

Due to ROE on Monday, October 15th
 Due to ISBE on Thursday, November 15th
 SD/JA18

ILLINOIS STATE BOARD OF EDUCATION
 School Business Services Division
 100 North First Street, Springfield, Illinois 62777-0001
 217/785-8779
**Illinois School District/Joint Agreement
 Annual Financial Report ***
June 30, 2018

School District
 Joint Agreement

<u>School District/Joint Agreement Information</u> <i>(See instructions on inside of this page.)</i>		<u>Accounting Basis:</u>		<u>Certified Public Accountant Information</u>			
School District/Joint Agreement Number: 47-071-2230-26		<input checked="" type="checkbox"/> CASH <input type="checkbox"/> ACCRUAL		Name of Auditing Firm: BENNING GROUP, LLC			
County Name: OGLE				Name of Audit Manager: JENNY L. BLOCKER			
Name of School District/Joint Agreement: MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223		<u>Filing Status:</u> <u>Submit electronic AFR directly to ISBE</u> Click on the Link to Submit: Send ISBE a File 0		Address: 50. W. DOUGLAS STREET, SUITE 801			
Address: 207 W. MAIN ST.				City: FREEPORT	State: IL	Zip Code: 61032	
City: STILLMAN VALLEY				Phone Number: 815/235-3157	Fax Number: 815/235-3158		
Email Address:				IL License Number (9 digit): 066-004238	Expiration Date: 11/30/2018		
Zip Code: 61084				Email Address: iblocker@benninggroup.com			
<u>Annual Financial Report</u> Type of Auditor's Report Issued: <input type="checkbox"/> Qualified <input type="checkbox"/> Unqualified <input checked="" type="checkbox"/> Adverse <input type="checkbox"/> Disclaimer				<u>Single Audit Status:</u> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Are Federal expenditures greater than \$750,000? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Is all Single Audit Information completed and attached? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Were any financial statement or federal award findings issued?		ISBE Use Only	
<input type="checkbox"/> Reviewed by District Superintendent/Administrator		<input type="checkbox"/> Reviewed by Township Treasurer (Cook County only) Name of Township: _____		<input type="checkbox"/> Reviewed by Regional Superintendent/Cook ISC			
District Superintendent/Administrator Name (Type or Print): PHILLIP J CAPOSEY		Township Treasurer Name (type or print):		Regional Superintendent/Cook ISC Name (Type or Print): ROBERT SONDEROTH			
Email Address: pcaposey@mail.meridian223.org		Email Address:		Email Address: bsonderoth@roe47.org			
Telephone: 815/645-2606	Fax Number: 815/645-4325	Telephone:	Fax Number:	Telephone: 815/625-1495	Fax Number: 815/625-1625		
Signature & Date:		Signature & Date:		Signature & Date:			

* This form is based on 23 Illinois Administrative Code 100, Subtitle A, Chapter I, Subchapter C (Part 100).
ISBE Form SD50-35/JA50-60 (05/18)

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

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INSTRUCTIONS/REQUIREMENTS: For School Districts/Joint Agreements

All School Districts/Joint Agreements must complete this form (Note: joint agreement supplementary/statistical schedules may not be applicable)
This form complies with Part 100 (Requirements for Accounting, Budgeting, Financial Reporting, and Auditing).

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

- Round all amounts to the nearest dollar.** Do not enter cents. (Exception: 9 Month ADA on page 27, line 78)
- Any errors left unresolved by the Audit Checklist/Balancing Schedule must be explained in the itemization page.
- Before submitting AFR - **be sure to break all links in AFR** before submitting to ISBE. If links are not broken, amounts entered have changed when opening the AFR.
- Submit AFR Electronically**
 - The Annual Financial Reports (AFR) must be submitted directly through the Attachment Manager to the AFR Group by the Auditor (not from the school district) on before November 15 with the exception of Extension Approvals (Please see AFR Instructions for complete submission procedures). **Note: CD/Disk no longer accepted.**
[Attachment Manager Link](#)
 - AFR supporting documentation must be embedded as Microsoft Word (.doc), Word Perfect (*.wpd) or Adobe (*.pdf) and inserted within tab "Opinions & Notes". These documents include: The Audit, Management letter, Opinion letters, Compliance letters, Financial notes etc.... For embedding instructions see "Opinions & Notes" tab of this form.
Note: In Windows 7 and above, files can be saved in Adobe Acrobat (.pdf) and embedded even if you do not have the software. If you have problems embedding the files you may attach them as separate (.docx) in the Attachment Manager and ISBE will embedded them for you.*
- Submit Paper Copy of AFR with Signatures**
 - The auditor must send three paper copies of the AFR form (cover through page 8 at minimum) to the School District with the auditor signature.
Note: School Districts and Regional Superintendents may prefer a complete paper copy in lieu of an electronic file. Please comply with their requests as necessary.
 - Upon receipt, the School District retains one copy for their records, signs, and forwards the remaining two copies to the Regional Superintendent's office no later than October 15, annually.
 - Upon receipt, the Regional Superintendent's office retains one copy for their records, signs, and forwards the remaining paper copy to ISBE no later than November 15, annually.
 - If the 15th falls on a Saturday, the due date is the Friday before. If the 15th falls on a Sunday, the due date is the Monday after.
 - Yellow Book, CPE, and Peer Review requirements must be met if the Auditor issues an opinion stating "Governmental Auditing Standards" were utilized.
[Federal Single Audit 2 CFR 200.500](#)
- Requesting an Extension of Time** must be submitted in writing via email or letter to the Regional Office of Education (at the discretion of the ROE). Approval may be provided up to and no later than December 15 annually. After December 15, audits are considered late and out of compliance per Illinois School Code.
- Qualifications of Auditing Firm**
 - School District/Joint Agreement entities must verify the qualifications of the auditing firm by requesting the most current peer review report and the corresponding acceptance letter from the approved peer review program, for the current peer review period.
 - A school district/joint agreement who engages with an auditing firm who is not licensed and qualified will be required to complete a new audit by a qualified auditing firm at the school district's/joint agreement's expense.

AUDITOR'S QUESTIONNAIRE

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

PART A - FINDINGS

- 1. One or more school board members, administrators, certified school business officials, or other qualifying district employees failed to file economic interested statements pursuant to the *Illinois Government Ethics Act*. [5 ILCS 420/4A-101]
- 2. One or more custodians of funds failed to comply with the bonding requirements pursuant to *Illinois School Code* [105 ILCS 5/8-2;10-20.19;19-6].
- 3. One or more contracts were executed or purchases made contrary to the provisions of the *Illinois School Code* [105 ILCS 5/10-20.21].
- 4. One or more violations of the Public Funds Deposit Act or the Public Funds Investment Act were noted [30 ILCS 225/1 et. seq. and 30 ILCS 235/1 et. seq.].
- 5. Restricted funds were commingled in the accounting records or used for other than the purpose for which they were restricted.
- 6. One or more short-term loans or short-term debt instruments were executed in non-conformity with the applicable authorizing statute or without statutory Authority.
- 7. One or more long-term loans or long-term debt instruments were executed in non-conformity with the applicable authorizing statute or without statutory Authority.
- 8. Corporate Personal Property Replacement Tax monies were deposited and/or used without first satisfying the lien imposed pursuant to the *Illinois State Revenue Sharing Act* [30 ILCS 115/12].
- 9. One or more interfund loans were made in non-conformity with the applicable authorizing statute or without statutory authorization per *Illinois School Code* [105 ILCS 5/10-22.33, 20-4 and 20-5].
- 10. One or more interfund loans were outstanding beyond the term provided by statute *Illinois School Code* [105 ILCS 5/10-22.33, 20-4, 20-5].
- 11. One or more permanent transfers were made in non-conformity with the applicable authorizing statute/regulation or without statutory/regulatory authorization per *Illinois School Code* [105 ILCS 5/17-2A].
- 12. Substantial, or systematic misclassification of budgetary items such as, but not limited to, revenues, receipts, expenditures, disbursements or expenses were observed.
- 13. The Chart of Accounts used to define and control budget and accounting records does not conform to the minimum requirements imposed by ISBE rules pursuant to *Illinois School Code* [105 ILCS 5/2-3.27; 2-3.28].
- 14. At least one of the following forms was filed with ISBE late: The FY17 AFR (ISBE FORM 50-35), FY17 Annual Statement of Affairs (ISBE Form 50-37) and FY18 Budget (ISBE FORM 50-36). Explain in the comments box below in pursuant to *Illinois School Code* [105 ILCS 5/3-15.1; 5/10-17; 5/17-1].

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

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

PART C - OTHER ISSUES

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

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

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

School districts that report on the accrual/modified accrual basis of accounting must identify where late mandated categorical payments (Acct Codes 3100, 3105, 3110, 3500, 3510, 3120, 3950) are recorded. Depending on the accounting procedure these amounts will be used to adjust the Direct Receipts/Revenues in calculation 1 and 2 of the Financial Profile Score. In FY2018, identify those late payments recorded as Intergovernmental Receivables, Other Receivables, or Deferred Revenue & Other Current Liabilities or Direct Receipts/Revenue. Payments should only be listed once.

24. Enter the date that the district used to accrue mandated categorical payments

Date:

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

Account Name	3110	3500	3510	3100	3105	Total
Deferred Revenues (490)						
Mandated Categoricals Payments (3100, 3105, 3110, 3120, 3500, 3510, 3950)		1				1
Direct Receipts/Revenue						
Mandated Categoricals Payments (3100, 3105, 3110, 3120, 3500, 3510, 3950)						0
Total						1

- Revenue Code (3110-Sp Ed Personnel, 3510-Sp Ed Transportation, 3500-Regular/Vocational Transportation, 3105-Sp Ed Funding for Children Requiring Services, 3100-Sp Ed Private Facilities, 3120-Sp Ed Regular Orphanage Individual, 3950-Regular Orphans & Foster Children)

PART E - QUALIFICATIONS OF AUDITING FIRM

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

Comments Applicable to the Auditor's Questionnaire:

BENNING GROUP, LLC

Name of Audit Firm (print)

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


Signature

10/15/2018

mm/dd/yyyy

Note: A PDF with signature is acceptable for this page. Enter the location on signature line e.g. PDF in Opinion Page with signature

	A	B	C	D	E	F	G	H	I	J	K	L	M		
1	FINANCIAL PROFILE INFORMATION														
2															
3	<i>Required to be completed for School Districts only.</i>														
4															
5	A. Tax Rates (Enter the tax rate - ex: .0150 for \$1.50)														
6															
7	Tax Year <u>2017</u>			Equalized Assessed Valuation (EAV):					171,066,157						
8															
9	Educational			Operations & Maintenance			Transportation			Combined Total			Working Cash		
10	Rate(s):			0.034800			+			0.005000			+		
11										0.041800			0.000500		
12															
13	B. Results of Operations *														
14															
15	Receipts/Revenues			Disbursements/Expenditures			Excess/ (Deficiency)			Fund Balance					
16	16,833,094			15,178,695			1,654,399			12,125,797					
17	* The numbers shown are the sum of entries on Pages 7 & 8, lines 8, 17, 20, and 81 for the Educational, Operations & Maintenance, Transportation and Working Cash Funds.														
18															
19															
20	C. Short-Term Debt **														
21															
22	CPPRT Notes			TAWs			TANs			TO/EMP. Orders			GSA Certificates		
23	0			0			+			0			+		
24	0			0			=			0					
25	** The numbers shown are the sum of entries on page 25.														
26															
27															
28	D. Long-Term Debt														
29	Check the applicable box for long-term debt allowance by type of district.														
30															
31	<input type="checkbox"/>	a. 6.9% for elementary and high school districts,						23,607,130							
32	<input checked="" type="checkbox"/>	b. 13.8% for unit districts.													
33															
34	Long-Term Debt Outstanding:														
35															
36	<input type="checkbox"/>	c. Long-Term Debt (Principal only)						Acct							
37	<input type="checkbox"/>	Outstanding:.....						511		14,615,683					
38															
39															
40	E. Material Impact on Financial Position														
41	If applicable, check any of the following items that may have a material impact on the entity's financial position during future reporting periods.														
42	Attach sheets as needed explaining each item checked.														
43															
44	<input type="checkbox"/>	Pending Litigation													
45	<input type="checkbox"/>	Material Decrease in EAV													
46	<input type="checkbox"/>	Material Increase/Decrease in Enrollment													
47	<input type="checkbox"/>	Adverse Arbitration Ruling													
48	<input type="checkbox"/>	Passage of Referendum													
49	<input type="checkbox"/>	Taxes Filed Under Protest													
50	<input type="checkbox"/>	Decisions By Local Board of Review or Illinois Property Tax Appeal Board (PTAB)													
51	<input type="checkbox"/>	Other Ongoing Concerns (Describe & Itemize)													
52															
53	Comments:														
54															
55															
56															
57															
58															
59															
60															
61															

	A	B	C	D	E	F	G	H	I	K	L	M	N	O	Q	R	
1	ESTIMATED FINANCIAL PROFILE SUMMARY																
2	(Go to the following website for reference to the Financial Profile)																
3	https://www.isbe.net/Pages/School-District-Financial-Profile.aspx																
4																	
5																	
6																	
7	District Name:	MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223															
8	District Code:	47-071-2230-26															
9	County Name:	OGLE															
10																	
11	1. Fund Balance to Revenue Ratio:																
12	Total Sum of Fund Balance (P8, Cells C81, D81, F81 & I81)	Funds 10, 20, 40, 70 + (50 & 80 if negative)				Total	12,125,797.00	Ratio	0.720	Score	4	Weight	0.35				
13	Total Sum of Direct Revenues (P7, Cell C8, D8, F8 & I8)	Funds 10, 20, 40, & 70,					16,833,094.00			Value	1.40						
14	Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74)	Minus Funds 10 & 20					0.00										
15	(Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)																
16	2. Expenditures to Revenue Ratio:																
17	Total Sum of Direct Expenditures (P7, Cell C17, D17, F17, I17)	Funds 10, 20 & 40				Total	15,178,695.00	Ratio	0.902	Score	4	Adjustment	0				
18	Total Sum of Direct Revenues (P7, Cell C8, D8, F8, & I8)	Funds 10, 20, 40 & 70,					16,833,094.00			Weight	0.35						
19	Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74)	Minus Funds 10 & 20					0.00										
20	(Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)																
21	Possible Adjustment:																
22																	
23	3. Days Cash on Hand:																
24	Total Sum of Cash & Investments (P5, Cell C4, D4, F4, I4 & C5, D5, F5 & I5)	Funds 10, 20 40 & 70				Total	12,125,793.00	Days	287.59	Score	4	Weight	0.10				
25	Total Sum of Direct Expenditures (P7, Cell C17, D17, F17 & I17)	Funds 10, 20, 40 divided by 360					42,163.04			Value	0.40						
26																	
27	4. Percent of Short-Term Borrowing Maximum Remaining:																
28	Tax Anticipation Warrants Borrowed (P24, Cell F6-7 & F11)	Funds 10, 20 & 40				Total	0.00	Percent	100.00	Score	4	Weight	0.10				
29	EAV x 85% x Combined Tax Rates (P3, Cell J7 and J10)	(.85 x EAV) x Sum of Combined Tax Rates					6,077,980.56			Value	0.40						
30																	
31	5. Percent of Long-Term Debt Margin Remaining:																
32	Long-Term Debt Outstanding (P3, Cell H37)					Total	14,615,683.00	Percent	38.08	Score	2	Weight	0.10				
33	Total Long-Term Debt Allowed (P3, Cell H31)						23,607,129.67			Value	0.20						
34																	
35																	
36																	
37																	
38																	
39																	
40																	
41																	
42																	
														Total Profile Score:		3.80 *	
Estimated 2019 Financial Profile Designation: <u>RECOGNITION</u>																	
* Total Profile Score may change based on data provided on the Financial Profile Information, page 3 and by the timing of mandated categorical payments. Final score will be calculated by ISBE.																	

BASIC FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
STATEMENT OF POSITION AS OF JUNE 30, 2018

	A	B	C	D	E	F	G	H	I	J	K
1			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
2	ASSETS (Enter Whole Dollars)	Acct. #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
3	CURRENT ASSETS (100)										
4	Cash (Accounts 111 through 115) ¹		8,510,598	342,360	1,025,601	1,742,914	392,165	112,535	511,046	388,121	151,521
5	Investments	120	1,018,875								
6	Taxes Receivable	130									
7	Interfund Receivables	140									
8	Intergovernmental Accounts Receivable	150									
9	Other Receivables	160									
10	Inventory	170									
11	Prepaid Items	180									
12	Other Current Assets (Describe & Itemize)	190									
13	Total Current Assets		9,529,473	342,360	1,025,601	1,742,914	392,165	112,535	511,046	388,121	151,521
14	CAPITAL ASSETS (200)										
15	Works of Art & Historical Treasures	210									
16	Land	220									
17	Building & Building Improvements	230									
18	Site Improvements & Infrastructure	240									
19	Capitalized Equipment	250									
20	Construction in Progress	260									
21	Amount Available in Debt Service Funds	340									
22	Amount to be Provided for Payment on Long-Term Debt	350									
23	Total Capital Assets										
24	CURRENT LIABILITIES (400)										
25	Interfund Payables	410									
26	Intergovernmental Accounts Payable	420									
27	Other Payables	430	1	(5)							
28	Contracts Payable	440									
29	Loans Payable	460									
30	Salaries & Benefits Payable	470								537	
31	Payroll Deductions & Withholdings	480					8,540				
32	Deferred Revenues & Other Current Liabilities	490									
33	Due to Activity Fund Organizations	493									
34	Total Current Liabilities		1	(5)	0	0	8,540	0	0	537	0
35	LONG-TERM LIABILITIES (500)										
36	Long-Term Debt Payable (General Obligation, Revenue, Other)	511									
37	Total Long-Term Liabilities										
38	Reserved Fund Balance	714					98,557				
39	Unreserved Fund Balance	730	9,529,472	342,365	1,025,601	1,742,914	285,068	112,535	511,046	387,584	151,521
40	Investment in General Fixed Assets										
41	Total Liabilities and Fund Balance		9,529,473	342,360	1,025,601	1,742,914	392,165	112,535	511,046	388,121	151,521

BASIC FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
STATEMENT OF POSITION AS OF JUNE 30, 2018

	A	B	L	M	N
1	ASSETS (Enter Whole Dollars)		Account Groups		
2			Acct. #	Agency Fund	General Fixed Assets
3	CURRENT ASSETS (100)				
4	Cash (Accounts 111 through 115) ¹		201,531		
5	Investments	120			
6	Taxes Receivable	130			
7	Interfund Receivables	140			
8	Intergovernmental Accounts Receivable	150			
9	Other Receivables	160			
10	Inventory	170			
11	Prepaid Items	180			
12	Other Current Assets (Describe & Itemize)	190			
13	Total Current Assets		201,531		
14	CAPITAL ASSETS (200)				
15	Works of Art & Historical Treasures	210			
16	Land	220		2,569,982	
17	Building & Building Improvements	230		34,136,889	
18	Site Improvements & Infrastructure	240		1,131,723	
19	Capitalized Equipment	250		3,619,478	
20	Construction in Progress	260			
21	Amount Available in Debt Service Funds	340			1,025,601
22	Amount to be Provided for Payment on Long-Term Debt	350			13,590,082
23	Total Capital Assets			41,458,072	14,615,683
24	CURRENT LIABILITIES (400)				
25	Interfund Payables	410			
26	Intergovernmental Accounts Payable	420			
27	Other Payables	430			
28	Contracts Payable	440			
29	Loans Payable	460			
30	Salaries & Benefits Payable	470			
31	Payroll Deductions & Withholdings	480			
32	Deferred Revenues & Other Current Liabilities	490			
33	Due to Activity Fund Organizations	493	201,531		
34	Total Current Liabilities		201,531		
35	LONG-TERM LIABILITIES (500)				
36	Long-Term Debt Payable (General Obligation, Revenue, Other)	511			14,615,683
37	Total Long-Term Liabilities				14,615,683
38	Reserved Fund Balance	714			
39	Unreserved Fund Balance	730			
40	Investment in General Fixed Assets			41,458,072	
41	Total Liabilities and Fund Balance		201,531	41,458,072	14,615,683

BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2018

	A	B	C	D	E	F	G	H	I	J	K
1	Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
3	RECEIPTS/REVENUES										
4	LOCAL SOURCES	1000	6,810,229	1,053,909	1,812,044	353,524	452,132	22,677	87,009	522,981	84,388
5	FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT	2000	0	0		0	0				
6	STATE SOURCES	3000	6,439,791	190,000	0	1,251,958	0	0	0	0	0
7	FEDERAL SOURCES	4000	646,674	0	0	0	0	0	0	0	0
8	Total Direct Receipts/Revenues		13,896,694	1,243,909	1,812,044	1,605,482	452,132	22,677	87,009	522,981	84,388
9	Receipts/Revenues for "On Behalf" Payments ²	3998	846,493								
10	Total Receipts/Revenues		14,743,187	1,243,909	1,812,044	1,605,482	452,132	22,677	87,009	522,981	84,388
11	DISBURSEMENTS/EXPENDITURES										
12	Instruction	1000	8,287,722				173,397				
13	Support Services	2000	3,661,895	1,205,624		1,542,358	284,566	226,250		469,650	0
14	Community Services	3000	4,778	0		0	2				
15	Payments to Other Districts & Governmental Units	4000	476,318	0	0	0	0	0		0	0
16	Debt Service	5000	0	0	1,791,567	0	0			0	0
17	Total Direct Disbursements/Expenditures		12,430,713	1,205,624	1,791,567	1,542,358	457,965	226,250		469,650	0
18	Disbursements/Expenditures for "On Behalf" Payments ²	4180	846,493	0	0	0	0	0		0	0
19	Total Disbursements/Expenditures		13,277,206	1,205,624	1,791,567	1,542,358	457,965	226,250		469,650	0
20	Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures ³		1,465,981	38,285	20,477	63,124	(5,833)	(203,573)	87,009	53,331	84,388
21	OTHER SOURCES/USES OF FUNDS										
22	OTHER SOURCES OF FUNDS (7000)										
23	PERMANENT TRANSFER FROM VARIOUS FUNDS										
24	Abolishment of the Working Cash Fund ¹²	7110									
25	Abatement of the Working Cash Fund ¹²	7110									
26	Transfer of Working Cash Fund Interest	7120									
27	Transfer Among Funds	7130									
28	Transfer of Interest	7140									
29	Transfer from Capital Project Fund to O&M Fund	7150									
30	Transfer of Excess Fire Prevention & Safety Tax and Interest Proceeds to O&M Fund ⁴	7160									
31	Transfer to Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund ⁵	7170									
32	SALE OF BONDS (7200)										
33	Principal on Bonds Sold	7210									
34	Premium on Bonds Sold	7220									
35	Accrued Interest on Bonds Sold	7230									
36	Sale or Compensation for Fixed Assets ⁶	7300									
37	Transfer to Debt Service to Pay Principal on Capital Leases	7400			0						
38	Transfer to Debt Service to Pay Interest on Capital Leases	7500			0						
39	Transfer to Debt Service to Pay Principal on Revenue Bonds	7600			0						
40	Transfer to Debt Service Fund to Pay Interest on Revenue Bonds	7700			0						
41	Transfer to Capital Projects Fund	7800						0			
42	ISBE Loan Proceeds	7900									
43	Other Sources Not Classified Elsewhere	7990									
44	Total Other Sources of Funds		0	0	0	0	0	0	0	0	0
45	OTHER USES OF FUNDS (8000)										

BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2018

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
46	PERMANENT TRANSFER TO VARIOUS OTHER FUNDS (\$100)										
47	Abolishment or Abatement of the Working Cash Fund ¹²	8110							0		
48	Transfer of Working Cash Fund Interest ¹²	8120							0		
49	Transfer Among Funds	8130									
50	Transfer of Interest	8140									
51	Transfer from Capital Project Fund to O&M Fund	8150						0			
52	Transfer of Excess Fire Prevention & Safety Tax & Interest Proceeds to O&M Fund ⁴	8160									0
53	Transfer of Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund ⁵	8170									0
54	Taxes Pledged to Pay Principal on Capital Leases	8410									
55	Grants/Reimbursements Pledged to Pay Principal on Capital Leases	8420									
56	Other Revenues Pledged to Pay Principal on Capital Leases	8430									
57	Fund Balance Transfers Pledged to Pay Principal on Capital Leases	8440									
58	Taxes Pledged to Pay Interest on Capital Leases	8510									
59	Grants/Reimbursements Pledged to Pay Interest on Capital Leases	8520									
60	Other Revenues Pledged to Pay Interest on Capital Leases	8530									
61	Fund Balance Transfers Pledged to Pay Interest on Capital Leases	8540									
62	Taxes Pledged to Pay Principal on Revenue Bonds	8610									
63	Grants/Reimbursements Pledged to Pay Principal on Revenue Bonds	8620									
64	Other Revenues Pledged to Pay Principal on Revenue Bonds	8630									
65	Fund Balance Transfers Pledged to Pay Principal on Revenue Bonds	8640									
66	Taxes Pledged to Pay Interest on Revenue Bonds	8710									
67	Grants/Reimbursements Pledged to Pay Interest on Revenue Bonds	8720									
68	Other Revenues Pledged to Pay Interest on Revenue Bonds	8730									
69	Fund Balance Transfers Pledged to Pay Interest on Revenue Bonds	8740									
70	Taxes Transferred to Pay for Capital Projects	8810									
71	Grants/Reimbursements Pledged to Pay for Capital Projects	8820									
72	Other Revenues Pledged to Pay for Capital Projects	8830									
73	Fund Balance Transfers Pledged to Pay for Capital Projects	8840									
74	Transfer to Debt Service Fund to Pay Principal on ISBE Loans	8910									
75	Other Uses Not Classified Elsewhere	8990									
76	Total Other Uses of Funds		0	0	0	0	0	0	0	0	0
77	Total Other Sources/Uses of Funds		0	0	0	0	0	0	0	0	0
78	Excess of Receipts/Revenues and Other Sources of Funds (Over/Under) Expenditures/Disbursements and Other Uses of Funds		1,465,981	38,285	20,477	63,124	(5,833)	(203,573)	87,009	53,331	84,388
79	Fund Balances - July 1, 2017		8,063,491	304,080	1,005,124	1,679,790	389,458	316,108	424,037	334,253	67,133
80	Other Changes in Fund Balances - Increases (Decreases) (Describe & Itemize)										
81	Fund Balances - June 30, 2018		9,529,472	342,365	1,025,601	1,742,914	383,625	112,535	511,046	387,584	151,521

STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2018

	A	B	C	D	E	F	G	H	I	J	K
1			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
2	Description (Enter Whole Dollars)	Acct #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
3	RECEIPTS/REVENUES FROM LOCAL SOURCES (1000)										
4	AD VALOREM TAXES LEVIED BY LOCAL EDUCATION AGENCY	1100									
5	Designated Purposes Levies (1110-1120) ⁷		5,833,588	838,161	1,804,423	335,263	118,266	0	83,816	521,165	83,816
6	Leasing Purposes Levy ⁸	1130	83,816								
7	Special Education Purposes Levy	1140	67,055								
8	FICA/Medicare Only Purposes Levies	1150					302,667				
9	Area Vocational Construction Purposes Levy	1160									
10	Summer School Purposes Levy	1170									
11	Other Tax Levies (Describe & Itemize)	1190									
12	Total Ad Valorem Taxes Levied By District		5,984,459	838,161	1,804,423	335,263	420,933	0	83,816	521,165	83,816
13	PAYMENTS IN LIEU OF TAXES	1200									
14	Mobile Home Privilege Tax	1210	8	1	2	1	0		1	0	
15	Payments from Local Housing Authorities	1220									
16	Corporate Personal Property Replacement Taxes ⁹	1230		141,401			29,000				
17	Other Payments in Lieu of Taxes (Describe & Itemize)	1290									
18	Total Payments in Lieu of Taxes		8	141,402	2	1	29,000	0	1	0	0
19	TUITION	1300									
20	Regular - Tuition from Pupils or Parents (In State)	1311									
21	Regular - Tuition from Other Districts (In State)	1312									
22	Regular - Tuition from Other Sources (In State)	1313									
23	Regular - Tuition from Other Sources (Out of State)	1314									
24	Summer Sch - Tuition from Pupils or Parents (In State)	1321									
25	Summer Sch - Tuition from Other Districts (In State)	1322									
26	Summer Sch - Tuition from Other Sources (In State)	1323									
27	Summer Sch - Tuition from Other Sources (Out of State)	1324									
28	CTE - Tuition from Pupils or Parents (In State)	1331									
29	CTE - Tuition from Other Districts (In State)	1332									
30	CTE - Tuition from Other Sources (In State)	1333									
31	CTE - Tuition from Other Sources (Out of State)	1334									
32	Special Ed - Tuition from Pupils or Parents (In State)	1341									
33	Special Ed - Tuition from Other Districts (In State)	1342									
34	Special Ed - Tuition from Other Sources (In State)	1343									
35	Special Ed - Tuition from Other Sources (Out of State)	1344									
36	Adult - Tuition from Pupils or Parents (In State)	1351									
37	Adult - Tuition from Other Districts (In State)	1352									
38	Adult - Tuition from Other Sources (In State)	1353									
39	Adult - Tuition from Other Sources (Out of State)	1354									
40	Total Tuition		0								
41	TRANSPORTATION FEES	1400									
42	Regular -Transp Fees from Pupils or Parents (In State)	1411									
43	Regular - Transp Fees from Other Districts (In State)	1412									
44	Regular - Transp Fees from Other Sources (In State)	1413									
45	Regular - Transp Fees from Co-curricular Activities (In State)	1415									
46	Regular Transp Fees from Other Sources (Out of State)	1416									
47	Summer Sch - Transp. Fees from Pupils or Parents (In State)	1421									
48	Summer Sch - Transp. Fees from Other Districts (In State)	1422									
49	Summer Sch - Transp. Fees from Other Sources (In State)	1423									
50	Summer Sch - Transp. Fees from Other Sources (Out of State)	1424									
51	CTE - Transp Fees from Pupils or Parents (In State)	1431									
52	CTE - Transp Fees from Other Districts (In State)	1432									
53	CTE - Transp Fees from Other Sources (In State)	1433									

STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2018

	A	B	C	D	E	F	G	H	I	J	K
1			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
2	Description (Enter Whole Dollars)	Acct #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
54	CTE - Transp Fees from Other Sources (Out of State)	1434									
55	Special Ed - Transp Fees from Pupils or Parents (In State)	1441									
56	Special Ed - Transp Fees from Other Districts (In State)	1442									
57	Special Ed - Transp Fees from Other Sources (In State)	1443									
58	Special Ed - Transp Fees from Other Sources (Out of State)	1444									
59	Adult - Transp Fees from Pupils or Parents (In State)	1451									
60	Adult - Transp Fees from Other Districts (In State)	1452									
61	Adult - Transp Fees from Other Sources (In State)	1453									
62	Adult - Transp Fees from Other Sources (Out of State)	1454									
63	Total Transportation Fees					0					
64	EARNINGS ON INVESTMENTS	1500									
65	Interest on Investments	1510	46,849	2,210	7,619	7,994	1,637	2,073	3,192	1,816	539
66	Gain or Loss on Sale of Investments	1520									
67	Total Earnings on Investments		46,849	2,210	7,619	7,994	1,637	2,073	3,192	1,816	539
68	FOOD SERVICE	1600									
69	Sales to Pupils - Lunch	1611	362,301								
70	Sales to Pupils - Breakfast	1612									
71	Sales to Pupils - A la Carte	1613									
72	Sales to Pupils - Other (Describe & Itemize)	1614									
73	Sales to Adults	1620									
74	Other Food Service (Describe & Itemize)	1690									
75	Total Food Service		362,301								
76	DISTRICT/SCHOOL ACTIVITY INCOME	1700									
77	Admissions - Athletic	1711	34,318								
78	Admissions - Other (Describe & Itemize)	1719									
79	Fees	1720	231,491	7,965							
80	Book Store Sales	1730									
81	Other District/School Activity Revenue (Describe & Itemize)	1790									
82	Total District/School Activity Income		265,809	7,965							
83	TEXTBOOK INCOME	1800									
84	Rentals - Regular Textbooks	1811									
85	Rentals - Summer School Textbooks	1812									
86	Rentals - Adult/Continuing Education Textbooks	1813									
87	Rentals - Other (Describe & Itemize)	1819									
88	Sales - Regular Textbooks	1821									
89	Sales - Summer School Textbooks	1822									
90	Sales - Adult/Continuing Education Textbooks	1823									
91	Sales - Other (Describe & Itemize)	1829									
92	Other (Describe & Itemize)	1890									
93	Total Textbook Income		0								
94	OTHER REVENUE FROM LOCAL SOURCES	1900									
95	Rentals	1910		49,401							
96	Contributions and Donations from Private Sources	1920	3,505								
97	Impact Fees from Municipal or County Governments	1930						20,604			
98	Services Provided Other Districts	1940									
99	Refund of Prior Years' Expenditures	1950	29,596								
100	Payments of Surplus Moneys from TIF Districts	1960									
101	Drivers' Education Fees	1970	23,257								
102	Proceeds from Vendors' Contracts	1980									
103	School Facility Occupation Tax Proceeds	1983									
104	Payment from Other Districts	1991									
105	Sale of Vocational Projects	1992									

STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2018

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
106	Other Local Fees (Describe & Itemize)	1993									
107	Other Local Revenues (Describe & Itemize)	1999	94,445	14,770		10,266	562				33
108	Total Other Revenue from Local Sources		150,803	64,171	0	10,266	562	20,604	0	0	33
109	Total Receipts/Revenues from Local Sources	1000	6,810,229	1,053,909	1,812,044	353,524	452,132	22,677	87,009	522,981	84,388
110	FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT (2000)										
111	Flow-through Revenue from State Sources	2100									
112	Flow-through Revenue from Federal Sources	2200									
113	Other Flow-Through (Describe & Itemize)	2300									
114	Total Flow-Through Receipts/Revenues from One District to Another District	2000	0	0		0	0				
115	RECEIPTS/REVENUES FROM STATE SOURCES (3000)										
116	UNRESTRICTED GRANTS-IN-AID (3001-3099)										
117	Evidence Based Funding Formula (Section 18-8.15)	3001	5,981,089	190,000		160,000					
118	General State Aid - Hold Harmless/Supplemental	3002									
119	Reorganization Incentives (Accounts 3005-3021)	3005									
120	Other Unrestricted Grants-In-Aid from State Sources (Describe & Itemize)	3099									
121	Total Unrestricted Grants-In-Aid		5,981,089	190,000	0	160,000	0	0		0	0
122	RESTRICTED GRANTS-IN-AID (3100 - 3900)										
123	SPECIAL EDUCATION										
124	Special Education - Private Facility Tuition	3100									
125	Special Education - Funding for Children Requiring Sp ED Services	3105	111,494								
126	Special Education - Personnel	3110	119,812								
127	Special Education - Orphanage - Individual	3120									
128	Special Education - Orphanage - Summer Individual	3130									
129	Special Education - Summer School	3145	2,371								
130	Special Education - Other (Describe & Itemize)	3199									
131	Total Special Education		233,677	0		0					
132	CAREER AND TECHNICAL EDUCATION (CTE)										
133	CTE - Technical Education - Tech Prep	3200									
134	CTE - Secondary Program Improvement (CTEI)	3220	5,359								
135	CTE - WECEP	3225									
136	CTE - Agriculture Education	3235	4,830								
137	CTE - Instructor Practicum	3240									
138	CTE - Student Organizations	3270									
139	CTE - Other (Describe & Itemize)	3299									
140	Total Career and Technical Education		10,189	0			0				
141	BILINGUAL EDUCATION										
142	Bilingual Ed - Downstate - TPI and TBE	3305	31,989								
143	Bilingual Education Downstate - Transitional Bilingual Education	3310									
144	Total Bilingual Ed		31,989				0				

STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2018

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
145	State Free Lunch & Breakfast	3360	3,362								
146	School Breakfast Initiative	3365									
147	Driver Education	3370	24,594								
148	Adult Ed (from ICCB)	3410									
149	Adult Ed - Other (Describe & Itemize)	3499									
150	TRANSPORTATION										
151	Transportation - Regular and Vocational	3500				829,621					
152	Transportation - Special Education	3510				262,337					
153	Transportation - Other (Describe & Itemize)	3599									
154	Total Transportation		0	0		1,091,958	0				
155	Learning Improvement - Change Grants	3610									
156	Scientific Literacy	3660									
157	Truant Alternative/Optional Education	3695									
158	Early Childhood - Block Grant	3705	152,540								
159	Reading Improvement Block Grant	3715									
160	Reading Improvement Block Grant - Reading Recovery	3720									
161	Continued Reading Improvement Block Grant	3725									
162	Continued Reading Improvement Block Grant (2% Set Aside)	3726									
163	Chicago General Education Block Grant	3766									
164	Chicago Educational Services Block Grant	3767									
165	School Safety & Educational Improvement Block Grant	3775									
166	Technology - Technology for Success	3780									
167	State Charter Schools	3815									
168	Extended Learning Opportunities - Summer Bridges	3825									
169	Infrastructure Improvements - Planning/Construction	3920									
170	School Infrastructure - Maintenance Projects	3925									
171	Other Restricted Revenue from State Sources (Describe & Itemize)	3999	2,351								
172	Total Restricted Grants-In-Aid		458,702	0	0	1,091,958	0	0	0	0	0
173	Total Receipts from State Sources	3000	6,439,791	190,000	0	1,251,958	0	0	0	0	0
174	RECEIPTS/REVENUES FROM FEDERAL SOURCES (4000)										
175	UNRESTRICTED GRANTS-IN-AID RECEIVED DIRECTLY FROM FEDERAL GOVT (4001-4009)										
176	Federal Impact Aid	4001									
177	Other Unrestricted Grants-In-Aid Received Directly from the Fed Govt (Describe & Itemize)	4009									
178	Total Unrestricted Grants-In-Aid Received Directly from the Federal Govt		0	0	0	0	0	0	0	0	0
179	RESTRICTED GRANTS-IN-AID RECEIVED DIRECTLY FROM FEDERAL GOVT (4045-4090)										
180	Head Start	4045									
181	Construction (Impact Aid)	4050									
182	MAGNET	4060									
183	Other Restricted Grants-In-Aid Received Directly from the Federal Govt (Describe & Itemize)	4090									
184	Total Restricted Grants-In-Aid Received Directly from Federal Govt		0	0		0	0	0			0
185	RESTRICTED GRANTS-IN-AID RECEIVED FROM FEDERAL GOVT THRU THE STATE (4100-4999)										
186	TITLE V										
187	Title V - Innovation and Flexibility Formula	4100									
188	Title V - District Projects	4105									

STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2018

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
189	Title V - Rural Education Initiative (REI)	4107									
190	Title V - Other (Describe & Itemize)	4199									
191	Total Title V		0	0		0	0				
192	FOOD SERVICE										
193	Breakfast Start-Up Expansion	4200									
194	National School Lunch Program	4210	199,486								
195	Special Milk Program	4215									
196	School Breakfast Program	4220	47,053								
197	Summer Food Service Program	4225									
198	Child Adult Care Food Program	4226									
199	Fresh Fruits & Vegetables	4240									
200	Food Service - Other (Describe & Itemize)	4299									
201	Total Food Service		246,539				0				
202	TITLE I										
203	Title I - Low Income	4300	210,071								
204	Title I - Low Income - Neglected, Private	4305									
205	Title I - Comprehensive School Reform	4332									
206	Title I - Reading First	4334									
207	Title I - Even Start	4335									
208	Title I - Reading First SEA Funds	4337									
209	Title I - Migrant Education	4340									
210	Title I - Other (Describe & Itemize)	4399									
211	Total Title I		210,071	0		0	0				
212	TITLE IV										
213	Title IV - Safe & Drug Free Schools - Formula	4400	535								
214	Title IV - 21st Century Comm Learning Centers	4421									
215	Title IV - Other (Describe & Itemize)	4499									
216	Total Title IV		535	0		0	0				
217	FEDERAL - SPECIAL EDUCATION										
218	Fed - Spec Education - Preschool Flow-Through	4600	1,991								
219	Fed - Spec Education - Preschool Discretionary	4605									
220	Fed - Spec Education - IDEA - Flow Through	4620	91,512								
221	Fed - Spec Education - IDEA - Room & Board	4625	1,659								
222	Fed - Spec Education - IDEA - Discretionary	4630									
223	Fed - Spec Education - IDEA - Other (Describe & Itemize)	4699									
224	Total Federal - Special Education		95,162	0		0	0				
225	CTE - PERKINS										
226	CTE - Perkins - Title III E - Tech Prep	4770									
227	CTE - Other (Describe & Itemize)	4799									
228	Total CTE - Perkins		0	0			0				
229	Federal - Adult Education	4810									
230	ARRA - General State Aid - Education Stabilization	4850									
231	ARRA - Title I - Low Income	4851									
232	ARRA - Title I - Neglected, Private	4852									
233	ARRA - Title I - Delinquent, Private	4853									
234	ARRA - Title I - School Improvement (Part A)	4854									
235	ARRA - Title I - School Improvement (Section 1003g)	4855									
236	ARRA - IDEA - Part B - Preschool	4856									
237	ARRA - IDEA - Part B - Flow-Through	4857									
238	ARRA - Title IID - Technology-Formula	4860									
239	ARRA - Title IID - Technology-Competitive	4861									
240	ARRA - McKinney - Vento Homeless Education	4862									

STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2018

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
241	ARRA - Child Nutrition Equipment Assistance	4863									
242	Impact Aid Formula Grants	4864									
243	Impact Aid Competitive Grants	4865									
244	Qualified Zone Academy Bond Tax Credits	4866									
245	Qualified School Construction Bond Credits	4867									
246	Build America Bond Tax Credits	4868									
247	Build America Bond Interest Reimbursement	4869									
248	ARRA - General State Aid - Other Govt Services Stabilization	4870									
249	Other ARRA Funds - II	4871									
250	Other ARRA Funds - III	4872									
251	Other ARRA Funds - IV	4873									
252	Other ARRA Funds - V	4874									
253	ARRA - Early Childhood	4875									
254	Other ARRA Funds VII	4876									
255	Other ARRA Funds VIII	4877									
256	Other ARRA Funds IX	4878									
257	Other ARRA Funds X	4879									
258	Other ARRA Funds Ed Job Fund Program	4880									
259	Total Stimulus Programs		0	0	0	0	0	0		0	0
260	Race to the Top Program	4901									
261	Race to the Top - Preschool Expansion Grant	4902									
262	Advanced Placement Fee/International Baccalaureate	4904									
263	Title III - Immigrant Education Program (IEP)	4905									
264	Title III - Language Inst Program - Limited Eng (LIPLEP)	4909	7,800								
265	Learn & Serve America	4910									
266	McKinney Education for Homeless Children	4920									
267	Title II - Eisenhower Professional Development Formula	4930									
268	Title II - Teacher Quality	4932	62,732								
269	Federal Charter Schools	4960									
270	Medicaid Matching Funds - Administrative Outreach	4991									
271	Medicaid Matching Funds - Fee-for-Service Program	4992	23,835								
272	Other Restricted Revenue from Federal Sources (Describe & Itemize)	4999									
273	Total Restricted Grants-In-Aid Received from the Federal Govt Thru the State		646,674	0	0	0	0	0		0	0
274	Total Receipts/Revenues from Federal Sources	4000	646,674	0	0	0	0	0	0	0	0
275	Total Direct Receipts/Revenues		13,896,694	1,243,909	1,812,044	1,605,482	452,132	22,677	87,009	522,981	84,388

**STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2018**

1	A	B	C	D	E	F	G	H	I	J	K	L
2	Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
3	10 - EDUCATIONAL FUND (ED)											
4	INSTRUCTION (ED)	1000										
5	Regular Programs	1100	4,521,303	1,058,715	6,413	210,438					5,796,869	6,645,950
6	Tuition Payment to Charter Schools	1115									0	
7	Pre-K Programs	1125	78,689	22,158	526	6,489					107,862	73,945
8	Special Education Programs (Functions 1200-1220)	1200	1,096,016	192,585	349	157					1,289,107	578,935
9	Special Education Programs Pre-K	1225									0	
10	Remedial and Supplemental Programs K-12	1250	82,769	26,995	404	9,067					119,235	126,460
11	Remedial and Supplemental Programs Pre-K	1275									0	
12	Adult/Continuing Education Programs	1300									0	
13	CTE Programs	1400	290,669	73,413		5,651					369,733	331,165
14	Interscholastic Programs	1500	338,991	31,491	107,701	46,196	11,478	2,055			537,912	532,000
15	Summer School Programs	1600									0	
16	Gifted Programs	1650									0	
17	Driver's Education Programs	1700	12,284	2,074		980					15,338	6,470
18	Bilingual Programs	1800	42,956	8,496		214					51,666	194,601
19	Truant Alternative & Optional Programs	1900									0	
20	Pre-K Programs - Private Tuition	1910									0	
21	Regular K-12 Programs - Private Tuition	1911									0	
22	Special Education Programs K-12 - Private Tuition	1912									0	
23	Special Education Programs Pre-K - Tuition	1913									0	
24	Remedial/Supplemental Programs K-12 - Private Tuition	1914									0	
25	Remedial/Supplemental Programs Pre-K - Private Tuition	1915									0	
26	Adult/Continuing Education Programs - Private Tuition	1916									0	
27	CTE Programs - Private Tuition	1917									0	
28	Interscholastic Programs - Private Tuition	1918									0	
29	Summer School Programs - Private Tuition	1919									0	
30	Gifted Programs - Private Tuition	1920									0	
31	Bilingual Programs - Private Tuition	1921									0	
32	Truants Alternative/Optional Ed Progs - Private Tuition	1922									0	
33	Total Instruction ¹⁰	1000	6,463,677	1,415,927	115,393	279,192	11,478	2,055	0	0	8,287,722	8,489,526
34	SUPPORT SERVICES (ED)	2000										
35	SUPPORT SERVICES - PUPILS											
36	Attendance & Social Work Services	2110									0	
37	Guidance Services	2120	196,319	39,045	168						235,532	292,613
38	Health Services	2130	99,634	5,974	3,367	3,454					112,429	121,853
39	Psychological Services	2140									0	
40	Speech Pathology & Audiology Services	2150	7,195	1,641							8,836	82,520
41	Other Support Services - Pupils (Describe & Itemize)	2190									0	
42	Total Support Services - Pupils	2100	303,148	46,660	3,535	3,454	0	0	0	0	356,797	496,986
43	SUPPORT SERVICES - INSTRUCTIONAL STAFF											
44	Improvement of Instruction Services	2210			84,175	260					84,435	52,000
45	Educational Media Services	2220	198,775	32,612		21,461					252,848	254,397
46	Assessment & Testing	2230			18,647	41,433					60,080	7,400
47	Total Support Services - Instructional Staff	2200	198,775	32,612	102,822	63,154	0	0	0	0	397,363	313,797
48	SUPPORT SERVICES - GENERAL ADMINISTRATION											
49	Board of Education Services	2310		4,483	157,422	15,480		8,878			186,263	179,000
50	Executive Administration Services	2320	210,625	40,818	7,957	761		6,660			266,821	263,900
51	Special Area Administration Services	2330									0	
52	Tort Immunity Services	2360 - 2370			107,971						107,971	98,000
53	Total Support Services - General Administration	2300	210,625	45,301	273,350	16,241	0	15,538	0	0	561,055	540,900

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2018

1	A	B	C	D	E	F	G	H	I	J	K	L
2	Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
54	SUPPORT SERVICES - SCHOOL ADMINISTRATION											
55	Office of the Principal Services	2410	685,133	137,547	4,525	15,507		3,058			845,770	889,400
56	Other Support Services - School Admin (Describe & Itemize)	2490									0	
57	Total Support Services - School Administration	2400	685,133	137,547	4,525	15,507	0	3,058	0	0	845,770	889,400
58	SUPPORT SERVICES - BUSINESS											
59	Direction of Business Support Services	2510									0	
60	Fiscal Services	2520	52,394	29	5,470	3,596					61,489	72,500
61	Operation & Maintenance of Plant Services	2540				1,186					1,186	7,863
62	Pupil Transportation Services	2550			10,000						10,000	
63	Food Services	2560	180,059	8,824	852	306,192		20			495,947	543,000
64	Internal Services	2570									0	
65	Total Support Services - Business	2500	232,453	8,853	16,322	310,974	0	20	0	0	568,622	623,363
66	SUPPORT SERVICES - CENTRAL											
67	Direction of Central Support Services	2610									0	
68	Planning, Research, Development, & Evaluation Services	2620									0	
69	Information Services	2630	68,074	14,424	133,827	40,169	641,136				897,630	760,500
70	Staff Services	2640		16,094	14,563						30,657	13,000
71	Data Processing Services	2660									0	
72	Total Support Services - Central	2600	68,074	30,518	148,390	40,169	641,136	0	0	0	928,287	773,500
73	Other Support Services (Describe & Itemize)	2900			4,001						4,001	
74	Total Support Services	2000	1,698,208	301,491	552,945	449,499	641,136	18,616	0	0	3,661,895	3,637,946
75	COMMUNITY SERVICES (ED)	3000	131	20	500	4,127					4,778	
76	PAYMENTS TO OTHER DISTRICTS & GOVT UNITS (ED)	4000										
77	PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
78	Payments for Regular Programs	4110									0	
79	Payments for Special Education Programs	4120									0	
80	Payments for Adult/Continuing Education Programs	4130									0	
81	Payments for CTE Programs	4140									0	
82	Payments for Community College Programs	4170									0	
83	Other Payments to In-State Govt. Units (Describe & Itemize)	4190			20,250						20,250	70,000
84	Total Payments to Other Govt Units (In-State)	4100			20,250			0			20,250	70,000
85	Payments for Regular Programs - Tuition	4210									0	
86	Payments for Special Education Programs - Tuition	4220						437,776			437,776	450,000
87	Payments for Adult/Continuing Education Programs - Tuition	4230									0	
88	Payments for CTE Programs - Tuition	4240						18,292			18,292	20,000
89	Payments for Community College Programs - Tuition	4270									0	
90	Payments for Other Programs - Tuition	4280									0	
91	Other Payments to In-State Govt Units	4290									0	
92	Total Payments to Other Govt Units -Tuition (In State)	4200						456,068			456,068	470,000
93	Payments for Regular Programs - Transfers	4310									0	
94	Payments for Special Education Programs - Transfers	4320									0	
95	Payments for Adult/Continuing Ed Programs-Transfers	4330									0	
96	Payments for CTE Programs - Transfers	4340									0	
97	Payments for Community College Program - Transfers	4370									0	
98	Payments for Other Programs - Transfers	4380									0	
99	Other Payments to In-State Govt Units - Transfers	4390									0	
100	Total Payments to Other Govt Units -Transfers (In-State)	4300			0			0			0	0
101	Payments to Other Govt Units (Out-of-State)	4400									0	
102	Total Payments to Other Govt Units	4000			20,250			456,068			476,318	540,000
103	DEBT SERVICES (ED)	5000										
104	DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
105	Tax Anticipation Warrants	5110									0	

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2018

1	A	B	C	D	E	F	G	H	I	J	K	L
2	Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
106	Tax Anticipation Notes	5120									0	
107	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
108	State Aid Anticipation Certificates	5140									0	
109	Other Interest on Short-Term Debt	5150									0	
110	Total Interest on Short-Term Debt	5100						0			0	0
111	Debt Services - Interest on Long-Term Debt	5200									0	
112	Total Debt Services	5000						0			0	0
113	PROVISIONS FOR CONTINGENCIES (ED)	6000										
114	Total Direct Disbursements/Expenditures		8,162,016	1,717,438	689,088	732,818	652,614	476,739	0	0	12,430,713	12,667,472
115	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										1,465,981	
116												
117	20 - OPERATIONS & MAINTENANCE FUND (O&M)											
118	SUPPORT SERVICES (O&M)	2000										
119	SUPPORT SERVICES - PUPILS											
120	Other Support Services - Pupils (Describe & Itemize)	2190									0	
121	SUPPORT SERVICES - BUSINESS											
122	Direction of Business Support Services	2510									0	
123	Facilities Acquisition & Construction Services	2530									0	
124	Operation & Maintenance of Plant Services	2540	424,205	88,402	245,624	386,084	61,309				1,205,624	1,219,500
125	Pupil Transportation Services	2550									0	
126	Food Services	2560									0	
127	Total Support Services - Business	2500	424,205	88,402	245,624	386,084	61,309	0	0	0	1,205,624	1,219,500
128	Other Support Services (Describe & Itemize)	2900									0	
129	Total Support Services	2000	424,205	88,402	245,624	386,084	61,309	0	0	0	1,205,624	1,219,500
130	COMMUNITY SERVICES (O&M)	3000									0	
131	PAYMENTS TO OTHER DIST & GOVT UNITS (O&M)	4000										
132	PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
133	Payments for Regular Programs	4110									0	
134	Payments for Special Education Programs	4120									0	
135	Payments for CTE Programs	4140									0	
136	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
137	Total Payments to Other Govt. Units (In-State)	4100			0			0			0	0
138	Payments to Other Govt. Units (Out of State)	4400									0	
139	Total Payments to Other Govt Units	4000			0			0			0	0
140	DEBT SERVICES (O&M)	5000										
141	DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
142	Tax Anticipation Warrants	5110									0	
143	Tax Anticipation Notes	5120									0	
144	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
145	State Aid Anticipation Certificates	5140									0	
146	Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
147	Total Debt Service - Interest on Short-Term Debt	5100						0			0	0
148	DEBT SERVICE - INTERST ON LONG-TERM DEBT	5200									0	
149	Total Debt Services	5000						0			0	0
150	PROVISIONS FOR CONTINGENCIES (O&M)	6000										
151	Total Direct Disbursements/Expenditures		424,205	88,402	245,624	386,084	61,309	0	0	0	1,205,624	1,219,500
152	Excess (Deficiency) of Receipts/Revenues/Over Disbursements/ Expenditures										38,285	
153												
154	30 - DEBT SERVICES (DS)											
155	PAYMENTS TO OTHER DIST & GOVT UNITS (DS)	4000										
156	PAYMENTS TO OTHER DIST & GOVT UNITS (In-State)											
157	Payments for Regular Programs	4110									0	

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2018

	A	B	C	D	E	F	G	H	I	J	K	L
	Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
158	Payments for Special Education Programs	4120									0	
159	Other Payments to In-State Govt Units (Describe & Itemize)	4190									0	
160	Total Payments to Other Districts & Govt Units (In-State)	4000						0			0	0
161	DEBT SERVICES (DS)	5000										
162	DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
163	Tax Anticipation Warrants	5110									0	
164	Tax Anticipation Notes	5120									0	
165	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
166	State Aid Anticipation Certificates	5140									0	
167	Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
168	Total Debt Services - Interest On Short-Term Debt	5100						0			0	0
169	DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200						527,598			527,598	1,791,119
170	DEBT SERVICES - PAYMENTS OF PRINCIPAL ON LONG-TERM DEBT (Lease/Purchase Principal Retired) ¹¹	5300										
171	DEBT SERVICES - OTHER (Describe & Itemize)	5400						1,263,520			1,263,520	
172	Total Debt Services	5000			0			449			449	
173	PROVISION FOR CONTINGENCIES (DS)	6000						1,791,567			1,791,567	1,791,119
174	Total Disbursements/ Expenditures				0			1,791,567			1,791,567	1,791,119
175	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										20,477	
176												
177	40 - TRANSPORTATION FUND (TR)											
178	SUPPORT SERVICES (TR)											
179	SUPPORT SERVICES - PUPILS											
180	Other Support Services - Pupils (Describe & Itemize)	2190									0	
181	SUPPORT SERVICES - BUSINESS											
182	Pupil Transportation Services	2550	497,172	158,657	752,890	97,321	36,188	130			1,542,358	1,088,915
183	Other Support Services (Describe & Itemize)	2900									0	
184	Total Support Services	2000	497,172	158,657	752,890	97,321	36,188	130	0	0	1,542,358	1,088,915
185	COMMUNITY SERVICES (TR)	3000									0	
186	PAYMENTS TO OTHER DIST & GOVT UNITS (TR)	4000										
187	PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
188	Payments for Regular Programs	4110									0	
189	Payments for Special Education Programs	4120									0	
190	Payments for Adult/Continuing Education Programs	4130									0	
191	Payments for CTE Programs	4140									0	
192	Payments for Community College Programs	4170									0	
193	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
194	Total Payments to Other Govt. Units (In-State)	4100			0			0			0	0
195	PAYMENTS TO OTHER GOVT UNITS (OUT-OF-STATE)	4400									0	
196	Total Payments to Other Govt Units	4000			0			0			0	0
197	DEBT SERVICES (TR)	5000										
198	DEBT SERVICE - INTEREST ON SHORT-TERM DEBT											
199	Tax Anticipation Warrants	5110									0	
200	Tax Anticipation Notes	5120									0	
201	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
202	State Aid Anticipation Certificates	5140									0	
203	Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
204	Total Debt Services - Interest On Short-Term Debt	5100						0			0	0

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2018

1	A	B	C	D	E	F	G	H	I	J	K	L
2	Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
205	DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200									0	
	DEBT SERVICE - PAYMENTS OF PRINCIPAL ON LONG-TERM DEBT	5300										
206	(Lease/Purchase Principal Retired) ¹¹										0	
207	DEBT SERVICES - OTHER (Describe & Itemize)	5400									0	
208	Total Debt Services	5000						0			0	0
209	PROVISION FOR CONTINGENCIES (TR)	6000										
210	Total Disbursements/ Expenditures		497,172	158,657	752,890	97,321	36,188	130	0	0	1,542,358	1,088,915
211	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										63,124	
212												
213	50 - MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND (MR/SS)											
214	INSTRUCTION (MR/SS)	1000										
215	Regular Programs	1100		73,637							73,637	75,419
216	Pre-K Programs	1125		1,483							1,483	1,807
217	Special Education Programs (Functions 1200-1220)	1200		73,423							73,423	66,696
218	Special Education Programs - Pre-K	1225									0	
219	Remedial and Supplemental Programs - K-12	1250		1,200							1,200	
220	Remedial and Supplemental Programs - Pre-K	1275									0	
221	Adult/Continuing Education Programs	1300									0	
222	CTE Programs	1400		3,995							3,995	4,151
223	Interscholastic Programs	1500		17,772							17,772	16,966
224	Summer School Programs	1600									0	
225	Gifted Programs	1650									0	
226	Driver's Education Programs	1700		158							158	26
227	Bilingual Programs	1800		1,729							1,729	1,321
228	Truants' Alternative & Optional Programs	1900									0	
229	Total Instruction	1000		173,397							173,397	166,386
230	SUPPORT SERVICES (MR/SS)	2000										
231	SUPPORT SERVICES - PUPILS											
232	Attendance & Social Work Services	2110									0	
233	Guidance Services	2120		2,847							2,847	3,005
234	Health Services	2130		13,880							13,880	12,168
235	Psychological Services	2140									0	
236	Speech Pathology & Audiology Services	2150		96							96	
237	Other Support Services - Pupils (Describe & Itemize)	2190									0	
238	Total Support Services - Pupils	2100		16,823							16,823	15,173
239	SUPPORT SERVICES - INSTRUCTIONAL STAFF											
240	Improvement of Instruction Services	2210									0	16
241	Educational Media Services	2220		11,694							11,694	11,606
242	Assessment & Testing	2230									0	
243	Total Support Services - Instructional Staff	2200		11,694							11,694	11,622
244	SUPPORT SERVICES - GENERAL ADMINISTRATION											
245	Board of Education Services	2310									0	
246	Executive Administration Services	2320		15,282							15,282	18,023
247	Service Area Administrative Services	2330									0	
248	Claims Paid from Self Insurance Fund	2361									0	
249	Workers' Compensation or Workers' Occupation Disease Acts Pymts	2362									0	
250	Unemployment Insurance Pymts	2363									0	
251	Insurance Payments (Regular or Self-Insurance)	2364									0	
252	Risk Management and Claims Services Payments	2365									0	

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2018

1	A	B	C	D	E	F	G	H	I	J	K	L
2	Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
253	Judgment and Settlements	2366									0	
254	Educational, Inspectional, Supervisory Services Related to Loss Prevention or Reduction	2367		1,250							1,250	3,061
255	Reciprocal Insurance Payments	2368									0	
256	Legal Services	2369									0	
257	Total Support Services - General Administration	2300		16,532							16,532	21,084
258	SUPPORT SERVICES - SCHOOL ADMINISTRATION											
259	Office of the Principal Services	2410		42,288							42,288	43,157
260	Other Support Services - School Administration (Describe & Itemize)	2490									0	
261	Total Support Services - School Administration	2400		42,288							42,288	43,157
262	SUPPORT SERVICES - BUSINESS											
263	Direction of Business Support Services	2510									0	
264	Fiscal Services	2520		9,544							9,544	8,475
265	Facilities Acquisition & Construction Services	2530									0	
266	Operation & Maintenance of Plant Services	2540		74,385							74,385	82,792
267	Pupil Transportation Services	2550		75,244							75,244	79,776
268	Food Services	2560		28,189							28,189	29,117
269	Internal Services	2570									0	
270	Total Support Services - Business	2500		187,362							187,362	200,160
271	SUPPORT SERVICES - CENTRAL											
272	Direction of Central Support Services	2610									0	
273	Planning, Research, Development, & Evaluation Services	2620									0	
274	Information Services	2630		9,867							9,867	11,578
275	Staff Services	2640									0	
276	Data Processing Services	2660									0	
277	Total Support Services - Central	2600		9,867							9,867	11,578
278	Other Support Services (Describe & Itemize)	2900									0	
279	Total Support Services	2000		284,566							284,566	302,774
280	COMMUNITY SERVICES (MR/SS)	3000		2							2	
281	PAYMENTS TO OTHER DIST & GOVT UNITS (MR/SS)	4000										
282	Payments for Regular Programs	4110									0	
283	Payments for Special Education Programs	4120									0	
284	Payments for CTE Programs	4140									0	
285	Total Payments to Other Govt Units	4000		0							0	0
286	DEBT SERVICES (MR/SS)	5000										
287	DEBT SERVICE - INTEREST ON SHORT-TERM DEBT											
288	Tax Anticipation Warrants	5110									0	
289	Tax Anticipation Notes	5120									0	
290	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
291	State Aid Anticipation Certificates	5140									0	
292	Other (Describe & Itemize)	5150									0	
293	Total Debt Services - Interest	5000						0			0	0
294	PROVISION FOR CONTINGENCIES (MR/SS)	6000										
295	Total Disbursements/Expenditures			457,965				0			457,965	469,160
296	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										(5,833)	
297												

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2018

1	A	B	C	D	E	F	G	H	I	J	K	L
2	Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
298	60 - CAPITAL PROJECTS (CP)											
299	SUPPORT SERVICES (CP)	2000										
300	SUPPORT SERVICES - BUSINESS											
301	Facilities Acquisition and Construction Services	2530					226,250				226,250	230,000
302	Other Support Services (Describe & Itemize)	2900									0	
303	Total Support Services	2000	0	0	0	0	226,250	0	0	0	226,250	230,000
304	PAYMENTS TO OTHER DIST & GOVT UNITS (CP)	4000										
305	PAYMENTS TO OTHER GOVT UNITS (In-State)											
306	Payments to Regular Programs (In-State)	4110									0	
307	Payments for Special Education Programs	4120									0	
308	Payments for CTE Programs	4140									0	
309	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
310	Total Payments to Other Govt Units	4000			0			0			0	0
311	PROVISION FOR CONTINGENCIES (S&C/CI)	6000										
312	Total Disbursements/ Expenditures		0	0	0	0	226,250	0	0	0	226,250	230,000
313	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										(203,573)	
314												
315	70 - WORKING CASH (WC)											
316												
317	80 - TORT FUND (TF)											
318	SUPPORT SERVICES - GENERAL ADMINISTRATION											
319	Claims Paid from Self Insurance Fund	2361									0	
320	Workers' Compensation or Workers' Occupation Disease Acts Pymts	2362									0	
321	Unemployment Insurance Payments	2363			4,268						4,268	
322	Insurance Payments (Regular or Self-Insurance)	2364									0	
323	Risk Management and Claims Services Payments	2365			203,730						203,730	125,000
324	Judgment and Settlements	2366									0	
325	Educational, Inspectional, Supervisory Services Related to Loss Prevention or Reduction	2367	86,588	21,131	151,755	2,178					261,652	374,515
326	Reciprocal Insurance Payments	2368									0	
327	Legal Services	2369									0	
328	Property Insurance (Buildings & Grounds)	2371									0	
329	Vehicle Insurance (Transportation)	2372									0	
330	Total Support Services - General Administration	2000	86,588	21,131	359,753	2,178	0	0	0	0	469,650	499,515
331	PAYMENTS TO OTHER DIST & GOVT UNITS (TF)	4000										
332	Payments for Regular Programs	4110									0	
333	Payments for Special Education Programs	4120									0	
334	Total Payments to Other Dist & Govt Units	4000						0			0	0
335	DEBT SERVICES (TF)	5000										
336	DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
337	Tax Anticipation Warrants	5110									0	
338	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
339	Other Interest or Short-Term Debt	5150									0	
340	Total Debt Services - Interest on Short-Term Debt	5000						0			0	0
341	PROVISIONS FOR CONTINGENCIES (TF)	6000										
342	Total Disbursements/Expenditures		86,588	21,131	359,753	2,178	0	0	0	0	469,650	499,515
343	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										53,331	

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2018

1	A	B	C	D	E	F	G	H	I	J	K	L
2	Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
345	90 - FIRE PREVENTION & SAFETY FUND (FP&S)											
346	SUPPORT SERVICES (FP&S)	2000										
347	SUPPORT SERVICES - BUSINESS											
348	Facilities Acquisition & Construction Services	2530									0	
349	Operation & Maintenance of Plant Services	2540									0	
350	Total Support Services - Business	2500	0	0	0	0	0	0	0	0	0	0
351	Other Support Services (Describe & Itemize)	2900									0	
352	Total Support Services	2000	0	0	0	0	0	0	0	0	0	0
353	PAYMENTS TO OTHER DIST & GOVT UNITS (FP&S)	4000										
354	Payments to Regular Programs	4110									0	
355	Payments to Special Education Programs	4120									0	
356	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
357	Total Payments to Other Govt Units	4000						0			0	0
358	DEBT SERVICES (FP&S)	5000										
359	DEBT SERVICES- INTEREST ON SHORT-TERM DEBT											
360	Tax Anticipation Warrants	5110									0	
361	Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
362	Total Debt Service - Interest on Short-Term Debt	5100						0			0	0
363	DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200									0	
	Debt Service - Payments of Principal on Long-Term Debt ¹⁵ (Lease/Purchase Principal Retired)	5300									0	
364											0	
365	Total Debt Service	5000						0			0	0
366	PROVISION FOR CONTINGENCIES (FP&S)	6000										
367	Total Disbursements/Expenditures		0	0	0	0	0	0	0	0	0	0
368	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										84,388	

	A	B	C	D	E	F
1	SCHEDULE OF AD VALOREM TAX RECEIPTS					
2	Description (Enter Whole Dollars)	Taxes Received 7-1-17 thru 6-30-18 (from 2016 Levy & Prior Levies) *	Taxes Received (from the 2017 Levy)	Taxes Received (from 2016 & Prior Levies)	Total Estimated Taxes (from the 2017 Levy)	Estimated Taxes Due (from the 2017 Levy)
3				(Column B - C)		(Column E - C)
4		Educational	5,833,588	2,987,301	2,846,287	5,947,744
5	Operations & Maintenance	838,161	429,212	408,949	854,561	425,349
6	Debt Services **	1,804,423	913,315	891,108	1,809,789	896,474
7	Transportation	335,263	171,685	163,578	341,824	170,139
8	Municipal Retirement	118,266	59,556	58,710	118,100	58,544
9	Capital Improvements	0		0		0
10	Working Cash	83,816	42,921	40,895	85,456	42,535
11	Tort Immunity	521,165	262,446	258,719	520,086	257,640
12	Fire Prevention & Safety	83,816	42,921	40,895	85,456	42,535
13	Leasing Levy	83,816	42,921	40,895	85,456	42,535
14	Special Education	67,055	34,339	32,716	68,365	34,026
15	Area Vocational Construction	0		0		0
16	Social Security/Medicare Only	302,667	152,419	150,248	302,002	149,583
17	Summer School	0		0		0
18	Other (Describe & Itemize)	0		0		0
19	Totals	10,072,036	5,139,036	4,933,000	10,218,839	5,079,803
20						
21	* The formulas in column B are unprotected to be overridden when reporting on a ACCRUAL basis.					
22	** All tax receipts for debt service payments on bonds must be recorded on line 6 (Debt Services).					

	A	B	C	D	E	F	G	H	I	J
1	SCHEDULE OF SHORT-TERM DEBT									
2	Description (Enter Whole Dollars)		Outstanding Beginning July 1, 2017	Issued July 1, 2017 thru June 30, 2018	Retired July 1, 2017 thru June 30, 2018	Outstanding Ending June 30, 2018				
3	CORPORATE PERSONAL PROPERTY REPLACEMENT TAX ANTICIPATION NOTES (CPPRT)									
4	Total CPPRT Notes					0				
5	TAX ANTICIPATION WARRANTS (TAW)									
6	Educational Fund					0				
7	Operations & Maintenance Fund					0				
8	Debt Services - Construction					0				
9	Debt Services - Working Cash					0				
10	Debt Services - Refunding Bonds					0				
11	Transportation Fund					0				
12	Municipal Retirement/Social Security Fund					0				
13	Fire Prevention & Safety Fund					0				
14	Other - (Describe & Itemize)					0				
15	Total TAWs		0	0	0	0				
16	TAX ANTICIPATION NOTES (TAN)									
17	Educational Fund					0				
18	Operations & Maintenance Fund					0				
19	Fire Prevention & Safety Fund					0				
20	Other - (Describe & Itemize)					0				
21	Total TANs		0	0	0	0				
22	TEACHERS'/EMPLOYEES' ORDERS (T/EO)									
23	Total T/EOs (Educational, Operations & Maintenance, & Transportation Funds)					0				
24	GENERAL STATE-AID ANTICIPATION CERTIFICATES (GSAAC)									
25	Total GSAACs (All Funds)					0				
26	OTHER SHORT-TERM BORROWING									
27	Total Other Short-Term Borrowing (Describe & Itemize)					0				
28										
29	SCHEDULE OF LONG-TERM DEBT									
30	Identification or Name of Issue	Date of Issue (mm/dd/yy)	Amount of Original Issue	Type of Issue *	Outstanding Beginning July 1, 2017	Issued July 1, 2017 thru June 30, 2018	Any differences (Described and Itemize)	Retired July 1, 2017 thru June 30, 2018	Outstanding Ending June 30, 2018	Amount to be Provided for Payment on Long-Term Debt
31	JP Morgan Capital Appreciation School Bonds	06/15/00	9,650,000	7	2,454,680			484,828	1,969,852	944,251
32									0	
33	General Obligation School Bonds, Series 2002	08/27/02	2,060,000	2	1,679,523			128,692	1,550,831	1,550,831
34									0	
35	General Obligation School Bonds, Series 2016A	03/29/16	11,095,000	4,3	11,095,000				11,095,000	11,095,000
36									0	
37	General Obligation School Bonds, Series 2016B	03/29/16	650,000	3	650,000			650,000	0	
38									0	
39									0	
40									0	
41									0	
42									0	
43									0	
44									0	
45									0	
46									0	
47									0	
48									0	
49			23,455,000		15,879,203	0	0	1,263,520	14,615,683	13,590,082
50										
51	* Each type of debt issued must be identified separately with the amount:									
52	1. Working Cash Fund Bonds			4. Fire Prevent, Safety, Environmental and Energy Bonds			7. Other Capital Appreciation School Bonds			
53	2. Funding Bonds			5. Tort Judgment Bonds			8. Other			
54	3. Refunding Bonds			6. Building Bonds			9. Other			

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

	A	B	C	D	E	F	G	H	I	J	K	
1	SCHEDULE OF RESTRICTED LOCAL TAX LEVIES AND SELECTED REVENUE SOURCES											
2	Description (Enter Whole Dollars)					Account No	Tort Immunity ^a	Special Education	Area Vocational Construction	School Facility Occupation Taxes ^b	Driver Education	
3	Cash Basis Fund Balance as of July 1, 2017											
4	RECEIPTS:											
5	Ad Valorem Taxes Received by District					10, 20, 40 or 50-1100		67,055				
6	Earnings on Investments					10, 20, 40, 50 or 60-1500		7				
7	Drivers' Education Fees					10-1970					23,257	
8	School Facility Occupation Tax Proceeds					30 or 60-1983						
9	Driver Education					10 or 20-3370					24,954	
10	Other Receipts (Describe & Itemize)					--						
11	Sale of Bonds					10, 20, 40 or 60-7200						
12	Total Receipts						0	67,062	0	0	48,211	
13	DISBURSEMENTS:											
14	Instruction					10 or 50-1000		67,062			48,211	
15	Facilities Acquisition & Construction Services					20 or 60-2530						
16	Tort Immunity Services					10, 20, 40-2360-2370						
17	DEBT SERVICE											
18	Debt Services - Interest on Long-Term Debt					30-5200						
19	Debt Services - Principal Payments on Long-Term Debt (Lease/Purchase Principal Retired)					30-5300						
20	Debt Services Other (Describe & Itemize)					30-5400						
21	Total Debt Services									0		
22	Other Disbursements (Describe & Itemize)					--						
23	Total Disbursements						0	67,062	0	0	48,211	
24	Ending Cash Basis Fund Balance as of June 30, 2018						0	0	0	0	0	
25	Reserved Fund Balance					714						
26	Unreserved Fund Balance					730	0	0	0	0	0	

28	SCHEDULE OF TORT IMMUNITY EXPENDITURES ^a										
29											
30	Yes <input type="checkbox"/> No <input type="checkbox"/> Has the entity established an insurance reserve pursuant to 745 ILCS 10/9-103?										
31	If yes, list in the aggregate the following:										
32						Total Claims Payments:					
32						Total Reserve Remaining:					
34	In the following categories, list all other Tort Immunity expenditures not included in line 30 above. Enter total dollar amount for each category.										
35	Expenditures:										
36	Workers' Compensation Act and/or Workers' Occupational Disease Act										
37	Unemployment Insurance Act										
38	Insurance (Regular or Self-Insurance)										
39	Risk Management and Claims Service										
40	Judgments/Settlements										
41	Educational, Inspectional, Supervisory Services Related to Loss Prevention and/or Reduction										
42	Reciprocal Insurance Payments (Insurance Code 72, 76, and 81)										
43	Legal Services										
44	Principal and Interest on Tort Bonds										
45											
46	^a Schedules for Tort Immunity are to be completed only if expenditures have been reported in any fund other than the Tort Immunity Fund (80) during the fiscal year as a result of existing (restricted) fund balances in those other funds that are being spent down. Cell G6 above should include interest earnings only from these restricted tort immunity monies and only if reported in a fund other than Tort Immunity Fund (80).										
47											
48	^b 55 ILCS 5/5-1006.7										

	A	B	C	D	E	F	G	H	I	J	K	L
1	SCHEDULE OF CAPITAL OUTLAY AND DEPRECIATION											
2	Description of Assets (Enter Whole Dollars)	Acct #	Cost Beginning July 1, 2017	Add: Additions July 1, 2017 thru June 30, 2018	Less: Deletions July 1, 2017 thru June 30 2018	Cost Ending June 30, 2018	Life In Years	Accumulated Depreciation Beginning July 1, 2017	Add: Depreciation Allowable July 1, 2017 thru June 30, 2018	Less: Depreciation Deletions July 1, 2017 thru June 30, 2018	Accumulated Depreciation Ending June 30, 2018	Ending Balance Undepreciated June 30, 2018
3	Works of Art & Historical Treasures	210				0					0	0
4	Land	220										
5	Non-Depreciable Land	221	2,569,982			2,569,982						2,569,982
6	Depreciable Land	222				0	50				0	0
7	Buildings	230										
8	Permanent Buildings	231	33,933,389	203,500		34,136,889	50	10,944,635	639,350		11,583,985	22,552,904
9	Temporary Buildings	232				0	20				0	0
10	Improvements Other than Buildings (Infrastructure)	240	1,100,264	31,459		1,131,723	20	754,777	42,086		796,863	334,860
11	Capitalized Equipment	250										
12	10 Yr Schedule	251	3,060,558	741,401	301,103	3,500,856	10	1,603,850	284,415	301,103	1,587,162	1,913,694
13	5 Yr Schedule	252	118,622			118,622	5	95,109	1,308		96,417	22,205
14	3 Yr Schedule	253				0	3				0	0
15	Construction in Progress	260				0	--					0
16	Total Capital Assets	200	40,782,815	976,360	301,103	41,458,072		13,398,371	967,159	301,103	14,064,427	27,393,645
17	Non-Capitalized Equipment	700				0	10		0			
18	Allowable Depreciation								967,159			

	A	B	C	D	E	F
1	ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2017-2018)					
2	<i>This schedule is completed for school districts only.</i>					
4	Fund	Sheet, Row	ACCOUNT NO - TITLE			Amount
6	OPERATING EXPENSE PER PUPIL					
7	EXPENDITURES:					
8	ED	Expenditures 15-22, L114		Total Expenditures	\$	12,430,713
9	O&M	Expenditures 15-22, L151		Total Expenditures		1,205,624
10	DS	Expenditures 15-22, L174		Total Expenditures		1,791,567
11	TR	Expenditures 15-22, L210		Total Expenditures		1,542,358
12	MR/SS	Expenditures 15-22, L295		Total Expenditures		457,965
13	TORT	Expenditures 15-22, L342		Total Expenditures		469,650
14				Total Expenditures	\$	17,897,877
16	LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:					
18	TR	Revenues 9-14, L43, Col F	1412	Regular - Transp Fees from Other Districts (In State)	\$	0
19	TR	Revenues 9-14, L47, Col F	1421	Summer Sch - Transp. Fees from Pupils or Parents (In State)		0
20	TR	Revenues 9-14, L48, Col F	1422	Summer Sch - Transp. Fees from Other Districts (In State)		0
21	TR	Revenues 9-14, L49, Col F	1423	Summer Sch - Transp. Fees from Other Sources (In State)		0
22	TR	Revenues 9-14, L50 Col F	1424	Summer Sch - Transp. Fees from Other Sources (Out of State)		0
23	TR	Revenues 9-14, L52, Col F	1432	CTE - Transp Fees from Other Districts (In State)		0
24	TR	Revenues 9-14, L56, Col F	1442	Special Ed - Transp Fees from Other Districts (In State)		0
25	TR	Revenues 9-14, L59, Col F	1451	Adult - Transp Fees from Pupils or Parents (In State)		0
26	TR	Revenues 9-14, L60, Col F	1452	Adult - Transp Fees from Other Districts (In State)		0
27	TR	Revenues 9-14, L61, Col F	1453	Adult - Transp Fees from Other Sources (In State)		0
28	TR	Revenues 9-14, L62, Col F	1454	Adult - Transp Fees from Other Sources (Out of State)		0
29	O&M-TR	Revenues 9-14, L148, Col D & F	3410	Adult Ed (from ICCB)		0
30	O&M-TR	Revenues 9-14, L149, Col D & F	3499	Adult Ed - Other (Describe & Itemize)		0
31	O&M-TR	Revenues 9-14, L218, Col D,F	4600	Fed - Spec Education - Preschool Flow-Through		0
32	O&M-TR	Revenues 9-14, L219, Col D,F	4605	Fed - Spec Education - Preschool Discretionary		0
33	O&M	Revenues 9-14, L229, Col D	4810	Federal - Adult Education		0
34	ED	Expenditures 15-22, L7, Col K - (G+)	1125	Pre-K Programs		107,862
35	ED	Expenditures 15-22, L9, Col K - (G+)	1225	Special Education Programs Pre-K		0
36	ED	Expenditures 15-22, L11, Col K - (G+)	1275	Remedial and Supplemental Programs Pre-K		0
37	ED	Expenditures 15-22, L12, Col K - (G+)	1300	Adult/Continuing Education Programs		0
38	ED	Expenditures 15-22, L15, Col K - (G+)	1600	Summer School Programs		0
39	ED	Expenditures 15-22, L20, Col K	1910	Pre-K Programs - Private Tuition		0
40	ED	Expenditures 15-22, L21, Col K	1911	Regular K-12 Programs - Private Tuition		0
41	ED	Expenditures 15-22, L22, Col K	1912	Special Education Programs K-12 - Private Tuition		0
42	ED	Expenditures 15-22, L23, Col K	1913	Special Education Programs Pre-K - Tuition		0
43	ED	Expenditures 15-22, L24, Col K	1914	Remedial/Supplemental Programs K-12 - Private Tuition		0
44	ED	Expenditures 15-22, L25, Col K	1915	Remedial/Supplemental Programs Pre-K - Private Tuition		0
45	ED	Expenditures 15-22, L26, Col K	1916	Adult/Continuing Education Programs - Private Tuition		0
46	ED	Expenditures 15-22, L27, Col K	1917	CTE Programs - Private Tuition		0
47	ED	Expenditures 15-22, L28, Col K	1918	Interscholastic Programs - Private Tuition		0
48	ED	Expenditures 15-22, L29, Col K	1919	Summer School Programs - Private Tuition		0
49	ED	Expenditures 15-22, L30, Col K	1920	Gifted Programs - Private Tuition		0
50	ED	Expenditures 15-22, L31, Col K	1921	Bilingual Programs - Private Tuition		0
51	ED	Expenditures 15-22, L32, Col K	1922	Truants Alternative/Optional Ed Progrms - Private Tuition		0
52	ED	Expenditures 15-22, L75, Col K - (G+)	3000	Community Services		4,778
53	ED	Expenditures 15-22, L102, Col K	4000	Total Payments to Other Govt Units		476,318
54	ED	Expenditures 15-22, L114, Col G	-	Capital Outlay		652,614
55	ED	Expenditures 15-22, L114, Col I	-	Non-Capitalized Equipment		0
56	O&M	Expenditures 15-22, L130, Col K - (G+)	3000	Community Services		0
57	O&M	Expenditures 15-22, L139, Col K	4000	Total Payments to Other Govt Units		0
58	O&M	Expenditures 15-22, L151, Col G	-	Capital Outlay		61,309
59	O&M	Expenditures 15-22, L151, Col I	-	Non-Capitalized Equipment		0
60	DS	Expenditures 15-22, L160, Col K	4000	Payments to Other Dist & Govt Units		0
61	DS	Expenditures 15-22, L170, Col K	5300	Debt Service - Payments of Principal on Long-Term Debt		1,263,520
62	TR	Expenditures 15-22, L185, Col K - (G+)	3000	Community Services		0
63	TR	Expenditures 15-22, L196, Col K	4000	Total Payments to Other Govt Units		0
64	TR	Expenditures 15-22, L206, Col K	5300	Debt Service - Payments of Principal on Long-Term Debt		0
65	TR	Expenditures 15-22, L210, Col G	-	Capital Outlay		36,188
66	TR	Expenditures 15-22, L210, Col I	-	Non-Capitalized Equipment		0
67	MR/SS	Expenditures 15-22, L216, Col K	1125	Pre-K Programs		1,483
68	MR/SS	Expenditures 15-22, L218, Col K	1225	Special Education Programs - Pre-K		0
69	MR/SS	Expenditures 15-22, L220, Col K	1275	Remedial and Supplemental Programs - Pre-K		0
70	MR/SS	Expenditures 15-22, L221, Col K	1300	Adult/Continuing Education Programs		0
71	MR/SS	Expenditures 15-22, L224, Col K	1600	Summer School Programs		0
72	MR/SS	Expenditures 15-22, L280, Col K	3000	Community Services		2
73	MR/SS	Expenditures 15-22, L285, Col K	4000	Total Payments to Other Govt Units		0
74	Tort	Expenditures 15-22, L334, Col K	4000	Total Payments to Other Govt Units		0
76				Total Deductions for OEPP Computation (Sum of Lines 18 - 74)	\$	2,604,074
77				Total Operating Expenses Regular K-12 (Line 14 minus Line 76)		15,293,803
78				9 Month ADA from District Average Daily Attendance/Prior General State Aid Inquiry 2017-2018		1,681.42
79				Estimated OEPP (Line 77 divided by Line 78)	\$	9,095.77
80						

	A	B	C	D	E	F
1	ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2017-2018)					
2	<i>This schedule is completed for school districts only.</i>					
4	Fund	Sheet, Row	ACCOUNT NO - TITLE			Amount
81	PER CAPITA TUITION CHARGE					
83	LESS OFFSETTING RECEIPTS/REVENUES:					
84	TR	Revenues 9-14, L42, Col F	1411	Regular -Transp Fees from Pupils or Parents (In State)	\$	0
85	TR	Revenues 9-14, L44, Col F	1413	Regular - Transp Fees from Other Sources (In State)		0
86	TR	Revenues 9-14, L45, Col F	1415	Regular - Transp Fees from Co-curricular Activities (In State)		0
87	TR	Revenues 9-14, L46, Col F	1416	Regular Transp Fees from Other Sources (Out of State)		0
88	TR	Revenues 9-14, L51, Col F	1431	CTE - Transp Fees from Pupils or Parents (In State)		0
89	TR	Revenues 9-14, L53, Col F	1433	CTE - Transp Fees from Other Sources (In State)		0
90	TR	Revenues 9-14, L54, Col F	1434	CTE - Transp Fees from Other Sources (Out of State)		0
91	TR	Revenues 9-14, L55, Col F	1441	Special Ed - Transp Fees from Pupils or Parents (In State)		0
92	TR	Revenues 9-14, L57, Col F	1443	Special Ed - Transp Fees from Other Sources (In State)		0
93	TR	Revenues 9-14, L58, Col F	1444	Special Ed - Transp Fees from Other Sources (Out of State)		0
94	ED	Revenues 9-14, L75, Col C	1600	Total Food Service		362,301
95	ED-O&M	Revenues 9-14, L82, Col C,D	1700	Total District/School Activity Income		273,774
96	ED	Revenues 9-14, L84, Col C	1811	Rentals - Regular Textbooks		0
97	ED	Revenues 9-14, L87, Col C	1819	Rentals - Other (Describe & Itemize)		0
98	ED	Revenues 9-14, L88, Col C	1821	Sales - Regular Textbooks		0
99	ED	Revenues 9-14, L91, Col C	1829	Sales - Other (Describe & Itemize)		0
100	ED	Revenues 9-14, L92, Col C	1890	Other (Describe & Itemize)		0
101	ED-O&M	Revenues 9-14, L95, Col C,D	1910	Rentals		49,401
102	ED-O&M-TR	Revenues 9-14, L98, Col C,D,F	1940	Services Provided Other Districts		0
103	ED-O&M-DS-TR-MR/SS	Revenues 9-14, L104, Col C,D,E,F,G	1991	Payment from Other Districts		0
104	ED	Revenues 9-14, L106, Col C	1993	Other Local Fees (Describe & Itemize)		0
105	ED-O&M-TR	Revenues 9-14, L131, Col C,D,F	3100	Total Special Education		233,677
106	ED-O&M-MR/SS	Revenues 9-14, L140, Col C,D,G	3200	Total Career and Technical Education		10,189
107	ED-MR/SS	Revenues 9-14, L144, Col C,G	3300	Total Bilingual Ed		31,989
108	ED	Revenues 9-14, L145, Col C	3360	State Free Lunch & Breakfast		3,362
109	ED-O&M-MR/SS	Revenues 9-14, L146, Col C,D,G	3365	School Breakfast Initiative		0
110	ED-O&M	Revenues 9-14, L147, Col C,D	3370	Driver Education		24,594
111	ED-O&M-TR-MR/SS	Revenues 9-14, L154, Col C,D,F,G	3500	Total Transportation		1,091,958
112	ED	Revenues 9-14, L155, Col C	3610	Learning Improvement - Change Grants		0
113	ED-O&M-TR-MR/SS	Revenues 9-14, L156, Col C,D,F,G	3660	Scientific Literacy		0
114	ED-TR-MR/SS	Revenues 9-14, L157, Col C,F,G	3695	Truant Alternative/Optional Education		0
115	ED-TR-MR/SS	Revenues 9-14, L159, Col C,F,G	3715	Reading Improvement Block Grant		0
116	ED-TR-MR/SS	Revenues 9-14, L160, Col C,F,G	3720	Reading Improvement Block Grant - Reading Recovery		0
117	ED-TR-MR/SS	Revenues 9-14, L161, Col C,F,G	3725	Continued Reading Improvement Block Grant		0
118	ED-TR-MR/SS	Revenues 9-14, L162, Col C,F,G	3726	Continued Reading Improvement Block Grant (2% Set Aside)		0
119	ED-O&M-TR-MR/SS	Revenues 9-14, L163, Col C,D,F,G	3766	Chicago General Education Block Grant		0
120	ED-O&M-TR-MR/SS	Revenues 9-14, L164, Col C,D,F,G	3767	Chicago Educational Services Block Grant		0
121	ED-O&M-DS-TR-MR/SS	Revenues 9-14, L165, Col C,D,E,F,G	3775	School Safety & Educational Improvement Block Grant		0
122	ED-O&M-DS-TR-MR/SS	Revenues 9-14, L166, Col C,D,E,F,G	3780	Technology - Technology for Success		0
123	ED-TR	Revenues 9-14, L167, Col C,F	3815	State Charter Schools		0
124	O&M	Revenues 9-14, L170, Col D	3925	School Infrastructure - Maintenance Projects		0
125	ED-O&M-DS-TR-MR/SS-Tort	Revenues 9-14, L171, Col C-G,J	3999	Other Restricted Revenue from State Sources		2,351
126	ED	Revenues 9-14, L180, Col C	4045	Head Start (Subtract)		0
127	ED-O&M-TR-MR/SS	Revenues 9-14, L184, Col C,D,F,G	-	Total Restricted Grants-In-Aid Received Directly from Federal Govt		0
128	ED-O&M-TR-MR/SS	Revenues 9-14, L191, Col C,D,F,G	4100	Total Title V		0
129	ED-MR/SS	Revenues 9-14, L201, Col C,G	4200	Total Food Service		246,539
130	ED-O&M-TR-MR/SS	Revenues 9-14, L211, Col C,D,F,G	4300	Total Title I		210,071
131	ED-O&M-TR-MR/SS	Revenues 9-14, L216, Col C,D,F,G	4400	Total Title IV		535
132	ED-O&M-TR-MR/SS	Revenues 9-14, L220, Col C,D,F,G	4620	Fed - Spec Education - IDEA - Flow Through		91,512
133	ED-O&M-TR-MR/SS	Revenues 9-14, L221, Col C,D,F,G	4625	Fed - Spec Education - IDEA - Room & Board		1,659
134	ED-O&M-TR-MR/SS	Revenues 9-14, L222, Col C,D,F,G	4630	Fed - Spec Education - IDEA - Discretionary		0
135	ED-O&M-TR-MR/SS	Revenues 9-14, L223, Col C,D,F,G	4699	Fed - Spec Education - IDEA - Other (Describe & Itemize)		0
136	ED-O&M-MR/SS	Revenues 9-14, L228, Col C,D,G	4700	Total CTE - Perkins		0
161	ED-O&M-DS-TR-MR/SS-Tort	Revenue Adjustments (C231 thru J258)	4800	Total ARRA Program Adjustments		0
162	ED	Revenues 9-14, L260, Col C	4901	Race to the Top		0
163	ED-O&M-DS-TR-MR/SS-Tort	Revenues 9-14, L261, Col C-G,J	4902	Race to the Top-Preschool Expansion Grant		0
164	ED,O&M,MR/SS	Revenues 9-14, L262, Col C,D,G	4904	Advanced Placement Fee/International Baccalaureate		0
165	ED-TR-MR/SS	Revenues 9-14, L263, Col C,F,G	4905	Title III - Immigrant Education Program (IEP)		0
166	ED-TR-MR/SS	Revenues 9-14, L264, Col C,F,G	4909	Title III - Language Inst Program - Limited Eng (LIPLEP)		7,800
167	ED-TR-MR/SS	Revenues 9-14, L265, Col C,F,G	4910	Learn & Serve America		0
168	ED-O&M-TR-MR/SS	Revenues 9-14, L266, Col C,D,F,G	4920	McKinney Education for Homeless Children		0
169	ED-O&M-TR-MR/SS	Revenues 9-14, L267, Col C,D,F,G	4930	Title II - Eisenhower Professional Development Formula		0
170	ED-O&M-TR-MR/SS	Revenues 9-14, L268, Col C,D,F,G	4932	Title II - Teacher Quality		62,732
171	ED-O&M-TR-MR/SS	Revenues 9-14, L269, Col C,D,F,G	4960	Federal Charter Schools		0
172	ED-O&M-TR-MR/SS	Revenues 9-14, L270, Col C,D,F,G	4991	Medicaid Matching Funds - Administrative Outreach		0
173	ED-O&M-TR-MR/SS	Revenues 9-14, L271, Col C,D,F,G	4992	Medicaid Matching Funds - Fee-for-Service Program		23,835
174	ED-O&M-TR-MR/SS	Revenues 9-14, L272, Col C,D,F,G	4999	Other Restricted Revenue from Federal Sources (Describe & Itemize)		0
175	ED-TR-MR/SS	Revenues (Part of EBF Payment)	3100	Special Education Contributions from EBF Funds **		
176	ED-MR/SS	Revenues (Part of EBF Payment)	3300	English Learning (Bilingual) Contributions from EBF Funds ***		
177						
178				Total Deductions for PCTC Computation Line 84 through Line 174	\$	2,728,279
179				Net Operating Expense for Tuition Computation (Line 77 minus Line 176)		12,565,524
180				Total Depreciation Allowance (from page 26, Line 18, Col I)		967,159
181				Total Allowance for PCTC Computation (Line 177 plus Line 178)		13,532,683
182				9 Month ADA from District Average Daily Attendance/Prior General State Aid Inquiry 2017-2018		1,681.42
183				Total Estimated PCTC (Line 179 divided by Line 180) * \$		8,048.37
184						
185	*	The total OEPP/PCTC may change based on the data provided. The final amounts will be calculated by ISBE				
186	**	Go to the link below: Under "What's New!" select "FY 2018 Special Education Funding Allocation Calculation Details." Open excel file and use the amount in column W for the selected district.				
187	***	Follow the same instructions as above except under What's New, select "FY 2018 English Learner Education Funding Allocation Calculation Details", and use column U for the selected district.				
188						
189		Evidence Based Funding Link: https://www.isbe.net/Pages/ebfdistribution.aspx				

Fund-Function-Object Name Where the Expenditure was Recorded (Column A)	Fund- Function- Object Number (Column B)	Contracted Company Name (Column C)	Current Year Amount Paid on Contract (Column D)	Contract Amount Applied to the Indirect Cost Rate Base (Column E)	Contract Amount deducted from the Indirect Cost Rate Base (Column F)
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
				0	0
Total			1,192,518	125,000	1,067,518

ESTIMATED INDIRECT COST DATA

	A	B	C	D	E	F	G	H
1	ESTIMATED INDIRECT COST RATE DATA							
2	SECTION I							
3	Financial Data To Assist Indirect Cost Rate Determination							
4	<i>(Source document for the computation of the Indirect Cost Rate is found in the "Expenditures 15-22" tab.)</i>							
5	<p>ALL OBJECTS EXCLUDE CAPITAL OUTLAY. With the exception of line 11, enter the disbursements/expenditures included within the following functions charged directly to and reimbursed from federal grant programs. Also, include all amounts paid to or for other employees within each function that work with specific federal grant programs in the same capacity as those charged to and reimbursed from the same federal grant programs. For example, if a district received funding for a Title I clerk, all other salaries for Title I clerks performing like duties in that function must be included. Include any benefits and/or purchased services paid on or to persons whose salaries are classified as direct costs in the function listed.</p>							
6	Support Services - Direct Costs (1-2000) and (5-2000)							
7	Direction of Business Support Services (1-2510) and (5-2510)							
8	Fiscal Services (1-2520) and (5-2520)							
9	Operation and Maintenance of Plant Services (1, 2, and 5-2540)							
10	Food Services (1-2560) <i>Must be less than (P16, Col E-F, L63)</i>							
11	Value of Commodities Received for Fiscal Year 2018 <i>(Include the value of commodities when determining if a Single Audit is required)</i> .							
12	Internal Services (1-2570) and (5-2570)							
13	Staff Services (1-2640) and (5-2640)							
14	Data Processing Services (1-2660) and (5-2660)							
15	SECTION II							
16	Estimated Indirect Cost Rate for Federal Programs							
17				Restricted Program		Unrestricted Program		
18		Function		Indirect Costs	Direct Costs	Indirect Costs	Direct Costs	
19	Instruction	1000			8,449,641		8,449,641	
20	Support Services:							
21	Pupil	2100			373,620		373,620	
22	Instructional Staff	2200			409,057		409,057	
23	General Admin.	2300			1,047,237		1,047,237	
24	School Admin	2400			888,058		888,058	
25	Business:							
26	Direction of Business Spt. Srv.	2510		0	0	0	0	
27	Fiscal Services	2520		71,033	0	71,033	0	
28	Oper. & Maint. Plant Services	2540			1,219,886	1,219,886	0	
29	Pupil Transportation	2550			1,591,414		1,591,414	
30	Food Services	2560			277,597		277,597	
31	Internal Services	2570		0	0	0	0	
32	Central:							
33	Direction of Central Spt. Srv.	2610			0		0	
34	Plan, Rsrch, Dvlp, Eval. Srv.	2620			0		0	
35	Information Services	2630			266,361		266,361	
36	Staff Services	2640		30,657	0	30,657	0	
37	Data Processing Services	2660		0	0	0	0	
38	Other:	2900			4,001		4,001	
39	Community Services	3000			4,780		4,780	
40	Contracts Paid in CY over the allowed amount for ICR calculation (from page 29)				(1,067,518)		(1,067,518)	
41	Total			101,690	13,464,134	1,321,576	12,244,248	
42				Restricted Rate		Unrestricted Rate		
43				Total Indirect Costs:	101,690	Total Indirect costs:	1,321,576	
44				Total Direct Costs:	13,464,134	Total Direct Costs:	12,244,248	
45				=	0.76%	=	10.79%	
46								

	A	B	C	D	E	F
1	REPORT ON SHARED SERVICES OR OUTSOURCING					
2	School Code, Section 17-1.1 (<i>Public Act 97-0357</i>)					
3	Fiscal Year Ending June 30, 2018					
5	Complete the following for attempts to improve fiscal efficiency through shared services or outsourcing in the prior, current and next fiscal years.					
6	MERIDIAN COMMUNITY UNIT					
7	47-071-2230-26					
8	<i>Check box if this schedule is not applicable.....</i>	<input type="checkbox"/>	Prior Fiscal Year	Current Fiscal Year	Next Fiscal Year	Name of the Local Education Agency (LEA) Participating in the Joint Agreement, Cooperative or Shared Service.
9	Indicate with an (X) If Deficit Reduction Plan Is Required in the Budget ➔					
10	Service or Function (<i>Check all that apply</i>)			Barriers to Implementation	(Limit text to 200 characters, for additional space use line 33 and 38)	
11	Curriculum Planning					
12	Custodial Services					
13	Educational Shared Programs	X	X			Byron / Rock Valley College
14	Employee Benefits					
15	Energy Purchasing					
16	Food Services	X	X	X		Northern Illinois Food Coop
17	Grant Writing					
18	Grounds Maintenance Services					
19	Insurance	X	X	X		CLIC, Illinois Schools Cooperative
20	Investment Pools					
21	Legal Services					
22	Maintenance Services					
23	Personnel Recruitment					
24	Professional Development					
25	Shared Personnel	X	X	X		Ogle County Educational Coop / Ogle County Sheriff (Next FY ONLY)
26	Special Education Cooperatives	X	X	X		Ogle County Educational Coop
27	STEM (science, technology, engineering and math) Program Offerings					
28	Supply & Equipment Purchasing	X	X	X		ROE #47
29	Technology Services	X	X	X		Oregon CUSD #200
30	Transportation					
31	Vocational Education Cooperatives	X	X	X		CEANCI
32	All Other Joint/Cooperative Agreements	X	X	X		Julia Hull Library Inter-Gov't Agreement
33	Other					
34						
35	<u>Additional space for Column (D) - Barriers to Implementation:</u>					
36						
37						
38						
40	<u>Additional space for Column (E) - Name of LEA :</u>					
41						
42						
43						

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

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

School District Name: MERIDIAN COMMUNITY UNIT SCHOOL DIST
 RCDT Number: 47-071-2230-26

Description	Funct. No.	Actual Expenditures, Fiscal Year 2018			Budgeted Expenditures, Fiscal Year 2019		
		(10) Educational Fund	(20) Operations & Maintenance Fund	Total	(10) Educational Fund	(20) Operations & Maintenance Fund	Total
1. Executive Administration Services	2320	266,821		266,821	273,075		273,075
2. Special Area Administration Services	2330	0		0			0
3. Other Support Services - School Administration	2490	0		0			0
4. Direction of Business Support Services	2510	0	0	0			0
5. Internal Services	2570	0		0			0
6. Direction of Central Support Services	2610	0		0			0
7. Deduct - Early Retirement or other pension obligations required by state law and included above.				0			0
8. Totals		266,821	0	266,821	273,075	0	273,075
9. Percent Increase (Decrease) for FY2019 (Budgeted) over FY2018 (Actual)							2%

CERTIFICATION

I certify that the amounts shown above as "Actual Expenditures, Fiscal Year 2018" agree with the amounts on the district's Annual Financial Report for Fiscal Year 2018.
 I also certify that the amounts shown above as "Budgeted Expenditures, Fiscal Year 2019" agree with the amounts on the budget adopted by the Board of Education.

Signature of Superintendent

Date

Contact Name (for questions)

Contact Telephone Number

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

- The District is ranked by ISBE in the lowest 25th percentile of like districts in administrative expenditures per student (4th quartile) and will waive the limitation by board action, subsequent to a public hearing. Waiver resolution must be adopted no later than June 30.
- The district is unable to waive the limitation by board action and will be requesting a waiver from the General Assembly pursuant to the procedures in Chapter 105 ILCS 5/2-3.25g. Waiver applications must be postmarked by August 15, 2018 to ensure inclusion in the Fall 2018 report or postmarked by January 15, 2019 to ensure inclusion in the Spring 2019 report. Information on the waiver process can be found at <https://www.isbe.net/Pages/Waivers.aspx>
- The district will amend their budget to become in compliance with the limitation. Budget amendments must be adopted no later than June 30.

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

Account	Page	Fund	Line #	Description	Amount
1999	11	ED	107	Julia Hull Library	\$ 47,209
				E-rate	17,992
				Pepsi Reimbursement	2,187
				CLIC Insurance Refund	2,541
				Snack Reimbursement	3,028
				Substitute Teacher Reimbursement	8,712
				Misc. Refunds/Revenues	7,439
				Jury Duty	1,229
				IASBO P-Card Rebate	1,224
				Life Touch Reimbursement	1,252
				Retirement Dinner	1,632
					<u>\$ 94,445</u>
1999	11	O&M	107	Julia Hull Library	\$ 10,601
				Grainger Reimbursement	1,009
				Otis Reimbursement	1,008
				Misc. Revenue	2,152
					<u>\$ 14,770</u>
1999	11	Trans.	107	Pre-K Transportation	\$ 10,000
				Misc. Reimbursement	266
					<u>\$ 10,266</u>
1999	11	IMRF/SS	107	Julia Hull Library	\$ 562
1999	11	FP&S	107	Misc. Revenue	\$ 33
3999	12	ED	171	State Library Grant	\$ 2,351
2900	16	ED	63	Other Support Services	\$ 4,001
4190	16	ED	83	Regional Office of Education	\$ 20,250
5400	18	DS	171	Bond admin fees	\$ 449

Reference Pages.

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

[Please insert files above]

Instructions to insert word doc or pdf files:

Choose: Insert - Select: Object - Select Create New tab - Select file type Adobe Acrobat or Microsoft Word Document - Select Create from File tab - Select Browse - Select file that you want to embed - Check Display as icon - Select OK.

Note: If you have trouble inserting pdf files, submit as a separate attachments and they will be inserted for you.



BENNING GROUP, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report on Annual Financial Report

Board of Education
Meridian Community Unit School District No. 223
Ogle County, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of Meridian Community Unit School District No. 223, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's financial statements as listed in the table of contents of this Annual Financial Report form.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 of material misstatement.

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

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Freeport, Illinois 61032
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Fax (815) 316-2389

1809 10th Street
Monroe, Wisconsin 53566
(608) 325-5035
Fax (608) 328-2843

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

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

As described more fully in Note 1, the financial statements are prepared by Meridian Community Unit School District No. 223 with the financial reporting practices prescribed or permitted by the Illinois State Board of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Illinois State Board of Education. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Meridian Community Unit School District No. 223, as of June 30, 2018, or the changes in its financial position for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets and liabilities arising from cash transactions of Meridian Community Unit School District No. 223 as of June 30, 2018, and the revenues it received and expenditures it paid, and budgetary results for the year then ended, in accordance with the financial reporting provisions of the Illinois State Board of Education as described in Note 1.

Other Matters

Supplemental Schedules and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements taken as a whole. The information provided on pages 2 through 4, supplementary schedules on pages 23 through 25, statistical section on pages 26 through 30 and the itemization schedule on page 33, the Schedule of the Employer’s Proportionate Share of Net Pension Liability and Schedule of Employer Contributions of the Teachers Retirement System of the State of Illinois, the Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Contributions of the Illinois Municipal Retirement Fund and Schedules for Trust and Agency Funds are presented for purposes of additional analysis and is not a required part of the financial statements of Meridian Community Unit School District No. 223. Such information, except for the average daily attendance figure, included in the computation of operating expense per pupil on page 27 and per capita tuition charges on page 28, the Schedule of the Employer’s Proportionate Share of Net Pension Liability and Schedule of Employer Contributions of the Teachers Retirement System of the State of Illinois, and the Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Contributions of the Illinois Municipal Retirement Fund is the responsibility of management and has been derived from and

relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

The information on pages 27-30 is propagated from information in the audited financial statements, but we take no responsibility for the accuracy of those calculations. The Report on Shared Services or Outsourcing on page 31 contains unaudited information concerning prior, current and future year expenditures which was provided by the District. The Administrative Cost Worksheet on page 32 contains unaudited information concerning the fiscal year 2019 budget which was provided by the District. The actual expenditure information on page 32 is fairly stated in all material respects in relation to the financial statements taken as a whole.

The average daily attendance figure, included in the computation of operating expense per pupil on page 27 and per capita tuition charges on page 28, and the Schedule of the Employer's Proportionate Share of Net Pension Liability and Schedule of Employer Contributions of the Teachers Retirement System of the State of Illinois, and the Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Contributions of the Illinois Municipal Retirement Fund have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

The Table of Contents references a Federal Compliance Section on pages 37-46; however this District was not required to have a Single Audit and this section has not been completed.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2018, on our consideration of Meridian Community Unit School District No. 223's internal control over financial reporting and our tests of its compliance with certain provision of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of Meridian Community Unit School District No. 223's 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 Meridian Community Unit School District No. 223's internal control over financial reporting and compliance.



Freeport, Illinois
October 15, 2018



BENNING GROUP, LLC

CERTIFIED PUBLIC ACCOUNTANTS

www.BenningGroup.com

Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Board of Education
Meridian Community Unit School District No. 223
Ogle County, Illinois

We have audited, 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, the financial statements of Meridian Community Unit School District No. 223 as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Meridian Community Unit School District No. 223's financial statements, and have issued our report thereon dated October 15, 2018. Our opinion was adverse because the financial statements are not prepared in accordance with generally accepted accounting principles. However, the financial statements were found to be fairly stated, on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles, in accordance with regulatory reporting requirements established by the Illinois State Board of Education.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Meridian Community Unit School District No. 223's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described below, that we consider to be material weaknesses.

50 W. Douglas Street, Suite 801
Freeport, Illinois 61032
(815) 235-3157
Fax (815) 235-3158

6815 Weaver Road, Suite 300
Rockford, Illinois 61114
(815) 316-2375
Fax (815) 316-2389

1809 10th Street
Monroe, Wisconsin 53566
(608) 325-5035
Fax (608) 328-2843

Financial Reporting & Material Adjustments

The District lacks adequate procedures over financial reporting related to reconciling balance sheet accounts, particularly payroll liability accounts, and identifying and recording necessary adjustments throughout the year and during the year end reporting process, which in turn required several material adjusting journal entries. These adjustments, including an adjustment to fund balance, were required to properly report the District's financial activity and reconcile balances to prior year audited financial statements.

Management's response:

Management will record all journal entries provided by the auditors and refrain from posting any adjustments directly to fund balance, as well as periodically review and reconcile payroll liability accounts and other general ledger accounts to identify possible misclassifications and proper recording of transactions.

We also noted certain other matters involving the internal control over financial reporting that we reported to management of Meridian Community Unit School District No. 223 in a separate letter dated October 15, 2018.

Compliance and Other Matters

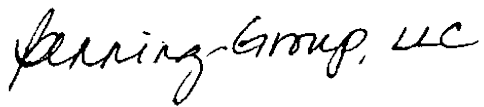
As part of obtaining reasonable assurance about whether Meridian Community Unit School District No. 223's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we reported to management of Meridian Community Unit School District No. 223 in a separate letter dated October 15, 2018.

District's Response to Findings

Meridian Community Unit School District No. 223's response to the findings identified in our audit is described previously. Meridian Community Unit School District No. 223's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

A handwritten signature in black ink that reads "Penning Group, LLC". The signature is written in a cursive, flowing style.

Freeport, Illinois
October 15, 2018

Notes to Financial Statements

June 30, 2018

(1) Summary of Significant Accounting Policies

The District's accounting policies conform to the cash basis of accounting, as defined by the Illinois State Board of Education.

(a) Principles Used to Determine the Scope of the Reporting Entity

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

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

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

(b) Basis of Presentation – Fund Accounting

These financial statements comply with the regulatory basis of reporting as prescribed by the Illinois State Board of Education.

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

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Notes to Financial Statements

Governmental Funds

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

Educational Fund – This fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Operations and Maintenance Fund – This fund is also a general operating fund used to account for costs of maintaining school buildings.

Debt Service Fund – This fund is a debt retirement fund. Resources of this fund are used to retire principal and interest maturities of outstanding bond obligations and other long-term debt instruments.

Transportation Fund – This fund is a special revenue fund used to account for the costs of transporting pupils to and from school and school activities.

Municipal Retirement/Social Security Fund – This fund is a special revenue fund used to pay the District's share of municipal retirement benefits for covered employees. The District's share of Social Security and Medicare-only is also paid from this fund.

Capital Projects Fund – Proceeds of construction bond issues, the capital improvement tax levy, and if applicable, school facility occupation tax proceeds are accounted for in this fund.

Working Cash Fund – The resources of this fund are held by the District to be used for temporary interfund loans to any fund of the District for which taxes are levied.

Tort Fund – This fund is a special revenue fund used to account for tort immunity or tort judgment purposes.

Fire Prevention and Safety Fund – Proceeds of fire prevention and safety bond issues and tax levy are accounted for in this fund.

Fiduciary Funds

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

Agency Funds – Agency funds include Student Activity Funds. Student Activity Funds are those that are owned, operated and managed generally for educational, recreational

Notes to Financial Statements

and cultural purposes by the student body under the guidance and direction of adults or a staff member. Although the Board of Education has the ultimate responsibility for Student Activity Funds, they are not local education funds.

Governmental Funds – Measurement Focus

The financial statements of all governmental funds focus on the measurement of spending or "financial flow" and the determination of changes in financial position rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (cash receipts and other financing sources) and decreases (cash disbursements and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

General Fixed Assets and General Long-Term Debt Account Groups

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

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

(c) Basis of Accounting

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

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

Notes to Financial Statements

Proceeds from sales of bonds are included as other financing sources in the appropriate fund on the date received. Related bond principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group.

(d) Budgets and Budgetary Accounting

The budget for all Governmental Fund Types is prepared on the cash basis of accounting which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with 105 ILCS 5/17-1. The original budget was passed on September 7, 2017 with an amended budget passed on June 7, 2018. The budget lapses at the end of each fiscal year.

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

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

(e) Cash

The District considers cash on hand, cash on deposit with banks and other institutions, certificates of deposit, money market accounts, and repurchase agreements to be cash for financial statement purposes.

(f) Investments

All investments are reported at fair value. The District has adopted a formal written investment policy. The institutions in which investments are made must be approved by the Board of Education.

Notes to Financial Statements

(g) *Commingled Accounts*

The District uses common bank accounts to hold the monies of more than one fund. Interest earned on these common accounts is credited to each participating fund based on its approximate share of the account prior to the payment of interest.

(h) *General Fixed Assets*

General fixed assets with expected useful lives that exceed one year and cost more than \$500, are recorded as expenditures paid in the Governmental or Activity Funds and capitalized at cost in the general fixed assets account group. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated general fixed assets are stated at estimated fair market value as of the date of acquisition. Depreciation accounting is not considered applicable (except to determine the per capita tuition charge).

Depreciation is computed using the straight line method over estimated lives ranging from three to fifty years. Estimated lives are determined based on the policies prescribed by the Illinois State Board of Education.

(2) *Property Taxes*

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The levy was passed by the board on November 2, 2017. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on approximately June 1 and September 1. The District receives significant distributions of tax receipts during June, July, August, September, October, and November. Taxes recorded in these financial statements are from the 2017, 2016, and prior tax levies.

The following are the tax rate limits permitted by the *Illinois Compiled Statutes* and by local referendum and the actual rates levied per \$100 of assessed valuation:

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Notes to Financial Statements

	- 2017 Levy Year -		- 2016 Levy Year -	
	Limit	Actual	Limit	Actual
Educational	3.4800	3.4800	3.4800	3.4800
Special education	0.0400	0.0400	0.0400	0.0400
Oper. & maint.	0.5000	0.5000	0.5000	0.5000
Debt Service	As needed	1.0589	As needed	1.0896
Transportation	0.2000	0.2000	0.2000	0.2000
Municipal retirement	As needed	0.0691	As needed	0.0718
Social security	As needed	0.1767	As needed	0.1837
Working cash	0.0500	0.0500	0.0500	0.0500
Tort immunity	As needed	0.3043	As needed	0.3164
Facilities leasing	0.0500	0.0500	0.0500	0.0500
Fire prevention and safety	0.0500	0.0500	0.0500	0.0500
		<u>5.9790</u>		<u>6.0315</u>

(3) Cash Deposits and Investments

The District is allowed to invest in securities as authorized by the Illinois Public Funds Investment Act - 30 ILCS 235/2 and 6; and the Illinois School Code - 105 ILCS 5/8-7.

Cash and investments as of June 30, 2018 are classified in the accompanying financial statements as follows:

Statement of Assets and Liabilities Arising from Cash Transactions

Cash	\$ 13,378,392
Investments	<u>1,018,875</u>
Total cash and investments	<u>\$ 14,397,267</u>

Cash and investments as of June 30, 2018 consist of the following:

Cash on hand	\$ -
Deposits with financial institutions	
District	13,176,861
Agency	201,531
Investments	
District	1,018,875
Agency	-
Total cash and investments	<u>\$ 14,397,267</u>

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Notes to Financial Statements

Deposits – custodial credit risk

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

Safekeeping and custody arrangements

The preferred method of safekeeping is to have pledged securities registered in the District’s name and held by a third-party custodian. Safekeeping practices should qualify for the Governmental Accounting Standards Board (GASB) Statement No. 3 Deposits with Financial Institution, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements, Category I, the highest recognized safekeeping procedures.

As of June 30, 2018, \$13,133,574 of the District’s bank balance of \$13,384,574, were exposed to custodial credit risk as follows:

Uninsured and collateralized by securities held by the pledging financial institution	<u>\$ 13,133,574</u>
--	----------------------

Investments

As of June 30, 2018, the District had the following investments:

<u>Investment</u>	<u>Fair Value</u>
Illinois Funds Money Market Fund	\$ 1,017,621

The Illinois Funds Money Market Fund (formerly known as IPTIP) is a money market fund created in 1975 by the Illinois General Assembly. Its primary purpose is to provide the Public Treasurer and other custodians of public funds with an alternative investment vehicle which enable them to earn a competitive rate of return of fully collateralized investments, while maintaining immediate access to invested funds. The monies invested by the individual participants are pooled together and invested in U.S. Treasury bills and notes backed by full faith and credit of the U.S. Treasury. In addition, monies are invested in fully collateralized time deposits in Illinois financial institutions, in collateralized repurchase agreements, and in treasury mutual funds that invest in U.S. Treasury obligations and collateralized repurchase agreements. Investments in Illinois Funds Money Market Fund are valued at the funds share price which is equivalent to fair market value.

Notes to Financial Statements

Interest rate risk

In accordance with its investment policy, the District limits its exposure to interest rate risk, by structuring its portfolio to provide sufficient liquidity to pay District obligations as they come due.

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. The District's investment policy seeks to minimize credit risk by requiring investment in securities allowed under the investment policy. The Illinois Funds is rated AAAM by Standard & Poor's at June 30, 2018.

Custodial credit risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to indirect investments in securities through the use of mutual funds or governmental investment pools such as Illinois Funds.

Concentration of credit risk

No investment in any one issuer, other than U.S. Treasury securities, mutual funds, and Illinois Funds, represent 5% or more of the District's total investments.

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Notes to Financial Statements

(4) Changes in General Fixed Assets & Depreciation

Under the regulatory basis of accounting, assets and depreciation are not recorded and therefore the financial statements do not reflect the amounts below.

Assets at Cost

	Balance <u>7/1/17</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6/30/18</u>	Life in <u>Years</u>
Land	\$ 2,569,982	\$ -	\$ -	\$ 2,569,982	0
Buildings and improvements	33,933,389	203,500	-	34,136,889	50
Land improvements	1,100,264	31,459	-	1,131,723	20
Other equipment	2,944,560	741,401	301,103	3,384,858	10
Transportation equipment	118,622	-	-	118,622	20
Food service equipment	115,998	-	-	115,998	10
Total general fixed assets	<u>\$ 40,782,815</u>	<u>\$ 976,360</u>	<u>\$ 301,103</u>	<u>\$ 41,458,072</u>	

Accumulated Depreciation

	Balance <u>7/1/17</u>	Depreciation <u>for Year</u>	<u>Deletions</u>	Balance <u>6/30/18</u>	Undepreciated Cost <u>6/30/18</u>
Land	\$ -	\$ -	\$ -	\$ -	\$ 2,569,982
Buildings and improvements	10,944,635	639,350	-	11,583,985	22,552,904
Land improvements	754,777	42,086	-	796,863	334,860
Other equipment	1,561,635	272,815	301,103	1,533,347	1,851,511
Transportation equipment	95,109	1,308	-	96,417	22,205
Food service equipment	42,215	11,600	-	53,815	62,183
Total general fixed assets	<u>\$ 13,398,371</u>	<u>\$ 967,159</u>	<u>\$ 301,103</u>	<u>\$14,064,427</u>	<u>\$ 27,393,645</u>

Notes to Financial Statements

(5) Employee Pensions and Other Benefit Plans

The District participates in multiple retirement plans to provide retirement benefits to its employees. For the year ended June 30, 2018, the District recorded a total of \$1,190,341 in payments to the various retirement plans as detailed below.

It should be noted that actuarial accrued liabilities, deferred inflows of resources and deferred out flows of resources are not recorded in the financial statements since the District uses the regulatory basis of accounting as prescribed or permitted by the Illinois State Board of Education as described in Note 1.

(a) *Teachers' Retirement System of the State of Illinois*

Plan description

The employer 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 <https://www.trsil.org/financial/cafrs/fy2017> by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits provided

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

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

Notes to Financial Statements

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 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 employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2018, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer. For the year ended June 30, 2018, the District reported expenditures of \$679,892 for this contribution.

- ***On behalf contributions to TRS.***

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2017, state of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$756,941 in pension contributions from the state of Illinois.

- ***2.2 formula contributions.***

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2018, were \$43,500, and are deferred because they were paid after the June 30, 2017 measurement date.

Notes to Financial Statements

- ***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 employer pension contribution was 10.10 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2018, salaries totaling \$94,710 were paid from federal and special trust funds that required employer contributions of \$9,566. 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 an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the program that ended on June 30, 2016 is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2018, the employer paid \$0 to TRS for employer ERO contributions for retirements that occurred before July 1, 2016.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2018, the employer paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

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

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

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Notes to Financial Statements

support, and the total portion of the net pension liability that was associated with the employer were as follows:

Employer's proportionate share of the net pension liability	\$ 1,512,485
State's proportionate share of the net pension liability associated with the employer	<u>52,302,135</u>
Total	<u><u>\$ 53,814,620</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 employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2017, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2017, the employer's proportion was .0019797405 percent, which was an increase of .0006820696 from its proportion measured as of June 30, 2016.

At June 30, 2018, the employer had 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	\$ 16,427	\$ 698
Net difference between projected and actual earnings on pension plan investments	1,038	-
Changes of assumptions	100,948	43,462
Changes in proportion and differences between employer contributions and proportionate share of contributions	719,702	911,774
Employer contributions subsequent to the measurement date	-	-
Total	<u><u>\$ 838,115</u></u>	<u><u>\$ 955,934</u></u>

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Notes to Financial Statements

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

Year ended June 30,

2019	\$ (109,501)
2020	49,127
2021	(103,012)
2022	33,883
2023	11,684

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

Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully-generational basis using projection table MP-2014. The same assumptions were used in the June 30, 2016 actuarial valuation.

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:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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	100%	

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, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS’s fiduciary net position at June 30, 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. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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 because TRS’s fiduciary net position and the subsidy provided by Tier II were not sufficient to cover all projected benefit payments.

Sensitivity of the employer’s proportionate share of the net pension liability to changes in the discount rate

The following presents the employer’s proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the employer’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate.

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Notes to Financial Statements

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net pension liability	\$ 1,858,285	\$ 1,512,485	\$ 1,229,246

TRS fiduciary net position

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*.

(b) Illinois Municipal Retirement Fund 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 of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That report may be obtained online 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 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

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of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

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

Employees Covered by Benefit Terms. As of December 31, 2016, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	99
Inactive plan members entitled to but not yet receiving benefits	121
Active members	82
Total	302

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 employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District’s annual contribution rate for calendar year 2017 was 10.14%. For the fiscal year ended June 30, 2018, the District contributed \$186,106 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability. The District’s net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The following are the methods and assumptions used to determine total pension liability at December 31, 2017:

- The actuarial cost method used was Entry Age Normal.
- The asset valuation method used was Market Value of Assets.
- The inflation rate was assumed to be 2.50%.
- Salary increases were expected to be 3.39% to 14.25%, including inflation.
- The investment rate of return was assumed to be 7.50%.
- Projected retirement age was from the Experience-based table of rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.

Notes to Financial Statements

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	6.85%
International Equity	18%	6.75%
Fixed Income	28%	3.00%
Real Estate	9%	5.75%
Alternative Investments	7%	2.65-7.35%
Cash Equivalents	1%	2.25%
	<u>100%</u>	

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

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

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For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%.

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) Liability (A) - (B)
Balances at December 31, 2016	\$10,401,788	\$ 9,574,285	\$ 827,503
Changes for the year:			
Service cost	194,711	-	194,711
Interest on the total pension liability	766,453	-	766,453
Changes of benefit terms	-	-	-
Difference between expected and actual experience of the total pension liability	(81,883)	-	(81,883)
Changes of assumptions	(309,727)	-	(309,727)
Contributions - employer	-	167,584	(167,584)
Contributions - employee	-	74,652	(74,652)
Net investment income	-	1,727,093	(1,727,093)
Benefit payments, including refunds of employee contributions	(559,536)	(559,536)	-
Other (net transfer)	-	(212,512)	212,512
Net changes	10,018	1,197,281	(1,187,263)
Balances at December 31, 2017	\$ 10,411,806	\$ 10,771,566	\$ (359,760)

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

	Single Discount Rate Assumption		
	1% Decrease 6.50%	Current 7.50%	1% Increase 8.50%
Total pension liability	\$ 11,575,197	\$ 10,411,806	\$ 9,466,240
Plan fiduciary net position	10,771,566	10,771,566	10,771,566
Net pension (asset) liability	\$ 803,631	\$ (359,760)	\$ (1,305,326)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. Pension expense as reflected in the financial statements for the fiscal year ended June 30, 2018 was \$186,106. At December 31, 2017, the District had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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Notes to Financial Statements

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred amounts to be recognized in pension expense in future periods:		
Difference between expected and actual experience	\$ 51,083	\$ 48,634
Changes of assumptions	-	186,350
Net difference between projected and actual earnings on pension plan investments	314,458	823,112
Total deferred amounts to be recognized in pension expense in future periods	<u>365,541</u>	<u>1,058,096</u>
Pension contributions made subsequent to the measurement date	-	-
Total deferred amounts related to pensions	<u><u>\$ 365,541</u></u>	<u><u>\$ 1,058,096</u></u>

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

<u>Year Ending December 31</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2018	\$ (151,951)
2019	(140,009)
2020	(194,817)
2021	(205,778)
2022	-
	<u><u>\$ (692,555)</u></u>

(c) Aggregate Information

Since the District participates in more than one retirement plan, GASB 68 requires disclosure of the following, which aggregates selected information from the Teachers' Retirement System and the Illinois Municipal Retirement Fund.

	<u>TRS</u>	<u>IMRF</u>	<u>Total</u>
Net Pension Liabilities	\$ 1,512,485	\$ -	\$ 1,512,485
Net Pension Assets	-	359,760	359,760
Deferred Outflows of Resources	838,115	365,541	1,203,656
Deferred Inflows of Resources	955,934	1,058,096	2,014,030
Pension expenditures for the year ended June 30, 2018	732,958	186,106	919,064

Notes to Financial Statements

(d) Social Security

Employees not qualifying for coverage under the Teachers' Retirement System of the State of Illinois or the Illinois Municipal Retirement Fund are considered "non-participating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The District paid \$141,388, the total required contribution for the current fiscal year.

(e) Medicare

All employees, except certificated personnel hired prior to April 1, 1986, are covered under the Basic Hospital Insurance Plan provision of the medicare health insurance program. The District paid \$129,889, the total required contribution for the current fiscal year.

(6) Fund Balance Reporting

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

(a) Nonspendable Fund Balance

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

(b) Restricted Fund Balance

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

Notes to Financial Statements

1. Special Education
Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Educational Fund. At June 30, 2018 expenditures disbursed exceeded revenues received for this purpose, resulting in no restricted fund balance.
2. Leasing Levy
Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Educational Fund. At June 30, 2018, expenditures disbursed exceeded revenues received for this purpose, resulting in no restricted fund balance.
3. State Grants
Proceeds from state grants and the related expenditures have been included in the Educational, Transportation, and Municipal Retirement/Social Security Funds. At June 30, 2018, expenditures disbursed exceeded revenues received for this purpose, resulting in no restricted fund balance.
4. Federal Grants
Proceeds from federal grants and the related expenditures have been included in the Educational, Transportation, and Municipal Retirement/Social Security Funds. At June 30, 2018, expenditures disbursed from federal grants exceeded revenues received for these purposes in the Educational Fund, resulting in no restricted fund balance.
5. IMRF/Social Security
Cash disbursed and the related cash receipts of these restricted tax levies are accounted for in the Municipal Retirement/Social Security Fund. Revenue received exceeded expenditures disbursed for these purposes, resulting in a restricted fund balance of \$383,625. For purposes of Regulatory reporting, the Social Security portion of the fund balance, \$98,557, will be classified as Reserved, and the Municipal Retirement portion of the fund balance, \$285,068, will be classified as Unreserved.

(c) Committed Fund Balance

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

Notes to Financial Statements

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

Employee contracts for services rendered during the school year for employees electing twelve month pay schedules are recorded as disbursements in the fiscal year when such checks are drawn. At June 30, 2018, the total amount of unpaid contracts for services performed during the fiscal year ended June 30, 2018 amounted to \$655,906. This amount is shown as Unreserved in the Educational Fund.

(d) Assigned Fund Balance

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

The District budgets property tax revenue based on the tax levy approved by the Board the previous December. For the fiscal year ending June 30, 2019, the District budgets property tax revenue based on the 2017 tax levy of which \$5,139,036 was received by the District prior to June 30, 2018 and is therefore included as revenue under the cash method of accounting in this fiscal year. Under the assigned fund balance definition, \$3,395,370 received in the Educational, Operations and Maintenance and Working Cash funds is assigned fund balance in these funds as shown below and is shown as Unreserved in the financial statements.

(e) Unassigned Fund Balance

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

(f) Regulatory – Fund Balance Definitions

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

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Notes to Financial Statements

(g) Reconciliation of Fund Balance Reporting

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

Fund	Generally Accepted Accounting Principles					Regulatory Basis	
	Non- spendable	Restricted	Committed	Assigned	Unassigned	Financial Statements- Reserved	Financial Statements- Unreserved
Educational	-	-	655,906	2,987,301	5,886,265	-	9,529,472
Operations & Maintenance	-	-	-	342,365	-	-	342,365
Debt Service	-	1,025,601	-	-	-	-	1,025,601
Transportation	-	1,742,914	-	-	-	-	1,742,914
Municipal							
Retirement	-	383,625	-	-	-	98,557	285,068
Capital Projects	-	112,535	-	-	-	-	112,535
Working Cash	-	-	-	42,921	468,125	-	511,046
Tort Liability	-	387,584	-	-	-	-	387,584
Fire Prevention and Safety	-	151,521	-	-	-	-	151,521

(h) Expenditures of Fund Balance

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

(7) Long-Term Debt

As of June 30, 2018, the District had long-term debt outstanding in the amount of \$14,615,683. The long-term debt is reported in the General Long-Term Debt Group and consists of the following.

Bonded Indebtedness

Bonded indebtedness current requirements for principal and interest expenditures are payable from future revenues of the Debt Service Fund. The revenues consist principally of property taxes collected by the District and interest earnings.

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Notes to Financial Statements

Bonded indebtedness consists of the following:

Capital Appreciation School Bonds, Series 2000

These bonds were issued in increments of \$5,000 with various maturity dates and interest is payable only at maturity. Formerly, accretion of interest was calculated annually and shown as an increase in the principal balance at the time of accretion. Due to the issuance of Series 2016 bonds and subsequent pay down of the Series 2000 and 2002 bonds, accretion will be recorded as interest expense when paid after June 30, 2016.

Original Issue \$9,650,000
 Interest Rate 6.19 to 6.62%
 Issue Date June 15, 2000
 Interest Date December 1

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,013,303	\$ 191,697	\$ 1,205,000
2020	956,549	258,451	1,215,000
	<u>\$ 1,969,852</u>	<u>\$ 450,148</u>	<u>\$ 2,420,000</u>

Capital Appreciation School Bonds, Series 2002

Original Issue \$2,060,000
 Interest Rate 5.95% Average coupon
 Issue Date August 27, 2002
 Interest Date June 1 and December 1

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 130,773	\$ 19,227	\$ 150,000
2020	127,910	27,090	155,000
2021	1,092,576	297,424	1,390,000
2022	199,572	70,428	270,000
	<u>\$ 1,550,831</u>	<u>\$ 414,169</u>	<u>\$ 1,965,000</u>

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General Obligation School Bonds, Series 2016A

Original Issue	\$11,095,000
Interest Rate	3.89% Average coupon
Issue Date	March 20, 2016
Interest Date	June 1 and December 1

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ -	\$ 454,619	\$ 454,619
2020	-	454,619	454,619
2021	-	454,619	454,619
2022	1,170,000	425,369	1,595,369
2023	1,285,000	363,994	1,648,994
2024	1,350,000	298,119	1,648,119
2025	1,420,000	228,868	1,648,868
2026	1,485,000	163,668	1,648,668
2027	1,205,000	115,894	1,320,894
2028	1,245,000	79,144	1,324,144
2029	1,280,000	40,469	1,320,469
2030	655,000	10,234	665,234
	<u>\$ 11,095,000</u>	<u>\$ 3,089,616</u>	<u>\$ 14,184,616</u>

General Obligation School Bonds, Series 2016B

Original Issue	\$650,000
Interest Rate	2.00% Average coupon
Issue Date	March 20, 2016
Interest Date	June 1 and December 1

The District made the final payment consisting of \$650,000 of principal and \$6,500 of interest during the fiscal year ended June 30, 2018.

Long-term liability activity for the year ended June 30, 2018 was as follows:

	Balance <u>7/1/2017</u>	<u>Issued</u>	<u>Retired</u>	Balance <u>6/30/2018</u>
General obligation bonds	<u>\$ 15,879,203</u>	<u>\$ -</u>	<u>\$ 1,263,520</u>	<u>\$ 14,615,683</u>

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Notes to Financial Statements

Future cash flow requirements of the District for retirement of principal and interest by fiscal year follow:

Total Long-Term Debt

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,144,076	\$ 665,543	\$ 1,809,619
2020	1,084,459	740,160	1,824,619
2021	1,092,576	752,043	1,844,619
2022	1,369,572	495,797	1,865,369
2023	1,285,000	363,994	1,648,994
2024	1,350,000	298,119	1,648,119
2025	1,420,000	228,868	1,648,868
2026	1,485,000	163,668	1,648,668
2027	1,205,000	115,894	1,320,894
2028	1,245,000	79,144	1,324,144
2029	1,280,000	40,469	1,320,469
2030	655,000	10,234	665,234
	<u>\$ 14,615,683</u>	<u>\$ 3,953,933</u>	<u>\$ 18,569,616</u>

(8) Legal Debt Margin

2017 Equalized assessed valuation	<u>\$ 171,066,157</u>
Statutory debt limitation 13.8% of 2017 equalized assessed valuation	\$ 23,607,130
Less total indebtedness	<u>14,615,683</u>
Legal Debt Margin	<u>\$ 8,991,447</u>

(9) Interfund Loans

There were no interfund loans made or repaid during the fiscal year ended June 30, 2018.

(10) Interfund Transfers

The District made no interfund transfers during the fiscal year ended June 30, 2018.

Notes to Financial Statements

(11) Overexpenditure of Budget

The District overexpended its budget in the following funds during the fiscal year ended June 30, 2018.

<u>Fund</u>	<u>Expenditures</u>	<u>Budget</u>
Debt Service Fund	\$ 1,791,567	\$ 1,791,119
Transportation Fund	\$ 1,542,358	\$ 1,088,915

All other funds were operated within the legal confines of their budgets during the fiscal year ended June 30, 2018.

(12) Joint Agreements

The District is a member of Ogle County Educational Cooperative Joint Agreement located at 417 N. Colfax, Box 52, Byron, IL 61010, along with other area school districts to provide special education services. The District pays tuition to the Cooperative based upon the Cooperative's budgeted expenditures and the District's special education enrollment. The District made payments to the Ogle County Educational Cooperative during fiscal year 2018 in the amount of \$516,922.

The District also has entered into an operating agreement with the Julia Hull District Library which is located on the Stillman Valley High School Campus. The Library reimburses the District for the cost of certain librarian and aides salaries and benefits and other operating costs. During the year ended June 30, 2018, the District received \$58,370 from the Library.

The District is also a member of Career Education Associates of North Central Illinois (CEANCI) located at 4151 Samuelson Road, Rockford, Illinois, 61109. CEANCI provides technical education services and receives state grants and reallocates to member districts. During the year ended June 30, 2018, the District paid CEANCI \$18,292 for technical education services and received \$14,071 from CEANCI for salary reimbursements and CTEI flow-through funding allocations.

The District's pupils benefit from programs administered under these joint agreements, and the District benefits from jointly administered grants and programming. The District does not have any equity interest in these joint agreements. The joint agreements are separately audited and are not included in these financial statements. Financial information about the joint agreements can be obtained by contacting them at the addresses given above.

Notes to Financial Statements

(13) Other Postemployment Benefits (OPEB)

(a) *Teacher Health Insurance Security (THIS) Fund*

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

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 percent of the percentage of salary actually required to be paid in the previous fiscal year.

- ***On behalf contributions to the THIS Fund***

The state of Illinois makes employer retiree health insurance contributions on behalf of the employer. State contributions are intended to match contributions to the THIS Fund from active members which were 1.18 percent of pay during the year ended June 30, 2018. State of Illinois contributions were \$89,552 and the employer recognized revenue and expenditures of this amount during the year.

- ***Employer contributions to the THIS Fund***

The employer also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.88 percent during the year ended June 30, 2018. For the year ended June 30, 2018, the employer paid \$66,785 to the THIS Fund, which was 100 percent of the required contribution.

Notes to Financial Statements

Further information on the THIS Fund

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

(b) Non-certified employees

The District has evaluated its potential liability for other postemployment benefits. The District provides continued health insurance coverage at the active employer rate to all IMRF eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the District are required to pay 100% of the current premium. For the year ended June 30, 2018, five former employees have chosen to stay in the District’s health insurance plan. Because this would result in an immaterial implicit subsidy, the District has chosen not to calculate this implicit subsidy in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

Additionally, the District has no former employees for whom the District is providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the District has not recorded any postemployment benefit liability as of June 30, 2018.

(14) Risk Management

The District is exposed to various risks of loss related to torts; damage to, and theft or destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance for all major programs except for workers’ compensation for which the District participates in the Illinois Association of School Board Workers’ Compensation Self Insurance Trust. Estimated payments are made annually to the Trust to cover claims, however, additional assessments could be required if the Trust reflects a deficit. For all insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

(15) Operating Leases

Bus Leases

The District entered into a lease agreement for seven 77-passenger school buses in August 2014 for a term of four years. The principal amount of the lease is \$552,706 and requires three annual payments of \$84,389 beginning August 15, 2014 and a final payment of \$341,362. The District made no lease payments during the current fiscal year exercising a buy-back option and returned the buses to the lessor.

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Notes to Financial Statements

The District entered into a lease agreement for twelve 77-passenger school buses in April 2015 for a term of four years. The principal amount of the lease is \$948,612 and requires three annual payments of \$142,231 beginning July 30, 2015 and a final payment of \$599,833. The District made payments of \$142,231 during the fiscal year. The District does not intend to make the final lease payment and will return the buses to the lessor.

The future lease payments are as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	<u>\$ 578,956</u>	<u>\$ 20,877</u>	<u>\$ 599,833</u>

The District entered into a lease agreement for one Micro Bird bus with a lift in July 2016 for a term of four years. The principal amount of the lease is \$63,424 and requires three annual payments of \$12,137 beginning July 7, 2016 and on August 25th of each of the two subsequent years with a final payment of \$31,677 on August 25, 2019. The District made payments of \$24,274 during the fiscal year, including an advance payment of \$12,137 intended to be paid in the fiscal year ending June 30, 2019. The District does not intend to make the final lease payment and will return the buses to the lessor.

The future lease payments are as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ -	\$ -	\$ -
2020	<u>30,519</u>	<u>1,158</u>	<u>31,677</u>
	<u>\$ 30,519</u>	<u>\$ 1,158</u>	<u>\$ 31,677</u>

The District entered into a lease agreement for one 25-passenger bus in October 2016 for a term of four years. The principal amount of the lease is \$54,420 and requires three annual payments of \$10,336, with the first being made at closing, and on November 28th of each of the next two years. The final payment of \$27,500 is due on November 28, 2019. The District made payments of \$10,336 during the fiscal year. The District does not intend to make the final lease payment and will return the buses to the lessor.

The future lease payments are as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 8,969	\$ 1,367	\$ 10,336
2020	<u>26,479</u>	<u>1,021</u>	<u>27,500</u>
	<u>\$ 35,448</u>	<u>\$ 2,388</u>	<u>\$ 37,836</u>

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Notes to Financial Statements

The District entered into a lease agreement for five 77-passenger buses, including one with a lift, in January 2017 for a term of four years. The principal amount of the lease is \$410,169 and requires three annual payments of \$67,097 beginning March 1, 2017 and each of the two subsequent years with a final payment of \$243,988 on March 1, 2020. The District made payments of \$67,097 during the fiscal year. The District does not intend to make the final lease payment and will return the buses to the lessor.

The future lease payments are as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 55,577	\$ 11,520	\$ 67,097
2020	234,674	9,314	243,988
	<u>\$ 290,251</u>	<u>\$ 20,834</u>	<u>\$ 311,085</u>

The District entered into a lease agreement for seven 77-passenger buses in January 2017 for a term of four years. The principal amount of the lease is \$564,697 and requires three annual payments of \$90,853 beginning July 15, 2017 and on the same date each of the two subsequent years with a final payment of \$340,848 on July 15, 2020. The District made payments of \$131,706 during the fiscal year, including an advance payment of \$90,853 intended to be paid in the fiscal year ending June 30, 2019. The District does not intend to make the final lease payment and will return the buses to the lessor.

The future lease payments are as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ -	\$ -	\$ -
2020	74,869	15,984	90,853
2021	327,836	13,012	340,848
	<u>\$ 402,705</u>	<u>\$ 28,996</u>	<u>\$ 431,701</u>

The District entered into a lease agreement for twelve 77-passenger buses in February 2018 for a term of four years. The principal amount of the lease is \$971,256 and requires three annual payments of \$155,748 beginning July 15, 2018 and on the same date each of the two subsequent years with a final payment of \$591,361 on July 15, 2021. The District made advance payments of \$311,496 during the fiscal year intended to be paid in the fiscal years ending June 30, 2019 and 2020. The District does not intend to make the final lease payment and will return the buses to the lessor.

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Notes to Financial Statements

The future lease payments are as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ -	\$ -	\$ -
2020	-	-	-
2021	127,082	28,666	155,748
2022	567,936	23,425	591,361
	<u>\$ 695,018</u>	<u>\$ 52,091</u>	<u>\$ 747,109</u>

The District entered into a lease agreement for two 14-passenger buses in February 2018 for a term of four years. The principal amount of the lease is \$115,070 and requires three annual payments of \$21,622 beginning July 15, 2018 and on the same date each of the two subsequent years with a final payment of \$59,747 on July 15, 2021. The District made an advance payment of \$21,622 intended to be paid in the fiscal year ending June 30, 2019. The District does not intend to make the final lease payment and will return the buses to the lessor.

The future lease payments are as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ -	\$ -	\$ -
2020	17,760	3,862	21,622
2021	18,492	3,130	21,622
2022	57,381	2,367	59,748
	<u>\$ 93,633</u>	<u>\$ 9,359</u>	<u>\$ 102,992</u>

These lease agreements are accounted for in the Transportation Fund.

(16) Contingencies

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

(17) Unemployment Compensation

The District is self-insured for unemployment compensation. The District is therefore liable to the state for any payments made to any of its former employees claiming benefits. For the year ended June 30, 2018, the District paid \$4,268 to the Illinois Department of Employment Security for unemployment compensation.

Notes to Financial Statements

(18) Subsequent Events

Subsequent events are events or transactions that occur after the balance sheet date but before financial statements are issued or are available to be issued. These events and transactions either provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing financial statements (that is, recognized subsequent events), or provide evidence about conditions that did not exist at the date of the balance sheet but arose after that date (that is, non-recognized subsequent events).

The District has evaluated subsequent events through October 15, 2018, which was the date that these financial statements were available for issuance, and determined that there were no significant non-recognized subsequent events through that date.

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Other Information (unaudited)

June 30, 2018

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

	<u>FY17*</u>	<u>FY16*</u>	<u>FY15*</u>	<u>FY14*</u>
Employer's proportion of the net pension liability	2.8%	1.9%	4.4%	2.1%
Employer's proportionate share of the net pension liability	\$ 1,512,485	\$ 1,024,330	\$ 2,004,876	\$ 1,038,911
State's proportionate share of the net pension liability associated with the employer	52,302,135	54,232,859	43,627,531	48,490,417
Total	<u>\$ 53,814,620</u>	<u>\$ 55,257,189</u>	<u>\$ 45,632,407</u>	<u>\$ 49,529,328</u>
Employer's covered-employee payroll	\$ 7,589,180	\$ 7,165,586	\$ 7,010,602	\$ 6,899,205
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	19.9%	14.3%	28.6%	15.1%
Plan fiduciary net position as a percentage of the total pension liability	39.3%	36.4%	41.5%	43.0%

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

Teachers' Retirement System of the State of Illinois
Schedule of Employer Contributions

Contractually-required contribution	\$ 736,609	\$ 723,187	\$ 732,250	\$ 728,802
Contributions in relation to the contractually-required contribution	731,446	751,378	746,982	762,075
Contribution deficiency (excess)	<u>\$ 5,163</u>	<u>\$ (28,191)</u>	<u>\$ (14,732)</u>	<u>\$ (33,273)</u>
Employer's covered-employee payroll	\$ 7,589,180	\$ 7,165,586	\$ 7,010,602	\$ 6,899,205
Contributions as a percentage of covered-employee payroll	9.64%	10.49%	10.66%	11.05%

See notes to other information.

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Other Information (unaudited)

June 30, 2018

Illinois Municipal Retirement Fund

Schedule of Changes in Net Pension Liability and Related Ratios

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Calendar year ending December 31,				
Total pension liability	\$ 194,711	\$ 190,464	\$ 226,984	\$ 270,740
Service cost	766,453	721,103	707,450	650,848
Interest on the total pension liability	-	-	-	-
Changes of benefit terms				
Differences between expected and actual experience of the total pension liability	(81,883)	244,027	(203,737)	(78,377)
Changes of assumptions	(309,727)	(11,420)	10,938	408,990
Benefit payments, including refunds of employee contributions	(559,536)	(549,391)	(507,599)	(443,658)
Net change in total pension liability	<u>10,018</u>	<u>594,783</u>	<u>234,036</u>	<u>808,543</u>
Total pension liability – beginning	<u>10,401,788</u>	<u>9,807,005</u>	<u>9,572,969</u>	<u>8,764,426</u>
Total pension liability – ending (a)	<u>10,411,806</u>	<u>10,401,788</u>	<u>9,807,005</u>	<u>9,572,969</u>
Plan fiduciary net position				
Contributions – employer	167,584	176,264	188,457	266,306
Contributions – employee	74,652	78,655	80,248	93,820
Net investment income	1,727,093	622,964	45,700	531,720
Benefit payments, including refunds of employee contributions	(559,536)	(549,391)	(507,599)	(443,658)
Other (net transfer)	(212,512)	123,068	56,506	52,743
Net change in plan fiduciary net position	<u>1,197,281</u>	<u>451,560</u>	<u>(136,688)</u>	<u>500,931</u>
Plan fiduciary net position – beginning	<u>9,574,285</u>	<u>9,122,725</u>	<u>9,259,413</u>	<u>8,758,482</u>
Plan fiduciary net position – ending (b)	<u>10,771,566</u>	<u>9,574,285</u>	<u>9,122,725</u>	<u>9,259,413</u>
Net pension (asset) liability – ending (a)-(b)	<u>\$ (359,760)</u>	<u>\$ 827,503</u>	<u>\$ 684,280</u>	<u>\$ 313,556</u>
Plan fiduciary net position as a percentage of the total pension liability	103.46%	92.04%	93.02%	96.72%
Covered valuation payroll	\$ 1,656,452	\$ 1,713,054	\$ 1,769,644	\$ 1,939,177
Net pension (asset) liability as a percentage of covered valuation payroll	-21.72%	48.31%	38.67%	16.17%

See notes to other information.

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Other Information (unaudited)

June 30, 2018

Illinois Municipal Retirement Fund
Schedule of Contributions

Calendar Year Ending December 31,	Actuarially Determined Contribution (a)	Actual Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Valuation Payroll (c)	Actual Contribution as a % of Covered Payroll (b/c)
2014	\$ 251,705	\$ 266,306	\$ (14,601)	\$ 1,939,177	13.73%
2015	188,290	188,457	(167)	1,769,644	10.65%
2016	176,273	176,264	9	1,713,054	10.29%
2017	167,964	167,584	380	1,656,452	10.12%

See notes to other information.

Notes to Other Information

June 30, 2018

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

(1) Teachers Retirement System of the State of Illinois – Changes of Assumption

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.

(2) Illinois Municipal Retirement Fund Pension Plan – Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2017 Contribution Rate*

(a) Valuation Date

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

(b) Methods and Assumptions Used to Determine 2017 Contribution Rates

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization Period	Taxing bodies (Regular, SLEP, and ECO groups): 26-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early retirement incentive plan liabilities: a period up to 10 years selected by the District upon adoption of early retirement incentive.
Asset valuation method	5-year smoothed market; 20% corridor

Notes to Other Information

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	RP-2014 Blue Collar Health Annuitant Mortality Table, adjusted to match current IMRF experience. For disabled lives, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

(c) 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.

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Agency Funds

Activity Funds and Trust Funds
Statement of Assets and Liabilities
Arising from Cash Transactions
June 30, 2018

	<u>Balance 07/01/17</u>	<u>Revenues Received</u>	<u>Expenditures Disbursed</u>	<u>Balance 06/30/18</u>
ASSETS				
Elementary & High School	\$ 136,781	\$ 457,517	\$ 432,738	\$ 161,560
Junior High School	<u>27,975</u>	<u>55,055</u>	<u>43,059</u>	<u>39,971</u>
Total Activity Funds	<u>\$ 164,756</u>	<u>\$ 512,572</u>	<u>\$ 475,797</u>	<u>\$ 201,531</u>
 LIABILITIES				
Amounts due to agency fund organizations	<u>\$ 164,756</u>	<u>\$ 512,572</u>	<u>\$ 475,797</u>	<u>\$ 201,531</u>

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Elementary & High School Activity Fund
 Statement of Revenues Received and Expenditures Disbursed
 For the year ended June 30, 2018

Fund	Balance 07/01/17	Revenues Received	Expenditures Disbursed	Balance 06/30/18
Academic Bowl	\$ 583	\$ 290	\$ 176	\$ 697
Art Fees	249	6,350	5,433	1,166
Baseball	1,702	17,026	17,222	1,506
Boys Basketball	1,474	3,712	3,430	1,756
Girls Basketball	1,430	14,016	12,092	3,354
Cash Man	-	72	72	-
Cheerleaders	3,747	15,544	17,603	1,688
Chess Club	649	1,233	1,025	857
Drama Club	15,628	17,970	14,721	18,877
FFA	1,412	49,356	35,303	15,465
Football	3,044	18,717	16,929	4,832
FBLA	5,269	12,838	10,498	7,609
FBLA Store	-	341	110	231
Grade School Musical	390	1,037	382	1,045
Horticulture	2,197	1,127	2,047	1,277
Industrial Arts Club	546	6,306	6,088	764
Integrity Fund	1,933	10,769	11,739	963
Library - High School	2,159	237	109	2,287
Music	7,056	18,630	18,926	6,760
Music Boo	-	1,767	-	1,767
National Honors Society	80	1,074	931	223
Outdoor Club	1,715	2,807	3,036	1,486
Pom Pons	265	-	-	265
Renaissance Team	2,050	4,750	5,187	1,613
Scholarship Testing	2,792	21,050	21,299	2,543
Soccer - Boys	3,297	6,303	6,665	2,935
Soccer - Girls	903	-	606	297
Social Fund	200	5,325	5,515	10
Carried Forward	\$ 60,770	\$ 238,647	\$ 217,144	\$ 82,273

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Elementary & High School Activity Fund
 Statement of Revenues Received and Expenditures Disbursed
 For the year ended June 30, 2018

Fund	Balance 07/01/17	Revenues Received	Expenditures Disbursed	Balance 06/30/18
Carried Forward	\$ 60,770	\$ 238,647	\$ 217,144	\$ 82,273
Girls Softball	1,150	8,759	8,127	1,782
Spanish	-	1,052	1,051	1
Student Council	1,552	14,343	11,608	4,287
Students for Students	1,943	5,668	2,849	4,762
Tournament Fund	16,350	79,082	77,753	17,679
Track - Boys & Girls	884	2,407	2,107	1,184
Volleyball	5,557	24,792	27,524	2,825
Wrestling	2,834	17,109	14,977	4,966
Yearbook	8,284	2,671	3,529	7,426
Highland Assembly	-	-	-	-
Wellness	1,213	-	254	959
Highland PBIS	1,654	4,784	5,045	1,393
Monroe Center Assembly	758	563	442	879
Monroe Center PBIS	2,984	9,678	7,975	4,687
Highland Library Club	2,080	5,050	3,954	3,176
Junior High Library	3,365	4,826	4,593	3,598
Monroe Center Library Club	2,433	3,015	4,245	1,203
Class of 2007	113	-	113	-
Class of 2016	-	9	9	-
Class of 2018	4,298	12,201	16,458	41
Class of 2019	2,054	15,254	16,269	1,039
Class of 2020	827	3,058	2,649	1,236
Class of 2021	842	4,549	3,233	2,158
K-5 Outdoor	14,836	-	830	14,006
	<u>\$ 136,781</u>	<u>\$ 457,517</u>	<u>\$ 432,738</u>	<u>\$ 161,560</u>

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

Junior High Activity Fund
 Statement of Revenues Received and Expenditures Disbursed
 For the year ended June 30, 2018

Fund	Balance 07/01/17	Revenues Received	Expenditures Disbursed	Balance 06/30/18
6th Grade	\$ (60)	\$ 6,583	\$ 5,471	\$ 1,052
6th Grade Math	84	-	52	32
6th Grade Reading	30	24	54	-
6th Grade English	-	25	-	25
7th Grade	173	1,030	1,203	-
7th Grade Math	132	-	100	32
7th Grade Literature	46	-	26	20
8th Grade	208	975	952	231
8th Grade English	337	116	183	270
Academic Team	42	20	-	62
Art	79	800	816	63
Athletics	3,301	-	-	3,301
Band & Chorus	797	6,939	2,490	5,246
Basketball	971	208	200	979
Cheerleading	2,003	6,201	5,944	2,260
Concession Stand	2,218	4,046	3,296	2,968
Counseling Department	-	42	-	42
Drama	3,632	-	1,443	2,189
Girls Basketball	541	202	169	574
Girls PE	1,156	2,725	-	3,881
Homeless	179	-	102	77
JRH PTO	157	-	7	150
Office	1,855	4,233	3,148	2,940
PBIS	568	714	982	300
Roller Skating	8	2,886	2,760	134
Science	-	-	-	-
Student Council	1,125	7,099	5,084	3,140
Track	1,695	2,976	2,833	1,838
Volleyball	310	2,312	1,532	1,090
Wrestling	7	687	-	694
Yearbook	6,381	4,212	4,212	6,381
	\$ 27,975	\$ 55,055	\$ 43,059	\$ 39,971



BENNING GROUP, LLC

CERTIFIED PUBLIC ACCOUNTANTS

www.BenningGroup.com

Meridian Community Unit School District No. 223:

We have audited the financial statements of Meridian Community Unit School District No. 223 for the year ended June 30, 2018 and have issued our report thereon dated October 15, 2018. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

As stated in the engagement letter dated July 9, 2018, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with the cash basis of accounting and regulatory provisions prescribed by the Illinois State Board of Education, which is a comprehensive basis of accounting other than, and differs from, accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Our responsibility is also to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. Because an audit is designed to provide reasonable, but not absolute, assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

As part of our audit, we considered the internal control of Meridian Community Unit School District No. 223. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Meridian Community Unit School District No. 223's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

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Freeport, Illinois 61032
(815) 235-3157
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6815 Weaver Road, Suite 300
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Fax (815) 316-2389

1809 10th Street
Monroe, Wisconsin 53566
(608) 325-5035
Fax (608) 328-2843

Other Information in Documents Containing Audited Financial Statements

The auditor's responsibility for other information in documents containing audited financial statements does not extend beyond the financial information identified in our report, and we have no obligation to perform any procedures to corroborate other information contained in a document. Our responsibility is to read the other information and consider whether such information, or the manner of its presentation, is materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. We are not aware of any documents or other information containing audited financial statements, and furthermore management has not requested us to devote attention to any documents containing audited financial statements.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for selection and use of appropriate accounting policies. The significant accounting policies used by Meridian Community Unit School District No. 223 are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year. We noted no transactions entered into by the 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 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. The attached schedule summarizes uncorrected misstatements of the financial statements for which management has determined their effects to the immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, the following material misstatements detected as a result of audit procedures were corrected by management.

- Adjustment of \$329,218 to reclassify technology lease payments to capital outlay – within the Educational fund.

- Cumulative adjustment of \$159,844 to reclassify health insurance expenditures inappropriately recorded in liability accounts – within the Educational, Operations & Maintenance, and Transportation funds.
- Cumulative adjustments of \$67,561 to reclassify refunds/reimbursements to proper accounts for reporting purposes – within the Educational fund.
- Adjustment of \$64,058 to record prior year audit adjusting entry – within the Educational fund.
- Adjustment of \$55,724 to reclassify Title I expenditures to proper accounts for reporting purposes – within the Educational fund.
- Cumulative adjustments of \$26,852 to properly record expenditures as purchased services, supplies, and/or capital outlay – within the Educational and Operations & Maintenance funds.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as 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 15, 2018.

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 the District’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.

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

With respect to the supplementary information accompanying the financial statements, 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 cash basis of accounting and regulatory provisions prescribed by the Illinois State Board of Education, which is a comprehensive basis of accounting other than, and differs from, accounting principles generally accepted in the United States of America, 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.

Internal Control Matters

In planning and performing our audit of the financial statements of Meridian Community Unit School District No. 223 as of and for the year ended June 30, 2018, in accordance with auditing standards generally accepted in the United States of America, we considered Meridian Community Unit School District No. 223's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Meridian Community Unit School District No. 223's internal control. Accordingly, we do not express an opinion on the effectiveness of the Meridian Community Unit School District No. 223's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in internal control to be a material weakness:

Financial Reporting & Material Adjustments

In prior audits, we determined the District lacked adequate procedures over financial reporting to timely identify and record necessary adjustments throughout the year and during the year end reporting process, which in turn required several material adjusting journal entries during our audits. During those years, we considered this issue to be a significant deficiency. Similarly in prior audits, we determined the District's balance sheet contained various payroll liability accounts with debit (negative) balances that were not periodically reviewed or reconciled. We recommended the District review and reconcile these accounts on a monthly basis.

During our audit of the fiscal year ended June 30, 2018, we noted the continued existence of both issues as described above. Through our audit procedures we identified several material adjusting journal entries necessary to accurately present the financial statements, including entries to correct

transactions inappropriately recorded in capital outlay and capital outlay expenditures recorded in other object codes. The issue relating to negative, unreconciled payroll liability accounts worsened during the current fiscal year, as negative balances increased significantly, primarily in the Transportation fund. Due to the current nature of these control issues, we have determined it necessary to classify them as a material weakness.

Appropriate procedures should be implemented to ensure all balance sheet accounts are periodically reconciled, adjustments are timely identified, and corrections are recorded as necessary to ensure accurate financial reporting. The District has responded that Management will record all journal entries provided by the auditors and refrain from posting any adjustments directly to fund balance, as well as periodically review and reconcile payroll liability accounts and other general ledger accounts to identify possible misclassifications and proper recording of transactions.

* * * * *

We have attached to this letter our summary of comments and recommendations as a result of our procedures.

This information is intended solely for the use of the Board of Education, management, others within the organization, the Illinois State Board of Education, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.



Freeport, Illinois
October 15, 2018

Meridian Community Unit School District No. 223
Letter of Comments
June 30, 2018

1. Activity Funds

- Controls over cash receipts and disbursements in the activity funds has improved significantly, however we again noted instances of document exceptions, including a lack of both supporting documentation and approved purchase orders.
- We noted continued instances in which disbursements issued to those in control of the activity fund were signed by the same individual. We recommend that any time a disbursement is made to an individual with control over the account, another authorized individual sign the check.
- During our review of the District's activity funds we noted activity in various accounts indicative of "convenience accounts." The Illinois State Board of Education, pursuant to the Illinois Administrative Code, Subchapter C, Section 100.80, no longer permits "convenience accounts" within the District's activity funds. We recommend the District review the activity occurring within the activity fund accounts and eliminate any such activity and/or accounts. Revenues and expenditures of this nature should be budgeted for and recorded within the District's financial statements.

2. During our detailed disbursement testing, we noted disbursements for credit card payments and utilities were not consistently reflected in the listing of bills presented to the board for approval. It was determined this exclusion was because these payments are often due prior to the board meeting. We recognize the necessity of issuing these payments in a timely manner, but recommend the District include any disbursements issued prior to the board meeting on the listing of bills presented to the board along with all other disbursements being approved for payment.

3. Grants

- During our testing of grant procedures and compliance we noted discrepancies and inconsistencies between Title IV grant budgets, expenditure reports, and the District's general ledger. We recommend the District conduct periodic review of the general ledger to ensure grant expenditures are being recorded properly. In addition, we would like to stress the importance of accurate and consistent expenditure reporting in the grant budgets and expenditure reports submitted to the Illinois State Board of Education as well as the general ledger.
- State and federal grant quarterly expenditure reports are required to be filed with the Illinois State Board of Education within 20 days of each quarter-end. Although we noted significant improvement in this regard compared to previous years, during our audit procedures we noted three instances in which expenditure reports were not filed timely. We wish to remind the District of this compliance requirement and the importance of filing quarterly expenditure reports within the required timeframe.

4. Payroll

- While reviewing the District's UI 3/40 Employer's Contribution and Wage Reports, we noted the District had improperly reported wages for the 4th quarter of 2017. We recommend the District implement a secondary review function and carefully review these reports to source documents prior to submission.
 - During our review of the District's Tort fund salary expenditures, we noted principal's salaries recorded in excess of the stated allocation limit contained in the District's Risk Management Plan. Overall tort fund salary allocations were within the allowable amount for the year due to an under-allocation of the superintendent's wages; however, we recommend the District review this policy annually to ensure the allocation limits remain appropriate and adhere more strictly to this policy when calculating and recording salary expenditures.
5. The Illinois School Code requires the Treasurer's bond to be at least 25% of the funds the Treasurer has in custody. This requirement was not met during at least two months in fiscal year 2018. The District should increase the bond in fiscal year 2019 to an amount sufficient to maintain the 25% coverage requirement.

	A	B	C	D	E	F
1	DEFICIT ANNUAL FINANCIAL REPORT (AFR) SUMMARY INFORMATION Provisions per Illinois School Code, Section 17-1 (105 ILCS 5/17-1)					
2	<i>Instructions: If the Annual Financial Report (AFR) reflects that a "deficit reduction plan" is required as calculated below, then the school district is to complete the "deficit reduction plan" in the annual budget and submit the plan to Illinois State Board of Education (ISBE) within 30 days after accepting the audit report. This may require the FY2019 annual budget to be amended to include a "deficit reduction plan" and narrative.</i>					
3	The "deficit reduction plan" is developed using ISBE guidelines and is included in the School District Budget Form 50-36, beginning with page 20. A plan is required when the operating funds listed below result in direct revenues (cell F6) being less than direct expenditures (cell f7) by an amount equal to or greater than one-third (1/3) of the ending fund balance (cell f9). That is, if the ending fund balance is less than three times the deficit spending, the district must adopt and submit an original budget/amended budget with ISBE that provides a "deficit reduction plan" to balance the shortfall within the next three years.					
4	<ul style="list-style-type: none"> • If the FY2019 school district budget already requires a deficit reduction plan, and one was submitted, an updated (amended) budget is not required. 					
5	<ul style="list-style-type: none"> • If the Annual Financial Report requires a deficit reduction plan even though the FY2019 budget does not, a completed deficit reduction plan is still required. 					
6	DEFICIT AFR SUMMARY INFORMATION - Operating Funds Only <i>(All AFR pages must be completed to generate the following calculation)</i>					
7	Description	EDUCATIONAL FUND (10)	OPERATIONS & MAINTENANCE FUND (20)	TRANSPORTATION FUND (40)	WORKING CASH FUND (70)	TOTAL
8	Direct Revenues	13,896,694	1,243,909	1,605,482	87,009	16,833,094
9	Direct Expenditures	12,430,713	1,205,624	1,542,358		15,178,695
10	Difference	1,465,981	38,285	63,124	87,009	1,654,399
11	Fund Balance - June 30, 2018	9,529,472	342,365	1,742,914	511,046	12,125,797
12	Balanced - no deficit reduction plan is required.					
13						
14						
15						

Audit Checklist

All entries must balance within the individual fund statements and schedules as instructed below. Any error messages left unresolved below, will be returned to the auditor for correction.

1. The auditor's Opinion and Notes to the Financial Statements and the Corrective Action Plan(s) on LEA letterhead are embedded in the "Opinion-Notes 34" tab.
2. Student Activity Funds, Convenience Accounts, and other agency funds are included, if applicable.
3. All audit questions on page 2 are answered appropriately by checking all that apply. This page must also be certified with the signature of the CPA firm. Comments and explanations are included for all checked items at the bottom of page 2.
4. All **Other** accounts and functions labeled "(describe & itemize)" are properly noted on the "Itemization 33" tab.
5. In all funds, Function No. 2900 does not include Worker's Compensation or Unemployment Insurance.
6. Tuition paid to another school district or to a joint agreement (in state) is coded to Function 4200, and Other Objects (600).
7. Business Manager/Bookkeeper Costs are charged to the proper Function (No. 2510/2520).
8. If district is subject to PTELL on tab "Aud Quest 2", line 21 be sure to check the box and enter the effective date.
9. All entries were entered to the nearest whole dollar amount.

Balancing Schedule

Check this Section for Error Messages

The following assures that various entries are in balance. Any out of balance condition is followed by an error message in **RED** and must be resolved before submitting to ISBE. One or more errors detected may cause this AFR to be returned for corrections and resubmission. If impossible for entries to balance please explain on the itemization page.

Description:	Error Message
1. Cover Page: The Accounting Basis must be Cash or Accrual.	
2. The Single Audit related documents must be completed and attached.	
What Basis of Accounting is used?	CASH
Accounting for late payments (Audit Questionnaire Section D)	OK
Are Federal Expenditures greater than \$750,000?	OK
Is all Single Audit information completed and enclosed?	OK
Is Budget Deficit Reduction Plan Required?	Congratulations! You have a balanced AFR.
3. Page 3: Financial Information must be completed.	
Section A: Tax rates are not entered in the following format: [1.50 should be .0150]. Please enter with the correct decimal point.	OK
Section D: Check a or b that agrees with the school district type.	OK
4. Page 5: Cells C4:L4 Acct 111-115 - Cash Balances cannot be negative.	
Fund (10) ED: Cash balances cannot be negative.	OK
Fund (20) O&M: Cash balances cannot be negative.	OK
Fund (30) DS: Cash balances cannot be negative.	OK
Fund (40) TR: Cash balances cannot be negative.	OK
Fund (50) MR/SS: Cash balances cannot be negative.	OK
Fund (60) CP: Cash balances cannot be negative.	OK
Fund (70) WC: Cash balances cannot be negative.	OK
Fund (80) Tort: Cash balances cannot be negative.	OK
Fund (90) FP&S: Cash balances cannot be negative.	OK
5. Page 5 & 6: Total Current & Capital Assets must = Total Liabilities & Fund Balance.	
Fund 10, Cell C13 must = Cell C41.	OK
Fund 20, Cell D13 must = Cell D41.	OK
Fund 30, Cell E13 must = Cell E41.	OK
Fund 40, Cell F13 must = Cell F41.	OK
Fund 50, Cell G13 must = Cell G41.	OK
Fund 60, Cell H13 must = Cell H41.	OK
Fund 70, Cell I13 must = Cell I41.	OK
Fund 80, Cell J13 must = Cell J41.	OK
Fund 90, Cell K13 must = Cell K41.	OK
Agency Fund, Cell L13 must = Cell L41.	OK
General Fixed Assets, Cell M23 must = Cell M41.	OK
General Long-Term Debt, Cell N23 must = Cell N41.	OK
6. Page 5: Sum of Reserved & Unreserved Fund Balance must = Page 8, Ending Fund Balance.	
Fund 10, Cells C38+C39 must = Cell C81.	OK
Fund 20, Cells D38+D39 must = Cell D81.	OK
Fund 30, Cells E38+E39 must = Cell E81	OK
Fund 40, Cells F38+F39 must = Cell F81.	OK
Fund 50, Cells G38+G39 must = Cell G81.	OK
Fund 60, Cells H38+H39 must = Cell H81.	OK
Fund 70, Cells I38+I39 must = Cell I81.	OK
Fund 80, Cells J38+J39 must = Cell J81.	OK
Fund 90, Cells K38+K39 must = Cell K81.	OK
8. Page 24: Schedule of Long-Term Debt must = Pages 5, 8 & 18: Basic Financial Statements.	
Note: Explain any unreconcilable differences in the Itemization sheet.	
Total Long-Term Debt Issued (P24, Cell F49) must = Principal on Long-Term Debt Sold (P8, Cells C33:K33).	OK
Total Long-Term Debt (Principal) Retired (P18, Cells H170) must = Debt Service - Long-Term Debt (Principal) Retired (P24, Cells H49).	OK
9. Page 7 & 8: Other Sources of Funds (L24:L42) must = Other Uses of Funds (P8, L46:L59).	
Acct 7130 - Transfer Among Funds, Cells C27:K27 must = Acct 8130 Transfer Among Funds, Cells C49:K49	OK
Acct 7140 - Transfer of Interest, Cells C28:K28 must = Acct 8140 Transfer of Interest, Cells C50:K50.	OK
Acct 7900 - ISBE Loan Proceeds (Cells C42:K42) must = Acct 8910 - Transfers to Debt Service Fund to Pay Principal on ISBE Loans (Cells C74:K74)	OK
10. Restricted Tax Levies Page 25, Line 25 must = Reserved Fund Balance, Pages 5 & 6, Line 38.	
Reserved Fund Balance, Page 5, Cells C38:H38 must be => Reserve Fund Balance Cell G25:K25.	OK
Unreserved Fund Balance, Page 5, Cells C39:H39 must be > 0	OK
11. Page 5: "On behalf" payments to the Educational Fund	
Fund (10) ED: Account 3998, cell C9 must be entered or Explain why this is zero.	OK
12. Page 27: The 9 Month ADA must be entered on Line 78.	OK
13. Page 29: Contracts Paid in Current Year (CY) MUST be completed. Please return to page 29 and add all current year contracts.	OK
14. Page 31: SHARED OUTSOURCED SERVICES, Completed.	OK
15. Page 32: LIMITATION OF ADMINISTRATIVE COST, Budget Information must be completed and submitted to ISBE.	OK

ANNUAL FEDERAL FINANCIAL COMPLIANCE REPORT (COVER SHEET)
DISTRICT/JOINT AGREEMENT
Year Ending June 30, 2018

DISTRICT/JOINT AGREEMENT NAME MERIDIAN COMMUNITY UNIT SCHOOL D	RCDT NUMBER 47-071-2230-26	CPA FIRM 9-DIGIT STATE REGISTRATION NUMBER 066-004238	
ADMINISTRATIVE AGENT IF JOINT AGREEMENT (as applicable) PHILLIP J CAPOSEY		NAME AND ADDRESS OF AUDIT FIRM BENNING GROUP, LLC 50. W. DOUGLAS STREET, SUITE 801 FREEPORT	
ADDRESS OF AUDITED ENTITY <i>(Street and/or P.O. Box, City, State, Zip Code)</i> 207 W. MAIN ST. STILLMAN VALLEY		E-MAIL ADDRESS: jblocker@benninggroup.com	
		NAME OF AUDIT SUPERVISOR JENNY L. BLOCKER	
		CPA FIRM TELEPHONE NUMBER 815/235-3157	FAX NUMBER 815/235-3158
		61084	

THE FOLLOWING INFORMATION MUST BE INCLUDED IN THE SINGLE AUDIT REPORT:

- A copy of the CPA firm's most recent peer review report and acceptance letter has been submitted to ISBE (either with the audit or under separate cover).
- Financial Statements including footnotes (Title 2 CFR §200.510 (a))
- Schedule of Expenditures of Federal Awards including footnotes (Title 2 CFR §200.510 (b))
- Independent Auditor's Report on the Financial Statements (Title 2 CFR §200.515 (a))
- Independent Auditor's Report on Internal Control Over Financial Reporting and Compliance Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* (Title 2 CFR §200.515 (b))
- Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by Uniform Guidance (Title 2 CFR §200.515 (c))
- Schedule of Findings and Questioned Costs (Title 2 CFR §200.515 (d))
- Summary Schedule of Prior Audit Findings (Title 2 CFR §200.511 (b))
- Corrective Action Plan on LEA letterhead (Title 2 CFR §200.511 (c))

THE FOLLOWING INFORMATION IS HIGHLY RECOMMENDED TO BE INCLUDED:

- A Copy of the Federal Data Collection Form (Title 2 CFR §200.512 (b))
- A Copy of each Management Letter

Note: IF THE PAPER COPY OF THE AFR IS NOT THE SAME AS THE ELECTRONIC VERSION, PLEASE NOTIFY - Leslie Clay at lclay@isbe.net

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223
47-071-2230-26
SINGLE AUDIT INFORMATION CHECKLIST

The following checklist is **OPTIONAL**; it is not a required form for completion of Single Audit information. The purpose of the checklist is to assist in determining if appropriate information has been correctly completed within the Annual Financial Report (AFR). This is not a complete listing of all Single Audit requirements, but highlights some of the more common errors found during ISBE reviews.

GENERAL INFORMATION

1. **Signed** and **dated** copies of audit opinion letters have been included with audit package submitted to ISBE.
2. All opinion letters use the **most current audit language and formatting** as mandated in SAS 115/SAS 117 and other pronouncements.
3. **ALL** Single Audit forms within the AFR Excel workbook have been completed, where appropriate.
- For those forms that are not applicable, "N/A" or similar language has been indicated.
4. **ALL** Federal revenues reported in FRIS Report 0053 (Summary of Payments) are accounted for in the Schedule of Expenditures of Federal Awards (SEFA).
5. Federal revenues reported on the AFR reconcile to Federal revenues reported on the SEFA.
- Verify or reconcile on reconciliation worksheet.
6. The total value of non-cash **COMMODITIES** has been included within the AFR on the **INDIRECT COSTS** page (ICR Computation 29) on Line 11. It **should not** be included in the Statement of Revenues Received (REVENUES 9-14) within the AFR Accounts 4210 - 4299. Those accounts are specific cash programs, not non-cash assistance such as **COMMODITIES**.
7. Complete audit package (Data Collection Form, audit reports, etc.) has been submitted electronically to the Federal Audit Clearinghouse <https://harvester.census.gov/facweb/Default.aspx>

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

8. All prior year's projects are included and reconciled to final FRIS report amounts.
- Including receipt/revenue and expenditure/disbursement amounts.
9. All current year's projects are included and reconciled to most recent FRIS report filed.
- Including receipt/revenue and expenditure/disbursement amounts.
10. Differences in reported spending amounts on the SEFA and the final FRIS reports should be detailed and/or documented in a finding, - discrepancies should be reported as Questioned Costs.
11. The total amount provided to subrecipients from each Federal program is included.
12. Prior-year and Current-year Child Nutrition Programs (CNP) are included on the SEFA (with prior-year program showing total cash received):
Project year runs from October 1 to September 30, so projects will cross fiscal year;
This means that audited year revenues will include funds from both the prior year and current year projects.
13. Each CNP project should be reported on a separate line (one line per project year per program).
14. Total CNP Revenue amounts are consistent with grant amounts awarded by ISBE for each program by project year.
15. Total CNP Expenditure amounts are consistent with grant amounts awarded by ISBE for each program by project year.
16. Exceptions should result in a finding with Questioned Costs.
17. The total value of non-cash **COMMODITIES** has been reported on the SEFA (CFDA 10.555).
- The value is determined from the following, **with each item on a separate line**:
- * **Non-Cash Commodities**: Monthly Commodities Bulletin for April (From the Illinois Commodities System accessed through ISBE web site)
Total commodities = A PAL Allocated + B PAL Allocated + Processing Deductions + Total Bonus Allocated
[Verify Non-Cash Commodities amount on ISBE web site: https://www.isbe.net/Pages/School-Nutrition-Programs-Food-Distribution.aspx](https://www.isbe.net/Pages/School-Nutrition-Programs-Food-Distribution.aspx)
- * **Non-Cash Commodities**: Commodities information for non-cash items received through **Other Food Services**
Districts should track separately through year; no specific report available from ISBE
Verify Non-Cash Commodities amount through Other Food Services on ISBE web site:
<https://www.isbe.net/Pages/School-Nutrition-Programs-Food-Distribution.aspx>
- * **Department of Defense Fresh Fruits and Vegetables** (District should track through year)
- **The two commodity programs should be reported on separate lines on the SEFA.**
Verify Non-Cash Commodities amount through DoD Fresh Fruits and Vegetables on ISBE web site:
<https://www.isbe.net/Pages/School-Nutrition-Programs-Food-Distribution.aspx>
- * Amounts verified for **Fresh Fruits and Vegetables cash** grant program (ISBE code 4240)
CFDA number: 10.582
18. **TOTALS** have been calculated for Federal revenue and expenditure amounts (Column totals).
19. Obligations and Encumbrances are included where appropriate.
20. **FINAL STATUS** amounts are calculated, where appropriate.
21. Medicaid Fee-for-Service funds, E-Rate reimbursements and Build America Bond interest subsidies have **not** been included on the SEFA.
22. **All** programs tested (not just Type A programs) are indicated by either an * or (M) on the SEFA.

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223

47-071-2230-26

SINGLE AUDIT INFORMATION CHECKLIST

23. **NOTES TO THE SEFA** within the AFR Excel workbook (SEFA NOTES) have been completed.
Including, but not limited to:
24. Basis of Accounting
25. Name of Entity
26. Type of Financial Statements
27. Subrecipient information (**Mark "N/A" if not applicable**)
- * ARRA funds are listed separately from "regular" Federal awards

SUMMARY OF AUDITOR'S RESULTS/FINDINGS/CORRECTIVE ACTION PLAN

28. Audit opinions expressed in opinion letters **match** opinions reported in Summary.
29. **All** Summary of Auditor Results questions have been answered.
30. All tested programs **and** amounts are listed.
31. Correct testing threshold has been entered. (Title 2 CFR §200.518)

Findings have been filled out completely and correctly (if none, mark "N/A").

32. Financial Statement and/or Federal Award Findings information has been completely filled out for each finding, with finding numbers in correct format.
33. Finding completed for each **Significant Deficiency** and for each **Material Weakness** noted in opinion letters.
34. Separate finding for each Federal program (i.e., don't report same finding for multiple programs on one sheet).
35. Separate finding sheet for each finding on programs (e.g., excess interest earned and unallowable expenditures are two findings and should be reported separately, even if both are on same program).
36. Questioned Costs have been calculated where there are questioned costs.
37. Questioned Costs are separated by project year **and** by program (and sub-project, if necessary).
38. Questioned Costs have been calculated for Interest Earned on **Excess Cash on Hand**.
- Should be based on actual amount of interest earned
- Questioned Cost amounts are broken out between programs if multiple programs are listed on the finding
39. **A CORRECTIVE ACTION PLAN, on the LEA's letterhead** has been completed for each finding.
- Including Finding number, action plan details, projected date of completion, name and title of contact person

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223
47-071-2230-26

RECONCILIATION OF FEDERAL REVENUES
Year Ending June 30, 2018
Annual Financial Report to Schedule of Expenditures of Federal Awards

TOTAL FEDERAL REVENUE IN AFR

Account Summary 7-8, Line 7	Account 4000	\$ 646,674
Flow-through Federal Revenues Revenues 9-14, Line 112	Account 2200	-
Value of Commodities Indirect Cost Info 29, Line 11		36,152
Less: Medicaid Fee-for-Service Program Revenues 9-14, Line 271	Account 4992	(23,835)
AFR TOTAL FEDERAL REVENUES:		\$ 658,991

ADJUSTMENTS TO AFR FEDERAL REVENUE AMOUNTS:

Reason for Adjustment:

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ADJUSTED AFR FEDERAL REVENUES \$ 658,991

Total Current Year Federal Revenues Reported on SEFA:
Federal Revenues Column D _____

Adjustments to SEFA Federal Revenues:

Reason for Adjustment:

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ADJUSTED SEFA FEDERAL REVENUE: \$ -

DIFFERENCE: \$ 658,991

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223
47-071-2230-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2018

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/16-6/30/17 (C)	Year 7/1/17-6/30/18 (D)	Year 7/1/16-6/30/17 (E)	Year 7/1/16-6/30/17 Pass through to Subrecipients	Year 7/1/17-6/30/18 (F)			
									0	
									0	
									0	
									0	
									0	
									0	
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• (M) Program was audited as a major program as defined by §200.518.

***include the total amount provided to subrecipients from each Federal program. §200.510 (b)(4).**

The accompanying notes are an integral part of this schedule.

¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.
² When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.
³ When awards are received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included in the schedule. §200.510 (b)(2)
⁴ The Uniform Guidance requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in the schedule and suggests to include the amounts in the SEFA notes.

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223
47-071-2230-26
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2018

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: _____
 (Unmodified, Qualified, Adverse, Disclaimer)

INTERNAL CONTROL OVER FINANCIAL REPORTING:

- Material weakness(es) identified? _____ YES _____ None Reported
- Significant Deficiency(s) identified that are not considered to be material weakness(es)? _____ YES _____ None Reported
- Noncompliance material to the financial statements noted? _____ YES _____ NO

FEDERAL AWARDS

INTERNAL CONTROL OVER MAJOR PROGRAMS:

- Material weakness(es) identified? _____ YES _____ None Reported
- Significant Deficiency(s) identified that are not considered to be material weakness(es)? _____ YES _____ None Reported

Type of auditor's report issued on compliance for major programs: _____
 (Unmodified, Qualified, Adverse, Disclaimer⁷)

Any audit findings disclosed that are required to be reported in accordance with §200.516 (a)? _____ YES _____ NO

IDENTIFICATION OF MAJOR PROGRAMS:⁸

CFDA NUMBER(S) ⁹	NAME OF FEDERAL PROGRAM or CLUSTER ¹⁰	AMOUNT OF FEDERAL PROGRAM
	Total Amount Tested as Major	\$0

Total Federal Expenditures for 7/1/17-6/30/18 \$0

% tested as Major #DIV/0!

Dollar threshold used to distinguish between Type A and Type B programs: _____

Auditee qualified as low-risk auditee? _____ YES _____ NO

⁷ If the audit report for one or more major programs is other than unmodified, indicate the type of report issued for each program.
 Example: "Unmodified for all major programs except for [name of program], which was modified and [name of program], which was a disclaimer."
⁸ Major programs should generally be reported in the same order as they appear on the SEFA.
⁹ When the CFDA number is not available, include other identifying number, if applicable.
¹⁰ The name of the federal program or cluster should be the same as that listed in the SEFA. For clusters, auditors are only required to list the name of the cluster.

MERIDIAN COMMUNITY UNIT SCHOOL DISTRICT NO. 223
47-071-2230-26
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS¹⁹
Year Ending June 30, 2018

[If there are no prior year audit findings, please submit schedule and indicate **NONE**]

Finding Number

Condition

Current Status²⁰

When possible, all prior findings should be on the same page

¹⁹ Explanation of this schedule - §200.511 (b)

²⁰ Current Status should include one of the following:

- A statement that corrective action was taken
- A description of any partial or planned corrective action
- An explanation if the corrective action taken was significantly different from that previously reported or in the management decision received from the pass-through entity.