



To: Board of Education
Dr. Jon Bartelt
From: Mr. John T. Reiniche *John Reiniche*
Re: Audit Report Fiscal Year 2017-18
Date: October 15, 2018

Background:

Each year the District is required to have a public audit of their financial records. This year's audit was conducted by Mathieson, Moyski, and Austin & Co. LLP. At the monthly meeting of the Board Education on October 22nd, Mr. Michael Moyski will be present to give the Board a brief report on the audit.

Situation:

For the second year, the Business Office has prepared a Comprehensive Annual Financial Report or otherwise known as a CAFR. The purpose of this report is to be more transparent with the community. We will submit this report to both the Government Finance Officers Association (GFOA) and Association of School Business Officials (ASBO) with the goal of receiving the Certificate of Achievement for Excellence in Financial Reporting. Finally, I would like to acknowledge the preparation of this report would not have been possible without the efficient and dedicated services of the Business Office Staff; Janice Konchar, Geri Zanoni, and Cheryl Woehrle. Credit must also be given to the members of the Board of Education for their desire and commitment to maintain the highest standards of professionalism in the management of Bloomington School District's finances. For your convenience, we have attached the entire report to this memo.

Recommendation:

The administration is recommending that the Board of Education approve audit report in its entirety.

**Bloomington
School District 13
164 Euclid Avenue
Bloomington, Illinois
60108-2604**

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**BLOOMINGDALE ELEMENTARY
SCHOOL DISTRICT NO. 13
DuPage County – Bloomingdale, Illinois**

Comprehensive Annual Financial Report

**For the Fiscal Year Ended
June 30, 2018**

**MATHIESON
MOYSKI·AUSTIN
& Co., LLP**

Certified Public Accountants and Advisors

**BLOOMINGDALE ELEMENTARY
SCHOOL DISTRICT NO. 13
DuPage County – Bloomingdale, Illinois**

Comprehensive Annual Financial Report

**For the Fiscal Year Ended
June 30, 2018**

**Submitted by: Mr. John Reiniche
Director of Finance**

INTRODUCTORY SECTION

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
Comprehensive Annual Financial Report
June 30, 2018

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**Bloomington Elementary School District No. 13
164 South Euclid Avenue
Bloomington, Illinois 604108**

Comprehensive Annual Financial Report

Officers and Officials

Fiscal Year Ended June 30, 2018

Board of Education

		<u>Term Expires</u>
Mr. Cary Moreth	President	2021
Mr. Matt Boebel	Vice President	2019
Mrs. Linda Wojcicki	Secretary	2019
Mr. Mike Cozzi	Member	2021
Mr. Terence McKeown	Member	2019
Ms. Tamara Peterson	Member	2019
Mr. David Schueler	Member	2021

District Administration

Dr. Jon Bartelt	Superintendent
Mrs. Samia Hefferan	Special Education Coordinator
Mr. John Reiniche	Director of Finance and Treasurer
Dr. Evonne Waugh	Assistant Superintendent of Learning

Officials Issuing Report

Dr. Jon Bartelt	Superintendent
Mr. John Reiniche	Director of Finance and Treasurer

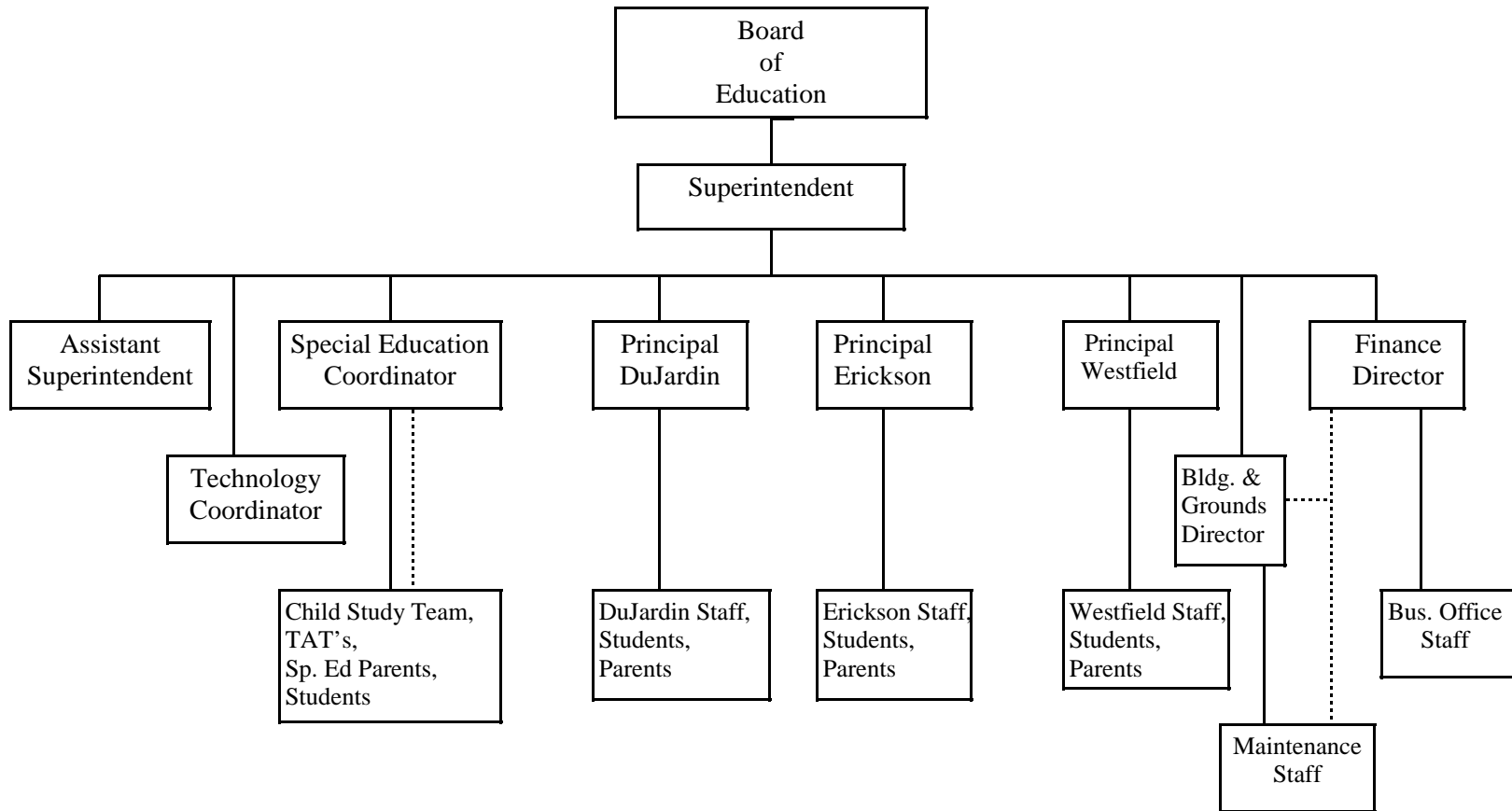
Principals

Mr. Mark Dwyer	DuJardin Elementary School
Mr. Patrick Haugens	Erickson Elementary School
Mr. Stefan Larsson	Westfield Middle School

Department Issuing Report

Business Office

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13 ORGANIZATIONAL CHART





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Bloomington School District 13

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.' The signature is written in a cursive style and is positioned above a horizontal line.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink, reading 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

John D. Musso, CAE
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Bloomington SD 13
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

LETTER OF TRANSMITTAL



**Bloomington
School District 13
164 Euclid Avenue
Bloomington, Illinois
60108-2604**

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October 7, 2018

Members of the Board of Education
Bloomington School District 13
Bloomington, Illinois 60108

Dear Members of the Board:

The Illinois State Board of Education requires that every school district issue a complete set of audited financial statements. This report is published to fulfill that requirement for fiscal year end June 30, 2018.

The Comprehensive Annual Financial Report of Bloomington School District 13, Bloomington, Illinois, for the fiscal year ended June 30, 2018 is submitted herewith. The audit was issued on October 7, 2018.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Mathieson, Moyski, Austin & Co., LLP, Certified Public Accountants, have issued an unmodified ("Clean") opinion on the Bloomington School District 13 financial statements for the year ended June 30, 2018. The independent auditor's report is located at the front of the financial section of this report.

This report has been divided into three major areas; the Introductory, Financial, and Statistical. The introductory section includes the table of contents, transmittal letter, the District's organization chart and the list of principal officials. The financial section begins with the Independent Auditor's Report and includes management's discussion and analysis (MD&A), the Basic Financial Statements and Notes that provide an overview of the District's financial position and operating results, the Combining and Individual Fund Statements for non-major funds and other schedules that provide detailed information relative to the Basic Financial Statements. MD&A complements this letter of transmittal and should be read in conjunction with it. The last area of this report is the Statistical section. The Statistical Section includes a number of tables of unaudited data depicting the financial history of the District, demographics and the fiscal capacity of the District. When applicable, some data schedules will provide a ten-year history.

Profile of the District

The mission of Bloomingdale School District 13 is, developing actively involved learners, well-rounded students, and responsible citizens in partnership with the community. Bloomingdale School District 13 is committed to its core values:

- Ensuring every child will learn;
- Treating everyone with honor and respect;
- Working together to achieve.

The District is an elementary (PreK-8) school district in Bloomingdale, Illinois, which operates as a single district, with an enrollment of approximately 1,399 students. The governing body consists of a seven member Board of Education elected from within the District's boundaries. According to the Illinois School Code, the Board of Education:

- a. has the corporate power to sue and be sued in all courts,
- b. has the power to levy and collect taxes and to issue bonds,
- c. can contract for appointed administrators, teachers, and other personnel, as well as for goods and services.
- d. holds title to all District property, and
- e. appoints the Treasurer who serves as legal custodian of all the District's funds.

The Board of Education appoints a superintendent who, in turn, recommends to the Board of Education the appointment of the remaining administrative team. An organizational chart is provided at the front of this report.

The District is required to adopt an annual budget for all its funds by September 30 of each year. The annual budget serves as a foundation for financial planning and control. The budget is prepared by fund, function (e.g., instruction, support services), location, program, and object (e.g., salaries, employee benefits). Additional information of the District's budgetary accounting can also be found in the notes to required supplementary information and later in this letter. The Board of Education approves the hiring of employees, awarding of bids, and payments to vendors at its regular meetings throughout the year.

The primary purpose of the Board of Education is to provide each student living within the District's boundaries the educational opportunities necessary to be a productive citizen in our democratic society. There are four basic purposes to public education, which are as follows:

1. Education is the concern of all the people, hence it becomes the function of the state and local community.
2. Public schools are designed to allow each individual to develop to his/her maximum potential in order to be a contributing member of a democratic society.
3. Equal educational and extracurricular opportunities shall be available for all students without regard to race, color, national origin, gender, religious beliefs, physical and mental handicap or disability, pregnancy, or actual or potential marital or parental status. Further, the District will not knowingly enter into agreements with any entity or any individual that discriminates against students on the basis of gender or any other protected status, except that the District remains viewpoint neutral when granting access to school facilities.

4. Public education should transmit the highest ideals of our culture to each succeeding generation and to instill in each individual the desire to pursue learning as a lifelong activity. The entire District staff is involved in correlating the local objectives. The District uses local assessments at all grade levels. The local learning objectives and assessments correlated with the state program, thus measuring student progress from PreK-8 grades. The majority of students continue to perform above state averages. Bloomingdale School District 13 students continue to achieve above state and national averages.

Our PreK–8 curriculum offers each student a strong foundation in reading, language arts, mathematics, science and social studies. We also provide music, art and physical education in all grades, with drama, and communications, and Spanish at the middle school level.

A reading support program expands the abilities of students by reinforcing their strengths while remediating weaknesses. Staffed by district reading specialists, this federally-funded program is offered to students identified through test scores and classroom reading performance. These students work in small groups during 30-minute sessions several times each week.

Parents or guardians of any student may inspect instructional materials used in our schools. Those materials include textbooks, teachers' manuals, and other print and electronic resources. Please call the principal's office for an appointment if you wish to view any of these materials.

In closing, the Board of Education of Bloomingdale School District 13 offers one of the most comprehensive educational programs in the western suburban area. Consistently, the Board of Education has allocated timely and accurate resources for the programming needs of the educational community.

Accounting Systems and Budgetary Controls

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

Budgetary control is maintained at line item levels and built up into location, department, and program totals before being combined to create fund totals. All actual activity compared to budget is reported to the District's Administrative team and to the Board of Education monthly. The reports compare year to date activity versus budget and prior year actual. Full disclosures are made if extraordinary variances appear during the year.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

Local Economy

The District covers an estimated five square mile area. The District serves most of the Village of Bloomingdale, portions of the Villages of Roselle, Addison, Medinah and a portion of unincorporated Bloomingdale Township. The District operates two elementary schools and one middle school facility, serving the needs of 1,399 students in grades PreK-8. Classroom studies are enhanced by Instructional

Media Centers and state-of-the-art technology. The combined assessed valuation of industrial and commercial property averaged approximately 10% percent of the total property valuation within the School District which adds the property tax burden on residential homeowners.

The equalized assessed valuation (EAV) for tax year 2017 increased 8.0% to \$581,81,661 over the 2016 EAV of \$538,329,488. The increase in the EAV resulted in a slightly lower tax rate, due to limitations of the tax cap formula.

In February 1995, the Illinois General Assembly passed tax cap legislation (P.L. 89-1) for DuPage County making it retroactive to the 1994 tax year. This legislation, known as the Property Tax Extension Limitation Law Act, limits the District's ability to generate property tax revenues. In addition to P.L. 89-1, the Illinois General Assembly amended Article 20, which limits the amount of debt service taxes a district can generate through the sale of non-referendum bonds to the district's 1994 aggregate non-referendum debt service amount.

In order for a District to increase its property tax rates, a referendum question would need to be put to the voters.

For information regarding the District's financial position and respective changes in financial position, please read the Management's Discussion and Analysis on pages 4-13.

Long-Term Financial Planning

The District needs to be fiscally prudent. Key areas of concern are property tax freeze, low inflation, unfunded mandates, growing special education student needs, increasing health care costs, and pension cost shift. The District will continue to explore reducing expenditures where possible. The District's enrollment has been increasing an average of 20 students per year over the past 5 years. The District is exploring options of putting on addition to the middle school, in order to accommodate this growth. Even though there is a large disparity in the age of the District's buildings, all of them have been very well maintained and require little capital improvements. The average age of all three buildings is 42 years old.

District finances are monitored through such means as monthly finance reports to the Board of Education, the annual budget process, and long-term financial projections. The President of the Board of Education sets an agenda for the meetings. Agenda items include discussions on all major District revenues, expenses, investment practices and policies, and practices related to the management of District finances. The Board of Education through discussions shapes strategic directions for finance and monitors all policies related to the financial administration of District 13. The Board of Education provides guidance to management on the financing of strategic initiatives and District goals.

Relevant Financial Policies

Budget planning begins no later than March by adopting a proposed budget calendar. The proposed budget shall be available for public inspection and comment at least 30 days before the budget hearing. The adopted budget shall be posted on the District's website and filed with the DuPage County Clerk's office within 30 days of adoption. The Board of Education may amend the budget by following the same procedure as provided for in the original adoption.

The Board of Education shall act on all expenditures, interfund loans and transfers, transfers within funds in excess of 10 percent of the total fund, and all contingency fund expenditures.

The Director for Business Services acts as the Chief Investment Officer and Treasurer. The Treasurer invests money in accordance with Board policy and state law. See the Notes to the Basic Financial Statements for additional information on cash and investments.

The certificate of property tax levy is to be filed with the DuPage County Clerk's office by the last Tuesday in December. The District annually publishes a statement of affairs regarding its financial position by December 1.

Major Initiatives

The Bloomingdale School District 13 major initiatives is accomplished through its Strategic Plan. The Strategic Plan is intended to provide a framework for decision-making that builds upon a common mission, vision, and guiding principles held by the District community. The process has utilized a broad spectrum of data to result in a strategic plan that reflects a shared consensus of stakeholders.

Strategic Goals and Objectives

The goals in this section have been categorized into four strategic areas that emerged through the research phase of the strategic planning process.

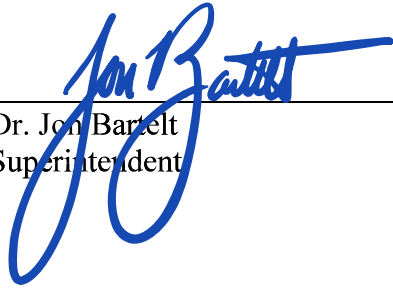
1. STUDENT SUCCESS - By holding high standards and teaching each student based on their own individual strengths and weaknesses, all students can flourish.
2. TEACHING AND LEARNING ENVIRONMENT - With a strong curriculum and exceptional teachers, the District can best support student achievement and growth.
3. COMMUNICATION AND COLLABORATION - When the District engages all stakeholders in the education process, students benefit.
4. FINANCE - Responsible financial management sustains high academic quality and allows the District's focus to remain on students.

Awards and Acknowledgements

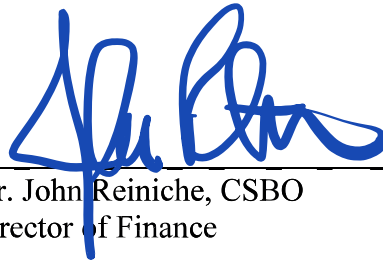
The Government Finance Officers Association (GFOA) and the Association of School Business Officials International (ASBO) provide an award known as the Certificate of Achievement for Excellence in Financial Reporting for a comprehensive annual financial report (CAFR). The District will be a second time applicant for this prestigious award. In order to be awarded a Certificate of Achievement, the District will have to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

The Certificates are valid for a period of one year only. We believe that our current CAFR meets both Program requirements, and we are submitting it to ASBO and GFOA to determine its eligibility for certification.

The preparation of this report would not have been possible without the efficient and dedicated services of the Business Office Staff. We wish to express our appreciation to Janice Konchar, Geri Zanoni, and Cheryl Woehrle who assisted and contributed to preparation of this report. Also, credit must be given to the members of the Board of Education for their desire and commitment to maintain the highest standards of professionalism in the management of Bloomingdale School District 13 finances.

A handwritten signature in blue ink, appearing to read "Jon Bartelt", written over a horizontal line.

Dr. Jon Bartelt
Superintendent

A handwritten signature in blue ink, appearing to read "John Reiniche", written over a horizontal line.

Mr. John Reiniche, CSBO
Director of Finance

FINANCIAL SECTION

Certified Public Accountants and Advisors

211 South Wheaton Avenue • Suite 300
Wheaton, Illinois 60187

Independent Auditors' Report

Board of Education
Bloomington Elementary School District No. 13
Bloomington, IL

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bloomington Elementary School District No. 13 (the District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in 2018 the District adopted new accounting guidance, GASBS No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13, and budgetary comparison schedule, required pension schedules, other postemployment benefits schedules and related notes on pages 56 through 66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual fund schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including

comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Report of Comparative Other Information

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended June 30, 2017, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The individual fund financial schedules, for the year ended June 30, 2017, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 individual fund financial schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Matheson, Morpki, Austin & Co. LLP

Wheaton, Illinois
October 7, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13

Management's Discussion and Analysis

For the Year Ended June 30, 2018

The discussion and analysis of Bloomingtondale Elementary School District No. 13's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2018. The District's financial statements incorporate required information for the District to be in compliance with the provisions of Governmental Accounting Standards Board Statement No. 34. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. This report, Management's Discussion and Analysis (MD & A), provides an overview of the District's financial activities for the fiscal year ended June 30, 2018 with comparative data to the fiscal year ended June 30, 2017.

Financial Highlights

- The District has been awarded ISBE's Financial Recognition status with a perfect 4.0 score for the fifteenth year in a row.
- The District's total net position (deficit) as of June 30, 2018 was \$(1,853,514) down 111% from FY17. This is due to the adoption of *Governmental Accounting Standards Board Statement (GASBS) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions*, pertaining to the District's participation in the Teachers' Health Insurance Security (THIS) Fund and in providing Other Postemployment Benefits, collectively referred to as OPEB.
- The combined fund balances of governmental funds as of June 30, 2018 was \$10,294,047, reflecting an increase of \$584,169, or 6.02%.
- The portion of the total fund balance representing the General Fund (Educational Account, Operations & Maintenance Account, and Working Cash Account), equals \$8,724,665 or 84.75%.

Overview of the Financial Statements

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

The basic financial statements are comprised of three components:

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

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13

Management's Discussion and Analysis

For the Year Ended June 30, 2018

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

Reporting the District as a Whole

Government-wide financial statements

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

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

The Statement of Activities presents expenses of major programs (functions) and matches direct program revenues with each. To the extent that direct charges and grants do not recover a program's cost, it is paid from general taxes and other resources. The statement simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.

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

Reporting the District's Most Significant Funds

The analysis of the District's major funds begins on page 16. These statements reinforce information in the government-wide financial statements or provide additional information. Each of the District's major funds is presented in a separate column in the fund financial statements and the remaining funds (considered non-major funds) are combined into a column titled "Nonmajor Governmental Funds." For the General Fund, a Budgetary Comparison Statement is also presented.

The District's major governmental fund is the General Fund (Educational Account, Operations and Maintenance Account and Working Cash Account).

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13

Management's Discussion and Analysis

For the Year Ended June 30, 2018

The District's non-major governmental funds consist of the Transportation, Illinois Municipal Retirement/Social Security, Tort Immunity, and Debt Service Funds. Users who want to obtain information on non-major funds can find it in the "Combining and Individual Fund Schedules" section of this Report.

The District's individual funds are established based upon legal requirements and the Illinois Administrative Code.

Substantially all of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or less financial resources available to spend in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the basic financial statements.

The District uses an agency fund to account for resources held for student activities and groups. This fiduciary fund is not reflected in the government-wide financial statements because the resources of this fund are not available to support the District's own programs. The basic fiduciary fund financial statement can be found on page 20 of this report.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13

Management's Discussion and Analysis

For the Year Ended June 30, 2018

District-Wide Financial Analysis

The net position in the District worsened by \$18,046,046 resulting in a total net position (deficit) of \$(1,853,514). Due to the implementation of GASBS No. 75, beginning net position of \$16,192,532 was decreased by \$17,085,536 to a net position (deficit) of (\$893,004).

	<u>2018</u>	<u>2017</u>
Assets:		
Current and other assets	\$28,645,778	\$27,710,414
Capital Assets	11,588,160	11,991,037
Total Assets	<u>40,233,938</u>	<u>39,701,451</u>
Deferred outflows of resources:		
Pensions	<u>1,150,708</u>	<u>855,531</u>
Liabilities:		
Current liabilities	1,218,733	1,240,735
Long-term liabilities	21,843,683	6,238,517
Total Liabilities	<u>23,062,416</u>	<u>7,479,252</u>
Deferred inflows of resources:		
Pensions and OPEB	3,042,746	125,397
Property taxes levied for subsequent years	<u>17,132,998</u>	<u>16,759,801</u>
Total deferred inflows of resources	<u>20,175,744</u>	<u>16,885,198</u>
Net Position:		
Net Investment in capital assets	8,899,226	9,093,390
Restricted	1,569,382	1,424,858
Unrestricted (deficit)	<u>(12,322,122)</u>	<u>5,674,284</u>
Total Net Position (Deficit)	<u>\$(1,853,514)</u>	<u>\$16,192,532</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13

Management's Discussion and Analysis

For the Year Ended June 30, 2018

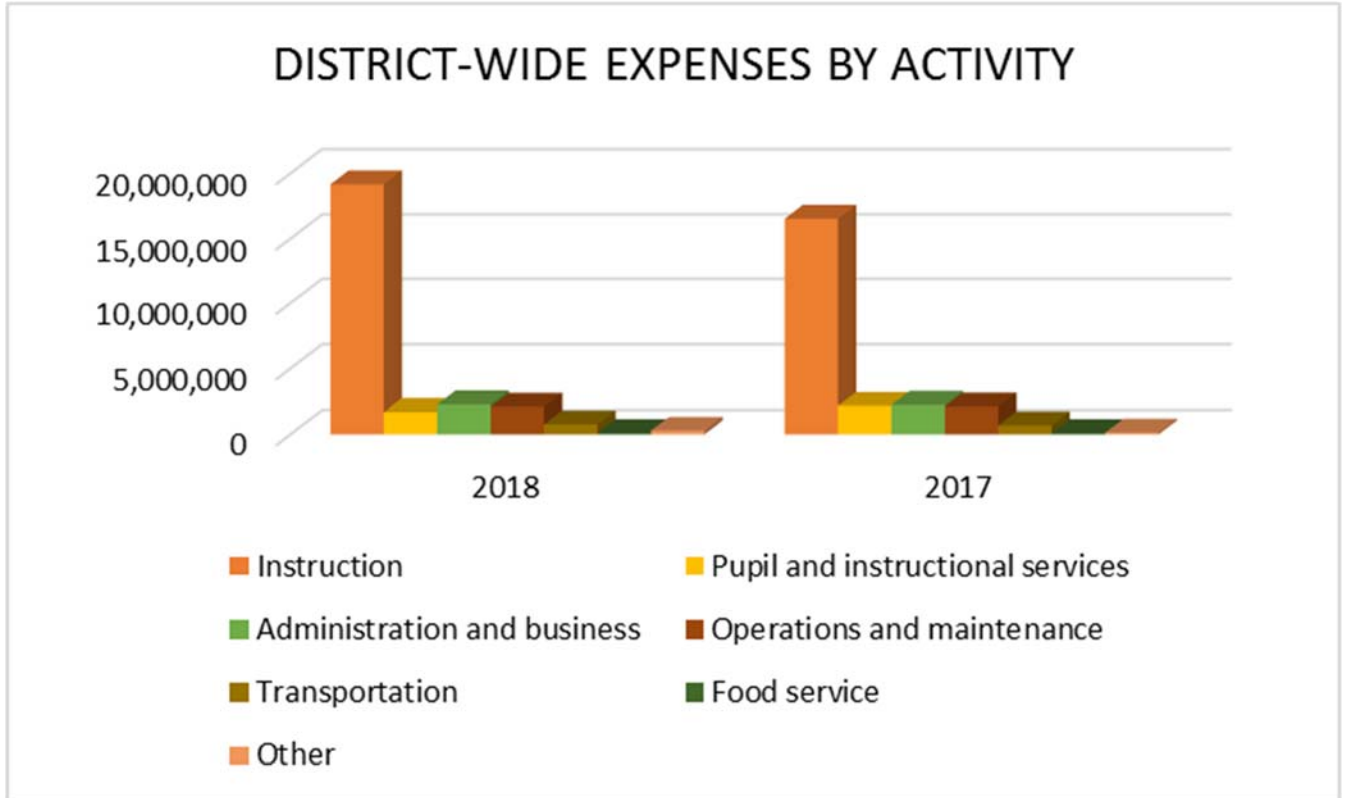
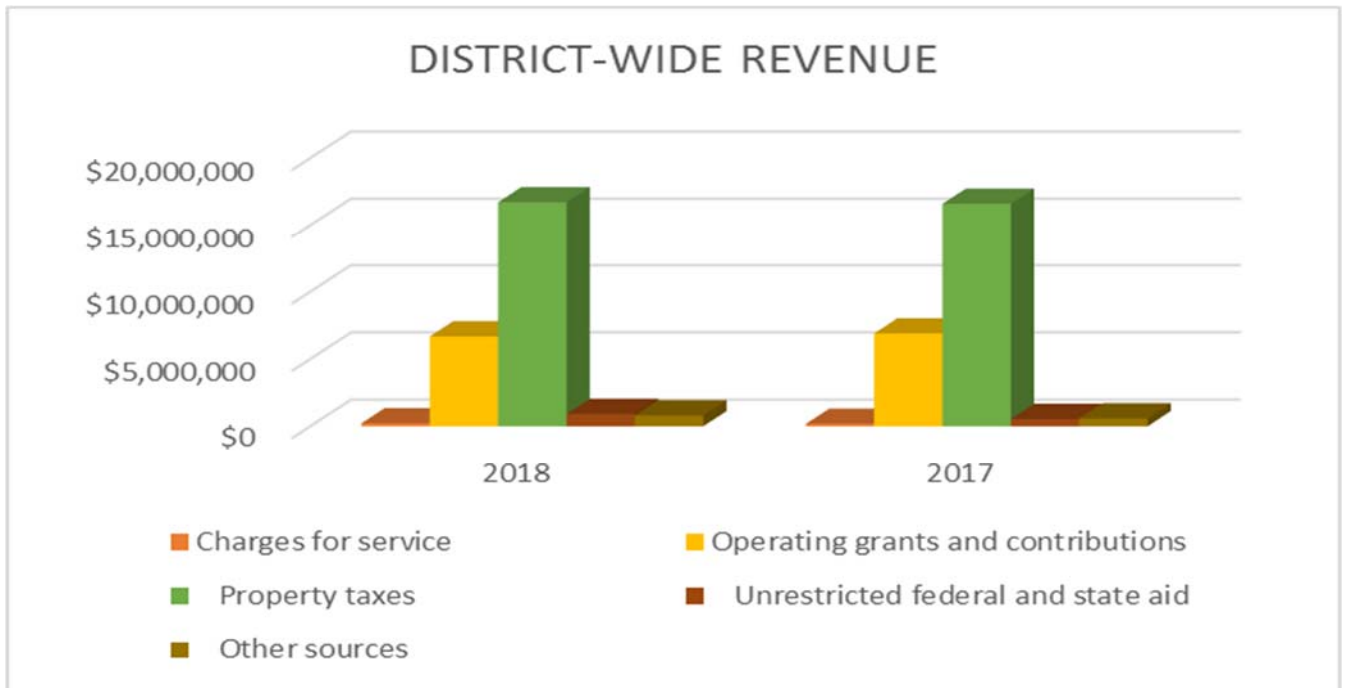
TABLE 2
CHANGE IN NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Revenues:		
Program Revenues:		
Charges for service	\$228,625	\$180,612
Operating grants and contributions	6,684,648	6,903,248
General Revenues:		
Property taxes	16,724,911	16,602,501
Unrestricted federal and state aid	916,388	544,696
Other sources	815,469	588,693
Total Revenues	<u>25,370,041</u>	<u>24,819,750</u>
Expenses:		
Instruction	19,127,236	16,530,140
Pupil and instructional services	1,694,479	2,154,231
Administration and business	2,264,496	2,229,334
Operations and maintenance	2,085,881	2,100,677
Transportation	762,661	680,784
Food service	109,202	102,821
Other	286,132	135,339
Total Expenses	<u>26,330,551</u>	<u>23,933,326</u>
Change in Net Position	(960,510)	886,424
Net Position – Beginning	16,192,532	15,306,108
Decrease in Net Position for adoption of GASBS No. 75	<u>(17,085,536)</u>	-
Net Position (Deficit) - Ending	<u>\$(1,853,514)</u>	<u>\$16,192,532</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13

Management's Discussion and Analysis

For the Year Ended June 30, 2018



BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13

Management's Discussion and Analysis

For the Year Ended June 30, 2018

TABLE 3
GOVERNMENTAL ACTIVITIES
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u> TOTAL COST OF SERVICES	<u>2018</u> NET COST OF SERVICES	<u>2017</u> TOTAL COST OF SERVICES	<u>2017</u> NET COST OF SERVICES
Instructional services	\$19,127,236	\$12,463,660	\$16,530,140	\$9,587,400
Support services	7,086,114	6,836,417	7,274,289	7,133,169
Interest on long-term liabilities	<u>117,201</u>	<u>117,201</u>	<u>128,897</u>	<u>128,897</u>
Total Expenses	<u>\$26,330,551</u>	<u>\$19,417,278</u>	<u>\$23,933,326</u>	<u>\$16,849,466</u>

In Table 3 the total cost of the District's functions are presented as well as the net cost of those functions. By presenting the information in this manner, the reader of these financial statements considers the actual cost of each program, after grants and other charges, versus the benefit of the program.

Financial Analysis of the District's Funds

Total revenues for all governmental funds for 2017-2018 were \$25,370,041. Total expenditures for all governmental funds for 2017-2018 were \$24,885,872. Revenues and other financing sources exceeded expenditures and other financing uses by \$584,169. The fund balance on July 1, 2017 was \$9,709,878. The fund balance for all governmental funds on June 30, 2018 was \$10,294,047.

The General Fund's Educational Account showed revenues exceeded expenditures and other financing uses by \$60,633 resulting in an ending fund balance of \$4,103,040.

The General Fund's Operations and Maintenance Account showed revenues exceeded expenditures and other financing uses by \$187,952 resulting in an ending fund balance of \$2,636,489.

The General Fund's Working Cash Account had revenues of \$199,060, and other financing uses of \$8,000 creating an ending fund balance of \$1,985,136.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13

Management's Discussion and Analysis

For the Year Ended June 30, 2018

General Fund Budget Information

The District budget is prepared in accordance with Illinois law and is based on the modified accrual basis of accounting, utilizing revenues, expenditures and encumbrances.

Actual state revenues of the General Fund exceeded budgeted state revenues by \$1,869,125. The largest state revenue budget and actual variance was related to state on-behalf payments. The District budgeted \$4,000,000 and actual revenues were \$5,784,011.

Actual instruction expenditures of the General Fund exceeded budgeted instruction expenditures by \$2,125,913. The largest instruction expenditure budget and actual variance was related to state on-behalf payments. The District budgeted \$4,000,000 and actual expenditures were \$5,784,011.

Capital Assets and Debt Administration

Capital assets

The total of capital assets, net of depreciation, was \$11,991,037 in Fiscal Year 2017 and decreased to \$11,588,160 in Fiscal Year 2018 primarily due to more depreciation expense than additional assets placed in service. Capital assets are depreciated using the straight line method with estimated useful lives of ten to forty years for buildings and improvements, twenty years for land improvements and five to ten years for equipment. Further detail is included in the notes to the financial statements beginning on page 30.

	<u>2018</u>	<u>2017</u>
Construction in process	\$ -	\$ 20,286
Buildings and improvements	11,090,142	11,632,403
Equipment	<u>498,018</u>	<u>338,348</u>
Total (net)	<u>\$11,588,160</u>	<u>\$11,991,037</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13

Management's Discussion and Analysis

For the Year Ended June 30, 2018

Long-term debt

General Obligation Bonds outstanding at year end were \$2,625,000. The District's tax bonds carry an AA+ bond rating. The District's ratings reflect a steady, moderate tax base growth, sound financial operations with ample reserves, moderate debt burden, and adequate security protections. Further detail is included in the notes to the financial statements beginning on page 31.

	<u>2018</u>	<u>2017</u>
General obligation bonds	<u>\$2,625,000</u>	<u>\$2,880,000</u>
Total (net)	<u><u>\$2,625,000</u></u>	<u><u>\$2,880,000</u></u>

Next Year's Budget

The 2018-2019 budget for the General Fund shows expenditures in excess of revenue of \$48,345. Expenditures are budgeted to exceed revenue by \$449,045 in the General Fund's Educational Account.

Factors Bearing on the District's Future

The District is presently aware of several circumstances that may significantly affect its financial health in the future:

- The economy is making a slow comeback. GDP is growing annually. There is still much debate over the Affordable Care Act and its implementation. This may increase some of the District's health care premiums over time.
- The assessed value of the District is projected to continue to increase. New construction is projected to add very little to the assessed value in the near future. The assessor's office continues to see more activity in the area. Many homes are selling and selling quickly. More homeowners are applying for permits for remodeling projects and there is an increase in commercial lending.
- District enrollments increased again in FY17. The trend of slight increases is expected to continue due to a stronger rental market and the quality of education Bloomingdale Elementary School District 13 provides. Families are moving here to attend these schools.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13

Management's Discussion and Analysis

For the Year Ended June 30, 2018

- The collective bargaining agreement will be in effect through 2019. Raises of 4% for FY17, 4% for FY 2018 and 5% for FY 2019 were agreed upon.
- Aging, depreciated school buildings require constant repair and maintenance. We anticipate major building projects in the future to maintain a quality environment for learning.
- The potential of a TRS cost shift, a property tax freeze as well as the State of Illinois financial position could negatively impact the District.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

John Reiniche, CSBO
Director of Finance and Treasurer
Bloomington Elementary School District No. 13
164 S. Euclid Avenue
Bloomington, Illinois 60108

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BASIC FINANCIAL STATEMENTS

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
STATEMENT OF NET POSITION
JUNE 30, 2018

		Governmental Activities
Assets:		
Cash and investments	\$	20,369,176
Receivables:		
Property taxes		8,179,109
Other governments		97,493
Capital assets:		
Capital assets, net of depreciation		<u>11,588,160</u>
 Total assets		 <u>40,233,938</u>
Deferred outflows of resources:		
Pension		1,014,956
Other postemployment benefits		<u>135,752</u>
 Total deferred outflows of resources		 <u>1,150,708</u>
Liabilities:		
Accounts payable		16,123
Accrued payroll expenses		1,055,487
Unearned revenue		147,123
Long-term liabilities:		
Due within one year		283,245
Due in more than one year		<u>21,560,438</u>
 Total liabilities		 <u>23,062,416</u>
Deferred inflows of resources:		
Pension		873,208
Other postemployment benefits		2,169,538
Property taxes levied for subsequent year		<u>17,132,998</u>
 Total deferred inflows of resources		 <u>20,175,744</u>
Net Position:		
Net investment in capital assets		8,899,226
Restricted for:		
Debt service		134,840
Transportation		641,750
Retirement		385,840
Tort immunity		406,952
Unrestricted (deficit)		<u>(12,322,122)</u>
 Total net position (deficit)	 \$	 <u><u>(1,853,514)</u></u>

The notes to the financial statements are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Total Governmental Activities
Governmental activities:				
Instructional services:				
Regular programs	\$ 15,393,242	\$ 196,023	\$ 5,794,009	\$ (9,403,210)
Special programs	3,680,182	-	673,544	(3,006,638)
Other programs	53,812	-	-	(53,812)
Supporting services:				
Students	577,203	-	-	(577,203)
Instructional staff	1,117,276	-	21,314	(1,095,962)
District administration	901,175	-	-	(901,175)
School administration	983,869	-	-	(983,869)
Business	379,916	-	-	(379,916)
Operation and maintenance of facilities	2,085,881	-	-	(2,085,881)
Transportation	762,661	17,729	187,954	(556,978)
Food service	109,202	14,873	7,827	(86,502)
Staff	164,092	-	-	(164,092)
Community services	4,839	-	-	(4,839)
Interest on long-term liabilities	117,201	-	-	(117,201)
 Total school district	 <u>\$ 26,330,551</u>	 <u>\$ 228,625</u>	 <u>\$ 6,684,648</u>	 <u>(19,417,278)</u>
General revenues:				
Property taxes levied for:				
General purposes				15,021,904
Transportation				631,059
Retirement				544,817
Debt service				375,722
Tort				151,409
State aid not restricted to specific purposes				916,388
Earnings on investments				190,897
Miscellaneous				624,572
 Total general revenues				 <u>18,456,768</u>
 Change in net position				 (960,510)
Net position (deficit) - beginning, as restated				<u>(893,004)</u>
Net position (deficit) - ending				<u>\$ (1,853,514)</u>

The notes to the financial statements are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
BALANCE SHEETS
GOVERNMENTAL FUNDS
JUNE 30, 2018

	General	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>			
Cash and investments	\$ 17,897,687	\$ 2,471,489	\$ 20,369,176
Receivables (net of allowance for uncollectibles):			
Property taxes	7,355,037	824,072	8,179,109
Intergovernmental	40,280	57,213	97,493
TOTAL ASSETS	25,293,004	3,352,774	28,645,778
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	16,123	-	16,123
Accrued payroll expenses	1,055,487	-	1,055,487
Unearned revenue	89,910	57,213	147,123
Total Liabilities	1,161,520	57,213	1,218,733
Deferred inflows of resources:			
Property taxes levied for subsequent year	15,406,819	1,726,179	17,132,998
Fund Balance:			
Restricted	-	1,569,382	1,569,382
Unassigned	8,724,665	-	8,724,665
Total fund balance	8,724,665	1,569,382	10,294,047
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 25,293,004	\$ 3,352,774	\$ 28,645,778

The notes to the financial statements are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018

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

Total fund balance - governmental funds	\$ 10,294,047
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$26,809,265 and the accumulated depreciation is \$15,221,105.	11,588,160
Long-term liabilities, including bonds payable and capital leases, are not due and payable in the current period and therefore are not reported in the funds.	
Bonds payable	(2,625,000)
Capital leases payable	(100,000)
Deferred issuance discount	36,066
Net other post employment benefits obligation	(16,224,342)
Net pension liability - Teachers' Retirement System	(1,781,125)
Net pension liability - Illinois Municipal Retirement Fund	(1,149,282)
Deferred outflows and deferred inflows, related to the pensions and other postemployment benefits, represent a consumption of or increase to net pension that apply to future periods and therefore are not reported in the funds.	
Deferred outflow - Pension	1,014,956
Deferred outflow - OPEB	135,752
Deferred inflow - Pension	(873,208)
Deferred inflow - OPEB	<u>(2,169,538)</u>
Total net position (deficit)- governmental activities	<u>\$ (1,853,514)</u>

The notes to the financial statements are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	General	Other Governmental Funds	Total Governmental Funds
REVENUES:			
Property taxes	\$ 15,021,904	\$ 1,703,007	\$ 16,724,911
Other local sources	991,402	50,900	1,042,302
State sources	6,831,175	187,954	7,019,129
Federal sources	583,699	-	583,699
Total revenues	<u>23,428,180</u>	<u>1,941,861</u>	<u>25,370,041</u>
EXPENDITURES:			
Current operating:			
Instruction	15,253,218	246,685	15,499,903
Supporting services	5,701,811	1,197,939	6,899,750
Community services	4,495	344	4,839
Payments to other districts and governmental units	1,683,872	-	1,683,872
Capital outlay	371,594		371,594
Debt service:			
Payment of principal on long-term debt	-	311,488	311,488
Interest on long-term debt	-	113,426	113,426
Bond service charges	-	1,000	1,000
Total expenditures	<u>23,014,990</u>	<u>1,870,882</u>	<u>24,885,872</u>
Excess of revenues over expenditures	<u>413,190</u>	<u>70,979</u>	<u>484,169</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	160,000	73,545	233,545
Transfers out	(233,545)	-	(233,545)
Principal on capital lease	100,000	-	100,000
Total other financing sources (uses)	<u>26,455</u>	<u>73,545</u>	<u>100,000</u>
Net change in fund balances	439,645	144,524	584,169
Fund balances at beginning of year	<u>8,285,020</u>	<u>1,424,858</u>	<u>9,709,878</u>
FUND BALANCES AT END OF YEAR	<u>\$ 8,724,665</u>	<u>\$ 1,569,382</u>	<u>\$ 10,294,047</u>

The notes to the financial statements are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

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

Net change in fund balances-total governmental funds **\$ 584,169**

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$2,500 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlays	371,594	
Depreciation expense	<u>(774,471)</u>	(402,877)

The governmental funds report proceeds from the issuance of debt as an other financing source and the repayment of bond principal as an expenditure. In the statement of activities, debt issuance and repayment of bond principal are not reported as they are an increase, or a reduction of long-term liabilities. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Principal on capital lease	(100,000)	
Repayment of bond principal	255,000	
Repayment of capital lease principal	56,488	
Amortization of bond discount	(2,775)	
Changes in net pension liability - Teachers' Retirement System	(437,678)	
Changes in net pension liability - Illinois Municipal Retirement Fund	846,537	
Changes in net pension liability - Teachers' Health Insurance Security Fund	833,204	
Changes in net pension liability - Other Postemployment Benefits	<u>29,594</u>	1,480,370

Changes in deferred inflows and outflows related to pensions and other postemployment benefits are only reported in the statement of activities.

Changes in deferred outflow - Teachers' Retirement System	295,283	
Changes in deferred outflow - Illinois Municipal Retirement Fund	(135,858)	
Changes in deferred outflow - Other Postemployment Benefits	53,841	
Changes in deferred outflow - Teachers' Health Insurance Security Fund	81,911	
Changes in deferred inflow - Teachers' Retirement System	(101)	
Changes in deferred inflow - Illinois Municipal Retirement Fund	(747,710)	
Changes in deferred inflow - Other Postemployment Benefits	(11,644)	
Changes in deferred inflow - Teachers' Health Insurance Security Fund	<u>(2,157,894)</u>	<u>(2,622,172)</u>

Change in net position of governmental activities **\$ (960,510)**

The notes to the financial statements are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2018

	<u>Agency Funds</u>
Assets:	
Cash and investments	\$ <u>150,158</u>
Liabilities:	
Due to student organizations	\$ <u>150,158</u>

The notes to the financial statements are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Bloomingtondale Elementary School District No. 13 (the District) is governed by an elected Board of Education. The accounting policies conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the significant accounting policies, consistently applied in the preparation of the accompanying financial statements is described below.

a. The Reporting Entity

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

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

- North DuPage Special Education Cooperative (See Note 12)

b. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

1. Government-wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the District, except for fiduciary funds. The effects of interfund activity have been eliminated. Any interfund services provided and used are not eliminated in the process of consolidation.

The statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

Program revenues include charges paid by the recipient of the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Property taxes and other revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

2. Fund Financial Statements (FFS)

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the GWFS. Major individual governmental funds are reported as separate columns in the FFS. The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund. The General Fund consists of the Educational Account, Operations and Maintenance Account, and the Working Cash Account that are legally mandated by the State of Illinois.

Additionally, the District reports the following fund types (not included in the GWFS):

The Student Activities Agency Fund (a fiduciary fund) accounts for assets held on behalf of student groups.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide financial statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue when measurable and available.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

Fund financial statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues susceptible to accrual generally include property taxes, interest on investments, and intergovernmental revenues. Property taxes are recorded as revenues in the fiscal year for which they are levied. Interest on invested funds is recognized when earned. The availability period for all other revenues is deemed to be within sixty days of the end of the year. If funding is received before the eligibility requirements have been met, that revenue is recorded as unearned.

Fiduciary financial statements

Fiduciary fund reporting focuses on net position and changes in net position and is reported using the accrual basis of accounting. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

d. Investment Valuation

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

e. Capital Assets

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,500 for furniture, equipment, buildings, and improvements and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value.

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

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

Buildings and improvements and furniture and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and building improvements	10-40 years
Land improvements	20 years
Furniture, equipment and vehicles	5-10 years

f. Long-term obligations

In the GWFS, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when the bonds are issued.

In the FFS, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

g. Net Position

In the GWFS, net position is reported as restricted when constraints placed on net position is either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the District's policy is to apply restricted net position first.

h. Property Taxes

Property taxes are levied each year on all taxable real property located in the District on or before the last Tuesday in December. The adoption date for the 2017 tax levy was December 18, 2017. Taxes attach as an enforceable lien on property on January 1 and are payable in two installments (on or about June 1 and September 1) subsequent to the year of levy. The District receives significant distributions of tax receipts approximately one month after these due dates. Property taxes for the 2017 levy, which are collected during 2018, are considered to be budgeted to fund operations of the 2018/19 school year and are reported as deferred inflows of resources.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

The following are the actual rates levied per \$100 of assessed valuation:

	Maximum	Actual	
	2017 Levy	2017 Levy	2016 Levy
Educational		2.2388	2.3474
Operations & Maintenance	.5500	.4078	.4343
Bond & Interest		.0652	.0701
Transportation		.1130	.1189
Municipal Retirement		.0481	.0505
Social Security		.0495	.0522
Tort Immunity		.0271	.0286
Special Education	.4000	.0252	.0266
Working Cash	.0500	.0317	.0334
Total		3.0064	3.1620

i. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the extent required by Illinois law in the Municipal Retirement/Social Security Fund with the balance allocated to funds at the discretion of the District.

j. Vacation and Sick Leave

Employee vacation and sick leave is recorded when it is paid. Accumulated unpaid employee vacation and sick leave which was earned prior to the current fiscal year but unused at the end of the current fiscal year is not significant. Vacation and sick leave will be paid with future tax collections and therefore has not been reported as a current liability of the governmental funds.

k. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

l. Deferred Outflows/Inflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

m. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are stated at fair value.

n. New Accounting Pronouncements

During the current year, the District implemented *Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions*, pertaining to the District's participation in the Teachers' Health Insurance Security (THIS) Fund and in providing Other Postemployment Benefits, collectively referred to as OPEB, as required.

This Statement replaces the requirements of Statement 45 and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Statement 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities.

The effect of these changes on the fiscal year 2017 financial statements is as follows:

Net Position as previously reported at June 30, 2017	<u>\$ 16,192,532</u>
Prior Period Adjustment:	
Long-term liabilities:	
Net OPEB Liability	(655,899)
Net THIS Liability	<u>(16,429,637)</u>
Total prior period adjustment	<u>(17,085,536)</u>
Net Position (deficit) as restated, July 1, 2017	<u><u>\$ (893,004)</u></u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

NOTE 2. CASH AND INVESTMENTS

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's bank balances of \$10,492,650 were insured or collateralized up to \$10,370,504 as of June 30, 2018.

Investments and Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level One – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access.

Level Two – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level two input must be observable for substantially the full term of the asset or liability.

Level Three – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Net Asset Value (NAV) – Certain investments measured at NAV would be excluded from the fair value hierarchy.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

As of June 30, 2018, the District had the following investments measured at fair value:

Investment	Maturities	Net Asset Value
ISDLAF Max Class	Less than 60 days	\$ 8,669,108
ISDLAF Liquid Class	Less than 60 days	1,731,978
Total		\$ 10,431,086

The District has funds invested in the amount of \$10,431,086 (valued at \$1.00 per share) in the Illinois School District Max and Liquid Class Asset Funds (ISDLAFP) as of June 30, 2018. The fair value of the positions in this investment pool is the same as the value of the pooled shares. ISDLAFP is a common law trust organized and existing under the laws of the state of Illinois. The trustees of the fund appointed PMA Financial Networks, Inc. as the administrator and appointed its affiliates, PMA Securities, Inc. as the marketer and Prudent Man Advisors, Inc. as the investment adviser for the fund. All investments are SEC registered. The District's proportionate share of investment in these investment pools are collateralized in the same proportion that the total assets of the Funds are collateralized. Although information regarding the level of collateralization of total assets of these Funds was not available, the Illinois School District Liquid Asset Funds represent that all assets are fully collateralized.

Interest Rate Risk: In the District's formal investment policy, there are no specific limitations on investment maturities in order to manage exposure to fair market losses from increasing interest rates.

Credit Risk: Under Illinois law, the District is restricted to investing funds in specific types of investment instruments. The following generally represents the types of instruments allowable by State laws.

Securities issued or guaranteed by the United States.

Interest-bearing accounts of banks and Savings and Loan Associations insured up to \$250,000 by the Federal Deposit Insurance Corporation.

Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500,000,000 rated in the three highest classifications by at least two rating agencies.

Insured accounts of an Illinois credit union chartered under United States or Illinois law.

Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.

The Illinois Funds or Illinois School District Liquid Asset Fund Plus.

Repurchase agreements which meet instrument transaction requirements of Illinois law.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

The District has no investment policy that would further limit its investment choices. As of June 30, 2018, the District's investments are rated as follows:

	Standard & <u>Poor's</u>	<u>Fitch Ratings</u>	<u>Moody's</u> <u>Investor</u> <u>Service</u>
ISDLAF Liquid Class	AAAm	N/A	N/A
ISDLAF Max Class	AAAm	N/A	N/A

Concentration of Credit Risk: The District places no limit on the amount the District may invest in any one issuer. More than 5% of the District's investments are in ISDLAF Max Class for 83.4%.

NOTE 3. SPECIAL TAX LEVIES:

Revenues from the Special Education special tax levy and related expenditures have been included in the operations of the Educational Account of the General Fund. At June 30, 2018, the cumulative Special Education expenditures were equal to or exceeded related cumulative revenues in the Educational Account. Accordingly, no restriction is made in the Educational Account of the General Fund related to this special levy.

NOTE 4. CAPITAL ASSETS:

A summary of changes in capital assets follows:

	<u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2018</u>
Capital assets, not being depreciated:				
Construction in progress	\$ 20,286	\$ -	\$ 20,286	\$ -
Capital assets, being depreciated:				
Buildings & Improvements	25,042,674	137,317	-	25,179,991
Equipment	1,653,995	254,563	279,284	1,629,274
Total capital assets being depreciated	<u>26,696,669</u>	<u>391,880</u>	<u>279,284</u>	<u>26,809,265</u>
Accumulated depreciation for:				
Buildings & Improvements	13,410,271	679,578	-	14,089,849
Equipment	1,315,647	94,893	279,284	1,131,256
Total accumulated depreciation	<u>14,725,918</u>	<u>774,471</u>	<u>279,284</u>	<u>15,221,105</u>
Total capital assets being depreciated, net	<u>11,970,751</u>	<u>(382,591)</u>	<u>-</u>	<u>11,588,160</u>
Total capital assets, net	<u>\$ 11,991,037</u>	<u>\$ (382,591)</u>	<u>\$ 20,286</u>	<u>\$ 11,588,160</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

Depreciation expense was charged to functions of the District as follows:

Instructional services:		
Regular programs	\$ 584,438	
Special programs	8,508	
Supporting services:		
District administration	63,277	
Instruction	16,635	
Central	875	
Operations and maintenance of facilities	100,738	
	<u>\$ 774,471</u>	

NOTE 5. LONG-TERM LIABILITIES:

The following is a summary of changes in long-term liabilities of the District for the year ended June 30, 2018:

Governmental Activities:	Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018	Amount Due in One Year
Bonds	\$ 2,880,000	\$ 0	\$ (255,000)	\$ 2,625,000	\$ 265,000
Capital lease	56,488	100,000	(56,488)	100,000	18,245
Deferred Amounts for Issuance Discount	(38,841)	0	2775	(36,066)	0
Net Pension Liability – Illinois Municipal Retirement	1,995,819	0	(846,537)	1,149,282	0
Net Pension Liability – Teachers’ Retirement System	1,343,447	437,678	0	1,781,125	0
Net Teachers Health Insurance Security Fund Obligation	16,429,637	0	(833,204)	15,596,433	0
Net Other Postemployment Benefit Obligation	657,503	0	(29,594)	627,909	0
Total	\$ 23,324,053	\$ 537,678	\$ (2,018,048)	\$ 21,843,683	\$ 283,245

Long-term liabilities payable at June 30, 2018 are comprised of the following:

Bonds Payable

School Refunding and Limited School Bonds dated November 15, 2009, issued in the amount of \$4,220,000 payable in annual installments varying from \$105,000 to \$360,000 through June 30, 2030; interest rates varying from 3.24% to 4.25%.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

Capital Lease Obligations

The District has entered into capital lease obligations for the purchase of equipment. Capital lease obligations outstanding as of June 30, 2018 include:

Capital lease obligation for the acquisition of 21 copiers
in June 2018, due in monthly installments of \$1,864
including interest, through June 2023 \$ 100,000

Leased equipment under capital leases in capital assets at June 30, 2018, include the following:

Equipment	\$ 216,776
Less: Accumulated depreciation	<u>0</u>
Total	<u>\$ 216,776</u>

The annual requirements to amortize all debt outstanding as of June 30, 2018, including interest payments of \$530,071 are as follows:

Year Ending	Bonds		Capital Leases		Total
	Principal	Interest	Principal	Interest	
June 30,					
2019	265,000	102,456	\$ 18,245	\$ 4,127	\$ 389,828
2020	310,000	90,981	19,083	3,289	423,353
2021	315,000	78,269	19,960	2,412	415,641
2022	330,000	65,150	20,877	1,495	417,522
2023	345,000	51,419	21,835	535	418,789
2024-2028	805,000	118,994	-	-	923,994
2029-2030	255,000	10,944	-	-	265,944
Totals	\$ 2,625,000	\$ 518,213	\$ 100,000	\$ 11,858	\$ 3,255,071

The Illinois Complied Statutes limits the amount of bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2018, the statutory debt limit for the District was \$39,322,008, providing a debt margin of \$36,831,848.

Payments to retire bonds payable will be made from debt service levies in future periods. There is \$134,840 of fund equity available in the Debt Service Fund to service outstanding bonds payable.

The net pension liabilities, net other postemployment benefit obligations and compensated absences are typically liquidated using funds from the General Fund and the Municipal Retirement/Social Security Fund.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

NOTE 6. RETIREMENT FUND COMMITMENTS:

Retirement Plans

The District participates in two retirement systems: The Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Members of TRS consist of all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. Employees, other than teachers, who meet prescribed annual hourly standards are members of IMRF.

The following is a summary of deferred outflows and deferred inflows of resources for The Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Teachers' Retirement System of the State of Illinois (TRS)	\$ 551,351	\$ 118,002
Illinois Municipal Retirement Fund (IMRF)	<u>463,605</u>	<u>755,206</u>
Total	<u>\$ 1,014,956</u>	<u>\$ 873,208</u>

Teachers' Retirement System of the State of Illinois:

a. General Information About the Pension Plan

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://trs.illinois.gov/pubs/cafr>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 877-0890, option 2.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2019.

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

Contributions from active members and TRS contributing districts 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, 2017 was 9.4 percent of creditable earnings. On July 1, 2017, 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 District, is submitted to TRS by the District.

On behalf contributions to TRS: The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2018, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$5,683,058 in pension contributions from the state of Illinois.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

2.2 formula contributions: Districts contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2018, were \$52,568, and are deferred because they were paid after the June 30, 2017 measurement date.

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

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

For the year ended June 30, 2018, the District pension contribution was 10.10 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2018, salaries totaling \$78,389 were paid from federal and special trust funds that required District contributions of \$7,917. These contributions are deferred because they were paid after the June 30, 2017 measurement date.

Employer retirement cost contributions: Under GASB Statement No. 68, contributions that a district is required to pay because of a TRS member retiring are categorized as specific liability payments. The District is required to make a one-time contribution to TRS for members retiring under the (ERO). The payments vary depending on the member's age and salary. The maximum District ERO contribution under the current program that ended on June 30, 2017 is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2018, the District was not required to make employer ERO contributions for retirements that occurred before July 1, 2017.

The District 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, 2018, the District was not required to pay for contributions due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2018, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

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	\$ 1,781,125
State's proportionate share of the Net Pension Liability associated with the District	<u>57,745,730</u>
Total Net Pension Liability	<u><u>\$ 59,526,855</u></u>

The Net Pension Liability was measured as of June 30, 2017, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of June 30, 2016, and rolled forward to June 30, 2017. 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, 2017, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2017, the District's proportion was 0.0023%, which was an increase of 0.06 from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the District recognized pension expense of \$5,784,011 and revenue of \$5,784,011 for support provided by the state. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 19,345	\$ 822
Net difference between projected and actual earnings on pension plan investments	1,222	-
Changes of assumptions	118,877	51,181
Changes in proportion and differences between District contributions and proportionate share of contributions	352,013	65,999
District contributions subsequent to the measurement date	<u>59,894</u>	<u>-</u>
Total	<u><u>\$551,351</u></u>	<u><u>\$118,002</u></u>

There were no reported deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

Deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

<u>Year ending June 30,</u>	<u>Deferred Outflow (Inflow)</u>
2019	60,765
2020	119,207
2021	112,537
2022	70,473
2023	10,473
Total	<u>\$ 373,455</u>

c. Actuarial Assumptions

The Total Pension Liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 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.

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:

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected 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 developed	14.4	7.46
Emerging market equities	3.6	10.15
U.S. bonds core	10.7	2.44
International debt developed	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	14.0	10.63
Total	<u>100.0%</u>	

d. Discount Rate

At June 30, 2017, the discount rate used to measure the total pension liability was 7.0 percent, which was a change from the June 30, 2016 rate of 6.83 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, District 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, 2017 was not projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Despite the subsidy, all projected future payments were not covered, so a slightly lower long-term expected rate of return on TRS investment was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2016, the discount rate used to measure the total pension liability was 6.83 percent. The discount rate was lower than the actuarially-assumed rate of return on investments that year as well because TRS's fiduciary net position and subsidy provided by Tier II were not sufficient to cover all projected benefit payments.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

e. 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 7.00 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

	Discount Rate	Net Pension Liability (asset)
1% decrease	6.00%	\$ 2,188,344
Current discount rate	7.00%	\$ 1,781,125
1% increase	8.00%	\$ 1,447,578

f. TRS Fiduciary Net Position and Additional Information

Detailed information about the TRS’s fiduciary net position as of June 30, 2017 is available in the separately issued TRS Comprehensive Annual Financial Report.

Illinois Municipal Retirement Fund

a. General Information About the Pension Plan

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 below. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan’s fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided: IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff’s Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have 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

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

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: At December 31, 2017, the number of District employees covered by IMRF were:

Active members	79
Retirees and beneficiaries	104
Inactive, non-retired members	<u>490</u>
 Total	 <u>673</u>

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 2017 was 12.61% of annual covered payroll. For the fiscal year ended June 30, 2018, the District contributed \$239,495 to the plan, which was 100% of the required contribution. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees. 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, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

b. Methods and Assumptions Used to Determine Total Pension Liability

Actuarial Assumptions: The following are the methods and assumptions used to determine the Total Pension Liability at December 31, 2017:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Inflation	2.50%
Salary Increases	3.39% to 14.25%
Investment Rate of Return	7.50%
Retirement Age	Experience-based Table of Rates that are specific to the type of eligibility condition, last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
Disabled Retirees	For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives.
Active Members	For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
Other Information	There were no benefit changes during the year.

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.

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NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

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>Target Allocation</u>	<u>Return 12/31/17</u>	<u>Projected Returns/Risk</u>	
			<u>One Year Arithmetic</u>	<u>Ten Year Geometric</u>
Equities	37.0%	19.60%	8.30%	6.85%
International equities	18.0	27.53	8.45	6.75
Fixed income	28.0	4.67	3.05	3.00
Real estate	9.0	9.10	6.90	5.75
Alternative investments	7.0	N/A	4.25-12.45	2.65-7.35
Cash equivalents	1.0	N/A	2.25	2.25

c. Discount Rate

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 pension plan investments is 7.50%; the municipal bond rate is 3.31%; and the resulting single discount rate is 7.50%.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

d. Changes in the District's Net Pension Liability

Changes in the District's Net Pension Liability: Changes in the District's Net Pension Liability for the year ended December 31, 2017 were as follows:

	Increase (Decrease)		
	Total Pension	Plan Fiduciary	Net Pension
	Liability	Net Position	Liability
	(a)	(b)	(a) – (b)
Balance, December 31, 2016	\$ 11,154,963	\$ 9,159,144	\$ 1,995,819
Charges for the year:			
Service cost	206,149	-	206,149
Interest	822,366	-	822,366
Difference between expected and actual experience	157,694	-	157,694
Changes in assumptions	(329,619)	-	(329,619)
Net investment income	-	1,578,936	(1,578,936)
Contributions – employees	-	95,112	(95,112)
Contributions – employer	-	239,495	(239,495)
Benefit payments including refunds of employee contributions	(586,325)	(586,325)	-
Other changes	-	(210,416)	210,416
Net changes	<u>270,265</u>	<u>1,116,802</u>	<u>(846,537)</u>
Balance, December 31, 2017	<u>\$ 11,425,228</u>	<u>\$ 10,275,946</u>	<u>\$ 1,149,282</u>

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

Sensitivity of the Net Pension Liability to Changes in the Single Discount Rate: The following presents the Net Pension Liability calculated using the single discount rate of 7.50%, as well as what the Net Pension Liability would be if it were calculated using a single discount rate that is 1% higher and lower:

	Discount Rate	Net Pension Liability (Asset)
1% decrease	6.50%	\$ 2,396,229
Current discount rate	7.50	1,149,282
1% increase	8.50	108,446

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

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

*Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions:* For the year ended June 30, 2018, the District recognized pension expense of \$308,953. At June 30, 2018, the District 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>	<u>Net Deferred Outflows / (Inflows) of Resources</u>
Differences between expected and actual experience	\$ 13,272	\$ -	\$ 13,272
Changes of assumptions	-	27,742	(27,742)
Net difference between projected and actual earnings on Plan investments	299,614	727,464	(427,850)
ER Contribution after measurement date	<u>150,719</u>	<u>-</u>	<u>150,719</u>
Total	<u>\$ 463,605</u>	<u>\$ 755,206</u>	<u>\$ (291,601)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year ending December 31,</u>	<u>Net Deferred Outflows (Inflows)</u>
2018	\$ (39,549)
2019	(48,807)
2020	(172,098)
2021	<u>(181,866)</u>
Total	<u>\$ (442,320)</u>

NOTE 7. COMMON BANK ACCOUNT:

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.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

NOTE 8. INTERFUND TRANSFERS:

At June 30, 2018, interfund transfers consisted of the following:

Transfer from	Transfer to	Amount
Educational Account	Debt Services Fund	\$ 57,545
Operations & Maintenance Account	Educational Account	160,000
Working Cash Account	Transportation Fund	8,000
Operations & Maintenance Account	Transportation Fund	\$ 8,000

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The Illinois Program Accounting Manual requires that all debt service payments be reported in the Debt Services Fund. However, certain debt service payments are funded by sources other than a debt service levy. Accordingly, interfund transfers are required to transfer the proceeds of these other funding sources from the fund in which they are required to be deposited, to the Debt Services Fund from which the debt service payments will be made.

NOTE 9. RISK MANAGEMENT:

The District has purchased insurance from risk pools (see Notes 10 and 11) and from private insurance companies. Risks covered include general liability, property damage, workers' compensation, medical and other. Premiums have been recorded as expenditures disbursed in appropriate funds. Insurance settlements have not exceeded insurance coverage during the last three fiscal years.

NOTE 10. RISK POOL - EDUCATIONAL BENEFIT COOPERATIVE (EBC):

The District is a member of EBC, which was formed in 1984 as a voluntary cooperative agency of Illinois Public School Districts and Joint Agreements. The purpose of EBC is to administer some or all of the employee benefit programs offered by the member districts to their employees and employees' dependents. EBC administers the payment of claims that arise under the benefit programs offered by each member district. Additionally, EBC offers to its members, group life insurance coverage obtained through an outside insurance company. Monthly medical and dental contributions are estimated by the Plan's administrator in advance of each membership year based upon each district's plan of coverage, estimated enrollment, estimated claim costs and service fees. During FY18, the Board decided to withdrawal from EBC.

Complete financial statements for EBC can be obtained from its treasurer at 1105 North Hunt Club Road, Gurnee, Illinois 60031.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

NOTE 11. RISK POOL - COLLECTIVE LIABILITY INSURANCE COOPERATIVE (CLIC):

The District is a member of CLIC, which has been formed to provide casualty, property, liability and workers' compensation protections and to administer some or all insurance coverages and protection other than health, life and accident coverages procured by the member districts. It is intended, by the creation of CLIC to allow a member District to equalize annual fluctuations in insurance costs by establishing a program whereby reserves may be created and temporary deficits of individual Districts covered and to ultimately equalize the risks and stabilize the costs of providing casualty, property and liability protections. If, during any fiscal year, the funds on hand in the account of CLIC are not sufficient to pay expenses of administration, the Board of Directors shall require supplementary payment from all members. Such payment shall be made in the same proportion as prior payments during that year to CLIC.

Complete financial statements for CLIC can be obtained from its administrator at 1441 Lake Street, Libertyville, Illinois 60048.

NOTE 12. JOINT VENTURE - NORTH DUPAGE SPECIAL EDUCATION COOPERATIVE (NDSEC):

The District and seven other districts within DuPage County have entered into a joint agreement to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the policy board.

Complete financial statements for NDSEC can be obtained from its Treasurer at 132 E. Pine Avenue, Roselle, Illinois 60172.

NOTE 13. OTHER POSTEMPLOYMENT BENEFITS:

The District has benefit obligations pertaining to retired employees. The following is a summary of deferred outflows and deferred inflows of resources for the Other Postemployment Benefits Plan (OPEB) and the Teachers Health Insurance Security Fund (THIS):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Other Postemployment Benefits Plan (OPEB)	\$ 53,841	\$ 11,644
Teachers Health Insurance Security Fund (THIS)	<u>81,911</u>	<u>2,157,894</u>
Total	<u>\$ 135,752</u>	<u>\$ 2,169,538</u>

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NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

Other Postemployment Benefits Plan (OPEB):

Plan Description: The District’s Other Postemployment Benefits (OPEB) Plan is a single-employer defined benefit healthcare plan that is administered by the District. Eligible employees that retire from the District may elect to continue their health care coverage by paying the monthly premium. The District subsidizes a portion of the cost for hospital and medical coverage for eligible retired employees and their dependents. The subsidy is an implied age related cost differential based upon the expected higher cost of coverage for retired employees versus the average cost for the entire group. The District also reimburses retirees for a portion of the cost of health coverage at established rates. Benefit provisions are established through contractual agreements and may only be amended through negotiations with the Board. The plan does not issue a separate, publicly available report. All insurance benefits cease when the retired employee begins receiving Medicare coverage, or attains age 65, whichever comes first.

Eligibility: Employees are eligible upon retirement if enrolled in the active medical plan immediately prior to retiring.

The criteria for TRS retirement is as follows:

- Tier 1 – Employees must be age 60 with at least 10 years of service, or age 62 with at least 5 years of service
- Tier 2 – Employees must be 62 with at least 10 years of service

The criteria for IMRF retirement is as follows:

- Age 55 and 8 years of service for those hired before January 1, 2011
- Age 62 and 10 years of service for those hired on or after January 1, 2011

Employees Covered by Benefit Terms: At June 30, 2017, the number of District employees covered were:

Active	179
Inactives entitled to but not yet receiving benefits	-
Inactives currently receiving benefit payments	<u>27</u>
 Total	 <u>206</u>

Contributions: Contribution requirements are established through contractual agreements and may only be amended through negotiations with the Board. The retiree is responsible for paying the full monthly premium. However, the District provides a monthly reimbursement toward the premium cost at established rates. Monthly benefit to be utilized for retiree health insurance premium are based upon the participant’s date of retirement. The benefit for participants who retired before 2010 is \$240 per month. The benefit for participants who retired in or after 2010 is \$250 per month.

Net OPEB Liability: The District’s Net OPEB Liability was measured as of June 30, 2017. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial

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NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

valuation as of July 1, 2016.

Plan Fiduciary Net Position: The District currently pays for postemployment health care benefits on a pay-as-you-go basis. Therefore, no trust has been established for future costs, and no net position is held for postemployment health care obligations.

Actuarial Assumptions: The actuarial results presented here reflect a valuation date of July 1, 2016 and a measurement date of June 30, 2017. The following are the methods and assumptions used to determine the Net OPEB Liability at June 30, 2017:

Actuarial Cost Method	Entry Age Normal based on level percentage of projected salary
Asset Valuation Method	N/A
Actuarial Gains and Losses	Actuarial gains and losses due to difference between expected and actual experience with regard to economic or demographic factors and due to changes of assumptions about future economic or demographic factors are amortized over a closed period equal to the average of the expected remaining service lives of all employees.
Asset Valuation Frequency	An actuarial valuation is prepared biennially with a 'roll-forward' valuation in the interim year, provided no significant events have occurred during the interim year warranting a new measurement. Fiscal 2018 valuation was based on a roll-forward valuation.
Changes Since Last Valuation	Actuarial gains and losses are being amortized as required by GASB 75.
Discount Rate	3.13% for determining June 30, 2018 disclosure and estimated fiscal 2019 expense; 2.71% for determining June 30, 2017 liability and fiscal 2018 expense.
Discount Rate Determination Method	Under GASB 75, the discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Rates were taken from the S&P municipal bond 20 year high grade rate index as of the measurement dates.
Health Care Trend Rate	No increase in benefit level has been assumed.
Mortality	RP-2014 Combined Healthy Mortality Table for males and females backed off to 2006 and projected generationally using Scale MP-2017.
Salary Increases	3.5% per year
Participation	Active employees are assumed to participate upon retirement.
Lapse Rate	0% of current retirees are assumed to lapse coverage per year.
Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65.

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NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

Changes in the District's Net OPEB Liability: Changes in the District's Net OPEB Liability for the year ended June 30, 2018 were as follows:

	<u>Net OPEB Liability</u>
Balance, July 1, 2017	\$ 657,503
Charges for the year:	
Service cost	28,107
Interest	16,964
Employee contributions	2,551
Changes in assumptions	(11,644)
Benefit payments	<u>(65,572)</u>
Net changes	<u>(29,594)</u>
Balance, June 30, 2018	<u>\$ 627,909</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate: The following presents the Net OPEB Liability calculated using the discount rate of 3.13%, as well as what the Net OPEB Liability would be if it were calculated using a discount rate that is 1% higher and lower:

	<u>Discount Rate</u>	<u>Net OPEB Liability</u>
1% decrease	2.13%	\$ 654,891
Current discount rate	3.13%	627,909
1% increase	4.13%	602,083

Sensitivity of the Net OPEB Liability to Changes in the Trend Rate: The actuarial valuation did not include a health care trend rate, yet assumed there would be no increase in benefit level. Therefore, an estimation of what the Net OPEB Liability would be if it were calculated using a trend rate that is 1% higher and lower is not applicable.

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the year ended June 30, 2018, the District recognized OPEB expense of \$45,071. At June 30, 2018, the District reported the following Deferred Outflows of Resources and Deferred Inflows of Resources:

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NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>	Net Deferred Outflows / (Inflows) of <u>Resources</u>
Differences between expected and actual experience	\$ -	\$ -	\$ -
Changes of assumptions	-	11,644	(11,644)
Net difference between projected and actual earnings on Plan investments	-	-	-
District contributions to plan after measurement date	<u>53,841</u>	<u>-</u>	<u>53,841</u>
Total	<u>\$ 53,841</u>	<u>\$ 11,644</u>	<u>\$ 42,197</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ending June 30,	Net Deferred Outflows (Inflows)
2019	\$ (926)
2020	(926)
2021	(926)
2022	(926)
2023	(926)
Thereafter	<u>(7,014)</u>
Total	<u>\$ (11,644)</u>

Teachers Health Insurance Security Fund (THIS):

Plan Description: The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that covers retired employees of participating school districts throughout the State of 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). Annuity holders not enrolled in Medicare may participate in the state administered participating provider option plan or choose from several managed care options. Annuity holders who are enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
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Benefits Provided :The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor’s approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

The percentage of employer required contributions in the future will not exceed 105% 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 the THIS Fund from active members which were 1.18% of pay during the year ended June 30, 2018. State of Illinois contributions were \$100,953, and the District recognized revenue and expenditures of this amount during the year.

Employer contributions to the THIS Fund. The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.88% during the year ended June 30, 2018. For the year ended June 30, 2018, the District paid \$75,287 to the THIS Fund, and are deferred because they were paid after the June 30, 2017 measurement date.

Further information on THIS Fund. The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General:
<https://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp#sectc>. The current reports are listed under “Central Management Services” <https://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>

Net THIS Liability: The District’s Net THIS Liability was measured as of June 30, 2017. The total THIS liability used to calculate the net THIS liability was determined by an actuarial valuation as of June 30, 2016.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

Changes Since Last Valuation	Actuarial gains and losses are being amortized as required by GASB 75.
Inflation	2.75%
Investment rate of return	0%, net of THIS plan investment expense, including inflation
Discount Rate	The discount rates 2.85% as of June 30, 2016, and 3.56% as of June 30, 2017.
Discount Rate Determination Method	Under GASB 75, the discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Rates are consistent with the 20-year general obligation bond index.
Health Care Trend Rate	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.5%. Additional trend rate of .59% is added to non-Medicare costs on and after 2020 to account for Excise Tax.
Mortality	Mortality rates for retirement and beneficiary annuitants were based upon the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disables annuitants mortality rates were based on the RP-Disables Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table, All tables reflect future mortality improvements using Projection Sale MP-2014.
Salary Increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

Changes in the District's Net THIS Liability: Changes in the District's Net THIS Liability for the year ended June 30, 2017 were as follows:

	Increase (Decrease)		
	Total THIS Liability (a)	Plan Fiduciary Net Position (b)	Net THIS Liability (a) – (b)
Balance, June 30, 2016	<u>\$ 16,393,927</u>	<u>\$ (35,710)</u>	<u>\$ 16,429,637</u>
Charges for the year:			
Service cost	1,012,654	-	1,012,654
Interest	493,422	-	493,422
Difference between expected and actual experience	(10,191)	-	(10,191)
Changes in assumptions	(2,142,214)	-	(2,142,214)
Net investment income	-	215	(215)
Contributions – employees	-	67,155	(67,155)
Contributions – employers	-	126,482	(126,482)
Benefit payments including refunds of employee contributions	(178,193)	(178,193)	-
Operating Expenses	-	(8,288)	8,288
Other changes	-	1,311	(1,311)
Net changes	<u>(824,522)</u>	<u>8,682</u>	<u>(833,204)</u>
Balance, June 30, 2017	<u>\$ 15,569,405</u>	<u>\$ (27,028)</u>	<u>\$ 15,596,433</u>

The District's proportion of the net THIS liability was 0.0601% as of June 30, 2017, an decrease of 0.0012% over the District's share of the net THIS liability as of June 30, 2016. The basis for the proportion was fiscal year 2017 contribution to the plan.

Sensitivity of the Net THIS Liability to Changes in the Discount Rate: The following presents the Net THIS Liability calculated using the discount rate of 3.56%, as well as what the Net THIS Liability would be if it were calculated using a single discount rate that is 1% higher and lower:

	Discount Rate	Net THIS Liability
1% decrease	2.56%	\$ 18,715,681
Current discount rate	3.56%	15,596,433
1% increase	4.56%	\$ 13,100,605

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

Sensitivity of the Net THIS Liability to Changes in the Trend Rate: The following presents the Net THIS Liability calculated using the health care trend rate of 8.00%, as well as what the Net THIS Liability would be if it were calculated using a trend rate that is 1% higher and lower:

	Trend Rate	Net THIS Liability
1% decrease	7.00%	\$ 12,587,948
Current trend rate	8.00%	15,596,433
1% increase	9.00%	\$ 19,914,692

THIS Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to THIS: For the year ended June 30, 2017, the District recognized THIS expense of \$1,242,779. At June 30, 2017, the District reported the following Deferred Outflows of Resources and Deferred Inflows of Resources.

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows / (Inflows) of Resources
Differences between expected and actual experience	\$ -	\$ 8,834	\$ (8,834)
Changes of assumptions	-	1,856,961	(1,856,961)
Net difference between projected and actual earnings on Plan investments	-	172	(172)
Changes in proportion and differences between Employer Contribution and Share of Contributions	-	291,927	(291,927)
District contributions to plan after measurement date	81,911	-	81,911
Total	\$ 81,911	\$ 2,157,894	\$ (2,075,983)

NOTE 14. RESTRICTED NET POSITION

The government-wide statement of net position reports \$1,569,382 of restricted net position, all of which is restricted by enabling legislation.

NOTE 15. FUND BALANCES – GOVERNMENTAL FUNDS:

The District's fund balances for Governmental Funds are classified as follows:

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

are not expected to be converted to cash, for example inventories and prepaid amounts.

Restricted Fund Balance – The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the District, 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.

Committed – The committed fund balance classification refers to amounts that can only be used for specific purposes as determined by a formal action of the District’s highest level of decision making authority (the School Board). Commitments may be established, modified, or rescinded only through resolutions approved by the School Board. 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.

Assigned – The assigned fund balance classification refers to amounts that are constrained by the District’s intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the School Board itself or the School Board may delegate the authority to assign amounts. The Board has authorized the Superintendent and/or the Finance Director/Treasurer to make such assignments.

Unassigned – The unassigned fund balance classification is the residual classification for amounts in the General Fund that have not been restricted, committed, or assigned to specific purposes and any deficit fund balances in other funds. Unassigned Fund Balance amounts are shown in the financial statements as Unassigned Fund Balances in the Educational, Operations and Maintenance, Working Cash Accounts.

As of June 30, 2018, fund balances are composed of the following:

	General Fund	Non-major Governmental Funds	Total Governmental Funds
Restricted:			
Debt service	\$ -	\$ 134,840	\$ 134,840
Retirement	-	385,840	385,840
Tort immunity	-	406,952	406,952
Transportation	-	641,750	641,750
Unassigned	<u>8,724,665</u>	<u>-</u>	<u>8,724,665</u>
Total fund balances	<u>\$ 8,724,665</u>	<u>\$ 1,569,382</u>	<u>\$ 10,294,047</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2018

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board or the finance committee has provided otherwise in its commitment or assignment actions.

REQUIRED SUPPLEMENTARY INFORMATION

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

	General Fund		
	Original and Final Budget	Actual	Variance with Budget - Positive (Negative)
REVENUES:			
Local sources	\$ 15,852,724	\$ 16,013,306	\$ 160,582
State sources	4,962,050	6,831,175	1,869,125
Federal sources	408,742	583,699	174,957
Total revenues	<u>21,223,516</u>	<u>23,428,180</u>	<u>2,204,664</u>
EXPENDITURES:			
Current operating:			
Instruction	13,127,305	15,253,218	(2,125,913)
Supporting services	5,998,639	5,701,811	296,828
Community services	4,495	4,495	-
Payment to other districts and governmental units	1,436,055	1,683,872	(247,817)
Capital outlay	<u>400,000</u>	<u>371,594</u>	<u>28,406</u>
Total expenditures	<u>20,966,494</u>	<u>23,014,990</u>	<u>(2,048,496)</u>
Excess of revenues over expenditures	<u>257,022</u>	<u>413,190</u>	<u>156,168</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	160,000	160,000	-
Transfers out	(230,000)	(233,545)	(3,545)
Capital lease proceeds	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Total other financing sources (uses)	<u>(70,000)</u>	<u>26,455</u>	<u>96,455</u>
Net change in fund balances	<u>\$ 187,022</u>	439,645	<u>\$ 252,623</u>
Fund balances at beginning of year		<u>8,285,020</u>	
FUND BALANCES AT END OF YEAR		<u>\$ 8,724,665</u>	

The notes to the required supplementary information are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST TEN FISCAL YEARS
(SCHEDULE TO BE BUILT PROSPECTIVELY FROM 2014)
JUNE 30, 2018

Year ending June 30,	2017	2016	2015	2014
Total pension liability:				
Service cost	\$ 206,149	\$ 218,055	\$ 217,792	\$ 223,324
Interest on the total pension liability	822,366	782,643	747,565	678,147
Difference between expected and actual experience	157,694	88,636	34,489	110,236
Assumption changes	(329,619)	(35,498)	11,446	424,550
Benefit payments and refunds	<u>(586,325)</u>	<u>(533,994)</u>	<u>(522,928)</u>	<u>(439,593)</u>
Net change in total pension liability	270,265	519,842	488,364	996,664
Total pension liability, beginning	<u>11,154,963</u>	<u>10,635,121</u>	<u>10,146,757</u>	<u>9,150,093</u>
Total pension liability, ending	<u>\$ 11,425,228</u>	<u>\$ 11,154,963</u>	<u>\$ 10,635,121</u>	<u>\$ 10,146,757</u>
Plan fiduciary net position				
Employer contributions	\$ 239,495	\$ 242,720	\$ 228,595	\$ 216,377
Employee contributions	95,112	93,541	93,050	93,078
Pension plan net investment income	1,578,936	598,799	44,268	519,435
Benefit payments and refunds	(586,325)	(533,994)	(522,928)	(439,593)
Other	<u>(210,416)</u>	<u>48,272</u>	<u>(87,395)</u>	<u>(15,475)</u>
Net change in plan fiduciary net position	1,116,802	449,338	(244,410)	373,822
Plan fiduciary net position, beginning	<u>9,159,144</u>	<u>8,709,806</u>	<u>8,954,216</u>	<u>8,580,394</u>
Plan fiduciary net position, ending	<u>\$ 10,275,946</u>	<u>\$ 9,159,144</u>	<u>\$ 8,709,806</u>	<u>\$ 8,954,216</u>
Net pension liability, ending	<u>\$ 1,149,282</u>	<u>\$ 1,995,819</u>	<u>\$ 1,925,315</u>	<u>\$ 1,192,541</u>
Plan fiduciary net position as a percentage of total pension liability	<u>89.94%</u>	<u>82.11%</u>	<u>81.90%</u>	<u>88.25%</u>
Covered valuation payroll	<u>\$ 1,899,256</u>	<u>\$ 1,955,842</u>	<u>\$ 1,947,149</u>	<u>\$ 1,925,053</u>
Net pension liability as a percentage of covered valuation payroll	<u>60.51%</u>	<u>102.04%</u>	<u>98.88%</u>	<u>61.95%</u>

Note: Schedule is intended to show information for ten years, additional years' information will be displayed as it becomes available.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST TEN FISCAL YEARS
(SCHEDULE TO BE BUILT PROSPECTIVELY FROM 2014)
JUNE 30, 2018

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency/ (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2014	\$ 216,376	\$ 216,377	\$ (1)	\$ 1,925,053	11.24%
2015	228,595	228,595	-	1,947,149	11.74%
2016	242,720	242,720	-	1,955,842	12.41%
2017	239,496	239,495	1	1,899,256	12.61%

Note: Schedule is intended to show information for ten years, additional years' information will be displayed as it becomes available.

The notes to the required supplementary information are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
(SCHEDULE TO BE BUILT PROSPECTIVELY FROM 2014)
JUNE 30, 2018

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	<u>0.0023%</u>	<u>0.0017%</u>	<u>0.0017%</u>	<u>0.0017%</u>
District's proportionate share of the net pension liability	\$ 1,781,125	\$ 1,343,447	\$ 1,137,058	\$ 1,055,847
State's proportionate share of the net pension liability associated with the District	<u>57,745,730</u>	<u>60,571,182</u>	<u>49,636,435</u>	<u>46,771,350</u>
Total	<u>\$ 59,526,855</u>	<u>\$ 61,914,629</u>	<u>\$ 50,773,493</u>	<u>\$ 47,827,197</u>
District's covered-employee payroll	<u>\$ 7,961,930</u>	<u>\$ 7,673,731</u>	<u>\$ 7,665,811</u>	<u>\$ 7,584,714</u>
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	<u>22.37%</u>	<u>17.51%</u>	<u>14.83%</u>	<u>13.92%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>39.30%</u>	<u>36.40%</u>	<u>41.50%</u>	<u>43.00%</u>

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

Note: Schedule is intended to show information for ten years, additional years' information will be displayed as it becomes available.

The notes to the required supplementary information are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
(SCHEDULE TO BE BUILT PROSPECTIVELY FROM 2014)
JUNE 30, 2018

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually-required contribution	\$ 78,389	\$ 68,012	\$ 69,591	\$ 60,819
Contributions in relation to the contractually-required contribution	<u>59,894</u>	<u>92,504</u>	<u>65,912</u>	<u>60,343</u>
Contribution deficiency (excess)	<u>\$ 18,495</u>	<u>\$ (24,492)</u>	<u>\$ 3,679</u>	<u>\$ 476</u>
District's covered-employee payroll	<u>\$ 8,553,354</u>	<u>\$ 7,961,930</u>	<u>\$ 7,673,731</u>	<u>\$ 7,665,811</u>
Contributions as a percentage of covered-employee payroll	<u>0.92%</u>	<u>0.85%</u>	<u>0.91%</u>	<u>0.79%</u>

Note: Schedule is intended to show information for ten years, additional years' information will be displayed as it becomes available.

The notes to the required supplementary information are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO.13
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
(SCHEDULE TO BE BUILT PROSPECTIVELY FROM 2018)
JUNE 30, 2018

Fiscal year ending June 30,	<u>2017</u>
<u>Total OPEB liability:</u>	
Service cost	\$ 28,107
Interest on the total pension liability	16,964
Assumption changes	(11,644)
Employee contributions	2,551
Benefit payments and refunds	<u>(65,572)</u>
Net change in total OPEB liability	(29,594)
Total OPEB liability, beginning	<u>657,503</u>
Total OPEB liability, ending	<u><u>627,909</u></u>
 <u>Plan fiduciary net position</u>	
Employer contributions	63,021
Employee contributions	2,551
Benefit payments and refunds	<u>(65,572)</u>
Net change in plan fiduciary net position	-
Plan fiduciary net position, beginning	<u>-</u>
Plan fiduciary net position, ending	<u><u>-</u></u>
 Net OPEB liability, ending	 <u><u>627,909</u></u>
 Plan fiduciary net position as a percentage of total OPEB liability	 <u><u>0.00%</u></u>
 Covered valuation payroll	 <u><u>\$ 10,130,900</u></u>
 Net OPEB liability as a percentage of covered valuation payroll	 <u><u>6.20%</u></u>
 <u>Contribution Information</u>	
Actuarially determined employer contribution	\$ -
Actual employer contribution	63,021
Contribution deficiency (excess)	(63,021)
Contribution as a percent of payroll	0.62%

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

The notes to the required supplementary information are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF CHANGES IN NET THIS LIABILITY AND RELATED RATIOS
(SCHEDULE TO BE BUILT PROSPECTIVELY FROM 2018)
JUNE 30, 2018

Fiscal year ending June 30,	<u>2017</u>
<u>Total THIS liability:</u>	
Service cost	1,012,654
Interest on the total THIS liability	493,422
Difference between expected and actual experience	(10,191)
Changes of assumptions	(2,142,214)
Benefit payments	<u>(178,193)</u>
Net change in total THIS liability	(824,522)
Total THIS liability, beginning	<u>16,393,927</u>
Total THIS liability, ending	<u><u>15,569,405</u></u>
 <u>Plan fiduciary net position</u>	
Employer contributions	126,482
Active member contributions	67,155
Net investment income	215
Benefit payments	(178,193)
Operating Expenses	(8,288)
Other	<u>1,311</u>
Net change in plan fiduciary net position	8,682
Plan fiduciary net position, beginning	<u>(35,710)</u>
Plan fiduciary net position, ending	<u><u>(27,028)</u></u>
 Net THIS liability, ending	 <u><u>15,596,433</u></u>
 Plan fiduciary net position as a percentage of total THIS liability	 <u><u>-0.17%</u></u>
 Covered employee payroll	 <u><u>\$ 7,961,930</u></u>
 Net THIS liability as a percentage of covered employee payroll	 <u><u>195.89%</u></u>
 District's proportion of the collective THIS liability	 <u><u>0.0601%</u></u>
 <u>Contribution Information</u>	
Required employer contribution	\$ 126,482
Actual employer contribution	<u>126,482</u>
Contribution deficiency (excess)	<u>-</u>
Contribution as a percent of payroll	<u><u>1.59%</u></u>

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

The notes to the required supplementary information are an integral part of this statement.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

NOTE 1. BUDGETARY DATA

Annual budgets for all Governmental Funds are adopted on the accrual basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 105, Section 5/17.1 of the Illinois Compiled Statutes.

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

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues. The budget was adopted on August 28, 2017.
4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
6. The District has adopted a legal budget for all its Governmental Funds. Total actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.
7. The budget lapses at the end of each fiscal year. (All appropriations lapse at year end.)

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

Excess of Expenditures Over Budget in Individual Accounts and Funds

Expenditures exceeded the budgeted amount in the following funds:

Fund	Budget	Actual	Excess
General Fund – Educational Account	\$18,749,589	\$20,813,365	\$2,063,776
Debt Service Fund	\$411,000	\$425,914	\$14,914

The above budget and actual comparison for the Educational Account includes on-behalf budget and related expenditures. If on-behalf amounts were not included, the Educational Account expenditures would have exceeded the budgeted amounts by \$279,765.

NOTE 2. SCHEDULE OF CONTRIBUTIONS – ILLINOIS MUNICIPAL RETIREMENT FUND:

The following describes the summary of actuarial methods and assumptions used in the calculation of the 2017 contribution rate:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies: 26-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 21 years for most districts (two districts were financed over 30 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage Growth	3.50%
Price Inflation	2.75% -- approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

	experience. For disabled retirees, and IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that 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 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
Valuation Date	Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.
Other Information	There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2015, actuarial valuation; note two year lag between valuation and rate setting.

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

NOTE 3. SCHEDULE OF CONTRIBUTIONS – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS:

Changes of assumptions

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

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

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

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

NOTE 4. SCHEDULE OF CHANGES IN NET THIS LIABILITY AND RELATED RATIOS

The following describes the summary of actuarial methods and assumptions used in the calculation of the 2017 contribution rate.

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Sponsor's Fiscal Year End	June 30, 2018
Actuarial Cost Method	Entry Age Normal, used to measure the Total THIS Liability
Contribution Policy	Benefits are financed on a pay-as-you go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2017, contribution rates are 1.12% of pay for active members, .84% of pay for school districts and 1.12% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Market Value
Investment Rate of Return	0%, net of THIS plan investment expense, including inflation
Inflation	2.75%
Salary Increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility conditions. Last updated for the June 30, 2016, actuarial valuation.
Mortality	Mortality rates for retirement and beneficiary annuitants were based upon the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disabled annuitants, mortality rates were based on the RP-Disables Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table, all tables reflect future mortality improvements using Projection Sale MP-2014.
Health Care Trend Rate	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.5%. Additional trend rate of .59% is added to non-Medicare costs on and after 2020 to account for Excise Tax.
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

COMBINING AND INDIVIDUAL
FUND SCHEDULES

GENERAL FUND

To account for resources traditionally associated with government operations which are not required to be accounted for in another fund, the District maintains the following legally mandated accounts within the General Fund:

Educational Account – To account for most of the instructional and administrative aspects of the District’s operations.

Operations and Maintenance Account – To account for repair and maintenance of the District’s property.

Working Cash Account – To account for financial resources held by the District to be used for loans for working capital requirements to any other fund for which taxes are levied.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
COMBINING BALANCE SHEET BY ACCOUNT
GENERAL FUND
JUNE 30, 2018

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Working Cash</u>	<u>Total General</u>
<u>ASSETS</u>				
Cash and investments	\$ 11,956,297	\$ 3,861,844	\$ 2,079,546	\$ 17,897,687
Receivables (net of allowance for uncollectibles):				
Property taxes	6,159,328	1,109,466	86,243	7,355,037
Intergovernmental	<u>40,280</u>	<u>-</u>	<u>-</u>	<u>40,280</u>
TOTAL ASSETS	<u>18,155,905</u>	<u>4,971,310</u>	<u>2,165,789</u>	<u>25,293,004</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts payable	5,290	10,833	-	16,123
Accrued payroll expenses	1,055,487	-	-	1,055,487
Unearned revenue	<u>89,910</u>	<u>-</u>	<u>-</u>	<u>89,910</u>
Total Liabilities	<u>1,150,687</u>	<u>10,833</u>	<u>-</u>	<u>1,161,520</u>
Deferred inflows of resources:				
Property taxes levied for subsequent year	<u>12,902,178</u>	<u>2,323,988</u>	<u>180,653</u>	<u>15,406,819</u>
Fund Balance:				
Unassigned	<u>4,103,040</u>	<u>2,636,489</u>	<u>1,985,136</u>	<u>8,724,665</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 18,155,905</u>	<u>\$ 4,971,310</u>	<u>\$ 2,165,789</u>	<u>\$ 25,293,004</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES BY ACCOUNT
GENERAL FUND
YEAR ENDED JUNE 30, 2018

	Educational	Operations and Maintenance	Working Cash	Total General
REVENUES:				
Property taxes	\$ 12,539,365	\$ 2,305,638	\$ 176,901	\$ 15,021,904
Other local sources	817,304	151,939	22,159	991,402
State sources	6,831,175	-	-	6,831,175
Federal sources	583,699	-	-	583,699
Total revenues	<u>20,771,543</u>	<u>2,457,577</u>	<u>199,060</u>	<u>23,428,180</u>
EXPENDITURES:				
Current operating:				
Instruction	15,253,218	-	-	15,253,218
Supporting services	3,871,780	1,830,031	-	5,701,811
Community services	4,495	-	-	4,495
Payments to other districts and governmental units	1,683,872	-	-	1,683,872
Capital outlay	-	371,594	-	371,594
Total expenditures	<u>20,813,365</u>	<u>2,201,625</u>	<u>-</u>	<u>23,014,990</u>
Excess (deficiency) of revenues over expenditures	<u>(41,822)</u>	<u>255,952</u>	<u>199,060</u>	<u>413,190</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	160,000	-	-	160,000
Transfers out	(57,545)	(168,000)	(8,000)	(233,545)
Principal on capital lease	-	100,000	-	100,000
Total other financing sources (uses)	<u>102,455</u>	<u>(68,000)</u>	<u>(8,000)</u>	<u>26,455</u>
Net change in fund balances	60,633	187,952	191,060	439,645
Fund balances at beginning of year	<u>4,042,407</u>	<u>2,448,537</u>	<u>1,794,076</u>	<u>8,285,020</u>
FUND BALANCES AT END OF YEAR	<u>\$ 4,103,040</u>	<u>\$ 2,636,489</u>	<u>\$ 1,985,136</u>	<u>\$ 8,724,665</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	2018		2017
	Original and Final Budget	Actual	Actual
REVENUES:			
Local Sources:			
Property taxes			
General tax levy	\$ 12,456,770	\$ 12,398,512	\$ 12,323,500
Special education tax levy	140,867	140,853	138,877
Corporate replacement taxes	55,000	49,133	60,827
Tuition	6,000	22,345	4,440
Earnings on investments	56,200	108,634	58,251
Food services	14,000	14,873	16,455
Textbooks	160,000	173,678	140,781
Rentals	60,000	-	73,329
Refund of prior years' expenditures	300,000	412,546	263,412
Other	25,000	36,095	37,859
Total Local Sources	<u>13,273,837</u>	<u>13,356,669</u>	<u>13,117,731</u>
State Sources:			
Evidence-based funding / general state aid	500,000	916,388	544,696
Special education	451,000	122,581	295,617
Bilingual education	10,000	5,969	4,272
School lunch aid	300	434	157
On-behalf payments - State of Illinois	4,000,000	5,784,011	6,037,633
Other	750	1,792	432
Total State Sources	<u>4,962,050</u>	<u>6,831,175</u>	<u>6,882,807</u>
Federal Sources:			
Food service	11,000	7,393	9,217
Title I - low income	80,874	87,296	94,725
Title IV - safe & drug free schools	-	9,998	-
IDEA - preschool flow-through	15,000	20,886	-
IDEA - flow through	235,000	251,055	251,054
IDEA - room and board	-	100,627	72,303
Title II - teacher quality	21,368	21,314	37,849
Medicaid programs	45,500	85,130	41,915
Total Federal Sources	<u>408,742</u>	<u>583,699</u>	<u>507,063</u>
Total revenues	<u>\$ 18,644,629</u>	<u>\$ 20,771,543</u>	<u>\$ 20,507,601</u>

(continued)

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	2018		2017
	Original and Final Budget	Actual	Actual
EXPENDITURES:			
Current operating:			
Instruction:			
Regular programs:			
Salaries	\$ 5,557,360	\$ 6,049,278	\$ 5,279,240
Employee benefits	1,039,982	1,178,080	1,060,519
On-behalf payments - State of Illinois	4,000,000	5,784,011	6,037,633
Purchased services	-	-	45,253
Supplies and materials	214,603	171,160	137,991
Total	<u>10,811,945</u>	<u>13,182,529</u>	<u>12,560,636</u>
Special programs:			
Salaries	979,538	846,792	563,749
Employee benefits	302,315	241,296	132,787
Purchased services	27,000	16,991	12,157
Supplies and materials	20,806	11,254	9,327
Other	200,000	181,962	127,937
Total	<u>1,529,659</u>	<u>1,298,295</u>	<u>845,957</u>
Special programs pre-k:			
Salaries	79,483	75,086	67,871
Employee benefits	12,742	14,455	15,046
Supplies and materials	1,442	-	542
Total	<u>93,667</u>	<u>89,541</u>	<u>83,459</u>
Educationally deprived:			
Salaries	246,044	243,587	229,361
Employee benefits	71,931	42,003	77,572
Purchased services	-	489	-
Supplies and materials	515	55	456
Total	<u>318,490</u>	<u>286,134</u>	<u>307,389</u>
Educationally deprived pre-k:			
Salaries	-	40,826	281,177
Employee benefits	-	955	104,608
Supplies and materials	-	-	62
Total	<u>\$ -</u>	<u>\$ 41,781</u>	<u>\$ 385,847</u>

(continued)

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	2018		2017
	Original and Final Budget	Actual	Actual
EXPENDITURES (CONTINUED):			
Instruction:			
Vocational programs:			
Supplies and materials	\$ 309	\$ -	\$ -
Interscholastic programs:			
Salaries	38,761	41,337	41,333
Employee benefits	647	560	712
Purchased services	3,100	2,935	2,527
Supplies and materials	3,500	8,155	1,581
Total	<u>46,008</u>	<u>52,987</u>	<u>46,153</u>
Summer school:			
Salaries	15,680	9,539	-
Employee benefits	335	69	-
Supplies and materials	515	974	1,259
Total	<u>16,530</u>	<u>10,582</u>	<u>1,259</u>
Gifted:			
Salaries	175,437	158,321	150,852
Employee benefits	25,600	24,151	22,725
Purchased services	500	-	-
Supplies and materials	2,060	919	618
Total	<u>203,597</u>	<u>183,391</u>	<u>174,195</u>
Bilingual:			
Salaries	94,124	94,902	87,673
Employee benefits	12,461	12,562	11,615
Supplies and materials	515	514	605
Total	<u>107,100</u>	<u>107,978</u>	<u>99,893</u>
Total Instruction	<u>\$ 13,127,305</u>	<u>\$ 15,253,218</u>	<u>\$ 14,504,788</u>

(continued)

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	2018		2017
	Original and Final Budget	Actual	Actual
EXPENDITURES (CONTINUED):			
Support Services:			
Pupils:			
Attendance and social work:			
Salaries	\$ 215,342	\$ 187,691	\$ 172,372
Employee benefits	<u>33,527</u>	<u>17,535</u>	<u>25,597</u>
Total	<u>248,869</u>	<u>205,226</u>	<u>197,969</u>
Guidance services:			
Salaries	61,619	60,704	50,159
Employee benefits	<u>12,598</u>	<u>11,719</u>	<u>10,732</u>
Total	<u>74,217</u>	<u>72,423</u>	<u>60,891</u>
Health services:			
Salaries	129,205	130,608	93,668
Employee benefits	24,945	16,536	19,089
Purchased services	20,000	15,115	59,380
Supplies and materials	<u>1,545</u>	<u>2,937</u>	<u>8,177</u>
Total	<u>175,695</u>	<u>165,196</u>	<u>180,314</u>
Speech pathology:			
Salaries	165,165	76,075	98,468
Employee benefits	<u>35,970</u>	<u>22,879</u>	<u>22,290</u>
Total	<u>201,135</u>	<u>98,954</u>	<u>120,758</u>
Other support - pupil:			
Supplies and materials	<u>3,914</u>	<u>3,229</u>	<u>3,830</u>
Total Pupils	<u>\$ 703,830</u>	<u>\$ 545,028</u>	<u>\$ 563,762</u>

(continued)

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	2018		2017
	Original and Final Budget	Actual	Actual
EXPENDITURES (CONTINUED):			
Support Services:			
Instructional Staff:			
Improvement of instructional services:			
Salaries	\$ 319,927	\$ 265,585	\$ 348,785
Employee benefits	72,056	54,915	74,718
Purchased services	183,046	130,863	181,442
Supplies and materials	<u>117,935</u>	<u>151,776</u>	<u>443,199</u>
Total	<u>692,964</u>	<u>603,139</u>	<u>1,048,144</u>
Educational media services:			
Salaries	293,757	315,409	278,702
Employee benefits	55,610	58,708	53,435
Supplies and materials	<u>31,209</u>	<u>49,372</u>	<u>86,468</u>
Total	<u>380,576</u>	<u>423,489</u>	<u>418,605</u>
Assessment and testing:			
Purchased services	50,100	48,516	32,923
Supplies and materials	<u>5,150</u>	<u>4,172</u>	<u>4,204</u>
Total	<u>55,250</u>	<u>52,688</u>	<u>37,127</u>
Total Instructional Staff	<u>1,128,790</u>	<u>1,079,316</u>	<u>1,503,876</u>
General Administration:			
Board of education:			
Salaries	1,045	181	-
Employee benefits	58,500	53,841	52,713
Purchased services	89,500	102,043	51,071
Other	<u>26,000</u>	<u>49,632</u>	<u>38,541</u>
Total	<u>\$ 175,045</u>	<u>\$ 205,697</u>	<u>\$ 142,325</u>

(continued)

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	2018		2017
	Original and Final Budget	Actual	Actual
EXPENDITURES (CONTINUED):			
Support Services:			
Executive administration:			
Salaries	\$ 226,663	\$ 260,275	\$ 247,476
Employee benefits	67,865	66,069	61,759
Purchased services	100,000	141,758	118,849
Supplies and materials	10,300	13,088	10,540
Other	1,000	678	175
Non-capitalized equipment	-	-	12,873
Total	<u>405,828</u>	<u>481,868</u>	<u>451,672</u>
Total General Administration	<u>580,873</u>	<u>687,565</u>	<u>593,997</u>
School Administration:			
Office of the principal:			
Salaries	721,396	684,816	692,909
Employee benefits	297,154	237,563	241,121
Purchased services	<u>20,000</u>	<u>9,427</u>	<u>20,036</u>
Total School Administration	<u>1,038,550</u>	<u>931,806</u>	<u>954,066</u>
Business:			
Direction of business support services:			
Salaries	114,988	114,400	110,000
Employee benefits	<u>43,118</u>	<u>44,339</u>	<u>41,077</u>
Total	<u>158,106</u>	<u>158,739</u>	<u>151,077</u>
Fiscal services:			
Salaries	129,205	111,473	123,919
Employee benefits	31,445	26,780	26,543
Purchased services	66,500	51,485	34,983
Supplies and materials	3,090	739	2,962
Non-capitalized equipment	<u>10,000</u>	<u>7,278</u>	<u>-</u>
Total	<u>\$ 240,240</u>	<u>\$ 197,755</u>	<u>\$ 188,407</u>

(continued)

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
EDUCATIONAL ACCOUNT
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	2018		2017
	Original and Final Budget	Actual	Actual
EXPENDITURES (CONTINUED):			
Food services:			
Salaries	\$ 51,961	\$ 62,227	\$ 57,562
Employee benefits	844	877	953
Purchased services	60,000	34,664	32,068
Supplies and materials	18,540	10,586	11,445
Total	<u>131,345</u>	<u>108,354</u>	<u>102,028</u>
Total Business	<u>529,691</u>	<u>464,848</u>	<u>441,512</u>
Central:			
Information services:			
Purchased services	55,000	107,856	-
Supplies and materials	75,000	23,155	-
Non-capitalized equipment	70,000	32,206	-
Total Central	<u>200,000</u>	<u>163,217</u>	<u>-</u>
Total Support Services	<u>4,181,734</u>	<u>3,871,780</u>	<u>4,057,213</u>
Community Services:			
Salaries	4,495	4,495	4,029
Payments to other districts and governmental units:			
Tuition	1,436,055	1,683,872	1,212,774
Total expenditures	<u>18,749,589</u>	<u>20,813,365</u>	<u>19,778,804</u>
Excess (deficiency) of revenues over expenditures	<u>(104,960)</u>	<u>(41,822)</u>	<u>728,797</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	160,000	160,000	-
Transfers out	(54,000)	(57,545)	(66,600)
Total other financing sources (uses)	<u>106,000</u>	<u>102,455</u>	<u>(66,600)</u>
Net change in fund balance	<u>\$ 1,040</u>	60,633	662,197
Fund balance at beginning of year		<u>4,042,407</u>	<u>3,380,210</u>
FUND BALANCE AT END OF YEAR		<u>\$ 4,103,040</u>	<u>\$ 4,042,407</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE ACCOUNT
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	2018		2017
	Original and Final Budget	Actual	Actual
REVENUES:			
Local Sources:			
Property taxes	\$ 2,304,458	\$ 2,305,638	\$ 2,279,366
Earnings on investments	22,000	38,979	22,895
Rentals	1,500	76,634	188
Contributions	2,350	1,677	-
Refund of prior years' expenditures	50,000	28,658	24,009
Other	10,000	5,991	9,994
Total revenues	<u>2,390,308</u>	<u>2,457,577</u>	<u>2,336,452</u>
EXPENDITURES:			
Current operating:			
Support Services:			
Operation and maintenance of plant services:			
Salaries	756,500	750,641	712,478
Benefits	166,901	154,969	145,259
Purchased services	443,944	587,021	498,307
Supplies and materials	369,560	299,652	302,654
Non-capitalized equipment	80,000	37,748	199,620
Total Support Services	<u>1,816,905</u>	<u>1,830,031</u>	<u>1,858,318</u>
Capital outlay	<u>400,000</u>	<u>371,594</u>	<u>375,987</u>
Total expenditures	<u>2,216,905</u>	<u>2,201,625</u>	<u>2,234,305</u>
Excess of revenues over expenditures	<u>173,403</u>	<u>255,952</u>	<u>102,147</u>
OTHER FINANCING SOURCES (USES):			
Transfers out	(168,000)	(168,000)	(8,000)
Principal on capital lease	-	100,000	-
Total other financing sources (uses)	<u>(168,000)</u>	<u>(68,000)</u>	<u>(8,000)</u>
Net change in fund balance	<u>\$ 5,403</u>	187,952	94,147
Fund balance at beginning of year		<u>2,448,537</u>	<u>2,354,390</u>
FUND BALANCE AT END OF YEAR		<u>\$ 2,636,489</u>	<u>\$ 2,448,537</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
WORKING CASH ACCOUNT
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	2018		2017
	Original and Final Budget	Actual	Actual
REVENUES:			
Local Sources:			
Property taxes	\$ 176,579	\$ 176,901	\$ 174,461
Earnings on investments	<u>12,000</u>	<u>22,159</u>	<u>13,663</u>
Excess of revenues over expenditures	<u>188,579</u>	<u>199,060</u>	<u>188,124</u>
OTHER FINANCING USES:			
Transfers out	<u>(8,000)</u>	<u>(8,000)</u>	<u>(8,000)</u>
Net change in fund balances	<u>\$ 180,579</u>	191,060	180,124
Fund balance at beginning of year		<u>1,794,076</u>	<u>1,613,952</u>
FUND BALANCE AT END OF YEAR		<u>\$ 1,985,136</u>	<u>\$ 1,794,076</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

To account for proceeds from specific revenue sources which are designated to finance expenditures for specific purposes, the District maintains the following Nonmajor Special Revenue Funds:

Transportation Fund – To account for activity relating to student transportation to and from school.

Municipal Retirement/Social Security Fund – To account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund and Social Security for non-certified employees.

Tort Immunity Fund - To account for taxes levied or bonds sold by the District for tort immunity or tort judgment purposes.

DEBT SERVICE FUND

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

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue		
	Transportation	Municipal Retirement/ Social Security	Tort Immunity
<u>ASSETS</u>			
Cash and investments	\$ 978,290	\$ 676,515	\$ 487,662
Receivables (net of allowance for uncollectibles):			
Property taxes	307,429	265,532	73,729
Intergovernmental	<u>57,213</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>1,342,932</u>	<u>942,047</u>	<u>561,391</u>
<u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Unearned revenue	<u>57,213</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:			
Property taxes levied for subsequent year	<u>643,969</u>	<u>556,207</u>	<u>154,439</u>
Fund Balance:			
Restricted	<u>641,750</u>	<u>385,840</u>	<u>406,952</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,342,932</u>	<u>\$ 942,047</u>	<u>\$ 561,391</u>

<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total Non-major Governmental Funds</u>
Total	Debt Service	
\$ 2,142,467	\$ 329,022	\$ 2,471,489
646,690	177,382	824,072
<u>57,213</u>	<u>-</u>	<u>57,213</u>
<u>2,846,370</u>	<u>506,404</u>	<u>3,352,774</u>
<u>57,213</u>	<u>-</u>	<u>57,213</u>
<u>1,354,615</u>	<u>371,564</u>	<u>1,726,179</u>
<u>1,434,542</u>	<u>134,840</u>	<u>1,569,382</u>
<u>\$ 2,846,370</u>	<u>\$ 506,404</u>	<u>\$ 3,352,774</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	Special Revenue		
	Transportation	Municipal Retirement/ Social Security	Tort Immunity
REVENUES:			
Property taxes	\$ 631,059	\$ 544,817	\$ 151,409
Other local sources	26,884	18,229	4,431
State sources	187,954	-	-
Total revenues	<u>845,897</u>	<u>563,046</u>	<u>155,840</u>
EXPENDITURES:			
Current operating:			
Instruction	-	246,685	-
Support services	762,661	300,729	134,549
Community services	-	344	-
Debt service:			
Payment of principal on long-term debt	-	-	-
Interest on long-term debt	-	-	-
Bond service charges	-	-	-
Total expenditures	<u>762,661</u>	<u>547,758</u>	<u>134,549</u>
Excess (deficiency) of revenues over expenditures	83,236	15,288	21,291
OTHER FINANCING SOURCES:			
Transfers in	<u>16,000</u>	-	-
Net change in fund balances	99,236	15,288	21,291
Fund balances at beginning of year	<u>542,514</u>	<u>370,552</u>	<u>385,661</u>
FUND BALANCES AT END OF YEAR	<u><u>\$ 641,750</u></u>	<u><u>\$ 385,840</u></u>	<u><u>\$ 406,952</u></u>

<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total Non-major Governmental Funds</u>
Total	Debt Service	
\$ 1,327,285	\$ 375,722	\$ 1,703,007
49,544	1,356	50,900
<u>187,954</u>	<u>-</u>	<u>187,954</u>
<u>1,564,783</u>	<u>377,078</u>	<u>1,941,861</u>
246,685	-	246,685
1,197,939	-	1,197,939
344	-	344
-	311,488	311,488
-	113,426	113,426
<u>-</u>	<u>1,000</u>	<u>1,000</u>
<u>1,444,968</u>	<u>425,914</u>	<u>1,870,882</u>
119,815	(48,836)	70,979
<u>16,000</u>	<u>57,545</u>	<u>73,545</u>
135,815	8,709	144,524
<u>1,298,727</u>	<u>126,131</u>	<u>1,424,858</u>
<u>\$ 1,434,542</u>	<u>\$ 134,840</u>	<u>\$ 1,569,382</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TRANSPORTATION FUND
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	2018		2017
	Original and Final Budget	Actual	Actual
REVENUES:			
Local Sources:			
Property taxes	\$ 639,962	\$ 631,059	\$ 623,712
Transportation fees	15,000	17,729	18,936
Earnings on investments	4,000	9,155	5,022
Other	1,000	-	-
Total Local Sources	<u>659,962</u>	<u>657,943</u>	<u>647,670</u>
State Sources:			
Transportation aid:			
Regular	35,000	117,345	10,844
Special education	65,000	70,609	47,662
Total State Sources	<u>100,000</u>	<u>187,954</u>	<u>58,506</u>
Total revenues	<u>759,962</u>	<u>845,897</u>	<u>706,176</u>
EXPENDITURES:			
Current operating:			
Support Services:			
Business - Pupil Transportation Services:			
Salaries	9,849	9,849	9,516
Purchased services	757,076	752,812	671,268
Total Support Services	<u>766,925</u>	<u>762,661</u>	<u>680,784</u>
Payments to other districts and governmental units:			
Purchased services	5,279	-	-
Total expenditures	<u>772,204</u>	<u>762,661</u>	<u>680,784</u>
Excess (deficiency) of revenues over expenditures	(12,242)	83,236	25,392
OTHER FINANCING SOURCES:			
Transfers in	16,000	16,000	16,000
Net change in fund balance	<u>\$ 3,758</u>	99,236	41,392
Fund balance at beginning of year		<u>542,514</u>	<u>501,122</u>
FUND BALANCE AT END OF YEAR		<u>\$ 641,750</u>	<u>\$ 542,514</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	2018		2017
	Original and Final Budget	Actual	Actual
REVENUES:			
Local Sources:			
Property taxes			
General tax levy	\$ 271,000	\$ 267,779	\$ 264,411
Social security/medicare tax levy	279,000	277,038	273,801
Corporate replacement taxes	14,000	12,046	12,015
Earnings on investments	3,000	6,183	3,422
Other	100	-	-
Total revenues	<u>567,100</u>	<u>563,046</u>	<u>553,649</u>
EXPENDITURES:			
Current operating:			
Instruction - employee benefits	259,058	246,685	213,274
Support Services - employee benefits	293,235	300,729	279,343
Community services	351	344	308
Total expenditures	<u>552,644</u>	<u>547,758</u>	<u>492,925</u>
Net change in fund balance	<u>\$ 14,456</u>	15,288	60,724
Fund balance at beginning of year		<u>370,552</u>	<u>309,828</u>
FUND BALANCE AT END OF YEAR		<u>\$ 385,840</u>	<u>\$ 370,552</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TORT IMMUNITY FUND
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	<u>2018</u>		<u>2017</u>
	Original and Final Budget	Actual	Actual
REVENUES:			
Local Sources:			
Property taxes	\$ 151,778	\$ 151,409	\$ 149,256
Earnings on investments	<u>2,500</u>	<u>4,431</u>	<u>2,948</u>
Total revenues	<u>154,278</u>	<u>155,840</u>	<u>152,204</u>
EXPENDITURES:			
Current operating:			
Support Services:			
General Administration:			
Purchased services	<u>135,665</u>	<u>134,549</u>	<u>186,581</u>
Total expenditures	<u>135,665</u>	<u>134,549</u>	<u>186,581</u>
Net change in fund balance	<u>\$ 18,613</u>	21,291	(34,377)
Fund balance at beginning of year		<u>385,661</u>	<u>420,038</u>
FUND BALANCE AT END OF YEAR		<u>\$ 406,952</u>	<u>\$ 385,661</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS FOR 2017

	2018		2017
	Original and Final Budget	Actual	Actual
REVENUES:			
Local Sources:			
Property taxes	\$ 372,035	\$ 375,722	\$ 375,117
Earnings on investments	300	1,356	427
Total revenues	<u>372,335</u>	<u>377,078</u>	<u>375,544</u>
EXPENDITURES:			
Debt Service:			
Payment of principal on long-term debt	270,000	311,488	313,028
Interest on long-term debt	140,000	113,426	125,122
Bond service charges	1,000	1,000	1,000
Total Debt Service	<u>411,000</u>	<u>425,914</u>	<u>439,150</u>
Total expenditures	<u>411,000</u>	<u>425,914</u>	<u>439,150</u>
Deficiency of revenues over expenditures	(38,665)	(48,836)	(63,606)
OTHER FINANCING SOURCES:			
Transfers in	<u>54,000</u>	<u>57,545</u>	<u>66,600</u>
Net change in fund balance	<u>\$ 15,335</u>	8,709	2,994
Fund balance at beginning of year		<u>126,131</u>	<u>123,137</u>
FUND BALANCE AT END OF YEAR		<u>\$ 134,840</u>	<u>\$ 126,131</u>

**FIDUCIARY FUNDS -
AGENCY FUNDS**

Activity Funds – To account for assets held by the District in a trustee capacity as an agent for student organizations.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS - ACTIVITY FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Balances</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances</u> <u>June 30, 2018</u>
Assets:				
Cash and investments	\$ 159,256	\$ 309,882	\$ 318,980	\$ 150,158
Liabilities:				
Due to student organizations	\$ 159,256	\$ 309,882	\$ 318,980	\$ 150,158

STATISTICAL SECTION

(UNAUDITED)

STATISTICAL SECTION

This part of Bloomindale Elementary School District No. 13's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Financial Trends (pages 87-90)

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

Revenue Capacity (pages 91-95)

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

Debt Capacity (pages 96-100)

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

Demographic and Economic Information (page 101-102)

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

Operating Information (pages 103-106)

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

Except where noted, the information in these schedules is derived from the Bloomindale Elementary School District No. 13's annual financial reports for the relevant year.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
NET POSITION BY COMPONENT
SCHEDULE TO BE BUILT PROSPECTIVELY FROM 2017

	<u>2018</u>	<u>2017</u>
Governmental activities:		
Net investment in capital assets	\$ 8,899,226	\$ 9,093,390
Restricted	1,569,382	1,424,858
Unrestricted (deficit)	<u>(12,322,122)</u>	<u>5,674,284</u>
Total governmental activities net position (deficit)	<u>\$ (1,853,514)</u>	<u>\$ 16,192,532</u>

Note: GASBS No. 75 was implemented in 2018 and 2017 has not been restated.

Note: District changed accounting method from modified cash to accrual in FY17, therefore this schedule will be built prospectively from 2017.

Source of information: District's financial records

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 1
CHANGES IN NET POSITION
SCHEDULE TO BE BUILT PROSPECTIVELY FROM 2017

	2018	2017
GOVERNMENT-WIDE EXPENSES:		
Instructional services:		
Regular programs	\$ 15,393,242	\$ 13,381,721
Special programs	3,680,182	3,101,539
Other programs	53,812	46,880
Supporting services:		
Students	577,203	583,007
Instructional staff	1,117,276	1,571,224
District administration	901,175	860,654
School administration	983,869	1,004,293
Business	379,916	364,387
Operation and maintenance of facilities:	2,085,881	2,100,677
Transportation	762,661	680,784
Food service	109,202	102,821
Staff	164,092	2,105
Community	4,839	4,337
Interest on long-term liabilities	117,201	128,897
Total Government-Wide Expenses	<u>26,330,551</u>	<u>23,933,326</u>
PROGRAM REVENUES:		
Charges for services:		
Instruction	196,023	140,781
Special programs	-	4,440
Transportation	17,729	18,936
Food services	14,873	16,455
Operating grants and contributions	6,684,648	6,903,248
Total Program Revenues	<u>6,913,273</u>	<u>7,083,860</u>
NET EXPENSE	<u>(19,417,278)</u>	<u>(16,849,466)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:		
Property taxes:		
General purposes	15,021,904	14,916,204
Transportation	631,059	623,712
Retirement	544,817	538,212
Debt service	375,722	375,117
Tort	151,409	149,256
Federal and state aid not restricted to specific purposes	916,388	544,696
Earnings on investments	190,897	106,628
Other revenue	624,572	482,065
Total General Revenues	<u>18,456,768</u>	<u>17,735,890</u>
CHANGES IN NET POSITION	<u>\$ (960,510)</u>	<u>\$ 886,424</u>

Note: District changed accounting method from modified cash to accrual in FY17, therefore this schedule will be built prospectively from 2017.

Note: GASBS No. 75 was implemented in 2018 and 2017 has not been restated.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
FUND BALANCES, GOVERNMENTAL FUNDS
SCHEDULE TO BE BUILT PROSPECTIVELY FROM 2017

	2018	2017
Fund Balances:		
General Fund:		
Unassigned	\$ 8,724,665	\$ 8,285,020
Total General Fund	8,724,665	8,285,020
All other governmental funds:		
Restricted	1,569,382	1,424,858
Total all other governmental funds:	\$ 1,569,382	\$ 1,424,858

Note: District changed accounting method from modified cash to accrual in FY17, therefore this schedule will be built prospectively from 2017.

Source of information: District's financial records

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
SCHEDULE TO BE BUILT PROSPECTIVELY FROM 2017

	2018	2017
Revenues:		
Local sources:		
Taxes	\$ 16,724,911	\$ 16,602,501
Earnings on investments	190,897	106,628
Other local sources	851,405	662,245
Total local sources	17,767,213	17,371,374
State sources:		
Evidence-based funding / general state aid	916,388	544,696
Categorical aid (1)	6,102,741	6,396,617
State sources (1)	7,019,129	6,941,313
Federal sources - restricted grants	583,699	507,063
Total revenues	<u>25,370,041</u>	<u>24,819,750</u>
Expenditures:		
Current:		
Instruction:		
Regular programs	13,429,214	12,840,175
Special programs	2,070,689	1,877,887
Total instruction	15,499,903	14,718,062
Supporting services:		
Pupils	545,028	583,007
Instructional staff	1,079,316	1,531,220
General/school administration (1)	4,048,361	1,799,011
Business	1,227,045	3,149,001
Total supporting services	6,899,750	7,062,239
Community services	4,839	4,337
Payments to other districts and gov.	1,683,872	1,212,774
Capital outlay	371,594	375,987
Debt service:		
Principal	311,488	313,028
Interest and fees	114,426	126,122
Total expenditures	<u>24,885,872</u>	<u>23,812,549</u>
Excess of revenues over (under) expenditures	484,169	1,007,201
Other financing sources (uses):		
Transfers out	(233,545)	(82,600)
Transfers in	233,545	82,600
Principal on capital lease	100,000	-
Total other financing sources (uses)	100,000	-
Net changes in fund balance	<u>\$ 584,169</u>	<u>\$ 1,007,201</u>
Debt service as a percentage on noncapital expenditures	<u>1.74%</u>	<u>1.87%</u>

(1) Includes effect of on-behalf payments required by GASB #24

Note: District changed accounting method from modified cash to accrual in FY17, therefore this schedule will be built prospectively from 2017.

Source of information: District's financial records

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
PROPERTY TAX RATES, EXTENSIONS AND COLLECTIONS
LAST TEN FISCAL TAX YEARS

	2017	2016	2015	2014
Rates extended:				
Educational	2.2388	2.3474	2.4935	2.5362
Tort immunity	0.0271	0.0286	0.0302	0.0732
Operations and maintenance	0.4078	0.4343	0.4612	0.4721
Special education	0.0252	0.0266	0.0281	0.0287
Transportation	0.1130	0.1189	0.1262	0.1291
Illinois municipal retirement	0.0481	0.0505	0.0535	0.0548
Debt Service	0.0652	0.0701	0.0759	0.0722
Social Security	0.0495	0.0522	0.0554	0.0567
Working Cash	0.0317	0.0334	0.0353	0.0361
Total rates extended	3.0064	3.1620	3.3593	3.4591
Levies extended:				
Educational	\$ 12,758,567	\$ 12,442,155	\$ 12,345,369	\$ 12,062,603
Tort immunity	154,439	151,591	149,521	348,152
Operations and maintenance	2,323,988	2,301,963	2,283,410	2,245,389
Special education	143,611	140,991	139,124	136,502
Transportation	643,969	630,217	624,819	614,022
Illinois municipal retirement	274,114	267,670	264,880	260,638
Debt Service	371,564	371,558	375,783	343,396
Social Security	282,093	276,681	274,286	269,675
Working Cash	180,653	177,033	174,771	171,698
Total levies extended	17,132,998	16,759,859	16,631,963	16,452,073
Collected in first year of levy	8,953,889	8,476,587	8,263,801	8,014,300
Collected subsequently	-	8,248,324	8,338,698	8,376,589
Total collections	\$ 8,953,889	\$ 16,724,911	\$ 16,602,499	\$ 16,390,889
Percentage collected in first year	52.26%	50.58%	49.69%	48.71%
Percentage collected in total	52.26%	99.79%	99.82%	99.63%

Note: The District's ability to increase property tax levels is limited by the Property Tax Extension Limitation Act passed by the Illinois legislature in 1994. The legislation limits the levy increase to the lesser of the increase in consumer price index or five percent of existing property values.

Tax rates represent the dollars paid for each hundred dollars of assessed value.

Source of information: DuPage County Levy, Rate, and Extension Reports for 2008-2017.

2013	2012	2011	2010	2009	2008
2.4050	2.1781	1.9045	1.7802	1.5883	1.5157
0.0694	0.0184	0.0137	0.0185	0.0168	0.0162
0.4476	0.4094	0.3579	0.3018	0.2938	0.3633
0.0272	0.0248	0.0216	0.0204	0.0180	0.0188
0.1224	0.1119	0.0900	0.0774	0.0622	0.0588
0.0519	0.0474	0.0414	0.0378	0.0327	0.0283
0.0690	0.0634	0.0571	0.0534	0.0498	0.1024
0.0537	0.0491	0.0429	0.0391	0.0353	0.0356
0.0342	0.0313	0.0273	0.0215	0.0236	0.0242
<u>3.2804</u>	<u>2.9338</u>	<u>2.5564</u>	<u>2.3501</u>	<u>2.1205</u>	<u>2.1633</u>
\$ 11,860,155	\$ 11,742,587	\$ 11,419,938	\$ 11,420,775	\$ 10,965,589	\$ 10,454,404
342,243	99,198	82,149	118,686	115,987	111,738
2,207,320	2,207,160	2,146,073	1,936,181	2,028,389	2,505,829
134,136	133,702	129,520	130,875	124,272	129,671
603,610	603,276	539,666	496,555	429,427	405,568
255,943	255,543	248,246	242,504	225,760	195,197
340,271	341,802	342,388	342,585	343,818	706,295
264,819	264,708	257,241	250,844	243,710	245,548
168,656	168,745	163,699	137,932	162,934	166,917
<u>16,177,153</u>	<u>15,816,722</u>	<u>15,328,920</u>	<u>15,076,938</u>	<u>14,639,887</u>	<u>14,921,167</u>
7,850,135	7,526,217	7,482,940	7,376,367	6,971,331	7,007,395
8,288,737	8,223,370	7,820,155	7,684,567	7,628,639	7,879,814
<u>\$ 16,138,872</u>	<u>\$ 15,749,587</u>	<u>\$ 15,303,094</u>	<u>\$ 15,060,934</u>	<u>\$ 14,599,970</u>	<u>\$ 14,887,209</u>
<u>48.53%</u>	<u>47.58%</u>	<u>48.82%</u>	<u>48.92%</u>	<u>47.62%</u>	<u>46.96%</u>
<u>99.76%</u>	<u>99.58%</u>	<u>99.83%</u>	<u>99.89%</u>	<u>99.73%</u>	<u>99.77%</u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL TAX YEARS

Tax Year	Residential	Farm	Commercial	Industrial	Railroad	Total equalized assessed valuation	Percent increase (decrease)	Total direct tax rate	Estimated actual taxable value
2017	\$ 507,929,761	\$ 3,460	\$ 51,418,150	\$ 10,532,800	\$ -	\$ 569,884,171	7.52	3.0064	\$ 1,709,652,513
2016	468,375,398	3,150	51,069,300	10,591,990	-	530,039,838	7.06	3.1620	1,590,119,514
2015	436,084,690	2,860	48,813,760	10,200,740	-	495,102,050	4.10	3.3593	1,485,306,150
2014	416,721,017	2,600	48,766,100	10,127,450	-	475,617,167	(3.55)	3.4591	1,426,851,501
2013	431,997,768	2,360	50,671,460	10,474,160	-	493,145,748	(8.53)	3.2804	1,479,437,244
2012	472,503,560	2,150	54,029,590	12,585,350	-	539,120,650	(10.09)	2.9338	1,617,361,950
2011	525,043,671	1,950	60,615,056	13,968,500	-	599,629,177	(6.53)	2.5564	1,798,887,531
2010	564,905,275	1,770	61,923,000	14,714,470	-	641,544,515	(7.08)	2.3501	1,924,633,545
2009	608,075,010	3,327	66,344,060	15,975,480	-	690,397,877	0.10	2.1205	2,071,193,631
2008	\$ 607,070,326	\$ 3,977	\$ 66,937,600	\$ 15,729,090	\$ -	\$ 689,740,993	5.62	2.1633	\$ 2,069,222,979

Note: Property in DuPage County is reassessed once every four years on average. The county assesses property at approximately 33 1/3% of actual value. Estimated actual value is calculated by dividing assessed value by this percentage. Tax rates are per \$100 of assessed value.

Source of information: DuPage County Levy, Rate, and Extension Reports for the years 2008 to 2017.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
TYPICAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING
GOVERNMENTS*
LAST TEN FISCAL TAX YEARS

<u>Taxing District</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
County of DuPage	0.1749	0.1484	0.1571	0.1646	0.1644	0.1547	0.1422	0.1336	0.1240	0.1240
County Health Department	0.0364	0.0364	0.0400	0.0411	0.0396	0.0382	0.0351	0.0323	0.0314	0.0317
Forest Preserve District	0.1306	0.1514	0.1622	0.1691	0.1657	0.1542	0.1414	0.1321	0.1217	0.1206
Bloomington Township (1)	0.2040	0.1945	0.2091	0.2274	0.2207	0.1983	0.1732	0.1582	0.1422	0.1399
Village of Bloomington	0.2939	0.3066	0.3049	0.2905	0.2773	0.2241	0.2001	0.1760	0.1468	0.1115
Bloomington Fire Protection District #1	0.6422	0.7063	0.7475	0.7604	0.7237	0.6462	0.5546	0.5060	0.4539	0.4248
Bloomington Park District	0.4581	0.4011	0.4225	0.4334	0.4154	0.3761	0.3301	0.3099	0.2835	0.2815
Bloomington Public Library	0.3379	0.3511	0.3731	0.3786	0.3583	0.3271	0.2835	0.3095	0.2871	0.2492
Community High School District Number 108	2.3489	2.4698	2.6236	2.7083	2.5755	2.3318	2.0220	1.8298	1.6350	1.6132
Community College District No. 502	0.2431	0.2626	0.2786	0.2975	0.2956	0.2681	0.2495	0.2349	0.2135	0.1858
DuPage Airport Authority	<u>0.0166</u>	<u>0.0176</u>	<u>0.0188</u>	<u>0.0196</u>	<u>0.0178</u>	<u>0.0168</u>	<u>0.0169</u>	<u>0.0158</u>	<u>0.0148</u>	<u>0.0160</u>
Total overlapping rate	<u>4.8866</u>	<u>5.0458</u>	<u>5.3374</u>	<u>5.4905</u>	<u>5.2540</u>	<u>4.7356</u>	<u>4.1486</u>	<u>3.8381</u>	<u>3.4539</u>	<u>3.2982</u>
Bloomington Elementary School District No. 13	<u>3.0064</u>	<u>3.1620</u>	<u>3.3593</u>	<u>3.4591</u>	<u>3.2804</u>	<u>2.9338</u>	<u>2.5564</u>	<u>2.3501</u>	<u>2.1205</u>	<u>2.1633</u>
Total rate	<u><u>7.8930</u></u>	<u><u>8.2078</u></u>	<u><u>8.6967</u></u>	<u><u>8.9496</u></u>	<u><u>8.5344</u></u>	<u><u>7.6694</u></u>	<u><u>6.7050</u></u>	<u><u>6.1882</u></u>	<u><u>5.5744</u></u>	<u><u>5.4615</u></u>

(1) Includes Bloomington Township Road and Bridge

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

* Tax rates represent the dollars paid for each hundred dollars of assessed value.

Source of information: DuPage County Clerk's office

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
PRINCIPAL TAXPAYERS IN THE DISTRICT
YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2009

Name	Type of Business	2017 Equalized Assessed Valuation	Percentage of total 2017 Equalized Assessed Valuation
1st Hospitality Group	Hotel/Resort	\$ 38,209,384	6.70 %
Medinah Country Club	Country Club	19,403,808	3.40
VTH 6 LLC	Industrial	6,586,173	1.16
LPF Addison LLC	Holding Company	6,539,939	1.15
Thomson Reuters	Publisher	5,600,688	0.98
Sunrise BLMD Assisted Living	Assisted Living Facility	4,296,421	0.75
Hamilton Partners Inc.	Commercial, retail and industrial real estate developer	3,769,406	0.66
Schoen & Co.	Financial Advisor	3,566,225	0.63
Individual	Individual	3,437,699	0.60
Alden Village II Inc.	Special needs health care	3,252,189	0.57
Total		\$ 94,661,932	16.60 %

Name	Type of Business	2008 Equalized Assessed Valuation	Percentage of total 2008 Equalized Assessed Valuation
1st Hospitality Group	Hotel/Resort	\$ 12,682,112	1.84 %
Riggs & Company	Real property holdings	6,599,680	0.96
HP Hamilton Woods I LLC	Property management	3,596,820	0.52
Multi Employer Property TR	Real property holdings	3,497,751	0.51
Schoen & Co.	Financial Advisor	4,066,160	0.59
Medinah Country Club	Country Club	4,388,476	0.64
Sunrise BLMD Assisted Living	Assisted Living Facility	2,793,158	0.40
Hamilton Partners Inc.	Commercial, retail and industrial real estate developer	2,375,998	0.34
Royal MNGT Corp	Nursing and long-term care	2,222,151	0.32
Individual	Individual	2,035,050	0.30
Total		\$ 44,257,356	6.42 %

Source of information: DuPage County Clerk's office, Department of Tax Extension and DuPage County Tax Assessor's office

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
JUNE 30, 2018

	<u>Debt outstanding</u>	<u>Overlapping percent</u>	<u>Direct and overlapping debt</u>
Governmental Jurisdiction:			
Overlapping Bonded Debt			
County:			
DuPage County	\$ 159,440,000	2.25%	\$ 3,587,400
DuPage County Forest Preserve District	111,711,749	2.25%	2,513,514
Villages:			
Addison	34,735,000	1.24%	430,714
Bloomington	3,748,883	52.67%	1,974,537
Park Districts:			
Bloomington	14,342,620	57.35%	8,225,493
Roselle	3,223,073	10.74%	346,158
School Districts:			
Community High School District 108	26,145,000	27.24%	7,121,898
Community College District 502	227,460,000	1.52%	<u>3,457,392</u>
Total indirect debt			27,657,106
Bloomington Elementary School District No. 13			<u>2,688,934</u>
Total direct and overlapping bonded debt			<u><u>\$ 30,346,040</u></u>

Source of information: DuPage County Clerk's office, Department of Tax Extension

Note: Percentage applicable to District calculated using assessed valuation of the School District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

Note: Direct general obligation bonded debt only. Does not include alternate revenue source bonds or bonds payable from Motor Fuel Tax, Illinois Bond Fund Tax, or Public Housing Commission loans.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Legal debt limit (6.9% of equalized assessed valuation)	<u>\$ 39,322,008</u>	<u>\$ 36,572,749</u>	<u>\$ 34,162,041</u>	<u>\$ 32,817,585</u>
General bonded debt outstanding				
General obligation bonds/debt certificates	2,625,000	2,880,000	3,130,000	3,340,000
Less:				
Amounts set aside to repay general debt	<u>134,840</u>	<u>126,131</u>	<u>123,137</u>	<u>288,176</u>
Total net debt applicable to debt limit	<u>2,490,160</u>	<u>2,753,869</u>	<u>3,006,863</u>	<u>3,051,824</u>
Legal debt margin	<u><u>\$ 36,831,848</u></u>	<u><u>\$ 33,818,880</u></u>	<u><u>\$ 31,155,178</u></u>	<u><u>\$ 29,765,761</u></u>
Legal debt margin as a percentage of the legal debt limit	<u><u>93.67</u></u>	<u><u>92.47</u></u>	<u><u>91.20</u></u>	<u><u>90.70</u></u>

Note: District changed accounting method from modified cash to accrual in FY17, therefore this schedule reflects amounts set aside to repay general debt using the accrual basis of accounting for 2018 to 2016. However, 2015 through 2009 have not been restated, as not considered practical.

Note: According to Illinois Compiled Statutes, the District's general obligation debt shall not exceed 6.9% of equalized assessed valuation.

Source of information: District's financial records and tax levy information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>\$ 34,027,057</u>	<u>\$ 37,199,325</u>	<u>\$ 41,374,413</u>	<u>\$ 44,266,572</u>	<u>\$ 47,637,454</u>	<u>\$ 47,592,129</u>
3,540,000	3,735,000	3,925,000	4,110,000	4,220,000	1,925,000
<u>281,944</u>	<u>323,300</u>	<u>327,783</u>	<u>327,958</u>	<u>271,184</u>	<u>697,206</u>
<u>3,258,056</u>	<u>3,411,700</u>	<u>3,597,217</u>	<u>3,782,042</u>	<u>3,948,816</u>	<u>1,227,794</u>
<u><u>\$ 30,769,001</u></u>	<u><u>\$ 33,787,625</u></u>	<u><u>\$ 37,777,196</u></u>	<u><u>\$ 40,484,530</u></u>	<u><u>\$ 43,688,638</u></u>	<u><u>\$ 46,364,335</u></u>
<u><u>90.43</u></u>	<u><u>90.83</u></u>	<u><u>91.31</u></u>	<u><u>91.46</u></u>	<u><u>91.71</u></u>	<u><u>97.42</u></u>

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
RATIOS OF GENERAL OBLIGATION DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Total Debt	Accumulated Resources Restricted for Repayment of Debt	Net Bonded Debt Total	Percentage of estimated actual taxable value of property	Percentage of Personal Income	Net Bonded Debt Per Capita
2018	\$ 2,688,934	\$ 134,840	\$ 2,554,094	0.15	0.30	\$ 116
2017	2,898,704	126,131	2,772,573	0.17	0.33	125
2016	3,203,474	123,137	3,080,337	0.21	0.38	138
2015	3,470,694	288,176	3,182,518	0.22	0.40	144
2014	3,711,548	281,944	3,429,604	0.23	0.43	156
2013	3,955,851	323,300	3,632,551	0.22	0.46	165
2012	3,872,284	327,783	3,544,501	0.20	0.44	161
2011	4,054,509	327,958	3,726,551	0.19	0.44	163
2010	4,161,734	271,184	3,890,550	0.19	0.46	170
2009	\$ 1,925,000	\$ 697,206	\$ 1,227,794	0.06	0.15	\$ 54

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

See Assessed Value and Estimated Actual Value of Taxable Property for property value data

See Demographic and Economic Statistics for population data

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal year ended June 30,	General Bonded Debt	Capital Leases	Issuance Discount	Total	Percentage of Personal Income	Outstanding Debt Per Capita
2018	\$ 2,625,000	\$ 100,000	\$ (36,066)	\$ 2,688,934	\$ 0.31	\$ 122
2017	2,880,000	57,545	(38,841)	2,898,704	0.35	130
2016	3,130,000	115,090	(41,616)	3,203,474	0.40	144
2015	3,340,000	175,085	(44,391)	3,470,694	0.44	158
2014	3,540,000	218,714	(47,166)	3,711,548	0.47	169
2013	3,735,000	270,792	(49,941)	3,955,851	0.50	180
2012	3,925,000	-	(52,716)	3,872,284	0.48	176
2011	4,110,000	-	(55,491)	4,054,509	0.48	177
2010	4,220,000	-	(58,266)	4,161,734	0.49	182
2009	\$ 1,925,000	\$ -	\$ -	\$ 1,925,000	0.23	\$ 84

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

See Demographic and Economic Statistics for population data

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
PRINCIPAL EMPLOYERS IN THE DISTRICT
YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2009

Firm	Village	Type of Business	Estimated Number of Employees	Percentage of Total Employed
2018				
United Parcel Service, Inc.	Addison	Parcel delivery service	1,400	6.67%
The Pampered Chef Ltd	Addison	Kitchen tools distributor	950	4.52%
M& R Sales & Service, Inc.	Roselle	Printing equipment	550	2.62%
Now Health Group, Inc.	Bloomingtondale	Vitamins & nutritional supplements	550	2.62%
Hilton Chicago Indian Lakes Resort	Bloomingtondale	Hotel & resort	500	2.38%
RIM Logistics Ltd.	Roselle	Company headquarters	400	1.90%
Associated	Addison	Company headquarters	350	1.67%
Service Drywall & Decorating	Roselle	Drywall contractor	320	1.52%
Brodgestone Retail Operations, LLC	Bloomingtondale	Divisional headquarters	250	1.19%
Abrasive-Form, Inc.	Bloomingtondale	Corporate headquarters	200	0.95%
Overton Chicago Gear Corp.	Addison	Custom gears & gearboxes	200	0.95%
Partstown, Inc.	Addison	Distributor of commercial kitchen equipment parts & accessories	200	0.95%
Xentris Wireless, LLC	Addison	Cellular telephone antennas	200	0.95%
2009				
United Parcel Service, Inc.	Addison	Parcel delivery service	2,700	12.44%
The Pampered Chef Ltd	Addison	Kitchen tools distributor	950	4.38%
Hilton Chicago Indian Lakes	Bloomingtondale	Hotel & resort	500	2.30%
Now Health Group, Inc.	Bloomingtondale	Vitamins & nutritional supplements	400	1.84%
Service Drywall & Decorating	Roselle	Drywall contractor	350	1.61%
Simplex Grinnell LP	Addison	Wholesaler of sprinkler, fire alarm and security systems	260	1.20%
Nabisco, Inc.	Addison	Snack foods, cookies and crackers	250	1.15%
Rex Electric, Inc. & Technologies	Addison	Electrical contractors	250	1.15%
ACCO Brands Corp.	Addison	Transparent film extrusion	220	1.01%
Bi-Link Metal Specialties, Inc.	Bloomingtondale	Metal stampings and precision	220	1.01%

Source of information: Illinois Manufacturers and Services Directory, 2018 and 2009

Note: Since the District serves parts of Addison, Bloomingtondale, Glendale Heights and Lombard, principal employers in those villages are listed.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Calendar Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2017	22,016	\$ 856,202,240	\$ 38,890	4.6%
2016	22,254	833,212,014	37,441	5.0%
2015	22,299	805,997,355	36,145	5.0%
2014	22,028	796,202,060	36,145	6.1%
2013	22,026	796,129,770	36,145	7.7%
2012	22,022	795,985,190	36,145	8.0%
2011	22,018	813,477,028	36,946	8.7%
2010	22,875	845,139,750	36,946	9.6%
2009	22,871	844,991,966	36,946	6.1%
2008	22,854	\$ 844,363,884	\$ 36,946	5.0%

Sources of information:

Community Survey, 2011-2015 American Community Survey 5-year Estimates, Census Bureau
 Unemployment rate - Illinois Department of Employment Security

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014
DuJardin Elementary School (1964)					
Square feet	46,459	46,459	46,459	46,459	46,459
Capacity (students)	963	963	963	963	963
Enrollment	400	394	407	379	376
Erickson Elementary School (1993)					
Square feet	58,000	58,000	58,000	58,000	58,000
Capacity (students)	1,082	1,082	1,082	1,082	1,082
Enrollment	446	488	481	473	448
Westfield Middle School (1975)					
Square feet	84,000	84,000	84,000	84,000	84,000
Capacity (students)	1,076	1,076	1,076	1,076	1,076
Enrollment	493	497	411	392	414
Administration Building (1964)					
Square feet	6,000	6,000	6,000	6,000	6,000

Source of information: District building records

2013	2012	2011	2010	2009
46,459	46,459	46,459	46,459	46,459
963	963	963	963	963
362	341	340	366	341
58,000	58,000	58,000	58,000	58,000
1,082	1,082	1,082	1,082	1,082
436	438	437	414	416
84,000	84,000	84,000	84,000	84,000
1,076	1,076	1,076	1,076	1,076
416	406	433	453	481
6,000	6,000	6,000	6,000	6,000

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Expenditures	Enrollment	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Student Attendance Percentage
2018	\$ 16,461,602	1,339	\$ 12,294	12.92	104	12.9	96.0 %
2017	15,013,855	1,379	10,887	(5.01)	100	13.8	96.0
2016	14,887,893	1,299	11,461	(4.24)	90	14.4	96.0
2015	14,887,893	1,244	11,968	2.16	95	13.1	96.0
2014	14,502,780	1,238	11,715	(2.94)	100	12.4	96.0
2013	14,653,348	1,214	12,070	2.99	100	12.1	96.0
2012	13,887,793	1,185	11,720	1.55	100	11.9	96.0
2011	13,964,112	1,210	11,541	2.03	100	12.1	96.5
2010	13,946,377	1,233	11,311	0.32	100	12.3	96.0
2009	\$ 13,958,765	1,238	\$ 11,275	11.87	100	12.4	97.0 %

Source of information: District personnel and employment records.

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13
EMPLOYEES BY FUNCTION
LAST SIX FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Regular Instruction	86	84	80	77	71	70
Special Education Instruction	11	10	10	10	9	10
Attendance & Social Work	3	3	3	3	3	3
Health	3	3	3	3	3	3
Psychological	3	3	3	3	3	3
Speech Pathology & Audiology	3	3	3	3	3	3
Educational Media	3	3	3	3	3	3
Executive Administration	1	1	1	1	1	1
Office of the Principal	6	6	6	6	5	5
Direction of Business Support	1	1	1	1	1	1
Fiscal Services	2	2	2	2	2	2
Operation & Maintenance of Plant	11	11	11	11	10	10
Direction of Central Support	5	5	5	6	6	6
	<u>138</u>	<u>135</u>	<u>131</u>	<u>129</u>	<u>120</u>	<u>120</u>

Source of information: District personnel and employment records.

Prior year information (2009-2012) was not readily available

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**BLOOMINGDALE ELEMENTARY
SCHOOL DISTRICT NO. 13
[Bloomington, Illinois]**

**Communication to Those Charged with
Governance and Management**

June 30, 2018

BLOOMINGDALE ELEMENTARY SCHOOL DISTRICT NO. 13

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**REQUIRED COMMUNICATION BY THE AUDITOR WITH
THOSE CHARGED WITH GOVERNANCE**

MATHIESON MOYSKI·AUSTIN & Co., LLP

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Certified Public Accountants and Advisors
211 South Wheaton Avenue • Suite 300
Wheaton, Illinois 60187

To the Board of Education
Bloomingdale Elementary School District No. 13
Bloomingdale, Illinois

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bloomingdale Elementary School District No. 13 (the District) for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 12, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Bloomingdale Elementary School District No. 13 are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the District changed accounting policies related to the presentation of certain items by adopting Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. We noted no transactions entered into by Bloomingdale Elementary School District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the District's financial statements was:

Management's estimate of the useful lives of capital assets is based on management's experience with those types of assets. We evaluated the key factors and assumptions used to develop the estimate of the useful lives of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

To the Board of Education
Bloomington Elementary School District No. 13

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements relate to the actuarial methods and assumptions regarding the Illinois Municipal Retirement Fund (IMRF), the Teacher's Retirement Fund of the State of Illinois (TRS), and other postemployment benefit (OPEB) obligations.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each the District's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 7, 2018 (See attached).

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Bloomington Elementary School District No. 13's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

To the Board of Education
Bloomington Elementary School District No. 13

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the budgetary comparison schedule, schedule of funding progress for postemployment benefits, required pension schedules and related notes to required supplementary information, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining and individual fund schedules, which accompany the financial statements but are not required. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the modified-cash basis of accounting, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

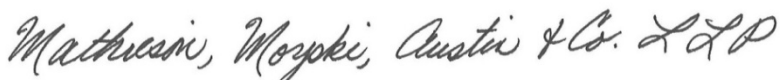
We were not engaged to report on other financial information, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

We would like to take this opportunity to thank the Business Office and their personnel for the cooperation and courtesies extended to us during our audit.

Restriction on Use

This information is intended solely for the use of the Board of Education and management of the Bloomington Elementary School District and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,



Mathieson, Moyski, Austin & Co., LLP

**COMMUNICATION OF INFORMATIONAL POINTS TO MANAGEMENT
THAT ARE NOT MATERIAL WEAKNESSES OR SIGNIFICANT DEFICIENCIES**

COMMUNICATION OF INFORMATIONAL POINTS TO MANAGEMENT
THAT ARE NOT MATERIAL WEAKNESSES OR SIGNIFICANT DEFICIENCIES

Current Year Observations and Recommendations

BANK CUSTODIAL CREDIT RISK

During our audit of cash, it was discovered that of the \$10,492,650 the District has in bank balances, \$122,146 of it was not insured by FDIC or collateralized. The District should increase collateral as needed to cover the entire balance.

PROFESSIONAL STANDARDS UPDATE

PROFESSIONAL STANDARDS UPDATE

GASB Statement No. 83: Certain Asset Retirement Obligations, in November 2016. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. The requirements of this Statement are effective for periods beginning after June 15, 2018.

GASB Statement No. 84: Fiduciary Activities, in January 2017. This Statement establishes standards of accounting and financial reporting for fiduciary activities. The requirements of this Statement are effective for periods beginning after December 15, 2018.

GASB Statement No. 87: Leases, in June 2017. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement are effective for periods beginning after December 15, 2019.

MANAGEMENT REPRESENTATIONS



October 7, 2018

Mathieson, Moyski, Austin & Co., LLP
211 S. Wheaton Ave., Suite 300
Wheaton, Illinois 60187

This representation letter is provided in connection with your audit of the financial statements of Bloomington School District No. 13, which comprise the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of June 30, 2018, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors. We confirm, to the best of our knowledge and belief, as of October XX, 2018, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated February 12, 2018, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the District required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility 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 fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and

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amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

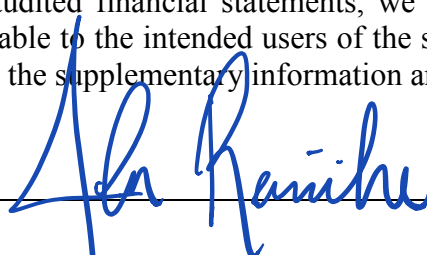
- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Board of Education or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 17) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 20) The District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

- 21) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 22) We have identified and disclosed to you all instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 23) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 25) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 26) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 27) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 28) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 29) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 30) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
- 31) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 32) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 33) Investments are properly valued.
- 34) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 35) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

- 36) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 37) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 38) Capital assets, including intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 39) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 40) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 41) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 42) With respect to the combining and individual non major fund financial statements:
 - a) We acknowledge our responsibility for presenting the combining and individual non major fund financial statements in accordance with accounting principles generally accepted in the United States of America, and we believe the combining and individual non major fund financial statements, including their form and content, are fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the combining and individual non major fund financial statements have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the combining and individual non major fund financial statements are not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signature:  _____

Title: Director of Finance