BRADLEY SCHOOL DISTRICT NO. 61

Annual Financial Report

As of and for the Year Ended
June 30, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Bradley School District No. 61
111 North Crosswell Avenue
Bradley, Illinois 60915

Report on Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Bradley School District No. 61, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Bradley School District No. 61'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 the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Bradley School District No. 61 as of June 30, 2017, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

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 Other Supplementary Information on pages 32 to 66 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR),* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements.

The Other Supplementary Information on pages 41 to 66, except for the Operating Cost and Tuition Charge Schedule, and the Schedule of Expenditures of Federal Awards 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 Other Supplementary Information on pages 41 to 66, except for the Operating Cost and Tuition Charge Schedule, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Additional TRS and IMRF Information, Additional OPEB Information, and the Schedule of Operating Cost and Tuition Charge 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2017 on our consideration of Bradley School District No. 61'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 the 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 Bradley School District No. 61's internal control over financial reporting and compliance.

Bourbonnais, Illinois
November 13, 2017

Smith, Koelling, Dykstra and Ohm, P.C.

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

To the Board of Education
Bradley School District No. 61
111 North Crosswell Avenue
Bradley, Illinois 60915

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the modified cash basis financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Bradley School District No. 61, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Bradley School District No. 61's basic financial statements, and have issued our report thereon dated November 13, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of Bradley School District No. 61's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Smith, Koelling, Dykstra and Ohm, P.C.

Bourbonnais, Illinois
November 13, 2017

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Education
Bradley School District No. 61
111 North Crosswell Avenue
Bradley, Illinois 60915

Report on Compliance for Each Major Federal Program

We have audited Bradley School District No. 61's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Bradley School District No. 61's major federal programs for the year ended June 30, 2017. Bradley School District No. 61's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, contracts, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations,* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program, and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Smith, Koelling, Dykstra and Ohm, P.C.

Bourbonnais, Illinois
November 13, 2017

Bradley School District No. 61
Statement of Net Position-Modified Cash Basis
June 30, 2017

	Governmental Activities
Assets	
Cash	$ 4,716,494
Investments	2,046,880
Land	984,531
Capital assets, net of accumulated depreciation	17,529,103
Total assets	25,277,008
Liabilities	
Payroll deductions and withholdings	(1,188)
Noncurrent liabilities:	
Bonds payable - due within one year	185,000
Bonds payable - due in more than one year	2,395,000
Capital lease payable - due within one year	64,782
Capital lease payable - due in more than one year	66,339
Total noncurrent liabilities	2,711,121
Total liabilities	2,709,933
Net Position	
Net investment in capital assets	14,817,982
Restricted for:	
Debt service	4,527
Capital projects	250,000
Other purposes	41,923
Unrestricted	7,452,643
Total net position	$ 22,567,075

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

Bradley School District No. 61
Statement of Activities-Modified Cash Basis
For the year ended June 30, 2017

Functions/Programs:	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position Governmental Activities
Governmental activities				
Instruction:				
Regular programs	$ 5,210,901	$ 68,140	$ 459,852	$ (4,682,909)
Pre-K programs	401,513	-	-	(401,513)
Special education programs	3,544,889	188,114	1,243,981	(2,112,794)
Other instructional programs	907,821	23,196	414,288	(470,337)
State retirement contributions	5,881,656	-	5,881,656	-
Support services:				
Pupils	876,400	-	-	(876,400)
Instructional staff	651,702	-	-	(651,702)
General administration	808,887	-	-	(808,887)
School administration	822,478	-	-	(822,478)
Business	770,193	126,354	460,006	(183,833)
Transportation	525,070	-	194,142	(330,928)
Operation and maintenance	983,278	1,125	-	(982,153)
Central	113,985	-	-	(113,985)
Community services	226,361	-	-	(226,361)
Interest and fees	81,189	-	-	(81,189)
Depreciation expense-unallocated	762,410	-	-	(762,410)
Total governmental activities	$ 22,568,733	$ 406,929	$ 8,653,925	(13,507,879)

General revenues:	
Taxes:	
Property taxes	8,508,034
Corporate personal property replacement taxes	436,805
State grants	4,755,344
Investment income	19,520
Miscellaneous	127,161
Total general revenues	13,846,864
Change in net position	338,985
Net position - beginning	22,228,090
Net position - ending	$ 22,567,075

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

Bradley School District No. 61
Governmental Funds
Balance Sheet-Modified Cash Basis
June 30, 2017

	General (Educational) Fund	Operations and Maintenance	Transportation	Working Cash	Total Non-major Funds	Total Governmental Funds
Assets:						
Cash	$ 1,826,780	$ 791,810	$ 723,907	$ 1,327,547	$ 46,450	$ 4,716,494
Investments	1,996,880	-	25,000	25,000	-	2,046,880
Total assets	$ 3,823,660	$ 791,810	$ 748,907	$ 1,352,547	$ 46,450	$ 6,763,374
Liabilities						
Payroll deductions and withholdings	$ (1,513)	$ 702	$ (377)	$ -	$ -	$ (1,188)
Fund balances:						
Restricted for:						
Municipal retirement/social security	-		-	-	40,689	40,689
Debt service	-		-	-	4,527	4,527
Capital projects	-	250,000	-	-	-	250,000
Tort	-	-	-	-	1,234	1,234
Committed for:						
Working cash	-	-	-	1,352,547	-	1,352,547
Assigned:						
Operations and maintenance	-	541,108	-	-	-	541,108
Transportation	-	-	749,284	-	-	749,284
Unassigned	3,825,173	-	-	-	-	3,825,173
Total fund balances	3,825,173	791,108	749,284	1,352,547	46,450	6,764,562
Total liabilities and fund balances	$ 3,823,660	$ 791,810	$ 748,907	$ 1,352,547	$ 46,450	$ 6,763,374

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

Bradley School District No. 61
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2017

Total fund balances - governmental funds	$	6,764,562
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds as assets		18,513,634
Long-term liabilities are not due and payable in the current period and therefore, are not reported as a fund liability in governmental funds		(2,711,121)
Net position of governmental activities	$	22,567,075

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

Bradley School District No. 61
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances-Modified Cash Basis
For the year ended June 30, 2017

	Educational	Operations and Maintenance	Transportation	Working Cash	Total Non-Major Funds	Total Governmental Funds
Revenues:						
Local sources:						
Property taxes	$ 6,718,595	$ 815,001	$ 124,932	$ 79,721	$ 769,785	$ 8,508,034
Corporate personal property replacement taxes	381,805	-	-	-	55,000	436,805
Other	380,630	1,125	252	-	-	382,007
State sources	5,804,023	215,883	194,142	-	16,000	6,230,048
Federal sources	1,449,648	-	-	-	-	1,449,648
Investment income	12,627	1,481	1,530	3,325	557	19,520
Total revenues	14,747,328	1,033,490	320,856	83,046	841,342	17,026,062
Revenues for "on behalf" payments	5,881,656	-	-	-	-	5,881,656
Total revenues	20,628,984	1,033,490	320,856	83,046	841,342	22,907,718
Expenditures:						
Instruction:						
Regular programs	5,146,455	-	-	-	64,446	5,210,901
Pre-K Programs	384,942	-	-	-	16,571	401,513
Special education programs	2,247,013	-	-	-	138,166	2,385,179
Other instructional programs	869,048	-	-	-	38,773	907,821
Supporting services:						
Pupils	835,465	-	-	-	40,935	876,400
Instructional staff	613,788	-	-	-	37,914	651,702
General administration	797,074	-	-	-	11,813	808,887
School administration	776,553	-	-	-	45,925	822,478
Business	173,512	-	-	-	23,175	196,687
Transportation	-	-	475,716	-	49,354	525,070
Food	538,160	-	-	-	35,346	573,506
Operations and maintenance	161,506	758,097	-	-	63,675	983,278
Central	110,863	-	-	-	3,122	113,985
Community services	218,778	-	-	-	7,583	226,361
Payments to other districts/governmental units	1,159,710	-	-	-	-	1,159,710
Debt services:						
Principal	-	-	-	-	242,851	242,851
Interest	-	-	-	-	80,333	80,333
Other	-	-	-	-	856	856
Capital outlay	46,015	68,262	-	-	-	114,277
Total direct expenditures	14,078,882	826,359	475,716	-	900,838	16,281,795
Expenditures for "on behalf" payments	5,881,656	-	-	-	-	5,881,656
Total expenditures	19,960,538	826,359	475,716	-	900,838	22,163,451
Excess (deficiency) of revenues over expenditures	668,446	207,131	(154,860)	83,046	(59,496)	744,267
Other financing sources (uses):						
Revenues pledged for capital lease payments	(68,081)	-	-	-	68,081	-
Total other financing sources (uses)	(68,081)	-	-	-	68,081	-
Net change in fund balance	600,365	207,131	(154,860)	83,046	8,585	744,267
Fund balance - beginning of year	3,224,808	583,977	904,144	1,269,501	37,865	6,020,295
Fund balance - end of year	$ 3,825,173	$ 791,108	$ 749,284	$ 1,352,547	$ 46,450	$ 6,764,562

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

Bradley School District No. 61
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the year ended June 30, 2017

Net change in fund balances - total governmental funds	$	744,267
Amounts reported for governmental activities in the statement of activities are different because:		
The payment/refunding of principal on long-term debt is reflected as an expense/other use on the fund level statements, but is reported as a reduction of liabilities on the entity wide statements		242,851
Depreciation on capital assets is not reflected on the fund level statements, but is reported as an expense on the entity wide statements		(762,410)
The acquisition of capital assets is reported as an expense on the fund level statements, but is capitalized as an asset on the entity wide statements		114,277
Change in net positon of governmental activities - entity wide statements	$	338,985

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

Bradley School District No. 61
Statement of Fiduciary Net Position-Modified Cash Basis
June 30, 2017

	Medical Trust Fund	Agency Funds	Total
Assets			
Cash	$ 1,441,292	$ 50,242	$ 1,491,534
Investments	99,000	-	99,000
Total assets	1,540,292	50,242	1,590,534
Liabilities			
Due to activity fund organizations	-	50,242	50,242
Net Position			
Assets held in trust for medical claims	$ 1,540,292	$ -	$ 1,540,292

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

Bradley School District No. 61
Statement of Changes in Fiduciary Net Position-Modified Cash Basis
For the year ended June 30, 2017

	Medical Trust Fund
Additions	
District contributions	$1,571,044
Employee contributions	615,474
Retiree contributions	74,742
Investment income	1,222
Total additions	2,262,482
Deductions	
Medical benefits	1,722,797
Professional fees	482,687
Insurance benefits	33,395
Miscellaneous charges	2,523
Total deductions	2,241,402
Change in net position	21,080
Net position, beginning of the year	1,519,212
Net position, end of the year	$1,540,292

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

Note 1 – Summary of Significant Accounting Policies

Bradley School District No. 61 (the "District") operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type within the limitations of the modified cash basis of accounting. The following is a summary of the more significant accounting policies of the District:

Reporting Entity

Accounting principles generally accepted in the United States of America (GAAP) 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 by the Government Accounting Standards Board 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.

The District is a member of one joint agreement, the Kankakee Area Special Education Cooperative. There are nine school districts in this joint agreement. Each member district has a financial responsibility for annual and special assessments. Financial statements can be obtained from the administrative offices at P.O. Box 71, St. Anne, Illinois 60964.

The joint agreement has been determined not to be part of the reporting entity after applying the manifesting of oversight, scope of public service and special financing relationship criteria; and is therefore excluded from the accompanying financial statements.

Basis of Presentation

Government-wide 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. The effect of interfund activity has been removed from these statements. The District's operating activities are all considered "governmental activities", that is, activities normally supported by taxes and governmental revenues. The District has no operating activities that would be considered "business activities".

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) amounts paid by the recipient of goods or services offered by the program 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.

Note 1 – Summary of Significant Accounting Policies

Governmental Funds Financial Statements

Governmental Funds financial statements are organized and operated on the basis of funds and are used to account for the District's general governmental activities. 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. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. The minimum number of funds is maintained consistent with legal and managerial requirements.

Separate financial statements are provided for all governmental funds and fiduciary funds; the fiduciary funds are excluded from the government-wide financial statements.

Measurement Focus and Basis of Accounting

Measurement Focus

Measurement focus is a term used to describe what transactions or events are recorded within the various financial statements. Basis of accounting refers to when and how transactions or events are recorded, regardless of the measurement focus applied.

The government-wide financial statements and fiduciary funds are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined below.

Governmental fund statements are reported using a "current financial resources" measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

The financial statements are presented using a modified cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balance sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, capital assets and related depreciation and short-term and long-term liabilities arising from cash transactions or events.

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value. Lastly, the net pension liability as calculated under GASB 68 has not been recorded, and pension expense in the financial statements represents cash paid during the year rather than the amount calculated under GASB 68.

Note 1 – Summary of Significant Accounting Policies (Continued)

If the District utilized the basis of accounting recognized as generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide and fiduciary financials would be presented on the accrual basis of accounting.

Major Governmental Funds:

General Fund – (Educational Fund) the general operating fund of the District. It accounts for and reports all financial resources not accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state government aid.

Operations and Maintenance Fund – accounts for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes.

Transportation Fund – accounts for revenues and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

Working Cash Fund – accounts for financial resources held by the District to be used as temporary interfund loans for working capital requirements to the General Fund and the Operations and Maintenance and Transportation Funds. Money loaned by the Working Cash Fund to other funds must be repaid within one year. As allowed by the School Code of Illinois, this fund may be permanently abolished and become a part of the General (Educational) Fund or it may be partially abated to any other fund of the District.

Non-Major Funds:

Debt Service Fund – accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

Municipal Retirement/Social Security Fund – accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

Capital Projects Fund – accounts for the financial resources to be used for the acquisition or construction of, and/or addition to, major capital facilities.

Tort Fund – accounts for revenue levied for tort immunity purposes and the related expenditures.

Note 1 – Summary of Significant Accounting Policies (Continued)

Fiduciary Funds – account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These funds are custodial in nature and do not involve measurement of results of operations; therefore, they are not included in the governmental financial statements.

Agency Funds – include Student Activity Funds, Convenience Accounts and Other Trust and Agency Funds. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational or cultural purposes. Convenience Accounts track and record assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc.

Medical Trust Fund – The Medical Expense Benefit Trust Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These funds are custodial in nature and do not involve measurement of results of operations; therefore, they are not included in the governmental financial statements.

Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2016 levy resolution was approved during the December 8, 2016 Board of Education meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

Property taxes are collected by the County Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments the following year: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 30 days of the respective installment dates. The 2015 levy was recognized as income during fiscal year 2017.

Personal Property Replacement Taxes

Personal property replacement taxes are first allocated to the Municipal Retirement/Social Security Fund, and the balance is then allocated to the remaining funds at the discretion of the District.

Capital Assets

Capital assets, which include land, land improvements, buildings, building improvements, maintenance vehicles and various equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than $500 and useful life greater than one year. Such assets are recorded at historical cost or estimated historical costs if purchased or constructed. Donated capital assets are not recorded since they do not result from a cash transaction.

Note 1 – Summary of Significant Accounting Policies (Continued)

Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	20
Buildings	20-50
Equipment	3-10

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

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. In the fund financial statements, governmental funds report the face amount of debt issued as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Balance Classifications

The governmental fund financial statements present fund balances that are based on classifications representing the extent to which the School District is bound to honor the constraints or restrictions on the specific purposes for which the amounts in these respective governmental funds may be used. The classifications used in these governmental fund financial statements are as follows:

- Non-spendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form (i.e., not cash or cash equivalents) or (b) are legally or contractually required to be maintained intact. Examples of such items might include inventories and prepaid items.
- Restricted: This classification includes amounts for which constraints have been placed on their use by either (a) externally imposed creditors, grantors, contributors, laws or regulations, or (b) imposed or restricted by law through constitutional provisions or enabling legislation. Such restricted funds might include amounts for capital projects related to developer donations and impact fees, debt service retirement monies, municipal retirement fund and social security fund contributions, tort related activities, health and life safety approved projects, and any funds or assets donated or bequeathed to the school district for a particular purpose.
- Committed: This classification includes amounts that can only be used for a specific purpose pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purposes, unless the constraints are removed by subsequent similar action of the Board of Education. This classification may also include contractual obligations to the extent that existing resources have specifically been committed for use in satisfying those contractual requirements.

Note 1 – Summary of Significant Accounting Policies (Continued)

- Assigned: This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose, but are neither formally restricted nor committed. This intent can be expressed by the Board of Education or their delegation to the Superintendent through the budgetary process. This classification also includes any remaining fund balances for governmental funds except for the Educational Fund.
- Unassigned: This classification includes any residual fund balances for the Educational Fund, including interest earned as long as it is not restricted in use by law or decree, except as any of those amounts may be restricted, committed or assigned as described above. This classification also includes any negative residual fund balances of any other governmental funds that cannot be eliminated or offset by use of assigned fund balance amounts.

The School District typically uses restricted fund balances first whenever possible, followed by committed fund balances next, and then assigned fund balances third, before using any unassigned fund balances last, as described above. However, the School District reserves the right to spend unassigned resources first and defer the use of the other classified funds if the Board of Education and Administration believe it is in the best interest of the School District to do so.

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.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses/expenditures. Actual results could differ from these estimates.

Other

In accordance with GASB No. 24, on-behalf payments (payments made by a third party for the benefit In accordance with GASB No. 24, on-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the state to the Teachers' Retirement System) have been recognized in the financial statements.

Note 2 – Deposits and Investments

Deposits and Investments

The District is allowed to invest in securities as authorized by Sections 2 and 6 of the Public Funds Investment Act (30 ILCS 235/2 and 6) and Section 8-7 of the Illinois School Code.

Note 2 – Deposits and Investments (Continued)

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. Occasionally, certain of the funds participating in the common bank account may incur overdrafts (deficits) in the account. The overdrafts result from expenditures which have been approved by the School Board.

The District also follows the practice of pooling excess cash for investment purposes. Each fund's portion of total investments is under accounting control. Earnings are prorated to each fund when recognized as revenue. Non-negotiable certificates of deposit are stated at cost or amortized cost. Money market mutual funds and Illinois School District Liquid Asset Fund Plus (ISDLAF+) investments are carried at the net asset value (NAV) per share. The NAV per share is calculated using the amortized cost method which approximates fair value. Gains or losses on the sale of investments are recognized upon realization.

At year-end, the District had the following investments:

	Standard & Poor's Rating	Carrying Value	Fair Value	Percent of Portfolio
Illinois School District Liquid Asset Fund Plus Multi-Class Series	AAAm	$ 1,873,441	$ 1,873,441	45.51%
Illinois Funds Money Market	AAAm	101,590	101,590	2.47%
Certificates of Deposit	N/A	2,141,315	2,141,315	52.02%
Total Investments		$4,116,346	$4,116,346	100.00%

Reported on:	Cash	Investments
Statement of Net Position	$1,970,466	$2,046,880
Statement of Fiduciary Net Position	-	99,000
	$1,970,466	$2,145,880

ISDLAF+ is an investment pool managed by a Board of Trustees that oversees the actions of the Investment Advisor, the Administrator, the Custodian, the Sponsors and the Distributor and decide on general policies. There are currently thirteen Trustees, all of whom have been elected by Participants. ISDLAF+ invests in high-quality, short-term debt instruments (money market instruments). Debt obligations, in general, are written promises to repay a debt. Among the various types of debt obligations the Multi-Class Series may purchase are obligations guaranteed by the full faith and credit of the United States, U.S. government agency obligations, commercial paper, bank obligations, and other obligations permitted applicable Illinois statutes. The Multi-Class Series is managed to comply with specific requirements of Illinois law, particularly the Public Funds Investment Act and other laws applicable to the investment of Participants' funds. These investments generally mature within one year of purchase. Financial statements can be obtained by contacting ISDLAF+ at 2135 CityGate Lane, 7th Floor, Naperville, Illinois 60563.

The Illinois Funds Money Market Fund is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds Money Market Fund uses amortized cost, which is the share price, to value portfolio assets and follows the criteria for GASB Statement No. 79 for use of amortized cost. Illinois Funds Money Market Fund does not place any limitations or restrictions on withdrawals. Illinois Funds Money Market Fund has a credit rating of AAAm from Standard & Poor's (S&P). Local government investment pools in this rating category meet the highest standards for credit quality, conservative investment policies, and safety of principal. Illinois Funds Money Market Fund invests in a high quality portfolio of debt securities, money market funds and commercial paper rated in one of the two highest rating categories by S&P with a maximum of final maturity of 270 days. These investments are legally permissible for local governments in the state. Audited financial statements for the Illinois Funds are available at www.illinoistreasurer.gov.

Note 2 – Deposits and Investments (Continued)

The District has adopted a formal written investments and cash management policy.

Interest Rate Risk. The District's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the District's policy states investments shall provide sufficient liquidity to enable the District to meet all operating requirements that may be reasonably anticipated. Additionally, the District's policy is in conformance with the provisions of the Illinois Public Funds Investment Act.

Credit Risk. Under State law, limits are imposed as to investments in commercial paper, corporate bonds, and mutual funds in which the District may invest. The District's investment policy does not further limit its investment choices.

Concentration of Credit Risk. The District's investment policy states investments shall be diversified to avoid incurring unreasonable risks regarding specific security types and/or individual financial institutions. The District shall diversify its investments to the best of its ability based upon the type of funds invested, available institutions to invest in, and the cash flow needs of those funds. Diversification can be by type of investment, number of institutions invested in, and length of maturity.

Custodial Credit Risk – Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral or additional insurance in the event of default or failure of the financial institution holding the funds. As of June 30, 2017, the deposits of the District were insured or collateralized with collateral held by the District's agent in the District's name.

Custodial Credit Risk – Investments. With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring all investments to be secured by private insurance or collateral.

Note 3 – Long-Term Liabilities

Changes in Long-Term Liabilities. The following is the long-term liability activity for the District for the year ended June 30, 2017.

	Beginning Balance	Additions	Payments/Refundings	Ending Balance
General obligation bonds:				
Series 2012A	$1,185,000	$ -	$180,000	$1,005,000
Series 2012B	1,575,000	-	-	1,575,000
	$2,760,000	$ -	$180,000	$2,580,000
Capital lease obligations:				
Computer lease – 2015	$ 193,972	$ -	$ 62,851	$ 131,121

Note 3 – Long-Term Liabilities (Continued)

Series 2012A bonds, original issue $1,355,000, dated November 29, 2012, provide for serial retirement of principal on October 1 beginning in fiscal year 2016 and interest payable on October 1 and April 1 of each year at rates of 1.23 to 2.65 percent. The purpose of this bond issue was to provide the District with working cash funds.

Series 2012B bonds, original issue $1,575,000, dated November 29, 2012, provide for serial retirement of principal on October 1 beginning in fiscal year 2023 and interest payable on October 1 and April 1 of each year at rates of 3.0 to 4.0 percent. The purpose of this bond issue was to provide the District with working cash funds and to partial refund the Series 2006 bond issue.

Capital lease for Apple computers, dated July 15, 2015, providing for annual payments of $68,081, including interest at a rate of 2.7% per annum through July 15, 2018. Amount recorded as equipment at June 30, 2017, was $261,770 with accumulated depreciation of $52,354. Interest expense of $5,230 has been recorded as an expense on the Statement of Activities.

Annual debt service requirements to maturity for general obligation bonds are as follows for governmental type activities:

	Principal	Interest	Total
2018	$ 185,000	$ 72,048	$ 257,048
2019	190,000	68,304	258,304
2020	200,000	63,596	263,596
2021	210,000	58,163	268,163
2022	220,000	52,465	272,465
2023-2027	1,280,000	145,150	1,425,150
2028	295,000	4,425	299,425
Total	$2,580,000	$464,151	$3,044,151

Minimum future lease payments are as follows:

	Apple Lease 2015
2018	$ 68,081
2019	68,080
Total minimum lease payments	136,161
Less: amount representing interest	(5,040)
Present value of minimum lease payments	$ 131,121

Note 4 – Legal Debt Margin

The legal debt margin is calculated as follows:

Assessed valuation – 2016	$205,602,228
Debt limit – 6.9% of assessed valuation	$ 14,186,554
Less general long-term debt	2,711,121
Legal debt margin	$ 11,475,433

Note 5 – Capital Assets

Capital asset activity for the District for the year ended June 30, 2017, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 984,531	$ -	$ -	$ 984,531
Total capital assets not being depreciated	$ 984,531	$ -	$ -	$ 984,531
Capital assets being depreciated:				
Buildings	$24,087,273	$ -	$ -	$24,087,273
Temporary buildings	462,346	-	-	462,346
Improvements	2,223,876	27,249	-	2,251,125
Equipment	5,487,308	87,028	-	5,574,336
Total capital assets being depreciated	32,260,803	114,277	-	32,375,080
Less Accumulated Depreciation for:				
Buildings	8,220,968	481,745	-	8,702,713
Temporary buildings	127,524	18,494	-	146,018
Improvements	1,342,201	71,329	-	1,413,530
Equipment	4,392,874	190,842	-	4,583,716
Total accumulated depreciation	14,083,567	762,410	-	14,845,977
Net capital assets being depreciated	$18,177,236	$ (648,133)	$ -	$17,529,103

Depreciation expense was recognized in the operating activities of the District as follows:

Depreciation expenses – governmental activities – unallocated	$762,410

Note 6 – Restricted Net Position

The government-wide statement of net position reports the following restricted balances:

Restricted by enabling legislation	$ 41,923
Capital grant unpsent proceeds	250,000
Debt service	4,527
	$296,450

Note 7 – Interfund Transfers

The District made the following transfers during the year:

From	To	Amount	Purpose
General (Educational)	Debt service	$68,081	Provide funds for capital lease payments

Note 8 – Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Except for workers' compensation insurance, described in the following paragraph, the District purchases commercial insurance for these risks. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

The District has entered into an agreement with the Illinois Public Risk Fund. The pooling agreement permits public agencies within the meaning of the Intergovernmental Cooperation Act of the State of Illinois to provide a means whereby members of the Fund could contract with each other to protect against liability or loss under the Workers' Compensation and Occupational Diseases Laws of the State of Illinois.

The District's cost is based on rates determined by the Trustees of the Fund, applied to its payroll costs and adjusted for its loss experience. Members of the Fund may also be subject to additional contributions not to exceed 10 percent of such member's contribution for the most recent fiscal year of the Fund if additional reserves are deemed necessary by the Fund's trustees. No additional assessments have been made as of the current year-end.

Note 9 – Pension Plans

General Information about the TRS Pension Plan

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

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

TRS 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.

Note 9 – Retirement Systems (Continued)

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.

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

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

On Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2017, State of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective net pension liability associated with the employer, and the District recognized revenue and expenditures of $5,800,665 in pension contributions from the State of Illinois.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2017 were $41,942.

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

For the year ended June 30, 2017, the District pension contribution was 38.54 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2017, salaries totaling $16,843 were paid from federal and special trust funds that required District contributions of $6,491.

Note 9 – Retirement Systems (Continued)

TRS Employer retirement cost contribution. The employer is required to make a one-time contribution to TRS for members retiring under the ERO. The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the program that ended June 30, 2016 is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2017, the District paid $-0- to TRS for District ERO contributions for retirements that occurred before July 1, 2016.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2017, the District paid $1,487 to TRS for employer contributions due on salary increases in excess of 6 percent and $-0- for sick leave days granted in excess of the normal annual allotment.

On the cash basis of accounting for the year ended June 30, 2017, the District recognized pension expense of $48,433 and revenue and expense of $5,800,665 for support provided by the state.

TRS fiduciary net position

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

Illinois Municipal Retirement Fund (IMRF)

IMRF Plan Description
The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple-employer pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this footnote. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

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

Note 9 – Pension Plans (Continued)

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

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

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price index of the original pension amount.

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

Retirees and beneficiaries	62
Inactive, non-retired members	57
Active members	94
Total	213

IMRF Contributions
As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's required annual contribution rate for calendar year 2016 was 12.24%. For the calendar year ended December 31, 2016, the District contributed $286,186 to the plan. For the fiscal year ended June 30, 2017, the District contributed $283,063 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Total Pension Expense
The District's total pension expense was $331,496 for the year ended June 30, 2017.

Note 10 – Social Security

Employees not qualifying for coverage under the Teachers' Retirement System are covered under Social Security. The District paid $158,838, the total required contribution for the current fiscal year.

Note 11 – Other Post-Employment Benefits

THIS Fund Employer Contributions

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

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

The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

- **On behalf contributions to the THIS Fund.**
  The State of Illinois makes employer retiree health insurance contributions on behalf of the employer. State contributions are intended to match contributions to the THIS Fund from active members which were 1.12 percent of pay during the year ended June 30, 2017. State of Illinois contributions were $80,991, and the District recognized revenue and expenditures of this amount during the year.

- **Employer contributions to THIS Fund.**
  The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.84 percent during the year ended June 30, 2017 and 0.80 and 0.76 percent during the year ended June 30, 2016 and 2015, respectively. For the year ended June 30, 2016, the District paid $60,743 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2016 and 2015, the District paid $59,964 and $57,644 to the THIS Fund, respectively, which was 100 percent of the required contribution.

Further information on the THIS Fund

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General (http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp). The current reports are listed under "Central Management Services" (http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp). Prior reports are available under "Healthcare and Family Services" (http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins-Sec-Fund.asp).

Note 12 – Health Insurance Plan

The District's Postemployment Health and Other OPEB Benefits Plan (the "Plan") provides for varying amounts of health insurance for eligible retired employees until age 65, based on the employment agreement in existence at the date of their retirement. The benefit is offered to all full-time employees who retire on or after attaining age 60 with at least fifteen years of service or age 55 with at least 35 years of service. The benefit is also offered to all IMRF full-time employees who retire on or after age 55 with at least 8 years of service (Tier I) or age 62 with at least 10 years of service (Tier II). The District covers either none or a portion of the cost of a single premium based on the applicable employment agreement. The District via the School Board can establish and amend the Plan's benefit provisions and funding and contribution requirements.

The District established a Trust (the "Trust") for the purpose of holding assets for the payment of benefits to the members of the Plan, as provided in the agreement. The Trust is reported as a fiduciary fund in District's basic financial statements. Separate financial statements are not prepared for the Trust. The basis of accounting of the Trust is described in Note 1 while the required disclosures on the Trust's investments can be found in Note 2.

Plan Description and Contribution Information

The Plan is a single-employer defined benefit plan providing District retirees with medical benefits.

The District contracted with Lauterbach and Amen, LLP to prepare an actuarial report dated June 30, 2015, which estimates the District's Expected Postretirement Benefit Obligation (EPBO) to be $1,302,336 allocated, as follows:

Past service component	$1,067,100
Current service component	22,615
Future service component	212,621

Retiree healthcare cost assumptions, participant data, and plan participant contribution amounts used in the development of the EPBO and ARC are as follows (additional actuarial data is available in the actuarial report dated June 30, 2015):

Participant Data
The actuary relied on the following participant data as of June 30, 2015:

	Participants	Average Age	Average Service
Active members fully eligible to retire	16	62.1	22.3
Active members not yet fully eligible to retire	169	42.9	10.0
Retired members and dependents	10	73.4	N/A
	195		

Note 13 – Joint Agreement

During the current year, the District paid the Kankakee Area Special Education Cooperative $159,545 for tuition, professional development, and supplies and received $326,458 in flow through grants from the Cooperative.

Note 14 – Contingencies

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

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Teachers' Retirement System of the State of Illinois

	FY2016*	FY2015*	FY2014*
District's proportion of the net pension liability	0.0012%	0.0022%	0.0019%
District's proportionate share of the net pension liability	$ 929,084	$ 1,425,833	$ 1,174,812
State's proportionate share of the net pension liability associated with the District	59,066,240	49,141,686	46,375,339
Total	$59,995,324	$50,567,519	$47,550,151
District's covered-employee payroll	$ 7,231,299	$ 7,587,302	$ 7,517,624
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	12.85%	18.79%	15.63%
Plan fiduciary net position as a percentage of the total pension liability	36.4%	41.5%	43.0%

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

SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Retirement System of the State of Illinois

	FY2016*	FY2015*	FY2014*
Statutorily-required contribution	$ 48,433	$ 75,985	$ 68,292
Contributions in relation to the statutorily-required contribution	(48,433)	(75,985)	(68,292)
Contribution deficiency (excess)	$ -	$ -	$ -
District's covered-employee payroll	$ 7,231,299	$ 7,587,302	$ 7,517,624
Contributions as a percentage of covered-employee payroll	0.67%	1.0%	0.90%

The information in both of the above schedules will accumulate until a full 10-year trend is presented.

Notes to Schedules

Changes of Assumptions

For the 2016 measurement year, 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, 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, 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.

TRS Pension Liabilities and Pension Expense

The District's 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	$ 929,084
State's proportionate share of the net pension liability associated with the District	59,066,240
Total	$59,995,324

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015, and rolled forward to June 30, 2016. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2016, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2016, the District's proportion was 0.0012 percent, which was a decrease of 0.001% from its proportion measured as of June 30, 2015.

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

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

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

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

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

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

TRS Discount rate

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

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

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

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

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

	1% Decrease (5.83%)	Current Discount Rate (6.83%)	1% Increase (7.83%)
District's proportionate share of the net pension liability	$1,136,307	$929,084	$759,837

IMRF
Schedule of Changes in the Net Pension Liability and Related Ratios

Calendar Year Ended December 31,	2016	2015	2014
Total Pension Liability			
Service Cost	$ 250,246	$ 236,441	$ 258,992
Interest on the total pension liability	769,707	731,072	655,706
Changes of benefit terms	-	-	-
Differences between expected and actual experience of the total pension liability	558,909	77,892	143,641
Changes of assumptions	(39,642)	12,640	416,309
Benefit payments, including refunds of employee contributions	(601,914)	(467,415)	(420,801)
Net change in total pension liability	937,306	590,630	1,053,847
Total Pension Liability – Beginning	10,479,807	9,889,177	8,835,330
Total Pension Liability – End (A)	$11,417,113	$10,479,807	$9,889,177
Plan Fiduciary Net Position			
Contributions – District	$ 286,186	$ 264,737	$ 258,403
Contributions – Employees	105,216	98,524	96,842
Net investment income	561,162	43,057	494,832
Benefit payments, including refunds of employee contributions	(601,914)	(467,415)	(420,801)
Other (net transfer)	202,607	83,531	89,464
Net change in plan fiduciary net position	553,257	22,434	518,740
Plan Fiduciary Net Position – Beginning	8,685,957	8,663,523	8,144,783
Plan Fiduciary Net Position – Ending (B)	$ 9,239,214	$ 8,685,957	$8,663,523
Net Pension Liability (Asset) – Ending (A) – (B)	$ 2,177,899	$ 1,793,850	$1,225,654
Plan fiduciary net position as a percentage of the total pension liability	80.92%	82.88%	87.61%
Covered employee payroll	$ 2,338,129	$ 2,189,416	$2,152,051
Net pension liability (asset) as a percentage of covered employee payroll	93.15%	81.93%	56.95%

Notes to Schedule:
This schedule is presented to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

IMRF Net Pension Liability
The District's net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

IMRF Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.75%
Salary Increases	3.75% to 14.50%
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 rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

There were no benefit changes during the year.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2016 IMRF annual actuarial valuation report.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2016:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	38%	6.85%
International equity	17%	6.57%
Fixed income	27%	3.00%
Real estate	8%	5.75%
Alternative investments	9%	2.65-7.35%
Cash equivalents	1%	2.25%
Total	100%	

IMRF Single Discount Rate

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

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

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

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

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

	1% Lower (6.50%)	Current Discount Rate (7.50%)	1% Higher (8.50%)
Net Pension Liability (Asset)	$3,608,164	$2,177,899	$999,950

Schedule of District Contributions

Fiscal Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Actual Contribution as a Percentage of Covered Employee Payroll
2015	$259,522	$259,522	$ -0-	$2,168,987	11.97%
2016	$267,512	$267,512	$ -0-	$2,222,260	12.04%
2017	$283,063	$283,063	$ -0-	$2,363,489	11.98%

The schedule is presented to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Notes to Schedule:
Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2016 Contribution Rate*

Valuation Date:

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

Methods and Assumptions Used to Determine 2016 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	Non-Taxing bodies: 10-year rolling period Taxing bodies (Regular, SLEP and ECO groups): 27-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 22 years for most employers (two employers were financed over 31 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 to 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 rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes:	There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2014 actuarial valuation.

Annual OPEB Cost and Net OPEB Obligation-Health Insurance

The District's annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), and the amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation.

Annual Required Contribution (ARC)	$ 64,609
Interest on net OPEB	(2,591)
Adjustment to ARC	2,159
Annual OPEB cost	64,177
Contributions made	(106,798)
Change in net OPEB obligation	(42,621)
OPEB obligation – beginning of year	(64,769)
OPEB obligation – end of year	$(107,390)

The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with a long-term perspective of the calculations. Additional information as of the latest actuarial valuation follows:

Valuation date	June 30, 2015
Actuarial cost method	Entry age normal
Amortization method	Level
Remaining amortization period	30 years
Actuarial assumptions:	
Investment rate of return on employer's assets	4.0%
Healthcare cost trend rate	8.5% initial; 5.5% ultimate

Trend Information – The District's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

Year Ended	OPEB Cost	Annual Required Contribution	OPEB Cost Contributed	% of ARC Contributed	OPEB Obligation
2015	$64,177	$64,177	$106,798	166%	$(107,390)

Funded Status and Funding Progress

The funded status and progress of the plan as of the most recent actuarial valuation date is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b – a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll ([b-a]/c)
6/30/2015	$-0-	$1,302,336	$1,302,336	0.00%	N/A	N/A

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Revenues:			
Local Sources:			
General tax levy	$ 6,644,000	$ 6,670,559	$ 26,559
Special education levy	48,000	48,036	36
Corporate personal property replacement taxes	295,000	381,805	86,805
Special education tuition-other districts	16,000	36,031	20,031
Earnings on investments	12,000	12,627	627
Food services	118,000	126,354	8,354
Pupil activities	22,100	23,196	1,096
Textbooks	75,000	68,140	(6,860)
Contributions	-	1,000	1,000
Prior year refunds	23,200	118,120	94,920
Other	2,000	7,789	5,789
Total local sources	7,255,300	7,493,657	238,357
State sources:			
General state aid	4,511,188	4,523,461	12,273
Special education - private facility tuition	480,000	437,078	(42,922)
Special education - extraordinary	200,000	157,416	(42,584)
Special education - personnel	380,000	286,358	(93,642)
Special education - orphanage - individual	5,000	8,526	3,526
Special education - summer school	8,000	-	(8,000)
Bilingual education downstate	33,711	14,266	(19,445)
State free lunch & breakfast	3,500	2,571	(929)
Early childhood block grant	559,471	374,347	(185,124)
Other restricted revenue	880	-	(880)
Total state sources	6,181,750	5,804,023	(377,727)
Federal sources:			
National lunch program	375,000	358,374	(16,626)
School breakfast program	106,000	99,061	(6,939)
Title I-low income	382,062	459,852	77,790
Special education - preschool flow-through	15,484	12,399	(3,085)
Special education - I.D.E.A. flow-through	326,536	314,059	(12,477)
Special education - I.D.E.A. room and board	-	28,145	28,145
Title III-English language acquisition	10,640	16,607	5,967
Title II-Eisenhower-professional development	51,118	-	(51,118)
Title II-teacher quality	-	9,068	9,068
Medicaid administrative outreach	50,000	-	(50,000)
Medicaid fee for service	120,000	152,083	32,083
Total federal sources	1,436,840	1,449,648	12,808
Total revenues	14,873,890	14,747,328	(126,562)

(Continued)

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Expenditures:			
Instruction:			
Regular programs:			
Salaries	$ 4,340,500	$ 4,255,736	$ (84,764)
Employee benefits	750,000	714,687	(35,313)
Purchased services	94,950	82,235	(12,715)
Supplies and materials	130,000	93,797	(36,203)
Capital outlay	8,000	9,828	1,828
Total regular programs	5,323,450	5,156,283	(167,167)
Pre-K Programs			
Salaries	312,464	297,702	(14,762)
Employee benefits	81,700	66,249	(15,451)
Purchased services	450	450	-
Supplies and materials	16,208	20,541	4,333
Total Pre-K programs	410,822	384,942	(25,880)
Special education programs:			
Salaries	1,933,470	1,764,907	(168,563)
Employee benefits	452,015	435,211	(16,804)
Purchased services	360	1,663	1,303
Supplies and materials	27,720	28,845	1,125
Capital outlay	4,500	-	(4,500)
Other	150	10	(140)
Total special education programs	2,418,215	2,230,636	(187,579)
Special education programs-Pre-K:			
Salaries	-	10,791	10,791
Supplies and materials	4,048	5,586	1,538
Total special education programs-Pre-K	4,048	16,377	12,329

(Continued)

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Remedial and supplemental programs K-12:			
Salaries	86,246	88,589	2,343
Employee benefits	12,650	8,212	(4,438)
Purchased services	47,592	54,266	6,674
Supplies and materials	87,945	158,153	70,208
Capital outlay	12,200	9,636	(2,564)
Total remedial and supplemental programs	246,633	318,856	72,223
CTE programs:			
Supplies and materials	800	338	(462)
Total CTE programs	800	338	(462)
Interscholastic programs:			
Salaries	120,000	115,054	(4,946)
Purchased services	6,200	6,186	(14)
Supplies and materials	12,000	14,294	2,294
Capital outlay	14,000	13,365	(635)
Other	15,700	16,531	831
Total interscholastic programs	167,900	165,430	(2,470)
Gifted:			
Salaries	72,000	72,298	298
Employee benefits	10,400	10,333	(67)
Purchased services	100	-	(100)
Supplies and materials	2,000	-	(2,000)
Other	1,000	4,265	3,265
Total gifted	85,500	86,896	1,396
Bilingual programs:			
Salaries	255,500	245,852	(9,648)
Employee benefits	73,973	68,890	(5,083)
Purchased services	-	11	11
Supplies and materials	1,211	5,776	4,565
Total bilingual programs	330,684	320,529	(10,155)
Total instruction	8,988,052	8,680,287	(307,765)

(Continued)

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Support services:			
Pupils:			
Attendance and social work services:			
Salaries	194,500	193,759	(741)
Employee benefits	31,200	30,138	(1,062)
Other	11,000	13,500	2,500
Total attendance and social work services	236,700	237,397	697
Health services:			
Salaries	223,750	178,607	(45,143)
Employee benefits	30,950	37,497	6,547
Purchased services	2,160	1,870	(290)
Supplies and materials	4,000	2,997	(1,003)
Capital outlay	1,000	1,499	499
Other	500	-	(500)
Total health services	262,360	222,470	(39,890)
Psychological services:			
Salaries	105,150	104,650	(500)
Employee benefits	10,400	8,898	(1,502)
Purchased services	720	-	(720)
Total psychological services	116,270	113,548	(2,722)
Speech pathology and audiology services:			
Salaries	212,000	218,900	6,900
Employee benefits	39,750	36,744	(3,006)
Purchased services	10,440	7,905	(2,535)
Total speech pathology and audiology services	262,190	263,549	1,359
Instructional staff:			
Improvement of instruction services:			
Salaries	126,035	155,413	29,378
Employee benefits	32,146	21,285	(10,861)
Purchased services	104,458	125,312	20,854
Supplies and materials	17,669	22,012	4,343
Other	2,000	85	(1,915)
Total improvement of instruction services	282,308	324,107	41,799

(Continued)

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Education media:			
Salaries	184,500	184,997	497
Employee benefits	42,330	42,083	(247)
Purchased services	1,500	1,525	25
Supplies and materials	24,500	15,773	(8,727)
Other	3,900	4,254	354
Total education media	256,730	248,632	(8,098)
Assessment and testing:			
Employee benefits	2,851	-	(2,851)
Purchased services	28,500	25,080	(3,420)
Supplies and materials	13,722	15,969	2,247
Capital outlay	-	2,414	2,414
Total assessment and testing	45,073	43,463	(1,610)
General administration:			
Board of Education:			
Salaries	9,500	6,964	(2,536)
Employee benefits	158,000	106,589	(51,411)
Purchased services	192,000	190,842	(1,158)
Supplies and materials	3,500	406	(3,094)
Other	38,000	28,977	(9,023)
Total board of education	401,000	333,778	(67,222)
Executive administration:			
Salaries	210,000	208,081	(1,919)
Employee benefits	43,000	41,227	(1,773)
Purchased services	50,250	53,707	3,457
Supplies and materials	4,000	11,067	7,067
Capital outlay	5,000	-	(5,000)
Other	13,700	10,405	(3,295)
Total executive administration	325,950	324,487	(1,463)

(Continued)

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Special area administration:			
Salaries	91,100	86,674	(4,426)
Employee benefits	11,950	10,093	(1,857)
Total special area administration	103,050	96,767	(6,283)
Tort immunity services:			
Purchased services	42,410	42,042	(368)
Total tort immunity services	42,410	42,042	(368)
School administration:			
Office of the principal:			
Salaries	602,000	589,120	(12,880)
Employee benefits	127,450	128,619	1,169
Purchased services	85,350	42,941	(42,409)
Supplies and materials	11,000	11,568	568
Capital outlay	7,000	1,500	(5,500)
Other	4,700	4,305	(395)
Total office of the principal	837,500	778,053	(59,447)
Business:			
Direction of business support services:			
Salaries	78,900	72,000	(6,900)
Employee benefits	8,000	-	(8,000)
Purchased services	2,000	664	(1,336)
Supplies and materials	500	728	228
Capital outlay	4,000	-	(4,000)
Other	1,360	-	(1,360)
Total business support services	94,760	73,392	(21,368)

(Continued)

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Fiscal services:			
Salaries	43,800	51,987	8,187
Employee benefits	29,800	28,294	(1,506)
Purchased services	14,700	16,975	2,275
Supplies and materials	1,000	572	(428)
Other	2,700	2,292	(408)
Total fiscal services	92,000	100,120	8,120
Operations and maintenance:			
Purchased services	37,000	27,035	(9,965)
Supplies and materials	194,000	134,471	(59,529)
Total operations and maintenance	231,000	161,506	(69,494)
Food services:			
Salaries	235,500	223,141	(12,359)
Employee benefits	44,500	45,867	1,367
Purchased services	11,300	20,435	9,135
Supplies and materials	248,972	246,916	(2,056)
Capital outlay	5,000	5,348	348
Other	6,200	1,801	(4,399)
Total food services	551,472	543,508	(7,964)
Planning/research/development/evaluation services:			
Supplies and materials	5,000	-	(5,000)
Total planning/research/develop. etc. services	5,000	-	(5,000)

(Continued)

Bradley School District No. 61
Educational Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Data processing services:			
Salaries	20,250	17,822	(2,428)
Employee benefits	12,001	10,087	(1,914)
Purchased services	5,000	14,314	9,314
Supplies and materials	61,200	68,640	7,440
Capital outlay	10,000	2,425	(7,575)
Total data processing services	108,451	113,288	4,837
Total support services	4,254,224	4,020,107	(234,117)
Community services:			
Salaries	193,355	174,359	(18,996)
Employee benefits	24,256	28,823	4,567
Purchased services	4,864	5,420	556
Supplies and materials	20,149	10,176	(9,973)
Total community services	242,624	218,778	(23,846)
Payments to other districts and governmental units			
Other payments to in state governments	6,850	1,100	(5,750)
Payments-special education-tuition	950,000	1,158,610	208,610
Total payments to other districts/gov't units	956,850	1,159,710	202,860
Total expenditures	14,441,750	14,078,882	(362,868)
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	432,140	668,446	(236,306)
Other financing sources (uses):			
Revenue pledged to pay capital leases	-	(68,081)	68,081
Excess (deficiency) of revenues over expenditures	$ 432,140	600,365	$ (168,225)
Fund balance, beginning of year		3,224,808	
Fund balance, end of year		$ 3,825,173	

Bradley School District No. 61
Operations and Maintenance Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Revenues:			
Local sources:			
General tax levy	$ 813,000	$ 815,001	$ 2,001
Earnings on investments	100	1,481	1,381
Rentals	-	1,125	1,125
Other	79,500	-	(79,500)
Total local sources	892,600	817,607	(74,993)
State sources:			
General state aid	215,770	215,883	113
Total state sources	215,770	215,883	113
Total revenues	1,108,370	1,033,490	(74,880)
Expenditures:			
Facilities acquisition and construction services:			
Purchased services	5,000	175	(4,825)
Supplies and materials	-	17,925	17,925
Capital outlay	72,500	36,429	(36,071)
Total facilities acquisition and construction services	77,500	54,529	(22,971)
Operations and maintenance of plant services:			
Salaries	415,000	368,719	(46,281)
Employee benefits	82,850	84,443	1,593
Purchased services	209,000	230,260	21,260
Supplies and materials	72,000	56,586	(15,414)
Capital outlay	34,000	31,833	(2,167)
Other	500	(11)	(511)
Total operations and maintenance of plant services	813,350	771,830	(41,520)
Payments to other districts and governmental units:			
Other	250,000	-	(250,000)
Total expenditures	1,140,850	826,359	(314,491)
Excess (deficiency) of revenues over expenditures	$ (32,480)	207,131	$ (239,611)
Fund balance, beginning of year		583,977	
Fund balance, end of year		$ 791,108	

Bradley School District No. 61
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Revenues:			
Local sources:			
General tax levy	$ 253,200	$ 253,701	$ 501
Other payments in lieu of taxes	120,428	-	(120,428)
Earnings on investments	15	141	126
Total local sources	373,643	253,842	(119,801)
Total revenues	373,643	253,842	(119,801)
Expenditures:			
Debt service:			
Bond/lease principal retired	294,361	242,851	(51,510)
Bond/lease interest	81,170	80,333	(837)
	375,531	323,184	(52,347)
Debt service - other	900	856	(44)
Total expenditures	376,431	324,040	(52,391)
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(2,788)	(70,198)	67,410
Other financing sources (uses):			
Transfer for payment of capital leases	-	68,081	68,081
Excess (deficiency) of revenues over expenditures	$ (2,788)	(2,117)	$ (671)
Fund balance, beginning of year		6,644	
Fund balance, end of year		$ 4,527	

Bradley School District No. 61
Transportation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Revenues:			
Local sources:			
General tax levy	$ 124,500	$ 124,932	$ 432
Earnings on investments	75	1,530	1,455
Other	-	252	252
Total local sources	124,575	126,714	2,139
State sources:			
Transportation - regular	40,000	71,133	31,133
Transportation - special education	140,000	123,009	(16,991)
Total state sources	180,000	194,142	14,142
Total revenues	304,575	320,856	16,281
Expenditures:			
Support services:			
Pupil transportation services:			
Salaries	296,110	291,214	(4,896)
Employee benefits	54,600	41,522	(13,078)
Purchased services	25,600	103,767	78,167
Supplies and materials	46,000	38,889	(7,111)
Capital outlay	83,997	-	(83,997)
Other	850	324	(526)
Total pupil transportation services	507,157	475,716	(31,441)
Total expenditures	507,157	475,716	(31,441)
Excess (deficiency) of revenues over expenditures	$ (202,582)	(154,860)	$ 47,722
Fund balance, beginning of year		904,144	
Fund balance, end of year		$ 749,284	

Bradley School District No. 61
Municipal Retirement/Social Security Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Revenues:			
Local sources:			
General tax levies	$ 239,000	$ 239,784	$ 784
Social security/medicare only levy	275,000	276,300	1,300
Corporate replacement taxes	55,000	55,000	-
Earnings on investments	40	416	376
Total local sources	569,040	571,500	2,460
State sources:			
General state aid	20,000	16,000	(4,000)
Total revenues	589,040	587,500	(1,540)
Expenditures:			
Instruction:			
Regular programs	69,042	64,446	(4,596)
Pre-K Programs	26,625	16,571	(10,054)
Special education programs	126,570	135,990	9,420
Special education programs-Pre-K	1,900	2,176	276
Remedial and supplemental programs K-12	11,697	14,302	2,605
Interscholastic programs	3,475	2,885	(590)
Gifted programs	1,000	1,034	34
Bilingual programs	19,500	20,552	1,052
Total instruction	259,809	257,956	(1,853)
Support services:			
Pupils:			
Attendance and social work services	2,490	2,469	(21)
Health services	36,000	33,804	(2,196)
Psychological services	2,300	1,517	(783)
Speech pathology and audiology	2,350	3,145	795
Instructional staff:			
Improvement of instructional staff	2,500	3,343	843
Educational media	31,840	34,571	2,731
General administration:			
Board of education	700	342	(358)
Executive administration	11,100	10,214	(886)
Special area administration	1,315	1,257	(58)
School administration:			
Office of the principal	47,100	45,925	(1,175)
Business:			
Direction of business support	-	14,130	14,130
Fiscal services	8,475	9,045	570
Operation and maintenance of plant	76,000	63,675	(12,325)
Pupil transportation	48,900	49,354	454
Food services	34,025	35,346	1,321
Central:			
Data processing	-	3,122	3,122
Total support services	305,095	311,259	6,164
Community services	5,350	7,583	2,233
Total expenditures	570,254	576,798	6,544
Excess (deficiency) of revenues over expenditures	$ 18,786	10,702	$ 8,084
Fund balance, beginning of year		29,987	
Fund balance, end of year		$ 40,689	

Bradley School District No. 61
Working Cash Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget to Actual-Cash Basis
For the year ended June 30, 2017

	Final Budget	Actual	Actual Over Or (Under) Budget
Local sources:			
General tax levy	$ 79,500	$ 79,721	$ 221
Earnings on investments	3,800	3,325	(475)
Total local sources	83,300	83,046	(254)
Total revenues	83,300	83,046	(254)
Excess (deficiency) of revenues over expenditures	$ 83,300	83,046	$ (254)
Fund balance, beginning of year		1,269,501	
Fund balance, end of year		$ 1,352,547	

The budgeted amounts for the Governmental Funds are adopted on the cash basis.

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

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. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.

The budgeted amounts for the Governmental Funds are adopted on the cash basis.

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

4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.

5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.

6. All budget appropriations lapse at the end of the fiscal year.

Expenditures in the Municipal Retirement/Social Security Fund exceeded the budgeted amounts for the year.

Bradley School District No. 61
Student Activity Funds
For the year ended June 30, 2017

	Beginning of Year	Receipts	Disbursements	End of Year
Student Council	$ 1,305	$ 11,196	$ 12,654	$ (153)
Donations	4,320	-	-	4,320
District office	29	34	-	63
Central Best Buddies	468	-	156	312
Charitable (nurse's) account	558	2,804	1,824	1,538
Flower Fund	15	116	-	131
East	11,271	9,758	7,050	13,979
West	9,059	28,520	31,907	5,672
Central	6,831	25,096	21,897	10,030
Central Band	564	2,374	1,529	1,409
Central Chorus	1,609	14,715	13,042	3,282
Yearbook	529	3,212	3,305	436
Cap and Gown	1,571	2,335	4,180	(274)
Newspaper	437	-	-	437
Student Council West	8,275	1,662	4,931	5,006
Central Cheerleading	2,444	6,210	7,106	1,548
Wrestling	450	-	-	450
Kan Will	-	4,296	7,566	(3,270)
Other	4,166	3,014	1,854	5,326
Total	$ 53,901	$ 115,342	$ 119,001	$ 50,242

Bradley School District No. 61
Assessed Valuations, Tax Rates and Extensions

	2016	2015	2014	2013	2012
Assessed valuation	$ 205,602,228	$ 202,476,854	$ 203,390,722	$ 207,997,911	$ 218,895,974
Tax rates					
Educational	3.2779	3.3050	3.2716	3.1159	2.889
Special education	0.0284	0.0238	0.0238	0.0234	0.022
Operations and maintenance	0.4208	0.4038	0.4053	0.3978	0.354
Bond and interest	0.1246	0.1257	0.1217	0.1189	0.111
Transportation	0.0708	0.0619	0.0620	0.0608	0.091
Municipal retirement	0.1270	0.1188	0.1280	0.1541	0.137
Social security	0.1346	0.1369	0.1011	0.0888	0.091
Working cash	0.0417	0.0395	0.0410	0.0421	0.036
Total	4.2258	4.2154	4.1545	4.0018	3.731
Extensions					
Educational	$ 6,739,436	$ 6,691,860	$ 6,654,131	$ 6,481,007	$ 6,323,905
Special education	58,391	48,189	48,407	48,672	48,157
Operations and maintenance	865,174	817,602	824,343	827,416	774,892
Bond and interest	256,180	254,513	247,527	247,310	242,975
Transportation	145,566	125,333	126,102	126,463	199,195
Municipal retirement	261,115	240,543	260,340	320,525	299,887
Social security	276,741	277,191	205,628	184,702	199,195
Working cash	85,736	79,978	83,390	87,567	78,803
Total	$ 8,688,339	$ 8,535,209	$ 8,449,868	$ 8,323,662	$ 8,167,009
Total collected		$ 8,507,764	$ 8,421,344	$ 8,287,955	$ 8,163,467
Percentage collected		99.68%	99.66%	99.57%	99.96%

Bradley School District No. 61
Schedule of Long Term Debt

Due Year End June 30,	General Obligation School Bonds 2012A Principal	General Obligation School Bonds 2012A Interest	General Obligation School Bonds 2012B Principal	General Obligation School Bonds 2012B Interest	Total
2018	$ 185,000	$ 22,498	$ -	$ 49,550	$ 257,048
2019	190,000	18,754	-	49,550	258,304
2020	200,000	14,046	-	49,550	263,596
2021	210,000	8,613	-	49,550	268,163
2022	220,000	2,915	-	49,550	272,465
2023	-	-	230,000	44,950	274,950
2024	-	-	245,000	36,675	281,675
2025	-	-	255,000	29,175	284,175
2026	-	-	270,000	21,300	291,300
2027	-	-	280,000	13,050	293,050
2028	-	-	295,000	4,425	299,425
Total	$ 1,005,000	$ 66,826	$ 1,575,000	$ 397,325	$ 3,044,151

Due Year End June 30,	Capital Lease Computers 2015 Principal	Capital Lease Computers 2015 Interest
2018	$ 64,782	$ 3,299
2019	66,339	1,741
Total	$ 131,121	$ 5,040

Bradley School District No. 61
Operating Cost and Tuition Charge
June 30, 2017

	Year ended June 30,	
	2017	**2016**
Average Daily Attendance	1,369	1,411
Operating Costs:		
Educational	$ 14,078,882	$ 14,760,018
Operations and Maintenance	826,359	1,080,944
Debt Service	324,040	421,148
Transportation	475,716	418,196
Municipal Retirement/Social Security	576,798	555,115
Subtotal	16,281,795	17,235,421
Less revenues/expenditures of nonregular programs:		
Pre-K programs	420,066	398,454
Capital outlay	114,266	519,598
Debt principal retired	242,851	339,582
Community services	226,361	220,469
Payments to other districts/governmental units	1,159,710	1,181,482
Subtotal	2,163,254	2,659,585
Operating costs	14,118,541	14,575,836
Operating cost per pupil	$ 10,312	$ 10,330
Tuition charge:		
Operating costs	$ 14,118,541	$ 14,576,836
Less-revenues for specific programs	2,756,421	3,152,324
Net operating costs	11,362,120	11,424,512
Depreciation allowance	762,410	919,585
Allowable tuition costs	$ 12,124,530	$ 12,344,097
Per Capita Tuition Charge	$ 8,856	$ 8,747

Bradley School District No. 61
Statements of Assets and Liabilities Arising From Cash Transactions
All Funds and Account Groups
June 30, 2017

	Educational	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Agency Funds	Account Groups: General Fixed Assets	Account Groups: General Long-Term Debt
Assets:												
Cash	$ 1,826,780	$ 791,810	$ 4,527	$ 723,907	$ 40,689	$ -	$ 1,327,547	$ 1,234	$ -	$ 1,491,534	$ -	$ -
Investments	1,996,880	-	-	25,000	-	-	25,000	-	-	99,000	-	-
Property and equipment	-	-	-	-	-	-	-	-	-		33,359,611	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Amount available in Debt Service fund	-	-	-	-	-	-	-	-	-	-	-	4,527
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	-	-	-	-	-	2,706,594
Total assets	$ 3,823,660	$ 791,810	$ 4,527	$ 748,907	$ 40,689	$ -	$ 1,352,547	$ 1,234	$ -	$ 1,590,534	$ 33,359,611	$ 2,711,121
Liabilities:		-										
Payroll withholdings	$ (1,513)	$ 702	$ -	(377)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Due to organizations	-	-	-	-	-	-	-	-	-	50,242	-	-
Bonds and loans payable	-	-	-	-	-	-	-	-	-	-	-	2,711,121
Total liabilities	(1,513)	- 702	-	(377)	-	-	-	-	-	50,242	-	2,711,121
Fund balances:												
Investment in general fixed assets	-	-	-	-	-	-	-	-	-	-	33,359,611	-
Restricted for:												
Municipal retirement/social security	-	-	-	-	40,689	-	-	-	-	-	-	-
Debt service	-	-	4,527	-	-	-	-	-	-	-	-	-
Capital projects	-	250,000	-	-	-	-	-	-	-	-	-	-
Tort	-	-	-	-	-	-	-	1,234	-	-	-	-
Health benefits	-	-	-	-	-	-	-	-	-	1,540,292	-	-
Committed for:												
Working cash	-	-	-	-	-	-	1,352,547	-	-	-	-	-
Assigned:												
Operations and maintenance	-	541,108	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	749,284	-	-	-	-	-	-	-	-
Unassigned	3,825,173	-	-	-	-	-	-	-	-	-	-	-
Total fund balance	3,825,173	791,108	4,527	749,284	40,689	-	1,352,547	1,234	-	1,540,292	33,359,611	-
Total liabilities and fund balance	$ 3,823,660	$ 791,810	$ 4,527	$ 748,907	$ 40,689	$ -	$ 1,352,547	$ 1,234	$ -	$ 1,590,534	$ 33,359,611	$ 2,711,121

Bradley School District No. 61
Statement of Receipts, Disbursements, Other Financing Sources and Uses and Changes in Fund Balances
All Funds
For the year ended June 30, 2017

	Educational	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety
Revenues:									
Local sources	$ 7,493,657	$ 817,607	$ 253,842	$ 126,714	$ 571,500	$ -	$ 83,046	$ -	$ -
State sources	5,804,023	215,883	-	194,142	16,000	-	-	-	-
Federal sources	1,449,648	-	-	-	-	-	-	-	-
Total direct revenues	14,747,328	1,033,490	253,842	320,856	587,500	-	83,046	-	-
Revenues for "on behalf" payments	5,881,656	-	-	-	-	-	-	-	-
Total revenues	20,628,984	1,033,490	253,842	320,856	587,500	-	83,046	-	-
Expenditures:									
Instruction	8,680,287	-	-	-	257,956	-	-	-	-
Supporting services	4,020,107	826,359	-	475,716	311,259	-	-	-	-
Community services	218,778	-	-	-	7,583	-	-	-	-
Payments to other districts and governmental units	1,159,710	-	-	-	-	-	-	-	-
Debt services	-	-	324,040	-	-	-	-	-	-
Total direct expenditures	14,078,882	826,359	324,040	475,716	576,798	-	-	-	-
Expenditures for "on behalf" payments	5,881,656	-	-	-	-	-	-	-	-
Total expenditures	19,960,538	826,359	324,040	475,716	576,798	-	-	-	-
Excess (deficiency) of revenues over expenditures	668,446	207,131	(70,198)	(154,860)	10,702	-	83,046	-	-
Other financing sources (uses):									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Revenues pledged for capital lease payments	(68,081)	-	68,081	-	-	-	-	-	-
Total other financing sources (uses)	(68,081)	-	68,081	-	-	-	-	-	-
Excess (deficiency) of revenues received and other financing sources (uses) over expenditures disbursed	600,365	207,131	(2,117)	(154,860)	10,702	-	83,046	-	-
Fund balance - beginning of year	3,224,808	583,977	6,644	904,144	29,987	-	1,269,501	1,234	-
Fund balance - end of year	$ 3,825,173	$ 791,108	$ 4,527	$ 749,284	$ 40,689	$ -	$ 1,352,547	$ 1,234	$ -

Bradley School District No. 61
Statement of Revenues Received - All Funds
For the year ended June 30, 2017

	Educational	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety
Revenues from local sources									
Ad valorem taxes levied by local education agency									
General levy	$ 6,670,559	$ 815,001	$ 253,701	$ 124,932	$ 239,784	$ -	$ 79,721	$ -	$ -
Special education levy	48,036	-	-	-	-	-	-	-	-
Social security/medicare only levy	-	-	-	-	276,300	-	-	-	-
Total ad valorem taxes levied by LEA	6,718,595	815,001	253,701	124,932	516,084	-	79,721	-	-
Payments in lieu of taxes									
Corporate personal property replacement taxes	381,805	-	-	-	55,000	-	-	-	-
Total payments in lieu of taxes	381,805	-	-	-	55,000	-	-	-	-
Tuition									
Special Ed - tuition from other districts	36,031	-	-	-	-	-	-	-	-
Total tuition	36,031	-	-	-	-	-	-	-	-
Earnings on investments									
Interest on investments	12,627	1,481	141	1,530	416	-	3,325	-	-
Total earnings on investments	12,627	1,481	141	1,530	416	-	3,325	-	-
Food service									
Sales to pupils - lunch	72,557	-	-	-	-	-	-	-	-
Sales to pupils - breakfast	10,740	-	-	-	-	-	-	-	-
Sales to pupils - a la carte	42,030	-	-	-	-	-	-	-	-
Sales to adults	1,027	-	-	-	-	-	-	-	-
Total food service	126,354	-	-	-	-	-	-	-	-
Pupil activities									
Admissions - athletic	3,663	-	-	-	-	-	-	-	-
Fees	16,699	-	-	-	-	-	-	-	-
Other pupil activity revenue	2,834	-	-	-	-	-	-	-	-
Total pupil activities	23,196	-	-	-	-	-	-	-	-
Textbooks									
Rentals - regular textbooks	68,140	-	-	-	-	-	-	-	-
Total textbooks	68,140	-	-	-	-	-	-	-	-
Other revenue from local sources									
Rentals	-	1,125	-	-	-	-	-	-	-
Contributions	1,000	-	-	-	-	-	-	-	-
Refund of prior year's expenditures	118,120	-	-	-	-	-	-	-	-
Other	7,789	-	-	252	-	-	-	-	-
Total other revenue from local sources	126,909	1,125	-	252	-	-	-	-	-
Total revenues from local sources	7,493,657	817,607	253,842	126,714	571,500	-	83,046	-	-
Revenues from state sources									
General state aid- Sec. 18-8.05	4,523,461	215,883	-	-	16,000	-	-	-	-
Total unrestricted grants-in-aid	4,523,461	215,883	-	-	16,000	-	-	-	-
Restricted grants-in-aid									
Special education									
Special education - private facility tuition	437,078	-	-	-	-	-	-	-	-
Special education - funding for children requiring Sp ED Services	157,416	-	-	-	-	-	-	-	-
Special education - personnel	286,358	-	-	-	-	-	-	-	-
Special education - orphanage - individual	8,526	-	-	-	-	-	-	-	-
Total special education	889,378	-	-	-	-	-	-	-	-

Bradley School District No. 61
Statement of Revenues Received - All Funds
For the year ended June 30, 2017

	Educational	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety
Bilingual									
Bilingual education - downstate - TPI	14,266	-	-	-	-	-	-	-	-
Total bilingual education	14,266	-	-	-	-	-	-	-	-
State free lunch & breakfast	2,571	-	-	-	-	-	-	-	-
Transportation									
Transportation - regular/vocational	-	-	-	71,133	-	-	-	-	-
Transportation - special education	-	-	-	123,009	-	-	-	-	-
Total transportation	-	-	-	194,142	-	-	-	-	-
Early childhood - block grant	374,347	-	-	-	-	-	-	-	-
Total restricted grants-in-aid	1,280,562	-	-	194,142	-	-	-	-	-
Total revenues from state sources	5,804,023	215,883	-	194,142	16,000	-	-	-	-
Revenues from federal sources									
Restricted grants-in-aid received from the federal government through the state									
Food service									
National school lunch program	358,374	-	-	-	-	-	-	-	-
School breakfast program	99,061	-	-	-	-	-	-	-	-
Total food service	457,435	-	-	-	-	-	-	-	-
Title I									
Title I - Low income	459,852	-	-	-	-	-	-	-	-
Total Title I	459,852	-	-	-	-	-	-	-	-
Federal special education									
Fed - spec education - preschool flow-through	12,399	-	-	-	-	-	-	-	-
Fed - spec education - IDEA - flow through/low incidence	314,059	-	-	-	-	-	-	-	-
Fed - spec education - IDEA - room & board	28,145	-	-	-	-	-	-	-	-
Total federal - special education	354,603	-	-	-	-	-	-	-	-
Title III -Language Inst Program -Limited Eng (LIPLEP)	16,607	-	-	-	-	-	-	-	-
Title II - Teacher quality	9,068	-	-	-	-	-	-	-	-
Medicaid matching funds - fees-for-service program	152,083	-	-	-	-	-	-	-	-
Total restricted grants-in-aid received from the federal government through thru the state	1,449,648	-	-	-	-	-	-	-	-
Total revenues from federal sources	1,449,648	-	-	-	-	-	-	-	-
Total direct revenues	$ 14,747,328	$ 1,033,490	$ 253,842	$ 320,856	$ 587,500	$ -	$ 83,046	$ -	$ -

Bradley School District No. 61
Statement of Expenditures Disbursed, Budget to Actual - All Funds
For the year ended June 30, 2017

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-capitalized Equipment	Termination Benefits	Total	Budget
Educational Fund										
Instruction										
Regular programs	$ 4,255,736	$ 714,687	$ 82,235	$ 93,797	$ 9,828	$ -	$ -	$ -	$ 5,156,283	$ 5,323,450
Pre-K programs	297,702	66,249	450	20,541	-	-	-	-	384,942	410,822
Special education programs	1,764,907	435,211	1,663	28,845	-	10	-	-	2,230,636	2,418,215
Special education programs-Pre K	10,791	-	-	5,586	-	-	-	-	16,377	4,048
Remedial and supplemental K-12 programs	88,589	8,212	54,266	158,153	9,636	-	-	-	318,856	246,633
CTE programs	-	-	-	338	-	-	-	-	338	800
Interscholastic programs	115,054	-	6,186	14,294	13,365	16,531	-	-	165,430	167,900
Gifted programs	72,298	10,333	-	-	-	4,265	-	-	86,896	85,500
Bilingual programs	245,852	68,890	11	5,776	-	-	-	-	320,529	330,684
Total instruction	6,850,929	1,303,582	144,811	327,330	32,829	20,806	-	-	8,680,287	8,988,052
Support services										
Support services - pupils										
Attendance & social work services	193,759	30,138	-	-	-	13,500	-	-	237,397	236,700
Health services	178,607	37,497	1,870	2,997	1,499	-	-	-	222,470	262,360
Psychological services	104,650	8,898	-	-	-	-	-	-	113,548	116,270
Speech pathology & audiology services	218,900	36,744	7,905	-	-	-	-	-	263,549	262,190
Total support services - pupils	695,916	113,277	9,775	2,997	1,499	13,500	-	-	836,964	877,520
Support services - instructional staff										
Improvement of instruction services	155,413	21,285	125,312	22,012	-	85	-	-	324,107	282,308
Educational media services	184,997	42,083	1,525	15,773	-	4,254	-	-	248,632	256,730
Assessment and testing	-	-	25,080	15,969	2,414	-	-	-	43,463	45,073
Total support services - instructional staff	340,410	63,368	151,917	53,754	2,414	4,339	-	-	616,202	584,111
Support services - general administration										
Board of education services	6,964	106,589	190,842	406	-	28,977	-	-	333,778	401,000
Executive administration services	208,081	41,227	53,707	11,067	-	10,405	-	-	324,487	325,950
Service area administrative services	86,674	10,093	-	-	-	-	-	-	96,767	103,050
Tort immunity services	-	-	42,042	-	-	-	-	-	42,042	42,410
Total support services - general administration	301,719	157,909	286,591	11,473	-	39,382	-	-	797,074	872,410
Support services - school administration										
Office of the principal services	589,120	128,619	42,941	11,568	1,500	4,305	-	-	778,053	837,500
Total support services - school administration	589,120	128,619	42,941	11,568	1,500	4,305	-	-	778,053	837,500
Support services - business										
Direction of business support	72,000	-	664	728	-	-	-	-	73,392	94,760
Fiscal services	51,987	28,294	16,975	572	-	2,292	-	-	100,120	92,000
Operation & maintenance of plant services	-	-	27,035	134,471	-	-	-	-	161,506	231,000
Food services	223,141	45,867	20,435	246,916	5,348	1,801	-	-	543,508	551,472
Total support services - business	347,128	74,161	65,109	382,687	5,348	4,093	-	-	878,526	969,232
Support services - central										
Planning, research, development, evaluation services	-	-	-	-	-	-	-	-	-	5,000
Data processing services	17,822	10,087	14,314	68,640	2,425	-	-	-	113,288	108,451
Total support services - central	17,822	10,087	14,314	68,640	2,425	-	-	-	113,288	113,451
Total support services	2,292,115	547,421	570,647	531,119	13,186	65,619	-	-	4,020,107	4,254,224
Community services	174,359	28,823	5,420	10,176	-	-	-	-	218,778	242,624
Payments to other government units (in-state) tuition										
Payments for special education programs-tuition	-	-	-	-	-	1,158,610	-	-	1,158,610	950,000
Other payments to in-state government units	-	-	1,100	-	-	-	-	-	1,100	6,850
Total payments to other govt units (in-state) tuition	-	-	1,100	-	-	1,158,610	-	-	1,159,710	956,850
Provisions for contingencies										-
Total direct expenditures	9,317,403	1,879,826	721,978	868,625	46,015	1,245,035	-	-	14,078,882	14,441,750
Excess (deficiency) of revenues over expenditures									668,446	

Bradley School District No. 61
Statement of Expenditures Disbursed, Budget to Actual - All Funds
For the year ended June 30, 2017

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-capitalized Equipment	Termination Benefits	Total	Budget
Operations and Maintenance Fund										
Support services										
Support services - business										
Facilities acquisition & construction services	-	-	175	17,925	36,429	-	-	-	54,529	77,500
Operation & maintenance of plant services	368,719	84,443	230,260	56,586	31,833	(11)	-	-	771,830	813,350
Total support services - business	368,719	84,443	230,435	74,511	68,262	(11)	-	-	826,359	890,850
Total support services	368,719	84,443	230,435	74,511	68,262	(11)	-	-	826,359	890,850
Payments to other districts and governmental units										
Other payments to in-state governmental units	-	-	-	-	-	-	-	-	-	250,000
Provisions for contingencies										-
Total direct expenditures	368,719	84,443	230,435	74,511	68,262	(11)	-	-	826,359	1,140,850
Excess (deficiency) of revenues over expenditures									207,131	
Debt Service Fund										
Debt services										
Debt services - interest on long term debt	-	-	-	-	-	80,333	-	-	80,333	81,170
Debt service - principal retired	-	-	-	-	-	242,851	-	-	242,851	294,361
Debt service - other	-	-	-	-	-	856	-	-	856	900
Total debt services	-	-	-	-	-	324,040	-	-	324,040	376,431
Provisions for contingencies										-
Total direct expenditures	-	-	-	-	-	324,040	-	-	324,040	376,431
Excess (deficiency) of revenues over expenditures									$ (70,198)	
Transportation Fund										
Support services										
Support services - business										
Pupil transportation services	291,214	41,522	103,767	38,889	-	324	-	-	475,716	507,157
Total support services - business	291,214	41,522	103,767	38,889	-	324	-	-	475,716	507,157
Total support services	291,214	41,522	103,767	38,889	-	324	-	-	475,716	507,157
Provisions for contingencies										-
Total direct expenditures	291,214	41,522	103,767	38,889	-	324	-	-	475,716	507,157
Excess (deficiency) of revenues over expenditures									$ (154,860)	

Bradley School District No. 61
Statement of Expenditures Disbursed, Budget to Actual - All Funds
For the year ended June 30, 2017

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-capitalized Equipment	Termination Benefits	Total	Budget
Municipal Retirement/Social Security Fund										
Instruction										
Regular programs	-	64,446	-	-	-	-	-	-	64,446	69,042
Pre-K programs	-	16,571	-	-	-	-	-	-	16,571	26,625
Special education programs	-	135,990	-	-	-	-	-	-	135,990	126,570
Special education programs-Pre K	-	2,176	-	-	-	-	-	-	2,176	1,900
Remedial and supplemental programs K-12	-	14,302	-	-	-	-	-	-	14,302	11,697
Interscholastic programs	-	2,885	-	-	-	-	-	-	2,885	3,475
Gifted programs	-	1,034	-	-	-	-	-	-	1,034	1,000
Bilingual programs	-	20,552	-	-	-	-	-	-	20,552	19,500
Total instruction	-	257,956	-	-	-	-	-	-	257,956	259,809
Support services										
Support services - pupils										
Attendance & social work services	-	2,469	-	-	-	-	-	-	2,469	2,490
Health services	-	33,804	-	-	-	-	-	-	33,804	36,000
Psychological services	-	1,517	-	-	-	-	-	-	1,517	2,300
Speech pathology & audiology services	-	3,145	-	-	-	-	-	-	3,145	2,350
Total support services - pupils	-	40,935	-	-	-	-	-	-	40,935	43,140
Support services - instructional staff										
Improvement of instruction services	-	3,343	-	-	-	-	-	-	3,343	2,500
Educational media services	-	34,571	-	-	-	-	-	-	34,571	31,840
Total support services - instructional staff	-	37,914	-	-	-	-	-	-	37,914	34,340
Support services - general administration										
Board of education services	-	342	-	-	-	-	-	-	342	700
Executive administration services	-	10,214	-	-	-	-	-	-	10,214	11,100
Service area administrative services	-	1,257	-	-	-	-	-	-	1,257	1,315
Total support services - general administration	-	11,813	-	-	-	-	-	-	11,813	13,115
Support services - school administration										
Office of the principal services	-	45,925	-	-	-	-	-	-	45,925	47,100
Total support services - school administration	-	45,925	-	-	-	-	-	-	45,925	47,100
Support services - business										
Direction of business support services	-	14,130	-	-	-	-	-	-	14,130	-
Fiscal services	-	9,045	-	-	-	-	-	-	9,045	8,475
Operation & maintenance of plant services	-	63,675	-	-	-	-	-	-	63,675	76,000
Pupil transportation services	-	49,354	-	-	-	-	-	-	49,354	48,900
Food services	-	35,346	-	-	-	-	-	-	35,346	34,025
Total support services - business	-	171,550	-	-	-	-	-	-	171,550	167,400
Support services - central										
Data processing services	-	3,122	-	-	-	-	-	-	3,122	-
Total support services - central	-	3,122	-	-	-	-	-	-	3,122	-
Total support services	-	311,259	-	-	-	-	-	-	311,259	305,095
Community services	-	7,583	-	-	-	-	-	-	7,583	5,350
Provisions for contingencies										-
Total direct expenditures	-	576,798	-	-	-	-	-	-	576,798	570,254
Excess (deficiency) of revenues over expenditures									$ 10,702	

Bradley School District No. 61
Statement of Expenditures Disbursed, Budget to Actual - All Funds
For the year ended June 30, 2017

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-capitalized Equipment	Termination Benefits	Total	Budget
Capital Projects Fund										
Support services										
Support services - business										
Facilities acquisition & construction services	-	-	-	-	-	-	-	-	-	-
Total support services	-	-	-	-	-	-	-	-	-	-
Total direct expenditures	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures									$ -	
Tort Fund										
Support services										
Support services - central administration										
Worker's compensation	-	-	-	-	-	-	-	-	-	-
Insurance payments	-	-	-	-	-	-	-	-	-	-
Total support services	-	-	-	-	-	-	-	-	-	-
Total direct expenditures	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures									$ -	
Fire Prevention and Safety Fund										
Support services										
Support services - business										
Facilities acquisition & construction services	-	-	-	-	-	-	-	-	-	-
Operation & maintenance of plant services	-	-	-	-	-	-	-	-	-	-
Total support services - business	-	-	-	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-	-	-	-
Total support services	-	-	-	-	-	-	-	-	-	-
Total direct expenditures	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures									$ -	

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Bradley School District 61
32-046-0610-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2017

Federal Grantor/Pass-Through Grantor Subrecipients * Program or Cluster Title and Major Program Designation	CFDA Number[2] (A)	ISBE Project # (1st 8 digits) or Contract #[3] (B)	Receipts/Revenues Year 7/1/15-6/30/16 (C)	Receipts/Revenues Year 7/1/16-6/30/17 (D)	Expenditure/Disbursements[4] Year 7/1/15-6/30/16 (E)	Expenditure/Disbursements[4] Year 7/1/15-6/30/16 Pass through to Subrecipients	Expenditure/Disbursements[4] Year 7/1/16-6/30/17 (F)	Expenditure/Disbursements[4] Year 7/1/16-6/30/17 Pass through to Subrecipients	Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
US Department of Education:										0	
Pass-through from Illinois State Board of Education										0	
Title I - Low Income (M)	84.010	2016-4300	320,064	110,613	398,160	n/a	32,517	n/a	0	430,677	521,240
Title I - Low Income (M)	84.010	2017-4300	0	349,239	0	n/a	484,949	n/a	35,139	520,088	562,208
Total 84.010 (M)			*320,064*	*459,852*	*398,160*		*517,466*			*915,626*	
Title II - Teacher Quality	84.367	2016-4932	31,581	8,293	39,874	n/a	0	n/a	0	39,874	39,874
Title II - Teacher Quality	84.367	2017-4932	0	775	0	n/a	3,415	n/a	4,331	7,746	8,080
Total 84.367			*31,581*	*9,068*	*39,874*		*3,415*			*43,289*	
Title III - Lang Inst Prog-Limited Eng - LIPLEP	84.365	2016-4909	6,417	5,958	9,167	n/a	3,208	n/a	0	12,375	13,260
Title III - Lang Inst Prog-Limited Eng - LIPLEP	84.365	2017-4909	0	10,649	0	n/a	11,534	n/a	0	11,534	11,534
Total 84.365			*6,417*	*16,607*	*9,167*		*14,742*			*23,909*	
Special Education IDEA Cluster:										0	
Special Education - IDEA Room and Board (M)	84.027	2016-4625	0	28,145	28,145	n/a	0	n/a	0	28,145	n/a
										0	
Total pass-through from Illinois State Board of Education			358,062	513,672	475,346		535,623			1,010,969	
										0	

• **(M)** Program was audited as a major program as defined by §200.518.

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

The accompanying notes are an integral part of this schedule.

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[1] To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

[2] When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

[3] When awards are received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included in the schedule. §200.510 (b)(2)

[4] The Uniform Guidance requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in the schedule and suggests to include the amounts in the SEFA notes.

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Bradley School District 61
32-046-0610-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2017

Federal Grantor/Pass-Through Grantor Subrecipients * Program or Cluster Title and Major Program Designation	CFDA Number[2] (A)	ISBE Project # (1st 8 digits) or Contract #[3] (B)	Receipts/Revenues Year 7/1/15-6/30/16 (C)	Receipts/Revenues Year 7/1/16-6/30/17 (D)	Expenditure/Disbursements[4] Year 7/1/15-6/30/16 (E)	Expenditure/Disbursements[4] Year 7/1/15-6/30/16 Pass through to Subrecipients	Expenditure/Disbursements[4] Year 7/1/16-6/30/17 (F)	Expenditure/Disbursements[4] Year 7/1/16-6/30/17 Pass through to Subrecipients	Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
Pass-through from Kankakee Area Special Education Co-op										0	
										0	
Special Education Preschool Flowthrough (M)	84.173	2016	11,063	3,989	15,052	n/a	0	n/a	0	15,052	n/a
Special Education Preschool Flowthrough (M)	84.173	2017	0	8,410	0	n/a	11,677	n/a	0	11,677	n/a
Special Education IDEA Flowthrough (M)	84.027	2016	233,596	62,013	295,609	n/a	0	n/a	0	295,609	n/a
Special Education IDEA Flowthrough (M)	84.027	2017	0	252,046	0	n/a	326,364	n/a	0	326,364	n/a
Total pass-through from Kankakee Area Special Education Co-op			244,659	326,458	310,661		338,041			648,702	
Total Special Education IDEA Cluster (M)			***244,659***	***354,603***	***338,806***		***338,041***			***676,847***	
										0	
Total US Department of Education			**602,721**	**840,130**	**786,007**		**873,664**			**1,659,671**	
										0	
Child Nutrition Cluster:										0	
US Department of Defense:										**0**	
Pass-through from Illinois State Board of Education										0	
Commodities (non-cash)	10.555	2016	10,761	0	10,761	n/a	0	n/a	0	10,761	n/a
Commodities (non-cash)	10.555	2017	0	12,414	0	n/a	12,414	n/a	0	12,414	n/a
Total US Department of Defense			**10,761**	**12,414**	**10,761**		**12,414**			**23,175**	

• **(M)** Program was audited as a major program as defined by §200.518.

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

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3 When awards are received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included in the schedule. §200.510 (b)(2)

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Bradley School District 61
32-046-0610-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2017

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US Department of Agriculture:										**0**	
Pass-through from Illinois State Board of Education										0	
National School Lunch	10.555	2016-4210	306,025	55,393	306,025	n/a	55,393	n/a	0	361,418	n/a
National School Lunch	10.555	2017-4210	0	302,981	0	n/a	302,981	n/a	0	302,981	n/a
School Breakfast	10.555	2016-4220	88,258	17,254	88,258	n/a	17,254	n/a	0	105,512	n/a
School Breakfast	10.555	2017-4220	0	81,807	0	n/a	81,807	n/a	0	81,807	n/a
Commodities (non-cash)	10.555	2016	36,686	0	36,686	n/a	0	n/a	0	36,686	n/a
Commodities (non-cash)	10.555	2017	0	48,163	0	n/a	48,163	n/a	0	48,163	n/a
Total US Department of Agriculture			**430,969**	**505,598**	**430,969**		**505,598**			**936,567**	
Total Child Nutrition Cluster			***441,730***	***518,012***	***441,730***		***518,012***			***959,742***	
										0	
Total Federal Awards			**1,044,451**	**1,358,142**	**1,227,737**		**1,391,676**			**2,619,413**	
										0	
										0	
										0	
										0	
										0	

• **(M)** Program was audited as a major program as defined by §200.518.

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

The accompanying notes are an integral part of this schedule.

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Bradley School District No. 61
Notes to the Schedule of Expenditures of Federal Awards
As of and for the year ended June 30, 2017

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Bradley School District No. 61 and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CRT),* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Other Disclosures

Subrecipients – None

Amount of federal insurance in effect during the year – None

Loan/Loan guarantees outstanding at year-end - $-0-

The following were expended in the form of non-cash assistance and are included in the Schedule of Expenditures of Federal Awards:

Non-cash commodities (CFDA 10.555)	$60,577

The District has elected not to use the 10% deminimus indirect cost rate allowed under the Uniform Guidance.

Bradley School District No. 61
Summary of Auditor's Results
As of and for the year ended June 30, 2017

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ____yes __X__no
- Significant deficiency(ies)? ____yes __X__none reported

Noncompliance material to financial statements noted? ____yes __X__no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ____yes __X__no
- Significant deficiency(ies) identified? ____yes __X__none reported

Type of auditor's report issued on compliance on major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Title 2 CFR §200.516(a)? ____yes __X__no

Identification of major programs

CFDA Number(s)	Name of Federal Program or Cluster
84.010	Title I – Low Income
84.027/84.173	Special Education Cluster (IDEA)

Dollar threshold used to distinguish between type A and type B programs: $750,000

Auditee qualified as low-risk auditee? ____yes __X__no

Section II – Financial Statement Findings Required to be Reported Under Generally Accepted Government Auditing Standards

Finding No: None

Section III – Federal Award Findings and Questioned Costs

Finding No: None

Bradley School District No. 61
Summary Schedule of Prior Year Endings
As of and for the year ended June 30, 2017

Summary Schedule of Prior Year Findings

Prior Year Findings: 2016-001

Condition:
Bank reconciliation as of June 30, 2016 did not agree to the accounting records.

Status:
The bank reconciliation as of June 30, 2017 agreed to the accounting records.

Bradley School District No. 61
Corrective Action Plan for the Current Year Audit Findings
As of and for the year ended June 30, 2017

Corrective Action Plan

Finding No.: None