</u>	<u>\$ (1,469,077)</u>
<b>Fund balance:</b>			
Beginning of year		<u>1,854,181</u>	
End of year		<u>\$ 99,804</u>	

**School District U-46**

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
Capital Projects Fund  
Year Ended June 30, 2012**

	Original and Final Budget	Actual	Variance
<b>Revenues:</b>			
Earnings on investments	\$ -	\$ 6,108	\$ 6,108
Impact fees, rentals and other local sources	250,000	181,534	(68,466)
<b>Total revenues</b>	<u>250,000</u>	<u>187,642</u>	<u>(62,358)</u>
<b>Expenditures:</b>			
Current:			
Support services:			
Facillities acquisition and construction	98,800	44,840	53,960
Debt service:			
Bond issuance cost	15,000	-	15,000
Capital outlay	1,305,000	1,302,458	2,542
<b>Total expenditures</b>	<u>1,418,800</u>	<u>1,347,298</u>	<u>71,502</u>
<b>Net change in fund balance</b>	<u>\$ (1,168,800)</u>	(1,159,656)	<u>\$ 9,144</u>
<b>Fund balance:</b>			
Beginning of year		<u>6,634,574</u>	
End of year		<u>\$ 5,474,918</u>	

School District U-46

Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual  
 Fire Prevention and Safety Fund  
 Year Ended June 30, 2012

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ -	\$ 5,253	\$ 5,253
Earnings on investments	534	48,080	47,546
<b>Total revenues</b>	<u>534</u>	<u>53,333</u>	<u>52,799</u>
Expenditures:			
Current:			
Support services:			
Facilities acquisition and construction	421,904	315,752	106,152
Capital outlay	3,762,136	3,298,583	463,553
<b>Total expenditures</b>	<u>4,184,040</u>	<u>3,614,335</u>	<u>569,705</u>
Deficiency of revenues under expenditures	(4,183,506)	(3,561,002)	622,504
Other financing sources:			
Proceeds from debt issuance	15,000,000	-	(15,000,000)
<b>Net change in fund balance</b>	<u>\$ 10,816,494</u>	(3,561,002)	<u>\$ (14,377,496)</u>
Fund balance:			
Beginning of year		<u>5,983,454</u>	
End of year		<u>\$ 2,422,452</u>	

## **FIDUCIARY FUNDS**

### **AGENCY FUNDS**

Agency funds consist of resources held by the District as trustee to be expended or invested in accordance with its agency capacity. The District's many student activity accounts are classified as Agency Funds. These funds are custodial in nature and do not involve measurement of results of operations. Assets are equal to the amounts due the student groups.

**School District U-46**

**Combining Statement of Changes in Assets and Liabilities -  
Agency Funds - Student Activity Funds  
Year Ended June 30, 2012**

	Assets/ Liabilities Balance at July 1, 2011	Additions	Deletions	Assets/ Liabilities Balance at June 30, 2012
<b>High Schools</b>				
Bartlett	\$ 648,719	\$ 1,846,974	\$ 1,822,797	\$ 672,896
Elgin	579,806	1,065,651	1,007,195	638,262
Larkin	517,376	837,904	841,422	513,858
Streamwood	286,883	1,044,283	1,073,849	257,317
Gifford	134,510	208,273	197,239	145,544
South Elgin	342,682	1,692,606	1,654,262	381,026
<b>Total High Schools</b>	<b>2,509,976</b>	<b>6,695,691</b>	<b>6,596,764</b>	<b>2,608,903</b>
<b>Middle Schools</b>				
Abbott	16,121	90,698	71,707	35,112
Canton	53,274	99,318	105,704	46,888
Eastview	127,514	226,301	225,138	128,677
Ellis	28,229	101,396	113,269	16,356
Kenyon Woods	98,791	230,472	233,188	96,075
Kimball	25,799	100,222	94,692	31,329
Larsen	44,917	92,563	93,234	44,246
Tefft	48,778	135,357	130,407	53,728
<b>Total Middle Schools</b>	<b>443,423</b>	<b>1,076,327</b>	<b>1,067,339</b>	<b>452,411</b>
<b>Elementary Schools</b>				
Bartlett	53,529	32,589	64,554	21,564
Centennial	37,798	124,830	149,100	13,528
Century Oaks	11,036	26,984	20,851	17,169
Channing	12,737	19,860	23,723	8,874
Clinton	15,197	47,363	50,322	12,238
Coleman	7,152	43,282	49,400	1,034
Creekside	16,482	25,395	32,227	9,650
Fox Meadow	38,114	104,011	121,773	20,352
Garfield	8,160	11,563	12,933	6,790
Harriet Gifford	33,443	40,626	46,102	27,967
Glenbrook	11,449	49,495	51,236	9,708
Hanover Countryside	34,198	51,836	67,880	18,154
Hawk Hollow	19,420	43,054	58,969	3,505
Heritage	8,206	43,453	40,196	11,463
Highland	12,998	36,239	40,453	8,784
Hillcrest	13,186	34,096	35,899	11,383
Hilltop	44,885	53,768	72,366	26,287

(Continued)

**School District U-46**

**Combining Statement of Changes in Assets and Liabilities -  
Agency Funds - Student Activity Funds (Continued)  
Year Ended June 30, 2012**

	Assets/ Liabilities Balance at July 1, 2011	Additions	Deletions	Assets/ Liabilities Balance at June 30, 2012
<b>Elementary Schools (Continued)</b>				
Horizon	\$ 29,767	\$ 69,569	\$ 76,549	\$ 22,787
Huff	9,988	23,368	24,287	9,069
Laurel Hill	18,839	46,106	46,215	18,730
Liberty	61,185	59,345	96,581	23,949
Lincoln	16,045	39,808	49,777	6,076
Lords Park	19,441	48,945	55,742	12,644
Lowrie	2,687	15,333	15,989	2,031
McKinley	17,930	43,678	42,222	19,386
Nature Ridge	49,637	49,157	91,581	7,213
Oakhill	9,772	32,384	36,066	6,090
Ontarioville	22,765	50,425	51,703	21,487
Otter Creek	33,532	62,123	77,956	17,699
Parkwood	6,296	21,808	22,384	5,720
Prairieview	17,213	62,506	72,295	7,424
Ridge Circle	11,019	35,952	39,297	11,019
Sheridan	8,917	21,080	21,331	8,666
Spring Trail	23,601	39,880	52,285	11,196
Sunnydale	13,767	52,384	56,975	9,176
Sycamore Trails	47,025	113,607	120,296	40,336
Timber Trails	24,046	42,672	53,985	12,733
Washington	23,990	31,412	40,260	15,142
Wayne	36,653	73,374	76,796	33,231
Willard	14,203	31,502	41,241	4,464
<b>Total Elementary Schools</b>	<b>896,308</b>	<b>1,854,862</b>	<b>2,199,797</b>	<b>551,373</b>
<b>Other</b>				
Adult Education	2,119	1,277	1,227	2,169
Safe Program	113,791	216,985	227,837	102,939
SWEP	14,350	38,735	38,438	14,647
Central School Programs	5,305	2,267	1,616	5,956
DORS	8,801	32,000	36,755	4,046
<b>Total Other</b>	<b>144,366</b>	<b>291,264</b>	<b>305,873</b>	<b>129,757</b>
<b>Total All Agency Funds</b>	<b>\$ 3,994,073</b>	<b>\$ 9,918,144</b>	<b>\$ 10,169,773</b>	<b>\$ 3,742,444</b>

Note: The assets equal the liabilities at each school. The assets represent the cash position of each school and liabilities represent amounts due to student organizations.

School District U-46

Schedule of Bonded Debt and Annual Interest Requirements  
Year Ended June 30, 2012

	Total	2013	2014	2015	2016	2017	Thereafter
<b>April 1996 Issue</b>							
Principal	\$ 1,663,068	\$ 1,663,068	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	2,931,932	2,931,932	-	-	-	-	-
	<u>4,595,000</u>	<u>4,595,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>February 1999 Issue</b>							
Principal	17,050,000	-	-	-	1,725,000	3,300,000	12,025,000
Interest	5,201,000	863,000	863,000	863,000	863,000	776,750	972,250
	<u>22,251,000</u>	<u>863,000</u>	<u>863,000</u>	<u>863,000</u>	<u>2,588,000</u>	<u>4,076,750</u>	<u>12,997,250</u>
<b>March 2001 Issue</b>							
Principal	35,250,743	2,677,017	9,327,947	9,173,427	14,072,352	-	-
Interest	36,289,257	2,222,983	8,647,053	9,436,573	15,982,648	-	-
	<u>71,540,000</u>	<u>4,900,000</u>	<u>17,975,000</u>	<u>18,610,000</u>	<u>30,055,000</u>	<u>-</u>	<u>-</u>
<b>March 2002 Issue</b>							
Principal	54,499,619	-	-	-	373,209	13,773,167	40,353,243
Interest	75,345,381	-	-	-	401,791	16,386,833	58,556,757
	<u>129,845,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>775,000</u>	<u>30,160,000</u>	<u>98,910,000</u>
<b>March 2003B Issue</b>							
Principal	59,270,575	727,925	727,271	727,445	970,121	966,120	55,151,693
Interest	95,829,425	492,075	557,729	627,555	934,879	1,033,880	92,183,307
	<u>155,100,000</u>	<u>1,220,000</u>	<u>1,285,000</u>	<u>1,355,000</u>	<u>1,905,000</u>	<u>2,000,000</u>	<u>147,335,000</u>
<b>December 2003D Issue</b>							
Principal	7,355,000	3,510,000	3,845,000	-	-	-	-
Interest	623,690	408,370	215,320	-	-	-	-
	<u>7,978,690</u>	<u>3,918,370</u>	<u>4,060,320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>February 2005 Issue</b>							
Principal	37,410,000	15,085,000	365,000	935,000	1,985,000	3,060,000	15,980,000
Interest	6,387,919	1,645,169	890,919	877,231	841,000	761,600	1,372,000
	<u>43,797,919</u>	<u>16,730,169</u>	<u>1,255,919</u>	<u>1,812,231</u>	<u>2,826,000</u>	<u>3,821,600</u>	<u>17,352,000</u>
<b>September 2009 Issue</b>							
Principal	17,415,000	745,000	605,000	4,320,000	2,495,000	1,135,000	8,115,000
Interest	4,312,052	673,788	655,163	637,013	507,413	426,325	1,412,350
	<u>21,727,052</u>	<u>1,418,788</u>	<u>1,260,163</u>	<u>4,957,013</u>	<u>3,002,413</u>	<u>1,561,325</u>	<u>9,527,350</u>
<b>April 2010 Issue</b>							
Principal	27,020,000	3,555,000	12,275,000	11,190,000	-	-	-
Interest	2,467,000	1,080,800	938,600	447,600	-	-	-
	<u>29,487,000</u>	<u>4,635,800</u>	<u>13,213,600</u>	<u>11,637,600</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>March 2011A Issue</b>							
Principal	25,670,000	205,000	195,000	215,000	1,430,000	4,020,000	19,605,000
Interest	9,454,018	1,309,068	1,304,250	1,298,985	1,292,105	1,237,050	3,012,560
	<u>35,124,018</u>	<u>1,514,068</u>	<u>1,499,250</u>	<u>1,513,985</u>	<u>2,722,105</u>	<u>5,257,050</u>	<u>22,617,560</u>
<b>March 2011B Issue</b>							
Principal	1,830,000	200,000	200,000	200,000	200,000	200,000	830,000
Interest	60,255	11,895	10,595	9,295	7,995	6,695	13,780
	<u>1,890,255</u>	<u>211,895</u>	<u>210,595</u>	<u>209,295</u>	<u>207,995</u>	<u>206,695</u>	<u>843,780</u>
<b>March 2012A Issue</b>							
Principal	415,000	20,000	15,000	370,000	10,000	-	-
Interest	18,202	5,249	6,478	6,290	185	-	-
	<u>433,202</u>	<u>25,249</u>	<u>21,478</u>	<u>376,290</u>	<u>10,185</u>	<u>-</u>	<u>-</u>
<b>March 2012B Issue</b>							
Principal	31,045,000	-	-	-	1,110,000	70,000	29,865,000
Interest	15,976,337	1,088,012	1,369,525	1,369,525	1,369,525	1,325,125	9,454,625
	<u>47,021,337</u>	<u>1,088,012</u>	<u>1,369,525</u>	<u>1,369,525</u>	<u>2,479,525</u>	<u>1,395,125</u>	<u>39,319,625</u>
<b>Total All Issues:</b>							
Principal	315,894,005	28,388,010	27,555,218	27,130,872	24,370,682	26,524,287	181,924,936
Interest	254,896,468	12,732,341	15,458,632	15,573,067	22,200,541	21,954,258	166,977,629
	<u>\$ 570,790,473</u>	<u>\$ 41,120,351</u>	<u>\$ 43,013,850</u>	<u>\$ 42,703,939</u>	<u>\$ 46,571,223</u>	<u>\$ 48,478,545</u>	<u>\$ 348,902,565</u>

## STATISTICAL SECTION

This part of the District's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

#### *Sources:*

Unless otherwise noted, the information in these schedules is derived from the Annual Financial Reports and Comprehensive Annual Financial Reports for the relevant year.

**School District U-46**

**Net Assets by Component  
Last Nine Fiscal Years**

	2004	2005	2006	2007	2008	2009***	2010	2011	2012
<b>Governmental Activities</b>									
Invested in capital assets, net of related debt	\$ 34,335,864	\$ 52,605,851	\$ 64,420,112	\$ 73,707,762	\$ 78,790,983	\$ 85,142,936	\$ 92,321,821	\$ 101,691,947	\$ 115,440,308
Restricted	65,108,916	43,262,743	30,051,687	30,965,329	20,069,311	16,184,054	2,863,666	83,078,457	81,367,132
Unrestricted	10,141,200	16,572,791	24,805,863	29,891,301	33,233,204	(52,913,595)	(67,581,131)	(103,290,222)	(83,366,008)
<b>Total Government Activities Net Assets</b>	<b>\$ 109,585,980</b>	<b>\$ 112,441,385</b>	<b>\$ 119,277,662</b>	<b>\$ 134,564,392</b>	<b>\$ 132,093,498</b>	<b>\$ 48,413,395</b>	<b>\$ 27,604,356</b>	<b>\$ 81,480,182</b>	<b>\$ 113,441,432</b>

Source: Annual Financial Statements 2004-2012.

Notes: The information is presented in the modified cash basis for years 2008 and prior, and the accrual basis beginning in 2009.

\*\*\* The 2009 government-wide net assets have been restated to correct an error in accounting for bond premiums, debt issuance costs and debt refunding costs.

**School District U-46**

**Changes in Net Assets  
Last Nine Fiscal Years**

	2004	2005	2006
<b>Expenses</b>			
Instruction:			
Regular programs	\$ 108,496,336	\$ 122,273,162	\$ 116,971,571
Special programs	37,556,152	40,375,369	37,621,812
Intergovernmental	316,226	669,590	-
Other instructional programs	30,486,120	31,956,031	34,864,900
Support services:			
Pupils	20,909,671	19,587,987	21,227,982
Instructional staff	16,830,978	19,854,703	14,308,445
General administration	3,841,967	4,636,611	6,135,468
School administration	16,631,620	18,077,013	20,650,619
Business	36,235,931	39,868,936	32,975,398
Facilities acquisition and construction	2,578,959	2,329,344	8,318,368
Transportation	14,099,921	14,917,148	20,628,584
Food service	-	-	11,995,150
Central	10,574,772	10,418,182	16,399,058
Other support services	-	-	73,677
Community services	2,391,101	2,113,949	2,804,104
Payments to other governments	-	-	9,914,016
State on-behalf of payments	18,199,329	16,153,122	11,323,546
Debt service-interest and fees	11,195,807	15,453,266	10,513,740
<b>Total Expenses</b>	<b>330,344,890</b>	<b>358,684,413</b>	<b>376,726,438</b>
<b>Program Revenues</b>			
Charges for services:			
Instruction:			
Regular programs	4,138,429	4,028,606	4,114,154
Special programs	-	-	351,522
Other instructional programs	-	-	1,046,348
Support services:			
Business	745,941	662,703	731,305
Transportation	280,587	253,830	274,392
Food service	4,548,712	4,861,266	5,476,413
Central	549,405	972,333	-
Operating grants and contributions	74,679,814	67,389,659	76,422,653
Capital grants and contributions	33,832,588	-	5,298,022
<b>Total Program Revenues</b>	<b>118,775,476</b>	<b>78,168,397</b>	<b>93,714,809</b>
<b>Net (Expense)/Revenue</b>	<b>\$ (211,569,414)</b>	<b>\$ (280,516,016)</b>	<b>\$ (283,011,629)</b>

See related notes on page 73.

2007	2008	2009	2010	2011	2012
\$ 121,509,088	\$ 125,646,518	\$ 137,125,857	\$ 137,890,395	\$ 144,380,708	\$ 152,872,982
36,386,694	36,975,245	41,208,041	41,712,599	46,118,818	44,739,728
-	-	-	-	-	-
40,308,314	42,977,356	44,374,036	48,183,615	46,960,015	50,529,484
25,735,341	28,465,667	31,056,604	28,016,638	31,664,589	33,039,723
15,010,469	16,002,400	15,277,003	14,617,298	15,267,864	14,662,297
8,815,798	10,639,115	15,766,957	19,269,678	19,982,097	21,364,385
23,905,980	23,795,853	25,573,421	22,622,794	25,801,537	26,796,191
33,503,729	34,977,725	32,327,285	28,657,512	30,761,571	30,533,039
3,165,269	4,809,177	2,127,637	817,683	788,055	1,068,238
22,172,911	25,428,117	26,720,118	29,013,273	28,651,615	30,391,920
12,952,500	14,132,310	15,564,304	13,421,176	17,147,240	19,112,487
11,363,644	12,401,649	12,354,945	10,080,473	9,985,364	13,012,548
239,079	217,789	279,403	1,314,514	1,999,655	1,551,123
2,736,807	2,830,678	2,748,556	4,046,637	5,232,372	3,848,600
9,732,031	7,792,609	7,953,269	7,550,943	-	-
16,971,766	25,808,108	34,630,042	46,868,682	-	-
10,899,062	11,231,187	22,434,615	22,460,154	21,642,152	21,160,999
395,408,482	424,131,503	467,522,093	476,544,064	446,383,652	464,683,744
4,086,733	4,171,676	3,835,651	3,731,249	4,189,130	3,975,846
484,804	33,907	133,984	62,124	34,484	61,891
344,730	817,186	840,330	608,591	1,111,162	992,260
539,475	800,326	599,605	665,891	986,932	1,250,793
338,703	214,325	568,588	381,504	968,503	1,337,334
5,851,771	6,493,626	6,187,525	5,097,756	4,693,018	4,503,273
-	-	-	-	-	-
83,720,626	86,648,476	121,403,854	127,700,014	141,292,679	122,517,107
-	17,771	720,545	820,523	964,778	181,534
95,366,842	99,197,293	134,290,082	139,067,652	154,240,686	134,820,038
\$ (300,041,640)	\$ (324,934,210)	\$ (333,232,011)	\$ (337,476,412)	\$ (292,142,966)	\$ (329,863,706)

(Continued)

**School District U-46**

**Changes in Net Assets (Continued)  
Last Nine Fiscal Years**

	2004	2005	2006
<b>General Revenues</b>			
Property taxes:			
Levied for general purposes	\$ 170,219,123	\$ 180,240,614	\$ 185,184,977
Levied for Debt Service	21,998,446	25,750,372	28,312,083
Payments in lieu of taxes	2,368,771	2,779,771	3,580,340
Other taxes	52,810	17,310	-
Unrestricted state grants	70,034,193	70,827,051	69,525,159
Interest and investment earnings	1,023,851	2,198,338	3,242,618
Intergovernmental	167,819	-	-
Other general revenues	3,543,029	1,557,965	383,062
Total General Revenues	<u>269,408,042</u>	<u>283,371,421</u>	<u>290,228,239</u>
<b>Change in Net Assets</b>	<u>\$ 57,838,628</u>	<u>\$ 2,855,405</u>	<u>\$ 7,216,610</u>

Source: Annual Financial Statements 2004-2012.

Notes: The information is presented on the modified cash basis for the years 2008 and prior, and the accrual basis beginning in 2009.

Beginning in fiscal year 2011, payments to other governments and State on-behalf of payments were allocated between instruction and support service expenses and shown accordingly.

2007	2008	2009	2010	2011	2012
\$ 205,075,226	\$ 212,797,890	\$ 221,434,756	\$ 226,224,333	\$ 238,078,583	\$ 248,081,083
32,321,416	33,390,049	34,386,905	35,039,161	38,974,113	41,611,064
3,975,944	4,578,094	3,854,557	3,134,569	4,040,837	4,654,710
-	-	-	-	-	-
67,600,037	68,831,087	53,944,813	51,743,683	64,161,401	66,160,166
5,599,826	4,157,558	1,114,337	103,114	133,167	319,526
-	-	-	-	-	-
755,921	257,229	307,682	422,513	630,691	998,407
315,328,370	324,011,907	315,043,050	316,667,373	346,018,792	361,824,956
\$ 15,286,730	\$ (922,303)	\$ (18,188,961)	\$ (20,809,039)	\$ 53,875,826	\$ 31,961,250

School District U-46

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

	2003	2004	2005	2006	2007	2008	2009**	2010	2011***	2012
<b>General Fund</b>										
Reserved	\$ 1,753,367	\$ 523,537	\$ 430,692	\$ 418,907	\$ 289,686	\$ 196,756	\$ 209,973	\$ 4,105,974	N/A	N/A
Unreserved	(43,972,123)	(30,329,088)	(24,144,308)	(23,336,444)	(3,706,770)	(3,811,497)	(41,915,757)	(37,312,889)	N/A	N/A
Nonspendable	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 1,761,685	\$ 2,378,365
Restricted	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	91,707,158	108,539,319
Unassigned	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	8,192,571	34,017,658
<b>Total General Fund</b>	<b>\$ (42,218,756)</b>	<b>\$ (29,805,551)</b>	<b>\$ (23,713,616)</b>	<b>\$ (22,917,537)</b>	<b>\$ (3,417,084)</b>	<b>\$ (3,614,741)</b>	<b>\$ (41,705,784)</b>	<b>\$ (33,206,915)</b>	<b>\$ 101,661,414</b>	<b>\$ 144,935,342</b>
<b>All Other Governmental Funds</b>										
Reserved	\$ 75,048,757	\$ 58,050,081	\$ 34,861,508	\$ 44,461,483	\$ 39,893,973	\$ 34,413,254	\$ 24,458,580	\$ 35,837,628	N/A	N/A
Unreserved, reported in:										
Special revenue funds	41,608,134	81,495,543	82,687,642	81,803,600	77,448,850	68,104,806	66,977,428	62,132,362	N/A	N/A
Restricted	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 33,724,667	\$ 29,864,415
Unassigned	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(18,760,402)	(21,072,002)
<b>Total all other governmental funds</b>	<b>\$ 116,656,891</b>	<b>\$ 139,545,624</b>	<b>\$ 117,549,150</b>	<b>\$ 126,265,083</b>	<b>\$ 117,342,823</b>	<b>\$ 102,518,060</b>	<b>\$ 91,436,008</b>	<b>\$ 97,969,990</b>	<b>\$ 14,964,265</b>	<b>\$ 8,792,413</b>

Source: Annual Financial Statements 2003-2012.

Note: The information is presented on the modified cash basis for years 2008 and prior, and the modified accrual basis beginning in 2009.

\*\* The 2009 fund balance (deficit) for the General Fund has been restated to correct for an error in accounting for claims and judgments payable.

\*\*\* Effective July 1, 2010, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54 ("GASB 54"), Fund Balance Reporting and Government Fund Type Definitions. This statement establishes fund balance classifications of Restricted, Committed, Assigned and Unassigned. Fund balances will not be classified as Reserved or Unreserved beginning in fiscal year 2011. In addition, this statement reclassified the working cash fund balance to be included within the General fund.

**School District U-46**

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

	2003	2004	2005	2006
<b>Revenues</b>				
Local sources:				
Property taxes	\$ 183,659,372	\$ 192,217,569	\$ 205,990,986	\$ 213,497,060
Replacement taxes and other payments in lieu of taxes	2,105,776	2,421,581	2,797,081	3,580,340
Charges for services	11,171,307	10,263,074	10,778,738	11,262,829
Earnings on investments	1,297,160	1,023,851	2,198,338	3,242,618
Impact fees, rentals and other local sources	1,968,054	3,583,289	1,557,965	8,835,819
<b>Total local sources</b>	<b>200,201,669</b>	<b>209,509,364</b>	<b>223,323,108</b>	<b>240,418,666</b>
State sources:				
State grants-in-aid	100,505,378	142,495,982	99,375,099	108,890,420
State on-behalf of payments	20,130,113	18,199,329	16,153,122	11,323,546
<b>Total state sources</b>	<b>120,635,491</b>	<b>160,695,311</b>	<b>115,528,221</b>	<b>120,213,966</b>
Federal sources,				
Federal grants-in-aid	18,408,714	17,978,843	22,688,489	23,045,877
<b>Total revenues</b>	<b>339,245,874</b>	<b>388,183,518</b>	<b>361,539,818</b>	<b>383,678,509</b>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular programs	112,864,317	99,549,504	110,704,325	112,582,971
Special programs	38,284,788	37,556,152	40,375,369	36,107,752
Other instructional programs	36,579,357	30,486,120	31,956,031	33,043,871
Intergovernmental state on-behalf of payments	20,130,113	18,199,329	16,153,122	11,323,546
<b>Total instruction</b>	<b>207,858,575</b>	<b>185,791,105</b>	<b>199,188,847</b>	<b>193,058,140</b>
Support services:				
Pupils	28,597,287	20,909,671	19,587,987	20,312,308
Instructional staff	9,543,436	9,432,636	10,288,164	13,701,183
General administration	4,779,222	3,841,967	4,636,611	5,877,931
School administration	13,739,852	16,631,620	18,077,013	19,819,625
Business	32,244,667	30,315,208	31,286,691	31,389,541
Facilities acquisition and construction	4,598,142	2,578,959	2,329,344	2,098,316
Transportation	13,813,969	14,099,921	14,917,148	19,785,158
Food service	8,445,937	8,592,162	9,228,946	11,225,155
Central	9,459,353	10,574,772	10,418,182	11,605,338
Other support	-	-	-	73,677
<b>Total support services</b>	<b>125,221,865</b>	<b>116,976,916</b>	<b>120,770,086</b>	<b>135,888,232</b>
Community services	1,842,417	2,391,101	2,113,949	2,687,395
Payments to other governments	-	-	-	9,914,016

(Continued)

2007	2008	2009	2010	2011	2012
\$ 237,396,642	\$ 246,187,939	\$ 255,821,661	\$ 261,263,494	\$ 277,052,696	\$ 289,692,147
3,975,944	4,578,094	3,773,557	3,053,569	3,959,837	3,642,927
11,106,741	11,730,720	11,384,259	9,772,661	10,880,592	10,805,515
5,599,826	4,157,558	1,114,337	103,114	133,167	319,526
3,342,112	2,382,271	2,142,626	2,286,164	2,687,134	3,752,842
261,421,265	269,036,582	274,236,440	276,479,002	294,713,426	308,212,957
109,958,592	101,647,698	94,968,684	85,042,918	109,760,781	108,491,808
16,971,766	25,808,108	34,630,042	46,868,682	41,387,470	45,591,003
126,930,358	127,455,806	129,598,726	131,911,600	151,148,251	154,082,811
22,240,757	26,716,812	39,563,940	53,206,061	42,256,544	33,912,188
410,592,380	423,209,200	443,399,106	461,596,663	488,118,221	496,207,956
117,128,966	121,094,338	128,971,936	131,049,168	119,418,719	127,064,616
35,000,057	35,606,891	39,218,924	39,539,625	38,124,984	37,183,726
38,392,080	41,194,495	45,643,301	45,761,230	39,038,710	42,005,491
16,971,766	25,808,108	34,630,042	46,868,682	41,387,470	45,591,003
207,492,869	223,703,832	248,464,203	263,218,705	237,969,883	251,844,836
24,744,332	27,417,732	29,984,096	26,418,768	25,731,889	27,444,523
14,386,197	15,410,170	14,710,807	13,924,195	12,744,126	12,189,512
8,469,365	10,242,630	14,447,028	18,379,668	16,791,704	17,767,485
22,995,799	22,920,993	24,691,749	21,475,686	21,432,466	22,275,360
32,008,895	33,685,788	31,040,810	27,357,981	25,915,150	25,396,979
1,116,531	1,356,116	1,042,244	752,369	604,006	1,060,755
21,977,006	25,380,780	23,855,721	23,081,648	23,703,791	25,260,870
12,317,378	13,320,933	14,992,526	12,692,710	14,128,009	15,884,358
10,938,383	12,276,504	11,830,777	9,579,069	8,312,235	10,819,203
239,079	217,009	279,403	1,313,172	1,993,812	1,550,758
149,192,965	162,228,655	166,875,161	154,975,266	151,357,188	159,649,803
2,626,570	2,711,317	2,646,368	3,812,527	4,278,777	3,195,043
9,732,031	7,792,609	7,956,101	7,550,943	7,131,341	7,507,509

**School District U-46**

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

	2003	2004	2005	2006
<b>Total current</b>	<b>\$ 334,922,857</b>	<b>\$ 305,159,122</b>	<b>\$ 322,072,882</b>	<b>\$ 341,547,783</b>
Debt service:				
Principal	7,094,453	9,082,695	12,721,835	16,023,117
Interest and fees	11,398,313	11,195,807	13,162,462	10,513,740
Capital outlay	83,144,938	61,803,665	33,280,962	29,029,135
Intergovernmental	-	316,226	669,590	-
<b>Total Expenditures</b>	<b>436,560,561</b>	<b>387,557,515</b>	<b>381,907,731</b>	<b>397,113,775</b>
Excess of revenues over (under) expenditures	(97,314,687)	626,003	(20,367,913)	(13,435,266)
Other financing sources (uses):				
Issuance of bonds	88,486,022	34,000,000	71,790,000	15,000,000
Premium on bonds sold	-	-	3,571,614	240,245
Discount on bonds sold	-	-	-	-
Accrued interest on bonds sold	-	-	-	24,294
Payments to escrow agent	(22,486,022)	-	(74,237,418)	-
Issuance of debt certificates	-	-	-	-
Premium on debt certificates sold	-	-	-	-
Issuance of purchase contracts	2,433,747	675,935	3,339,178	7,682,739
Transfers in	-	-	771,260	1,830,161
Transfers out	-	-	(771,260)	(1,830,161)
<b>Total other financing sources (uses)</b>	<b>68,433,747</b>	<b>34,675,935</b>	<b>4,463,374</b>	<b>22,947,278</b>
<b>Net Change in Fund Balances</b>	<b>\$ (28,880,940)</b>	<b>\$ 35,301,938</b>	<b>\$ (15,904,539)</b>	<b>\$ 9,512,012</b>
Debt service expenditure as a percentage of noncapital expenditures	5.23%	6.23%	7.42%	7.21%

Source: Annual Financial Statements 2003-2012.

Note: The information is presented on the modified cash basis for years 2008 and prior, and the modified accrual basis beginning in 2009.

2007	2008	2009	2010	2011	2012
\$ 369,044,435	\$ 396,436,413	\$ 425,941,833	\$ 429,557,441	\$ 400,737,189	\$ 422,197,191
20,172,487	24,988,439	27,544,950	33,602,191	30,572,146	30,763,865
10,899,062	11,231,187	12,718,067	9,765,565	12,444,322	12,896,130
15,285,123	15,729,322	17,611,198	4,603,283	9,723,218	14,633,641
-	-	-	-	-	-
415,401,107	448,385,361	483,816,048	477,528,480	453,476,875	480,490,827
(4,808,727)	(25,176,161)	(40,416,942)	(15,931,817)	34,641,346	15,717,129
4,000,000	-	-	64,595,000	27,955,000	31,460,000
-	-	-	3,176,086	-	1,522,879
-	-	-	-	(440,725)	(5,801)
-	-	-	-	-	-
-	-	-	(36,806,418)	(10,293,017)	(12,791,001)
7,266,920	6,200,000	-	-	-	-
102,832	-	-	-	-	-
4,017,168	3,953,741	4,195,926	-	-	1,198,870
5,747,053	-	4,324,525	4,424,969	2,476,070	2,274,500
(5,747,053)	-	(4,324,525)	(4,424,969)	(2,476,070)	(2,274,500)
15,386,920	10,153,741	4,195,926	30,964,668	17,221,258	21,384,947
\$ 10,578,193	\$ (15,022,420)	\$ (36,221,016)	\$ 15,032,851	\$ 51,862,604	\$ 37,102,076
7.77%	8.37%	8.64%	9.17%	9.69%	9.37%

**School District U-46**

**Equalized Assessed Valuation on Taxable Property  
Last Ten Levy Years**

Tax Levy Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Railroad Property	Total Equalized Assessed Valuation
2011	\$ 4,195,437,297	\$ 4,023,638	\$ 556,055,585	\$ 358,904,655	\$ 1,913,890	5,116,335,065
2010	4,650,255,991	4,418,413	608,681,253	398,128,663	1,943,447	5,663,427,767
2009	5,018,610,526	4,482,824	657,518,565	430,218,669	1,435,268	6,112,265,852
2008 (2)	4,868,224,359	4,337,570	632,483,830	402,270,282	1,258,245	5,908,574,286
2007	4,752,496,742	4,239,339	613,782,014	395,753,570	1,024,950	5,767,296,615
2006	4,296,541,049	4,623,682	550,364,947	338,152,754	813,429	5,190,495,861
2005	3,966,354,659	4,868,297	547,744,374	319,885,730	722,871	4,839,575,931
2004	3,638,891,994	5,114,394	511,655,692	299,473,286	756,122	4,455,891,488
2003	3,257,785,319	5,285,417	466,263,706	269,936,931	698,418	3,999,969,791
2002	3,009,467,137	5,328,881	456,172,567	268,712,155	1,097,176	3,740,777,916

Source: District Records

Notes: (1) Tax rates per \$100 of Equalized Assessed Valuation  
(2) Includes 2007 Cook County Equalized Assessed Valuation

Kane County Total Direct Tax Rate (1)	Cook County Total Direct Tax Rate (1)	DuPage County Total Direct Tax Rate (1)	Estimated Actual Taxable Value	Percentage of Estimated Actual Taxable Value
5.8307	5.5062	5.6118	\$ 15,349,005,195	33.33%
5.2661	5.0254	4.8392	16,990,283,301	33.33%
4.5494	4.3390	4.6019	18,336,797,556	33.33%
4.2066	4.4342	4.2591	17,725,722,858	33.33%
4.3696	4.5650	4.2737	17,301,889,845	33.33%
4.6949	4.8735	4.6781	15,571,487,583	33.33%
4.7346	4.7457	4.6015	14,518,727,793	33.33%
4.7024	4.9445	4.6020	13,367,674,464	33.33%
4.9769	5.6059	4.6866	11,999,909,373	33.33%
5.1403	5.0795	5.1097	11,222,333,748	33.33%

**School District U-46**

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Direct										
School District U-46	5.8307	5.2661	4.5494	4.2066	4.3659	4.6954	4.7345	4.7024	4.9424	5.1403
Overlapping										
Kane County	0.3990	0.3730	0.3361	0.3336	0.3322	0.3452	0.3367	0.3467	0.3578	0.4292
Kane County Forest Preserve District	0.2609	0.2201	0.1997	0.1932	0.1974	0.1747	0.1904	0.1432	0.1270	0.1395
Gail Borden Library District	0.4084	0.3650	0.3380	0.3175	0.3111	0.3378	0.3171	0.3700	0.3445	0.3369
Elgin Township	0.0890	0.0783	0.0706	0.0692	0.0693	0.0715	0.0759	0.0776	0.0807	0.0864
Elgin Township Road Fund	0.0660	0.0581	0.0524	0.0514	0.0515	0.0531	0.0563	0.0770	0.0599	0.0641
City of Elgin	1.9836	1.9210	1.9202	1.9200	1.9200	1.9501	1.9201	1.9198	1.9047	1.9223
Fox River Water Reclamation District	0.0299	0.0273	0.0249	0.0240	0.0246	0.0270	N/A	N/A	N/A	N/A
Community College District 509	0.4456	0.4407	0.3833	0.3175	0.3280	0.3398	0.4010	0.4154	0.3854	0.3636
Total	9.5130	8.7497	7.8746	7.4330	7.6000	7.9946	8.0320	8.0521	8.2024	8.4823

Source: District Records

Notes: The tax rates presented are the property tax rates paid by a typical resident living in the City of Elgin, Kane County, in the District. Tax rates per \$100 of Equalized Assessed Valuation. The most recent levy year with full information available is presented.

**School District U-46**

**Property Tax Levies and Collections - Cook County  
Last Ten Levy Years**

	2011	2010	2009	2008
<b>Rates Extended</b>				
Educational	3.4078	3.4930	3.0397	3.1247
Tort immunity/liability insurance	0.0847	0.0778	0.0657	0.0538
Special education	0.4180	0.0373	0.0347	0.0361
Operations and maintenance	0.4323	0.3971	0.3348	0.3090
Transportation	0.1438	0.1271	0.1012	0.1053
Municipal retirement - IMRF	0.0899	0.0794	0.0706	0.0900
Social security	0.0830	0.0794	0.0706	0.0900
Bond and interest/supp.	0.6783	0.5875	0.4889	0.4771
Working cash	-	-	-	-
Life safety	-	-	-	0.0121
Life safety limited bonds	-	-	-	0.0549
Limited bonds	0.1684	0.1468	0.1326	0.0812
<b>Total Rates Extended</b>	<b>5.5062</b>	<b>5.0254</b>	<b>4.3388</b>	<b>4.4342</b>
<b>Levies Extended</b>				
Educational	\$ 74,345,887	\$ 84,561,841	\$ 79,727,190	\$ 78,974,704
Tort immunity/liability insurance	1,847,319	1,883,010	1,723,705	1,360,208
Special education	9,118,407	902,377	912,245	913,505
Operations and maintenance	9,433,590	9,613,134	8,783,919	7,810,356
Transportation	3,136,504	3,076,398	2,654,041	2,661,968
Municipal retirement - IMRF	1,961,136	1,922,137	1,852,918	2,274,271
Social security	1,810,111	1,922,137	1,852,918	2,274,271
Bond and interest/supp.	14,798,101	14,223,828	12,823,465	12,059,412
Working cash	-	-	-	-
Life safety	-	-	-	307,021
Life safety limited bonds	-	-	-	1,387,752
Limited bonds	3,673,366	3,552,765	3,478,715	2,052,967
<b>Total Levies Extended</b>	<b>\$ 120,124,421</b>	<b>\$ 121,657,627</b>	<b>\$ 113,809,116</b>	<b>\$ 112,076,435</b>
Current year collections	\$ 62,309,872	\$ 58,289,670	\$ 52,012,181	\$ 48,524,841
Subsequent year collections	-	61,655,603	59,198,269	60,647,647
<b>Total Collections</b>	<b>\$ 62,309,872</b>	<b>\$ 119,945,273</b>	<b>\$ 111,210,450</b>	<b>\$ 109,172,488</b>
<b>Percentage of extensions collected</b>				
Current year collections	51.87%	47.91%	45.70%	43.30%
Total collections	51.87%	98.59%	97.72%	97.41%

N/A - Current year and subsequent year collections information was not separately available.

2007	2006	2005	2004	2003	2002
3.1657	3.4172	3.2886	3.5377	3.9875	3.9374
0.0755	0.0517	0.0667	0.0093	0.1163	0.1283
0.0363	0.0385	0.0368	0.0371	0.0391	0.0395
0.3396	0.3650	0.3458	0.3644	0.3858	0.3693
0.0968	0.1043	0.1103	0.1300	0.1873	0.1715
0.0903	0.0963	0.0938	0.0929	0.0600	0.0935
0.0903	0.0963	0.0938	0.0929	0.0600	0.1260
0.4934	0.5093	0.5035	0.5560	0.6201	0.5872
-	-	-	-	-	0.0495
0.0291	0.0297	0.0350	0.0348	0.0447	0.0461
0.0696	0.0824	0.0883	-	-	-
0.0784	0.0828	0.0831	0.0894	0.1051	-
4.5650	4.8735	4.7457	4.9445	5.6059	5.5483

\$ 72,626,540	\$ 67,827,228	\$ 62,226,815	\$ 60,060,840	\$ 54,260,960	\$ 50,284,000
1,097,746	1,376,253	1,262,617	157,999	1,661,891	952,894
818,047	758,809	696,155	630,560	553,280	502,840
7,756,943	7,130,735	6,541,959	6,187,370	5,453,760	4,718,960
2,216,304	2,276,429	2,088,467	2,206,960	2,647,840	2,514,200
2,046,320	1,933,406	1,773,767	1,576,400	1,896,960	1,547,200
2,046,320	1,933,406	1,773,767	1,576,400	1,896,960	1,547,200
14,335,764	13,506,762	9,527,480	9,439,584	8,765,003	7,861,500
-	-	-	-	-	618,880
630,281	719,310	659,917	591,150	632,320	618,880
-	-	1,671,134	-	-	-
-	-	1,571,578	1,518,504	1,486,387	-
\$ 103,574,265	\$ 97,462,338	\$ 89,793,656	\$ 83,945,767	\$ 79,255,361	\$ 71,166,554

\$ 44,393,116	\$ 40,051,415	N/A	N/A	N/A	N/A
58,889,045	55,660,927	N/A	N/A	N/A	N/A
\$ 103,282,161	\$ 95,712,342	\$ 87,178,630	\$ 83,386,746	\$ 74,898,338	\$ 71,122,839

41.09%	N/A	N/A	N/A	N/A	N/A
98.20%	97.09%	99.33%	94.50%	99.94%	98.65%

**School District U-46**

**Property Tax Levies and Collections - DuPage County  
Last Ten Levy Years**

	2011	2010	2009	2008
<b>Rates Extended</b>				
Educational	3.5530	3.3878	3.2406	2.9813
Tort immunity/liability insurance	0.0854	0.0723	0.0703	0.0746
Special education	0.4226	0.0349	0.0370	0.0343
Operations and maintenance	0.4355	0.3690	0.3569	0.3200
Transportation	0.1448	0.1404	0.1079	0.0995
Municipal retirement - IMRF	0.0907	0.0738	0.0757	0.0852
Social security	0.0837	0.0738	0.0757	0.0852
Bond and interest/supp.	0.6377	0.5501	0.5015	0.4412
Bond and interest - limited	0.1584	0.1371	0.1363	0.1258
Working cash	-	-	-	-
Life safety	-	-	-	0.0120
<b>Total Rates Extended</b>	<b>5.6118</b>	<b>4.8392</b>	<b>4.6019</b>	<b>4.2591</b>
<b>Levies Extended</b>				
Educational	\$ 41,017,023	\$ 42,636,618	\$ 44,130,824	\$ 40,903,191
Tort immunity/liability insurance	985,886	909,920	957,353	1,023,506
Special education	4,878,636	439,228	503,870	470,593
Operations and maintenance	5,027,558	4,643,991	4,860,301	4,390,374
Transportation	1,671,620	1,766,982	1,469,393	1,365,132
Municipal retirement - IMRF	1,047,071	928,798	1,030,890	1,168,937
Social security	966,261	928,798	1,030,890	1,168,937
Bond and interest/supp.	7,361,823	6,923,196	6,829,470	6,053,228
Bond and interest limited	1,828,623	1,725,450	1,856,147	1,725,966
Working cash	-	-	-	-
Life safety	-	-	-	164,639
<b>Total Levies Extended</b>	<b>\$ 64,784,500</b>	<b>\$ 60,902,982</b>	<b>\$ 62,669,138</b>	<b>\$ 58,434,503</b>
Current year collections	\$ 31,108,515	\$ 30,363,549	\$ 30,004,777	\$ 27,377,411
Subsequent year collections	-	30,498,793	32,603,756	31,001,864
<b>Total Collections</b>	<b>\$ 31,108,515</b>	<b>\$ 60,862,342</b>	<b>\$ 62,608,533</b>	<b>\$ 58,379,275</b>
<b>Percentage of extensions collected</b>				
Current year collections	48.02%	49.86%	47.88%	46.85%
Total collections	48.02%	99.93%	99.90%	99.91%

N/A - Current year and subsequent year collections information was not separately available.

2007	2006	2005	2004	2003	2002
2.9817	3.2879	3.2315	3.2108	3.5482	3.3141
0.0710	0.0833	0.0656	0.1039	0.1016	0.1556
0.0342	0.0379	0.0332	0.0372	0.0400	0.0362
0.3199	0.3532	0.3117	0.3404	0.3750	0.3439
0.0914	0.0956	0.1085	0.0999	0.1200	0.1604
0.0852	0.0887	0.0921	0.0966	0.1371	0.1254
0.0852	0.0887	0.0921	0.0966	0.1371	0.1256
0.4441	0.4703	0.4716	0.5005	0.5461	0.5158
0.1328	0.1527	0.1609	0.0806	0.0927	-
-	-	-	-	-	0.0260
0.0277	0.0198	0.0344	0.0355	-	0.0262
4.2732	4.6781	4.6016	4.6020	5.0978	4.8292

\$ 39,146,450	\$ 40,689,543	\$ 37,027,378	\$ 34,706,373	\$ 32,933,000	\$ 30,389,702
1,114,644	1,030,883	861,855	1,123,082	940,164	1,426,824
449,008	469,033	436,133	402,104	371,622	331,948
4,199,936	4,371,041	4,096,415	3,679,472	3,480,929	3,153,501
1,387,725	1,183,102	982,168	1,079,845	1,111,837	1,470,839
1,118,583	1,097,711	1,092,069	1,044,175	1,272,402	1,149,895
1,118,583	1,097,711	1,092,069	1,044,175	1,272,402	1,151,729
7,574,064	7,709,962	7,317,092	6,281,261	5,944,946	4,729,793
-	-	-	-	-	-
-	-	-	-	-	240,249
-	245,036	327,389	383,729	-	238,415
\$ 56,108,993	\$ 57,894,022	\$ 53,232,568	\$ 49,744,216	\$ 47,327,302	\$ 44,282,895

\$ 26,097,148	\$ 27,397,647	N/A	N/A	N/A	N/A
29,954,558	30,436,037	N/A	N/A	N/A	N/A
\$ 56,051,706	\$ 57,833,684	\$ 53,189,547	\$ 49,458,970	\$ 47,309,522	\$ 44,264,206

46.51%	47.32%	N/A	N/A	N/A	N/A
99.90%	99.90%	99.92%	99.43%	99.96%	99.96%

**School District U-46**

**Property Tax Levies and Collections - Kane County  
Last Ten Levy Years**

	2011	2010	2009	2008
<b>Rates Extended</b>				
Educational	3.8426	3.7483	3.1850	3.0879
Tort immunity/liability insurance	0.0922	0.0795	0.0688	0.0774
Special education	0.4551	0.0381	0.0364	0.0354
Operations and maintenance	0.4707	0.4057	0.3509	0.3313
Transportation	0.1566	0.1298	0.1060	0.1031
Municipal retirement - IMRF	0.0979	0.0811	0.0740	0.0881
Social security	0.0904	0.0811	0.0740	0.0881
Bond and interest/supp.	0.6922	0.6133	0.5332	0.4998
Working cash	-	-	-	-
Working cash bonds	0.0756	0.0929	0.0821	0.0763
Life safety	-	-	-	0.0119
Fire safety bonds	-	-	-	-
Prior year adjustment	(0.1425)	(0.0037)	0.0390	(0.1927)
<b>Levies Extended</b>	<b>5.8307</b>	<b>5.2661</b>	<b>4.5494</b>	<b>4.2066</b>
<b>Levies Extended</b>				
Educational	\$ 64,322,072	\$ 74,365,813	\$ 67,765,315	\$ 66,591,910
Tort immunity/liability insurance	1,543,760	1,577,458	1,464,219	1,668,808
Special education	7,617,338	756,543	774,122	763,076
Operations and maintenance	7,878,911	8,048,261	7,465,272	7,145,642
Transportation	2,620,542	2,575,447	2,255,567	2,223,643
Municipal retirement - IMRF	1,638,626	1,609,644	1,573,986	1,899,782
Social security	1,512,582	1,609,644	1,573,986	1,899,782
Bond and interest/supp.	12,951,697	12,167,590	11,345,247	10,779,074
Working cash	-	-	-	-
Working cash bonds	1,414,548	1,842,955	1,747,089	1,645,622
Life safety	-	-	-	256,466
Prior year adjustment	(2,536,414)	(73,448)	830,738	(4,156,375)
<b>Total Levies Extended</b>	<b>\$ 98,963,662</b>	<b>\$ 104,479,907</b>	<b>\$ 96,795,541</b>	<b>\$ 90,717,430</b>
Current year collections	\$ 48,496,568	\$ 50,460,307	\$ 48,399,771	\$ 41,642,782
Subsequent year collections	-	53,806,269	48,250,917	48,754,604
<b>Total Collections</b>	<b>\$ 48,496,568</b>	<b>\$ 104,266,576</b>	<b>\$ 96,650,688</b>	<b>\$ 90,397,386</b>
<b>All Three Counties Combined</b>				
Total levies extended	\$ 283,872,583	\$ 287,040,516	\$ 273,273,795	\$ 261,228,368
Current year collections	\$ 141,914,955	\$ 139,113,526	\$ 130,416,729	\$ 117,545,034
Subsequent year collections	-	145,960,665	140,052,942	140,404,115
<b>Total collections</b>	<b>\$ 141,914,955</b>	<b>\$ 285,074,191</b>	<b>\$ 270,469,672</b>	<b>\$ 257,949,149</b>
Percentage of extensions collected				
Current year collections	49.99%	48.46%	47.72%	45.00%
Total collections	49.99%	99.31%	98.97%	98.74%

N/A - Current year and subsequent year collections information was not separately available.

Note: Prior year adjustment amounts were allocated to the other extensions for years 2002-2008.

2007	2006	2005	2004	2003	2002
3.1403	3.2437	3.2774	3.2313	3.5172	3.5263
0.0749	0.0828	0.1758	0.1132	0.1026	0.1000
0.0359	0.0375	0.0384	0.0366	0.0400	0.0383
0.3369	0.3523	0.3602	0.3433	0.3750	0.3750
0.0961	0.0950	0.0865	0.1007	0.1000	0.1718
0.0949	0.0946	0.0961	0.0966	0.1000	0.1322
0.0895	0.0946	0.0961	0.0966	0.1000	0.1322
0.5259	0.5457	0.5653	0.5056	0.5062	0.5230
-	-	-	-	-	0.0250
0.0732	0.0764	0.0793	0.0814	0.0859	-
0.0288	0.0310	0.0288	0.0352	0.0500	0.0401
-	-	-	-	-	0.0109
(0.1252)	0.0418	0.0307	0.0619	-	0.0655
4.3712	4.6954	4.8346	4.7024	4.9769	5.1403
\$ 63,520,045	\$ 63,479,651	\$ 59,980,963	\$ 55,494,332	\$ 55,449,834	\$ 50,170,178
1,550,644	1,619,646	1,005,824	1,546,693	1,617,523	1,422,743
726,919	734,842	658,030	584,238	630,613	544,910
6,814,216	6,894,983	6,168,980	5,477,181	5,912,000	5,335,285
2,248,910	1,857,834	1,923,970	2,065,062	1,576,533	2,444,272
1,810,734	1,850,465	1,542,284	1,442,263	1,576,533	1,880,866
1,810,734	1,850,465	1,542,284	1,442,263	1,576,533	1,880,866
12,081,955	12,175,338	11,502,431	9,806,016	9,334,654	7,596,024
-	-	-	-	-	355,686
-	-	-	-	-	-
-	606,129	450,826	524,474	788,267	570,520
-	-	-	-	-	-
\$ 90,564,157	\$ 91,069,353	\$ 84,775,592	\$ 78,382,522	\$ 78,462,490	\$ 72,201,350
\$ 43,644,195	\$ 44,190,832	N/A	N/A	N/A	N/A
46,773,020	46,740,095	N/A	N/A	N/A	N/A
\$ 90,417,215	\$ 90,930,927	\$ 84,236,617	\$ 78,306,490	\$ 77,498,803	\$ 72,060,215
\$ 250,247,415	\$ 246,425,713	\$ 227,801,816	\$ 212,072,505	\$ 205,045,153	\$ 187,650,799
\$ 114,134,459	\$ 111,639,894	N/A	N/A	N/A	N/A
135,616,623	132,837,059	N/A	N/A	N/A	N/A
\$ 249,751,082	\$ 244,476,953	\$ 224,604,794	\$ 211,152,206	\$ 199,706,663	\$ 187,447,260
45.61%	45.30%	N/A	N/A	N/A	N/A
99.80%	99.21%	98.60%	99.57%	97.40%	99.89%

**School District U-46**

**Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds	Debt Certificates	Certificates of Participation	Installment Notes	Claims and Judgments
2012	\$ 315,894,005	\$ 4,605,167	\$ -	\$ -	\$ 10,081,533
2011	322,144,437	5,150,170	-	40,880	10,706,179
2010	323,698,890	11,232,573	-	90,617	7,456,768
2009	316,460,991	12,392,393	-	152,087	-
2008	339,318,830	13,182,152	-	207,661	-
2007	364,109,311	7,124,536	-	263,235	-
2006	380,083,840	-	-	318,809	-
2005	381,051,383	-	-	374,383	-
2004	390,302,644	-	-	429,957	60,000
2003	365,329,766	-	1,600,000	485,531	120,000

Source: District Records

Note: This schedule includes all debt financed with general governmental resources for which there is an established repayment schedule. Accreted interest on debt, retirement obligations and estimated liabilities such as compensated absences are not included. Beginning with fiscal year 2011 Claims and Judgments include only claims incurred but not reported (IBNR), whereas, prior years may include claims payable amounts as well.

Purchase Contracts	Total Outstanding Debt	Estimated Actual Taxable Property Value	Percentage Estimated Actual Taxable Property Value	Estimated Population	Total Outstanding Debt Per Capita
\$ 3,057,503	\$ 333,638,208	\$ 15,349,005,195	2.17 %	240,000	\$ 1,390
5,281,183	343,322,849	16,990,283,301	2.02	240,000	1,431
9,346,736	351,825,584	18,336,797,556	1.92	240,000	1,466
14,272,637	343,278,108	17,725,722,858	1.94	240,000	1,430
12,268,058	364,976,701	17,301,889,845	2.11	240,000	1,521
11,282,489	382,779,571	15,571,487,583	2.46	240,000	1,595
10,616,133	391,018,782	14,518,727,793	2.69	240,000	1,629
5,118,046	386,543,812	13,367,674,464	2.89	240,000	1,611
3,477,957	394,270,558	11,999,909,373	3.29	240,000	1,643
4,673,734	372,209,031	11,222,333,748	3.32	240,000	1,551

**School District U-46**

**Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years**

Fiscal Year	General Bonded Debt	Less: Amount Available in Debt Service Fund	Net General Bonded Debt	Estimated Actual Taxable Property Value	Percentage of Net General Bonded Debt to Estimated Actual Valuation
2012	\$ 315,894,005	\$ 21,867,241	\$ 294,026,764	\$ 15,349,005,195	1.92%
2011	322,144,437	19,252,458	302,891,979	16,990,283,301	1.78%
2010	323,698,890	17,992,384	305,706,506	18,336,797,556	1.67%
2009	316,460,991	18,241,011	298,219,980	17,725,722,858	1.68%
2008	339,318,830	16,473,510	322,845,320	17,301,889,845	1.87%
2007	364,109,311	18,848,214	345,261,097	15,571,487,583	2.22%
2006	380,083,840	17,341,682	362,742,158	14,518,727,793	2.50%
2005	381,051,383	15,885,536	365,165,847	13,367,674,464	2.73%
2004	390,302,644	14,755,200	375,547,444	11,999,909,373	3.13%
2003	365,329,766	12,103,625	353,226,141	11,222,333,748	3.15%

Source: District Records

Note: This schedule includes all general obligation bonded debt being financed by property taxes.

Estimated Population		Net General Bonded Debt Per Capita
240,000	\$	1,225
240,000		1,262
240,000		1,274
240,000		1,243
240,000		1,345
240,000		1,439
240,000		1,511
240,000		1,522
240,000		1,565
240,000		1,472

**School District U-46**

**Legal Debt Margin Information  
Last Ten Fiscal Years**

	2012	2011	2010	2009
Debt limit	\$ 706,054,239	\$ 781,553,032	\$ 835,725,768	\$ 815,383,251
Total net debt applicable to limit	301,689,434	313,364,212	326,376,432	325,037,097
Legal debt margin	<u>\$ 404,364,805</u>	<u>\$ 468,188,820</u>	<u>\$ 509,349,336</u>	<u>\$ 490,346,154</u>
Total net debt applicable to the limit as a percentage of debt limit	43%	40%	39%	40%

Note: Legal debt margin from 2003-2004 was 15.0% and from 2005-2012 was 13.8%.

**Legal Debt Margin Calculation for Fiscal 2011**

Assessed Value	\$ 5,116,335,065
Debt limit (13.8%) of assessed value	<u>706,054,239</u>
Debt outstanding applicable to the limit:	
General obligation bonds	315,894,005
General obligation debt certificates	4,605,167
Purchase contracts	<u>3,057,503</u>
Total debt outstanding applicable to the limit	323,556,675
Less: Amount set aside for repayment of debt	<u>(21,867,241)</u>
Total net debt applicable to the limit	<u>301,689,434</u>
Total legal debt margin	<u>\$ 404,364,805</u>

Source: District Records

2008	2007	2006	2005	2004	2003
\$ 760,735,825	\$ 723,059,131	\$ 667,861,478	\$ 575,703,963	\$ 551,995,831	\$ 516,227,352
339,318,830	364,109,311	380,083,840	381,051,383	390,302,644	365,329,766
\$ 421,416,995	\$ 358,949,820	\$ 287,777,638	\$ 194,652,580	\$ 161,693,187	\$ 150,897,586
45%	50%	57%	66%	71%	71%

**School District U-46**

**District Employment Statistics  
Last Ten Fiscal Years**

Staff	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Teachers	2,243	2,203	2,516	2,582	2,440	2,474	2,290	2,242	2,107	N/A
Building substitutes	-	-	-	23	22	24	30	27	10	N/A
Noon hour supervisors (part-time)	91	93	102	119	137	115	109	120	107	N/A
Educational assistants/paraprofessionals	414	338	398	446	428	441	404	548	421	N/A
Secretary/clerical	205	212	268	304	294	297	292	267	261	N/A
Transportation	209	201	224	237	225	213	204	198	379	N/A
Custodial/maintenance	107	118	131	122	123	128	145	128	145	N/A
Technical/other	116	165	149	164	163	151	116	146	107	N/A
Food service	164	154	169	155	147	145	138	123	121	N/A
School administration	94	92	97	102	99	101	95	93	105	N/A
Supervisors/directors/coordinators	32	28	43	34	28	29	32	26	33	N/A
Central administration	35	33	25	33	33	32	29	33	28	N/A
Divisionals	15	16	20	25	23	24	19	20	20	N/A
Superintendent/executive staff	9	7	9	10	10	11	11	9	9	N/A
<b>Total staff</b>	<b>3,733</b>	<b>3,660</b>	<b>4,151</b>	<b>4,356</b>	<b>4,172</b>	<b>4,185</b>	<b>3,914</b>	<b>3,980</b>	<b>3,853</b>	<b>-</b>

Source: District Business Office

N/A: Not Available

**School District U-46**

**Average Daily Attendance and Operating Expenditures Per Pupil  
Last Ten Fiscal Years**

Year Ended June 30,	Expenditures*	Deductions**	Operating Expenditures	Average Daily Attendance	Operating Expenditures Per Pupil
2012	\$ 429,938,191	\$ 82,315,321	347,622,870	35,983	\$ 9,661
2011	453,476,875	101,996,241	351,480,634	36,668	9,247
2010	426,098,295	66,647,497	359,450,798	36,456	9,860
2009	436,222,997	48,149,501	388,073,496	36,289	10,694
2008	411,555,432	48,103,164	363,452,268	36,205	10,039
2007	388,225,546	44,684,034	343,541,512	35,898	9,570
2006	364,221,923	44,715,700	319,506,223	35,238	9,067
2005	337,783,251	37,008,190	300,775,061	33,824	8,892
2004	311,302,492	31,733,948	279,568,544	34,954	7,998
2003	334,288,181	26,928,936	307,359,245	35,397	8,683

Source: Annual Financial Report to State Board of Education

\* Expenditures include only the General, Special Revenue and Debt Service Funds and do not include on-behalf payments made by the State of Illinois for TRS/THIS.

\*\*Deductions are comprised of revenues or expenditures not applicable to the regular K-12 programs including capital outlay, debt services and payments to other governments.

**School District U-46**

**Operating Indicators by Function  
Last Ten Fiscal Years**

Function	2012	2011	2010	2009
<b>Instruction</b>				
Student enrollment:				
Elementary	22,348	22,853	22,863	22,734
Middle school	6,006	5,972	6,107	6,102
High school	12,048	12,327	11,998	11,976
Total student enrollment	40,402	41,152	40,968	40,812
<b>Support services - pupil</b>				
% of students with disabilities	13.2%	13.0%	14.3%	13.2%
<b>Support services - pupil</b>				
Information technology services work orders completed	43,176	33,519	45,661	40,270
<b>School administration</b>				
Student attendance rate	94.20%	94.00%	94.10%	94.3%
<b>Business</b>				
<b>Fiscal</b>				
Purchase orders processed	10,051	9,579	9,013	11,507
Nonpayroll checks issued	8,352	7,967	7,779	9,627
<b>Maintenance</b>				
Maintenance work orders completed	23,276	25,709	26,669	30,690
District square footage maintained by custodians and maintenance staff	5,492,057	5,492,057	5,492,057	5,492,057
District acreage maintained by grounds staff	805	805	805	805
<b>Transportation</b>				
<b>Average number of students Transported daily</b>				
Regular, public schools	24,447	24,375	24,028	23,477
Non-public	18	25	10	6
Special education	2,132	2,133	2,125	2,333
Total number of students transported	26,597	26,533	26,163	25,816
<b>Student transportation miles traveled</b>				
Regular education	2,406,833	2,066,821	2,598,143	3,214,182
Special education	2,427,205	2,290,604	2,379,919	2,721,107
Non-reimbursable	316,234	226,244	349,651	490,778
Total student transportation miles traveled	5,150,272	4,583,669	5,327,713	6,426,067

Source: Plant Operations, Transportation, Information Services, District Records  
and Financial Services

N/A: Not Available

2008	2007	2006	2005	2004	2003
22,765	22,795	22,662	22,156	22,346	23,230
6,264	6,170	6,039	6,002	5,880	5,740
11,680	11,415	10,955	10,509	10,305	10,161
40,709	40,380	39,656	38,667	38,531	39,131
13.7%	13.2%	N/A	N/A	N/A	N/A
42,080	48,540	N/A	N/A	N/A	N/A
94.3%	94.3%	N/A	N/A	N/A	N/A
13,906	13,398	N/A	N/A	N/A	N/A
9,734	10,923	N/A	N/A	N/A	N/A
28,840	24,800	N/A	N/A	N/A	N/A
5,492,057	5,492,057	5,492,057	5,492,057	5,492,057	5,107,692
805	805	N/A	N/A	N/A	N/A
23,628	21,820	22,520	22,203	21,871	21,085
-	-	1	3	719	660
2,077	2,321	2,414	2,145	2,527	2,714
25,705	24,141	24,935	24,351	25,117	24,459
2,110,472	2,692,281	2,103,142	1,915,477	2,085,656	2,277,702
2,566,295	2,117,736	1,912,868	1,829,338	1,878,036	1,749,887
508,435	452,050	479,193	389,606	320,036	409,215
5,185,202	5,262,067	4,495,203	4,134,421	4,283,728	4,436,804

School District U-46

District Enrollment by School  
Last Ten Fiscal Years

School	2011-2012*	2010-2011*	2009-2010*	2008-2009*	2007-2008*	2006-2007*	2005-2006*
Bartlett	599	620	619	619	631	642	660
Centennial	484	521	551	527	544	566	632
Century Oaks	532	527	502	490	473	448	474
Channing	655	667	626	619	578	534	514
Clinton	446	425	417	436	457	434	434
Coleman	565	589	574	586	601	593	583
Creekside	572	522	610	543	557	586	671
Fox Meadow	788	823	774	773	799	769	785
Garfield	451	470	437	432	460	466	475
Harriet Gifford	511	457	487	485	495	495	496
Glenbrook	514	454	491	426	436	426	455
Hanover Countryside	439	418	448	433	455	450	468
Hawk Hollow	469	517	504	503	518	527	548
Heritage	535	480	507	507	544	538	556
Highland	532	546	526	524	553	555	554
Hillcrest	606	655	656	656	617	608	555
Hilltop	690	681	675	633	623	709	722
Horizon	531	552	551	551	617	622	626
Huff	659	669	629	627	624	660	661
Illinois Park	413	456	481	479	419	273	N/A
Independence	344	244	276	279	259	315	290
Laurel Hill	481	518	490	490	462	392	417
Liberty	643	594	547	546	548	656	635
Lincoln	699	691	664	664	618	625	589
Lords Park	724	743	783	782	796	831	807
Lowrie	404	423	445	445	423	409	433
Mckinley	435	407	432	432	442	454	480
Nature Ridge	732	775	755	772	795	742	679
Oakhill	551	590	550	649	655	624	626
Ontarioville	638	590	550	550	513	524	566
Otter Creek	668	627	620	605	531	588	584
Parkwood	410	459	437	437	413	461	462
Prairieview	397	450	479	479	510	577	541
Ridge Circle	495	514	555	530	546	627	562
Sheridan	497	487	494	495	517	528	550
Spring Trail	445	459	500	498	500	538	546
Sunnydale	385	423	456	431	437	449	436
Sycamore Trail	532	531	525	525	577	587	620
Timber Trails	580	533	482	506	462	454	423
Washington	437	467	436	436	443	458	501
Wayne	473	566	570	581	598	626	590
Willard	387	383	395	395	378	429	456
Streamwood Elementary	N/A						
Woodland Heights	N/A	330	357	358	341	N/A	N/A
Abbott	487	548	523	523	529	555	548
Canton	736	732	780	780	909	965	929
Eastview	971	1,009	1,016	1,016	1,081	1,119	1,068
Ellis	645	596	549	546	512	489	497
Kenyon Woods	1,009	1,056	1,064	1,064	976	880	859
Kimball	671	623	679	679	765	793	759
Larsen	666	647	696	695	657	565	579
Tefft	821	761	800	799	835	804	800
Bartlett High School	2,664	2,671	2,728	2,725	2,698	2,850	2,893
Central School Programs	95	144	105	89	108	106	118
Elgin High School	2,378	2,373	2,191	2,188	2,089	2,147	2,228
Gifford High School	153	152	132	160	155	165	131
Larkin High School	1,995	2,148	2,178	2,169	2,163	2,289	2,422
South Elgin High School	2,682	2,569	2,383	2,372	2,157	1,555	956
Streamwood High School	2,081	2,270	2,281	2,273	2,310	2,303	2,207
**Total Enrollment	40,402	41,152	40,968	40,812	40,709	40,380	39,656

Source: District records

Notes:

\* Enrollment based on Fall Housing Report

\*\* Elementary totals include Pre-K students

N/A: Not Applicable

2004-2005*	2003-2004*	2002-2003*
672	703	699
639	805	811
501	605	584
546	567	527
413	586	591
551	747	747
718	576	876
702	701	709
505	589	514
454	524	523
526	469	506
418	581	612
583	528	488
536	651	601
553	560	559
522	309	387
610	N/A	N/A
605	634	687
701	722	628
N/A	628	594
N/A	N/A	279
434	558	521
609	548	504
554	N/A	N/A
798	777	754
418	425	516
456	477	503
588	494	509
622	650	601
597	566	542
589	586	486
429	437	416
557	602	673
606	679	652
585	558	523
595	632	677
417	424	529
622	675	759
383	N/A	N/A
501	509	484
603	454	540
438	371	385
N/A	N/A	328
N/A	439	406
561	788	765
825	943	899
1,114	1,173	1,145
513	609	531
812	N/A	N/A
792	951	851
536	610	785
849	806	764
3,070	2,897	2,984
101	107	106
2,344	2,311	2,193
137	139	181
2,546	2,550	2,458
N/A	N/A	N/A
2,311	2,301	2,239
<u>38,667</u>	<u>38,531</u>	<u>39,131</u>

**School District U-46**

**District Facility Information  
June 30, 2012**

Building	Year Built	Year of Most Recent Addition	Square Footage
<i>Schools:</i>			
Garfield	1887	1998	45,448
Lowrie	1887	2000	41,252
McKinley	1887	2000	48,325
Washington	1893	2004	53,139
Gifford Street High School/Central Building	1911	1939	223,214
Bartlett	1928	2002	60,591
Ontarioville	1928	2001	47,821
Abbott	1932	2001	108,303
Wayne	1947	2003	59,875
Harriet Gifford	1949	2003	55,902
Larsen	1951	2002	103,886
Ellis	1952	2003	110,135
Coleman	1954	1998	53,307
Hanover Countryside	1954	1991	46,062
Huff	1954	1997	61,634
Willard	1954	2002	42,250
Clinton	1958	1999	47,233
Woodland Heights	1958	2001	37,736
Highland	1959	1999	49,276
Kimball	1959	2002	124,531
Laurel Hill	1962	1998	35,463
Streamwood Elementary	1962	1998	33,811
Larkin High	1962	2003	348,387
OakHill	1965	2003	61,958
Tefft	1965	1965	136,946
Hillcrest	1967	1999	46,553
Sunnydale	1967	2003	46,670
Channing	1968	2003	53,833
Ridge Circle	1969	2002	65,048
Century Oaks	1970	2000	50,827
Eastview	1970	2001	167,341
Glenbrook	1971	1998	46,815
Parkwood	1971	1999	42,903

(Continued)

**School District U-46**

**District Facility Information (Continued)  
June 30, 2012**

Building	Year Built	Year of Most Recent Addition	Square Footage
<i>Schools (Continued):</i>			
Elgin High School	1972	2003	365,242
Sheridan	1973	1999	46,832
Heritage	1976	1999	47,185
Independence	1976	1998	32,150
Canton	1976	-	126,942
Herizon	1977	2002	63,828
Lords Park	1977	1998	61,823
Streamwood High School	1978	2002	289,811
Centennial	1991	2001	74,000
Prairieview	1992	2001	74,101
Sycamore Trails	1992	2001	71,390
Fox Meadow	1996	2001	69,390
Spring Trail	1996	-	59,778
Bartlett High School	1997	2001	397,787
Creekside	1998	-	58,732
Illinois Park	1999	-	50,385
Nature Ridge	1999	2003	57,678
Hawk Hollow	2002	-	53,125
Liberty	2002	-	61,630
Otter Creek	2002	-	62,612
Hilltop	2003	-	63,212
Lincoln	2003	-	53,178
Timber Trails	2003	-	56,454
Kenyon Woods	2003	-	153,563
South Elgin High School	2004	-	384,365
<i>Other Buildings:</i>			
4 South Gifford	N/A	-	5,676
Observatory	1910	-	4,083
Transportation	N/A	-	31,130
Plant operation	2001	-	31,500
Warehouse	2002	-	28,000
Total			5,492,057

Source: District records  
N/A: Not Available

## School District U-46

### Miscellaneous Statistics

June 30, 2012

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The District boundaries extend into three counties: Cook, DuPage and Kane

Date of incorporation	1875
Median family income	
Kane County*	76,300 *
City of Elgin*	62,086
Per capita personal income	
Kane County*	28,845 *
City of Elgin*	22,635
Population	
Kane County	510,736 *
City of Elgin	107,027
Area served	90 Square miles
Number of schools	57
Student population	40,402
Certified staff	2,243
Pupil/certified staff ratio	18.0/1
Faculty holding master's degree or higher	1,644

#### Communities served:

School District U-46 serves Bartlett, and portions of Carol Stream, Elgin, Hanover Park, Hoffman Estates, Schaumburg, South Elgin, St. Charles, Streamwood, Wayne and West Chicago.

\* Source: U.S. Census Bureau, 2008-2010 American Community Survey.

\*\*School District Report Card on ISBE website 2011.

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