

STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2019

	A	B	C	D	E	F	G	H	I	J	K
			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
1	Description (Enter Whole Dollars)	Acct #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
2											
3	RECEIPTS/REVENUES FROM LOCAL SOURCES (1000)										
4	AD VALOREM TAXES LEVIED BY LOCAL EDUCATION AGENCY	1100									
5	Designated Purposes Levies (1110-1120) ⁷		2,805,926	550,181	628,842	220,072	179,046	0	55,018	661,890	55,018
6	Leasing Purposes Levy ⁸	1130	55,018	0							
7	Special Education Purposes Levy	1140	44,014	0		0	0	0			
8	FICA/Medicare Only Purposes Levies	1150					206,810				
9	Area Vocational Construction Purposes Levy	1160		0	0			0			
10	Summer School Purposes Levy	1170	0								
11	Other Tax Levies (Describe & Itemize)	1190		0	0	0	0	0	0	0	0
12	Total Ad Valorem Taxes Levied By District		2,904,958	550,181	628,842	220,072	385,856	0	55,018	661,890	55,018
13	PAYMENTS IN LIEU OF TAXES	1200									
14	Mobile Home Privilege Tax	1210	3,368	638	803	255	448	0	64	768	64
15	Payments from Local Housing Authorities	1220	0	0	0	0	0	0	0	0	0
16	Corporate Personal Property Replacement Taxes ⁹	1230	268,481	0	0	0	16,491	0	0	0	0
17	Other Payments in Lieu of Taxes (Describe & Itemize)	1290	0	0	0	0	0	0	0	0	0
18	Total Payments in Lieu of Taxes		271,849	638	803	255	16,939	0	64	768	64
19	TUITION	1300									
20	Regular - Tuition from Pupils or Parents (In State)	1311	22,704								
21	Regular - Tuition from Other Districts (In State)	1312	0								
22	Regular - Tuition from Other Sources (In State)	1313	0								
23	Regular - Tuition from Other Sources (Out of State)	1314	0								
24	Summer Sch - Tuition from Pupils or Parents (In State)	1321	0								
25	Summer Sch - Tuition from Other Districts (In State)	1322	0								
26	Summer Sch - Tuition from Other Sources (In State)	1323	0								
27	Summer Sch - Tuition from Other Sources (Out of State)	1324	0								
28	CTE - Tuition from Pupils or Parents (In State)	1331	0								
29	CTE - Tuition from Other Districts (In State)	1332	0								
30	CTE - Tuition from Other Sources (In State)	1333	0								
31	CTE - Tuition from Other Sources (Out of State)	1334	0								
32	Special Ed - Tuition from Pupils or Parents (In State)	1341	0								
33	Special Ed - Tuition from Other Districts (In State)	1342	0								
34	Special Ed - Tuition from Other Sources (In State)	1343	0								
35	Special Ed - Tuition from Other Sources (Out of State)	1344	0								
36	Adult - Tuition from Pupils or Parents (In State)	1351	0								
37	Adult - Tuition from Other Districts (In State)	1352	0								
38	Adult - Tuition from Other Sources (In State)	1353	0								
39	Adult - Tuition from Other Sources (Out of State)	1354	0								
40	Total Tuition		22,704								
41	TRANSPORTATION FEES	1400									
42	Regular - Transp Fees from Pupils or Parents (In State)	1411				0					
43	Regular - Transp Fees from Other Districts (In State)	1412				0					
44	Regular - Transp Fees from Other Sources (In State)	1413				0					
45	Regular - Transp Fees from Co-curricular Activities (In State)	1415				0					
46	Regular Transp Fees from Other Sources (Out of State)	1416				0					
47	Summer Sch - Transp. Fees from Pupils or Parents (In State)	1421				0					
48	Summer Sch - Transp. Fees from Other Districts (In State)	1422				0					
49	Summer Sch - Transp. Fees from Other Sources (In State)	1423				0					
50	Summer Sch - Transp. Fees from Other Sources (Out of State)	1424				0					
51	CTE - Transp Fees from Pupils or Parents (In State)	1431				0					
52	CTE - Transp Fees from Other Districts (In State)	1432				0					
53	CTE - Transp Fees from Other Sources (In State)	1433				0					

PANA COMMUNITY UNIT SCHOOL DISTRICT 8
PANA, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

Note 5 - Debt

Long-Term Debt:

A summary of general long-term debt is as follows:

	<u>Balance, July 1, 2018</u>	<u>Additions</u>	<u>Decreases</u>	<u>Balance, June 30, 2019</u>
<u>Direct Placements:</u>				
Refunding Bonds, Series 2009	\$ 410,000	\$ --	\$ 410,000	\$ --
Qualified Zone Academy Bonds Debt Certificates, Series 2010A	380,000	--	--	380,000
Qualified Zone Academy Bonds Debt Certificates, Series 2010B	385,000	--	--	385,000
Taxable Working Cash Bonds, 2017	1,500,000	--	110,000	1,390,000
Chromebook Lease	10,080	--	10,080	--
School Bus Lease, 2017	32,349	--	10,487	21,862
School Bus Lease, 2018	137,498	--	32,654	104,844
General Obligation School Bonds, 2019	--	<u>1,500,000</u>	--	<u>1,500,000</u>
Total Direct Placements	<u>\$ 2,854,927</u>	<u>\$ 1,500,000</u>	<u>\$ 573,221</u>	<u>\$ 3,781,706</u>
Qualified Zone Academy Bonds Debt Certificates, 2005	<u>\$ 1,579,000</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,579,000</u>
Total Long-Term Debt	<u>\$ 4,433,927</u>	<u>\$ 1,500,000</u>	<u>\$ 573,221</u>	<u>\$ 5,360,706</u>

The District is subject to a statutory debt limitation equal to 13.8% of the District's Equalized Assessed Valuation (EAV). The District's statutory debt limitation at June 30, 2019 was \$15,749,692 leaving \$10,388,986 remaining. Bond and debt certificate debt service payments are paid from the Debt Services Fund. The Chromebook Lease payments are transferred from the Educational Fund to the Debt Services Fund for payment. The School Bus Leases are paid from the Transportation Fund.

At June 30, 2019, there were \$2,119,446 of net current assets in the Debt Services Fund for the retirement of bonded debt and debt certificates.

A. Qualified Zone Academy Bonds Debt Certificates, 2005

Original issue \$1,579,000, dated August 5, 2005 provides for one principal payment on August 5, 2021. The debt certificates have no stated interest rate; the lender receives tax credits in lieu of interest.

At June 30, 2019, there were \$1,475,043 of net current assets reserved in the Debt Services Fund for the retirement of these debt certificates.

PANA COMMUNITY UNIT SCHOOL DISTRICT 8
PANA, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

Note 5 – Continued

B. Refunding Bonds, Series 2009 (Direct Placement)

In March 2008, the District issued \$4,880,000 of General Obligation Refunding Bonds. The Bonds are dated March 1, 2009, and provide for serial retirement of principal each November with interest payable on May 1 and November 1. Interest rates range from 2.05 to 4.90 percent.

This issuance refunded \$4,880,000 of 1998 Building Bonds. All of the proceeds of the bonds were used to pay bond principal on the 1998 Building Bonds which were called early. As a result, the 1998 Building Bonds are paid in full.

The District refunded \$4,880,000 of the 1998 Building Bonds to reduce its total debt service payments over the next 10 years by \$208,909.

At June 30, 2019, these bonds were paid in full.

C. Qualified Zone Academy Bonds Debt Certificates, Series 2010A (Direct Placement)

Original issue \$380,000 dated February 5, 2010 provides for annual deposits of \$25,333 to a separate "Certificate Fund", held by a Deposit Agent, beginning on February 5, 2011 and continuing through February 5, 2025. On February 5, 2025, the Deposit Agent will pay the sum of \$380,000 to the registered owner of the certificates. The debt certificates have no stated interest rate as the lender receives tax credits in lieu of interest.

At June 30, 2019, there were \$232,454 of net current assets reserved in the Debt Services Fund for the retirement of these debt certificates.

D. Qualified Zone Academy Bonds Debt Certificates, Series 2010B (Direct Placement)

Original issue \$385,000 dated February 5, 2010 provides for annual deposits of \$25,667 to a separate "Certificate Fund", held by a Deposit Agent, beginning on February 5, 2011 and continuing through February 5, 2025. On February 5, 2025, the Deposit Agent will pay the sum of \$385,000 to the registered owner of the certificates. The debt certificates have no stated interest rate as the lender receives tax credits in lieu of interest.

At June 30, 2019, there were \$231,000 of net current assets reserved in the Debt Services Fund for the retirement of these debt certificates.

E. Taxable Working Cash Bonds, 2017 (Direct Placement)

On June 6, 2017, the District issued \$1,500,000 in General Obligation Working Cash Bonds with interest rates ranging from 3.50% to 3.75%. The issue provides for retirement of principal on December 1 and interest on June 1 and December 1 of each year.

At June 30, 2019, the annual cash flow requirements of bond principal and interest were as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 650,000	\$ 38,637	\$ 688,637
2021	675,000	14,606	689,606
2022	65,000	975	65,975
	\$ 1,390,000	\$ 54,218	\$ 1,444,218

PANA COMMUNITY UNIT SCHOOL DISTRICT 8
PANA, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

Note 5 – Continued

F. General Obligation School Bonds, 2019 (Direct Placement)

On March 12, 2019, the District issued \$1,500,000 in General Obligation School Bonds with interest rates ranging from 3.43% to 3.45%. The issue provides for retirement of principal on December 1 and interest on June 1 and December 1 of each year.

At June 30, 2019, the annual cash flow requirements of bond principal and interest were as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 270,000	\$ 58,339	\$ 328,339
2021	290,000	37,404	327,404
2022	300,000	27,255	327,255
2023	315,000	16,646	331,646
2024	325,000	5,606	330,606
	<u>\$ 1,500,000</u>	<u>\$ 145,250</u>	<u>\$ 1,645,250</u>

G. Chromebook Lease (Direct Placement)

On January 9, 2017, the District entered into a \$30,161 capital lease for 94 Chromebook laptops, 2 Charging Carts and 25 Wireless Access Points, which secure the lease. The lease payments are made from leasing tax levies transferred from the Educational Fund to the Debt Services Fund.

At June 30, 2019, this lease was paid in full.

H. School Bus Lease, 2017 (Direct Placement)

On June 16, 2016, the District entered into a \$53,944 capital lease with Santander for a new 2017 84 passenger school bus, which secure the lease. The lease payments are made from the Transportation Fund.

At June 30, 2019, the annual cash flow requirements of the lease agreement were as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 10,781	\$ 612	\$ 11,393
2021	11,081	312	11,393
	<u>\$ 21,862</u>	<u>\$ 924</u>	<u>\$ 22,786</u>

I. School Bus Lease, 2018 (Direct Placement)

On July 15, 2017, the District entered into a \$172,888 capital lease with Santander for two new 2017 84 passenger school buses, which secure the lease. The lease payments are made from the Transportation Fund.

PANA COMMUNITY UNIT SCHOOL DISTRICT 8
PANA, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

Note 5 - Continued

At June 30, 2019, the annual cash flow requirements of the lease agreement were as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 33,775	\$ 3,599	\$ 37,374
2021	34,935	2,439	37,374
2022	36,134	1,240	37,374
	<u>\$ 104,844</u>	<u>\$ 7,278</u>	<u>\$ 112,122</u>

Note 6 - Retirement Fund Commitments

A. Teachers' Retirement System of the State of Illinois

General Information about the Pension Plan

a. Plan Description

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

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

b. Benefits provided

TRS provides retirement, disability, and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 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 2 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 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from Tier 1.

	A	B	C	D	E	F
1	ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2018-2019)					
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	\$		10,417,491
9	O&M	Expenditures 15-22, L151	Total Expenditures			754,454
10	DS	Expenditures 15-22, L174	Total Expenditures			644,487
11	TR	Expenditures 15-22, L210	Total Expenditures			648,467
12	MR/SS	Expenditures 15-22, L295	Total Expenditures			427,971
13	TORT	Expenditures 15-22, L342	Total Expenditures			499,265
14			Total Expenditures	\$		13,392,135
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, L149, Col D & F	3410 Adult Ed (from ICCB)			0
30	O&M-TR	Revenues 9-14, L150, Col D & F	3499 Adult Ed - Other (Describe & Itemize)			0
31	O&M-TR	Revenues 9-14, L211, Col D,F	4600 Fed - Spec Education - Preschool Flow-Through			0
32	O&M-TR	Revenues 9-14, L212, Col D,F	4605 Fed - Spec Education - Preschool Discretionary			0
33	O&M	Revenues 9-14, L222, Col D	4810 Federal - Adult Education			0
34	ED	Expenditures 15-22, L7, Col K - (G+I)	1125 Pre-K Programs			575
35	ED	Expenditures 15-22, L9, Col K - (G+I)	1225 Special Education Programs Pre-K			912
36	ED	Expenditures 15-22, L11, Col K - (G+I)	1275 Remedial and Supplemental Programs Pre-K			0
37	ED	Expenditures 15-22, L12, Col K - (G+I)	1300 Adult/Continuing Education Programs			0
38	ED	Expenditures 15-22, L15, Col K - (G+I)	1600 Summer School Programs			5,733
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			1,452
41	ED	Expenditures 15-22, L22, Col K	1912 Special Education Programs K-12 - Private Tuition			545,044
42	ED	Expenditures 15-22, L23, Col K	1913 Special Education Programs Pre-K - Tuition			32,514
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 Progs - Private Tuition			8,900
52	ED	Expenditures 15-22, L75, Col K - (G+I)	3000 Community Services			21,348
53	ED	Expenditures 15-22, L102, Col K	4000 Total Payments to Other Govt Units			1,116,276
54	ED	Expenditures 15-22, L114, Col G	- Capital Outlay			34,602
55	ED	Expenditures 15-22, L114, Col I	- Non-Capitalized Equipment			0
56	O&M	Expenditures 15-22, L130, Col K - (G+I)	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			384,375
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			530,080
62	TR	Expenditures 15-22, L185, Col K - (G+I)	3000 Community Services			0
63	TR	Expenditures 15-22, L196, Col K	4000 Total Payments to Other Govt Units			8,260
64	TR	Expenditures 15-22, L206, Col K	5300 Debt Service - Payments of Principal on Long-Term Debt			43,141
65	TR	Expenditures 15-22, L210, Col G	- Capital Outlay			6,524
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			10
68	MR/SS	Expenditures 15-22, L218, Col K	1225 Special Education Programs - Pre-K			13
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			75
72	MR/SS	Expenditures 15-22, L280, Col K	3000 Community Services			145
73	MR/SS	Expenditures 15-22, L285, Col K	4000 Total Payments to Other Govt Units			28,634
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)	\$		2,768,613
77			Total Operating Expenses Regular K-12 (Line 14 minus Line 76)			10,623,522
78			9 Month ADA from District Average Daily Attendance/Prior General State Aid Inquiry 2018-2019			1,147.30
79			Estimated OEPP (Line 77 divided by Line 78)	\$		9,259.59

	A	B	C	D	E	F
1	ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2018-2019)					
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		213,777
95	ED-O&M	Revenues 9-14, L82, Col C,D	1700	Total District/School Activity Income		51,985
96	ED	Revenues 9-14, L84, Col C	1811	Rentals - Regular Textbooks		20,650
97	ED	Revenues 9-14, L87, Col C	1819	Rentals - Other (Describe & Itemize)		44,030
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		19,306
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, L132, Col C,D,F	3100	Total Special Education		145,016
106	ED-O&M-MR/SS	Revenues 9-14, L141, Col C,D,G	3200	Total Career and Technical Education		35,813
107	ED-MR/SS	Revenues 9-14, L145, Col C,G	3300	Total Bilingual Ed		0
108	ED	Revenues 9-14, L146, Col C	3360	State Free Lunch & Breakfast		8,063
109	ED-O&M-MR/SS	Revenues 9-14, L147, Col C,D,G	3365	School Breakfast Initiative		0
110	ED-O&M	Revenues 9-14, L148, Col C,D	3370	Driver Education		20,622
111	ED-O&M-TR-MR/SS	Revenues 9-14, L155, Col C,D,F,G	3500	Total Transportation		302,779
112	ED	Revenues 9-14, L156, Col C	3610	Learning Improvement - Change Grants		0
113	ED-O&M-TR-MR/SS	Revenues 9-14, L157, Col C,D,F,G	3660	Scientific Literacy		0
114	ED-TR-MR/SS	Revenues 9-14, L158, Col C,F,G	3695	Truant Alternative/Optional Education		0
115	ED-O&M-TR-MR/SS	Revenues 9-14, L160, Col C,D,F,G	3766	Chicago General Education Block Grant		0
116	ED-O&M-TR-MR/SS	Revenues 9-14, L161, Col C,D,F,G	3767	Chicago Educational Services Block Grant		0
117	ED-O&M-DS-TR-MR/SS	Revenues 9-14, L162, Col C,D,E,F,G	3775	School Safety & Educational Improvement Block Grant		0
118	ED-O&M-DS-TR-MR/SS	Revenues 9-14, L163, Col C,D,E,F,G	3780	Technology - Technology for Success		0
119	ED-TR	Revenues 9-14, L164, Col C,F	3815	State Charter Schools		0
120	O&M	Revenues 9-14, L167, Col D	3925	School Infrastructure - Maintenance Projects		0
121	ED-O&M-DS-TR-MR/SS-Tort	Revenues 9-14, L168, Col C,G,J	3999	Other Restricted Revenue from State Sources		12,922
122	ED	Revenues 9-14, L177, Col C	4045	Head Start (Subtract)		0
123	ED-O&M-TR-MR/SS	Revenues 9-14, L181, Col C,D,F,G	-	Total Restricted Grants-In-Aid Received Directly from Federal Govt		0
124	ED-O&M-TR-MR/SS	Revenues 9-14, L188, Col C,D,F,G	4100	Total Title V		57
125	ED-MR/SS	Revenues 9-14, L198, Col C,G	4200	Total Food Service		453,289
126	ED-O&M-TR-MR/SS	Revenues 9-14, L204, Col C,D,F,G	4300	Total Title I		409,786
127	ED-O&M-TR-MR/SS	Revenues 9-14, L209, Col C,D,F,G	4400	Total Title IV		0
128	ED-O&M-TR-MR/SS	Revenues 9-14, L213, Col C,D,F,G	4620	Fed - Spec Education - IDEA - Flow Through		15,028
129	ED-O&M-TR-MR/SS	Revenues 9-14, L214, Col C,D,F,G	4625	Fed - Spec Education - IDEA - Room & Board		202,388
130	ED-O&M-TR-MR/SS	Revenues 9-14, L215, Col C,D,F,G	4630	Fed - Spec Education - IDEA - Discretionary		0
131	ED-O&M-TR-MR/SS	Revenues 9-14, L216, Col C,D,F,G	4699	Fed - Spec Education - IDEA - Other (Describe & Itemize)		0
132	ED-O&M-MR/SS	Revenues 9-14, L221, Col C,D,G	4700	Total CTE - Perkins		8,115
157	ED-O&M-DS-TR-MR/SS-Tort	Revenue Adjustments (C224 thru J251)	4800	Total ARRA Program Adjustments		0
158	ED	Revenues 9-14, L253, Col C	4901	Race to the Top		0
159	ED-O&M-DS-TR-MR/SS-Tort	Revenues 9-14, L254, Col C-G,J	4902	Race to the Top-Preschool Expansion Grant		0
160	ED-TR-MR/SS	Revenues 9-14, L255, Col C,F,G	4905	Title III - Immigrant Education Program (IEP)		0
161	ED-TR-MR/SS	Revenues 9-14, L256, Col C,F,G	4909	Title III - Language Inst Program - Limited Eng (LIPLEP)		0
162	ED-O&M-TR-MR/SS	Revenues 9-14, L257, Col C,D,F,G	4920	McKinney Education for Homeless Children		1,872
163	ED-O&M-TR-MR/SS	Revenues 9-14, L258, Col C,D,F,G	4930	Title II - Eisenhower Professional Development Formula		0
164	ED-O&M-TR-MR/SS	Revenues 9-14, L259, Col C,D,F,G	4932	Title II - Teacher Quality		73,303
165	ED-O&M-TR-MR/SS	Revenues 9-14, L260, Col C,D,F,G	4960	Federal Charter Schools		0
166	ED-O&M-TR-MR/SS	Revenues 9-14, L261, Col C,D,F,G	4981	State Assessment Grants		0
167	ED-O&M-TR-MR/SS	Revenues 9-14, L262, Col C,D,F,G	4982	Grant for State Assessments and Related Activities		0
168	ED-O&M-TR-MR/SS	Revenues 9-14, L263, Col C,D,F,G	4991	Medicaid Matching Funds - Administrative Outreach		21,843
169	ED-O&M-TR-MR/SS	Revenues 9-14, L264, Col C,D,F,G	4992	Medicaid Matching Funds - Fee-for-Service Program		56,226
170	ED-O&M-TR-MR/SS	Revenues 9-14, L265, Col C,D,F,G	4999	Other Restricted Revenue from Federal Sources (Describe & itemize)		0
171	ED-TR-MR/SS	Revenues (Part of EBF Payment)	3100	Special Education Contributions from EBF Funds **		234,099
172	ED-MR/SS	Revenues (Part of EBF Payment)	3300	English Learning (Bilingual) Contributions from EBF Funds ***		510
174				Total Deductions for PCTC Computation Line 84 through Line 172	\$	2,351,479
175				Net Operating Expense for Tuition Computation (Line 77 minus Line 174)		8,272,043
176				Total Depreciation Allowance (from page 26, Line 18, Col I)		580,686
177				Total Allowance for PCTC Computation (Line 175 plus Line 176)		8,852,729
178				9 Month ADA from District Average Daily Attendance/Prior General State Aid Inquiry 2018-2019		1,147,30
179				Total Estimated PCTC (Line 177 divided by Line 178) *	\$	7,716.14
181	* The total OEPP/PCTC may change based on the data provided. The final amounts will be calculated by ISBE					
182	** Go to the link below: Under "Reports" select "FY 2019 Special Education Funding Allocation Calculation Details." Open excel file and use the amount in column X for the selected district.					
183	*** Follow the same instructions as above except under "Reports", select "FY 2019 English Learner Education Funding Allocation Calculation Details", and use column V for the selected district.					
184						
185	Evidence Based Funding Link: https://www.isbe.net/Pages/ebfdistribution.aspx					

230 N. Morgan Street
P.O. Box 317
Shelbyville, IL 62565
Tel: 217.774.9587
Fax: 217.774.9589
Email: mybkcpas@consolidated.net

MYB&K
MOSE, YOCKEY, BROWN & KULL, LLC
Certified Public Accountants

ROBIN R. YOCKEY, CPA
KENT D. KULL, CPA
CORY A. BROWN, CPA

WILLIAM R. MOSE, CPA

To the Board of Education
Pana Community Unit School District 8
Pana, Illinois

We have audited the basic financial statements of Pana Community Unit School District 8, for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 14, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Pana Community Unit School District 8 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 fiscal year 2019. 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.

No significant accounting estimates are embodied in the financial statements.

The financial statements do not include any disclosures that are particularly sensitive.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatements detected as a result of audit procedures were corrected by management:

- Recording bond issuance premium and bond issuance costs related to the issuance of General Obligation Bonds, 2019
- Reconciling grant revenue recorded in the Municipal Retirement/Social Security Fund with the Municipal Retirement/Social Security Fund expenditures claimed on the corresponding grant expenditure reports

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 8, 2019.

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.

The federal compliance section includes an internal control over compliance finding, identified as a significant deficiency, related to internal control over suspension and debarment for vendors used in federal programs.

Since the financial statements will be provided to other users besides District personnel and the ISBE, we were required to issue an adverse opinion on the financial statements since the financial statements were presented on a regulatory basis of accounting instead of in accordance with U.S. generally accepted accounting principles. The opinion on the regulatory basis of accounting was not modified.

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Pana Community Unit School District 8's basic financial statements. The information provided on pages 2-4, Supplementary Schedules, Statistical Section, Report on Shared Services or Outsourcing, Administrative Cost Worksheet, Itemization Schedule, Deficit Reduction Calculation, and the Combining Statement of Changes in Assets and Liabilities for the Student Activity Funds and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Supplementary Information

The information provided on pages 2 through 4, Supplementary Schedules on pages 23 through 25, Statistical Section on pages 26 through 30, Administrative Cost Worksheet on page 32, the Itemization Schedule on page 33, Deficit Reduction Calculation on page 36, and the Combining Statement of Changes in Assets and Liabilities for the Student Activity Funds and the schedule of expenditures of federal awards is the responsibility of management and, except for the average daily attendance figure included in the computation of operating expense per pupil on page 27 and the average daily attendance figure, the special education contributions from EBF funds figure, and the English learning (bilingual) contributions from EBF funds figure included in the computation of the per capita tuition charge on page 28, was derived from and relates directly to the underlying accounting and other records used to prepare

the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

The information on pages 27, 28 and pages 30 and 36 is propagated from information in the audited financial statements, but we take no responsibility for the accuracy of those calculations. The administrative cost worksheet on page 32 contains unaudited information concerning the current year budget which was provided by the District.

The 2018 comparative information in the accompanying schedule of expenditures of federal awards was subjected to the auditing procedures applied by us and our report dated October 5, 2018 expressed an unqualified opinion that such information was fairly stated in all material respects in relation to the 2018 financial statements as a whole.

Other Information

The Report on Shared Services or Outsourcing on page 31 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Board of Education and management of Pana Community Unit School District 8, and is not intended to be, and should not be, used by anyone other than these specified parties.

Mose, Yockey, Brown + Kull, LLC.

Mose, Yockey, Brown & Kull, LLC
Certified Public Accountants
Shelbyville, Illinois

October 8, 2019