

Comprehensive Annual Financial Report



SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427 Sycamore, Illinois

For the fiscal year ended
June 30, 2018

**SYCAMORE COMMUNITY UNIT
SCHOOL DISTRICT NO. 427
Sycamore, Illinois**

Comprehensive Annual Financial Report

Fiscal year ended
June 30, 2018

**Prepared by:
Business Office
Nicole Stuckert
Chief Financial Officer/
Chief School Business Official**

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Comprehensive Annual Financial Report

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INTRODUCTORY SECTION



November 30, 2018

President and Members of the Board of Education, and
Citizens of Sycamore Community Unit School District #427
Sycamore, IL 60178

The Comprehensive Annual Financial Report of the Sycamore Community Unit School District #427, Sycamore, Illinois, for the fiscal year ended June 30, 2018, is hereby submitted. The report was prepared by the Chief Financial Officer/Chief School Business Official with assistance from the Business Office staff. The audit was completed on September 23, 2018, and the report was subsequently issued.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data as presented is accurate in all material aspects and is reported in a manner designed to fairly set forth the financial position and results of the operations of the District, as shown by the disclosure of all financial activity of its various funds. All disclosures necessary for the reader to gain an understanding of the District's financial status are incorporated into the report. Additional discussion and analysis of the financial performance of the Sycamore Community Unit School District #427 are included in the Management's Discussion and Analysis.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the Independent Auditor's Report, Management's Discussion and Analysis, Basic Financial Statements, Notes to the Financial Statements, and the General, Major Special Revenue Funds, Combining, and Individual Fund Financial Statements and Schedules. The Statistical Section includes selected financial and demographic information generally presented on a multi-year basis. The introductory and statistical sections have not been audited.

General District Information and History

Sycamore Community Unit School District #427 is located in DeKalb County, approximately seventy (70) miles west of Chicago, Illinois. The City of Sycamore is the County Seat of DeKalb County. DeKalb County has a long history associated with agriculture and agriculture related industries. Within the past twenty years, the County and the Sycamore School District have undergone a change from a quiet rural area to an extended far-western suburb of the City of Chicago. Whereas the majority of Sycamore citizens in the past earned their living primarily through agriculture, now many of the citizens work in the Fox Valley suburbs or commute to the City of Chicago for their livelihood.

The Sycamore School District consists of seven school buildings, an administration center, a transportation facility, and a warehouse distribution center. The seven schools include five elementary schools, a middle school for students in grades six through eight, and a high school. Interestingly, the District also owns one additional building known as the North Grove School, which is one of only two one-room schoolhouses remaining on its original site in Illinois. Built in 1886, it is the oldest school building in the Sycamore District, and the facility is listed on the National Historical Register. The District leases this building to the North Grove School Association for one dollar a year, while the North Grove School Association maintains the facility. In an effort to maintain its connection with the rural history of Sycamore and DeKalb County, the Board of Education named the most recently constructed elementary school after the original North Grove School. A summary of the school buildings is shown below:

Year Built	Facility	FY18 Enrollment	FY19 Projected Enrollment
1959	High School	1,215	1,224
1978	Middle School	856	846
2009	North Grove Elementary	465	480
1997	South Prairie Elementary	227	225
1969	North Elementary	283	285
1952	West Elementary	285	274
1951	Southeast Elementary	349	360

The District employs 495 employees and is the largest employer in the City of Sycamore. Of these employees, 16 are administrators, 257 are certified staff, and 222 are non-certified staff.

The District is governed by an elected seven member Board of Education. The governing power of the Board of Education is codified in The School Code of Illinois. As the governing body of the School District, a Board of Education:

- Has the corporate power to sue and be sued in all courts;
- Has the power to levy and collect taxes on property and to issue bonds;
- Can contract for appointed administrators, teachers, and other personnel, as well as for goods and services.

The Superintendent is the Chief Executive Officer of the District and is directly responsible to the Board of Education for all the operations of the District.

The Chief Financial Officer/Chief School Business Official is also the District's Treasurer. The Chief Financial Officer/Chief School Business Official reports directly to the Superintendent. As the District's Treasurer, the Chief Financial Officer/Chief School Business Official is directly responsible for all financial operations, investments, and custody of all District funds and assets.

Programs

Early Childhood

The District runs an Early Childhood Program at South Prairie Elementary. The Early Childhood Special Education (ECSE) program serves students ages 3-5 with identified disabilities as specified under the Individuals with Disabilities Education Improvement Act (IDEA). Typically developing peers are also included in this program, as well as community models. Our ECSE program focuses on:

- Developmentally appropriate curriculum with an emphasis on
 - Language,
 - Socialization,
 - Motor Skills,
 - and Pre-academic skill development.

Students are able to join the program throughout the year as they turn the age of 3. At the end of school year 2017-2018, the program had 74 students.

Life School

Life School is the Sycamore School District's transition program for students who have an Individual Educational Plan (IEP), completed four years of high school, and are at least 18 years old. The goal is to provide students with a variety of possible post school outcomes in a real-life community based program. Life School has two different programs-the Transition Program and the Developmental Training Program.

The Transition Program focuses on functional life skills with functional academic skills

embedded into daily activities. The Transition Program emphasizes five domains:

- Work
- Home
- Community
- Recreation & Leisure
- Social-Interpersonal Skills

The Developmental Training Program serves young adults with greater limitations due to their developmental and intellectual disabilities. This program also emphasizes five domains:

- Social/Communication
- Home
- Community
- Recreation & Leisure
- Functional Skills

In order for a student to attend Life School, the High School's IEP team must determine that the placement is appropriate according to the student's needs and their IEP goals. Students going on in Life School will receive a Certificate of Attendance at their High School's graduation ceremony. Once a student has completed the Life School Program or they "age-out" (upon turning 22 years old) of the program, they will be issued a diploma. The program currently serves 10 students, some of whom tuition in from other nearby school districts.

OSCAR Childcare

The Sycamore School District offers before and after school care for the school year and summer. The program is offered to students who are in kindergarten through fifth grade in the District. OSCAR provides children a fun, safe, and quality experience. The before school program offers breakfast and structured activities in the areas of academics, arts and crafts, nutrition and wellness. The afternoon program provides homework assistance, academically based activities, and structured playtime. Students also have an opportunity to attend the YMCA campus for swim lessons once a week. Certified teachers lead the program. The program served, on average, 401 students during the school year and about 217 students in the summer.

English Language Learners (ELL)

The English Language Learners (ELL) program is designed to meet the needs of students whose first language is not English. Students are assessed when they register if parents indicate that another language is spoken in their home. There is a continuum of services provided to students depending on how well they are able to speak, read, write, and listen in English.

- Students at the elementary level who require ELL support will work with a certified ELL teacher, who is also fluent in Spanish, and will receive support from a Paraprofessional

providing instruction to support the student as they learn English. The elementary level program is housed at North Grove Elementary.

- Students at the Middle School who require ELL support will have one to two class periods taught by a certified ELL teacher, who is also fluent in Spanish.
- Students at the High School who require ELL support will have one class period taught by a certified ELL teacher, who is also fluent in Spanish.

All ELL classes place an emphasis on learning English vocabulary, reading, and writing. In addition, pre-teaching concepts are done to help students develop academic vocabulary and understanding. Currently, there are 87 students being served in this program.

Economic Condition and Outlook

Approximately 90% of the City of Sycamore's incorporated area is contiguous with that of the School District. Additionally, a portion of the Town of Cortland is also within the School District's boundaries. Residential property makes up 73.15% of the School District's tax base. Commercial and industrial values are approximately 19.60% of property values combined. The remainder is composed of farmland and railroad.

The City of Sycamore imposes an "impact fee" on residential development. Revenues from this fee have been an important component of the District's financial plan and can be used for: 1) the purchase of real estate or structures for use as schools or educational facilities for students in the School District; (2) the construction of new buildings for use as schools or educational facilities for students in the School District; or (3) the modification of existing school buildings or educational facilities for students in the School District. Revenues from this source decreased to \$76,658 for Fiscal Year 2017 from \$180,764 in Fiscal Year 2016. The decrease was due to the new process implemented by the City, which now requires payment due at final inspection and payable to the City of Sycamore. The City then transfers the payments to the school district on a monthly basis. In the past, payments were due before a building permit was issued and payment was payable to the school district. Revenues for Fiscal Year 2018 increased to \$161,925.

Residential home construction declined from its peak of 264 single-family units constructed in 2005-2006 to 52 in 2015-2016 and decreased further to 22 ending 2016-2017. For 2017-2018, residential construction increased to 56 new housing starts.

Residential property values, which had been increasing by double digits beginning in 2003, slowed in 2009 to a 2.42% increase, and declined by 7.75% in 2013. Values continued to show a decline of 1.5% in 2014. The District did see a 7% increase in property values in 2017. This increase in value impacts the District's property tax revenues, as well as the District's tax rates.

Rates will rise in a time of declining property values, which is necessary to provide the funds the District is entitled to under the Property Tax Extension Limitation Law. Fortunately, the District was able to decrease the tax rate for the 2017 levy and provide some relief to its taxpayers.

DeKalb County passed the Property Tax Extension Limitation Law, commonly known as "tax caps," in 1999. This law restricts the School District's property tax levy to an increase of 105%,

or the annual Consumer Price Index (whichever is less), excluding growth from new construction.

In spite of current economic problems, the Sycamore School District has been able to maintain programs and provide the quality education experience demanded by the community. The establishment of healthy financial reserves during the growth period and sound financial management by the Board of Education has enabled the District to remain financially healthy over the last several years. However, in school year 2014-2015, the District implemented a three year deficit reduction plan that began in school year 2015-2016. The plan reduced expenditures by \$6.2 million over the three year plan to ensure the District gets back to a balanced budget by the 2017-2018 school year, which was accomplished. Declining property values & prorated state aid along with an increase in negotiated compensation agreements have presented deficit spending over the previous nine years. Moving forward, the District will continue to present balanced budgets, increasing its fund balance to 25% of expenditures per Board Policy.

Financial Information & Policies

Sycamore CUSD #427 conforms to Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) and the United States of America, as applicable to governmental entities. The District reports on a modified accrual basis of accounting. The presentation permits the reader to obtain an overview of the District's financial operations by reviewing the combined statements in the front section of this report. Detailed representations of the combined statements are available throughout the remainder of the report.

The District Administration is responsible for establishing and maintaining internal controls. Internal controls provide reasonable assurance that District assets are protected from loss, theft, or misuse. These controls are based on the principle of "reasonable assurance," which recognizes the cost of a control should not exceed the benefits to be derived from that control.

The District's independent auditor, Klein Hall CPAs, considered the District's internal controls to determine auditing procedures for the purpose of expressing an opinion on the financial statements. The auditor also tested the District's compliance with provisions of laws, regulations, contracts, and grants. As a result of the audit, no material weaknesses or significant deficiencies in internal controls were noted, and no material noncompliance was determined.

District Funds

The District's accounts are organized as separate accounting entities called funds. District resources are allocated to and accounted for in individual funds as required by the State of Illinois. Each fund has specific functions based upon the purposes for which the District's resources are to be expended. This allows for a more controlled process of spending activities. The following describes the fund types implemented in School District 427:

- 1) **General Fund** – accounts for the revenues and expenditures that are used in providing the educational program for the students of the District (e.g., Operations and Maintenance and Working Cash)

- 2) **Special Revenue Funds** – accounts for specific revenue sources that are legally restricted to expenditures for specified purposes (e.g., Transportation and Municipal Retirement/Social Security).
- 3) **Debt Service Fund** – accounts for the accumulation of resources for, and the payments of, general long-term debt principal, interest, and related costs. All bond issues are maintained through the Bond and Interest Fund.
- 4) **Capital Projects Fund** – accounts for financial resources to be used for the acquisition or construction of major capital facilities.
- 5) **Activity Fund** – accounts for the assets held by the District for student organizations.

Budget Control

The District maintains sound budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of all funds are included in the annual appropriated budget. Budgetary control is maintained at the fund level. Monthly budget variances at the fund level, as well as more detailed program line item levels, are provided to the Board with the Treasurer's Report.

The District also maintains an encumbrance accounting system as one process for accomplishing budgetary control. Encumbered amounts lapse at year-end. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

Major Initiatives

Improvements to District Facilities

The District had several capital improvement projects during the 2017-2018 school year. The following list summarizes the projects by school:

West Elementary School

- Outdoor stair railing & concrete repair (last phase of project)

South Prairie Elementary

- Exterior brick wall & flashing repair
- Sidewalk/crosswalk addition

Sycamore High School

- Welding shop ventilation upgrades
- Auditorium air handler control upgrades

Transportation Garage

- Service Pit electrical & concrete repairs
- Deteriorating garage wall concrete repairs

Certificate of Excellence

The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to Sycamore Community Unit School District #427 for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. This certificate is a prestigious national award recognizing standards for preparation of state and local government financial reports. This year's Comprehensive Annual Financial Report will again be submitted for the ASBO Certificate of Excellence award.

In order to be awarded this Certificate, the District must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy generally accepted accounting principles and applicable legal requirements.

We believe that our current report conforms to the Certificate requirements, and we are submitting it to ASBO International to determine its eligibility for the Certificate.

Other Information


Independent Audit

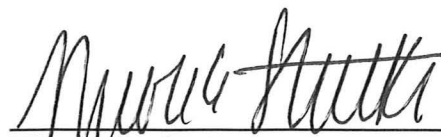
The School Code of Illinois and the District's adopted policy require an annual, independent audit of the book of accounts, financial records, and all fund transactions of the District. The audit was performed by the independent certified public accountants that are selected by the District's Board of Education. The auditor's opinion has been included in this report.

Acknowledgments

We wish to thank the members of the Board of Education for their interest and support in planning and conducting the financial operations of Sycamore CUSD #427 in both a highly responsible and effective manner. The preparation of the report on a timely basis could not be accomplished without the efficient and dedicated services of all members of the Business Office who assisted in the closing of the District's financial records and the preparation of this report.

Respectfully submitted,


Kathy Countryman
Superintendent


Nicole Stuckert
Chief Financial Officer/
Chief School Business Official

Sycamore Community Unit School District No. 427

245 West Exchange Street
Sycamore, Illinois 60178

Officers and Officials

June 30, 2018

Board of Education

		<u>Term Expires</u>
James Dombek	President	2021
Stephen Nelson	Vice President	2019
Kris Wrenn	Secretary	2019
Julenne Davey	Member	2019
Austin Hofer	Member	2021
Eric Jones	Member	2021
Jeff Jacobson	Member	2021

District Administration

Kathy Countryman	Superintendent
Nicole Stuckert	Chief Financial Officer/Chief School Business Official

Official Issuing Report

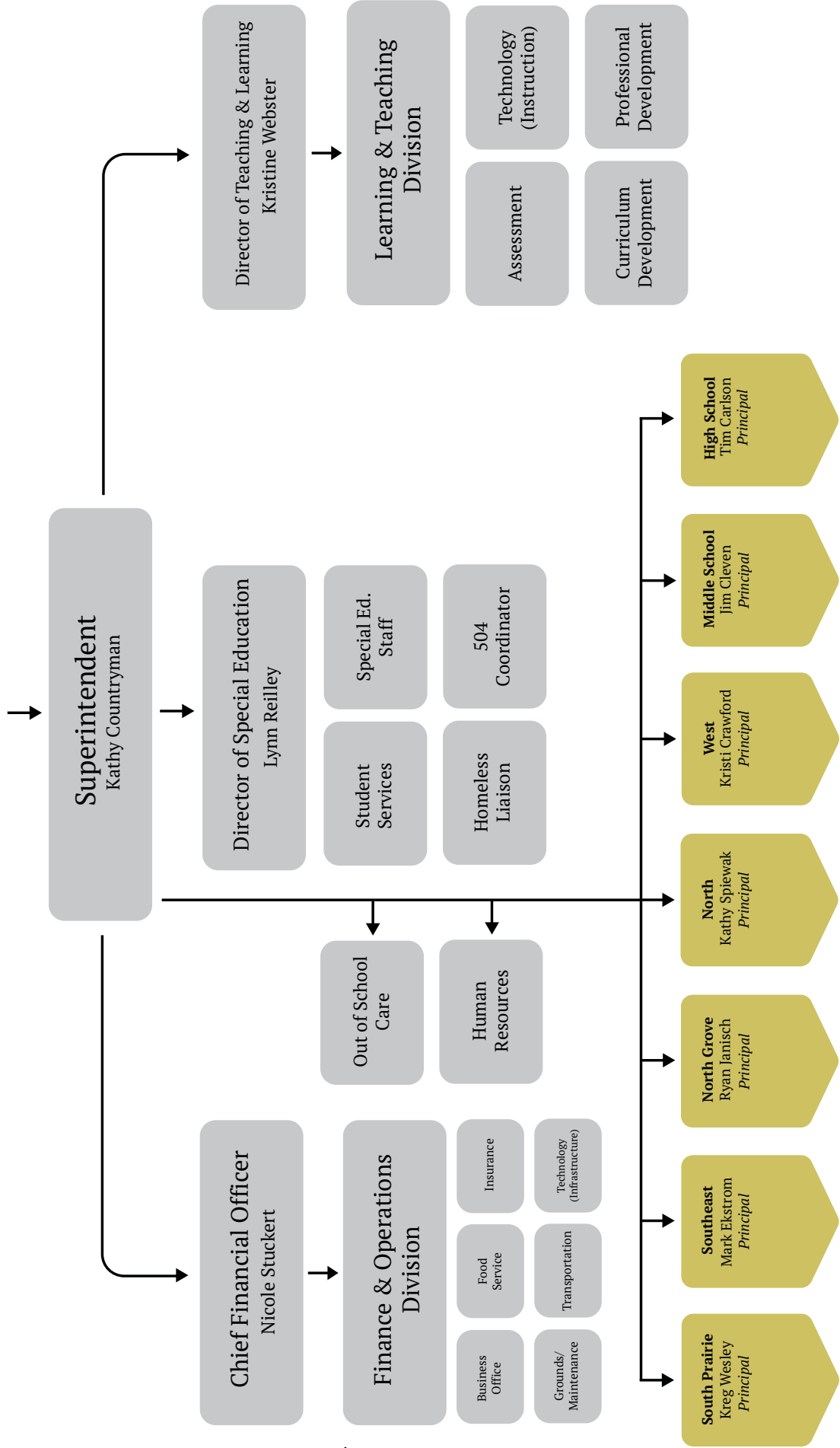
Nicole Stuckert	Chief Financial Officer/Chief School Business Official
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Department Issuing Report

Business Office

Sycamore CUSD 427

Board of Education





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Sycamore Community Unit School District No. 427

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

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



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

John D. Musso, CAE
Executive Director

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Board of Education
Sycamore Community Unit School District No. 427
Sycamore, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sycamore Community Unit School District No. 427 (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Sycamore Community Unit School District No. 427 as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended June 30, 2018. Statement No. 75 expands disclosures related to postemployment benefits other than pensions and requires the District to report the net other postemployment benefit liability in the statement of net position. The adoption of this statement had no effect on any of the District's fund balances but reduced the District's governmental activities net position by \$35,018,952 as of July 1, 2017 as disclosed in Note 16. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

We have also audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended June 30, 2017, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The schedules of revenues, expenditures and changes in fund balances - budget and actual, related to the 2017 financial statements are presented for purposes of additional analysis and are not a required part of the basic

financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 schedules of revenues, expenditures and changes in fund balances - budget and actual are fairly stated in material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2018, on our consideration of Sycamore Community Unit School District No. 427's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Klein Hall CPAs". The signature is written in a cursive, flowing style.

Klein Hall CPAs
Aurora, Illinois
November 27, 2018

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Management's Discussion and Analysis
For the Year Ended June 30, 2018

This section of Sycamore Community Unit School District #427's (the District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2018. Please read it in conjunction with the transmittal letter found in the introductory section, as well as the District's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the *Governmental Accounting Standards Board (GASB)* in their *Statement No.34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued in June 1999. The MD&A is management's explanation of the District's financial position.

Financial Highlights

- As of June 30, 2018, the total combined liabilities plus deferred inflows of the District exceeded its assets plus deferred outflows by \$20,826,697 (net position of the District). Overall net position decreased by \$31,853,841 after a restatement of beginning net position of \$35,018,952.
- During the year, expenses from governmental activities totaled \$59,722,917. General revenues generated from property taxes, state and federal funding, earnings on investments, and miscellaneous items totaled \$44,686,480, which is a 6.99% increase over the previous year. Program revenues accounted for an additional \$18,201,548, which is a 2.92% increase over the previous year.
- Student enrollment increased by 1.0% from 3,744 in 2017 to 3,764 in 2018.
- The General Fund reported a decrease in fund balance of \$683,808 and ended the fiscal year with a fund balance of \$4,306,182.
- The Transportation Fund (a Major Special Revenue Fund) reported an increase in fund balance of \$1,198,960 and ended the fiscal year with a fund balance of \$2,621,309.
- The Debt Service Fund reported a decrease in fund balance of \$146,481 and ended the fiscal year with a fund balance of \$2,591,617.
- The District's outstanding long-term debt of \$94,943,981 as of June 30, 2017 increased to \$114,658,507 as of June 30, 2018. The increase was due to the issuance of new general obligation refunding bond proceeds of \$9,680,000, accretion on bonds, an increase in net OPEB liability, and an increase in net pension liability.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Management's Discussion and Analysis
For the Year Ended June 30, 2018

Overview of the Financial Statements

The Comprehensive Annual Financial Report consists of three parts: (A) an Introductory Section, (B) a Financial Section, and (C) a Statistical Section. The Financial Section of this Comprehensive Annual Financial Report consists of four parts: (1) management's discussion and analysis (this section), (2) the basic financial statements, (3) required supplementary information, and (4) other supplementary information, which is an optional section that presents additional information such as combining and individual fund statements and schedules for non-major and major governmental funds, fiduciary funds, capital assets, and required compliance information.

The Management's Discussion and Analysis section is intended to serve as an introduction to the District's Basic Financial Statements. The District's Basic Financial Statements are comprised of three components: (1) Government-Wide Financial Statements, (2) Fund Financial Statements, and (3) Notes to the Financial Statements.

The Basic Financial Statements include statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the Government-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the *short-term*, as well as what remains for future spending.
- The *fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others.

Government-wide Financial Statements

The Government-wide financial statements report information about the District as a whole using accounting methods similar to those used by private-sector companies.

The *Statement of Net Position* includes all of the government's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them reported as *net position*.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Management's Discussion and Analysis
For the Year Ended June 30, 2018

The *Statement of Activities* presents information for all of the current year's revenues and expenses regardless of when cash is received or paid. Thus, revenues and expenses are reported on this statement for some items that will only result in cash flows in future fiscal periods.

The Government-wide financial statements report the District's *net position* and how it has changed. Net position is the difference between the District's assets plus deferred outflows and liabilities plus deferred inflows – this is one way to measure the District's financial health or *position*. Per the requirements of GASB 34, comparisons with prior year net position and changes are reported.

- Over time, increases or decreases in the District's net position are an indicator of whether the financial position is improving or deteriorating.
- To assess the District's overall health, one must consider additional non-financial factors, such as changes in the District's property tax base and the condition of school buildings and other facilities.

Fund Financial Statements

The District's fund financial statements provide more detailed information about the District's funds, focusing on its most significant or major funds, not the District as a whole. Fund accounting devices that the District uses to keep track of specific sources of funding and spending for particular programs are required by state law and bond covenants. The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (such as Working Cash).

The District has two categories of funds:

- *Governmental Funds*: All of the District's basic services are included in governmental funds, which generally focus on: (1) how cash and other financial assets can readily be converted to cash flow in and out, and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that allows one to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the Government-wide statements, additional information in the *Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds* and the *Statement of Activities* explains the relationship (or differences) between the long-term and short-term outlooks.

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Management's Discussion and Analysis
For the Year Ended June 30, 2018

- *Fiduciary Funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as the student activity funds and private purpose trust funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

Financial Analysis of the District as a Whole**Net Position**

As noted earlier, net position may over time serve as a useful indicator of a government's financial position. The District's liabilities plus deferred inflows as of June 30, 2018 exceeded assets plus deferred outflows by \$20,826,697 (net position) (see Table A-1). Overall assets increased by \$698,898. Current and other assets increased in the same period from \$30,612,864 to \$34,250,849.

Table (A-1)
Sycamore CUSD #427's Net Position

	Governmental Activities	
	2018	2017
Current and other assets	\$ 34,250,849	\$ 30,612,864
Capital assets	66,935,635	69,874,722
Total assets	<u>101,186,484</u>	<u>100,487,586</u>
Deferred Outflows	<u>10,527,331</u>	<u>10,342,881</u>
Debt outstanding		
Current	3,732,466	3,820,665
Long-term	110,926,041	91,123,316
Other liabilities	<u>4,684,841</u>	<u>4,137,560</u>
Total liabilities	<u>119,343,348</u>	<u>99,081,541</u>
Deferred Inflows	<u>13,197,164</u>	<u>721,782</u>
Net position		
Net investment in capital assets	12,906,687	11,746,334
Restricted	8,275,307	6,746,947
Unrestricted	<u>(42,008,691)</u>	<u>(7,466,137)</u>
Total net position	<u>\$ (20,826,697)</u>	<u>\$ 11,027,144</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Management's Discussion and Analysis
For the Year Ended June 30, 2018

Changes in Net Position

Total revenues increased by 5.78% from \$59,452,921 in 2017 to \$62,888,028 in 2018 (see Table A-2).

Expenses for the same period decreased by 2.57% from \$61,298,948 in 2017 to \$59,722,917 in 2018.

(Table A-2)
Change in Net Position

	2018	2017	% Change
Program Revenues			
Charges for Services	\$ 3,061,356	\$ 2,370,267	29.16%
Operating Grants and Contributions	15,140,192	15,315,493	-1.14%
Total Program Revenues	18,201,548	17,685,760	2.92%
General Revenues			
Property Taxes	33,059,111	31,618,738	4.56%
Personal property replacement taxes	654,367	751,941	-12.98%
Federal and state aid not restricted to specific purposes	10,833,125	9,169,313	18.15%
Investment Earnings	139,877	55,685	151.19%
Miscellaneous	-	171,484	-100.00%
Total General Revenues	44,686,480	41,767,161	6.99%
Total Revenues	62,888,028	59,452,921	5.78%
Program Expenses			
Instruction			
Regular	18,536,879	20,549,580	-9.79%
Special	5,021,317	5,169,338	-2.86%
Tuition	2,508,655	2,552,452	-1.72%
State retirement contributions	11,230,996	10,119,742	10.98%
Total Instruction	37,297,847	38,391,112	-2.85%
Support Services			
Pupils	2,976,270	3,063,675	-2.85%
Instructional Staff	2,033,309	2,209,874	-7.99%
General Administration	1,437,460	1,379,697	4.19%
School Administration	2,276,397	2,129,127	6.92%
Business	1,694,646	1,569,065	8.00%
Operation & Maintenance of Facilities	4,386,634	4,194,782	4.57%
Transportation	1,815,266	1,748,103	3.84%
Central	414,902	494,697	-16.13%
Other	1,700,629	1,566,720	8.55%
Community service	694,961	568,324	22.28%
Total Support Service	19,430,474	18,924,064	2.68%
Interest and Finance Charges	2,994,596	3,983,772	-24.83%
Total Expenses	59,722,917	61,298,948	-2.57%
Increase/(Decrease) in Net Position	3,165,111	(1,846,027)	
Net Position - Beginning of Year, as Originally Stated	11,027,144	12,873,171	
Prior Period Adjustment	(35,018,952)	-	
Net Position - Beginning of Year, as Restated	(23,991,808)	12,873,171	
Net Position - End of Year	\$ (20,826,697)	\$ 11,027,144	

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427Management's Discussion and Analysis
For the Year Ended June 30, 2018

The total cost of all programs and services for governmental activities in the year ended June 30, 2018 was \$59,722,917 compared to \$61,298,948 for the year ended June 30, 2017. This decrease was the result of:

- Decreased regular program expenditures;
- Decreased interest and finance charges.

Governmental Activities

Program revenues associated with the District's governmental activities increased by 2.92% from \$17,685,760 in Fiscal Year 2017 to \$18,201,548 in Fiscal Year 2018, which was the result of an increase in state retirement contributions. General revenues increased by 6.99%. Property tax revenues increased by 4.56%. Federal and state aid not restricted to specific purposes increased by 18.15%. Investment earnings increased by 151.19%, which is attributable to District investments. Personal property replacement tax revenue decreased by 12.98% as a result of a decrease in collection of user fees and personal property replacement taxes.

(Table A-3)

	Charges for Services			Operating Grants and Contributions		
	2018	2017	% Change	2018	2017	% Change
Regular Programs	\$ 2,245,280	\$ 1,500,679	49.62%	\$ 761,749	\$ 984,471	-22.62%
Special Programs	30,071	17,123	75.62%	1,582,863	2,660,982	-40.52%
State Retirement Contributions	-	-	0.00%	11,230,996	10,119,742	10.98%
Instructional Staff	-	-	0.00%	105,729	66,032	60.12%
Business Operations and Maintenance of Facilities	520,728	567,139	-8.18%	405,668	432,408	-6.18%
Transportation	94,070	90,858	3.54%	-	-	0.00%
Totals	171,207	194,468	-11.96%	1,053,187	1,051,858	0.13%
	<u>\$ 3,061,356</u>	<u>\$ 2,370,267</u>	<u>29.16%</u>	<u>\$ 15,140,192</u>	<u>\$ 15,315,493</u>	<u>-1.14%</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Management's Discussion and Analysis

For the Year Ended June 30, 2018

The total cost of instructional services from governmental activities decreased by 2.85% from \$38,391,112 in Fiscal Year 2017 to \$37,297,847 in Fiscal Year 2018. Support service costs increased by 2.68% from \$18,924,064 to \$19,430,474 in Fiscal Year 2018. Interest and fiscal charge costs decreased by 24.83% from \$3,983,772 to \$2,994,596 in Fiscal Year 2018. The cost of all governmental activities for Fiscal Year 2018 decreased 2.57% over the previous fiscal year to \$59,722,917.

The net cost of services reflects the amount of District expenses that are supported by property tax payments, state and federal resources not restricted to certain purposes, earnings on investments, and various miscellaneous revenues.

The net cost of total services less program revenues increased by 4.80% for Fiscal Year 2018. Net cost of instructional services decreased from \$23,108,115 for Fiscal Year 2017 to \$21,446,888 for Fiscal Year 2018. Support service costs less program revenues increased by 3.38% for the same period.

(Table A-4)						
Governmental Activities						
	Total Cost of Services 2018	Total Cost of Services 2017	Total Percentage Change	Net Cost of Services 2018	Net Cost of Services 2017	Total Percentage Change
Instruction	\$ 37,297,847	\$ 38,391,112	-2.85%	\$ 21,446,888	\$ 23,108,115	-7.19%
Support Services	19,430,474	18,924,064	2.68%	17,079,885	16,521,301	3.38%
Interest and Fiscal Charges	2,994,596	3,983,772	-24.83%	2,994,596	3,983,772	-24.83%
Totals	<u>\$ 59,722,917</u>	<u>\$ 61,298,948</u>	<u>-2.57%</u>	<u>\$ 41,521,369</u>	<u>\$ 43,613,188</u>	<u>-4.80%</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Management's Discussion and Analysis
For the Year Ended June 30, 2018

Financial Analysis of the District's Funds

The District's governmental funds have a combined fund balance on June 30, 2018 of \$12,637,300. This is an increase of \$881,064 from the June 30, 2017 fund balance of \$11,756,236.

The major funds include the General Fund, the Transportation Fund, and the Debt Service Fund. Changes in their positions are detailed below.

The General Fund (Education, Operations and Maintenance and Working Cash accounts) ended Fiscal Year 2018 with a fund balance of \$4,306,182. This was a decrease of \$683,808 from the stated position on June 30, 2017. The decrease was a result of decreased miscellaneous revenues and increasing support services expenditures.

The Transportation Fund's end-of-year fund balance increased by \$1,198,960. The State of Illinois reimburses on a pro-rata basis the cost of transporting students living within a mile and one-half of an attendance center or where there is a significant traffic hazard that would endanger walking students.

The Debt Service Fund's fund balance ended the fiscal year at \$2,591,617, a decrease of \$146,481 from the previous fiscal year.

Non-major governmental funds include the Municipal Retirement/Social Security Fund, the Capital Projects Fund, and the Fire Prevention and Safety Fund.

The Municipal Retirement/Social Security Fund is established by Illinois Statutes. Its purpose is to account for property tax funds specifically levied by the District to meet the District's obligations to the Illinois Municipal Retirement Fund, a mandatory retirement fund for all non-certified employees, and to account for tax dollars used for the District's obligation for Social Security and Medicare payments. The fund balance on June 30, 2018 was \$538,051. This was a positive change of \$107,841 from June 30, 2017.

The Capital Projects Fund had a fund balance of \$541,215 at the conclusion of the present fiscal year.

The Fire Prevention and Safety Fund is a statutorily authorized fund to account for funds specifically raised through a property tax levy or sale of bonds to effect cited areas of building concern. This fund ended the current fiscal year with a fund balance of \$2,038,926, which was an increase of \$404,552.

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Management's Discussion and Analysis
For the Year Ended June 30, 2018

General Governmental Functions

A comparison of the various revenues of the Governmental Fund Types and percentages of increases and decreases in relation to the prior year is shown in the following tabulation:

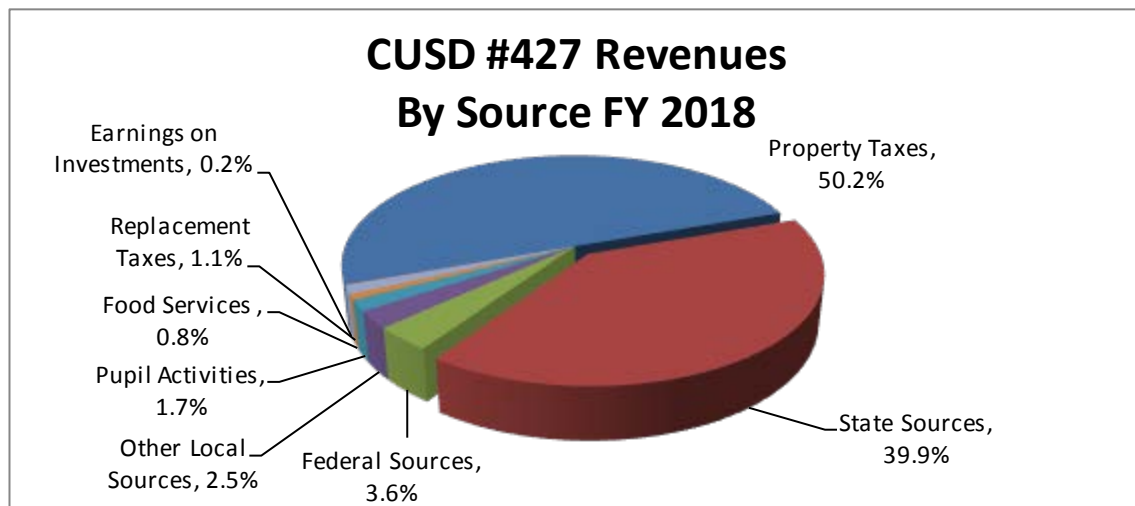
(Table A-5)
Revenues by Source

Revenue Source	2018 Revenues		2017 Revenues		Increase (Decrease) from 2017	
	Amount	Percent of Total	Amount	Percent of Total	Dollars	Percentages
Property Taxes	\$ 30,457,995	50.20%	\$ 30,079,053	52.63%	\$ 378,942	1.26%
Replacement Taxes	654,367	1.08%	751,941	1.32%	(97,574)	-12.98%
Total Taxes	31,112,362	51.27%	30,830,994	53.95%	281,368	0.91%
Earnings on Investments	139,877	0.23%	55,685	0.10%	84,192	151.19%
Food Services	520,728	0.86%	567,139	0.99%	(46,411)	-8.18%
Pupil Activities	1,007,555	1.66%	965,336	1.69%	42,219	4.37%
Other Local Sources	1,533,073	2.53%	1,336,590	2.34%	196,483	14.70%
Total Local	34,313,595	56.55%	33,755,744	59.07%	557,851	1.65%
State Sources	24,200,158	39.88%	21,620,483	37.83%	2,579,675	11.93%
Federal Sources	2,164,635	3.57%	1,770,315	3.10%	394,320	22.27%
Total State & Federal	26,364,793	43.45%	23,390,798	40.93%	2,973,995	12.71%
Totals	\$ 60,678,388	100.00%	\$ 57,146,542	100.00%	\$ 3,531,846	6.18%

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Management's Discussion and Analysis
For the Year Ended June 30, 2018

Revenue from all Governmental Fund types totaled \$60,678,388 in Fiscal Year 2018, which represents a 6.18% increase over Fiscal Year 2017. Local property taxes produced 50.20% of general revenues compared to 52.63% the previous year. Revenue from all local sources accounted for \$34,313,595 or 56.55% of total revenue. This compares to 59.07% from local sources the previous year. Revenue from state and federal sources accounted for 43.45%, as compared to 40.93% from state and federal sources in 2017. Federal funds accounted for 3.57% of total revenue from all Governmental Fund types.



Property tax payments are the most significant revenue source for the District. The District is located in two “tax capped” counties. Illinois enacted the Property Tax Extension Limitation Law (PTELL), which effectively “capped” the growth of tax rates. Property tax growth in PTELL counties is determined by a levy formula that uses the previous year’s extension, the consumer price index (CPI), and the property value of new construction.

By Illinois law, a school district must adopt a levy for property tax dollar requests and file that levy request with the county clerk(s) by the last Tuesday in December. Tax amounts and rates are determined by the application of the request across the equalized assessed value (EAV) of property within the taxing district. Amounts requested are then reduced (if necessary) to conform to the limitations imposed by PTELL and other sections of the statutes. The taxes are due and payable in the year following the levy. Normally, tax payments are due from the individual by May 1st and September 1st. Funds collected are dispersed later in those months by the county treasurers.

The EAV in DeKalb and Kane Counties is determined as one-third of the fair market value of the property. The State of Illinois will apply a multiplier function, if necessary, in an effort to equalize assessment

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Management's Discussion and Analysis

For the Year Ended June 30, 2018

practices of county assessors. The District's 2017 Levy Year EAV of \$531,032,047 represents an increase of 7.22% from the 2016 levy year. The Board of Education approves a levy in dollars to meet the District's operating needs for the fiscal year following the levy. The debt service levy is established at the time the Board approves a bond sale resolution. In Illinois, the only long-term debt that can be repaid through a specific tax levy is for bond indebtedness. The County Clerk normally extends the debt service levy by 1% to cover "loss and costs" associated with tax payment collection. Tax rates are determined by dividing the total EAV by the extended levy and are usually expressed as dollars and cents per \$100 of EAV.

Tax collections for the 2017 levy year were 53.54%. Real estate tax bills in DeKalb and Kane counties are payable in two installments, as discussed in the previous paragraph, with the second payment falling due and payable after the close of the fiscal year. Property tax rates for the 2017 Levy and the preceding three levy years are shown on the following tabulation:

(Table A-6)
Sycamore CUSD 427 DeKalb County Tax Rates

Levy Year	2017	2016	2015	2014
Fund Type				
General	\$ 4.4958	\$ 4.5181	\$ 4.8692	\$ 5.1041
Special Revenue	0.6544	0.7622	0.7385	0.7103
Debt Service	0.9618	0.9924	1.0342	1.0519
Health/Safety	0.0828	0.0851	0.0625	0.0667
Leasing	0.0397	0.0408	0.0444	0.0466
Total Tax Rate	<u>\$ 6.2345</u>	<u>\$ 6.3986</u>	<u>\$ 6.7488</u>	<u>\$ 6.9796</u>
Collection Levy	53.54%	53.17%	99.74%	99.94%

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Management's Discussion and Analysis

For the Year Ended June 30, 2018

The following table presents expenditures for major functions of the District with comparison to the preceding year for all Government Fund types:

(Table A-7)
Expenditures By Function

	2018 Expenditures		2017 Expenditures		Increase (Decrease) from 2017	
	Amount	Percent of Total	Amount	Percent of Total	Dollars	Percentages
Instruction	\$ 35,105,746	58.51%	\$ 34,442,504	58.64%	\$ 663,242	1.93%
Supporting Services	16,138,197	26.90%	15,979,192	27.21%	159,005	1.00%
Community Services	694,961	1.16%	568,324	0.97%	126,637	22.28%
Non-programmed Charges	1,642,504	2.74%	1,443,191	2.46%	199,313	13.81%
Debt Service	5,996,762	9.99%	5,515,987	9.39%	480,775	8.72%
Capital Outlay	424,910	0.71%	784,881	1.34%	(359,971)	-45.86%
Totals	\$ 60,003,080	100.00%	\$ 58,734,079	100.00%	\$ 1,269,001	2.16%

Expenditures from all governmental fund types totaled \$60,003,080 in 2018, an increase of \$1,269,001 or 2.16% from 2017. This increase resulted from an increase in instruction and debt service expenditures.

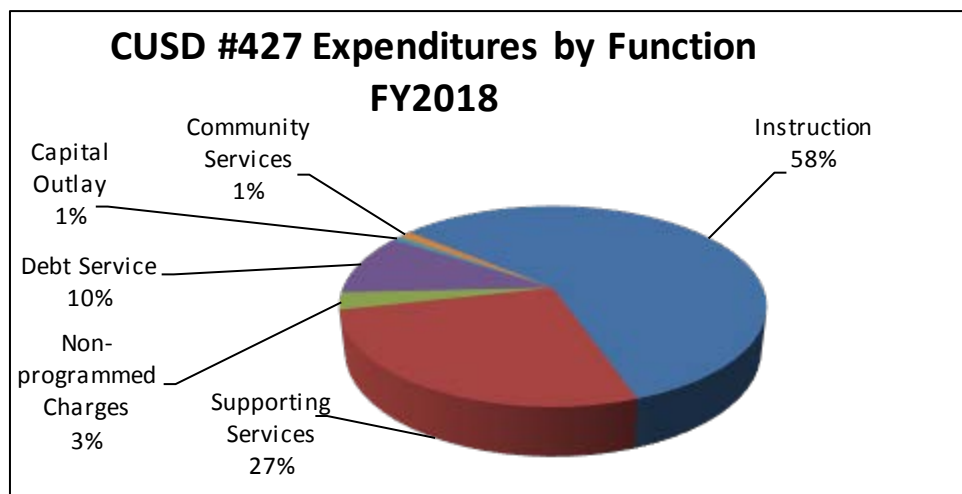
In 2018, the District spent \$447,469 on capital outlay; this is \$350,485 less than expenditures classified as capital outlay in 2017. This decrease is the result of fewer building and improvements and equipment acquisitions in the current year.

Debt repayment expenditures increased by \$480,775, or 8.72%, from 2017.

Supporting services for students and instructional staff, including district administration, school administration, and business services, accounted for 27.48% of all expenditures. Supporting service expenditures decreased by \$276,147, or 1.65%, compared to the previous fiscal year. Instruction expenditures in Illinois include "on behalf" funds, which are State contributions to the Teachers Retirement System. Funds are never actually realized by the local district. It is required, however, that these contributions be shown by the local district on their revenue and expense statements. A more complete discussion of the "on behalf" contribution is included in Note 5 of the *Notes to Financial Statements*.

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Management's Discussion and Analysis
For the Year Ended June 30, 2018



Included in the Special Revenue Fund are revenues and expenditures related to the Illinois Municipal Retirement (IMRF) and Social Security Fund. IMRF is the pension fund for non-certified workers of school districts. A district may levy a tax to pay the costs of this retirement fund. Total revenues and expenditures for the fund were \$1,465,677 and \$1,357,836, respectively. As of December 31, 2017, the following actuarial information pertains to the IMRF pension plan:

Total pension liability	\$ 70,607,300
Plan fiduciary net position	<u>65,631,456</u>
Net pension liability	<u>\$ 4,975,844</u>

Note 5 in the *Notes to the Financial Statements* contains more detailed information on funding for the Illinois Municipal Retirement Fund.

Budgetary Highlights

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP). During the 2017-2018 Budget year, the District did not amend the annual operating budget.

In the General Fund, expenditures exceeded revenues in the 2018 Fiscal Year. This condition resulted from unanticipated instructional salary and benefits expenditures, as well as community services expenditures. The District's adopted budget for the General Fund anticipated that revenues would exceed expenditures.

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Management's Discussion and Analysis
For the Year Ended June 30, 2018

Notably, the total expenditures for instruction in the General Fund exceeded the budget by \$927,680. This variance was largely offset by support services and operation and maintenance expenditures being under budget for Fiscal Year 2018.

The actual expenditures in the Municipal Retirement/Social Security Fund exceeded budgeted expenditures. Actual variances are detailed in the *Notes to Required Supplementary Information*. Additional sources were available to finance these excess expenditures as allowed under Illinois Statutes.

Capital Assets and Long-Term Debt*Capital Assets*

During fiscal year 2018, the District invested \$447,469 in depreciable building improvements, facilities, furniture, transportation equipment, and computer hardware equipment. This resulted in total net capital assets of \$66,935,635 as of June 30, 2018, which is a decrease in capital asset value from the previous year. Total depreciation expense for the year was \$3,357,339. See Note 3 in the *Notes to the Financial Statements* for additional information on capital assets.

	(Table A-8)		
	Capital Assets (net of depreciation)		
	2018	2017	2016
Land	\$ 782,089	\$ 782,089	\$ 782,089
Land improvements	1,627,836	1,773,346	1,842,749
Buildings	62,393,073	64,655,348	67,161,106
Equipment & other	2,132,637	2,663,939	2,761,284
Construction in Progress	-	-	-
Totals	<u>\$ 66,935,635</u>	<u>\$ 69,874,722</u>	<u>\$ 72,547,228</u>

Long-Term Debt

On June 30, 2018 the District had \$112,283,039 in long-term debt. This debt was composed of \$69,981,366 in General Obligation Bonds, \$628,373 in vehicle and facility loans, \$30,096,558 for other postemployment benefits (OPEB), and \$9,516,886 for net pension liability. Also included in this total is \$4,435,324 in premiums on bonds.

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Management's Discussion and Analysis
For the Year Ended June 30, 2018

During the fiscal year, the District increased its long-term debt with new issuances of \$9,680,000 and reduced its long-term debt with payments of \$3,375,000 on its outstanding General Obligation Bonds and \$516,512 on vehicle and facility leases. These actions left a June 30, 2018 year-end balance of \$114,658,507 in long-term debt, a decrease of \$12,241,010 from June 30, 2017.

The table shown below reflects the long-term debt of the District as of June 30:

(Table A-9)		
Outstanding Long-Term Debt		
	2018	2017
General obligation bonds	\$ 69,981,366	\$ 68,937,991
Premium on bonds	4,435,324	6,028,157
Vehicle, equipment and facility loans	628,373	1,144,885
Other post-employment benefits	30,096,558	34,068,214
Net pension liability	9,516,886	16,720,270
Totals	<u>\$ 114,658,507</u>	<u>\$ 126,899,517</u>

See Note 4 in the *Notes to the Financial Statements* for more information relating to long-term liabilities.

Factors Bearing on the District's Future

The 2017-2018 budget reflects an effort to balance resources with expenditures. For the first time in nearly a decade, the District ended the year with a balanced budget in its operating funds. The District continues to meet students' interests and needs, while ensuring financial stability for its stakeholders.

The District currently has active contracts with all employment groups. The custodial employees' bargaining agreement will end on June 30, 2021. The support personnel contract expires on June 30, 2019. The teacher's contract is effective through August 15, 2021. Sycamore has had a history of collaborative bargaining.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Should you have questions about this report or need additional financial information, please contact the Chief Financial Officer/Chief School Business Official at 245 W. Exchange Street, Suite 1, Sycamore, IL 60178.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Statement of Net Position

June 30, 2018

	Governmental Activities
Assets	
Cash and investments	\$ 17,509,173
Receivables	
Property taxes	15,380,206
Due from other governments	1,016,374
Prepaid items	345,096
Capital assets	
Land	782,089
Other capital assets, net of depreciation	66,153,546
Total Assets	101,186,484
Deferred Outflows	
Deferred amount on refunding	4,833,158
Deferred outflows related to pensions	5,055,950
Deferred outflows related to OPEB	638,223
Total deferred outflows	10,527,331
Liabilities	
Accounts payable	495,201
Accrued salaries	3,679,473
Accrued insurance claims	510,167
Noncurrent liabilities	
Due within one year	3,732,466
Due in more than one year	110,926,041
Total Liabilities	119,343,348
Deferred Inflows	
Deferred inflows related to pensions	7,155,477
Deferred inflows related to OPEB	6,041,687
Total deferred inflows	13,197,164
Net Position	
Net investment in capital assets	12,906,687
Restricted for	
Health plan	109,427
Transportation	2,504,015
Debt service	2,543,673
Employee retirement	538,051
Capital projects	2,580,141
Unrestricted	(42,008,691)
Total Net Position	\$ (20,826,697)

See accompanying notes to basic financial statements

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Statement of Activities

Year Ended June 30, 2018

Functions	Program Revenues			Net (Expense)
	Expenses	Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Total Governmental Activities
Governmental Activities				
Instructional services				
Regular programs	\$ 18,536,879	\$ 2,245,280	\$ 761,749	\$ (15,529,850)
Special programs	5,021,317	30,071	1,582,863	(3,408,383)
Tuition, learning disabilities	2,508,655	-	-	(2,508,655)
State retirement contributions	11,230,996	-	11,230,996	-
Support services				
Pupils	2,976,270	-	-	(2,976,270)
Instructional staff	2,033,309	-	105,729	(1,927,580)
General administration	1,437,460	-	-	(1,437,460)
School administration	2,276,397	-	-	(2,276,397)
Business	1,694,646	520,728	405,668	(768,250)
Operation and maintenance of facilities	4,386,634	94,070	-	(4,292,564)
Transportation	1,815,266	171,207	1,053,187	(590,872)
Central	414,902	-	-	(414,902)
Other	56,707	-	-	(56,707)
Community service	694,961	-	-	(694,961)
Non-programmed charges	1,643,922	-	-	(1,643,922)
Interest on long-term liabilities	2,994,596	-	-	(2,994,596)
Total school district	\$ 59,722,917	\$ 3,061,356	\$ 15,140,192	(41,521,369)

General revenues

Property taxes levied for:	
General purposes	24,050,850
Transportation	1,988,357
Retirement	1,480,865
Debt service	5,100,150
Capital projects	438,889
Personal property replacement taxes	654,367
Federal and state aid not restricted to specific purposes	10,833,125
Earnings on investments	139,877
Total general revenues	<u>44,686,480</u>
Change in net position	<u>3,165,111</u>
Net position - beginning, as originally stated	11,027,144
Prior period adjustment	<u>(35,018,952)</u>
Net position - beginning, as restated	<u>(23,991,808)</u>
Net position - ending	<u>\$ (20,826,697)</u>

See accompanying notes to basic financial statements

FUND FINANCIAL STATEMENTS

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Balance Sheet
 Governmental Funds
 June 30, 2018

	General	Transportation	Debt Service
ASSETS			
Cash and investments	\$ 8,917,441	\$ 2,699,308	\$ 2,724,681
Receivables			
Property taxes	11,188,929	925,360	2,372,778
Due from other governments	732,967	264,824	-
Prepaid items	179,858	117,294	47,944
TOTAL ASSETS	\$ 21,019,195	\$ 4,006,786	\$ 5,145,403
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 487,168	\$ 8,033	\$ -
Accrued salaries	3,562,720	116,753	-
Accrued insurance claims	510,167	-	-
Total liabilities	4,560,055	124,786	-
Deferred inflows			
Property taxes levied for subsequent year	12,042,480	995,951	2,553,786
Other unavailable revenues	110,478	264,740	-
Total deferred inflows	12,152,958	1,260,691	2,553,786
Fund balances			
Nonspendable			
Prepaid items	179,858	117,294	47,944
Restricted			
Health plan	109,427	-	-
Transportation	-	2,504,015	-
Debt service	-	-	2,543,673
Employee retirement	-	-	-
Capital projects	-	-	-
Unassigned	4,016,897	-	-
Total Fund Balances	4,306,182	2,621,309	2,591,617
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 21,019,195	\$ 4,006,786	\$ 5,145,403

See accompanying notes to basic financial statements

Nonmajor Governmental Funds	Total Governmental Funds
\$ 3,167,743	\$ 17,509,173
893,139	15,380,206
18,583	1,016,374
-	345,096
<u>\$ 4,079,465</u>	<u>\$ 34,250,849</u>
\$ -	\$ 495,201
-	3,679,473
-	510,167
<u>-</u>	<u>4,684,841</u>
961,273	16,553,490
-	375,218
<u>961,273</u>	<u>16,928,708</u>
-	345,096
-	109,427
-	2,504,015
-	2,543,673
538,051	538,051
2,580,141	2,580,141
-	4,016,897
<u>3,118,192</u>	<u>12,637,300</u>
<u>\$ 4,079,465</u>	<u>\$ 34,250,849</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Reconciliation of the Balance Sheet of Governmental Funds

To the Statement of Net Position

June 30, 2018

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

Total fund balances - governmental funds	\$ 12,637,300
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The cost of the assets is \$127,539,300 and the accumulated depreciation is \$60,603,665.	66,935,635
The District's property tax and intergovernmental revenues will be collected after fiscal year-end but are not available soon enough to pay for the current period's expenditures and are therefore deferred in the funds.	16,928,708
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:	
Deferred amount on refunding	4,833,158
Long term debt	(114,658,507)
Deferred inflows and outflows of resources related to pensions and OPEB are not reported in governmental funds:	
Deferred outflows	5,694,173
Deferred inflows	<u>(13,197,164)</u>
Net position of governmental activities	<u><u>\$ (20,826,697)</u></u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2018

	General	Transportation	Debt Service
REVENUES			
Local sources	\$ 25,573,182	\$ 2,151,101	\$ 4,719,083
State sources	23,151,418	1,048,740	-
Federal sources	2,164,635	-	-
Total Revenues	50,889,235	3,199,841	4,719,083
EXPENDITURES			
Current			
Instruction	34,656,254	-	-
Support services	14,116,793	1,540,082	-
Community services	692,849	-	-
Non-programmed charges	1,642,504	-	-
Debt service			
Principal	-	437,281	3,454,231
Interest and fiscal charges	193,299	23,518	1,888,433
Total Expenditures	51,301,699	2,000,881	5,342,664
Excess (deficiency) of revenues over expenditures	(412,464)	1,198,960	(623,581)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	271,379
Transfers (out)	(271,379)	-	-
Proceeds from bond issuance	-	-	9,680,000
Premium on bonds sold	-	-	268,169
Deposit with refunding escrow agent	-	-	(9,742,448)
Sale of assets	35	-	-
Total other financing sources (uses)	(271,344)	-	477,100
Net change in fund balances	(683,808)	1,198,960	(146,481)
Fund Balances at beginning of year	4,989,990	1,422,349	2,738,098
FUND BALANCES AT END OF YEAR	\$ 4,306,182	\$ 2,621,309	\$ 2,591,617

See accompanying notes to basic financial statements

Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,870,229	\$ 34,313,595
-	24,200,158
-	2,164,635
1,870,229	60,678,388
582,017	35,238,271
773,707	16,430,582
2,112	694,961
-	1,642,504
-	3,891,512
-	2,105,250
1,357,836	60,003,080
512,393	675,308
-	271,379
-	(271,379)
-	9,680,000
-	268,169
-	(9,742,448)
-	35
-	205,756
512,393	881,064
2,605,799	11,756,236
\$ 3,118,192	\$ 12,637,300

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Reconciliation of the Statement of Revenues, Expenditures and
 Changes in Fund Balances of Governmental Funds to the Statement of Activities
 Year Ended June 30, 2018

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

Net change in fund balances - total governmental funds **\$ 881,064**

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$1,500 are capitalized, and the cost is allocated over their estimated lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays resulting in assets	447,469
Deletions of capital assets	(28,534)
Depreciation expense	(3,358,022)

Because some of the intergovernmental revenues will not be collected for several months after the District's fiscal year-end, they are not considered "available" revenues and are deferred in the governmental funds. This is the change in that balance for the year. 2,209,640

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:

Change in net pension liability	7,203,384
Change in net OPEB liability	3,971,656
Change in deferred inflows/outflows related to pensions	(8,617,943)
Change in deferred inflows/outflows related to OPEB	(2,340,048)

The governmental funds report bond and loan proceeds as an other financing source, while repayment of bond and loan principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of bonds and loans and related items is as follows:

Bond and loan proceeds	(9,680,000)
Bond premium	(268,169)
Repayment of bond and loan principal	3,891,512
Deposit with refunding bond escrow agent	9,742,448
Accretion on capital appreciation bonds	(2,472,995)
Amortization of deferred loss on refunding	(277,353)
Amortization of premiums on issuance of bonds	<u>1,861,002</u>

Change in net position of governmental activities **\$ 3,165,111**

See accompanying notes to basic financial statements

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Statement of Fiduciary Net Position

June 30, 2018

	Private Purpose Trust Funds	Activity Funds
Assets		
Cash and investments	<u>\$ 803,539</u>	<u>\$ 266,916</u>
Liabilities		
Due to fiduciary organizations		<u>\$ 266,916</u>
Net position		
Assets held in trust	<u>\$ 803,539</u>	

See accompanying notes to basic financial statements.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Statement of Changes in Fiduciary Net Position

Year Ended June 30, 2018

	Private Purpose Trust
	<hr/>
Additions	
Donations	\$ 500
Net earnings on investments	<hr/> (3,109)
Total Additions	<hr/> (2,609)
Deductions	
Payments for scholarships	<hr/> 41,080
Change in net position	(43,689)
Net position, beginning of year	<hr/> 847,228
Net position, end of year	<hr/> <hr/> \$ 803,539

See accompanying notes to basic financial statements.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Sycamore Community Unit School District No. 427 (the District) is governed by an elected Board of Education. The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the significant accounting policies, consistently applied in the preparation of the accompanying financial statements, is described below.

a. The Reporting Entity

Accounting principles generally accepted in the United States of America require that the financial statements of the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Government Accounting Standards Board Statements have been considered and there are no agencies or entities which should be presented with the District. Using the same criteria, the District is not included as a component unit of any other governmental entity.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. This report does not contain any component units.

Joint Venture – the District is also a member of the following organizations:

- Northwestern Illinois Association (see Note 13)

b. Fund Accounting

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The following summarizes the fund types used by the District:

Governmental Fund Types

Governmental funds include the following fund types:

General Fund - The General Fund, which consists of the legally mandated Educational Account, Operations and Maintenance Account, and Working Cash Account, is used to account for the revenues and expenditures, which are used in providing education to the District. It is used to account for all financial resources except those accounted for in other funds.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Educational Account - These accounts are used for most of the instructional and administrative aspects of the District's operations, as well as providing school lunch services to students. The revenue consists primarily of local property taxes, state government aid, student registration fees, and lunch receipts from the District's food service program.

Operations and Maintenance Account - These accounts are used for expenditures made for operation, repair, and maintenance of District property. Revenue consists primarily of local property taxes.

Working Cash Account - This fund accounts for financial resources held by the District to be used as loans for working capital requirements to any other fund for which taxes are levied. The Working Cash Account was established and has been used to respond to fluctuations in cash flow resulting from unpredictable property tax collections. The earnings of the fund are allowed to be transferred to another fund under the Illinois Compiled Statutes. The principal of the fund, accumulated from bond issues, can be used as a source from which the District borrows money to support temporary deficiencies in other funds, or may be partially or fully transferred to the General Fund's Educational Account, upon Board approval.

Special Revenue Funds - Special Revenue Funds account for the proceeds of specific revenue sources (other than Debt Service and Capital Projects Funds) that are legally restricted to expenditures for specified purposes. The District's Special Revenue Funds are the Transportation and Municipal Retirement/Social Security Funds.

Transportation Fund - This fund accounts for the revenue and expenditures relating to student transportation, both to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund - This fund accounts for the District's portion of the pension contributions to the Illinois Municipal Retirement Fund for noncertified employees and social security contributions for applicable certified and noncertified employees. Revenue to finance the contributions is derived primarily from local property taxes.

Debt Service Funds - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Debt Service Fund - The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. Since there are no legal requirements on bond indentures, which mandate that a separate fund be established for each bond issue, the District maintains one Debt Service Fund for all bond issues.

Capital Projects Funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. Capital projects funds include both the Capital Projects Fund and the Fire Prevention and Safety Fund.

Capital Projects Fund - The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fire Prevention and Safety Fund - The Fire Prevention and Safety Fund accounts for financial resources to be used for acquisitions and construction projects, which qualify as Fire Prevention and Safety expenditures.

Fiduciary Fund Type

Agency Funds - The Agency Funds (Activity Funds) account for assets held by the District in trustee capacity or as an agent for student organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. In accordance with GASB 34, fiduciary funds are not included in the government-wide financial statements.

Student Activities Agency Fund accounts for assets held on behalf of student groups.

Private Purpose Trust Funds - These funds account for certain scholarship funds.

The Essie B. Smith Fund accounts for certain scholarship funds.

The District reports the following funds as major governmental funds:

General Fund

Debt Service Fund

Transportation Fund (elected to be reported as major)

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

The District has adopted a policy to net the interfund receivables and payables for combined totals used to determine the major funds. Consequently, the interfund loan balances, which net to zero, are not utilized to determine major funds.

c. Basis of Presentation

a. Government-wide and fund financial statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. All of the District's operating activities are considered "governmental activities," that is, activities that are normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered "business activities."

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

b. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Fiduciary Funds (including the Private Purpose Trust funds) reporting focuses on net position and changes in net position. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities in the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as a revenue of the current period. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available only when the District receives the cash.

d. Deposits and Investments

Investments held by the District, which are short-term highly liquid investments having a remaining maturity of one year or less at the time of purchase, are reported by the District at amortized cost. All other investments are reported at fair value. Gains or losses on the sale of investments are recognized upon realization. The District has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

The District maintains a cash and investment pool that is available for use by all funds. In addition, investments may be separately held by some of the District's funds. Each fund type's portion of the deposits, unrestricted investments, and cash on hand is displayed on the combined balance sheet as "Cash and Investments," as applicable. The following amounts, which are included in these captions, have been excluded from the amounts shown below:

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

	Carrying Value
Deposits held by Activity Funds	\$ 266,916
Deposits and Investments held by Scholarship Fund (See Note 8)	803,539
	<u>\$ 1,070,455</u>

e. Property Taxes

The District must file its tax levy ordinance by the last Tuesday in December of each year.

The District's property tax is levied each year on all taxable real property located in the District. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

The County Assessor is responsible for the assessment of all taxable real property within the County except for certain railroad property, which is assessed directly by the State. The County Clerk computes the annual tax rate by dividing the levy into the assessed valuation of the taxing district. The County Clerk then computes the rate for each parcel of real property by aggregating the tax rates of all units having jurisdiction over that parcel. Property taxes are collected by the County Collector who remits to the units their respective shares of the collections. Taxes levied in one year become due and payable in two installments on June 1 and September 1 during the following year. Substantial collections are received by the District in June and September.

The property tax levy receivable collected within the current year, or expected to be collected within 60 days of year-end to be used to pay liabilities of the current period less the taxes collected within 60 days after the end of the previous fiscal year, is recognized as revenue. The tax receivable less the amount expected to be collected within 60 days of year-end to be used to pay liabilities of the current period is reflected as deferred revenue. All property taxes receivable over one year old have been written off.

f. Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position/balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position/balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

g. Personal Property Replacement Taxes

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

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**h. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Governmental Funds. All encumbrances are canceled at year-end, and, if necessary, are reinstated at the beginning of the subsequent fiscal year.

i. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The costs of governmental fund prepaid items are recorded as expenditures when consumed rather than when purchased (consumption method).

j. Capital Assets

Capital assets, which include land, construction in process, buildings, improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$1,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized. Buildings, improvements, and furniture and equipment of the District are depreciated using the straight-line method over the following estimated lives:

<u>Assets</u>	<u>Years</u>
Buildings and building improvements	40-50 years
Land improvements	20 years
Furniture, equipment, and vehicles	3-10 years

k. Long-term obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

l. Vacation and Sick Leave

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

m. Net Position

Government-Wide Statements

Net Position is classified and displayed in three components:

1. Net investment in capital assets - consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets, and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debts.
2. Restricted - consists of restricted assets reduced by liabilities and deferred inflows or resources related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
3. Unrestricted - net amount of assets, deferred outflows or resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

n. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

o. Eliminations and Reclassifications

In the process of aggregating data for the government wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**p. Due from Other Governments**

The District was due the following amounts from other governments at June 30, 2018:

Personal Property Replacement Tax	\$ 111,495
Illinois State Board of Education	402,049
Federal grants and aid	439,604
Other	63,226
Total governmental activities	<u>\$ 1,016,374</u>

q. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF), together "the Plans," and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

2. CASH AND INVESTMENTS**a. Deposits and Custodial Credit Risk**

Investments held by the District which are short-term highly liquid investments having a remaining maturity of one year or less at the time of purchase are reported by the District at amortized cost. All other investments are reported at fair value. Gains or losses on the sale of investments are recognized upon realization. The District has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

As of June 30, 2018, the carrying amount of the District's deposits, which include both cash and certificates of deposits, totaled \$4,954,489 (excluding \$1,275 of petty cash) while the bank and financial institution balances totaled \$5,539,536. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk.

b. Investments

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

State/local obligations are valued by a pricing service based on recent market transactions (Level 2 inputs).

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

2. CASH AND INVESTMENTS (Continued)

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an investment pool created and regulated by the Illinois General Assembly. The fair value of the District's investment in ISDLAF+ has been determined using the net asset value (NAV) per share (or its equivalent) of the investments. The NAV of the Liquid Class and MAX Class are determined as of the close of business on each Illinois banking day. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shares may be redeemed with seven days' advance notice. There were no known restrictions on redemption of the District's investments as of June 30, 2018.

At June 30, 2018, the District held the following investments:

Investment Type	Fair Value	Maturities (in years) Less than 1	Maturities (in years) 1 to 5	Percent of Portfolio	Applicable Agency Rating
State/local obligations:					
Connecticut St. Ser. B	\$ 215,962	\$ -	\$ 215,962	1.6%	AA
Florida St. Ref-Dept.	117,506	-	117,506	0.9%	AA
ISDLAF	12,900,694	12,900,694	-	97.5%	AAAm
Total District Investments	13,234,162	12,900,694	333,468	100.0%	
ISDLAF for Fiduciary Funds	389,702	389,702	-		AAAm
Total Investments	<u>\$ 13,623,864</u>	<u>\$ 13,290,396</u>	<u>\$ 333,468</u>		

Interest Rate Risk - the District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - the District's investments are rated as shown above by the applicable rating agency.

Concentration of Credit Risk - the District places no limit on the amount the District may invest in any one issuer. More than 5% of the District's investments are concentrated in specific individual investments. The above table indicates the percentage of each investment to the total investments of the District.

At June 30, 2018, the District held the following cash and investments:

Cash and Investments	Governmental Funds	Fiduciary Funds	Total
Deposits	\$ 4,273,736	\$ 680,753	\$ 4,954,489
Petty cash	1,275	-	1,275
Investments	13,234,162	389,702	13,623,864
Total	<u>\$ 17,509,173</u>	<u>\$ 1,070,455</u>	<u>\$ 18,579,628</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

3. CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
Capital assets, not being depreciated:				
Land	\$ 782,089	\$ -	\$ -	\$ 782,089
Total capital assets not being depreciated	782,089	-	-	782,089
Capital assets, being depreciated:				
Buildings	109,092,009	184,251	6,306	109,269,954
Improvements other than buildings	3,893,123	35,193	12,168	3,916,148
Equipment	13,581,453	228,025	238,369	13,571,109
Total capital assets being depreciated	126,566,585	447,469	256,843	126,757,211
Accumulated depreciation for:				
Buildings	44,436,661	2,440,415	195	46,876,881
Improvements other than buildings	2,119,777	168,535	-	2,288,312
Equipment	10,917,514	748,389	227,431	11,438,472
Total accumulated depreciation	57,473,952	3,357,339	227,626	60,603,665
Total capital assets being depreciated, net	69,092,633	(2,909,870)	29,217	66,153,546
Total capital assets, net	\$ 69,874,722	\$ (2,909,870)	\$ 29,217	\$ 66,935,635

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

Instructional Services:	
Regular Programs	\$ 2,081,550
Special Programs	218,227
Other Programs	100,720
Supporting Services	
Pupils	16,787
Instructional Staff	50,360
General Administration	16,787
School Administration	50,360
Business	16,787
Operations & Maintenance	637,894
Transportation	134,294
Central	33,573
	<u>\$ 3,357,339</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

4. LONG-TERM DEBT

The following is a summary of the components of long-term debt and related transactions of the District for the year ended June 30, 2018:

	Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018	Amount due in one year
General Obligation					
Bonds Payable					
Series 2009 A	\$ 360,000	\$ -	\$ 360,000	\$ -	\$ -
Series 2009 B	3,325,000	-	-	3,325,000	-
Series 2010 A	8,135,000	-	-	8,135,000	150,000
Series 2010 B	1,530,000	-	390,000	1,140,000	1,140,000
Series 2010 C	10,720,000	-	350,000	10,370,000	350,000
Series 2010 E	1,060,000	-	150,000	910,000	160,000
Series 2013 ABC	12,680,000	-	-	12,680,000	-
Series 2015	2,875,000	-	-	2,875,000	-
Series 2015 B	1,375,000	-	955,000	420,000	420,000
Series 2017	-	9,680,000	-	9,680,000	-
Total G.O. Bonds Payable	\$ 42,060,000	\$ 9,680,000	\$ 2,205,000	\$ 49,535,000	\$ 2,220,000
Capital Appreciation					
Bonds Payable					
Series 2007 B	26,877,991	2,472,995	8,904,620	20,446,366	1,315,000
Premium on Bonds	6,028,157	268,168	1,861,001	4,435,324	-
Vehicle, Equipment and Facility Loans	1,144,885	-	516,512	628,373	197,466
Net Other Post-Employment Benefits Liabilities	34,068,214	-	3,971,656	30,096,558	-
Net Pension Liabilities	16,720,270	-	7,203,384	9,516,886	-
Total Long-Term Debt	\$ 126,899,517	\$ 12,421,163	\$ 24,662,173	\$ 114,658,507	\$ 3,732,466

General Obligation and Capital Appreciation Bonds: The District has issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities, to refund previously issued general obligation bonds, and to provide working cash funds. At June 30, 2018, general long-term debt consisted of the following:

September 28, 2007 building bonds in the original amount of \$15,056,877, due in annual installments varying from \$686,357 to \$1,512,466 through 2027; interest rates varying from 4.03% to 4.75% per annum.

August 27, 2009 funding and refunding bonds in the original amount of \$8,700,000, due in annual installments varying from \$775,000 to \$1,995,000 through 2022; interest rates varying from 3.00% to 4.25% per annum.

February 17, 2010 three funding and refunding bonds in the original amounts of \$8,135,000, \$1,530,000, and \$11,960,000, due in annual installments varying from \$275,000 to \$5,480,000 through 2028; interest rates varying from 1.50% to 4.88% per annum.

November 2, 2010 refunding bonds in the original amount of \$3,890,000, due in annual installments varying from \$40,000 to \$880,000 through 2017; interest rates varying from 1.38% -3.13% per annum.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

4. LONG-TERM DEBT (Continued)

November 2, 2010 funding bonds in the original amount of \$1,800,000, due in annual installments varying from \$100,000 to \$205,000 through 2023; interest rates varying from 2.00%-4.00% per annum.

February 13, 2013 three funding and refunding bonds in the original amounts of \$4,085,000, \$5,945,000, and \$2,650,000, due in three installments beginning in fiscal year ended 6/30/2028, varying from \$1,025,000 to \$6,300,000 through 2030; interest rates varying from 3.28% - 4.20% per annum.

March 17, 2015 funding bonds in the original amount of \$105,000, due on October 1, 2015; plus interest at 1.15%.

November 11, 2015 refunding bonds in the original amount of \$1,575,000, due in three annual installments varying from \$200,000 to \$955,000 through 2019; interest rates varying from 0.95% - 1.45% per annum.

December 19, 2017 refunding bonds in the original amount of \$9,680,000, due in three annual installments varying from \$3,100,000 to \$3,355,000 from 2031 through 2033; interest rates varying from 3.55% - 4.00% per annum.

At June 30, 2018, the District's annual cash flow requirements for retirement of bond principal and interest on general obligation bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 2,220,000	\$ 2,037,682	\$ 4,257,682
2020	1,920,000	1,908,280	3,828,280
2021	2,000,000	1,833,443	3,833,443
2022	2,100,000	1,753,130	3,853,130
2023	2,170,000	1,666,255	3,836,255
2024	2,025,000	1,576,999	3,601,999
2025	2,080,000	1,493,468	3,573,468
2026	2,130,000	1,405,068	3,535,068
2027	2,175,000	1,311,880	3,486,880
2028	6,750,000	1,216,724	7,966,724
2029	7,065,000	919,324	7,984,324
2030	7,220,000	643,992	7,863,992
2031	3,100,000	372,102	3,472,102
2032	3,225,000	248,102	3,473,102
2033	3,355,000	119,102	3,474,102
Total	<u>\$ 49,535,000</u>	<u>\$ 18,505,551</u>	<u>\$ 68,040,551</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

4. LONG-TERM DEBT (Continued)

At June 30, 2018, the District's annual requirements to amortize to maturity capital appreciation bonds outstanding are as follows:

Fiscal Year Ending June 30,	Principal	Future Interest Accretion	Total
2019	\$ 995,000	\$ (83,366)	\$ 911,634
2020	1,735,000	(278,614)	1,456,386
2021	2,360,000	(546,304)	1,813,696
2022	2,690,000	(797,037)	1,892,963
2023	3,070,000	(1,091,810)	1,978,190
2024	5,175,000	(2,122,150)	3,052,850
2025	5,955,000	(2,738,159)	3,216,841
2026	6,295,000	(3,181,156)	3,113,844
2027	6,645,000	(3,635,038)	3,009,962
Total	<u>\$ 34,920,000</u>	<u>\$ (14,473,634)</u>	<u>\$ 20,446,366</u>

The District is subject to the Illinois Compiled Statutes, which limits the amount of bond indebtedness, including tax anticipation warrants and the installment contracts, to 13.80% of the most recent available equalized assessed valuation of the District. As of June 30, 2018, the statutory debt limit for the District was \$73,418,185, providing a debt margin of \$2,808,446 after taking into account amounts available in the Debt Service Fund.

a. Refunding Transactions

During the year, the District issued \$9,680,000 of General Obligation Refunding School Bonds, Series 2017. The net proceeds of \$9,742,448 was deposited to an irrevocable escrow to provide for the future debt service requirements for some of the currently outstanding General Obligation Capital Appreciation School Bonds, Series 2007B. As result, \$10,425,000 of those bonds are considered defeased and have been removed from the District's debt. The District refunded the bonds in order to achieve an economic savings of \$497,717, even though the difference between the future cash flows will increase by \$4,502,949.

The total amount of refunded bonds considered outstanding to be repaid from escrow as of June 30, 2018 was \$10,799,069.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

4. LONG-TERM DEBT (Continued)**b. Vehicle, Equipment, and Facility Loans**

The District has various bank loans related to the acquisition of school buses, improvements, and equipment. Annual principal and interest payments are required at variable interest rates.

At June 30, 2018, the District's annual cash flow requirements for retirement of various vehicle, equipment, and facility loans' principal and interest are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 197,466	\$ 12,233	\$ 209,699
2020	202,860	8,311	211,171
2021	112,947	4,348	117,295
2022	115,100	2,194	117,294
Total	<u>\$ 628,373</u>	<u>\$ 27,086</u>	<u>\$ 655,459</u>

The payments to retire the vehicle, equipment, and facility loans will be provided by future tax levies within the General and Special Revenue Funds. These funds will be transferred to the Debt Service Fund to make these payments. Payments to retire general obligation bonds payable will be made from debt service levies in future periods. The General Fund will be used to liquidate both other post-employment benefit and net pension liabilities.

5. EMPLOYEE RETIREMENT SYSTEMS

The retirement plans of the District include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the District. IMRF is funded through property taxes and a perpetual lien of the District's corporate personal property replacement tax. Each retirement system is discussed below.

a. Teachers' Retirement System of the State of Illinois (TRS)**a. Plan Description**

The District participates in the 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.

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Benefits Provided

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

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

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

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

c. 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% 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% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2018, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$10,939,589 in pension contributions from the State of Illinois.

2.2 formula contributions. The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2018 were \$143,234 and are deferred because they were paid after the June 30, 2017 measurement date.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under 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 contribution rate to TRS and were much higher.

For the year ended June 30, 2018, the employer pension contribution was 10.10% of salaries paid from federal and special trust funds. For the year ended June 30, 2018, salaries totaling \$172,794 were paid from the federal and special trust funds that required employer contributions of \$17,452. 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 District 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 146.50% and applies when the member is age 55 at retirement. For the year ended June 30, 2018, the District did not make any payments 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% if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2018, the District paid \$3,232 to TRS for employer contributions due on salary increases in excess of 6% and did not make any payments to TRS for sick leave days granted in excess of the normal annual allotment.

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

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

District's proportionate share of the net pension liability	\$	4,541,042
State's proportionate share of the net pension liability associated with the District		190,719,758
Total	\$	<u>195,260,800</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 and rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2017, the District's proportion was 0.00594%, which was a decrease of 0.001 from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the District recognized pension expense of \$10,939,589 and revenue of \$10,939,589 for support provided by the state. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 49,321	\$ 2,096
Changes in assumptions	303,082	130,488
Net difference between projected and actual earnings on pension plan investments	3,115	-
Changes in proportion and differences between District contributions and proportionate share of contributions	944,022	921,241
Total deferred amounts to be recognized in pension expense in future periods	1,299,540	1,053,825
District contributions subsequent to the measurement date	160,686	-
Total	\$ 1,460,226	\$ 1,053,825

\$160,686 reported as deferred outflows of resources related to pensions (resulting from District contributions subsequent to the measurement date) will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred Outflows of Resources
2018	\$ 12,524
2019	135,362
2020	234,639
2021	(113,502)
2022	(23,308)
Total	\$ 245,715

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)**e. Actuarial Assumptions**

The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and applied to all periods included in the measurement:

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

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%
	<u>100%</u>	

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)**f. 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 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.

g. Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 5,579,263	\$ 4,541,042	\$ 3,690,652

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.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)**b. Illinois Municipal Retirement Fund (IMRF)****a. Plan Description and Benefits**

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

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

b. Plan Membership

As of June 30, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	328
Inactive employees entitled to but not yet receiving benefits	406
Active employees	361
Total	<u><u>1,095</u></u>

c. Contributions

As set by statute, Regular plan members are required to contribute 4.50% 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 actual contribution rates for calendar years 2017 and 2018 were 11.64% and 11.88%, respectively, of covered payroll. The District contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)**d. Net Pension Liability**

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

Total pension liability/(asset)	\$ 70,607,300
Plan fiduciary net position	65,631,456
Net pension liability/(asset)	<u>\$ 4,975,844</u>

e. Actuarial Assumptions

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Price inflation	2.50%
Salary increases	3.39% to 14.25%, 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 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:
Notes

There were no benefit changes during the year.

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

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	37.0%	6.85%
International equities	18.0%	6.75%
Fixed income	28.0%	3.00%
Real estate	9.0%	5.75%
Alternatives	7.0%	2.65-7.35%
Cash	1.0%	2.25%
	<u>100.0%</u>	

f. Discount Rate

The Single Discount Rate used to measure the total pension liability for IMRF was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that District 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).
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

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

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)**g. Changes in Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2016	\$ 68,734,413	\$ 57,527,766	\$ 11,206,647
Changes for the year:			
Service Cost	1,458,456	-	1,458,456
Interest on the Total Pension Liability	5,088,063	-	5,088,063
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	574,854	-	574,854
Changes of Assumptions	(2,002,891)	-	(2,002,891)
Contributions - Employer	-	1,619,533	(1,619,533)
Contributions - Employees	-	631,912	(631,912)
Net Investment Income	-	10,023,344	(10,023,344)
Benefit Payments, including Refunds of Employee Contributions	(3,245,595)	(3,245,595)	-
Other (Net Transfer)	-	(925,504)	925,504
Net Changes	1,872,887	8,103,690	(6,230,803)
Balances at December 31, 2017	\$ 70,607,300	\$ 65,631,456	\$ 4,975,844

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

The following presents the net pension liabilities of the District, calculated using the discount rate, as well as what the District's net pension liabilities would be if they were calculated using discount rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 13,512,395	\$ 4,975,844	\$ (2,093,798)

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)**i. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2018, the District recognized pension expense of \$2,823,013. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 878,273	\$ -
Changes in assumptions	20,127	1,477,053
Net difference between projected and actual earnings on pension plan investments	1,870,868	4,624,599
Total deferred amounts to be recognized in pension expense in future periods	2,769,268	6,101,652
Contributions subsequent to the measurement date	826,456	-
Total	\$ 3,595,724	\$ 6,101,652

\$826,456 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2018	\$ (306,365)
2019	(692,725)
2020	(1,177,145)
2021	(1,156,149)
2022	-
Thereafter	-
Total	\$ (3,332,384)

6. OTHER POST-EMPLOYMENT BENEFITS**a. Teachers Health Insurance Security Fund (THIS)***Plan Description*

The District participates in the THIS. The THIS is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan (OPEB) that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. The THIS members are retirees of public schools who were certified educators or administrators. Eligibility is currently limited to former full-time employees, and others who were not full-time employees that meet certain requirements, and their dependents. The State Employees Group Insurance Act of 1971 (5 ILCS

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)

375/6.5) (SEGIA) establishes the eligibility and benefit provisions of the plan.

The THIS issues a publicly available financial report that can be obtained at the website of the Illinois Auditor General: <https://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."

Benefits Provided

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 were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage Plans.

Amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS.

Contributions

The SEGIA requires that all active contributors to the TRS, who are not employees of a department, make contributions to the plan at a rate of 1.18% of salary and for every employer of a teacher to contribute an amount equal to 0.88% of each teacher's salary. Additionally, the SEGIA requires the State to match the employees' contribution on-behalf of the employer. The Department determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the THIS, an amount equal to the amount certified by the Board of Trustees of TRS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year.

The SEGIA requires that the Department's Director determine the rates and premiums of annuitants and dependent beneficiaries and establish the cost-sharing parameters, as well as funding. Member premiums are set by this statute, which provides for a subsidy of either 50% or 75%, depending upon member benefit choices. Dependents are eligible for coverage, at a rate of 100% of the cost of coverage.

On-behalf contributions to THIS. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.18% of pay during the year ended June 30, 2018. State of Illinois contributions were \$291,407, and the district recognized revenue and expenditures of this amount during the year.

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.88% during the year ended June 30, 2018. For the year ended June 30, 2018, the District paid \$217,321 to the THIS Fund, which was 100 percent of the required contribution.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2018, the District reported a liability for its proportionate share of the net OPEB liability.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)

The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$	29,057,836
State's proportionate share of the net OPEB liability		
associated with the District		38,160,160
Total	\$	<u>67,217,996</u>

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2016 and rolled forward to June 30, 2017. The District's proportion of the net OPEB liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2017, the District's proportion was 0.111978%, which was an increase of 0.001814% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the District recognized OPEB expense of \$2,223,347.

At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 16,458
Changes in assumptions	-	3,459,719
Net difference between projected and actual earnings on OPEB plan investments	-	320
Changes in proportion and differences between District contributions and proportionate share of contributions	413,081	-
Total deferred amounts to be recognized in OPEB expense in future periods	413,081	3,476,497
District contributions subsequent to the measurement date	217,321	-
Total	<u>\$ 630,402</u>	<u>\$ 3,476,497</u>

\$217,321 reported as deferred outflows of resources related to OPEB (resulting from District contributions subsequent to the measurement date) will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Year Ending June 30	Net Deferred Outflows of Resources
2018	\$ (470,602)
2019	(470,602)
2020	(470,602)
2021	(470,602)
2022	(470,522)
2023	(470,522)
Thereafter	(239,964)
Total	<u>\$ (3,063,416)</u>

Actuarial Valuation Method

The actuarial valuation was based on the Entry Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of future salary at entry age. The normal cost at the member's attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability equals the present value of benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age.

Actuarial Assumptions

The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption,
Investment rate of return	0.00%, net of OPEB plan investment expense, including inflation.
Healthcare cost trend rates	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.59% is added to non-Medicare costs on and after 2020 to account for Excise Tax.

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disabled annuitants mortality rates were based on the RP-Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2014.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2014.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)*Discount rate*

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since the THIS is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 2.85% as of June 30, 2016, and 3.56% as of June 30, 2017. The increase in the single discount rate from 2.85% to 3.56% caused the total OPEB liability to decrease by approximately \$3.564 billion from 2016 to 2017.

Sensitivity of the employer's proportionate share of the net OPEB liability to changes in the discount rate and healthcare cost trend rate

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 3.56%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.56%) or 1-percentage-point higher (4.56%) than the current rate:

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
District's proportionate share of the net OPEB liability	\$ 34,869,251	\$ 29,057,836	\$ 24,407,783

The following presents the District's proportionate share of the net OPEB liability calculated using the healthcare cost trend rate, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
District's proportionate share of the net OPEB liability	\$ 23,452,650	\$ 29,057,836	\$ 37,103,133

- (a) One percentage point decrease in healthcare trend rates are 7.00% in 2018 decreasing to an ultimate trend rate of 4.09% in 2025 for non-Medicare coverage, and 8.00% in 2018 decreasing to an ultimate trend rate of 3.50% in 2027 for Medicare coverage.
- (b) One percentage point increase in healthcare trend rates are 9.00% in 2018 decreasing to an ultimate trend rate of 6.09% in 2025 for non-Medicare coverage, and 10.00% in 2018 decreasing to an ultimate trend rate of 5.50% in 2027 for Medicare coverage.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)**b. Postretirement Health Plan***Plan Description*

The District administers a single-employer defined benefit healthcare plan, the retiree Healthcare Benefit Program, or "the Plan." The plan provides healthcare insurance for eligible IMRF retirees and their dependents through the District's group health insurance plan, which covers both active and retired members. Benefit provisions are established by state law and through negotiations between the District and the unions representing District employees, which are renegotiated each bargaining period. As of June 30, 2017, all retirees are eligible for benefits pre- and post-Medicare. The Plan does not issue a stand-alone financial report.

Funding Policy

All plan funding is done on a pay-as-you go basis. IMRF employees hired prior to January 1, 2011 are eligible when at least 55 years old with at least 8 years of credited service. IMRF employees hired on or after January 1, 2011 are eligible when at least 62 years old with at least 10 years of credited service. Retired teachers are eligible for the Teachers' Retirement Insurance Program (TRIP) with the State of Illinois. IMRF retirees are responsible for the portion of premium rates not covered by the District's health plan and are responsible for the full premium rate.

For the fiscal year ended June 30, 2018, the District contributed \$ 0 to the Plan; total retiree contributions were not determined.

Employees Covered by Benefit Terms

As of June 30, 2018, the following employees were covered by the benefit terms:

Active employees	206
Inactive employees entitled to but not yet receiving benefit payments	-
Inactive employees currently receiving benefits	8
Total	<u>214</u>

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2017. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Total OPEB liability	\$ 1,038,722
Plan fiduciary net position	-
Net OPEB liability (asset)	<u>\$ 1,038,722</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)*Actuarial Assumptions*

The following are the methods and assumptions used to determine the total OPEB liability at June 30, 2018:

Actuarial cost method	Entry Age Normal
Asset valuation method	N/A
Inflation	3.00%
Salary increases	4.00%
Investment rate of return	N/A
Retirement age	Based on IMRF Actuarial Valuation Report from December 31, 2017 with no early retirement assumed
Mortality	Based on IMRF Actuarial Valuation Report from December 31, 2017 for IMRF employees and retirees; based on Teachers' Retirement System Actuarial Valuation Report from June 30, 2017 for TRS retirees
Healthcare cost trend rates	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 6.50%, and gradually decreases to an ultimate trend of 4.50%.

Discount Rate

The District does not have a dedicated Trust to pay the benefits of the Plan. Per GASB 75, this discount rate is a yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The discount rate used is 2.98%, which is the S&P Municipal Bond 20 Year High-Grade Rate Index as of June 29, 2018.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)*Changes in Net OPEB Liability*

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
Balances at June 30, 2017	\$ 3,953,924	\$ -	\$ 3,953,924
Changes for the year:			
Service Cost	32,826	-	32,826
Interest on the Total OPEB Liability	29,167	-	29,167
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(37,149)	-	(37,149)
Changes of Assumptions and Other Inputs	(1,674,878)	-	(1,674,878)
Contributions - Employer	-	-	-
Contributions - Employees	-	-	-
Net Investment Income	-	-	-
Benefit Payments, including Refunds of Employee Contributions	(119,955)	-	(119,955)
Other Changes	(1,145,213)	-	(1,145,213)
Net Changes	(2,915,202)	-	(2,915,202)
Balances at June 30, 2018	\$ 1,038,722	\$ -	\$ 1,038,722

Sensitivity of the employer's proportionate share of the net OPEB liability to changes in the discount rate and healthcare cost trend rate

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 2.98%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (1.98%)	Current Discount Rate (2.98%)	1% Increase (3.98%)
Net OPEB liability (asset)	\$ 1,100,710	\$ 1,038,722	\$ 982,975

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)

The following presents the District's proportionate share of the net OPEB liability calculated using the healthcare cost trend rate, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (Varies)	Current Health Care Cost Trend Rate (Varies)	1% Increase (Varies)
Net OPEB liability (asset)	\$ 964,822	\$ 1,038,722	\$ 1,124,182

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to OPEB*

For the year ended June 30, 2018, the District recognized OPEB expense of \$237,877. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 33,250
Changes in assumptions	7,821	2,531,940
Net difference between projected and actual earnings on OPEB plan investments	-	-
Total deferred amounts to be recognized in pension expense in future periods	7,821	2,565,190
Contributions subsequent to the measurement date	-	-
Total	\$ 7,821	\$ 2,565,190

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

Year Ending June 30	Net Deferred Outflows of Resources
2019	\$ (299,869)
2020	(299,869)
2021	(299,869)
2022	(299,869)
2023	(299,869)
2024	(299,869)
2025	(299,869)
2026	(299,869)
2027	<u>(158,417)</u>
Total	<u>\$ (2,557,369)</u>

7. COMMON BANK ACCOUNT

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

8. ESSIE B. SMITH TRUST FUND

On March 28, 1973, Lucien T. Smith, then president of the Essie B. Smith Foundation, contributed to the District monies to be held and administered in a fund to be called the Essie B. Smith Fund.

The fund shall provide Scholarships for qualifying individuals, which may be determined solely by the Board of Education.

After the death of Lucien T. Smith, all principal of the fund is being held, consumed, or used by the Board of Education as it may determine for any lawful purpose, including in the general operating accounts.

As of June 30, 2018, the Fund consisted of the following items:

Cash	\$ 3,913
Government Securities and Investment Pool	<u>799,626</u>
Total Value of Fund	<u>\$ 803,539</u>

9. SPECIAL TAX LEVIES

Proceeds from the Special Educational levy and related expenditures disbursed have been included in the operations of the General Fund's Educational Account. At June 30, 2018, the cumulative expenditures had exceeded related cumulative revenues.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

10. RISK MANAGEMENT

The District has purchased insurance through a risk pool (see Note 12) and from private insurance companies. Risks covered include general liability, workers compensation, and other. Premiums have been displayed as expenditures in appropriate funds. The District also operates a self-insurance program for medical coverage for employees (see Note 11). No significant reductions in insurance coverage have occurred from the prior year, and no settlements have been made in the last three years which exceeded any insurance coverage.

11. SELF-INSURANCE PLAN/RESTRICTED FUND BALANCE

The District maintains a self-insurance plan to provide medical insurance to its employees. An outside administrator administers claims for a fixed fee per enrolled employee. The District makes periodic payments to an escrow account established by the plan administrator. The administrator pays employee claims from this escrow account and requires the District to cover any deficiencies. The District liability is limited by private insurance, which provides a \$100,000 specific stop loss and a minimum aggregate stop loss of the monthly aggregate deductible factors multiplied by 12.

Cumulative District and employee contributions to the plan have exceeded claims paid as of June 30, 2018, and accordingly, the General Fund's Educational account fund balance is restricted in the amount of \$109,427 (the cumulative excess).

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount, as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are re-evaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors.

A summary of the changes in the Districts claim liability is as follows:

	Fiscal Year Ended June 30, 2017	Fiscal Year Ended June 30, 2018
Claims liability at July 1	\$ 395,675	\$ 381,011
Current year claims and changes in estimates	4,068,124	4,452,513
Claim payments	(4,082,788)	(4,323,357)
Claims liability at June 30	<u>\$ 381,011</u>	<u>\$ 510,167</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

12. COLLECTIVE LIABILITY INSURANCE COOPERATIVE (CLIC)

The District is a member of CLIC, which has been formed to provide casualty, workman's compensation, property and liability protections, and to administer some or all insurance coverages and protection other than health, life, and accident coverages procured by the member districts. It is intended, by the creation of CLIC, to allow a member District to equalize annual fluctuations in insurance costs by establishing a program whereby reserves may be created and temporary deficits of individual Districts covered to ultimately equalize the risks and stabilize the costs of providing casualty, property, and liability protections. If, during any fiscal year, the funds on hand in the account of CLIC are not sufficient to pay expenses of administration, the Board of Directors shall require supplementary payment from all members. Such payment shall be made in the same proportion as prior payments during that year to CLIC. Complete financial statements for CLIC can be obtained from its administrator, 555 North Main Street, Wauconda, Illinois 60084.

13. JOINT VENTURE - NORTHWESTERN ILLINOIS ASSOCIATION (NIA)

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

Complete financial statements for the Association can be obtained from the Administrative Offices at 245 W. Exchange, Sycamore, Illinois 60178.

14. INTERFUND TRANSFERS

The following interfund transfers were made during the year ended June 30, 2018:

Transfer From	Transfer To	Amount
General Fund	Debt Service Fund	\$ 229,232
General Fund	Debt Service Fund	42,147
	Total Transfers	<u>\$ 271,379</u>

Transfers from the General Fund to the Debt Service Fund were made to provide funds for the debt service payments on loans.

15. FUND BALANCE REPORTING

Fund balances are classified into five major classifications: Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance.

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 (i.e. inventories and prepaid amounts).

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Financial Statements (continued)

June 30, 2018

15. FUND BALANCE REPORTING (Continued)

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions not controlled by the entity, 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.

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.

D. Assigned Fund Balance

The assigned fund balance classification refers to the amounts that are constrained by the government's intent to be used for a specific purpose but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds.

F. Expenditures of Fund Balance

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

16. CHANGE IN ACCOUNTING PRINCIPLE

The District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended June 30, 2018. Statement No. 75 expands disclosures related to postemployment benefits other than pensions and requires the District to report the net other postemployment benefit liability in the statement of net position. The adoption of this statement had no effect on any of the District's fund balances but reduced the District's governmental activities net position by \$35,018,952 as of July 1, 2017.

17. TAX ANTICIPATION WARRANTS

On March 22, 2018, tax anticipation warrants were issued for \$5,000,000. Fees in the amount of \$13,700 were paid upon the issuance of these warrants. The warrants were retired on June 26, 2018 along with interest of \$28,292.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Schedule of Changes in the Employer's Net Pension Liability

And Related Ratios

Illinois Municipal Retirement Fund

Last Four Calendar Years

	2017	2016	2015	2014
TOTAL PENSION LIABILITY				
Service Cost	\$ 1,458,456	\$ 1,436,493	\$ 1,388,440	\$ 1,400,194
Interest	5,088,063	4,765,374	4,485,677	4,042,334
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	574,854	1,081,789	395,476	292,440
Changes of Assumptions	(2,002,891)	(242,757)	153,594	2,416,949
Benefit Payments, Including Refunds of Member Contributions	(3,245,595)	(2,763,458)	(2,321,740)	(1,988,160)
Net Change in Total Pension Liability	1,872,887	4,277,441	4,101,447	6,163,757
Total Pension Liability - Beginning	68,734,413	64,456,972	60,355,525	54,191,768
TOTAL PENSION LIABILITY - ENDING	\$ 70,607,300	\$ 68,734,413	\$ 64,456,972	\$ 60,355,525
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 1,619,533	\$ 1,627,648	\$ 1,598,850	\$ 1,587,403
Contributions - Member	631,912	610,879	611,052	571,109
Net Investment Income	10,023,344	3,658,440	268,097	3,065,478
Benefit Payments, Including Refunds of Member Contributions	(3,245,595)	(2,763,458)	(2,321,740)	(1,988,160)
Other (Net Transfer)	(925,504)	600,586	(37,832)	270,854
Net Change in Plan Fiduciary Net Position	8,103,690	3,734,095	118,427	3,506,684
Plan Net Position - Beginning	57,527,766	53,793,671	53,675,244	50,168,560
PLAN NET POSITION - ENDING	\$ 65,631,456	\$ 57,527,766	\$ 53,793,671	\$ 53,675,244
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 4,975,844	\$ 11,206,647	\$ 10,663,301	\$ 6,680,281
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.95%	83.70%	83.46%	88.93%
Covered-Employee Payroll	\$ 13,913,517	\$ 13,575,055	\$ 13,143,197	\$ 12,239,044
Employer's Net Pension Liability as a Percentage of Covered - Employee Payroll	35.76%	82.55%	81.13%	54.58%

The District implemented GASB Statement No. 68 in fiscal year 2015.

Information prior to fiscal year 2015 is not available.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Schedule of Employer Contributions

Illinois Municipal Retirement Fund

Last Four Fiscal Years

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 1,630,442	\$ 1,630,442	\$ -	\$ 13,877,243	11.75%
2017	1,622,426	1,622,426	-	13,736,273	11.81%
2016	1,619,715	1,619,715	-	13,464,781	12.03%
2015	1,629,702	1,587,403	42,299	12,565,162	12.63%

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26-years
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.50%
Price inflation	2.75% -- approximate; no explicit price inflation assumption is used in this valuation
Salary increases	3.75% to 14.50% including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rate was developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

The District implemented GASB Statement No. 68 in fiscal year 2015.

Information prior to fiscal year 2015 is not available.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Schedule of the District's Proportionate Share of the
 Net Pension Liability
 Teachers' Retirement System
 Last Four Fiscal Years

	2018*	2017*	2016*	2015*
District's proportion of the net pension liability	0.00594%	0.00698%	0.00465%	0.00565%
District's proportionate share of the net pension liability	\$ 4,541,042	\$ 5,513,623	\$ 3,046,853	\$ 3,440,815
State's proportionate share of the net pension liability associated with the District	190,719,758	203,671,837	147,170,934	137,595,169
Total	<u>\$ 195,260,800</u>	<u>\$ 209,185,460</u>	<u>\$ 150,217,787</u>	<u>\$ 141,035,984</u>
District's covered payroll	\$ 25,727,209	\$ 25,659,568	\$ 22,728,964	\$ 21,819,805
District's proportionate share of the net pension liability as a percentage of it's covered payroll	17.65%	21.49%	13.41%	15.77%
Plan fiduciary net position as a percentage of the total pension liability	39.30%	36.40%	41.50%	43.00%

Notes to Schedule*Changes of assumptions*

For the 2017 and 2016 measurement years (fiscal years 2018 and 2017), the assumed investment rate of return was 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 (fiscal year 2016), the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a 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 (fiscal year 2015), the assumed investment rate of return was also 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. However, salary increases were assumed to vary by age.

* Valuation as of the previous fiscal year

The District implemented GASB Statement No. 68 in fiscal year 2015.
 Information prior to fiscal year 2015 is not available.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Schedule of Employer Contributions

Teachers' Retirement System

Last Four Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 160,686	\$ 160,686	\$ -	\$ 24,695,523	0.65%
2017	244,960	244,960	-	25,727,209	0.95%
2016	365,353	365,353	-	25,659,568	1.42%
2015	497,549	497,549	-	22,728,964	2.19%

The District implemented GASB Statement No. 68 in fiscal year 2015.
Information prior to fiscal year 2015 is not available.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT 427
Schedule of the District's Proportionate Share of the
Net OPEB Liability - Teachers' Health Insurance Security Fund
Year Ended June 30, 2018

	<u>2018</u>
District's proportion of the net OPEB liability	0.111978%
District's proportionate share of the net OPEB liability	\$ 29,057,836
State's proportionate share of the net OPEB liability associated with the District	<u>38,160,160</u>
	<u><u>\$ 67,217,996</u></u>
District's covered-employee payroll	25,757,209
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	112.81%
Plan fiduciary net position as a percentage of the total OPEB liability	39.30%

The District implemented GASB Statement No. 75 in fiscal year 2018.
Information prior to fiscal year 2018 is not available.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT 427

Schedule of Employer Contributions

Teachers' Health Insurance Security Fund

Year Ended June 30, 2018

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 217,321	\$ 217,321	\$ -	\$ 24,695,523	0.88%

The District implemented GASB Statement No. 75 in fiscal year 2018.
Information prior to fiscal year 2018 is not available.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT 427

Schedule of Changes in the Employer's Net Other

Post-Employment Benefits (OPEB) Liability

Postemployment Health Plan

Last Fiscal Year

	2018
TOTAL OTHER POST-EMPLOYMENT BENEFIT (OPEB) LIABILITY	
Service Cost	\$ 32,826
Interest	29,167
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	(37,149)
Changes of Assumptions	(1,674,878)
Benefit Payments,	
Including Refunds of Member Contributions	(119,955)
Other Changes	(1,145,213)
Net Change in Total Pension Liability	(2,915,202)
Total OPEB Liability - Beginning	3,953,924
TOTAL OPEB LIABILITY - ENDING	\$ 1,038,722
PLAN FIDUCIARY NET POSITION	
Contributions - Employer	\$ -
Contributions - Active and Inactive Employees	-
Net Investment Income	-
Benefit Payments	-
Other Changes	-
Net Change in Plan Fiduciary Net Position	-
Plan Net Position - Beginning	-
PLAN NET POSITION - ENDING	\$ -
EMPLOYER'S NET OPEB LIABILITY (ASSET)	\$ 1,038,722
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%
District's covered-employee payroll	\$ 4,729,999
District's net OPEB liability as a percentage of its covered-employee payroll	21.96%

The District implemented GASB Statement No. 75 in fiscal year 2018.

Information prior to fiscal year 2018 is not available.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT 427

Schedule of Employer Contributions

Postemployment Health Plan

Last Fiscal Year

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ -	\$ -	-	\$ 4,729,999	0.00%

Notes to Schedule

Methods and assumptions used to determine contribution rates:

Health Care Trend Rates:

Initial Health Care Cost Trend Rate	6.50%
Ultimate Health Care Cost Trend Rate	4.50%
Fiscal Year the Ultimate Rate is Reached	Fiscal Year 2028

Additional Information:

Valuation Date	July 1, 2017
Measurement Date	June 29, 2018
Actuarial Cost Method	Entry Age Normal
Discount Rate	2.98%
Salary Rate Increase	4.00%

The District implemented GASB Statement No. 75 in fiscal year 2018.

Information prior to fiscal year 2018 is not available.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - General Fund and Major Special Revenue Fund

Year Ended June 30, 2018

	General		
	Original and final Budget	Actual	Variance Over/Under
REVENUES			
Local sources	\$ 26,531,554	\$ 25,573,182	\$ (958,372)
State sources	20,985,417	23,151,418	2,166,001
Federal sources	1,730,215	2,164,635	434,420
Total Revenues	49,247,186	50,889,235	1,642,049
EXPENDITURES			
Current			
Instruction	33,728,574	34,656,254	927,680
Support services	14,772,440	14,116,793	(655,647)
Community services	655,195	692,849	37,654
Non-programmed charges	1,454,118	1,642,504	188,386
Debt service			
Principal	-	-	-
Interest and fiscal charges	150,444	193,299	42,855
Provision for contingencies	100,000	-	(100,000)
Total Expenditures	50,860,771	51,301,699	440,928
Excess (deficiency) of revenues over expenditures	(1,613,585)	(412,464)	1,201,121
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(5,281,612)	(271,379)	5,010,233
Loan proceeds	4,985,000	-	-
Sale of assets	-	35	-
Total other financing sources (uses)	(296,612)	(271,344)	5,010,233
Net changes in fund balance	<u>\$ (1,910,197)</u>	(683,808)	<u>\$ 1,226,389</u>
Fund Balance at beginning of year		4,989,990	
FUND BALANCE AT END OF YEAR		<u>\$ 4,306,182</u>	

Transportation		
Original and final Budget	Actual	Variance Over/Under
\$ 2,511,821	\$ 2,151,101	\$ (360,720)
1,051,857	1,048,740	(3,117)
-	-	-
3,563,678	3,199,841	(363,837)
-	-	-
1,877,518	1,540,082	(337,436)
-	-	-
-	-	-
-	23,518	23,518
-	437,281	437,281
-	-	-
1,877,518	2,000,881	123,363
1,686,160	1,198,960	(487,200)
-	-	-
-	-	-
-	-	-
190,825	-	(190,825)
190,825	-	(190,825)
<u>\$ 1,876,985</u>	1,198,960	<u>\$ (678,025)</u>
	<u>1,422,349</u>	
	<u>\$ 2,621,309</u>	

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Required Supplementary Information

June 30, 2018

Budgetary Data

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments.

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

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget, which was not amended, was adopted on September 26, 2017.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, the Debt Service Fund, and the Capital Projects Fund.
6. The District has adopted a legal budget for all its Governmental Funds. Total actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act, expenditures may exceed the budget if additional resources are available to finance such expenditures.
7. The budget (all appropriations) lapses at the end of each fiscal year.
8. The District's actual expenditures in the General Fund, Debt Service Fund, Transportation Fund, and Municipal Retirement/Social Security Fund exceeded budgeted expenditures. Additional sources are available to finance these excess expenditures as allowed under the State Budget Act.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Notes to Required Supplementary Information

June 30, 2018

Excess of Expenditures over Budgets in Individual Funds

Expenditures exceeded the budgeted amount in the following Funds:

	Budget	Actual	(Excess)
General Fund	\$ 50,860,771	\$ 51,301,699	\$ (440,928)
Debt Service Fund	5,128,633	5,342,664	(214,031)
Transportation Fund	1,877,518	2,000,881	(123,363)
Municipal Retirement Fund	1,237,371	1,357,836	(120,465)
Total	<u>\$ 59,104,293</u>	<u>\$ 60,003,080</u>	<u>\$ (898,787)</u>

The expenditure variances were sufficiently absorbed by surpluses that existed at the beginning of the fiscal year and were approved by the Board of Education. Under the State Budget Act, expenditures may exceed the budget if additional resources are available to finance such expenditures.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

GENERAL FUND

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

Educational Account - to account for most of the instructional and administrative aspects of the District's operations.

Operations and Maintenance Account - to account for repair and maintenance of the District's property.

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

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Combining Balance Sheet by Account

General Fund

June 30, 2018

	Educational	Operations and Maintenance	Working Cash	Total General
ASSETS				
Cash and investments	\$ 4,589,967	\$ 793,748	\$ 3,533,726	\$ 8,917,441
Receivables				
Property taxes	9,612,093	1,480,551	96,285	11,188,929
Due from other governments	708,209	24,758	-	732,967
Prepaid items	159,933	19,925	-	179,858
TOTAL ASSETS	\$ 15,070,202	\$ 2,318,982	\$ 3,630,011	\$ 21,019,195
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE				
Liabilities				
Accounts payable	\$ 334,042	\$ 153,126	\$ -	\$ 487,168
Accrued salaries	3,562,087	633	-	3,562,720
Accrued insurance claims	510,167	-	-	510,167
Total liabilities	4,406,296	153,759	-	4,560,055
Deferred inflows				
Property taxes levied for subsequent year	10,345,355	1,593,495	103,630	12,042,480
Other deferred revenues	110,478	-	-	110,478
Total deferred inflows	10,455,833	1,593,495	103,630	12,152,958
Fund balance				
Nonspendable				
Prepaid items	159,933	19,925	-	179,858
Restricted				
Health plan	109,427	-	-	109,427
Unassigned	(61,287)	551,803	3,526,381	4,016,897
Total fund balance	208,073	571,728	3,526,381	4,306,182
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 15,070,202	\$ 2,318,982	\$ 3,630,011	\$ 21,019,195

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Combining Statement of Revenues, Expenditures
and Changes In Fund Balances By Account
General Fund
Year Ended June 30, 2018

	Educational	Operations and Maintenance	Working Cash	Total General
REVENUES				
Local sources	\$ 22,106,345	\$ 3,276,026	\$ 190,811	\$ 25,573,182
State sources	23,151,418	-	-	23,151,418
Federal sources	2,164,635	-	-	2,164,635
Total revenues	47,422,398	3,276,026	190,811	50,889,235
EXPENDITURES				
Current				
Instruction	34,656,254	-	-	34,656,254
Support services	10,163,284	3,953,509	-	14,116,793
Community services	692,849	-	-	692,849
Non-programmed charges	1,642,504	-	-	1,642,504
Debt service	193,299	-	-	193,299
Total expenditures	47,348,190	3,953,509	-	51,301,699
Excess (deficiency) of revenues over over expenditures	74,208	(677,483)	190,811	(412,464)
OTHER FINANCING SOURCES (USES)				
Sale of fixed assets	-	35	-	35
Transfers out	(70,320)	(201,059)	-	(271,379)
Total other financing sources (uses)	(70,320)	(201,024)	-	(271,344)
Net change in fund balance	3,888	(878,507)	190,811	(683,808)
Fund balance at beginning of year	204,185	1,450,235	3,335,570	4,989,990
FUND BALANCE AT END OF YEAR	\$ 208,073	\$ 571,728	\$ 3,526,381	\$ 4,306,182

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Educational Account
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	\$ 16,433,576	\$ 15,525,050	\$ 15,384,301
Facilities lease levy	205,057	104,892	283,447
Special education levy	3,381,356	3,286,845	3,031,715
Corporate replacement taxes	400,000	418,379	436,152
Earnings on investments	25,000	130,420	54,840
Food services	562,000	520,728	567,139
Pupil activities	883,800	962,080	919,046
Textbooks	356,300	431,269	353,580
Tuition	105,500	87,496	133,824
Contributions from other sources	589,750	376,967	422,140
Services provided other districts	54,857	54,857	54,857
Local fees	50,000	49,985	54,318
Other	55,000	157,377	3,598
Total local sources	23,102,196	22,106,345	21,698,957
State Sources			
General state aid	10,300,535	10,615,682	9,021,164
Special education	482,923	944,706	1,433,318
Summer school	-	25,932	-
Vocational education	3,357	9,621	-
Bilingual education	-	16,906	12,403
School lunch aid	2,000	6,124	1,493
Driver education	39,479	74,030	39,480
On behalf payments - State of Illinois	10,000,000	11,230,996	10,119,742
Other grants-in-aid	157,123	227,421	201,318
Total state sources	20,985,417	23,151,418	20,828,918
Federal Sources			
School lunch programs	380,000	399,544	430,915
IDEA - Flow Through	781,479	996,422	718,493
IDEA -Pre school	5,827	11,726	2,770
Title II	96,402	105,729	66,032
Title I - Low income	341,507	421,144	401,087
Title IV - safe and drug free schools	-	12,215	-
Medicaid matching/administrative outreach	125,000	217,443	148,149
Other	-	412	2,869
Total federal sources	1,730,215	2,164,635	1,770,315
Total revenues	45,817,828	47,422,398	44,298,190

(Continued)

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Educational Account
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
EXPENDITURES			
Instruction			
Regular programs			
Salaries	\$ 12,798,643	\$ 12,478,470	\$ 12,760,790
Employee benefits	3,442,485	3,357,577	3,419,506
On behalf payments - State of Illinois	10,000,000	11,230,996	10,119,742
Purchased services	103,470	101,127	72,606
Supplies and materials	463,099	413,029	372,631
Capital outlay	61,866	112,721	55,814
Other	13,285	9,416	7,964
Non-capitalized equipment	28,047	76,782	54,733
Total	26,910,895	27,780,118	26,863,786
Special programs			
Salaries	3,247,667	3,320,873	3,596,648
Employee benefits	1,085,747	1,111,379	1,052,711
Purchased services	40,420	25,124	19,301
Supplies and materials	59,520	67,852	38,014
Non-capitalized equipment	1,500	1,000	429
Total	4,434,854	4,526,228	4,707,103
Remedial programs			
Salaries	-	1,408	-
Employee benefits	-	67	-
Purchased services	-	2,094	99
Supplies and materials	10,000	44,576	9,556
Total	10,000	48,145	9,655
Vocational programs			
Salaries	251,416	226,112	345,906
Employee benefits	47,014	42,495	66,356
Purchased services	2,850	2,212	3,594
Supplies and materials	30,700	32,458	31,961
Other	160,000	146,490	144,450
Total	491,980	449,767	592,267

(Continued)

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Educational Account
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
Interscholastic programs			
Salaries	\$ 745,795	\$ 745,992	\$ 735,381
Employee benefits	124,946	114,881	115,416
Purchased services	205,815	168,678	191,465
Supplies and materials	132,650	144,642	123,984
Capital outlay	9,000	19,804	1,530
Other	43,955	52,411	52,492
Non-capitalized equipment	14,400	17,906	10,134
Total	1,276,561	1,264,314	1,230,402
Summer school programs			
Salaries	38,000	32,918	34,751
Employee benefits	4,750	4,073	4,218
Supplies and Materials	6,500	248	1,553
Total	49,250	37,239	40,522
Drivers education programs			
Salaries	215,700	220,719	208,470
Employee benefits	57,725	53,681	50,389
Purchased services	160	-	25
Supplies and materials	4,450	2,743	987
Total	278,035	277,143	259,871
Bilingual programs			
Salaries	197,202	198,496	168,351
Employee benefits	70,513	68,335	45,567
Purchased services	2,000	877	795
Supplies and materials	7,284	5,592	3,829
Total	276,999	273,300	218,542
Total instruction	33,728,574	34,656,254	33,922,148

(Continued)

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Educational Account
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
Support Services			
Pupils			
Attendance and social work services			
Salaries	\$ 398,698	\$ 381,866	\$ 406,012
Employee benefits	123,550	97,900	99,430
Purchased services	300	409	4,282
Non-capitalized equipment	4,000	2,140	1,698
Total	526,548	482,315	511,422
Guidance services			
Salaries	348,915	346,785	436,325
Employee benefits	85,077	88,059	104,789
Purchased services	1,725	106	5
Supplies and materials	3,100	1,715	2,121
Total	438,817	436,665	543,240
Health services			
Salaries	419,499	421,126	483,969
Employee benefits	131,466	129,508	101,405
Purchased services	265,900	282,517	279,130
Supplies and materials	10,000	5,943	9,506
Capital outlay	2,300	8,721	2,324
Non-capitalized equipment	-	-	101
Total	829,165	847,815	876,435
Psychological services			
Salaries	383,277	384,237	376,672
Employee benefits	81,749	72,995	70,264
Purchased services	500	629	440
Total	465,526	457,861	447,376
Speech pathology/audiology services			
Salaries	392,152	399,115	355,991
Employee benefits	135,448	129,549	105,028
Purchased services	300	32	77
Supplies and materials	-	-	389
Total	527,900	528,696	461,485

(Continued)

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Educational Account
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
Other			
Purchased services	\$ 137,000	\$ 137,000	\$ 137,000
Supplies and materials	7,500	8,581	6,870
Total	144,500	145,581	143,870
Instructional Staff			
Improvement of instruction services			
Salaries	166,178	169,121	207,238
Employee benefits	44,283	40,808	59,340
Purchased services	125,095	132,017	139,701
Supplies and materials	176,181	130,922	107,993
Other	3,000	3,183	937
Total	514,737	476,051	515,209
Education media services			
Salaries	625,113	632,789	695,959
Employee benefits	171,995	160,888	164,554
Purchased services	448,571	438,198	454,965
Supplies and materials	137,884	96,690	99,189
Capital outlay	-	10,223	38,480
Non-capitalized equipment	139,097	127,299	124,291
Total	1,522,660	1,466,087	1,577,438
Assessment/Testing			
Purchased services	-	5,609	635
Supplies and materials	10,000	3,736	5,977
Total	10,000	9,345	6,612
Board of Education services			
Salaries	22,943	26,936	21,408
Employee benefits	205,552	3,962	3,470
Purchased services	723,507	705,888	791,313
Supplies and materials	19,500	16,294	14,516
Other	18,150	11,398	20,275
Termination benefits	141,750	141,750	61,500
Total	1,131,402	906,228	912,482

(Continued)

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Educational Account
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
Executive administration services			
Salaries	\$ 257,403	\$ 257,753	\$ 246,409
Employee benefits	63,618	68,682	66,832
Purchased services	8,000	4,187	2,878
Supplies and materials	5,000	3,444	1,549
Other	5,000	1,598	2,658
Total	339,021	335,664	320,326
Special area administrative services			
Salaries	123,484	112,849	107,263
Employee benefits	25,740	25,459	23,834
Total	149,224	138,308	131,097
School Administration			
Office of the principal			
Salaries	1,446,976	1,446,513	1,404,670
Employee benefits	565,374	526,534	441,168
Purchased services	28,530	27,742	28,417
Supplies and materials	35,500	23,444	25,407
Other	6,095	6,135	5,678
Total	2,082,475	2,030,368	1,905,340
Other support services			
Salaries	97,869	96,753	91,441
Employee benefits	14,366	11,949	11,258
Total	112,235	108,702	102,699
Business			
Direction of business			
Salaries	60,000	60,000	52,500
Employee benefits	21,406	19,400	17,934
Purchased services	2,650	1,490	2,358
Total	84,056	80,890	72,792

(Continued)

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Educational Account
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
Fiscal services			
Salaries	\$ 318,361	\$ 327,138	\$ 332,456
Employee benefits	72,886	74,071	75,515
Purchased services	11,920	11,111	10,257
Supplies and materials	12,000	8,630	8,297
Other	47,500	77,886	42,906
Total	462,667	498,836	469,431
Operations and maintenance			
Purchased services	1,000	1,725	2,101
Pupil transportation services			
Purchased services	1,700	-	-
Supplies and materials	300	-	300
Total	2,000	-	300
Food services			
Salaries	60,000	40,274	46,700
Employee benefits	4,500	2,534	4,270
Purchased services	883,875	737,576	759,065
Supplies and materials	10,000	1,616	462
Capital outlay	10,000	3,024	2,728
Total	968,375	785,024	813,225
Internal services			
Salaries	10,000	9,472	10,595
Purchased services	32,699	3,277	20,691
Total	42,699	12,749	31,286
Central			
Planning, research, development and evaluation services			
Purchased services	1,000	-	-
Total	1,000	-	-

(Continued)

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Educational Account
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
Information services			
Purchased services	\$ 165,072	\$ 156,386	\$ 142,689
Total	165,072	156,386	142,689
Staff services			
Salaries	23,760	20,830	70,076
Employee benefits	-	3,369	13,827
Purchased services	24,570	18,816	27,795
Supplies and materials	34,050	15,151	21,876
Other	-	-	279
Total	82,380	58,166	133,853
Data processing services			
Salaries	78,626	78,626	77,848
Employee benefits	26,083	20,730	19,875
Purchased services	68,740	49,789	60,560
Total	173,449	149,145	158,283
Other support services			
Salaries	28,040	28,040	73,065
Employee benefits	12,870	16,102	32,464
Purchased services	2,903	6,535	2,904
Total	43,813	50,677	108,433
Total Support Services	10,820,721	10,163,284	10,387,424
Community Services			
Salaries	466,189	509,852	428,375
Employee benefits	24,734	29,496	18,678
Purchased services	84,232	62,434	63,115
Supplies and materials	79,500	91,037	58,052
Other	540	30	30
Total Community Services	655,195	692,849	568,250

(Continued)

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes In fund Balance
Budget and Actual
Educational Account
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
Non-programmed charges	\$ 1,454,118	\$ 1,642,504	\$ 1,441,804
Debt service	150,444	193,299	154,864
Provision for contingencies	100,000	-	-
Total expenditures	46,909,052	47,348,190	46,474,490
Excess (deficiency) of revenues over expenditures	(1,091,224)	74,208	(2,176,300)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	3,200,000
Transfers out	(5,080,553)	(70,320)	(175,367)
Loan proceeds	4,985,000	-	-
Total other financing sources (uses)	(95,553)	(70,320)	3,024,633
Net change in fund balance	<u>\$ (1,186,777)</u>	3,888	848,333
Fund balance (deficit) at beginning of year		204,185	(644,148)
FUND BALANCE (DEFICIT) AT END OF YEAR		<u>\$ 208,073</u>	<u>\$ 204,185</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Operations and Maintenance Account
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	\$ 2,885,621	\$ 2,841,107	\$ 2,734,079
Corporate replacement taxes	100,000	135,603	196,007
Pupil activities	57,000	45,475	46,290
Rentals	85,097	94,070	90,858
Donations from developers	100,000	157,843	76,658
Other	-	1,928	7,146
Total Local Sources	3,227,718	3,276,026	3,151,038
Total revenues	3,227,718	3,276,026	3,151,038
EXPENDITURES			
Support Services Business			
Facilities acquisition and construction services			
Purchased services	40,000	36,986	4,105
Supplies and materials	5,000	-	-
Capital outlay	240,000	208,587	100,520
Total	285,000	245,573	104,625
Operations and maintenance of plant services			
Salaries	1,346,615	1,405,987	1,347,999
Employee benefits	346,184	341,774	303,014
Purchased services	637,420	649,496	577,898
Supplies and materials	1,284,000	1,284,506	1,097,804
Capital outlay	21,000	11,241	26,985
Other	5,000	7,517	20,264
Non-capitalized equipment	25,000	5,997	31,963
Total	3,665,219	3,706,518	3,405,927

(Continued)

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Operations and Maintenance Account
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
Other payments for regular programs			
Other	\$ 1,500	\$ -	\$ -
Total	1,500	-	-
Other payments to government units - in state			
Other	-	1,418	1,387
Total	-	1,418	1,387
Total support services	3,951,719	3,953,509	3,511,939
Total expenditures	3,951,719	3,953,509	3,511,939
Excess (deficiency) of revenues over expenditures	(724,001)	(677,483)	(360,901)
OTHER FINANCING SOURCES (USES)			
Sale of fixed assets	-	35	-
Transfers out	(201,059)	(201,059)	(190,356)
Total other financing sources (uses)	(201,059)	(201,024)	(190,356)
Net change in fund balance	<u>\$ (925,060)</u>	(878,507)	(551,257)
Fund balance at beginning of year		1,450,235	2,001,492
FUND BALANCE AT END OF YEAR		<u>\$ 571,728</u>	<u>\$ 1,450,235</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Working Cash Account
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	\$ 201,640	\$ 190,811	\$ 191,041
Total local sources	201,640	190,811	191,041
Total revenues	201,640	190,811	191,041
Excess of revenues over expenditures	201,640	190,811	191,041
OTHER FINANCING SOURCES (USES)			
Transfers out	-	-	(1,200,000)
Total other financing sources (uses)	-	-	(1,200,000)
Net change in fund balance	<u>\$ 201,640</u>	190,811	(1,008,959)
Fund balance at beginning of year		3,335,570	4,344,529
FUND BALANCE AT END OF YEAR		<u>\$ 3,526,381</u>	<u>\$ 3,335,570</u>

MAJOR SPECIAL REVENUE FUND

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

MAJOR DEBT SERVICE FUND

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

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Major Special Revenue Fund - Transportation Fund

Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	\$ 2,386,821	\$ 2,029,820	\$ 2,095,711
Transportation fees	125,000	116,350	139,611
Other	-	4,931	-
Total local sources	2,511,821	2,151,101	2,235,322
State Sources			
Transportation aid	1,051,857	1,048,740	791,565
Total state sources	1,051,857	1,048,740	791,565
Total revenues	3,563,678	3,199,841	3,026,887
EXPENDITURES			
Support Services			
Pupil Transportation Services			
Salaries	985,098	1,018,107	968,142
Employee benefits	193,737	170,805	213,105
Purchased services	54,220	43,409	54,397
Supplies and materials	280,700	257,172	230,057
Capital outlay	500	50,589	556,500
Other	363,263	-	-
Total pupil transportation	1,877,518	1,540,082	2,022,201
Total support services	1,877,518	1,540,082	2,022,201
Debt Service	-	460,799	252,891
Total expenditures	1,877,518	2,000,881	2,275,092
Excess (deficiency) of revenues over expenditures	1,686,160	1,198,960	751,795

(Continued)

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Major Special Revenue Fund - Transportation Fund
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
OTHER FINANCING SOURCES (USES)			
Transfers out	-	-	(2,000,000)
Proceeds from capital leases	-	-	556,500
Sale of assets	190,825	-	42,650
Total other financing sources (uses)	190,825	-	(1,400,850)
Net change in fund balance	<u>\$ 1,876,985</u>	1,198,960	(649,055)
Fund balance at beginning of year		1,422,349	2,071,404
FUND BALANCE AT END OF YEAR		<u>\$ 2,621,309</u>	<u>\$ 1,422,349</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Major Debt Service Fund - Debt Service Fund

Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	\$ 4,938,181	\$ 4,709,626	\$ 4,641,311
Earnings on investments	-	9,457	845
Total local sources	4,938,181	4,719,083	4,642,156
Total revenues	4,938,181	4,719,083	4,642,156
EXPENDITURES			
Debt service			
Interest on bonds	2,708,633	1,683,395	1,837,909
Principal retired	2,420,000	3,454,231	3,270,323
Fiscal charges	-	205,038	-
Total expenditures	5,128,633	5,342,664	5,108,232
Excess (deficiency) of revenues over expenditures	(190,452)	(623,581)	(466,076)
OTHER FINANCING SOURCES (USES)			
Transfers in	281,612	271,379	365,723
Bonds issued at par	-	9,680,000	-
Premium on bonds issued	-	268,169	-
Deposit with refunding escrow agent	-	(9,742,448)	-
Total other financing sources (uses)	281,612	477,100	365,723
Net change in fund balance	<u>\$ 91,160</u>	(146,481)	(100,353)
Fund balance at beginning of year		2,738,098	2,838,451
FUND BALANCE AT END OF YEAR		<u>\$ 2,591,617</u>	<u>\$ 2,738,098</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

CAPITAL PROJECTS FUND

Capital Projects Fund - to account for financial resources to be used for the acquisition or construction of major capital facilities.

Fire Prevention and Safety Fund - to account for financial resources to be used for the acquisition, construction, and/or additions related to qualifying fire prevention and safety projects.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2018

	Municipal Retirement/ Social Security	Fire Prevention and Safety	Capital Projects	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 572,025	\$ 2,054,503	\$ 541,215	\$ 3,167,743
Receivables				
Property taxes	688,949	204,190	-	893,139
Due from other governments	18,583	-	-	18,583
TOTAL ASSETS	\$ 1,279,557	\$ 2,258,693	\$ 541,215	\$ 4,079,465
DEFERRED INFLOWS AND FUND BALANCES				
Deferred inflows				
Property taxes levied for subsequent year	\$ 741,506	\$ 219,767	\$ -	\$ 961,273
Fund balances				
Restricted				
Employee Retirement	538,051	-	-	538,051
Capital Projects	-	2,038,926	541,215	2,580,141
Total Fund Balances	538,051	2,038,926	541,215	3,118,192
TOTAL DEFERRED INFLOWS AND FUND BALANCES	\$ 1,279,557	\$ 2,258,693	\$ 541,215	\$ 4,079,465

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2018

	Municipal Retirement/ Social Security	Fire Prevention and Safety	Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES				
Local sources	\$ 1,465,677	\$ 404,552	\$ -	\$ 1,870,229
Total Revenues	1,465,677	404,552	-	1,870,229
EXPENDITURES				
Current				
Instruction	582,017	-	-	582,017
Support services	773,707	-	-	773,707
Community services	2,112	-	-	2,112
Total Expenditures	1,357,836	-	-	1,357,836
Net change in fund balance	107,841	404,552	-	512,393
Fund Balances at beginning of year	430,210	1,634,374	541,215	2,605,799
FUND BALANCES AT END OF YEAR	\$ 538,051	\$ 2,038,926	\$ 541,215	\$ 3,118,192

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Municipal Retirement/Social Security Fund
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levies	\$ 1,443,036	\$ 1,365,292	\$ 1,367,240
Corporate replacement taxes	100,000	100,385	119,782
Total local sources	1,543,036	1,465,677	1,487,022
Total revenues	1,543,036	1,465,677	1,487,022
EXPENDITURES			
Instruction - employee benefits	473,306	582,017	577,700
Support services - employee benefits	730,499	773,707	786,552
Community services - employee benefits	33,566	2,112	74
Total expenditures	1,237,371	1,357,836	1,364,326
Net change in fund balance	<u>\$ 305,665</u>	107,841	122,696
Fund balance at beginning of year		430,210	307,514
FUND BALANCE AT END OF YEAR		<u>\$ 538,051</u>	<u>\$ 430,210</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427
Schedule Of Revenues, Expenditures And Changes In Fund Balance
Budget and Actual
Fire Prevention and Safety Fund
Year Ended June 30, 2018 with Comparative Actual Totals for 2017

	2018		2017
	Final Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	\$ 427,650	\$ 404,552	\$ 350,208
Total local sources	427,650	404,552	350,208
Total revenues	427,650	404,552	350,208
EXPENDITURES			
Support Services - Business			
Facilities acquisition and construction services:			
Purchased services	-	-	-
Total	-	-	-
Total support services	-	-	-
Capital outlay	200,000	-	-
Total expenditures	200,000	-	-
Net change in fund balance	<u>\$ 227,650</u>	404,552	350,208
Fund balance at beginning of year		1,634,374	1,284,166
FUND BALANCE AT END OF YEAR		<u>\$ 2,038,926</u>	<u>\$ 1,634,374</u>

AGENCY FUNDS

Student Activity Funds - to account for assets held by the District in a trustee capacity for student organizations and employees.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Fiduciary Funds-Agency Funds-Activity Funds

Statement of Changes in Assets and Liabilities

Year Ended June 30, 2018

	Balance			Balance
	June 30, 2017	Additions	Deletions	June 30, 2018
Assets				
Cash and investments	\$ 254,126	\$ 490,321	\$ 477,531	\$ 266,916
Liabilities				
Due to fiduciary organizations	\$ 254,126	\$ 490,321	\$ 477,531	\$ 266,916

STATISTICAL SECTION (UNAUDITED)

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Net Position by Component

Last Ten Fiscal Years

	2018	2017	2016	2015
Governmental activities				
Net investment in capital				
assets	\$ 12,906,687	\$ 11,746,334	\$ 11,397,974	\$ 11,215,094
Restricted	8,275,307	6,746,947	7,233,309	10,470,545
Unrestricted	(42,008,691)	(7,466,137)	(5,758,112)	(5,243,614)
Total governmental activities				
net position	\$ (20,826,697)	\$ 11,027,144	\$ 12,873,171	\$ 16,442,025

*The District implemented GASB Statement No. 68 for the year ended June 30, 2015

Source of information: Annual Financial Statements

2014	2013	2012	2011	2010	2009
\$ (4,435,866)	\$ (2,250,277)	\$ 2,936,031	\$ (7,685,562)	\$ (9,407,182)	\$ 313,346
13,467,911	13,445,210	15,312,768	17,372,849	553,241	-
15,750,332	20,751,713	20,576,619	24,344,286	45,491,834	42,948,506
\$ 24,782,377	\$ 31,946,646	\$ 38,825,418	\$ 34,031,573	\$ 36,637,893	\$ 43,261,852

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Changes In Net Position

Last Ten Fiscal Years

	2018	2017	2016	2015
Expenses				
Governmental activities				
Instruction				
Regular programs	\$ 29,767,875	\$ 30,669,322	\$ 29,584,831	\$ 25,880,415
Special programs	5,021,317	5,169,338	5,345,937	8,209,139
Other instructional programs	2,508,655	2,552,452	2,670,260	1,709,787
Support services				
Pupils	2,976,270	3,063,675	3,182,062	3,016,051
Instructional staff	2,033,309	2,209,874	2,345,902	2,421,292
General administration	1,437,460	1,379,697	754,112	1,384,483
School administration	2,276,397	2,129,127	1,134,283	2,123,135
Business	1,694,646	1,569,065	973,647	1,989,391
Operations and maintenance	4,386,634	4,194,782	5,547,514	4,374,104
Transportation	1,815,266	1,748,103	2,051,758	2,045,148
Central	414,902	494,697	483,486	540,851
Other supporting services	2,395,590	2,135,044	2,492,572	1,166,472
Interest and fees	2,994,596	3,983,772	3,876,808	429,864
Total governmental activities expenses	59,722,917	61,298,948	60,443,172	55,290,132
Program revenues				
Governmental activities				
Charges for services				
Instruction				
Regular programs	2,245,280	1,500,679	1,533,002	1,514,277
Special programs	30,071	17,123	9,512	9,390
Support services				
Business	520,728	567,139	634,511	609,606
Operations and maintenance	94,070	90,858	123,924	69,392
Transportation	171,207	194,468	145,171	271,477
Operating grants and contributions	15,140,192	15,315,493	14,033,002	13,219,062
Capital grants and contributions	-	-	-	-
Total governmental activities program revenues	18,201,548	17,685,760	16,479,122	15,693,204
Net revenue (expense)	(41,521,369)	(43,613,188)	(43,964,050)	(39,596,928)
Governmental activities				
General revenues				
Taxes				
Real estate taxes - general purpose	24,050,850	22,528,264	22,451,603	22,247,100
Real estate taxes - specific purpose	3,908,111	4,187,419	3,660,294	3,356,655
Real estate taxes - debt service	5,100,150	4,903,055	4,725,502	4,543,723
Federal and state aid not restricted to specific purposes	10,833,125	9,169,313	8,387,897	7,462,758
Investment earnings	139,877	55,685	39,818	130,610
Miscellaneous	654,367	923,425	1,130,082	910,248
Total governmental activities program revenues	44,686,480	41,767,161	40,395,196	38,651,094
Extraordinary gain	-	-	-	-
Change in net position	\$ 3,165,111	\$ (1,846,027)	\$ (3,568,854)	\$ (945,834)

Source of information: Annual Financial Statements

2014	2013	2012	2011	2010	2009
\$ 26,363,364	\$ 24,590,320	\$ 23,281,907	\$ 22,261,401	\$ 25,182,258	\$ 21,075,916
8,001,813	7,396,756	6,446,453	7,096,090	5,073,473	4,793,033
1,736,569	1,663,831	1,531,271	1,339,435	812,481	1,002,082
3,457,760	3,001,267	3,722,309	3,854,056	3,246,362	2,892,817
2,476,685	1,664,519	2,519,444	2,490,733	2,484,364	1,706,295
1,372,775	1,262,473	646,992	659,542	861,838	937,285
2,068,976	1,920,072	1,748,804	1,803,883	1,817,453	1,644,636
1,740,253	1,745,154	1,955,718	3,028,080	3,830,380	7,710,063
4,774,131	4,500,285	4,091,312	4,120,360	6,856,544	4,221,276
2,006,664	1,938,283	1,738,820	1,813,951	2,441,060	1,904,567
546,833	763,693	543,747	654,226	744,137	677,031
297,219	175,849	217,489	361,805	260,871	134,990
4,228,449	4,387,810	3,856,286	3,748,783	1,700,214	2,722,768
59,071,491	55,010,312	52,300,552	53,232,345	55,311,435	51,422,759
1,411,596	1,389,137	1,494,641	1,306,162	1,282,590	1,182,303
4,506	4,611	1,158	-	-	-
590,559	593,586	719,747	707,073	724,171	813,362
106,026	67,061	60,136	68,479	63,392	60,546
333,881	165,204	155,806	154,372	137,710	136,482
13,323,854	10,524,011	8,551,250	9,670,144	9,402,024	8,576,309
-	-	-	-	-	54,167
15,770,422	12,743,610	10,982,738	11,906,230	11,609,887	10,823,169
(43,301,069)	(42,266,702)	(41,317,814)	(41,326,115)	(43,701,548)	(40,599,590)
22,056,670	21,587,331	20,841,259	20,966,636	20,069,848	19,940,076
2,819,284	2,704,984	2,669,416	2,092,266	2,178,782	1,996,676
4,321,000	4,456,492	6,107,155	5,766,863	6,047,796	5,758,192
6,114,943	5,846,122	6,628,093	8,595,246	7,664,508	7,992,013
78,550	80,853	76,055	525,011	297,379	1,631,126
746,353	712,148	672,857	773,773	819,276	1,141,050
36,136,800	35,387,930	36,994,835	38,719,795	37,077,589	38,459,133
-	-	9,116,824	-	-	-
\$ (7,164,269)	\$ (6,878,772)	\$ 4,793,845	\$ (2,606,320)	\$ (6,623,959)	\$ (2,140,457)

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Fund Balances, Governmental Funds

Last Ten Fiscal Years

	2018	2017	2016	2015
General Fund				
Nonspendable	\$ 179,858	\$ 216,147	\$ 96,517	\$ 143,601
Restricted	109,427	249,245	406,231	955,651
Unassigned	4,016,897	4,524,598	5,199,125	3,177,061
	4,306,182	4,989,990	5,701,873	4,276,313
All Other Governmental Funds				
Nonspendable	165,238	268,544	215,672	44,819
Restricted				
Special revenue funds	3,042,066	1,637,689	2,279,492	5,244,771
Capital project funds	2,580,141	2,175,589	1,825,381	1,561,364
Debt service funds	2,543,673	2,684,424	2,722,205	2,708,759
Unassigned	-	-	-	-
Total all other governmental funds	\$ 8,331,118	\$ 6,766,246	\$ 7,042,750	\$ 9,559,713
General Fund				
Reserved				
Unreserved				
Total general fund				
All Other Governmental Funds				
Reserved				
Unreserved, reported in:				
Special revenue funds				
Capital project funds				
Debt service funds				
Total all other governmental funds				

Source of information: Annual Financial Statements

Note: Starting in fiscal year 2011, the Working Cash Account is reported in the General Fund. In 2011, the District implemented GASB Statement #54. Amounts prior to fiscal year 2011 have not been restated for GASB Statement #54.

2014	2013	2012	2011	2010	2009
\$ 162,401	\$ 671,121	\$ 146,731	\$ 129,582		
4,801,931	7,333,158	6,401,974	6,877,546		
5,086,330	8,509,569	11,349,805	16,896,692		
10,050,662	16,513,848	17,898,510	23,903,820		
75,469	92,669	252,430	322,105		
5,121,178	4,488,947	4,283,762	5,171,803		
1,850,179	1,172,549	657,597	1,764,455		
3,154,835	3,167,005	3,969,435	3,559,045		
-	-	(92,617)	(127,666)		
\$ 10,201,661	\$ 8,921,170	\$ 9,070,607	\$ 10,689,742		

\$ 710,859	\$ 483,694
17,061,186	20,798,728
17,772,045	21,282,422
450,320	807,697
17,973,970	8,216,735
4,957,378	3,910,185
3,414,343	2,849,310
\$ 26,796,011	\$ 15,783,927

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Changes In Fund Balances, Governmental Funds

Last Ten Fiscal Years

	2018	2017	2016	2015
Revenues				
Local sources				
Taxes	\$ 31,112,362	\$ 30,830,994	\$ 32,063,095	\$ 30,148,478
Earnings on investments	139,877	55,685	39,818	130,610
Other local sources	3,061,356	2,869,065	3,367,624	3,876,724
Total local sources	34,313,595	33,755,744	35,470,537	34,155,812
State sources	24,200,158	21,620,483	19,989,559	18,035,790
Federal sources	2,164,635	1,770,315	1,920,198	1,849,354
Total revenues	60,678,388	57,146,542	57,380,294	54,040,956
Expenditures				
Current				
Instruction	35,238,271	34,499,848	33,271,622	31,949,569
Supporting services	16,430,582	16,706,729	17,407,850	18,120,266
Community services	694,961	568,324	494,991	654,978
Non-programmed charges	1,642,504	1,443,191	1,749,524	1,601,076
Debt service				
Principal	3,891,512	3,507,468	3,503,412	3,705,692
Interest and other	2,105,250	2,008,519	1,988,909	2,201,852
Capital outlay	-	-	16,864	2,533,640
Total expenditures	60,003,080	58,734,079	58,433,172	60,767,073
Excess (deficiency) of revenue over expenditures	675,308	(1,587,537)	(1,052,878)	(6,726,117)
Other Financing Sources (Uses)				
Proceeds from debt issue	-	-	-	-
Bonds issued at par	9,680,000	-	1,575,000	2,980,000
Loan proceeds	-	556,500	-	203,050
Payments to escrow agent	(9,742,448)	-	(1,613,525)	(2,878,624)
Premium on bonds issued	268,169	-	-	-
Interest on bonds issued	-	-	-	-
Transfers in	271,379	2,365,723	4,342,978	2,475,175
Transfers out	(271,379)	(2,365,723)	(4,342,978)	(2,475,175)
Sale of capital assets	35	42,650	-	5,394
Total other financing sources (uses)	205,756	599,150	(38,525)	309,820
Net change in fund balances	\$ 881,064	\$ (988,387)	\$ (1,091,403)	\$ (6,416,297)
Debt service as a percentage of noncapital expenditures	10.13%	9.52%	10.08%	10.40%

Source of information: Annual Financial Statements

2014	2013	2012	2011	2010	2009
\$ 29,061,572	\$ 29,499,575	\$ 30,615,842	\$ 28,825,765	\$ 27,930,725	\$ 26,683,094
78,550	80,853	76,055	525,011	297,379	1,631,126
3,780,103	2,884,499	2,848,416	3,786,933	3,587,928	3,654,108
32,920,225	32,464,927	33,540,313	33,137,709	31,816,032	31,968,328
16,444,939	14,538,162	12,670,816	14,962,694	13,058,730	13,026,408
2,406,676	1,167,071	2,091,599	2,944,384	3,447,013	3,275,716
51,771,840	48,170,160	48,302,728	51,044,787	48,321,775	48,270,452
31,937,364	29,139,304	27,000,762	26,980,763	27,467,749	24,075,755
18,577,500	15,825,170	16,506,261	18,141,460	19,840,052	17,428,122
138,875	119,177	113,219	114,370	11,206	3,587
1,630,638	1,556,015	1,424,038	1,237,616	812,481	930,482
3,262,352	4,934,268	4,558,361	4,460,806	6,979,898	4,241,776
2,114,286	2,194,542	2,263,997	2,344,394	1,742,016	1,780,199
605,038	921,646	4,070,071	10,237,456	4,958,146	24,314,489
58,266,053	54,690,122	55,936,709	63,516,865	61,811,548	72,774,410
(6,494,213)	(6,519,962)	(7,633,981)	(12,472,078)	(13,489,773)	(24,503,958)
-	-	-	1,800,000	31,341,806	5,002,072
-	12,680,000	-	3,890,000	-	-
1,306,369	952,100	-	684,670	-	-
-	(8,990,263)	-	(3,896,530)	(10,911,166)	-
-	329,995	-	6,530	555,298	-
-	-	-	401	-	-
2,862,220	1,129,044	6,705,951	25,753,809	17,501,004	1,045,793
(2,862,220)	(1,129,044)	(6,705,951)	(25,753,809)	(17,501,004)	(1,045,793)
5,149	14,031	9,536	12,513	5,542	3,382
1,311,518	4,985,863	9,536	2,497,584	20,991,480	5,005,454
\$ (5,182,695)	\$ (1,534,099)	\$ (7,624,445)	\$ (9,974,494)	\$ 7,501,707	\$ (19,498,504)
9.48%	13.26%	13.15%	12.77%	15.34%	12.43%

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Equalized Assessed Valuation and
Estimated Actual Value of Taxable Property
Last Ten Tax Levy Years

Tax Levy Year	Equalized Assessed Valuation	Amount of Increase (Decrease) Over Previous Year	Percentage Increase (Decrease) Over Previous Year	Actual Estimated Value
2017	\$ 531,032,047	\$ 35,747,449	7.22%	\$ 1,593,096,141
2016	495,284,598	37,348,030	8.16%	1,485,853,794
2015	457,936,568	25,068,302	5.79%	1,373,809,704
2014	432,868,266	(5,697,777)	-1.30%	1,298,604,798
2013	438,566,043	(31,806,664)	-6.76%	1,315,698,129
2012	470,372,707	(49,353,400)	-9.50%	1,411,118,121
2011	519,726,107	(30,853,583)	-5.60%	1,559,178,321
2010	550,579,690	(28,908,079)	-4.99%	1,651,739,070
2009	579,487,769	20,847,539	3.73%	1,738,463,307
2008	558,640,230	36,181,492	6.93%	1,675,920,690

Components of
Equalized Assessed
Valuation

Tax Levy Year	Farm	Residential	Commercial	Total Equalized Assessed Valuation
2017	\$ 38,445,925	\$ 388,406,755	\$ 104,179,367	\$ 531,032,047
2016	36,551,263	364,160,694	94,572,641	495,284,598
2015	34,187,581	336,911,356	86,837,631	457,936,568
2014	33,202,458	317,378,626	82,287,182	432,868,266
2013	31,379,877	323,501,663	83,684,503	438,566,043
2012	31,421,166	351,200,671	87,750,870	470,372,707
2011	27,524,803	389,848,435	102,352,869	519,726,107
2010	31,938,437	419,702,801	98,938,452	550,579,690
2009	31,757,062	443,784,313	103,946,394	579,487,769
2008	30,535,406	432,995,627	95,109,197	558,640,230

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

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Property Tax Rates - Direct And Overlapping Governments*

Last Ten Fiscal Years

<u>Taxing District</u>	2018	2017	2016	2015
<i>OVERLAPPING GOVERNMENT</i>				
DeKalb County	\$ 1.1201	\$ 1.1429	\$ 1.2364	\$ 1.2483
DeKalb County Forest Preserve District	0.0783	0.0799	0.0853	0.0876
Sycamore Township	0.1322	0.1362	0.1443	0.1502
Sycamore Township Road and Bridge	0.2677	0.2758	0.2922	0.3042
City of Sycamore	0.7086	0.7417	0.7775	0.7858
Sycamore Library District	0.2666	0.2736	0.2854	0.2878
Sycamore Park District	0.7117	0.7348	0.7798	0.8076
Kishwaukee Community College	0.6669	0.6700	0.6972	0.7123
Total overlapping rate (note)	3.9520	4.0549	4.2980	4.3838
Sycamore S.D. #427	6.2345	6.3986	6.7488	6.9796
Total Rate	<u>\$ 10.1865</u>	<u>\$ 10.4535</u>	<u>\$ 11.0468</u>	<u>\$ 11.3633</u>

The District is subject to the Property Tax Extension Limitation Act, which, in general, limits the increase in the amount of taxes to be extended to the lesser of 5% or the percentage increase in the consumer price index for the year preceding the levy.

*Tax rates are per \$100 of equalized assessed valuation.

The Sycamore CUSD #427 tax rates are subject to the formula and restrictions of the Property Tax Extension Limitation Law.

For further explanation, please see the Management Discussion and Analysis.

Source of information: DeKalb County Clerk's office.

2014	2013	2012	2011	2010	2009
\$ 1.2013	\$ 1.0892	\$ 0.9694	\$ 0.9052	\$ 0.8539	\$ 0.8495
0.0852	0.0797	0.0740	0.0700	0.0663	0.0678
0.1458	0.1344	0.1178	0.1061	0.1057	0.1072
0.2953	0.2721	0.2386	0.2205	0.2197	0.2225
0.7643	0.7076	0.6395	0.6034	0.5726	0.5776
0.2828	0.2542	0.2229	0.2005	0.1831	0.1845
0.6174	0.5625	0.4953	0.4587	0.4074	0.4129
0.7294	0.6416	0.5758	0.5601	0.5638	0.5468
4.1213	3.7413	3.3333	3.1245	2.9725	2.9688
6.1323	5.7033	5.7033	5.2705	4.9086	4.9428
\$ 10.2536	\$ 9.4446	\$ 9.0366	\$ 8.3950	\$ 7.8811	\$ 7.9116

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Principal Property Taxpayers

Current Levy Year And Nine Years Ago

Name of Taxpayer (1)	2017 Equalized Assessed Valuation	Rank	Percentage of Total 2017 Equalized Assessed Valuation (2)
Stone Prairie Rental Community LLC	\$7,084,975	1	1.33%
Becker TR Realty Holdings LLC	6,249,963	2	1.18%
Ideal Industries, Inc.	5,334,810	3	1.00%
Mae Sycamore Holdings LLC	3,327,763	4	0.63%
JPMCC 2006-LDP9 Wirsing Pkwy LLC, Duane Morris LLC	3,181,722	5	0.60%
Kish Health System	3,052,979	6	0.57%
Continental Custom Ingredients, Inc	2,388,786	7	0.45%
Oehlert Rentals LLC	2,022,990	8	0.38%
Rydell Mgmt Co LLC	1,814,799	9	0.34%
Ventas Realty Ltd. Partnership	1,713,066	10	0.32%
Kae Ames, Inc.			0.00%
National Bank and Trust Co.			0.00%
Jewel Food Stores, Inc.			0.00%
Farm & Fleet of DeKalb, Inc.			0.00%
Youssi Rentals LLC			0.00%
	<u>\$ 36,171,853</u>		<u>6.81%</u>

(1) Source of information: DeKalb and Kane County Clerks' and Assessors' Offices.

(2) 2017 total assessed valuation for Sycamore Community Unit School District is \$531,032,047.

(3) 2008 total assessed valuation for Sycamore Community Unit School District is \$558,640,230.

2008 Equalized Assessed Valuation	Rank	Percentage of Total 2008 Equalized Assessed Valuation (3)
\$ 5,643,745	1	1.01%
		0.00%
3,546,112	3	0.63%
		0.00%
		0.00%
		0.00%
1,645,563	9	0.29%
2,830,202	4	0.51%
		0.00%
1,887,127	8	0.34%
3,695,087	2	0.66%
2,087,754	5	0.37%
2,051,673	6	0.37%
1,887,127	7	0.34%
1,533,037	10	0.27%
<hr/>		
<u>\$ 26,807,427</u>		<u>4.80%</u>

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Schedule of Property Tax Rates, Extensions and Collections

Last Ten Tax Levy Years

	2017	2016	2015	2014
Rates extended				
Educational	3.2023	3.2308	3.5151	3.6583
Special education	0.6543	0.6730	0.6857	0.7317
Operations and maintenance	0.6002	0.5743	0.6248	0.6667
Transportation	0.3751	0.4750	0.4261	0.3769
Illinois municipal retirement/social security	0.2793	0.2872	0.3124	0.3334
Bond and interest	0.9618	0.9923	1.0342	1.0519
Fire prevention and safety	0.0828	0.0851	0.0625	0.0667
Facility leasing	0.0397	0.0408	0.0444	0.0474
Working cash	0.0390	0.0401	0.0437	0.0466
Total rates extended	6.2345	6.3986	6.7488	6.9796
Property tax extensions				
Educational	\$ 17,005,191	\$ 16,001,509	\$ 16,070,775	\$ 15,818,005
Special education	3,474,754	3,333,017	3,134,866	3,163,686
Operations and maintenance	3,186,989	2,844,369	2,856,570	2,882,808
Transportation	1,991,901	2,352,701	1,948,027	1,629,795
Illinois municipal retirement/social security	1,483,012	1,422,407	1,428,468	1,441,533
Bond and interest	5,107,572	4,914,956	4,728,200	4,548,362
Fire prevention and safety	439,535	421,537	285,793	288,358
Facility leasing	210,766	202,125	202,995	204,821
Working cash	207,261	198,757	199,567	201,362
Total levies extended	\$ 33,106,981	\$ 31,691,378	\$ 30,855,261	\$ 30,178,730
Current year collections	17,726,775	16,850,464	16,211,718	15,763,843
Subsequent collections	-	14,780,376	14,563,105	14,396,275
Total collections	\$ 17,726,775	\$ 31,630,840	\$ 30,774,823	\$ 30,160,118
Percentage of current year collection	53.54%	53.17%	52.54%	52.23%
Percentage of subsequent collection	N/A	46.64%	47.20%	47.70%
Percentage of total collections	53.54%	99.81%	99.74%	99.94%

Note: Percentage of extensions collected may exceed 100% due to prior years collection amounts not broken down by year.

Tax rates are expressed in dollars per one hundred of assessed valuation.

Source of information: Dekalb and Kane County Levy, Rate and Extension Reports for 2007-2016

(1) Includes collections of prior year levies not identified by levy year by the tax collector.

2013	2012	2011	2010	2009	2008
3.6843	3.9055	3.3758	3.2580	2.9341	3.0135
0.6163	0.0441	0.0394	0.0384	0.0333	0.0382
0.6699	0.5593	0.4992	0.4947	0.4674	0.4616
0.2456	0.2248	0.2007	0.1771	0.1740	0.1696
0.3349	0.2952	0.2634	0.2044	0.1993	0.1838
0.9979	0.9501	1.1778	1.0544	1.0475	1.0293
0.0670	0.0551	0.0492	0.0004	0.0050	0.0017
0.0476	0.0491	0.0489	0.0428	0.0430	0.0416
0.0476	0.0490	0.0489	0.0004	0.0050	0.0035
6.7111	6.1323	5.7033	5.2705	4.9086	4.9428
\$ 16,138,645	\$ 18,118,593	\$ 17,317,438	\$ 17,937,834	\$ 17,003,102	\$ 16,834,236
2,699,629	204,590	201,859	211,422	192,969	213,456
2,934,378	2,595,044	2,560,870	2,723,020	2,706,741	2,578,739
1,075,970	1,043,130	1,029,406	975,242	1,008,367	947,398
1,467,275	1,369,406	1,351,356	1,125,220	1,154,802	1,026,780
4,371,298	4,407,869	6,041,881	5,810,956	6,078,635	5,743,987
293,490	255,761	252,338	2,037	29,779	15,816
208,465	227,276	250,849	235,537	249,354	232,506
208,465	227,276	250,849	2,037	29,779	19,719
\$ 29,397,615	\$ 28,448,945	\$ 29,256,846	\$ 29,023,305	\$ 28,453,528	\$ 27,612,637
15,286,068	14,661,207	15,133,977	14,685,610	14,291,050	13,715,860
14,079,148	13,974,457	14,426,221	14,308,905	13,958,690	13,739,900
\$ 29,365,216	\$ 28,635,664	\$ 29,560,198	\$ 28,994,515	\$ 28,249,740	\$ 27,455,760
52.00%	51.54%	51.73%	50.60%	50.23%	49.67%
47.89%	49.12%	49.31%	49.30%	49.06%	49.76%
99.89%	100.66%	101.04%	99.90%	99.28%	99.43%

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Ratio Of Outstanding Debt By Type

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Levy Year	General Obligation Bonds	Percentage of Actual Property Value	Debt Certificates	Other Loans	Total Debt	Percentage of Personal Income
2018	2017	\$ 74,416,690	4.67%	\$ -	\$ 628,373	\$ 75,045,063	10.35%
2017	2016	74,966,148	5.05%	-	1,144,885	76,111,033	11.26%
2016	2015	76,346,774	5.56%	-	1,055,853	77,402,627	11.44%
2015	2014	77,701,035	5.98%	-	1,719,265	79,420,300	12.16%
2014	2013	79,983,409	6.08%	-	2,196,907	82,180,316	12.04%
2013	2012	80,030,730	4.50%	-	1,512,890	81,543,620	11.57%
2012	2011	77,225,643	4.03%	-	1,200,059	78,425,702	8.87%
2011	2010	79,915,300	4.04%	-	1,953,420	81,868,720	9.40%
2010	2009	82,309,623	3.94%	-	1,994,556	84,304,179	9.87%
2009	2008	61,857,978	2.94%	1,820,000	3,859,228	67,537,206	7.99%

Source of information: Annual Financial Statements

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Ratio of General Bonded Debt to Assessed Valuation

And General Bonded Debt Per Capita

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Levy Year	General Bonded Debt	Less Amount Available in Debt Service Fund	Net Bonded Debt	Equalized Assessed Valuation	Percentage of General Bonded Debt to Assessed Valuation	Estimated Population	General Bonded Debt Per Capita
2018	2017	\$ 74,416,690	\$ 2,591,617	\$ 71,825,073	\$ 531,032,047	14.01%	22,181	3,355
2017	2016	74,966,148	2,738,098	72,228,050	495,284,598	15.14%	21,994	3,408
2016	2015	76,346,774	2,838,451	73,508,323	457,936,568	16.67%	22,208	3,438
2015	2014	77,701,035	2,753,578	74,947,457	432,868,266	17.95%	22,505	3,453
2014	2013	79,983,409	3,230,304	76,753,105	438,566,043	18.24%	22,880	3,496
2013	2012	80,030,730	3,259,674	76,771,056	470,372,707	17.01%	22,834	3,505
2012	2011	77,225,643	4,221,435	73,004,208	519,726,107	14.86%	22,608	3,416
2011	2010	79,915,300	3,880,720	76,034,580	550,579,690	14.51%	22,384	3,570
2010	2009	82,309,623	3,864,068	78,445,555	579,487,769	14.20%	22,053	3,732
2009	2008	61,857,978	3,657,007	58,200,971	558,640,230	11.07%	21,943	2,819

Source of information: Annual Financial Statements

Note: Population estimates were based on official U.S. Census, Local, City, Village and School data.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Computation of Direct and Overlapping Bonded Debt

June 30, 2018

Jurisdiction overlapping	Bonded indebtedness	Applicable to District	
		Percentage	Amount
DeKalb County	\$ - (1)	26.878%	\$ -
Kane County	- (1)	0.050%	-
Kane County Forest Preserve	149,300,000 (1)	0.050%	74,650
City of DeKalb	21,795,000	0.830%	180,899
City of Sycamore	4,715,000	94.204%	4,441,719
DeKalb Park District	1,249,535 (1)	0.821%	10,259
Sycamore Park District	1,586,000 (1)	94.601%	1,500,372
Elgin Community College #509	173,388,754 (2)	0.009%	15,605
Kishwaukee Community College #523	44,391,107 (1)(2)	24.961%	11,080,464
Total Overlapping General Obligation Bonded Debt			17,303,968
Sycamore CUSD#427			74,966,148
Total overlapping and direct bonded debt			<u>\$ 92,270,116</u>

(1) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.
Excludes other self-supporting bonds.

(2) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.

Source of information: DeKalb and Kane County Clerks' Offices.

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Legal Debt Margin Information

Last Ten Fiscal Years

	2018	2017	2016	2015
Debt limit	\$ 73,282,422	\$ 68,349,275	\$ 63,195,246	\$ 59,735,821
Total net debt applicable to limit	56,270,489	53,609,701	54,019,578	56,944,451
Legal debt margin	\$ 17,011,933	\$ 14,739,574	\$ 9,175,668	\$ 2,791,370
Total net debt applicable to the limit as a percentage of debt limit	76.79%	78.43%	85.48%	95.33%

Legal debt margin calculation for fiscal year June 30, 2018:

Assessed valuation of taxable properties for the tax year 2017	\$ 531,032,047
Rate	13.8%
Bonded debt limit	73,282,422
Debt subject to limitation:	
General obligation bonds payable	74,416,690
Other loans	628,373
Less accretion	(16,182,957)
Less Debt Service Fund balance	(2,591,617)
Net debt outstanding subject to limitation	56,270,489
Legal bonded debt margin at June 30, 2018	\$ 17,011,933

Source of information: District records.

2014	2013	2012	2011	2010	2009
\$ 60,522,114	\$ 64,911,434	\$ 71,722,203	\$ 75,979,997	\$ 79,969,312	\$ 77,092,352
57,660,841	60,271,471	58,653,039	62,798,754	64,650,406	47,424,870
\$ 2,861,273	\$ 4,639,963	\$ 13,069,164	\$ 13,181,243	\$ 15,318,906	\$ 29,667,482
95.27%	92.85%	81.78%	82.65%	80.84%	61.52%

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Demographic And Miscellaneous Statistics

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Population	Personal Income (thousands of dollars)	Per Capita Personal Income**	Unemployment Rate (1)
2018	22,181 *	\$ 724,897	\$ 32,681 **	4.0% ***
2017	21,994 *	676,074	30,739 *	4.8% ***
2016	22,208 *	676,367	30,456 **	5.0% ***
2015	22,505 *	652,960	29,014 **	5.6% ***
2014	22,880	682,304	29,821	7.7%
2013	22,834	704,817	30,867	8.6%
2012	22,608	883,933	43,524	9.0%
2011	22,384	870,870	42,670	9.9%
2010	22,053	853,794	41,834	10.4%
2009	21,943	845,341	41,419	11.3%

*National Center for Education Statistics, Education Demographics & Geographic Estimates that uses the US Census Bureau's American Community Survey 5 year average (2009-2013), (2010-2014), (2011-2015) and (2012-2016) for Illinois School District's Total Population and Per Capita Income

**2014 Per Capita Income in 2013 dollars (average 2009-2013) for the City of Sycamore as reported by US Census Bureau QuickFacts

**2015 Per Capita Income in 2014 dollars (average 2010-2014) for the City of Sycamore as reported by US Census Bureau QuickFacts

**2016 Per Capita Income in 2016 dollars (average 2012-2016) for Sycamore CUSD 427 as reported by US Census Bureau's American Community Survey

***2014-2017 Unemployment Rate for the City of Sycamore obtained from Illinois Department of Employment Security

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Principal Employers

Current Year And Nine Years Ago

Employer	2018		Percentage of Estimated Total District Employment**
	Employees*	Rank	
Northern Illinois University	5,400	1	57.70%
Northwestern Medicine / Kish Health System	1,200	2	12.82%
Walmart Superstore	500	3	5.34%
3M Co. Midwest Distribution Center	480	4	5.13%
Adient (formerly Johnson Controls, Inc.)	355	5	3.79%
Ideal Industries, Inc. (HQ)	350	6	3.74%
Nestle USA, Inc.	250	7	2.67%
Sonoco-Alloyd (HQ)	250	7	2.67%
SK Express, Inc.	200	8	2.14%
The Suter Co., Inc.	200	8	2.14%
Sycamore School District			
DeKalb County Government			
Nicor			
Sycamore Kindred Hospital			
The National Bank & Trust Co.			
The Suter Co., Inc.			
Auto Meter Products, Inc			
Driv-Lok, Inc.			
Total	9,185		

* This list may include Full and Part-time and/or Seasonal unless noted otherwise

** Calculating percentages to the Illinois Department of Employment Security Reports
the estimated number of persons employed in the District in 2017 was 9,358.

N/A - information not available

Sources of information: 2009 DeKalb County records, 2018 Illinois Manufacturers
Directory, 2018 Illinois Services Directory, Employer Official Website and/or
Financial Documents, and ReferenceUSA.com

2009		
Employees	Rank	Percentage of Estimated Total District Employment
		N/A
		N/A
		N/A
		N/A
300	4	5.93%
650	1	12.86%
		N/A
		N/A
		N/A
		N/A
520	2	10.29%
400	3	7.91%
285	5	5.64%
210	6	4.15%
200	7	3.96%
200	8	3.96%
200	9	3.96%
180	10	3.56%
<hr/>		
3,145		

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Number Of Full-Time Employees

Last Ten Fiscal Years

	2018	2017	2016	2015	2014
Administration					
Superintendent	1	1	1	1	1
Asst. supt./business mgr.	1	1	1	1	1
Directors/managers	2	2	2	3	3
Principals and assistants	12	12	12	12	12
Coordinators	0	0	0	0	0
Total administration	16	16	16	17	17
Instruction					
Teachers					
Special Education Pre-K	2	2	2	2	2
K-5	68	68	69	67	67
6-8	37	38	44	44	42
9-12	45	46	47	51	46
Reading	7	9	8	12	10
Bilingual	2	2	3	3	10
Special education	33	34	36	37	38
Speech/language	6	5	6	6	6
Art	5	5	5	6	6
Music	8	9	9	12	10
PE	18	18	18	19	19
Children at risk	0	0	0	0	0
Technology	5	5	6	7	7
Academic advisors	5	6	5	5	5
Librarian	1	1	1	1	1
Psychologists and assistants	4	4	4	4	4
Social workers	6	7	8	8	8
Nurses and assistants	4	5	5	5	4
Vision	0	1	1	1	1
18-21 Program	1	1	1	1	1
Total instruction	257	266	278	291	287
Other supporting staff					
Teacher aides					
Teaching assistant	0	3	1	0	0
Reading	3	5	7	7	8
Preschool/kindergarten	3	2	4	4	4
Bilingual	1	1	1	1	1
Special education	50	49	51	70	66
Children at risk	2	1	3	4	0
Learning center	5	4	5	6	6
Clerical/health aides	7	5	7	7	7
Trainer	1	1	1	1	1
Bookkeepers	3	3	3	3	4
Secretaries	21	20	24	26	28
Data processing/technology	7	8	9	7	7
Security Assistant	8	4	5	5	5
Building receptionists	4	5	8	9	7
Lunchroom supervisors	14	18	20	21	22
After School Program	2	1	1	0	0
Transportation	56	49	42	51	42
Engineers, custodians & maintenance	35	30	34	36	39
Total support staff	222	209	226	258	247
Total staff	495	491	520	566	551

Source of information: District records

2013	2012	2011	2010	2009
1	1	1	1	1
1	1	2	2	2
3	3	3	4	3
11	11	11	11	9
1	1	1	2	1
17	17	18	20	16

2	2	2	2	2
71	73	75	77	72
39	36	39	37	37
45	49	49	49	45
9	11	11	12	8
3	3	3	2	2
36	29	29	30	31
4	4	4	4	5
5	5	6	6	6
10	8	9	9	11
18	18	18	18	19
1	1	1	1	1
6	7	7	7	6
5	5	5	5	5
1	1	1	1	2
3	5	4	6	5
6	6	6	6	6
5	5	5	6	8
1	1	1	1	1
1	1	1	1	1
271	270	276	279	273

0	0	0	9	1
10	6	2	7	5
4	0	0	0	0
1	1	1	2	2
53	53	66	75	72
2	2	2	2	2
6	6	7	7	6
6	5	6	6	5
1	1	1	1	1
4	4	5	5	5
27	30	31	31	26
6	8	8	8	6
3	2	3	4	4
3	4	6	6	5
19	19	18	27	22
0	0	0	0	0
42	45	45	49	49
39	38	37	36	33
226	224	238	274	243
514	511	532	573	532

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Operating Indicators By Program

Last Ten Fiscal Years

	2018	2017	2016	2015
Instruction				
Total enrollment	3,764	3,744	3,776	3,759
Regular	3,229	3,211	3,235	3,223
Special Ed	535	533	541	536
Support services- pupil				
Percentage of student with disabilities	14%	14%	14%	14%
Percentage of limited english proficient students	2%	2%	2%	3%
School administration	16	16	16	17
Student attendance rate	95.1%	94.4%	94.9%	95.3%
Fiscal				
Purchase orders processed	342	336	341	431
Nonpayroll checks issued	2,776	2,854	2,929	3,028
Maintenance				
District square footage maintained by custodians and maintenance staff	845,819	845,819	845,819	845,819
District acreage maintained by grounds staff	98	98	98	98
Transportation				
Average students transported daily	2,473	2,313	2,860	2,382
Average daily bus stops	694	661	662	674

Source of information: District records.

2014	2013	2012	2011	2010	2009
3,780	3,721	3,834	3,788	3,800	3,781
3,255	3,245	3,413	3,358	3,376	3,403
525	476	421	430	424	378
14%	15%	12%	11%	11%	10%
3%	3%	3%	3%	2.9%	2%
12	11	11	11	20	16
95.1%	95.7%	95.3%	94.5%	95.4%	94.0%
372	381	338	401	310	361
3,071	3,159	3,147	3,230	3,486	3,473
845,819	845,819	845,819	845,819	845,819	722,680
98	98	98	98	98	82
2,500	2,442	2,806	2,330	2,337	2,291
702	652	625	687	690	595

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

School Building Information

Last Ten Fiscal Years

	2018	2017	2016	2015	2014
Sycamore High School					
Square feet	329,481	329,481	329,481	329,481	329,481
Capacity (students)	1,800	1,800	1,800	1,800	1,800
Enrollment	1,215	1,247	1,195	1,175	1,175
Sycamore Middle School					
Square feet	148,851	148,851	148,851	148,851	148,851
Capacity (students)	1,200	1,200	1,200	1,200	1,200
Enrollment	856	858	910	913	913
West Elementary School					
Square feet	55,100	55,100	55,100	55,100	55,100
Capacity (students)	367	367	367	367	367
Enrollment	285	272	274	291	291
Southeast Elementary School					
Square feet	65,520	65,520	65,520	65,520	65,520
Capacity (students)	475	475	475	475	475
Enrollment	349	330	333	323	323
North Elementary School					
Square feet	53,400	53,400	53,400	53,400	53,400
Capacity (students)	389	389	389	389	389
Enrollment	283	276	286	281	281
South Prairie Elementary School					
Square feet	68,175	68,175	68,175	68,175	68,175
Capacity (students)	497	497	497	497	497
Enrollment	301	297	284	297	297
North Grove Elementary School					
Square feet	91,666	91,666	91,666	91,666	91,666
Capacity (students)	658	658	658	658	658
Enrollment	465	457	453	452	452

Source of information: District records.

2013	2012	2011	2010	2009	2008
329,481	329,481	329,481	329,481	329,481	329,481
1,800	1,800	1,800	1,800	1,800	1,800
1,174	1,214	1,161	1,167	1,177	1,160
148,851	114,851	114,851	114,851	114,851	114,851
1,200	1,100	950	950	950	950
871	845	859	854	855	846
55,100	55,100	55,100	55,100	55,100	47,600
367	367	367	367	367	417
297	294	305	321	363	330
65,520	65,520	65,520	65,520	65,520	51,440
475	475	475	475	475	408
323	351	341	354	450	450
53,400	53,400	53,400	53,400	53,400	50,300
389	389	389	389	389	372
291	318	329	326	437	444
68,175	68,175	68,175	68,175	68,175	68,175
497	497	497	497	497	497
299	293	288	298	463	450
91,666	91,666	91,666	91,666		
658	658	658	658		
466	464	470	469		

SYCAMORE COMMUNITY UNIT SCHOOL DISTRICT NO. 427

Operating Statistics

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Expenses (1)	Average Daily Attendance	Net Operating Expenditures per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio	Student Attendance Percentage
2018	\$ 38,405,821	3,491	\$ 11,001	-0.42%	257	13.58	95.13%
2017	39,030,805	3,533	11,047	1.05%	266	13.28	94.36%
2016	39,159,456	3,582	10,932	-8.74%	278	12.88	94.86%
2015	43,016,222	3,591	11,979	0.18%	291	12.34	95.26%
2014	42,892,137	3,587	11,958	4.59%	287	12.50	95.12%
2013	40,690,571	3,559	11,433	8.78%	268	13.28	95.65%
2012	37,638,913	3,581	10,511	-6.50%	267	13.41	93.46%
2011	40,261,283	3,581	11,242	9.63%	273	13.12	94.54%
2010	37,185,722	3,627	10,254	10.92%	276	13.14	95.43%
2009	32,811,804	3,549	9,245	-3.76%	270	13.15	93.87%

(1) Total allowance for per capita tuition computation

Source of information: District records.