



PHILLIPS, SALMI + ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

**DEER CREEK-MACKINAW COMMUNITY UNIT
SCHOOL DISTRICT NO. 701
TAZEWELL AND WOODFORD COUNTY, ILLINOIS**

**ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2017**

Due to ROE on Friday, October 14th
 Due to ISBE on Tuesday, November 15th
 SD/JA17

ILLINOIS STATE BOARD OF EDUCATION
 School Business Services Division
 100 North First Street, Springfield, Illinois 62777-0001
 217/785-8779

**Illinois School District/Joint Agreement
 Annual Financial Report *
 June 30, 2017**

School District
 Joint Agreement

School District/Joint Agreement Information <i>(See instructions on inside of this page.)</i>	Accounting Basis:	Certified Public Accountant Information			
School District/Joint Agreement Number: 53-090-7010-26	<input checked="" type="checkbox"/> CASH <input type="checkbox"/> ACCRUAL	Name of Auditing Firm: Phillips, Salmi & Associates, LLC			
County Name: Tazewell	Filing Status: Submit electronic AFR directly to ISBE Click on the Link to Submit: Send ISBE a File	Name of Audit Manager: Lori Salmi			
Name of School District/Joint Agreement: Deer Creek Mackinaw Community Unit 701		Address: 112 South Main Street			
Address: 401 East Fifth Street		City: Washington	State: IL	Zip Code: 61571	
City: Mackinaw		Phone Number: (309) 444-4909	Fax Number: (309) 444-8580		
Email Address: sdearman@deemack.org		IL License Number (9 digit): 066-004355	Expiration Date: 11/30/2018		
Zip Code: 61755	0	Email Address: lsalmi@psa-cpa.com			
Annual Financial Report Type of Auditor's Report Issued: <input type="checkbox"/> Qualified <input type="checkbox"/> Adverse <input type="checkbox"/> Disclaimer <input checked="" type="checkbox"/> Unqualified	Single Audit Status: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Are Federal expenditures greater than \$750,000? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Is all Single Audit Information completed and attached? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Were any financial statement or federal award findings issued?		ISBE Use Only		
<input type="checkbox"/> Reviewed by District Superintendent/Administrator	<input type="checkbox"/> Reviewed by Township Treasurer (Cook County only) Name of Township: _____		<input type="checkbox"/> Reviewed by Regional Superintendent/Cook ISC		
District Superintendent/Administrator Name (Type or Print): Dr. Scott Dearman	Township Treasurer Name (type or print)		Regional Superintendent/Cook ISC Name (Type or Print):		
Email Address: sdearman@deemack.org	Email Address:		Email Address:		
Telephone: (309) 359-8965	Fax Number: (309) 359-5291	Telephone:	Fax Number:	Telephone:	Fax Number:
Signature & Date:		Signature & Date:		Signature & Date:	

* This form is based on 23 Illinois Administrative Code 100, Subtitle A, Chapter I, Subchapter C (Part 100).
ISBE Form SD50-35/JA50-60 (05/17)

This form is based on 23 Illinois Administrative Code, Subtitle A, Chapter I, Subchapter C, Part 100.
 In some instances, use of open account codes (cells) may not be authorized by statute or administrative rule.
 Each school district or joint agreement is responsible for obtaining the concurring legal opinion and/or other supporting authorization/documentation, as necessary, to use the applicable account code (cell).

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INSTRUCTIONS/REQUIREMENTS: For School Districts/Joint Agreements

All School Districts/Joint Agreements must complete this form (Note: joint agreement supplementary/statistical schedules may not be applicable)

Round all amounts to the nearest dollar. Do not enter cents. (Exception: 9 Month ADA on page 28, line 78)

This form complies with **Part 100 (Requirements for Accounting, Budgeting, Financial Reporting, and Auditing)**.

[23, Illinois Administrative Code 100, Subtitle A, Chapter 1, Subchapter C \(Part 100\)](#)

Any errors left unresolved by the **Audit Checklist/Balancing Schedule** must be explained in the itemization page.

Submit AFR Electronically

* The Annual Financial Reports (AFR) must be submitted directly through the Attachment Manager to the AFR Group by the Auditor or School District designated personnel (Please see Instructions for complete submission procedures).

[Attachment Manager Link](#)

Note: CD/Disk no longer accepted.

* AFR supporting documentation must be embedded as Microsoft Word (.doc), Word Perfect (*.wpd) or Adobe (*.pdf) and inserted within tab "Opinions & Notes". These documents include: The Audit, Management letter, Opinion letters, Compliance letters, Financial notes etc.... For embedding instructions see "Opinions & Notes" tab of this form.

Note: In Windows 7 and above, files can be saved in Adobe Acrobat (*.pdf) and embedded even if you do not have the software. If you have problems embedding the files you may attach them as separate (.docx) in the Attachment Manager and ISBE will embed them for you.

Submit Paper Copy of AFR with Signatures

1) The auditor must send three **paper** copies of the AFR form (cover through page 8 at minimum) to the School District with the auditor signature.

Note: School Districts and Regional Superintendents may prefer a complete paper copy in lieu of an electronic file. Please comply with their requests as necessary.

2) Upon receipt, the School District retains one copy for their records, signs, and forwards the remaining two copies to the Regional Superintendent's office no later than October 15, annually.

3) Upon receipt, the Regional Superintendent's office retains one copy for their records, signs, and forwards the remaining paper copy to ISBE no later than November 15, annually.

* Yellow Book, CPE, and Peer Review requirements must be met if the Auditor issues an opinion stating "Governmental Auditing Standards" were utilized.

[Federal Single Audit 2 CFR 200.500](#)

Qualifications of Auditing Firm

* School District/Joint Agreement entities must verify the qualifications of the auditing firm by requesting the most current peer review report and the corresponding acceptance letter from the approved peer review program, for the current peer review period.

* A school district/joint agreement who engages with an auditing firm who is not licensed and qualified will be required to complete a new audit by a qualified auditing firm at the school district's/joint agreement's expense.

AUDITOR'S QUESTIONNAIRE

INSTRUCTIONS: If your review and testing of State, Local, and Federal Programs revealed any of the following statements to be true, then check the box on the left, and attach the appropriate findings/comments.

PART A - FINDINGS

- 1. One or more school board members, administrators, certified school business officials, or other qualifying district employees failed to file economic interested statements pursuant to the *Illinois Government Ethics Act*. [5 ILCS 420/4A-101]
- 2. One or more custodians of funds failed to comply with the bonding requirements pursuant to *Illinois School Code* [105 ILCS 5/8-2; 10-20; 19-19-6].
- 3. One or more contracts were executed or purchases made contrary to the provisions of the *Illinois School Code* [105 ILCS 5/10-20.2.1].
- 4. One or more violations of the Public Funds Deposit Act or the Public Funds Investment Act were noted [30 ILCS 225/1 et. seq. and 30 ILCS 235/1 et. seq.].
- 5. Restricted funds were commingled in the accounting records or used for other than the purpose for which they were restricted.
- 6. One or more short-term loans or short-term debt instruments were executed in non-conformity with the applicable authorizing statute or without statutory Authority.
- 7. One or more long-term loans or long-term debt instruments were executed in non-conformity with the applicable authorizing statute or without statutory Authority.
- 8. Corporate Personal Property Replacement Tax monies were deposited and/or used without first satisfying the lien imposed pursuant to the *Illinois State Revenue Sharing Act* [30 ILCS 115/12].
- 9. One or more interfund loans were made in non-conformity with the applicable authorizing statute or without statutory authorization per *Illinois School Code* [105 ILCS 5/10-22.33, 20-4 and 20-5].
- 10. One or more interfund loans were outstanding beyond the term provided by statute *Illinois School Code* [105 ILCS 5/10-22.33, 20-4, 20-5].
- 11. One or more permanent transfers were made in non-conformity with the applicable authorizing statute/regulation or without statutory/regulatory authorization per *Illinois School Code* [105 ILCS 5/17-2A].
- 12. Substantial, or systematic misclassification of budgetary items such as, but not limited to, revenues, receipts, expenditures, disbursements or expenses were observed.
- 13. The Chart of Accounts used to define and control budget and accounting records does not conform to the minimum requirements imposed by ISBE rules pursuant to *Illinois School Code* [105 ILCS 5/2-3.27; 2-3.28].
- 14. At least one of the following forms was filed with ISBE late: The FY16 AFR (ISBE FORM 50-35), FY16 Annual Statement of Affairs (ISBE Form 50-37) and FY17 Budget (ISBE FORM 50-36). Explain in the comments box below in pursuant to *Illinois School Code* [105 ILCS 5/3-15.1; 5/10-17; 5/17-1].

PART B - FINANCIAL DIFFICULTIES/CERTIFICATION Criteria pursuant to the *Illinois School Code* [105 ILCS 5/1A-8].

- 15. The district has issued tax anticipation warrants or tax anticipation notes in anticipation of a second year's taxes when warrants or notes in anticipation of current year taxes are still outstanding, as authorized by *Illinois School Code* [105 ILCS 5/17-16 or 34-23 through 34-27].
- 16. The district has issued short-term debt against two future revenue sources, such as, but not limited to, tax anticipation warrants and General State Aid certificates or tax anticipation warrants and revenue anticipation notes.
- 17. The district has issued school or teacher orders for wages as permitted in *Illinois School Code* [105 ILCS 5/8-16, 32-7.2 and 34-76] or issued funding bonds for this purpose pursuant to *Illinois School Code* [105 ILCS 5/8-6, 32-7.2; 34-76; and 19-8].
- 18. The district has for two consecutive years shown an excess of expenditures/other uses over revenues/other sources and beginning fund balances on its annual financial report for the aggregate totals of the Educational, Operations & Maintenance, Transportation, and Working Cash Funds.

PART C - OTHER ISSUES

- 19. Student Activity Funds, Imprest Funds, or other funds maintained by the district were excluded from the audit.
- 20. Findings, other than those listed in Part A (above), were reported (e.g. student activity fund findings).
- 21. Federal Stimulus Funds were not maintained and expended in accordance with the American Recovery and Reinvestment Act (ARRA) of 2009. If checked, an explanation must be provided.
- 22. Check this box if the district is subject to the Property Tax Extension Limitation Law. Effective Date: _____ (Ex: 00/00/0000)
- 23. If the type of Auditor Report designated on the cover page is other than an unqualified opinion and is due to reason(s) other than solely Cash Basis Accounting, please check and explain the reason(s) in the box below.

PART D - EXPLANATION OF ACCOUNTING PRACTICES FOR LATE MANDATED CATEGORICAL PAYMENTS

(For School Districts who report on an Accrual/Modified Accrual Accounting Basis only)

School districts that report on the accrual/modified accrual basis of accounting must identify where late mandated categorical payments (Acct Codes 3100, 3105, 3110, 3500, and 3510) are recorded. Depending on the accounting procedure these amounts will be used to adjust the Direct Receipts/Revenues in calculation 1 and 2 of the Financial Profile Score. In FY2017, identify those late payments recorded as Intergovernmental Receivables, Other Receivables, or Deferred Revenue & Other Current Liabilities or Direct Receipts/Revenue. Payments should only be listed once.

- 24. Enter the date that the district used to accrue mandated categorical payments Date:
- 25. For the listed mandated categorical (Revenue Code (3110, 3500, 3510, 3100, 3105) that were vouchered prior to June 30th, but not released until after year end as reported in ISBE FRIS system, enter the amounts that were accrued in the chart below.

Account Name	3110	3500	3510	3100	3105	Total
Deferred Revenues (490)						
Mandated Categoricals Payments (3110, 3500, 3510, 3100, 3105)						0
Direct Receipts/Revenue						
Mandated Categoricals Payments (3110, 3500, 3510, 3100, 3105)						0
Total						0

* Revenue Code (3110-Sp Ed Personnel, 3510-Sp Ed Transportation, 3500-Regular/Vocational Transportation, 3105-Sp Ed Funding for Children Requiring Services, 3100-Sp Ed Private Facilities)

PART E - QUALIFICATIONS OF AUDITING FIRM

* School District/ Joint Agreement entities must verify the qualifications of the auditing firm by requesting the most current peer review report and the corresponding acceptance letter from the approved peer review program for the current peer review.
* A school district/ joint agreement who engages with an auditing firm who is not licensed and qualified will be required to complete a new audit by a qualified auditing firm at the school district's/ joint agreement's expense.

Comments Applicable to the Auditor's Questionnaire:

Phillips, Salmi & Associates, LLC
Name of Audit Firm (print)

The undersigned affirms that this audit was conducted by a qualified auditing firm and in accordance with the applicable standards [23 Illinois Administrative Code Part 100] and the scope of the audit conformed to the requirements of subsection (a) or (b) of 23 Illinois Administrative Code Part 100 Section 110, as applicable.

Phillips, Salmi & Associates, LLC

Signature

9/13/2017
mmvdd/yyyy

FINANCIAL PROFILE INFORMATION

Required to be completed for School Districts only.

A. Tax Rates (Enter the tax rate - ex: .0150 for \$1.50)

	Tax Year 2016		Equalized Assessed Valuation (EAV):	<input type="text" value="116,184,400"/>	
Rate(s):	<input type="text" value="0.028500"/>	+	<input type="text" value="0.005000"/>	+	<input type="text" value="0.002000"/>
	Educational		Operations & Maintenance		Transportation
				=	<input type="text" value="0.035500"/>
					<input type="text" value="0.000500"/>
					Working Cash

B. Results of Operations *

Receipts/Revenues	Disbursements/Expenditures	Excess/ (Deficiency)	Fund Balance
<input type="text" value="8,995,917"/>	<input type="text" value="9,178,688"/>	<input type="text" value="(182,771)"/>	<input type="text" value="2,906,323"/>

* The numbers shown are the sum of entries on Pages 7 & 8, lines 8, 17, 20, and 81 for the Educational, Operations & Maintenance, Transportation and Working Cash Funds.

C. Short-Term Debt **

CPPRT Notes	TAWs	TANs	TO/EMP. Orders	GSA Certificates
<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Other	Total			
<input type="text" value="0"/>	<input type="text" value="0"/>			

** The numbers shown are the sum of entries on page 25.

D. Long-Term Debt

Check the applicable box for long-term debt allowance by type of district.

- a. 6.9% for elementary and high school districts,
- b. 13.8% for unit districts.

Long-Term Debt Outstanding:

c. Long-Term Debt (Principal only)	Acct	
Outstanding:.....	511	<input type="text" value="6,066,168"/>

E. Material Impact on Financial Position

If applicable, check any of the following items that may have a material impact on the entity's financial position during future reporting periods. Attach sheets as needed explaining each item checked.

- Pending Litigation
- Material Decrease in EAV
- Material Increase/Decrease in Enrollment
- Adverse Arbitration Ruling
- Passage of Referendum
- Taxes Filed Under Protest
- Decisions By Local Board of Review or Illinois Property Tax Appeal Board (PTAB)
- Other Ongoing Concerns (Describe & Itemize)

Comments:

ESTIMATED FINANCIAL PROFILE SUMMARY
 (Go to the following website for reference to the Financial Profile)
<https://www.isbe.net/Pages/School-District-Financial-Profile.aspx>

District Name: Deer Creek Mackinaw Community Unit 701
District Code: 53-090-7010-26
County Name: Tazewell

1. Fund Balance to Revenue Ratio:		Total	Ratio	Score	4
Total Sum of Fund Balance (P8, Cells C81, D81, F81 & I81)	Funds 10, 20, 40, 70 + (50 & 80 if negative)	2,906,323.00	0.323	Weight	0.35
Total Sum of Direct Revenues (P7, Cell C8, D8, F8 & I8)	Funds 10, 20, 40, & 70,	8,995,917.00		Value	1.40
Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74) (Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)	Minus Funds 10 & 20	0.00			
2. Expenditures to Revenue Ratio:		Total	Ratio	Score	3
Total Sum of Direct Expenditures (P7, Cell C17, D17, F17, I17)	Funds 10, 20 & 40	9,178,688.00	1.020	Adjustment	0
Total Sum of Direct Revenues (P7, Cell C8, D8, F8, & I8)	Funds 10, 20, 40 & 70,	8,995,917.00		Weight	0.35
Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74) (Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)	Minus Funds 10 & 20	0.00		Value	1.05
Possible Adjustment:					
3. Days Cash on Hand:		Total	Days	Score	3
Total Sum of Cash & Investments (P5, Cell C4, D4, F4, I4 & C5, D5, F5 & I5)	Funds 10, 20 40 & 70	2,906,323.00	113.98	Weight	0.10
Total Sum of Direct Expenditures (P7, Cell C17, D17, F17 & I17)	Funds 10, 20, 40 divided by 360	25,496.36		Value	0.30
4. Percent of Short-Term Borrowing Maximum Remaining:		Total	Percent	Score	4
Tax Anticipation Warrants Borrowed (P25, Cell F6-7 & F11)	Funds 10, 20 & 40	0.00	100.00	Weight	0.10
EAV x 85% x Combined Tax Rates (P3, Cell J7 and J10)	(.85 x EAV) x Sum of Combined Tax Rates	3,505,864.27		Value	0.40
5. Percent of Long-Term Debt Margin Remaining:		Total	Percent	Score	3
Long-Term Debt Outstanding (P3, Cell H37)		6,066,168.00	62.16	Weight	0.10
Total Long-Term Debt Allowed (P3, Cell H31)		16,033,447.20		Value	0.30

Total Profile Score: 3.45 *

Estimated 2018 Financial Profile Designation: REVIEW

* Total Profile Score may change based on data provided on the Financial Profile Information, page 3 and by the timing of mandated categorical payments. Final score will be calculated by ISBE.

BASIC FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
STATEMENT OF POSITION AS OF JUNE 30, 2017

ASSETS (Enter Whole Dollars)	Acct. #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
CURRENT ASSETS (100)										
Cash (Accounts 111 through 115) ¹		600,538	6,959	823	97,863	8,163	260	1,121	3,977	1,384
Investments	120	21,454	463,284	107,120	242,273	82,604		1,472,831	185,382	280,444
Taxes Receivable	130									
Interfund Receivables	140									
Intergovernmental Accounts Receivable	150									
Other Receivables	160									
Inventory	170									
Prepaid Items	180									
Other Current Assets (Describe & Itemize)	190									
Total Current Assets		621,992	470,243	107,943	340,136	90,767	260	1,473,952	189,359	281,828
CAPITAL ASSETS (200)										
Works of Art & Historical Treasures	210									
Land	220									
Building & Building Improvements	230									
Site Improvements & Infrastructure	240									
Capitalized Equipment	250									
Construction in Progress	260									
Amount Available in Debt Service Funds	340									
Amount to be Provided for Payment on Long-Term Debt	350									
Total Capital Assets										
CURRENT LIABILITIES (400)										
Interfund Payables	410									
Intergovernmental Accounts Payable	420									
Other Payables	430									
Contracts Payable	440									
Loans Payable	460									
Salaries & Benefits Payable	470									
Payroll Deductions & Withholdings	480									
Deferred Revenues & Other Current Liabilities	490									
Due to Activity Fund Organizations	493									
Total Current Liabilities		0	0	0	0	0	0	0	0	0
LONG-TERM LIABILITIES (500)										
Long-Term Debt Payable (General Obligation, Revenue, Other)	511									
Total Long-Term Liabilities										
Reserved Fund Balance	714	26,521	995							
Unreserved Fund Balance	730	595,471	469,248	107,943	340,136	90,767	260	1,473,952	189,359	281,828
Investment in General Fixed Assets										
Total Liabilities and Fund Balance		621,992	470,243	107,943	340,136	90,767	260	1,473,952	189,359	281,828

The accompanying notes are an integral part of these financial statements.

BASIC FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
STATEMENT OF POSITION AS OF JUNE 30, 2017

ASSETS (Enter Whole Dollars)	Acct. #	Agency Fund	Account Groups	
			General Fixed Assets	General Long- Term Debt
CURRENT ASSETS (100)				
Cash (Accounts 111 through 115) ¹		128,930		
Investments	120			
Taxes Receivable	130			
Interfund Receivables	140			
Intergovernmental Accounts Receivable	150			
Other Receivables	160			
Inventory	170			
Prepaid Items	180			
Other Current Assets (Describe & Itemize)	190			
Total Current Assets		128,930		
CAPITAL ASSETS (200)				
Works of Art & Historical Treasures	210			
Land	220		298,234	
Building & Building Improvements	230		20,455,855	
Site Improvements & Infrastructure	240		711,505	
Capitalized Equipment	250		2,388,954	
Construction in Progress	260			
Amount Available in Debt Service Funds	340			107,943
Amount to be Provided for Payment on Long-Term Debt	350			5,958,225
Total Capital Assets			23,854,548	6,066,168
CURRENT LIABILITIES (400)				
Interfund Payables	410			
Intergovernmental Accounts Payable	420			
Other Payables	430			
Contracts Payable	440			
Loans Payable	460			
Salaries & Benefits Payable	470			
Payroll Deductions & Withholdings	480			
Deferred Revenues & Other Current Liabilities	490			
Due to Activity Fund Organizations	493	128,930		
Total Current Liabilities		128,930		
LONG-TERM LIABILITIES (500)				
Long-Term Debt Payable (General Obligation, Revenue, Other)	511			6,066,168
Total Long-Term Liabilities				6,066,168
Reserved Fund Balance	714			
Unreserved Fund Balance	730			
Investment in General Fixed Assets			23,854,548	
Total Liabilities and Fund Balance		128,930	23,854,548	6,066,168

The accompanying notes are an integral part of these financial statements.

BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2017

Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
RECEIPTS/REVENUES										
LOCAL SOURCES	1000	4,020,049	557,222	1,156,351	292,580	382,555	3	67,464	310,673	57,648
FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT	2000	0	0		0	0				
STATE SOURCES	3000	3,229,838	300,000	0	181,144	0	0	0	0	0
FEDERAL SOURCES	4000	347,620	0	0	0	0	0	0	0	0
Total Direct Receipts/Revenues		7,597,507	857,222	1,156,351	473,724	382,555	3	67,464	310,673	57,648
<i>Receipts/Revenues for "On Behalf" Payments ²</i>	3998	1,933,142								
Total Receipts/Revenues		9,530,649	857,222	1,156,351	473,724	382,555	3	67,464	310,673	57,648
DISBURSEMENTS/EXPENDITURES										
Instruction	1000	5,576,437				148,234				
Support Services	2000	2,086,657	764,751		572,242	195,398	0		294,959	405
Community Services	3000	30,380	0		0	4,101				
Payments to Other Districts & Governmental Units	4000	148,221	0	0	0	0	0			0
Debt Service	5000	0	0	1,161,995	0	0			0	0
Total Direct Disbursements/Expenditures		7,841,695	764,751	1,161,995	572,242	347,733	0		294,959	405
<i>Disbursements/Expenditures for "On Behalf" Payments ²</i>	4180	1,933,142	0	0	0	0	0		0	0
Total Disbursements/Expenditures		9,774,837	764,751	1,161,995	572,242	347,733	0		294,959	405
Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures ³		(244,188)	92,471	(5,644)	(98,518)	34,822	3	67,464	15,714	57,243
OTHER SOURCES/USES OF FUNDS										
OTHER SOURCES OF FUNDS (7000)										
PERMANENT TRANSFER FROM VARIOUS FUNDS										
Abolishment of the Working Cash Fund ¹²	7110									
Abatement of the Working Cash Fund ¹²	7110	550,000								
Transfer of Working Cash Fund Interest	7120									
Transfer Among Funds	7130									
Transfer of Interest	7140									
Transfer from Capital Project Fund to O&M Fund	7150									
Transfer of Excess Fire Prevention & Safety Tax and Interest Proceeds to O&M Fund ⁴	7160									
Transfer to Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund ⁵	7170									
SALE OF BONDS (7200)										
Principal on Bonds Sold	7210							1,100,000		
Premium on Bonds Sold	7220			18,300				261		
Accrued Interest on Bonds Sold	7230									
Sale or Compensation for Fixed Assets ⁶	7300									
Transfer to Debt Service to Pay Principal on Capital Leases	7400			0						
Transfer to Debt Service to Pay Interest on Capital Leases	7500			0						
Transfer to Debt Service to Pay Principal on Revenue Bonds	7600			0						
Transfer to Debt Service Fund to Pay Interest on Revenue Bonds	7700			0						
Transfer to Capital Projects Fund	7800						0			
ISBE Loan Proceeds	7900									
Other Sources Not Classified Elsewhere	7990									
Total Other Sources of Funds		550,000	0	18,300	0	0	0	1,100,261	0	0
OTHER USES OF FUNDS (8000)										

The accompanying notes are an integral part of these financial statements.

BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2017

Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
PERMANENT TRANSFER TO VARIOUS OTHER FUNDS (8100)										
Abolishment or Abatement of the Working Cash Fund ¹²	8110							550,000		
Transfer of Working Cash Fund Interest ¹²	8120							0		
Transfer Among Funds	8130									
Transfer of Interest	8140									
Transfer from Capital Project Fund to O&M Fund	8150						0			
Transfer of Excess Fire Prevention & Safety Tax & Interest Proceeds to O&M Fund ⁴	8160									0
Transfer of Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund ⁵	8170									0
Taxes Pledged to Pay Principal on Capital Leases	8410									
Grants/Reimbursements Pledged to Pay Principal on Capital Leases	8420									
Other Revenues Pledged to Pay Principal on Capital Leases	8430									
Fund Balance Transfers Pledged to Pay Principal on Capital Leases	8440									
Taxes Pledged to Pay Interest on Capital Leases	8510									
Grants/Reimbursements Pledged to Pay Interest on Capital Leases	8520									
Other Revenues Pledged to Pay Interest on Capital Leases	8530									
Fund Balance Transfers Pledged to Pay Interest on Capital Leases	8540									
Taxes Pledged to Pay Principal on Revenue Bonds	8610									
Grants/Reimbursements Pledged to Pay Principal on Revenue Bonds	8620									
Other Revenues Pledged to Pay Principal on Revenue Bonds	8630									
Fund Balance Transfers Pledged to Pay Principal on Revenue Bonds	8640									
Taxes Pledged to Pay Interest on Revenue Bonds	8710									
Grants/Reimbursements Pledged to Pay Interest on Revenue Bonds	8720									
Other Revenues Pledged to Pay Interest on Revenue Bonds	8730									
Fund Balance Transfers Pledged to Pay Interest on Revenue Bonds	8740									
Taxes Transferred to Pay for Capital Projects	8810									
Grants/Reimbursements Pledged to Pay for Capital Projects	8820									
Other Revenues Pledged to Pay for Capital Projects	8830									
Fund Balance Transfers Pledged to Pay for Capital Projects	8840									
Transfer to Debt Service Fund to Pay Principal on ISBE Loans	8910									
Other Uses Not Classified Elsewhere	8990									
Total Other Uses of Funds		0	0	0	0	0	0	550,000	0	0
Total Other Sources/Uses of Funds		550,000	0	18,300	0	0	0	550,261	0	0
Excess of Receipts/Revenues and Other Sources of Funds (Over/Under) Expenditures/Disbursements and Other Uses of Funds		305,812	92,471	12,656	(98,518)	34,822	3	617,725	15,714	57,243
Fund Balances - July 1, 2016		316,180	377,772	95,287	438,654	55,945	257	856,227	173,645	224,585
Other Changes in Fund Balances - Increases (Decreases) (Describe & Itemize)										
Fund Balances - June 30, 2017		621,992	470,243	107,943	340,136	90,767	260	1,473,952	189,359	281,828

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Acct #	(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
		Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
RECEIPTS/REVENUES FROM LOCAL SOURCES (1000)										
AD VALOREM TAXES LEVIED BY LOCAL EDUCATION AGENCY	1100									
Designated Purposes Levies (1110-1120) ⁷		3,168,126	549,383	1,152,880	221,763	179,808		54,950	307,931	54,950
Leasing Purposes Levy ⁸	1130	53,950								
Special Education Purposes Levy	1140	44,465								
FICA/Medicare Only Purposes Levies	1150					200,785				
Area Vocational Construction Purposes Levy	1160									
Summer School Purposes Levy	1170									
Other Tax Levies (Describe & Itemize)	1190									
Total Ad Valorem Taxes Levied By District		3,266,541	549,383	1,152,880	221,763	380,593	0	54,950	307,931	54,950
PAYMENTS IN LIEU OF TAXES	1200									
Mobile Home Privilege Tax	1210									
Payments from Local Housing Authorities	1220									
Corporate Personal Property Replacement Taxes ⁹	1230	118,274								
Other Payments in Lieu of Taxes (Describe & Itemize)	1290									
Total Payments in Lieu of Taxes		118,274	0	0	0	0	0	0	0	0
TUITION	1300									
Regular - Tuition from Pupils or Parents (In State)	1311									
Regular - Tuition from Other Districts (In State)	1312									
Regular - Tuition from Other Sources (In State)	1313									
Regular - Tuition from Other Sources (Out of State)	1314									
Summer Sch - Tuition from Pupils or Parents (In State)	1321									
Summer Sch - Tuition from Other Districts (In State)	1322									
Summer Sch - Tuition from Other Sources (In State)	1323									
Summer Sch - Tuition from Other Sources (Out of State)	1324									
CTE - Tuition from Pupils or Parents (In State)	1331									
CTE - Tuition from Other Districts (In State)	1332									
CTE - Tuition from Other Sources (In State)	1333									
CTE - Tuition from Other Sources (Out of State)	1334									
Special Ed - Tuition from Pupils or Parents (In State)	1341									
Special Ed - Tuition from Other Districts (In State)	1342									
Special Ed - Tuition from Other Sources (In State)	1343									
Special Ed - Tuition from Other Sources (Out of State)	1344									
Adult - Tuition from Pupils or Parents (In State)	1351									
Adult - Tuition from Other Districts (In State)	1352									
Adult - Tuition from Other Sources (In State)	1353									
Adult - Tuition from Other Sources (Out of State)	1354									
Total Tuition		0								
TRANSPORTATION FEES	1400									
Regular - Transp Fees from Pupils or Parents (In State)	1411									
Regular - Transp Fees from Other Districts (In State)	1412									
Regular - Transp Fees from Other Sources (In State)	1413									
Regular - Transp Fees from Co-curricular Activities (In State)	1415				4,894					
Regular Transp Fees from Other Sources (Out of State)	1416									
Summer Sch - Transp. Fees from Pupils or Parents (In State)	1421									
Summer Sch - Transp. Fees from Other Districts (In State)	1422									
Summer Sch - Transp. Fees from Other Sources (In State)	1423									
Summer Sch - Transp. Fees from Other Sources (Out of State)	1424									

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Acct #	(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
		Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
CTE - Transp Fees from Pupils or Parents (In State)	1431									
CTE - Transp Fees from Other Districts (In State)	1432									
CTE - Transp Fees from Other Sources (In State)	1433									
CTE - Transp Fees from Other Sources (Out of State)	1434									
Special Ed - Transp Fees from Pupils or Parents (In State)	1441									
Special Ed - Transp Fees from Other Districts (In State)	1442				47,554					
Special Ed - Transp Fees from Other Sources (In State)	1443									
Special Ed - Transp Fees from Other Sources (Out of State)	1444									
Adult - Transp Fees from Pupils or Parents (In State)	1451									
Adult - Transp Fees from Other Districts (In State)	1452									
Adult - Transp Fees from Other Sources (In State)	1453									
Adult - Transp Fees from Other Sources (Out of State)	1454									
Total Transportation Fees					52,448					
EARNINGS ON INVESTMENTS	1500									
Interest on Investments	1510	10,862	5,252	3,471	3,885	1,962	3	12,514	2,742	2,698
Gain or Loss on Sale of Investments	1520									
Total Earnings on Investments		10,862	5,252	3,471	3,885	1,962	3	12,514	2,742	2,698
FOOD SERVICE	1600									
Sales to Pupils - Lunch	1611	130,912								
Sales to Pupils - Breakfast	1612									
Sales to Pupils - A la Carte	1613	105,530								
Sales to Pupils - Other (Describe & Itemize)	1614									
Sales to Adults	1620									
Other Food Service (Describe & Itemize)	1690									
Total Food Service		236,442								
DISTRICT/SCHOOL ACTIVITY INCOME	1700									
Admissions - Athletic	1711	22,436								
Admissions - Other (Describe & Itemize)	1719									
Fees	1720	37,064								
Book Store Sales	1730									
Other District/School Activity Revenue (Describe & Itemize)	1790	10,462								
Total District/School Activity Income		69,962	0							
TEXTBOOK INCOME	1800									
Rentals - Regular Textbooks	1811	93,295								
Rentals - Summer School Textbooks	1812	1,400								
Rentals - Adult/Continuing Education Textbooks	1813									
Rentals - Other (Describe & Itemize)	1819									
Sales - Regular Textbooks	1821									
Sales - Summer School Textbooks	1822									
Sales - Adult/Continuing Education Textbooks	1823									
Sales - Other (Describe & Itemize)	1829									
Other (Describe & Itemize)	1890									
Total Textbook Income		94,695								
OTHER REVENUE FROM LOCAL SOURCES	1900									
Rentals	1910	330								
Contributions and Donations from Private Sources	1920	13,351	2,587							
Impact Fees from Municipal or County Governments	1930									
Services Provided Other Districts	1940	34,152								
Refund of Prior Years' Expenditures	1950	57,864								
Payments of Surplus Moneys from TIF Districts	1960	95,226								

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Acct #	(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
		Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
Drivers' Education Fees	1970	16,210								
Proceeds from Vendors' Contracts	1980	6,140								
School Facility Occupation Tax Proceeds	1983									
Payment from Other Districts	1991									
Sale of Vocational Projects	1992									
Other Local Fees (Describe & Itemize)	1993									
Other Local Revenues (Describe & Itemize)	1999				14,484					
Total Other Revenue from Local Sources		223,273	2,587	0	14,484	0	0	0	0	0
Total Receipts/Revenues from Local Sources	1000	4,020,049	557,222	1,156,351	292,580	382,555	3	67,464	310,673	57,648
FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT (2000)										
Flow-through Revenue from State Sources	2100									
Flow-through Revenue from Federal Sources	2200									
Other Flow-Through (Describe & Itemize)	2300									
Total Flow-Through Receipts/Revenues from One District to Another District	2000	0	0		0	0				
RECEIPTS/REVENUES FROM STATE SOURCES (3000)										
UNRESTRICTED GRANTS-IN-AID (3001-3099)										
General State Aid- Sec. 18-8.05	3001	2,743,542	300,000							
General State Aid - Hold Harmless/Supplemental	3002									
Reorganization Incentives (Accounts 3005-3021)	3005									
Other Unrestricted Grants-In-Aid from State Sources (Describe & Itemize)	3099									
Total Unrestricted Grants-In-Aid		2,743,542	300,000	0	0	0	0		0	0
RESTRICTED GRANTS-IN-AID (3100 - 3900)										
SPECIAL EDUCATION										
Special Education - Private Facility Tuition	3100	79,108								
Special Education - Funding for Children Requiring Sp ED Services	3105	100,928								
Special Education - Personnel	3110	171,214								
Special Education - Orphanage - Individual	3120	60,110								
Special Education - Orphanage - Summer Individual	3130									
Special Education - Summer School	3145									
Special Education - Other (Describe & Itemize)	3199									
Total Special Education		411,360	0		0					
CAREER AND TECHNICAL EDUCATION (CTE)										
CTE - Technical Education - Tech Prep	3200									
CTE - Secondary Program Improvement (CTEI)	3220									
CTE - WECEP	3225									
CTE - Agriculture Education	3235									
CTE - Instructor Practicum	3240									
CTE - Student Organizations	3270									
CTE - Other (Describe & Itemize)	3299									
Total Career and Technical Education		0	0			0				
BILINGUAL EDUCATION										
Bilingual Ed - Downstate - TPI and TBE	3305									
Bilingual Education Downstate - Transitional Bilingual Education	3310									
Total Bilingual Ed		0				0				

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Acct #	(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
		Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
State Free Lunch & Breakfast	3360	305								
School Breakfast Initiative	3365									
Driver Education	3370	9,784								
Adult Ed (from ICCB)	3410									
Adult Ed - Other (Describe & Itemize)	3499									
TRANSPORTATION										
Transportation - Regular and Vocational	3500				75,885					
Transportation - Special Education	3510				95,928					
Transportation - Other (Describe & Itemize)	3599									
Total Transportation		0	0		171,813	0				
Learning Improvement - Change Grants	3610									
Scientific Literacy	3660									
Truant Alternative/Optional Education	3695									
Early Childhood - Block Grant	3705	64,847			9,331					
Reading Improvement Block Grant	3715									
Reading Improvement Block Grant - Reading Recovery	3720									
Continued Reading Improvement Block Grant	3725									
Continued Reading Improvement Block Grant (2% Set Aside)	3726									
Chicago General Education Block Grant	3766									
Chicago Educational Services Block Grant	3767									
School Safety & Educational Improvement Block Grant	3775									
Technology - Technology for Success	3780									
State Charter Schools	3815									
Extended Learning Opportunities - Summer Bridges	3825									
Infrastructure Improvements - Planning/Construction	3920									
School Infrastructure - Maintenance Projects	3925									
Other Restricted Revenue from State Sources (Describe & Itemize)	3999									
Total Restricted Grants-In-Aid		486,296	0	0	181,144	0	0	0	0	0
Total Receipts from State Sources	3000	3,229,838	300,000	0	181,144	0	0	0	0	0
RECEIPTS/REVENUES FROM FEDERAL SOURCES (4000)										
UNRESTRICTED GRANTS-IN-AID RECEIVED DIRECTLY FROM FEDERAL GOVT (4001-4009)										
Federal Impact Aid	4001									
Other Unrestricted Grants-In-Aid Received Directly from the Fed Govt (Describe & Itemize)	4009									
Total Unrestricted Grants-In-Aid Received Directly from the Federal Govt		0	0	0	0	0	0	0	0	0
RESTRICTED GRANTS-IN-AID RECEIVED DIRECTLY FROM FEDERAL GOVT (4045-4090)										
Head Start	4045									
Construction (Impact Aid)	4050									
MAGNET	4060									
Other Restricted Grants-In-Aid Received Directly from the Federal Govt (Describe & Itemize)	4090									
Total Restricted Grants-In-Aid Received Directly from Federal Govt		0	0		0	0	0			0
RESTRICTED GRANTS-IN-AID RECEIVED FROM FEDERAL GOVT THRU THE STATE (4100-4999)										
TITLE VI										
Title VI - Innovation and Flexibility Formula	4100									
Title VI - District Projects	4105									

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Acct #	(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
		Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
Title VI - Rural Education Initiative (REI)	4107									
Title VI - Other (Describe & Itemize)	4199									
Total Title VI		0	0		0	0				
FOOD SERVICE										
Breakfast Start-Up Expansion	4200									
National School Lunch Program	4210	107,194								
Special Milk Program	4215									
School Breakfast Program	4220									
Summer Food Service Program	4225									
Child Adult Care Food Program	4226									
Fresh Fruits & Vegetables	4240									
Food Service - Other (Describe & Itemize)	4299									
Total Food Service		107,194				0				
TITLE I										
Title I - Low Income	4300	51,469								
Title I - Low Income - Neglected, Private	4305									
Title I - Comprehensive School Reform	4332									
Title I - Reading First	4334									
Title I - Even Start	4335									
Title I - Reading First SEA Funds	4337									
Title I - Migrant Education	4340									
Title I - Other (Describe & Itemize)	4399									
Total Title I		51,469	0		0	0				
TITLE IV										
Title IV - Safe & Drug Free Schools - Formula	4400									
Title IV - 21st Century Comm Learning Centers	4421									
Title IV - Other (Describe & Itemize)	4499									
Total Title IV		0	0		0	0				
FEDERAL - SPECIAL EDUCATION										
Fed - Spec Education - Preschool Flow-Through	4600	6,475								
Fed - Spec Education - Preschool Discretionary	4605									
Fed - Spec Education - IDEA - Flow Through	4620	107,734								
Fed - Spec Education - IDEA - Room & Board	4625									
Fed - Spec Education - IDEA - Discretionary	4630									
Fed - Spec Education - IDEA - Other (Describe & Itemize)	4699									
Total Federal - Special Education		114,209	0		0	0				
CTE - PERKINS										
CTE - Perkins - Title III E - Tech Prep	4770									
CTE - Other (Describe & Itemize)	4799									
Total CTE - Perkins		0	0			0				
Federal - Adult Education	4810									
ARRA - General State Aid - Education Stabilization	4850									
ARRA - Title I - Low Income	4851									
ARRA - Title I - Neglected, Private	4852									
ARRA - Title I - Delinquent, Private	4853									
ARRA - Title I - School Improvement (Part A)	4854									
ARRA - Title I - School Improvement (Section 1003g)	4855									
ARRA - IDEA - Part B - Preschool	4856									
ARRA - IDEA - Part B - Flow-Through	4857									
ARRA - Title IID - Technology-Formula	4860									
ARRA - Title IID - Technology-Competitive	4861									

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Acct #	(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
		Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
ARRA - McKinney - Vento Homeless Education	4862									
ARRA - Child Nutrition Equipment Assistance	4863									
Impact Aid Formula Grants	4864									
Impact Aid Competitive Grants	4865									
Qualified Zone Academy Bond Tax Credits	4866									
Qualified School Construction Bond Credits	4867									
Build America Bond Tax Credits	4868									
Build America Bond Interest Reimbursement	4869									
ARRA - General State Aid - Other Govt Services Stabilization	4870									
Other ARRA Funds - II	4871									
Other ARRA Funds - III	4872									
Other ARRA Funds - IV	4873									
Other ARRA Funds - V	4874									
ARRA - Early Childhood	4875									
Other ARRA Funds VII	4876									
Other ARRA Funds VIII	4877									
Other ARRA Funds IX	4878									
Other ARRA Funds X	4879									
Other ARRA Funds Ed Job Fund Program	4880									
Total Stimulus Programs		0	0	0	0	0	0		0	0
Race to the Top Program	4901									
Race to the Top - Preschool Expansion Grant	4902									
Advanced Placement Fee/International Baccalaureate	4904									
Title III - Immigrant Education Program (IEP)	4905									
Title III - Language Inst Program - Limited Eng (LIPLEP)	4909									
Learn & Serve America	4910									
McKinney Education for Homeless Children	4920									
Title II - Eisenhower Professional Development Formula	4930									
Title II - Teacher Quality	4932	22,972								
Federal Charter Schools	4960									
Medicaid Matching Funds - Administrative Outreach	4991	12,281								
Medicaid Matching Funds - Fee-for-Service Program	4992	27,851								
Other Restricted Revenue from Federal Sources (Describe & Itemize)	4999	11,644								
Total Restricted Grants-In-Aid Received from the Federal Govt Thru the State		347,620	0	0	0	0	0		0	0
Total Receipts/Revenues from Federal Sources	4000	347,620	0	0	0	0	0	0	0	0
Total Direct Receipts/Revenues		7,597,507	857,222	1,156,351	473,724	382,555	3	67,464	310,673	57,648

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
10 - EDUCATIONAL FUND (ED)											
INSTRUCTION (ED)	1000										
Regular Programs	1100	2,779,045	643,938	25,087	73,307					3,521,377	3,524,667
Tuition Payment to Charter Schools	1115									0	
Pre-K Programs	1125	62,254	15,357	600	3,763					81,974	77,019
Special Education Programs (Functions 1200-1220)	1200	912,076	197,010	7,476	6,483					1,123,045	1,110,705
Special Education Programs Pre-K	1225									0	
Remedial and Supplemental Programs K-12	1250									0	
Remedial and Supplemental Programs Pre-K	1275									0	
Adult/Continuing Education Programs	1300									0	
CTE Programs	1400	173,788	46,804	5,333	19,173					245,098	238,443
Interscholastic Programs	1500	202,635	28,209	46,609	22,319					299,772	292,885
Summer School Programs	1600	6,954	609	490			200			8,253	8,466
Gifted Programs	1650									0	
Driver's Education Programs	1700	40,603	11,342		596					52,541	49,780
Bilingual Programs	1800									0	
Truant Alternative & Optional Programs	1900									0	
Pre-K Programs - Private Tuition	1910									0	
Regular K-12 Programs - Private Tuition	1911									0	
Special Education Programs K-12 - Private Tuition	1912						244,377			244,377	250,000
Special Education Programs Pre-K - Tuition	1913									0	
Remedial/Supplemental Programs K-12 - Private Tuition	1914									0	
Remedial/Supplemental Programs Pre-K - Private Tuition	1915									0	
Adult/Continuing Education Programs - Private Tuition	1916									0	
CTE Programs - Private Tuition	1917									0	
Interscholastic Programs - Private Tuition	1918									0	
Summer School Programs - Private Tuition	1919									0	
Gifted Programs - Private Tuition	1920									0	
Bilingual Programs - Private Tuition	1921									0	
Truants Alternative/Optional Ed Progrms - Private Tuition	1922									0	
Total Instruction ¹⁰	1000	4,177,355	943,269	85,595	125,641	0	244,577	0	0	5,576,437	5,551,965
SUPPORT SERVICES (ED)	2000										
SUPPORT SERVICES - PUPILS											
Attendance & Social Work Services	2110	82,423	24,646							107,069	97,985
Guidance Services	2120	51,079	13,104	64	6					64,253	65,412
Health Services	2130			1,654	735					2,389	2,139
Psychological Services	2140	43,520	12,427							55,947	56,870
Speech Pathology & Audiology Services	2150	113,090	32,963							146,053	147,305
Other Support Services - Pupils (Describe & Itemize)	2190	60,867	8,456							69,323	68,880
Total Support Services - Pupils	2100	350,979	91,596	1,718	741	0	0	0	0	445,034	438,591
SUPPORT SERVICES - INSTRUCTIONAL STAFF											
Improvement of Instruction Services	2210			8,207	2,097					10,304	11,210
Educational Media Services	2220	141,945	39,409	6,883	1,698					189,935	189,365
Assessment & Testing	2230									0	
Total Support Services - Instructional Staff	2200	141,945	39,409	15,090	3,795	0	0	0	0	200,239	200,575
SUPPORT SERVICES - GENERAL ADMINISTRATION											
Board of Education Services	2310	1,126		30,911	376		4,470			36,883	28,325
Executive Administration Services	2320	118,389	34,856	18,126	1,638		1,364			174,373	171,482
Special Area Administration Services	2330	31,064	5,950							37,014	37,116
Tort Immunity Services	2360 - 2370									0	
Total Support Services - General Administration	2300	150,579	40,806	49,037	2,014	0	5,834	0	0	248,270	236,923

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
SUPPORT SERVICES - SCHOOL ADMINISTRATION											
Office of the Principal Services	2410	400,572	105,694	8,415	10,240		2,842			527,763	536,816
Other Support Services - School Admin (Describe & Itemize)	2490									0	
Total Support Services - School Administration	2400	400,572	105,694	8,415	10,240	0	2,842	0	0	527,763	536,816
SUPPORT SERVICES - BUSINESS											
Direction of Business Support Services	2510									0	
Fiscal Services	2520	54,549	6,906	415	1,617					63,487	65,715
Operation & Maintenance of Plant Services	2540			88,625						88,625	89,000
Pupil Transportation Services	2550	375	797	484						1,656	12,225
Food Services	2560	134,734	27,103	1,398	199,769	2,046				365,050	363,154
Internal Services	2570									0	
Total Support Services - Business	2500	189,658	34,806	90,922	201,386	2,046	0	0	0	518,818	530,094
SUPPORT SERVICES - CENTRAL											
Direction of Central Support Services	2610									0	
Planning, Research, Development, & Evaluation Services	2620									0	
Information Services	2630									0	
Staff Services	2640									0	
Data Processing Services	2660			95,023	4,256	47,254				146,533	162,045
Total Support Services - Central	2600	0	0	95,023	4,256	47,254	0	0	0	146,533	162,045
Other Support Services (Describe & Itemize)	2900									0	
Total Support Services	2000	1,233,733	312,311	260,205	222,432	49,300	8,676	0	0	2,086,657	2,105,044
COMMUNITY SERVICES (ED)	3000	23,484	3,303	665	2,928					30,380	30,298
PAYMENTS TO OTHER DISTRICTS & GOVT UNITS (ED)	4000										
PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
Payments for Regular Programs	4110									0	
Payments for Special Education Programs	4120			40,531			107,690			148,221	176,750
Payments for Adult/Continuing Education Programs	4130									0	
Payments for CTE Programs	4140									0	
Payments for Community College Programs	4170									0	
Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
Total Payments to Other Govt Units (In-State)	4100			40,531			107,690			148,221	176,750
Payments for Regular Programs - Tuition	4210									0	
Payments for Special Education Programs - Tuition	4220									0	
Payments for Adult/Continuing Education Programs - Tuition	4230									0	
Payments for CTE Programs - Tuition	4240									0	
Payments for Community College Programs - Tuition	4270									0	
Payments for Other Programs - Tuition	4280									0	
Other Payments to In-State Govt Units	4290									0	
Total Payments to Other Govt Units -Tuition (In State)	4200						0			0	0
Payments for Regular Programs - Transfers	4310									0	
Payments for Special Education Programs - Transfers	4320									0	
Payments for Adult/Continuing Ed Programs-Transfers	4330									0	

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
Payments for CTE Programs - Transfers	4340									0	
Payments for Community College Program - Transfers	4370									0	
Payments for Other Programs - Transfers	4380									0	
Other Payments to In-State Govt Units - Transfers	4390									0	
Total Payments to Other Govt Units -Transfers (In-State)	4300			0			0			0	0
Payments to Other Govt Units (Out-of-State)	4400									0	
Total Payments to Other Govt Units	4000			40,531			107,690			148,221	176,750
DEBT SERVICES (ED)	5000										
DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Tax Anticipation Notes	5120									0	
Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
State Aid Anticipation Certificates	5140									0	
Other Interest on Short-Term Debt	5150									0	
Total Interest on Short-Term Debt	5100						0			0	0
Debt Services - Interest on Long-Term Debt	5200									0	
Total Debt Services	5000						0			0	0
PROVISIONS FOR CONTINGENCIES (ED)	6000										
Total Direct Disbursements/Expenditures		5,434,572	1,258,883	386,996	351,001	49,300	360,943	0	0	7,841,695	7,864,057
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										(244,188)	
20 - OPERATIONS & MAINTENANCE FUND (O&M)											
SUPPORT SERVICES (O&M)	2000										
SUPPORT SERVICES - PUPILS											
Other Support Services - Pupils (Describe & Itemize)	2190									0	
SUPPORT SERVICES - BUSINESS											
Direction of Business Support Services	2510									0	
Facilities Acquisition & Construction Services	2530									0	
Operation & Maintenance of Plant Services	2540	292,968	38,759	121,465	286,887	24,672				764,751	771,226
Pupil Transportation Services	2550									0	
Food Services	2560									0	
Total Support Services - Business	2500	292,968	38,759	121,465	286,887	24,672	0	0	0	764,751	771,226
Other Support Services (Describe & Itemize)	2900									0	
Total Support Services	2000	292,968	38,759	121,465	286,887	24,672	0	0	0	764,751	771,226
COMMUNITY SERVICES (O&M)	3000									0	
PAYMENTS TO OTHER DIST & GOVT UNITS (O&M)	4000										
PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
Payments for Special Education Programs	4120									0	
Payments for CTE Programs	4140									0	
Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
Total Payments to Other Govt. Units (In-State)	4100			0			0			0	0
Payments to Other Govt. Units (Out of State)	4400									0	
Total Payments to Other Govt Units	4000			0			0			0	0
DEBT SERVICES (O&M)	5000										
DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Tax Anticipation Notes	5120									0	

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
State Aid Anticipation Certificates	5140									0	
Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
Total Debt Service - Interest on Short-Term Debt	5100						0			0	0
DEBT SERVICE - INTERST ON LONG-TERM DEBT	5200									0	
Total Debt Services	5000						0			0	0
PROVISIONS FOR CONTINGENCIES (O&M)	6000										
Total Direct Disbursements/Expenditures		292,968	38,759	121,465	286,887	24,672	0	0	0	764,751	771,226
Excess (Deficiency) of Receipts/Revenues/Over Disbursements/										92,471	
30 - DEBT SERVICES (DS)											
PAYMENTS TO OTHER DIST & GOVT UNITS (DS)	4000									0	
DEBT SERVICES (DS)	5000										
DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Tax Anticipation Notes	5120									0	
Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
State Aid Anticipation Certificates	5140									0	
Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
Total Debt Services - Interest On Short-Term Debt	5100						0			0	0
DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200						228,175			228,175	228,175
DEBT SERVICES - PAYMENTS OF PRINCIPAL ON LONG-TERM DEBT (Lease/Purchase Principal Retired) ¹¹	5300						915,000			915,000	915,000
DEBT SERVICES - OTHER (Describe & Itemize)	5400			18,820						18,820	18,820
Total Debt Services	5000			18,820			1,143,175			1,161,995	1,161,995
PROVISION FOR CONTINGENCIES (DS)	6000										
Total Disbursements/ Expenditures				18,820			1,143,175			1,161,995	1,161,995
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										(5,644)	
40 - TRANSPORTATION FUND (TR)											
SUPPORT SERVICES (TR)											
SUPPORT SERVICES - PUPILS											
Other Support Services - Pupils (Describe & Itemize)	2190									0	
SUPPORT SERVICES - BUSINESS											
Pupil Transportation Services	2550	359,942	33,975	26,311	98,693	49,131	4,190			572,242	521,848
Other Support Services (Describe & Itemize)	2900									0	
Total Support Services	2000	359,942	33,975	26,311	98,693	49,131	4,190	0	0	572,242	521,848
COMMUNITY SERVICES (TR)	3000									0	
PAYMENTS TO OTHER DIST & GOVT UNITS (TR)	4000										
PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
Payments for Regular Programs	4110									0	
Payments for Special Education Programs	4120									0	
Payments for Adult/Continuing Education Programs	4130									0	
Payments for CTE Programs	4140									0	
Payments for Community College Programs	4170									0	
Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
Total Payments to Other Govt. Units (In-State)	4100			0			0			0	0

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
PAYMENTS TO OTHER GOVT UNITS (OUT-OF-STATE)	4400									0	
Total Payments to Other Govt Units	4000			0			0			0	0
DEBT SERVICES (TR)	5000										
DEBT SERVICE - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Tax Anticipation Notes	5120									0	
Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
State Aid Anticipation Certificates	5140									0	
Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
Total Debt Services - Interest On Short-Term Debt	5100						0			0	0
DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200									0	
DEBT SERVICE - PAYMENTS OF PRINCIPAL ON LONG-TERM DEBT (Lease/Purchase Principal Retired) ¹¹	5300									0	
DEBT SERVICES - OTHER (Describe & Itemize)	5400									0	
Total Debt Services	5000						0			0	0
PROVISION FOR CONTINGENCIES (TR)	6000										
Total Disbursements/ Expenditures		359,942	33,975	26,311	98,693	49,131	4,190	0	0	572,242	521,848
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										(98,518)	
50 - MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND (MR/SS)											
INSTRUCTION (MR/SS)	1000										
Regular Programs	1100		62,062							62,062	62,330
Pre-K Programs	1125		4,240							4,240	4,097
Special Education Programs (Functions 1200-1220)	1200		72,265							72,265	74,500
Special Education Programs - Pre-K	1225									0	
Remedial and Supplemental Programs - K-12	1250									0	
Remedial and Supplemental Programs - Pre-K	1275									0	
Adult/Continuing Education Programs	1300									0	
CTE Programs	1400		2,345							2,345	2,275
Interscholastic Programs	1500		6,298							6,298	7,325
Summer School Programs	1600		451							451	655
Gifted Programs	1650									0	
Driver's Education Programs	1700		573							573	600
Bilingual Programs	1800									0	
Truants' Alternative & Optional Programs	1900									0	
Total Instruction	1000		148,234							148,234	151,782
SUPPORT SERVICES (MR/SS)	2000										
SUPPORT SERVICES - PUPILS											
Attendance & Social Work Services	2110		1,102							1,102	1,200
Guidance Services	2120		718							718	725
Health Services	2130									0	
Psychological Services	2140		615							615	625
Speech Pathology & Audiology Services	2150		1,420							1,420	1,500
Other Support Services - Pupils (Describe & Itemize)	2190		10,078							10,078	10,325
Total Support Services - Pupils	2100		13,933							13,933	14,375
SUPPORT SERVICES - INSTRUCTIONAL STAFF											
Improvement of Instruction Services	2210									0	
Educational Media Services	2220		5,553							5,553	5,893
Assessment & Testing	2230									0	
Total Support Services - Instructional Staff	2200		5,553							5,553	5,893

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
SUPPORT SERVICES - GENERAL ADMINISTRATION											
Board of Education Services	2310		199							199	213
Executive Administration Services	2320		5,667							5,667	6,043
Service Area Administrative Services	2330		442							442	445
Claims Paid from Self Insurance Fund	2361									0	
Workers' Compensation or Workers' Occupation Disease Acts Payments	2362									0	
Unemployment Insurance Payments	2363									0	
Insurance Payments (Regular or Self-Insurance)	2364									0	
Risk Management and Claims Services Payments	2365									0	
Judgment and Settlements	2366									0	
Educational, Inspectional, Supervisory Services Related to Loss Prevention or Reduction	2367		12,610							12,610	
Reciprocal Insurance Payments	2368									0	
Legal Services	2369									0	
Total Support Services - General Administration	2300		18,918							18,918	6,701
SUPPORT SERVICES - SCHOOL ADMINISTRATION											
Office of the Principal Services	2410		25,948							25,948	26,270
Other Support Services - School Administration (Describe & Itemize)	2490									0	
Total Support Services - School Administration	2400		25,948							25,948	26,270
SUPPORT SERVICES - BUSINESS											
Direction of Business Support Services	2510									0	
Fiscal Services	2520		9,357							9,357	9,440
Facilities Acquisition & Construction Services	2530									0	
Operation & Maintenance of Plant Services	2540		50,096							50,096	56,300
Pupil Transportation Services	2550		50,099							50,099	51,580
Food Services	2560		21,494							21,494	21,665
Internal Services	2570									0	
Total Support Services - Business	2500		131,046							131,046	138,985
SUPPORT SERVICES - CENTRAL											
Direction of Central Support Services	2610									0	
Planning, Research, Development, & Evaluation Services	2620									0	
Information Services	2630									0	
Staff Services	2640									0	
Data Processing Services	2660									0	
Total Support Services - Central	2600		0							0	0
Other Support Services (Describe & Itemize)	2900									0	
Total Support Services	2000		195,398							195,398	192,224
COMMUNITY SERVICES (MR/SS)	3000		4,101							4,101	4,185
PAYMENTS TO OTHER DIST & GOVT UNITS (MR/SS)											
Payments for Special Education Programs	4120									0	
Payments for CTE Programs	4140									0	
Total Payments to Other Govt Units	4000		0							0	0
DEBT SERVICES (MR/SS)											
DEBT SERVICE - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Tax Anticipation Notes	5120									0	
Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
State Aid Anticipation Certificates	5140									0	
Other (Describe & Itemize)	5150									0	
Total Debt Services - Interest	5000						0			0	0
PROVISION FOR CONTINGENCIES (MR/SS)	6000										
Total Disbursements/Expenditures			347,733				0			347,733	348,191
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										34,822	
60 - CAPITAL PROJECTS (CP)											
SUPPORT SERVICES (CP)	2000										
SUPPORT SERVICES - BUSINESS											
Facilities Acquisition and Construction Services	2530									0	
Other Support Services (Describe & Itemize)	2900									0	
Total Support Services	2000	0	0	0	0	0	0	0	0	0	0
PAYMENTS TO OTHER DIST & GOVT UNITS (CP)	4000										
PAYMENTS TO OTHER GOVT UNITS (In-State)											
Payments to Other Govt Units (In-State)	4100									0	
Payments for Special Education Programs	4120									0	
Payments for CTE Programs	4140									0	
Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
Total Payments to Other Govt Units	4000			0			0			0	0
PROVISION FOR CONTINGENCIES (S&C/CI)	6000										
Total Disbursements/ Expenditures		0	0	0	0	0	0	0	0	0	0
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										3	
70 - WORKING CASH (WC)											
80 - TORT FUND (TF)											
SUPPORT SERVICES - GENERAL ADMINISTRATION											
Claims Paid from Self Insurance Fund	2361									0	
Workers' Compensation or Workers' Occupation Disease Acts Payments	2362									0	
Unemployment Insurance Payments	2363		10,940							10,940	7,280
Insurance Payments (Regular or Self-Insurance)	2364			119,476						119,476	118,600
Risk Management and Claims Services Payments	2365									0	
Judgment and Settlements	2366									0	
Educational, Inspectional, Supervisory Services Related to Loss Prevention or Reduction	2367	151,964	11,723							163,687	176,694
Reciprocal Insurance Payments	2368									0	
Legal Services	2369			856						856	1,000
Property Insurance (Buildings & Grounds)	2371									0	
Vehicle Insurance (Transportation)	2372									0	
Total Support Services - General Administration	2000	151,964	22,663	120,332	0	0	0	0	0	294,959	303,574
DEBT SERVICES (TF)	5000										
DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2017**

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
Other Interest or Short-Term Debt	5150									0	
Total Debt Services - Interest on Short-Term Debt	5000						0			0	0
PROVISIONS FOR CONTINGENCIES (TF)	6000										
Total Disbursements/Expenditures		151,964	22,663	120,332	0	0	0	0	0	294,959	303,574
Excess (Deficiency) of Receipts/Revenues Over										15,714	
90 - FIRE PREVENTION & SAFETY FUND (FP&S)											
SUPPORT SERVICES (FP&S)	2000										
SUPPORT SERVICES - BUSINESS											
Facilities Acquisition & Construction Services	2530									0	
Operation & Maintenance of Plant Services	2540			405						405	405
Total Support Services - Business	2500	0	0	405	0	0	0	0	0	405	405
Other Support Services (Describe & Itemize)	2900									0	
Total Support Services	2000	0	0	405	0	0	0	0	0	405	405
PAYMENTS TO OTHER DIST & GOVT UNITS (FP&S)	4000										
Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
Total Payments to Other Govt Units	4000						0			0	0
DEBT SERVICES (FP&S)	5000										
DEBT SERVICES- INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
Total Debt Service - Interest on Short-Term Debt	5100						0			0	0
DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200									0	
Debt Service - Payments of Principal on Long-Term Debt ¹⁵ (Lease/Purchase Principal Retired)	5300									0	
Total Debt Service	5000						0			0	0
PROVISION FOR CONTINGENCIES (FP&S)	6000										
Total Disbursements/Expenditures		0	0	405	0	0	0	0	0	405	405
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										57,243	

The accompanying notes are an integral part of these financial statements.

SCHEDULE OF AD VALOREM TAX RECEIPTS					
Description (Enter Whole Dollars)	Taxes Received 7-1-16 Thru 6-30-17 (from 2015 Levy & Prior Levies) *	Taxes Received (from the 2016 Levy)	Taxes Received (from 2015 & Prior Levies) (Column B - C)	Total Estimated Taxes (from the 2016 Levy)	Estimated Taxes Due (from the 2016 Levy) (Column E - C)
Educational	3,168,126		3,168,126		0
Operations & Maintenance	549,383		549,383		0
Debt Services **	1,152,880		1,152,880		0
Transportation	221,763		221,763		0
Municipal Retirement	179,808		179,808		0
Capital Improvements	0		0		0
Working Cash	54,950		54,950		0
Tort Immunity	307,931		307,931		0
Fire Prevention & Safety	54,950		54,950		0
Leasing Levy	53,950		53,950		0
Special Education	44,465		44,465		0
Area Vocational Construction	0		0		0
Social Security/Medicare Only	200,785		200,785		0
Summer School	0		0		0
Other (Describe & Itemize)	0		0		0
Totals	5,988,991	0	5,988,991	0	0

* The formulas in column B are unprotected to be overridden when reporting on a ACCRUAL basis.

** All tax receipts for debt service payments on bonds must be recorded on line 6 (Debt Services).

SCHEDULE OF SHORT-TERM DEBT				
Description (Enter Whole Dollars)	Outstanding Beginning 07/01/16	Issued 07/01/16 Through 06/30/17	Retired 07/01/16 Through 06/30/17	Outstanding Ending 06/30/17
CORPORATE PERSONAL PROPERTY REPLACEMENT TAX ANTICIPATION NOTES (CPPRT)				
Total CPPRT Notes				0
TAX ANTICIPATION WARRANTS (TAW)				
Educational Fund				0
Operations & Maintenance Fund				0
Debt Services - Construction				0
Debt Services - Working Cash				0
Debt Services - Refunding Bonds				0
Transportation Fund				0
Municipal Retirement/Social Security Fund				0
Fire Prevention & Safety Fund				0
Other - (Describe & Itemize)				0
Total TAWs	0	0	0	0
TAX ANTICIPATION NOTES (TAN)				
Educational Fund				0
Operations & Maintenance Fund				0
Fire Prevention & Safety Fund				0
Other - (Describe & Itemize)				0
Total TANS	0	0	0	0
TEACHERS/EMPLOYEES' ORDERS (T/EO)				
Total T/EOs (Educational, Operations & Maintenance, & Transportation Funds)				0
GENERAL STATE-AID ANTICIPATION CERTIFICATES (GSAAC)				
Total GSAACs (All Funds)				0
OTHER SHORT-TERM BORROWING				
Total Other Short-Term Borrowing (Describe & Itemize)				0

SCHEDULE OF LONG-TERM DEBT									
Identification or Name of Issue	Date of Issue (mm/dd/yy)	Amount of Original Issue	Type of Issue *	Outstanding Beginning 07/1/16	Issued 7/1/16 thru 6/30/17	Any differences described and itemized	Retired 7/1/16 thru 6/30/17	Outstanding Ending 6/30/17	Amount to be Provided for Payment on Long-Term Debt
2007 Building Bonds	02/01/07	6,270,000	6	5,265,000			380,000	4,885,000	4,777,057
2015 GOB Working Cash	02/05/15	1,050,000	2	535,000			535,000	0	0
2017 GOB Working Cash	01/09/17	1,100,000	2		1,100,000			1,100,000	1,100,000
Chromebooks Capital Lease	10/22/15	83,067	7	52,747			25,061	27,686	27,686
Surface Tablet Capital Lease	06/29/15	19,194	7		19,194		6,094	13,100	13,100
2014 IC-CE Bus Capital Lease	02/01/17	54,382	7		54,382		14,000	40,382	40,382
								0	
								0	
								0	
								0	
								0	
								0	
								0	
								0	
								0	
								0	
								0	
		8,576,643		5,852,747	1,173,576	0	960,155	6,066,168	5,958,225

* Each type of debt issued must be identified separately with the amount:

- | | | |
|----------------------------|---|-------------------------------|
| 1. Working Cash Fund Bonds | 4. Fire Prevent, Safety, Environmental and Energy Bonds | 7. Other <u>Capital Lease</u> |
| 2. Funding Bonds | 5. Tort Judgment Bonds | 8. Other _____ |
| 3. Refunding Bonds | 6. Building Bonds | 9. Other _____ |

**Schedule of Restricted Local Tax Levies and Selected Revenues Sources
Schedule of Tort Immunity Expenditures**

SCHEDULE OF RESTRICTED LOCAL TAX LEVIES AND SELECTED REVENUE SOURCES						
Description (Enter Whole Dollars)	Account No	Tort Immunity ^a	Special Education	Area Vocational Construction	School Facility Occupation Taxes ^b	Driver Education
Cash Basis Fund Balance as of July 1, 2016						
RECEIPTS:						
Ad Valorem Taxes Received by District	10, 20, 40 or 50-1100		44,465			
Earnings on Investments	10, 20, 40, 50 or 60-1500					
Drivers' Education Fees	10-1970					16,210
School Facility Occupation Tax Proceeds	30 or 60-1983					
Driver Education	10 or 20-3370					9,784
Other Receipts (Describe & Itemize on tab "Itemization 32")	--					
Sale of Bonds	10, 20, 40 or 60-7200					
Total Receipts		0	44,465	0	0	25,994
DISBURSEMENTS:						
Instruction	10 or 50-1000		44,465			25,994
Facilities Acquisition & Construction Services	20 or 60-2530					
Tort Immunity Services	10, 20, 40-2360-2370					
DEBT SERVICE						
Debt Services - Interest on Long-Term Debt	30-5200					
Debt Services - Principal Payments on Long-Term Debt (Lease/ Purchase Principal Retired)	30-5300					
Debt Services Other (Describe & Itemize on tab "Itemization 32")	30-5400					
Total Debt Services					0	
Other Disbursements (Describe & Itemize on tab "Itemization 32")	--					
Total Disbursements		0	44,465	0	0	25,994
Ending Cash Basis Fund Balance as of June 30, 2017		0	0	0	0	0
Reserved Fund Balance	714					
Unreserved Fund Balance	730	0	0	0	0	0

SCHEDULE OF TORT IMMUNITY EXPENDITURES ^a

Yes No Has the entity established an insurance reserve pursuant to 745 ILCS 10/9-103?
 If yes, list in the aggregate the following:

Total Claims Payments:	
Total Reserve Remaining:	

*Using the following categories, list all other Tort Immunity expenditures **not** included in line 30 above. Include the total dollar amount for each category.*

Expenditures:	
Workers' Compensation Act and/or Workers' Occupational Disease Act	
Unemployment Insurance Act	
Insurance (Regular or Self-Insurance)	
Risk Management and Claims Service	
Judgments/Settlements	
Educational, Inspectional, Supervisory Services Related to Loss Prevention and/or Reduction	
Reciprocal Insurance Payments (Insurance Code 72, 76, and 81)	
Legal Services	
Principal and Interest on Tort Bonds	

^a Schedules for Tort Immunity are to be completed **only if** expenditures have been reported in any fund other than the Tort Immunity Fund (80) during the fiscal year as a result of existing (restricted) fund balances in those other funds that are being spent down. Cell G6 above should include interest earnings only from these restricted tort immunity monies and only if reported in a fund **other** than Tort Immunity Fund (80).
^b 55 ILCS 5/5-1006.7

Schedule of Capital Outlay and Depreciation											
Description of Assets (Enter Whole Dollars)	Acct #	Cost Beginning 7/1/16	Add: Additions 2016-2017	Less: Deletions 2016-2017	Cost Ending 6/30/17	Life In Years	Accumulated Depreciation Beginning 7/1/16	Add: Depreciation Allowable 2016-2017	Less: Depreciation Deletions 2016-2017	Accumulated Depreciation Ending 6/30/17	Ending Balance Undepreciated 6/30/17
Works of Art & Historical Treasures	210				0					0	0
Land	220										
Non-Depreciable Land	221	298,234			298,234						298,234
Depreciable Land	222				0	50				0	0
Buildings	230										
Permanent Buildings	231	20,455,855			20,455,855	50	6,305,901	382,081		6,687,982	13,767,873
Temporary Buildings	232				0	20				0	0
Improvements Other than Buildings (Infrastructure)	240	692,943	18,562		711,505	20	397,273	32,492		429,765	281,740
Capitalized Equipment	250										
10 Yr Schedule	251	1,561,498	55,410	151,294	1,465,614	10	875,846	147,887	151,294	872,439	593,175
5 Yr Schedule	252	940,383	46,441	91,692	895,132	5	862,204	35,718	88,207	809,715	85,417
3 Yr Schedule	253	25,518	2,690		28,208	3	16,229	6,472		22,701	5,507
Construction in Progress	260				0	--					0
Total Capital Assets	200	23,974,431	123,103	242,986	23,854,548		8,457,453	604,650	239,501	8,822,602	15,031,946
Non-Capitalized Equipment	700				0	10		0			
Allowable Depreciation								604,650			

ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2016-2017)

This schedule is completed for school districts only.

<u>Fund</u>	<u>Sheet, Row</u>	<u>ACCOUNT NO - TITLE</u>	<u>Amount</u>
OPERATING EXPENSE PER PUPIL			
EXPENDITURES:			
ED	Expenditures 15-22, L114	Total Expenditures	\$ 7,841,695
O&M	Expenditures 15-22, L150	Total Expenditures	764,751
DS	Expenditures 15-22, L168	Total Expenditures	1,161,995
TR	Expenditures 15-22, L204	Total Expenditures	572,242
MR/SS	Expenditures 15-22, L288	Total Expenditures	347,733
TORT	Expenditures 15-22, L331	Total Expenditures	294,959
Total Expenditures			\$ 10,983,375
LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:			
TR	Revenues 9-14, L43, Col F	1412 Regular - Transp Fees from Other Districts (In State)	\$ 0
TR	Revenues 9-14, L47, Col F	1421 Summer Sch - Transp. Fees from Pupils or Parents (In State)	0
TR	Revenues 9-14, L48, Col F	1422 Summer Sch - Transp. Fees from Other Districts (In State)	0
TR	Revenues 9-14, L49, Col F	1423 Summer Sch - Transp. Fees from Other Sources (In State)	0
TR	Revenues 9-14, L50 Col F	1424 Summer Sch - Transp. Fees from Other Sources (Out of State)	0
TR	Revenues 9-14, L52, Col F	1432 CTE - Transp Fees from Other Districts (In State)	0
TR	Revenues 9-14, L56, Col F	1442 Special Ed - Transp Fees from Other Districts (In State)	47,554
TR	Revenues 9-14, L59, Col F	1451 Adult - Transp Fees from Pupils or Parents (In State)	0
TR	Revenues 9-14, L60, Col F	1452 Adult - Transp Fees from Other Districts (In State)	0
TR	Revenues 9-14, L61, Col F	1453 Adult - Transp Fees from Other Sources (In State)	0
TR	Revenues 9-14, L62, Col F	1454 Adult - Transp Fees from Other Sources (Out of State)	0
O&M	Revenues 9-14, L148, Col D	3410 Adult Ed (from ICCB)	0
O&M-TR	Revenues 9-14, L149, Col D & F	3499 Adult Ed - Other (Describe & Itemize)	0
O&M-TR	Revenues 9-14, L218, Col D,F	4600 Fed - Spec Education - Preschool Flow-Through	0
O&M-TR	Revenues 9-14, L219, Col D,F	4605 Fed - Spec Education - Preschool Discretionary	0
O&M	Revenues 9-14, L229, Col D	4810 Federal - Adult Education	0
ED	Expenditures 15-22, L7, Col K - (G+I)	1125 Pre-K Programs	81,974
ED	Expenditures 15-22, L9, Col K - (G+I)	1225 Special Education Programs Pre-K	0
ED	Expenditures 15-22, L11, Col K - (G+I)	1275 Remedial and Supplemental Programs Pre-K	0
ED	Expenditures 15-22, L12, Col K - (G+I)	1300 Adult/Continuing Education Programs	0
ED	Expenditures 15-22, L15, Col K - (G+I)	1600 Summer School Programs	8,253
ED	Expenditures 15-22, L20, Col K	1910 Pre-K Programs - Private Tuition	0
ED	Expenditures 15-22, L21, Col K	1911 Regular K-12 Programs - Private Tuition	0
ED	Expenditures 15-22, L22, Col K	1912 Special Education Programs K-12 - Private Tuition	244,377
ED	Expenditures 15-22, L23, Col K	1913 Special Education Programs Pre-K - Tuition	0
ED	Expenditures 15-22, L24, Col K	1914 Remedial/Supplemental Programs K-12 - Private Tuition	0
ED	Expenditures 15-22, L25, Col K	1915 Remedial/Supplemental Programs Pre-K - Private Tuition	0
ED	Expenditures 15-22, L26, Col K	1916 Adult/Continuing Education Programs - Private Tuition	0
ED	Expenditures 15-22, L27, Col K	1917 CTE Programs - Private Tuition	0
ED	Expenditures 15-22, L28, Col K	1918 Interscholastic Programs - Private Tuition	0
ED	Expenditures 15-22, L29, Col K	1919 Summer School Programs - Private Tuition	0
ED	Expenditures 15-22, L30, Col K	1920 Gifted Programs - Private Tuition	0
ED	Expenditures 15-22, L31, Col K	1921 Bilingual Programs - Private Tuition	0
ED	Expenditures 15-22, L32, Col K	1922 Truants Alternative/Optional Ed Progrms - Private Tuition	0
ED	Expenditures 15-22, L75, Col K - (G+I)	3000 Community Services	30,380
ED	Expenditures 15-22, L102, Col K	4000 Total Payments to Other Govt Units	148,221
ED	Expenditures 15-22, L114, Col G	- Capital Outlay	49,300
ED	Expenditures 15-22, L114, Col I	- Non-Capitalized Equipment	0
O&M	Expenditures 15-22, L130, Col K - (G+I)	3000 Community Services	0
O&M	Expenditures 15-22, L138, Col K	4000 Total Payments to Other Govt Units	0
O&M	Expenditures 15-22, L150, Col G	- Capital Outlay	24,672
O&M	Expenditures 15-22, L150, Col I	- Non-Capitalized Equipment	0
DS	Expenditures 15-22, L154, Col K	4000 Payments to Other Dist & Govt Units	0
DS	Expenditures 15-22, L164, Col K	5300 Debt Service - Payments of Principal on Long-Term Debt	915,000
TR	Expenditures 15-22, L179, Col K - (G+I)	3000 Community Services	0
TR	Expenditures 15-22, L190, Col K	4000 Total Payments to Other Govt Units	0
TR	Expenditures 15-22, L200, Col K	5300 Debt Service - Payments of Principal on Long-Term Debt	0
TR	Expenditures 15-22, L204, Col G	- Capital Outlay	49,131
TR	Expenditures 15-22, L204, Col I	- Non-Capitalized Equipment	0
MR/SS	Expenditures 15-22, L210, Col K	1125 Pre-K Programs	4,240
MR/SS	Expenditures 15-22, L212, Col K	1225 Special Education Programs - Pre-K	0
MR/SS	Expenditures 15-22, L214, Col K	1275 Remedial and Supplemental Programs - Pre-K	0
MR/SS	Expenditures 15-22, L215, Col K	1300 Adult/Continuing Education Programs	0
MR/SS	Expenditures 15-22, L218, Col K	1600 Summer School Programs	451
MR/SS	Expenditures 15-22, L274, Col K	3000 Community Services	4,101
MR/SS	Expenditures 15-22, L278, Col K	4000 Total Payments to Other Govt Units	0
Total Deductions for OEPP Computation (Sum of Lines 18 - 73)			\$ 1,607,654
Total Operating Expenses Regular K-12 (Line 14 minus Line 75)			9,375,721
9 Mo ADA from the General State Aid Claimable for 2016-2017 and Payable in 2017-2018 (ISBE 54-33), L12			978.45
Estimated OEPP (Line 76 divided by Line 77)			\$ 9,582.22

ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2016-2017)

This schedule is completed for school districts only.

<u>Fund</u>	<u>Sheet, Row</u>	<u>ACCOUNT NO - TITLE</u>	<u>Amount</u>
PER CAPITA TUITION CHARGE			
LESS OFFSETTING RECEIPTS/REVENUES:			
TR	Revenues 9-14, L42, Col F	1411 Regular -Transp Fees from Pupils or Parents (In State)	\$ 0
TR	Revenues 9-14, L44, Col F	1413 Regular - Transp Fees from Other Sources (In State)	0
TR	Revenues 9-14, L45, Col F	1415 Regular - Transp Fees from Co-curricular Activities (In State)	4,894
TR	Revenues 9-14, L46, Col F	1416 Regular Transp Fees from Other Sources (Out of State)	0
TR	Revenues 9-14, L51, Col F	1431 CTE - Transp Fees from Pupils or Parents (In State)	0
TR	Revenues 9-14, L53, Col F	1433 CTE - Transp Fees from Other Sources (In State)	0
TR	Revenues 9-14, L54, Col F	1434 CTE - Transp Fees from Other Sources (Out of State)	0
TR	Revenues 9-14, L55, Col F	1441 Special Ed - Transp Fees from Pupils or Parents (In State)	0
TR	Revenues 9-14, L57, Col F	1443 Special Ed - Transp Fees from Other Sources (In State)	0
TR	Revenues 9-14, L58, Col F	1444 Special Ed - Transp Fees from Other Sources (Out of State)	0
ED	Revenues 9-14, L75, Col C	1600 Total Food Service	236,442
ED-O&M	Revenues 9-14, L82, Col C,D	1700 Total District/School Activity Income	69,962
ED	Revenues 9-14, L84, Col C	1811 Rentals - Regular Textbooks	93,295
ED	Revenues 9-14, L87, Col C	1819 Rentals - Other (Describe & Itemize)	0
ED	Revenues 9-14, L88, Col C	1821 Sales - Regular Textbooks	0
ED	Revenues 9-14, L91, Col C	1829 Sales - Other (Describe & Itemize)	0
ED	Revenues 9-14, L92, Col C	1890 Other (Describe & Itemize)	0
ED-O&M	Revenues 9-14, L95, Col C,D	1910 Rentals	330
ED-O&M-TR	Revenues 9-14, L98, Col C,D,F	1940 Services Provided Other Districts	34,152
ED-O&M-DS-TR-MR/SS	Revenues 9-14, L104, Col C,D,E,F,G	1991 Payment from Other Districts	0
ED	Revenues 9-14, L106, Col C	1993 Other Local Fees (Describe & Itemize)	0
ED-O&M-TR	Revenues 9-14, L131, Col C,D,F	3100 Total Special Education	411,360
ED-O&M-MR/SS	Revenues 9-14, L140, Col C,D,G	3200 Total Career and Technical Education	0
ED-MR/SS	Revenues 9-14, L144, Col C,G	3300 Total Bilingual Ed	0
ED	Revenues 9-14, L145, Col C	3360 State Free Lunch & Breakfast	305
ED-O&M-MR/SS	Revenues 9-14, L146, Col C,D,G	3365 School Breakfast Initiative	0
ED-O&M	Revenues 9-14, L147, Col C,D	3370 Driver Education	9,784
ED-O&M-TR-MR/SS	Revenues 9-14, L154, Col C,D,F,G	3500 Total Transportation	171,813
ED	Revenues 9-14, L155, Col C	3610 Learning Improvement - Change Grants	0
ED-O&M-TR-MR/SS	Revenues 9-14, L156, Col C,D,F,G	3660 Scientific Literacy	0
ED-TR-MR/SS	Revenues 9-14, L157, Col C,F,G	3695 Truant Alternative/Optional Education	0
ED-TR-MR/SS	Revenues 9-14, L159, Col C,F,G	3715 Reading Improvement Block Grant	0
ED-TR-MR/SS	Revenues 9-14, L160, Col C,F,G	3720 Reading Improvement Block Grant - Reading Recovery	0
ED-TR-MR/SS	Revenues 9-14, L161, Col C,F,G	3725 Continued Reading Improvement Block Grant	0
ED-TR-MR/SS	Revenues 9-14, L162, Col C,F,G	3726 Continued Reading Improvement Block Grant (2% Set Aside)	0
ED-O&M-TR-MR/SS	Revenues 9-14, L163, Col C,D,F,G	3766 Chicago General Education Block Grant	0
ED-O&M-TR-MR/SS	Revenues 9-14, L164, Col C,D,F,G	3767 Chicago Educational Services Block Grant	0
ED-O&M-DS-TR-MR/SS	Revenues 9-14, L165, Col C,D,E,F,G	3775 School Safety & Educational Improvement Block Grant	0
ED-O&M-DS-TR-MR/SS	Revenues 9-14, L166, Col C,D,E,F,G	3780 Technology - Technology for Success	0
ED-TR	Revenues 9-14, L167, Col C,F	3815 State Charter Schools	0
O&M	Revenues 9-14, L170, Col D	3925 School Infrastructure - Maintenance Projects	0
ED-O&M-DS-TR-MR/SS-Tort	Revenues 9-14, L171, Col C-G,J	3999 Other Restricted Revenue from State Sources	0
ED	Revenues 9-14, L180, Col C	4045 Head Start (Subtract)	0
ED-O&M-TR-MR/SS	Revenues 9-14, L184, Col C,D,F,G	- Total Restricted Grants-In-Aid Received Directly from Federal Govt	0
ED-O&M-TR-MR/SS	Revenues 9-14, L191, Col C,D,F,G	- Total Title VI	0
ED-MR/SS	Revenues 9-14, L201, Col C,G	- Total Food Service	107,194
ED-O&M-TR-MR/SS	Revenues 9-14, L211, Col C,D,F,G	- Total Title I	51,469
ED-O&M-TR-MR/SS	Revenues 9-14, L216, Col C,D,F,G	- Total Title IV	0
ED-O&M-TR-MR/SS	Revenues 9-14, L220, Col C,D,F,G	4620 Fed - Spec Education - IDEA - Flow Through	107,734
ED-O&M-TR-MR/SS	Revenues 9-14, L221, Col C,D,F,G	4625 Fed - Spec Education - IDEA - Room & Board	0
ED-O&M-TR-MR/SS	Revenues 9-14, L222, Col C,D,F,G	4630 Fed - Spec Education - IDEA - Discretionary	0
ED-O&M-TR-MR/SS	Revenues 9-14, L223, Col C,D,F,G	4699 Fed - Spec Education - IDEA - Other (Describe & Itemize)	0
ED-O&M-MR/SS	Revenues 9-14, L228, Col C,D,G	4700 Total CTE - Perkins	0
ED-O&M-DS-TR-MR/SS-Tort	Revenue Adjustments (C231 thru J258)	4800 Total ARRA Program Adjustments	0
ED	Revenues 9-14, L260, Col C	4901 Race to the Top	0
ED-O&M-DS-TR-MR/SS-Tort	Revenues 9-14, L261, Col C-G,J	4902 Race to the Top-Preschool Expansion Grant	0
ED,O&M,M/SS	Revenues 9-14, L262, Col C,D,G	4904 Advanced Placement Fee/International Baccalaureate	0
ED-TR-MR/SS	Revenues 9-14, L263, Col C,F,G	4905 Title III - Immigrant Education Program (IEP)	0
ED-TR-MR/SS	Revenues 9-14, L264, Col C,F,G	4909 Title III - Language Inst Program - Limited Eng (LIPLEP)	0
ED-TR-MR/SS	Revenues 9-14, L265, Col C,F,G	4910 Learn & Serve America	0
ED-O&M-TR-MR/SS	Revenues 9-14, L266, Col C,D,F,G	4920 McKinney Education for Homeless Children	0
ED-O&M-TR-MR/SS	Revenues 9-14, L267, Col C,D,F,G	4930 Title II - Eisenhower Professional Development Formula	0
ED-O&M-TR-MR/SS	Revenues 9-14, L268, Col C,D,F,G	4932 Title II - Teacher Quality	22,972
ED-O&M-TR-MR/SS	Revenues 9-14, L269, Col C,D,F,G	4960 Federal Charter Schools	0
ED-O&M-TR-MR/SS	Revenues 9-14, L270, Col C,D,F,G	4991 Medicaid Matching Funds - Administrative Outreach	12,281
ED-O&M-TR-MR/SS	Revenues 9-14, L271, Col C,D,F,G	4992 Medicaid Matching Funds - Fee-for-Service Program	27,851
ED-O&M-TR-MR/SS	Revenues 9-14, L272, Col C,D,F,G	4999 Other Restricted Revenue from Federal Sources (Describe & Itemize)	11,644
Total Deductions for PCTC Computation Line 83 through Line 173			\$ 1,373,482
Net Operating Expense for Tuition Computation (Line 76 minus Line 175)			8,002,239
Total Depreciation Allowance (from page 27, Line 18, Col I)			604,650
Total Allowance for PCTC Computation (Line 176 minus Line 177)			8,606,889
9 Month ADA (from the GSA Claimable for 2016-2017 Payable in 2017-2018 (ISBE form 54-33, Line 12))			978.45
Total Estimated PCTC (Line 178 divided by Line 179) *			\$ 8,796.45

* The total OEPP/PCTC may change based on the data provided. The final amounts will be calculated by ISBE

ESTIMATED INDIRECT COST DATA

ESTIMATED INDIRECT COST RATE DATA

SECTION I

Financial Data To Assist Indirect Cost Rate Determination

(Source document for the computation of the Indirect Cost Rate is found in the "Expenditures 15-22" tab.)

ALL OBJECTS EXCLUDE CAPITAL OUTLAY. With the exception of line 11, enter the disbursements/expenditures included within the following functions charged directly to and reimbursed from federal grant programs. Also, include all amounts paid to or for other employees within each function that work with specific federal grant programs in the same capacity as those charged to and reimbursed from the same federal grant programs. For example, if a district received funding for a Title I clerk, all other salaries for Title I clerks performing like duties in that function must be included. Include any benefits and/or purchased services paid on or to persons whose salaries are classified as direct costs in the function listed.

Support Services - Direct Costs (1-2000) and (5-2000)

Direction of Business Support Services (1-2510) and (5-2510)	
Fiscal Services (1-2520) and (5-2520)	
Operation and Maintenance of Plant Services (1, 2, and 5-2540)	
Food Services (1-2560) <i>Must be less than (P16, Col E-F, L62)</i>	
Value of Commodities Received for Fiscal Year 2017 (<i>Include the value of commodities when determining if a Single Audit is required.</i>)	41,716
Internal Services (1-2570) and (5-2570)	
Staff Services (1-2640) and (5-2640)	
Data Processing Services (1-2660) and (5-2660)	

SECTION II

Estimated Indirect Cost Rate for Federal Programs

Instruction	Function	Restricted Program		Unrestricted Program	
		Indirect Costs	Direct Costs	Indirect Costs	Direct Costs
Instruction	1000		5,724,671		5,724,671
Support Services:					
Pupil	2100		458,967		458,967
Instructional Staff	2200		205,792		205,792
General Admin.	2300		562,147		562,147
School Admin	2400		553,711		553,711
Business:					
Direction of Business Spt. Srv.	2510	0	0	0	0
Fiscal Services	2520	72,844	0	72,844	0
Oper. & Maint. Plant Services	2540		878,800	878,800	0
Pupil Transportation	2550		574,866		574,866
Food Services	2560		384,498		384,498
Internal Services	2570	0	0	0	0
Central:					
Direction of Central Spt. Srv.	2610		0		0
Plan, Rsrch, Dvlp, Eval. Srv.	2620		0		0
Information Services	2630		0		0
Staff Services	2640	0	0	0	0
Data Processing Services	2660	99,279	0	99,279	0
Other:	2900		0		0
Community Services	3000		34,481		34,481
Total		172,123	9,377,933	1,050,923	8,499,133
		Restricted Rate		Unrestricted Rate	
		Total Indirect Costs:	172,123	Total Indirect costs:	1,050,923
		Total Direct Costs:	9,377,933	Total Direct Costs:	8,499,133
		=	1.84%	=	12.37%

REPORT ON SHARED SERVICES OR OUTSOURCING

School Code, Section 17-1.1 (*Public Act 97-0357*)

Fiscal Year Ending June 30, 2017

Complete the following for attempts to improve fiscal efficiency through shared services or outsourcing in the prior, current and next fiscal years.

Deer Creek Mackinaw Community
53-090-7010-26

<input type="checkbox"/> <i>Check if the schedule is not applicable.</i>	Prior Fiscal Year	Current Fiscal Year	Next Fiscal Year	Name of the Local Education Agency (LEA) Participating in the Joint Agreement, Cooperative or Shared Service.
Indicate with an (X) If Deficit Reduction Plan Is Required in the Budget →				
Service or Function (<i>Check all that apply</i>)			Barriers to Implementation	(Limit text to 200 characters, for additional space use line 33 and 38)
Curriculum Planning				
Custodial Services				
Educational Shared Programs				
Employee Benefits				
Energy Purchasing				
Food Services				
Grant Writing				
Grounds Maintenance Services				
Insurance				
Investment Pools				
Legal Services				
Maintenance Services				
Personnel Recruitment				
Professional Development	x	x	x	Tazewell-Mason Cty SpEd District
Shared Personnel	x	x	x	Tremont School District 702
Special Education Cooperatives	x	x	x	Tazewell-Mason Cty SpEd District
STEM (science, technology, engineering and math) Program Offerings				
Supply & Equipment Purchasing				
Technology Services				
Transportation	x	x	x	Morton CUSD # 709
Vocational Education Cooperatives	x	x	x	Tazewell Co Area Education for Employment
All Other Joint/Cooperative Agreements				
Other				

Additional space for Column (D) - Barriers to Implementation:

Additional space for Column (E) - Name of LEA :

ILLINOIS STATE BOARD OF EDUCATION
 School Business Services Division (N-330)
 100 North First Street
 Springfield, IL 62777-0001

LIMITATION OF ADMINISTRATIVE COSTS WORKSHEET
 (Section 17-1.5 of the School Code)

School District Name: Deer Creek Mackinaw Community Unit 7
 RCDT Number: 53-090-7010-26

Description	Funct. No.	Actual Expenditures, Fiscal Year 2017			Budgeted Expenditures, Fiscal Year 2018		
		(10) Educational Fund	(20) Operations & Maintenance Fund	Total	(10) Educational Fund	(20) Operations & Maintenance Fund	Total
1. Executive Administration Services	2320	174,373		174,373	171,797		171,797
2. Special Area Administration Services	2330	37,014		37,014			0
3. Other Support Services - School Administration	2490	0		0			0
4. Direction of Business Support Services	2510	0	0	0			0
5. Internal Services	2570	0		0			0
6. Direction of Central Support Services	2610	0		0			0
7. Deduct - Early Retirement or other pension obligations required by state law and included above.				0			0
8. Totals		211,387	0	211,387	171,797	0	171,797
9. Percent Increase (Decrease) for FY2018 (Budgeted) over FY2017 (Actual)							-19%

CERTIFICATION

I certify that the amounts shown above as "Actual Expenditures, Fiscal Year 2017" agree with the amounts on the district's Annual Financial Report for Fiscal Year 2017.
 I also certify that the amounts shown above as "Budgeted Expenditures, Fiscal Year 2018" agree with the amounts on the budget adopted by the Board of Education.

Signature of Superintendent

Date

Contact Name (for questions)

Contact Telephone Number

If line 9 is greater than 5% please check one box below.

- The District is ranked by ISBE in the lowest 25th percentile of like districts in administrative expenditures per student (4th quartile) and will waive the limitation by board action, subsequent to a public hearing. Waiver resolution must be adopted no later than June 30.
- The district is unable to waive the limitation by board action and will be requesting a waiver from the General Assembly pursuant to the procedures in Chapter 105 ILCS 5/2-3.25g. Waiver applications must be postmarked by August 11, 2017 to ensure inclusion in the Fall 2017 report or postmarked by January 12, 2018 to ensure inclusion in the Spring 2018 report. Information on the waiver process can be found at <https://www.isbe.net/Pages/Waivers.aspx>
- The district will amend their budget to become in compliance with the limitation. Budget amendments must be adopted no later than June 30.

This page is provided for detailed itemizations as requested within the body of the report.
Type Below.

1. Page 10 1790 - Education - Other District/School Activity Revenue Field trip fees and sales of merchandise to students	\$ 10,462
2. Page 11 1999 - Transportation - Other Local Revenues Fees for field trip transportation Bus trade-in revenue	\$ 484 14,000 <u>\$ 14,484</u>
2. Page 14 4999 - Education - Other Restricted Revenue from Federal Sources STEP Reimbursement	\$ 11,644
3. Page 15 2190(100) - Education - Other Support Services - Pupils Occupational Therapist Crossing Guard	\$ 57,740 3,127 <u>\$ 60,867</u>
4. Page 15 2190(200) - Education - Other Support Services - Pupils Insurance - Occupational Therapist	\$ 8,456
5. Page 18 5400(300) - Debt Services - Other Service fees	\$ 18,820
6. Page 19 2190(200) - MR/SS - Other Support Services - Pupils IMRF Occupational Therapist/Crossing Guard FICA/Medicare Occupational Therapist/Crossing Guard	\$ 6,087 3,991 <u>\$ 10,078</u>
7. Page 7 Principal on Bonds Sold Capital leases Page 25 Total Long Term Debt Issued	\$ 1,100,000 73,576 <u>\$ 1,173,576</u>
8. Page 25 Retired Debt Total Non-cash payment on bus lease Capital Lease Payments Page 18 Debt Services - Payments of Principal on Long Term Debt	\$ 960,155 (14,000) (31,155) <u>\$ 915,000</u>

Reference Pages.

- ¹ Do not enter negative numbers. Reports with negative numbers will be returned for correction.
- ² GASB Statement No. 24; Accounting and Financial Reporting for Certain Grants and Other Financial Assistance. The "On Behalf of" Payments should only be reflected on this page.
- ³ Equals Line 8 minus Line 17
- ⁴ May require notification to the county clerk to abate an equal amount from taxes next extended. Refer to Section 17-2.11 for the applicable provisions and other "limited" transfer authority to O&M through June 30, 2013
- ⁵ Requires notification to the county clerk to abate an equal amount from taxes next extended. See Section 10-22.14
- ⁶ Use of proceeds from the sale of school sites buildings, or other real estate is limited. See Sections 5-22 and 10-22.8 of the School Code.
- ⁷ Include revenue accounts 1110 through 1115, 1117, 1118 & 1120. Include taxes for bonds sold that are in addition to those identified separately.
- ⁸ Educational Fund (10) - Computer Technology only.
- ⁹ Corporate personal property replacement tax revenue must be first applied to the Municipal Retirement/Social Security Fund to replace tax revenue lost due to the abolition of the corporate personal property tax (30 ILCS 115/12). This provision does not apply to taxes levied for Medicare-Only purposes.
- ¹⁰ Include only tuition payments made to private facilities. See Function 4200 or 4400 for public facility disbursements/expenditures.
- ¹¹ Payment towards the retirement of lease/purchase agreements or bonded/other indebtedness (principal only) otherwise reported within the fund—e.g. alternate revenue bonds(Describe & Itemize).
- ¹² Only abolishment of Working Cash Fund must transfer its funds directly to the Educational Fund upon adoption of a resolution and at the close of the current school Year (see 105 ILCS 5/20-8 for further explanation)
Only abatement of working cash fund can transfer its funds to any fund in most need of money (see 105 ILCS 5/20-10 for further explanation)

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Deer Creek-Mackinaw Community Unit School District No. 701
Mackinaw, Illinois

We have audited the accompanying financial statements of Deer Creek-Mackinaw Community Unit School District No. 701 as of and for the fiscal year ended June 30, 2017, as listed in the table of contents of this Annual Financial Report form.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Illinois State Board of Education. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by Deer Creek-Mackinaw Community Unit School District No. 701, on the basis of the financial reporting provisions of the Illinois State Board

of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Illinois State Board of Education. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Deer Creek-Mackinaw Community Unit School District No. 701, as of June 30, 2017, the changes in its financial position, or, where applicable, its cash flows for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets and liabilities arising from cash transactions of Deer Creek-Mackinaw Community Unit School District No. 701, as of June 30, 2017, and its revenue received and expenditures disbursed, and budgetary results for the fiscal year then ended, on the basis of the financial reporting provisions of the Illinois State Board of Education as described in Note 1.

Other Matters

Other information

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The information provided on pages 2 through 4, supplementary schedules on pages 23 through 26, statistical section on pages 27 through 29, the itemization schedule on page 33, and the deficit reduction calculation on page 36 are presented for the purposes of additional analysis and are not a required part of the financial statements of Deer Creek-Mackinaw Community Unit School District No. 701. Such information, except for the average daily attendance figure, included in the computation of operating expense per pupil on page 28 and per capita tuition charges on page 29 is the responsibility of management and has been derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements taken as a whole. The information on pages 28-30 and 36 is propagated from information in the audited financial statements, but we take no responsibility for the accuracy of those calculations. The Report on Shared Services or Outsourcing on page 31 contains unaudited information concerning prior, current, and future year expenditures which was provided by the District. The Administrative Cost Worksheet on page 32 contains unaudited information concerning the current year budget which was provided by the District. The actual expenditure information on this page is fairly stated in all material respects in relation to the financial statements taken as a whole. The average daily attendance figure, included in the computation of operating expense per pupil on page 28 and per capita tuition charges on page 29, have not been subjected to the auditing procedures applied in the audit of the financial statements, and

accordingly, we do not express an opinion or provide any assurance on them. The Table of Contents references a Federal Compliance Section on Pages 37-46; however, this District was not required to have a Single Audit and this section has not been completed.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 13, 2017, on our consideration of Deer Creek-Mackinaw Community Unit School District No. 701's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Deer Creek-Mackinaw Community Unit School District No. 701's internal control over financial reporting and compliance.

Phillips, Salmi & Associates, LLC

Washington, Illinois
September 13, 2017



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Education
Deer Creek-Mackinaw Community Unit School District No. 701
Mackinaw, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Deer Creek-Mackinaw Community Unit School District No. 701 as of and for the year ended June 30, 2017, and have issued our report thereon dated September 13, 2017. Our opinion was adverse because the financial statements are not prepared in accordance with U.S. generally accepted accounting principles. However, the financial statements were found to be fairly stated, on the cash basis of accounting, in accordance with regulatory reporting requirements established by the Illinois State Board of Education.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Deer Creek-Mackinaw Community Unit School District No. 701's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the school district's internal control. Accordingly, we do not express an opinion on the effectiveness of the school district's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that a material misstatement of the school district's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Deer Creek-Mackinaw Community Unit School District No. 701's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Phillips, Salmi & Associates, LLC

September 13, 2017

DEER CREEK-MACKINAW COMMUNITY UNIT SCHOOL DISTRICT NO. 701
TAZEWELL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Deer Creek-Mackinaw Community Unit School District No. 701 follows the cash basis of accounting as defined by the Illinois State Board of Education Audit Guide. The following is a summary of the significant accounting policies.

A. Principles Used to Determine the Scope of the Reporting Entity

The District's reporting entity includes the District's governing board and all related organizations for which the District exercises oversight responsibility.

Component Units

The District has developed criteria to determine whether outside agencies with activities which benefit the citizens of the District, including joint agreements which serve pupils from numerous districts, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

Joint agreements have been determined not to be part of the reporting entity after applying the manifesting of oversight, scope of public service and special financing relationships criteria and are, therefore, excluded from the accompanying financial statements because the District does not control the assets, operations or management of the joint agreements. In addition, the District is not aware of any entity that would exercise such oversight as to result in the District being considered a component unit of the entity.

B. Basis of Presentation – Fund Accounting

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and liabilities (arising from cash transactions), fund balance, revenue received and expenditures disbursed. The District maintains individual funds required by the State of Illinois. The various funds are summarized by type in the financial statements. These funds are grouped as required for reports filed with the Illinois State Board of Education. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following funds and account groups are used by the District:

Governmental Funds

Governmental Funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities (arising from cash transactions) are accounted for through governmental funds.

The Educational Fund and the Operations & Maintenance Fund are the general operating funds of the District. They are used to account for all financial resources except those required to be accounted for in other funds. Lease and Special Education tax levies are included in these funds.

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

The Transportation Fund and the Illinois Municipal Retirement/Social Security Fund are used to account for cash received from specific sources (other than those accounted for in the Debt Service Fund, Capital Projects Fund, or Fiduciary Funds) that are legally restricted to cash disbursements for specified purposes.

The Tort Fund accounts for financial resources held by the District to be used for tort immunity and tort judgment purposes.

The Working Cash Fund accounts for financial resources held by the District to be used for temporary interfund loans to other funds.

The Fire Prevention & Safety Fund and Capital Projects Fund are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Trust Funds).

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

The Agency Funds include both Student Activity Funds and Convenience Accounts. They account for assets held by the District as an agent for students, teachers, and other entities. These 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.

Governmental and Expendable Trust Funds – Measurement and Focus

The financial statements of all Governmental Funds and Expendable Trust Funds focus on the measurement of spending or "financial flow" and the determination of changes in financial position, rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund

operating statements present increases (cash receipts and other financing sources) and decreases (cash disbursements and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

General Fixed Assets and General Long-Term Debt Account Group

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. The District records purchases of property and equipment as expenditures of various funds when paid. The District maintains a detailed list of property and equipment purchased for insurance purposes.

The District does not maintain a formal capitalization policy, but does follow the applicable grant guidelines.

No depreciation has been provided on fixed assets in these financial statements. The Illinois State Board of Education’s Annual Financial Report (ISBE Form SD50-35/JA50-60) includes depreciation of \$604,650, which has been utilized for the calculation of the per capita tuition charge, and accumulated depreciation totaling \$8,822,602. Depreciation has been computed over the estimated useful lives of the assets using the straight-line method.

The estimated useful lives are as follows:

Depreciable Land	50 years
Buildings	
Permanent	50 years
Temporary	20 years
Infrastructure Improvements other than Building	20 years
Capitalized Equipment	3-10 years

Long term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. Proceeds from sales of bonds are included as receipts in the appropriate fund on the date received. Related principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group.

The two account groups are not “funds”. They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

C. Basis of Accounting

Basis of accounting refers to when revenue received and expenditures disbursed are recognized in the accounts and how they are reported in the financial statements. The District maintains its accounting records for all funds and account groups on the cash basis of accounting, under guidelines prescribed by the Illinois State Board of Education. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

Proceeds from the sale of bonds, and long-term notes, when applicable, are included as other financing sources in the appropriate fund on the date received. Related bond principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group.

D. Budgets and Budgetary Accounting

The budget for all governmental fund types and the expendable trust fund is prepared on the cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. The budget was adopted on September 20, 2016 and amended on June 20, 2017.

For each fund, total fund expenditures may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.
5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
6. The Board of Education may amend the budget by the same procedures required of its original adoption.

E. Cash and Cash Equivalents

Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit (savings) accounts. Cash equivalents include amounts in time deposits, and other investments, with original maturities of less than 90 days.

F. Investments

Investments are stated at cost or amortized cost, which approximates market. The District, under 30 ILCS 235/2, may legally invest in all securities guaranteed by the full faith and credit of the United States, as well as interest-bearing savings accounts, certificates of deposit, and

time deposits constituting direct obligations of banks insured by FDIC and savings and loan associations insured by FSLIC. The District may also invest in short-term obligations of the Federal National Mortgage Association, The Public Treasurer's Investment Pool, as well as all interest-bearing obligations of the State of Illinois.

G. Inventories

Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure disbursed at the time the individual inventory items are purchased.

H. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "interfund receivables/payables." Amounts owed as a result of goods sold or services rendered are referred to as "due to/from." Amounts owed as a result of a loan are referred to as "loan to/from."

I. Subsequent Events

The District has evaluated subsequent events through September 13, 2017, the date which the financial statements were available to be issued.

NOTE 2. DEPOSITS AND INVESTMENTS

Custodial Credit Risk Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned. All amounts deposited or invested with financial institutions in excess of any insurance limit shall be collateralized by: (1) securities eligible for District investment or any other high-quality, interest-bearing security rated at least AA/Aa by one or more standard rating services to include Standard & Poor's, Moody's, or Fitch, (2) mortgages, (3) letters of credit issued by a Federal Home Loan Bank, or (4) loans covered by a State Guaranty under the Illinois Farm Development Act. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization.

The District's investment policy states the preferred method for safekeeping of collateral is to have securities registered in the District's name and held by a third-party custodian. Safekeeping practices should qualify for the Governmental Accounting Standards Board's Statement III, Category I, the highest recognized safekeeping procedures.

At June 30, 2017, the carrying amount of the Districts deposits with financial institutions and a local government investment pool, which includes demand deposits, savings accounts, Illinois Funds and certificates of deposit, was \$3,705,360. The bank balance was \$3,917,109. As of June 30, 2017, the District's bank balances were exposed to custodial credit risk as follows (carrying amounts are presented as additional information only):

	Carrying Amount	Bank Balance
Risk Class #1	\$3,701,678	\$3,913,427
Risk Class #2	-	-
Risk Class #3	-	-
Risk Class #4	3,682	3,682

Risk Class #1 includes deposits that are insured or are collateralized with securities held by an independent financial institution.

Risk Class #2 includes deposits that are uninsured and collateralized with securities held by the pledging financial institution.

Risk Class #3 includes deposit that are uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

Risk Class #4 includes deposits that are uninsured and uncollateralized.

At June 30, 2017, the depository bank used by the District pledged \$749,752 of municipal bonds to secure the District's deposits in excess of the amount insured by the FDIC. The pledged securities are held by an independent financial institution.

Custodial Credit Risk Investments

Custodial credit risk 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 in the possession of an outside party.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The District has no specific investment policy other than to be in compliance with the School Code.

Investment Type	Book Value	Fair Value	Investment Maturities (in Years)			
			Less than 1	1-5	6-10	More than 10
Certificates of Deposit	\$2,855,392	\$ 2,855,392	\$2,855,392	-	-	-

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Disclosures are required for any issuer that represents 5% or more of total investments, exclusive of mutual funds, external investment pools and investments issued or guaranteed by the U.S. government. The District places no limit on the amount the District may invest in any one issuer.

Certificates of Deposit	
Bank of Hope	\$ 248,751
Busey Bank	248,751
BOKF, National Assoc.	248,751
Central Bank of St. Louis	248,751
East West Bank	248,751
First Dakota National	248,751
First National Bank	248,751
Main Street Bank	199,899
MutualBank	248,751
Pinnacle Bank	167,984
The Bryn Mawr Trust	248,750
TriState Capital Bank	248,751

Foreign Currency Risk

Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value as a result for changes in foreign currency exchange rates. The District had no foreign currency risk as of June 30, 2017.

Reconciliation

A reconciliation of cash and investments as shown on the combined balance sheet follows:

Petty Cash	\$ 50
Carrying Amount of Deposits	3,701,678
Carrying Amount of Illinois Funds	<u>3,682</u>
	<u>\$ 3,705,410</u>
Cash and Cash Equivalents	\$ 850,018
Investments	<u>2,855,392</u>
	<u>\$ 3,705,410</u>

NOTE 3. PROPERTY TAXES

The District’s property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on July 1 and September 1. The District receives significant distribution of tax receipts approximately one month after these due dates. The tax levy for collections received in fiscal year end June 30, 2017 was passed December 15, 2015.

The Property Tax Extension Limitation Law of the State of Illinois, as amended (PTELL), limits the amount of annual increase in property taxes to be extended for certain Illinois non-home rule units of government, including this district. In general, the PTELL restricts the amount of a property tax extension increase to the lesser of 5% of the percentage increase in the Consumer Price Index for Urban Consumers during the preceding calendar year. Tax levies may also be increased due to assessed valuation increases from new construction, referendum approval, and consolidation of local government units. The effect of PTELL is to limit the growth of the amount of property taxes that can be extended for a taxing body. The District is not subject to PTELL.

The following are the tax rate applicable to the various levies per \$100 of assessed valuation.

Tazewell	Limit	Actual	
		2016 Levy	2015 Levy
Assessed Valuation		<u>\$111,917,099</u>	<u>\$107,003,035</u>
Education	2.8500	2.85000	2.85000
Operations & Maintenance	.5000	.50000	.49421
Bond and Interest	None	1.03506	1.03749
Transportation System	.2000	.20000	.19949
IMRF	None	.15499	.16175
Social Security	None	.17307	.18062
Working Cash	.0500	.05000	.04943
Tort Judgments	None	.27341	.27701
Special Education	.0400	.04000	.04000
Fire Prevention	.0500	.05000	.04943
Lease	.0500	.05000	.04853
Prior Year Adjustment	None	.00152	(.00169)
		<u>5.37805</u>	<u>5.38627</u>

Woodford	Limit	Actual	
		2016 Levy	2015 Levy
Assessed Valuation		<u>\$4,267,301</u>	<u>\$4,222,233</u>
Education	2.8500	2.8500	2.8500
Building	.5000	.5000	.4944
Bond and Interest	None	1.0245	1.0276
Transportation	.2000	.2000	.1996
IMRF	None	.1550	.1618
Social Security	None	.1731	.1807
Working Cash	.0500	.0500	.0495
Liability Insurance	None	.2733	.2770
Special Education	.0400	.0400	.0400
Fire Prevention/Safety	.0500	.0500	.0495
Lease	.0500	.0500	.0486
		<u>5.3659</u>	<u>5.3787</u>

The District is limited under the School Code to aggregate indebtedness of 13.8% of assessed valuation.

NOTE 4. FUND BALANCE REPORTING

According to Government Auditing Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. The Regulatory Model, followed by the District, only reports Reserved and Unreserved Fund Balances. Below are definitions of the differences and a reconciliation of how these balances are reported.

A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually obligated to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. Due to the cash basis nature of the district all such items are expensed at the time of purchase, so there is nothing to report for this classification.

B. Restricted Fund Balance

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

1. Special Education

Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Educational fund. Expenditures disbursed exceeded revenue received for this purpose, resulting in no restricted fund balance.

2. State Grants

Proceeds from state grants and the related expenditures have been included in the Educational fund and Transportation funds. At June 30, 2017, expenditures disbursed exceeded revenue received from federal grants.

3. Federal Grants

Proceeds from federal grants and the related expenditures have been included in the Educational fund. At June 30, 2017, expenditures disbursed exceeded revenue received from federal grants.

4. Municipal Retirement/Social Security

Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Municipal Retirement/Social Security fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in restricted fund balance for Municipal Retirement and Social Security of \$88,567 and \$2,200, respectively.

5. Donations

Cash received from donations and the related cash disbursements have been included in the Educational Fund. At June 30, 2017, revenue received from donations exceeded expenditures disbursed for those specific purposes, resulting in a restricted balance of \$27,516. This balance is included in the financial statements as Reserved in the Educational Fund and Operations & Maintenance Fund.

C. Committed Fund Balance

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

The School Board commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Employee contracts for services rendered during the school year for employees electing twelve month pay schedules are recorded as disbursements in the fiscal year when such checks are drawn. At June 30, 2017, the total amount of unpaid contracts for services performed during the fiscal year ended June 30, 2017, amounted to \$648,500. This amount is shown as Unreserved in the Educational Fund.

Vacation pay is considered to be an expenditure in the year paid. Eligible administrators and support staff receive vacation pay. At June 30, 2017, the estimated unused vacation pay liability is \$14,200. This amount is shown as Unreserved in the Educational Fund.

D. Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the School Board itself or (b) the finance committee or by the Superintendent when the School Board has delegated the authority to assign amounts to be used for specific purposes.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds. Unassigned Fund Balance amounts are shown in the financial statements as Unreserved Fund Balances in the Educational, Operation and Maintenance, and Working Cash Funds.

F. Regulatory – Fund Balance Definitions

Reserved Fund Balances are those balances that are reserved for a specified purpose, other than the regular purpose of any given fund. Unreserved Fund Balances are all balances that are not reserved for a specific purpose other than the specified purpose of a fund.

G. Reconciliation of Fund Balance Reporting

The first five columns of the following table represent Fund Balance Reporting according to generally accepted accounting principles. The last two columns represent Fund Balance Reporting under the regulatory basis of accounting utilized in preparation of the financial statements.

Fund	Generally Accepted Accounting Principles					Regulatory Basis	
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Financial Statements Reserved	Financial Statements Unreserved
Educational Operations & Maintenance	\$ -	\$ 26,521	\$ 662,700	\$ -	\$ (67,229)	\$ 26,521	\$ 595,471
Debt Service	-	995	-	-	469,248	995	469,248
Transportation	-	107,943	-	-	-	-	107,943
Municipal Retirement	-	340,136	-	-	-	-	340,136
Capital Projects	-	90,767	-	-	-	-	90,767
Working Cash	-	260	-	-	-	-	260
Tort Liability	-	-	-	-	1,473,952	-	1,473,952
Fire Prevention and Safety	-	189,359	-	-	-	-	189,359
	-	281,828	-	-	-	-	281,828

H. Expenditures of Fund Balance

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

NOTE 5. GENERAL FIXED ASSETS ACCOUNT GROUP

A summary of changes in general fixed assets follows:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Land	\$ 298,234	\$ -	\$ -	\$ 298,234
Buildings	20,455,855	-	-	20,455,855
Improvements	751,841	18,562	58,898	711,505
Equipment	1,448,693	53,364	88,238	1,413,819
Transportation equipment	977,506	49,131	91,692	934,945
Cafeteria equipment	42,302	2,046	4,158	40,190
	<u>\$ 23,974,431</u>	<u>\$ 123,103</u>	<u>\$ 242,986</u>	<u>\$ 23,854,548</u>

NOTE 6. CHANGES IN GENERAL LONG TERM DEBT ACCOUNT GROUP

The changes in the District's general long term debt for the year ended June 30, 2017 are as follows:

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017
Bonds:				
2007 Building	\$ 5,265,000	\$ -	\$ 380,000	\$ 4,885,000
2015 Working Cash	535,000	-	535,000	-
2017 Working Cash	-	1,100,000	-	1,100,000
Capitalized Leases -				
Computers	52,747	-	25,061	27,686
Surface Tablets	-	19,194	6,094	13,100
2014 IE-CE Bus	-	54,382	14,000	40,382
	<u>\$ 5,852,747</u>	<u>\$ 1,173,576</u>	<u>\$ 960,155</u>	<u>\$ 6,066,168</u>
Total	<u>\$ 5,852,747</u>	<u>\$ 1,173,576</u>	<u>\$ 960,155</u>	<u>\$ 6,066,168</u>

A. Bonds

Debt retirement for bonds is as follows:

Working Cash Bonds issued February 2017

Fiscal Year	% Rate	Principal	Interest	Total
2018	4.25	\$ 530,000	\$ 53,928	\$ 583,928
2019	4.25	570,000	12,112	582,112
		<u>\$ 1,100,000</u>	<u>\$ 66,040</u>	<u>\$ 1,166,040</u>

Fiscal Year	Building Bonds issued February 2007				Total Bond Payments		
	Rate %	Principal	Interest	Total	Principal	Interest	Total
2018	3.85	\$ 400,000	\$ 206,280	\$ 606,280	\$ 930,000	\$ 260,208	\$ 1,190,208
2019	5.50	420,000	187,030	607,030	990,000	199,142	1,189,142
2020	4.60	435,000	165,475	600,475	435,000	165,475	600,475
2021	4.60	455,000	145,005	600,005	455,000	145,005	600,005
2022	4.95	475,000	122,784	597,784	475,000	122,784	597,784
2023	4.05	495,000	101,004	596,004	495,000	101,004	596,004
2024	4.10	515,000	80,423	595,423	515,000	80,423	595,423
2025	4.10	540,000	58,795	598,795	540,000	58,795	598,795
2026	4.15	560,000	36,105	596,105	560,000	36,105	596,105
2027	4.15	590,000	12,242	602,242	590,000	12,242	602,242
		<u>\$ 4,885,000</u>	<u>\$ 1,115,143</u>	<u>\$ 6,000,143</u>	<u>\$ 5,985,000</u>	<u>\$ 1,181,183</u>	<u>\$ 7,166,183</u>

B. Leases

The District has an agreement to lease computers under a capital lease arrangement. Collective total payments of \$30,581, including interest at 10.47 percent, are due through November 2017.

The District has an agreement to lease tablets under a capital lease arrangement. Collective total payments of \$13,927, including interest at 4.18 percent, are due through August 2018.

The District has an agreement to lease a bus under a capital lease arrangement. Collective total payments of \$40,908, including interest at 2.90 percent, are due through July 2017.

The future minimum lease payments are as follows:

	Principal	Interest	Total
2018	\$ 74,484	\$ 3,969	\$ 78,453
2019	6,684	279	6,963
	<u>\$ 81,168</u>	<u>\$ 4,248</u>	<u>\$ 85,416</u>

The District has also entered into operating lease agreements for copiers and printers with an original term of 5 years, with an option for renewal. Rental expenditures for the year ended June 30, 2017 under operating lease commitments were \$88,625.

The future minimum lease payments are as follows:

2018	\$ 84,854
2019	84,854
2020	40,892
2021	<u>24,075</u>
	<u>\$ 234,675</u>

The capital leases and loans are reported as other long-term debt in the General Long-Term Debt Account Group.

Legal Debt Limit

Section 5/19-1 of the Illinois School Code limits the amount of qualify debt of the District to 13.8% of the latest equalized assessed value.

The estimated legal debt margin of the District at June 30, 2017, was calculated as follows:

Legal Debt Limit	\$ 16,033,447
Less Qualifying Debt	<u>6,066,168</u>
Legal Debt Margin	<u>\$ 9,967,279</u>

NOTE 7. RETIREMENT PLANS

The School District participates in three retirement systems: the Teachers' Retirement System of the State of Illinois (TRS), the Illinois Municipal Retirement Fund (IMRF) and Social Security.

Teachers' Retirement System of the State of Illinois

Plan description

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

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

Benefits provided

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

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

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

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2016, was 9.4 percent of creditable earnings. On July 1, 2016, the rate dropped to 9.0 percent of pay due to the expiration of the Early Retirement Option (ERO). The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf contributions to TRS. The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2017, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the employer recognized revenue and expenditures of \$1,878,550 in pension contributions from the state of Illinois.

2.2 Formula Contributions. Employers contribute 0.58 percent of creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2017 were \$28,274 and are deferred because they were paid after the June 30, 2016 measurement date.

Federal and Special Trust Fund Contributions. When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that has been in effect since the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS. Public Act 98-0674 now requires the two rates to be the same.

For the year ended June 30, 2017, the employer pension contribution was 38.54 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2017, salaries totaling \$76,445 were paid from federal and trust funds that required employer contributions of \$29,462. These contributions are deferred because they were paid after the June 30, 2016 measurement date.

Employer Retirement Cost Contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2017, the employer paid nothing to TRS for employer ERO contributions for retirements that occurred before July 1, 2016.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2017, the employer paid nothing to TRS for employer contributions due on salary increases in excess of 6 percent and nothing for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2017, the District has a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. Since the District follows the cash basis of accounting as defined by the Illinois State Board of Education Audit Guide, the liability is not recognized on the financial statements. The state's support and total are for disclosure purposes only. The amount disclosed by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follow:

District's proportionate share of the net pension liability	\$ 1,249,327
State's proportionate share of the net pension liability associated with the District	<u>39,020,850</u>
Total	<u>\$ 40,270,177</u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015, and rolled forward to June 30, 2016. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2016, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2016, the District's proportion was .001583 percent, which was an decrease of .00015 from its proportion measured as of June 30, 2015.

If the District were on the accrual basis of accounting at June 30, 2017, the District would have recognized pension expense and revenue of \$3,832,085 for support provided by the state. If the District were on the accrual basis of accounting at June 30, 2017, the District would have reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 9,238	\$ 847
Net differences between projected and actual earnings on pension plan investments	35,296	-
Changes of assumptions	107,299	-
Changes in proportion and differences between District contributions and proportionate share of contributions	76,769	290,003
	<u>228,602</u>	<u>290,850</u>
District contributions subsequent to measurement date	57,736	-
Total	<u>\$ 286,338</u>	<u>\$ 290,850</u>

\$57,920 would have been reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ (58,749)
2019	(58,749)
2020	37,474
2021	16,603
2022	1,173

Actuarial assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

For the June 30, 2016 valuation, the investment return assumption was lowered from 7.50 percent to 7.0 percent. Salary increase assumptions were lowered from their 2015 levels. Other assumptions were based on the 2015 experience analysis which increased retirement rates, improved mortality assumptions and made other changes.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equities large cap	14.4%	6.94%
U.S. equities small/mid cap	3.6	8.09
International equities dev.	14.4	7.46
Emerging market equities	3.6	10.15
U.S. bonds core	10.7	2.44
International debt dev.	5.3	1.70
Real estate	15.0	5.44
Commodities (real return)	11.0	4.28
Hedge funds (absolute return)	8.0	4.16
Private equity	<u>14.0</u>	10.63
Total	<u>100.0%</u>	

Discount rate

At June 30, 2016, the discount rate used to measure the total pension liability was a blended rate of 6.83 percent, which was a change from the June 30, 2015 rate of 7.47 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2016 was not projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to subsidy, contributions from future members in excess of the service cost are also included in the determinations of the discount rate. Despite the subsidy, all projected future payments were not covered, so a slightly lower long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2015, the discount rate used to measure the total pension liability was 7.47 percent. The discount rate was lower than the actuarially-assumed rate of return on investments that year because TRS's fiduciary net position and the subsidy provided by Tier II were not sufficient to cover all projected benefit payments.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.83 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.83 percent) or 1-percentage-point higher (7.83 percent) than the current rate.

	1% Decrease (5.83%)	Discount Rate (6.83%)	1% Increase (7.83%)
District's proportionate share of the net pension liability	\$ 1,527,978	\$ 1,249,327	\$ 1,021,744

TRS fiduciary net position

Detailed information about TRS's fiduciary net position as of June 30, 2016 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

Teacher Health Insurance Security Fund

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

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

The percentage of employer required contributions in the future will not exceed 105 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 1.12 percent of pay during the year ended June 30, 2017. State of Illinois contributions were \$54,592 and the District recognized revenue and expenditures of this amount during the year.

Employer Contributions to THIS Fund. The District also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.84 percent during the years ended June 30, 2017. For the year ended June 30, 2017, the District required contribution totaled \$40,944 to the THIS Fund, which was 100 percent of the required contribution.

Further Information on THIS Fund

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

Illinois Municipal Retirement Fund

Plan Description

The District’s defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District’s plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the “Benefits Provided” section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois.

IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan’s fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

The District’s IMRF members participate in the Regular Plan (RP).

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

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

divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2016, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	38
Inactive plan members entitled to but not yet receiving benefits	49
Active plan members	63
Total	150

Contributions

As set by statute, the District’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District’s annual contribution rate for calendar year 2016 was 10.12%. For the fiscal year ended June 30, 2017, the District contributed \$158,780 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The District’s net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Since the District follows the cash basis of accounting as defined by the Illinois State Board of Education Audit Guide, the liability is not recognized on the financial statements.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2016:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation pursuant to an experience study from years 2011 to 2013.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.

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

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	38%	6.85%
International equity	17%	6.75%
Fixed income	27%	3.00%
Real estate	8%	5.75%
Alternative investments	9%	2.65-7.35%
Cash equivalents	1%	2.25%
Total	<u>100%</u>	

Single Discount Rate

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.78%, and the resulting single discount rate is 7.50%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2015	\$ 5,720,558	\$ 4,987,957	\$ 732,601
Changes for the year:			
Service Cost	170,942	-	170,942
Interest on the Total Pension Liability	425,177	-	425,177
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	134,536	-	134,536
Changes of Assumptions	(16,250)	-	(16,250)
Contributions - District	-	160,483	(160,483)
Contributions - Employees	-	71,361	(71,361)
Net Investment Income	-	333,841	(333,841)
Benefit Payments, including Refunds of Employee Contributions	(243,689)	(243,689)	-
Other (Net Transfer)	-	48,151	(48,151)
Net Changes	470,716	370,147	100,569
Balances at December 31, 2016	\$ 6,191,274	\$ 5,358,104	\$ 833,170

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	\$ 1,712,375	\$ 833,170	\$ 113,207

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

If the District were on the accrual basis of accounting at June 30, 2017, the District would have recognized pension expense of \$265,435. If the District was on the accrual basis of accounting at June 30, 2016, the District would have reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ 114,005	\$ 6,692
Changes of assumptions	83,030	12,745
Net difference between projected and actual earnings on pension plan investments	267,526	-
Total deferred amounts to be recognized in pension expense in future periods	464,561	19,437
<i>Pension contributions made subsequent to the measurement date</i>	76,463	-
Total Deferred Amounts Related to Pensions	\$ 541,024	\$ 19,437

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources	Net Deferred Inflows of Resources
2017	\$ 164,286	\$ -
2018	149,808	-
2019	106,483	-
2020	24,547	-
Total	\$ 445,124	\$ -

Social Security

Employees not qualifying for coverage under the Teachers' Retirement System are covered under Social Security. The District paid \$188,953 of social security contributions for the year ended June 30, 2017.

NOTE 8. RISK MANAGEMENT – CLAIMS AND JUDGMENTS

The District is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and other natural disasters.

The District is self-insured for purposes of unemployment insurance. The District is liable to the State of Illinois for any payments made to any of its former employees claiming benefits. Unemployment insurance is recorded as an expense in the year paid. At June 30, 2017, the District estimates there is no significant liability for unpaid unemployment insurance claims.

The District carries commercial insurance for all other risks of loss, including workers' compensation and liability insurance.

NOTE 9. AGENCY FUNDS

The following summarizes the changes in assets and liabilities of agency funds (student activity) held by the District:

ASSETS	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Cash	\$ 106,994	\$266,473	\$244,537	\$ 128,930
LIABILITIES				
Due to student and other groups	\$ 106,994	\$266,473	\$244,537	\$ 128,930

NOTE 10. JOINT VENTURES

The District, along with other public school districts in Tazewell and Mason counties, is a member of Tazewell-Mason Counties Special Education Association. This association, a joint agreement, was formed for the purpose of providing special education services to eligible students in the member districts. Tuition is paid to the association for services on the basis of the number of program eligible students in the District.

Separate financial statements are available by contacting the Association's office at 300 Cedar Street, Pekin, Illinois 61554.

NOTE 11. TAX ANTICIPATION WARRANTS

There were no tax anticipation warrants issued, retired, or outstanding during the fiscal year ended June 30, 2017.

NOTE 12. COMMON BANK ACCOUNTS

Separate bank accounts are not maintained for all District funds; instead, certain funds maintain their uninvested cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

NOTE 13. DISBURSEMENTS IN EXCESS OF BUDGET

Actual expenditures exceeded budgeted amounts in the Transportation fund for the fiscal year ended June 30, 2017.

NOTE 14. DEFICIT FUND BALANCES

As of June 30, 2017, the District did not have a deficit fund balance in any fund.

NOTE 15. COMMITMENTS AND CONTINGENCIES

Contingencies

The District has received funding from state and federal grants in the current and prior years that is subject to audits by the granting agencies. The school board believes any adjustments that may arise from these audits will be insignificant to District operations.

Litigation

The District is involved in various legal actions and claims arising in the normal course of business. After taking into consideration legal counsel's evaluation of such actions, management is of the opinion that their outcome will not have a significant effect on the District's financial statements.

NOTE 16. TAX ABATEMENTS

During the fiscal year ended June 30, 2017, the District's property tax revenues were reduced by \$214,913 under agreements entered into by the Village of Deer Creek, Illinois. The Village of Deer Creek, Illinois entered into agreements with businesses in the Village of Deer Creek Tax Increment Financing District. The property tax increment created between the base equalized assessed value and any newly created equalized assessed value is retained for improvement in the Tax Increment Financing District and may be distributed if not used to the other taxing bodies such as the District. During the fiscal year ended June 30, 2017, the Village of Deer Creek distributed \$95,226 of the abated taxes to the District.

DEFICIT ANNUAL FINANCIAL REPORT (AFR) SUMMARY INFORMATION
New Provisions in the School Code, Section 17-1 (105 ILCS 5/17-1)

Instructions: If the Annual Financial Report (AFR) reflects that a "deficit reduction plan" is required as calculated below, then the school district is to complete the "deficit reduction plan" in the annual budget and submit the plan to Illinois State Board of Education (ISBE) within 30 days after accepting the audit report. This may require the FY2018 annual budget to be amended to include a "deficit reduction plan" and narrative.

The "deficit reduction plan" is developed using ISBE guidelines and format in the School District Budget Form 50-36. A plan is required when the operating funds listed below result in direct revenues (line 7) being less than direct expenditures (line 8) by an amount equal to or greater than one-third (1/3) of the ending fund balance (line 10). That is, if the ending fund balance is less than three times the deficit spending, the district must adopt and submit an original budget/amended budget with ISBE that provides a "deficit reduction plan" to balance the shortfall within the next three years.

DEFICIT AFR SUMMARY INFORMATION - Operating Funds Only
(All AFR pages must be completed to generate the following calculation)

Description	EDUCATIONAL FUND (10)	OPERATIONS & MAINTENANCE FUND (20)	TRANSPORTATION FUND (40)	WORKING CASH FUND (70)	TOTAL
Direct Revenues	7,597,507	857,222	473,724	67,464	8,995,917
Direct Expenditures	7,841,695	764,751	572,242		9,178,688
Difference	(244,188)	92,471	(98,518)	67,464	(182,771)
Fund Balance - June 30, 2017	621,992	470,243	340,136	1,473,952	2,906,323

Unbalanced - however, a deficit reduction plan is not required at this time.