

BRADLEY SCHOOL DISTRICT NO. 61

Annual Financial Report

**As of and for the Year Ended
June 30, 2015**

Bradley School District No. 61
As of and for the Year Ended June 30, 2015

Table of Contents

	<u>Page</u>
Independent Auditor's Report.....	1-2
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 <i>Government Auditing Standards</i>	3-4
Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133	5-6
Management's Discussion and Analysis (MD&A).....	7-12
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position – Modified Cash Basis.....	13
Statement of Activities – Modified Cash Basis	14
Fund Financial Statements	
Balance Sheet – Modified Cash Basis – Governmental Funds.....	15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	16
Statement of Revenues, Expenditures and Changes in Fund Balances – Modified Cash Basis – Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Fiduciary Net Position – Modified Cash Basis	19
Statement of Changes in Fiduciary Net Position – Modified Cash Basis.....	20
Notes to Basic Financial Statements	21-44
Other Supplementary Information	
Schedule of the District's Proportionate Share of the Net Pension Liability and Schedule of District Contributions; IMRF Schedule of Changes in the Net Pension Liability and Related Ratios and Schedule of District Contributions.....	45-47
Schedule of Revenues, Expenditures and Changes in Fund Balances – Educational Fund - Budget to Actual – Cash Basis -	48-55

Bradley School District No. 61
As of and for the Year Ended June 30, 2015

Table of Contents

	<u>Page</u>
Other Supplementary Schedules	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual – Cash Basis:	
Operations and Maintenance Fund	56
Debt Service Fund	57
Transportation Fund.....	58
Municipal Retirement/Social Security Fund.....	59
Working Cash Fund.....	60
Student Activity Funds.....	61
Assessed Valuations, Tax Rates and Extensions.....	62
Schedule of Long Term Debt	63
Operating Cost and Tuition Charge.....	64
Statements of Assets and Liabilities Arising from Cash Transactions – All Funds and Account Groups	65
Statement of Receipts, Disbursements, Other Financing Sources and Uses And Changes in Fund Balances – All Funds.....	66
Statement of Revenues Received – All Funds.....	67-68
Statement of Expenditures Disbursed, Budget to Actual – All Funds.....	69-72
<u>Federal Awards Section</u>	
Schedule of Expenditures of Federal Awards	73-76
Notes to the Schedule of Expenditures of Federal Awards.....	77
Summary of Auditor’s Results.....	78
Schedule of Findings and Questioned Costs.....	79
Summary Schedule of Prior Year Findings	80
Corrective Action Plan.....	81

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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, 2015, and the related notes to the financial statements, which collectively comprise Bradley School District No. 61's basic financial statements.

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 error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion 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, 2015, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting 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.

Report on Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the District's basic financial statements. The other supplementary information on pages 45 to 72 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 Office of Management and Budget Circular A133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The other supplementary information on pages 45 to 72 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 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 on the basis of accounting described in Note 1.

Management's Discussion and Analysis on pages 7-12 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on such information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2015 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.

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

Bourbonnais, Illinois
October 13, 2015

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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, 2015, and the related notes to the financial statements, which collectively comprise the Bradley School District No. 61's basic financial statements and have issued our report thereon dated October 13, 2015.

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 the 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
October 13, 2015

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

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 Circular A-133 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, 2015. 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 the requirements of laws, regulations, contracts, and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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, 2015.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the type 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 OMB Circular A-133, 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

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

Bourbonnais, Illinois
October 13, 2015

**Bradley School District No. 61
Management's Discussion and Analysis
As of and for the Year Ended June 30, 2015**

Our discussion and analysis of Bradley School District No. 61's financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2015. Please read it in conjunction with the School District's financial statements, which begin on page 13.

FINANCIAL HIGHLIGHTS

- As of June 30, 2015, the District had assets of \$25,201,383 and liabilities of \$3,034,251. The resulting net position for the year was \$22,167,132.
- The total net position of the District decreased by \$875,821 during fiscal year 2015, from \$23,042,953 in fiscal year 2014.
- Fund balance of all of the District's funds decreased by \$486,030, resulting in an ending fund balance of \$5,380,681. The decrease is less than budgeted due to less than expected expenditures in the Educational and Operations & Maintenance Funds as well as greater than expected State and Federal revenues.
- Fund balance of the District's operating funds (Educational, Operations & Maintenance, Transportation, and Working Cash) decreased by \$488,746 resulting in an ending fund balance of \$5,353,170. Again, the decrease is less than budgeted due to less than expected expenditures in the Educational and Operations & Maintenance Funds as well as greater than expected State and Federal revenues.
- During fiscal year 2015, the District had direct operating fund expenditures (Educational, Operations & Maintenance, Transportation, and Working Cash) of \$15,765,693. This amount exceeded direct operating fund revenues (funds generated through property tax collections, State, Federal, and other local revenue, etc.) of \$15,329,294 by \$436,399.
- When comparing current and prior fiscal year operating fund revenues and expenditures, these figures represent an approximate 2.8% decrease in revenues, and an approximate 8.3% decrease in expenditures.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities – Modified Cash Basis – provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 15. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the district's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities – Modified Cash Basis

Our analysis of the District as a whole begins on page 13. One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities – Modified Cash Basis – report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *modified cash basis of accounting*, which is a basis of accounting other than generally accepted in the United States of America. Revenues are recorded when received and expenditures are recorded when paid.

These two statements report the District's net position and changes in them. You can think of the District's net position – the difference between assets and liabilities – as one way to measure the District's financial health, or *financial position*. Over time, increases or decreases in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District's property tax base and the annual attendance of the District, to assess the overall *health* of the District.

The Statement of Net Position and the Statement of Activities – Modified Cash Basis – provide perspective of the District as a whole.

Governmental activities – Most of the District's basic services are reported here, including instruction, transportation, employee benefits, and plant operations and maintenance. Property taxes, user fees, and state and federal grants finance most of these activities.

Reporting the District's Most Significant Funds

Fund Financial Statements

Our analysis of the District's Governmental Funds begins on page 15. The fund financial statements provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, the District Board establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the U.S. Department of Education).

Governmental Funds – Most of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called the modified cash basis accounting, which is a basis of accounting other than generally accepted in the United States of America. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations on pages 16 and 18.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its employees' medical plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 19 and 20. We exclude these activities from the Districts' other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE DISTRICT AS A WHOLE

The District's combined net position decreased \$875,821. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the District's governmental activities.

Table 1
Net Position

	<u>2015</u>	<u>2014</u>
Assets:		
Cash	\$ 2,092,582	\$ 2,667,383
Investments	3,290,566	3,199,043
Capital assets, net of accumulated depreciation	<u>19,818,235</u>	<u>20,422,499</u>
Total Assets	<u>\$25,201,383</u>	<u>\$26,288,925</u>
Liabilities:		
Current	\$ 2,467	\$ (285)
Long-term	<u>3,031,784</u>	<u>3,246,257</u>
Total Liabilities	<u>3,034,251</u>	<u>3,245,972</u>
Net Position:		
Net investment in capital assets	16,786,451	17,176,242
Restricted for:		
Debt service	60,640	62,402
Capital projects	250,000	250,000
Other purposes	66,871	62,393
Unrestricted	<u>5,003,170</u>	<u>5,491,916</u>
Total Net Position	<u>22,167,132</u>	<u>23,042,953</u>
Total Liabilities and Net Position	<u>\$25,201,383</u>	<u>\$26,288,925</u>

Net position of the District's governmental activities decreased by 3.9%. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, were \$5.0 million this year.

Table 2
Changes in Net Position

	<u>2015</u>	<u>2014</u>
Program Revenues:		
Charges for services	\$ 256,361	\$ 346,853
Operating grants	6,718,209	5,904,588
Capital grants	<u>21,650</u>	<u>250,000</u>
Total Program Revenues	6,996,220	6,501,441
General Revenues:		
Property taxes	8,287,955	8,163,467
Replacement taxes	427,127	408,076
Investment earnings	12,816	23,947
Grants	4,193,519	4,132,390
Impact fees	5,363	14,900
Gain (loss) on sale of assets	-	(173,068)
Miscellaneous	<u>9,771</u>	<u>40,066</u>
Total Revenues Collected	<u>19,932,771</u>	<u>19,111,219</u>
Expenditures Disbursed:		
Instruction	12,891,180	11,902,502
Support services	5,784,780	5,697,576
Payments to other districts/governmental units	1,104,193	622,273
Interest expense	85,903	94,455
Unallocated depreciation	<u>942,536</u>	<u>937,989</u>
Total Expenditures Disbursed	<u>20,808,592</u>	<u>19,254,795</u>
Net increase (decrease)	(875,821)	(143,576)
Beginning net position	<u>23,042,953</u>	<u>23,186,529</u>
Ending net position	<u>\$22,167,132</u>	<u>\$23,042,953</u>

Governmental Activities

The cost of all governmental activities this year was approximately \$20.81 million. As shown in the Statement of Activities on page 15, the amount that our taxpayers ultimately financed for these activities through taxes was about \$8.71 million. The cost paid on behalf of those who directly benefited from the programs was about \$0.26 million, and other governments and organizations that subsidized certain programs with grants and contributions accounted for about \$10.96 million. The remaining costs were paid from accumulated net position.

THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds (as presented in the governmental funds balance sheet on page 15) reported a combined fund balance of \$5.38 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2015, the District had \$19.8 million invested in a broad range of capital assets, including equipment, buildings, and land. More detailed information about the District's capital assets is presented in Note 5 to the financial statements.

Table 3
Capital Assets at Year-End

	<u>2015</u>	<u>2014</u>
Land	\$ 984,531	\$ 984,531
Buildings	16,348,051	16,829,796
Temporary buildings	353,316	369,892
Improvements	935,465	867,467
Equipment	<u>1,196,872</u>	<u>1,370,813</u>
Total Capital Assets	<u>\$19,818,235</u>	<u>\$20,422,499</u>

Capital asset values are reported net of accumulated depreciation. Unallocated depreciation expense for the year was \$942,536.

Debt

At year-end, the District had \$3,031,784 in bonds and capital leases outstanding.

Table 4
Outstanding Debt at Year-End

	<u>2015</u>	<u>2014</u>
School bonds	\$2,930,000	\$3,095,000
Capital leases	<u>101,784</u>	<u>151,257</u>
	<u>\$3,031,784</u>	<u>\$3,246,257</u>

The State limits the amount of general obligation debt that the District can issue to 6.9% of the assessed value of all taxable property within the District limits. The District's outstanding general obligation debt is significantly below this \$14.0 million state-imposed limit. More detailed information about the District's long-term liabilities is presented in note 3 to the financial statements.

General Fund Budgeting Highlights

The School District's budget is prepared according to Illinois law and is based on accounting for certain transactions on the cash basis of accounting.

While the District's budget for the General (Educational) Fund anticipated direct expenditures exceeding direct revenues by \$615,052, the actual variance was a deficit of \$378,031. This variance is largely the result of less than anticipated spending as well as greater than anticipated State and Federal revenues. Continued measures toward conservative spending remained high priority as the goal of minimizing the deficiency as much as possible is kept in focus.

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following circumstances that will significantly affect financial operations in the future:

- The largest segment of the District's revenues comes from property taxes. As a District impacted by the Property Tax Extension Limitation Law (PTELL), requests for property tax increases are limited to the lesser of the consumer price index (CPI) or five percent. The result is expenditure growth that often outpaces property tax revenue growth. Looking forward to the next two budget years, the CPI for 2013 (which impacts the 2015-2016 budget) is 1.5% and the CPI for 2014 (which impacts the 2016-2017 budget) is 0.8%.
- The uncertainty of funding at the State level continues to be of concern for the District. As of September 30, 2015, there is still no approved State budget. Funding for General State Aid will be prorated at 92% of the actual entitlement for fiscal year 2016; however, per Public Act 99-0005, the District will receive a Loss Limit Grant of \$59,698. The net result is a loss of entitlement equal to \$329,607. Additionally, transportation funding remains prorated at near 70%. Lastly, management is keeping a watchful eye on the possibility of pension cost shift as well as property tax freeze legislation. The passage of one or both would have a significant impact on the District's fiscal health, so management continues toward the goal of minimizing the deficiency as much as possible.
- Going forward, the District is anticipating meager (near 1.0%) overall growth in revenues in years to come.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance and Business Operations, Bradley School District No. 61, 111 North Crosswell Avenue, Bradley, Illinois 60915.

Bradley School District No. 61
Statement of Net Position-Modified Cash Basis
June 30, 2015

	<u>Governmental Activities</u>
Assets	
Cash	\$ 2,092,582
Investments	3,290,566
Capital assets, net of accumulated depreciation	<u>19,818,235</u>
Total assets	<u>25,201,383</u>
Liabilities	
Payroll deductions and withholdings	<u>2,467</u>
Noncurrent liabilities:	
Bonds payable - due within one year	170,000
Bonds payable - due in more than one year	2,760,000
Capital lease payable - due within one year	50,413
Capital lease payable - due in more than one year	<u>51,371</u>
Total noncurrent liabilities	<u>3,031,784</u>
Total liabilities	<u>3,034,251</u>
Net Position	
Net investment in capital assets	16,786,451
Restricted for:	
Debt service	60,640
Capital projects	250,000
Other purposes	66,871
Unrestricted	<u>5,003,170</u>
Total net position	<u>\$ 22,167,132</u>

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, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants	
Governmental activities					
Instruction:					
Regular programs	\$ 5,615,823	\$ 32,801	\$ 522,648	\$ -	\$ (5,060,374)
Pre-K programs	454,397	-	-	-	(454,397)
Special education programs	3,231,294	119,397	963,137	-	(2,148,760)
Other instructional programs	882,762	3,496	694,820	-	(184,446)
State retirement contributions	3,811,097	-	3,811,097	-	-
Support services:					
Pupils	944,629	-	56,181	-	(888,448)
Instructional staff	597,076	-	-	-	(597,076)
General administration	805,798	-	-	-	(805,798)
School administration	794,444	-	-	-	(794,444)
Business	788,389	99,717	494,447	-	(194,225)
Transportation	495,808	-	175,879	-	(319,929)
Operation and maintenance	1,107,352	950	-	21,650	(1,084,752)
Central	49,670	-	-	-	(49,670)
Community services	201,614	-	-	-	(201,614)
Interest and fees	85,903	-	-	-	(85,903)
Depreciation expense-unallocated	942,536	-	-	-	(942,536)
Total governmental activities	<u>\$ 20,808,592</u>	<u>\$ 256,361</u>	<u>\$ 6,718,209</u>	<u>\$ 21,650</u>	<u>(13,812,372)</u>

General revenues.

Taxes.

Property taxes	8,287,955
Corporate personal property replacement taxes	427,127
State grants	4,193,519
Impact fees	5,363
Investment income	12,816
Miscellaneous	9,771
Total general revenues	<u>12,936,551</u>
Change in net position	(875,821)
Net position - beginning	<u>23,042,953</u>
Net position - ending	<u>\$ 22,167,132</u>

Bradley School District No. 61
 Governmental Funds
 Balance Sheet-Modified Cash Basis
 June 30, 2015

	General (Educational) Fund	Operations and Maintenance	Transportation	Working Cash	Total Non-major Funds	Total Governmental Funds
Assets.						
Cash	\$ 675,213	\$ 424,832	\$ 454,890	\$ 410,118	\$ 127,529	\$ 2,092,582
Investments	2,493,366	-	25,000	772,200	-	3,290,566
Other	-	-	-	-	-	-
Total assets	<u>\$ 3,168,579</u>	<u>\$ 424,832</u>	<u>\$ 479,890</u>	<u>\$ 1,182,318</u>	<u>\$ 127,529</u>	<u>\$ 5,383,148</u>
Liabilities						
Payroll deductions and withholdings	\$ (8,772)	\$ 1,143	\$ 10,078	\$ -	\$ 18	\$ 2,467
Fund balances.						
Restricted for.						
Municipal retirement/social security	-	-	-	-	65,637	65,637
Debt service	-	-	-	-	60,640	60,640
Capital projects	-	250,000	-	-	-	250,000
Tort	-	-	-	-	1,234	1,234
Committed for.						
Working cash	-	-	-	1,182,318	-	1,182,318
Assigned.						
Operations and maintenance	-	173,689	-	-	-	173,689
Transportation	-	-	469,812	-	-	469,812
Unassigned	3,177,351	-	-	-	-	3,177,351
Total fund balances	<u>3,177,351</u>	<u>423,689</u>	<u>469,812</u>	<u>1,182,318</u>	<u>127,511</u>	<u>5,380,681</u>
Total liabilities and fund balances	<u>\$ 3,168,579</u>	<u>\$ 424,832</u>	<u>\$ 479,890</u>	<u>\$ 1,182,318</u>	<u>\$ 127,529</u>	<u>\$ 5,383,148</u>

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, 2015

Total fund balances - governmental funds	\$ 5,380,681
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	19,818,235
Long-term liabilities are not due and payable in the current period and therefore, are not reported as a fund liability in governmental funds	(3,031,784)
Net position of governmental activities	<u>\$ 22,167,132</u>

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, 2015

	Educational	Operations and Maintenance	Transportation	Working Cash	Total Non-Major Funds	Total Governmental Funds
Revenues						
Local sources:						
Property taxes	\$ 6,501,668	\$ 823,864	\$ 125,919	\$ 87,189	\$ 749,315	\$ 8,287,955
Corporate personal property replacement taxes	384,127	-	-	-	43,000	427,127
Other	153,582	950	-	-	-	154,532
State sources	5,413,345	171,650	175,879	-	-	5,760,874
Federal sources	1,478,370	-	-	-	-	1,478,370
Investment income	11,109	110	112	1,420	65	12,816
Total revenues	13,942,201	996,574	301,910	88,609	792,380	16,121,674
Revenues for "on behalf" payments	3,811,097	-	-	-	-	3,811,097
Total revenues	17,753,298	996,574	301,910	88,609	792,380	19,932,771
Expenditures						
Instruction						
Regular programs	5,552,266	-	-	-	63,557	5,615,823
Pre-K Programs	432,102	-	-	-	22,295	454,397
Special education programs	2,005,140	-	-	-	120,661	2,125,801
Other instructional programs	848,002	-	-	-	34,760	882,762
Supporting services:						
Pupils	904,132	-	-	-	40,497	944,629
Instructional staff	558,479	-	-	-	38,597	597,076
General administration	793,291	-	-	-	12,507	805,798
School administration	751,488	-	-	-	42,956	794,444
Business	203,104	-	-	-	9,414	212,518
Transportation	-	-	449,431	-	46,377	495,808
Food	540,145	-	-	-	35,726	575,871
Operations and maintenance	183,634	854,200	-	-	69,518	1,107,352
Central	49,670	-	-	-	-	49,670
Community services	196,844	-	-	-	4,770	201,614
Payments to other districts/governmental units	1,105,493	-	-	-	-	1,105,493
Debt services						
Principal	-	-	-	-	214,473	214,473
Interest	-	-	-	-	85,047	85,047
Other	-	-	-	-	856	856
Capital outlay	144,095	194,177	-	-	-	338,272
Total direct expenditures	14,267,885	1,048,377	449,431	-	842,011	16,607,704
Expenditures for "on behalf" payments	3,811,097	-	-	-	-	3,811,097
Total expenditures	18,078,982	1,048,377	449,431	-	842,011	20,418,801
Excess (deficiency) of revenues over expenditures	(325,684)	(51,803)	(147,521)	88,609	(49,631)	(486,030)
Other financing sources (uses)						
Revenues pledged for capital lease payments	(52,347)	-	-	-	52,347	-
Total other financing sources (uses)	(52,347)	-	-	-	52,347	-
Net change in fund balance	(378,031)	(51,803)	(147,521)	88,609	2,716	(486,030)
Fund balance - beginning of year	3,555,382	475,492	617,333	1,093,709	124,795	5,866,711
Fund balance - end of year	\$ 3,177,351	\$ 423,689	\$ 469,812	\$ 1,182,318	\$ 127,511	\$ 5,380,681

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, 2015

Net change in fund balances - total governmental funds	\$ (486,030)
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	214,473
Depreciation on capital assets is not reflected on the fund level statements, but is reported as an expense on the entity wide statements	(942,536)
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	<u>338,272</u>
Change in net position of governmental activities - entity wide statements	<u>\$ (875,821)</u>

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, 2015

	<u>Medical Trust Fund</u>	<u>Agency Funds</u>	<u>Total</u>
Assets			
Cash	\$ 1,361,345	\$ 46,350	\$ 1,407,695
Investments	99,000	-	99,000
Total assets	<u>1,460,345</u>	<u>46,350</u>	<u>1,506,695</u>
Liabilities			
Due to activity fund organizations	<u>-</u>	<u>46,350</u>	<u>46,350</u>
Net Position			
Assets held in trust for medical claims	<u>\$ 1,460,345</u>	<u>\$ -</u>	<u>\$ 1,460,345</u>

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, 2015

	Medical Trust Fund
Additions	
District contributions	\$1,944,457
Employee contributions	272,576
Retiree contributions	57,171
Investment income	967
Total additions	<u>2,275,171</u>
Deductions	
Medical benefits	2,182,623
Professional fees	548,933
Insurance benefits	23,915
Miscellaneous charges	27,405
Total deductions	<u>2,782,876</u>
Change in net position	(507,705)
Net position, beginning of the year	<u>1,968,050</u>
Net position, end of the year	<u><u>\$1,460,345</u></u>

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

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

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 agreements. Financial statements can be obtained from the administrative offices at 1 Stuart Drive, Kankakee, Illinois 60901.

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.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

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.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

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 all 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 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.

Fire Prevention and Safety Fund – accounts for revenue levied for purposes of fire prevention, safety, energy conservation or school security and related expenditures.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

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 2014 levy resolution was approved during the December 11, 2014 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 2013 levy was recognized as income during fiscal year 2015.

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.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

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:

<u>Assets</u>	<u>Years</u>
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.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

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.

Other

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.

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.

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. Investments consist of certificates of deposit.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

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. Investments are reported at cost, which approximates fair value.

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

Investments:

	<u>Rating</u>	<u>Maturities</u>	<u>Interest Rate</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Percent of Portfolio</u>
Deposits classified as investments:						
Certificates of Deposit		Between 1 Month and 2 years		<u>\$3,389,566</u>	<u>\$3,389,566</u>	<u>100.0%</u>

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.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. It is not registered with the SEC as an investment company. Investments are valued at share price, which is the price for which the investment could be sold.

Illinois Funds 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 is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, which is the price for which the investment could be sold.

As of June 30, 2015, all of the District's pooled funds exposed to credit risk (which consisted of \$1,186,990 reported as cash) were rated "AAAm" by Standard & Poor's.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 2 – Deposits and Investments (Continued)

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, 2015, the bank balance of the District's deposits and investments with financial institutions totaled \$5,898,216, all of which 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 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, 2015.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments/Refundings</u>	<u>Ending Balance</u>
General obligation bonds:				
Series 2006	\$ 165,000	\$ -	\$165,000	\$ -
Series 2012A	1,355,000	-	-	1,355,000
Series 2012B	<u>1,575,000</u>	<u>-</u>	<u>-</u>	<u>1,575,000</u>
	<u>\$3,095,000</u>	<u>\$ -</u>	<u>\$165,000</u>	<u>\$2,930,000</u>
Capital lease obligations:				
Computer lease	\$ <u>151,257</u>	\$ <u>-</u>	\$ <u>49,473</u>	\$ <u>101,784</u>

Series 2006 bonds, original issue \$475,000, dated October 1, 2006, provide for the serial retirement of principal on October 1 beginning in fiscal year 2013 and interest payable on October 1 and April 1 of each year at a rate of 4.1 to 4.375 percent. The purpose of this bond was to provide the District with building funds.

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.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 3 – Long-Term Liabilities (Continued)

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 March 14, 2013, providing for annual payments of \$52,346, including interest at a rate of 1.9% per annum through July 15, 2016. Amount recorded as equipment at June 30, 2014 was \$202,696 with accumulated depreciation of \$20,270. Interest expense of \$907 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:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 170,000	\$ 77,518	\$ 247,518
2017	180,000	75,103	255,103
2018	185,000	72,048	257,048
2019	190,000	68,304	258,304
2020	200,000	63,596	263,596
2021-2025	1,160,000	221,428	1,381,428
2026-2028	<u>845,000</u>	<u>38,775</u>	<u>883,775</u>
Total	<u>\$2,930,000</u>	<u>\$616,772</u>	<u>\$3,546,772</u>

Minimum future lease payments are as follows:

2016	\$ 52,346
2017	<u>52,346</u>
Total minimum lease payments	104,692
Less: amount representing interest	<u>(2,908)</u>
Present value of minimum lease payments	<u>\$ 101,784</u>

Note 4 – Legal Debt Margin

The legal debt margin is calculated as follows:

Assessed valuation – 2014	<u>\$203,390,722</u>
Debt limit – 6.9% of assessed valuation	\$ 14,033,960
Less general long-term debt	<u>3,031,784</u>
Legal debt margin	<u>\$ 11,002,176</u>

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 5 – Capital Assets

Capital asset activity for the District for the year ended June 30, 2015, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Capital assets not being depreciated:</u>				
Land	\$ 984,531	\$ -	\$ -	\$ 984,531
Total capital assets not being depreciated	<u>984,531</u>	<u>-</u>	<u>-</u>	<u>984,531</u>
<u>Capital assets being depreciated:</u>				
Buildings	24,087,273	-	-	24,087,273
Temporary buildings	460,447	1,899	-	462,346
Improvements	2,001,029	176,435	-	2,177,464
Equipment	<u>5,521,658</u>	<u>159,938</u>	<u>-</u>	<u>5,681,596</u>
Total capital assets being depreciated	<u>32,070,407</u>	<u>338,272</u>	<u>-</u>	<u>32,408,679</u>
<u>Less Accumulated Depreciation for:</u>				
Buildings	7,257,477	481,745	-	7,739,222
Temporary buildings	90,555	18,475	-	109,030
Improvements	1,133,562	108,437	-	1,241,999
Equipment	<u>4,150,845</u>	<u>333,879</u>	<u>-</u>	<u>4,484,724</u>
Total accumulated depreciation	<u>12,632,439</u>	<u>942,536</u>	<u>-</u>	<u>13,574,975</u>
Net capital assets being depreciated	<u>19,437,968</u>	<u>(604,264)</u>	<u>-</u>	<u>18,833,704</u>
Net governmental activities capital assets	<u>\$20,422,499</u>	<u>\$ (604,264)</u>	<u>\$ -</u>	<u>\$19,818,235</u>

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

Depreciation expenses – governmental activities – unallocated	<u>\$942,536</u>
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Note 6 – Restricted Net Position

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

Restricted by enabling legislation	\$127,511
Capital grant-unspent funds	<u>250,000</u>
	<u>\$377,511</u>

Note 7 – Interfund Transfers

The District made the following transfers during the year:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Purpose</u>
General (Educational)	Debt service	\$ 52,347	Provide funds for capital lease payment

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

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

TRS Benefits Provided

TRS provides retirements, 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.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

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, 2015, was 9.4 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2015, 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 \$3,733,707 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, 2015 were \$44,006, and would be deferred under GAAP because they were paid after the June 30, 2014 measurement date.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the employer, there is a statutory requirement for the employer to pay an employer pension contribution from those funds. Under 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, 2015, the District pension contribution was 33.00 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2015, salaries totaling \$96,904 were paid from federal and special trust funds that required District contributions of \$31,978. These contributions would be deferred under GAAP because they were paid after the June 30, 2014 measurement date.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 9 – Retirement Systems (Continued)

TRS Employer retirement cost contribution. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member’s age and salary. The maximum employer ERO contribution under the current program is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2015, the District paid \$-0- to TRS for District ERO contributions.

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, 2015, the District paid \$-0- to TRS for employer contributions due on salary increases in excess of 6 percent and \$-0- for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2015, the District had a liability (which is not reported on the financial statements) for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state’s support and total are for disclosure purposes only. The amount 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	\$ 1,174,812
State’s proportionate share of the net pension liability associated with the District	<u>46,375,339</u>
Total	<u>\$47,550,151</u>

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013, and rolled forward to June 30, 2014. The employer’s proportion of the net pension liability was based on the employer’s share of contributions to TRS for the measurement year ended June 30, 2014, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2014, the District’s proportion was 0.0019 percent.

The net pension liability as of the beginning of this first measurement period under GASB Statement No. 68 was measured as of June 30, 2013, and the total pension liability was based on the June 30, 2013, actuarial valuation without any roll-up. The employer’s proportion of the net pension liability as of June 30, 2013, was based on the employer’s share of contributions to TRS for the measurement year ended June 30, 2013, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2013, the District’s proportion was 0.0019 percent.

On the cash basis of accounting for the year ended June 30, 2015, the District recognized pension expense of \$75,985 and revenue of \$3,733,707 for support provided by the state. Under GAAP at June 30, 2015, the District, would have reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 9 – Pension Plans (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 621	\$ -
Net difference between projected and actual earnings on pension plan investments	-	59,043
Changes of assumptions	-	-
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>-</u>	<u>358,046</u>
Total deferred amounts to be recognized in pension expense in future periods	621	417,089
District contributions subsequent to the measurement date	<u>75,985</u>	<u>-</u>
Total	<u>\$76,606</u>	<u>\$417,089</u>

Under GAAP, \$75,985 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date would be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pensions would be recognized in pension expenses as follows:

Year Ended June 30:	
2016	\$(101,514)
2017	(101,514)
2018	(101,514)
2019	(101,514)
2020	(10,412)

TRS Actuarial Assumptions

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 percent
Salary increases	5.75 percent, average, including inflation
Investment rate of return	7.50 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 White Collar Table with projections using scale AA that vary by member group.

For GASB disclosure purposes, the actuarial assumptions for the years ended June 30, 2014 and 2013 were assumed to be the same. However, for funding purposes, the actuarial valuations for those two years were different. The actuarial assumptions used in the June 30, 2014 valuation were based on updates to economic assumptions adopted in 2014 which lowered the investment return assumption from 8.0 percent to 7.5 percent. The salary increase and inflation assumptions were also lowered. The actuarial assumptions used in the June 30, 2013 valuation were based on the 2012 actuarial experience analysis and first adopted in the June 30, 2012 valuation. The investment return assumption was lowered from 8.5 percent to 8.0 percent and the salary increase and inflation assumptions were also lowered. Mortality assumptions were adjusted to anticipate continued improvement in mortality.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 9 – Pension Plans (Continued)

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. large cap	18%	8.23%
Global equity excluding U.S.	18	8.58%
Aggregate bonds	16	2.27%
U.S. TIPS	2	3.52%
NCREIF	11	5.81%
Opportunistic real estate	4	9.79%
ARS	8	3.27%
Risk parity	8	5.57%
Diversified inflation strategy	1	3.96%
Private equity	<u>14</u>	13.03%
Total	<u>100%</u>	

TRS Discount rate

The discount rate used to measure the total pension liability was 7.50 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 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Therefore, the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following represents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate.

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
District's proportionate share of the net pension liability	\$1,450,836	\$1,174,812	\$946,234

TRS fiduciary net position

Detailed information about the TRS's fiduciary net position as of June 30, 2014 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 9 – Pension Plans (Continued)

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).

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, 2014, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	45
Inactive plan members entitled to but not yet receiving benefits	48
Active plan members	<u>84</u>
Total	<u>177</u>

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 9 – Pension Plans (Continued)

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 2014 was 14.31%. For the calendar year ended December 31, 2014, the District contributed \$258,403 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.

IMRF Net Pension Liability

The District's net pension liability was measured as of December 31, 2014. 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, 2014:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 3.5%.
- Salary increases were expected to be 3.75% to 14.50%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). 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 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 9 – Pension Plans (Continued)

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	38%	7.60%
International equity	17%	7.80%
Fixed income	27%	3.00%
Real estate	8%	6.15%
Alternative investments	9%	5.25-8.50%
Cash equivalents	<u>1%</u>	2.25%
Total	100%	

IMRF Single Discount Rate

A Single Discount Rate of 7.48% 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 3.56%, and the resulting single discount rate is 7.48%.

Changes in the IMRF Net Pension Liability

	<u>Total Pension Liability (A)</u>	<u>Plan Fiduciary Net Position (B)</u>	<u>Net Pension Liability (Asset) (A)-(B)</u>
Balances at December 31, 2013	<u>\$8,835,330</u>	<u>\$8,144,783</u>	<u>\$ 690,547</u>
Changes for the year:			
Service cost	258,992	-	258,992
Interest on the Total Pension Liability	655,706	-	655,706
Changes of benefit terms	-	-	-
Differences between expected and actual Experience of the total pension liability	143,641	-	143,641
Changes of assumptions	416,309	-	416,309
Contributions – employer	-	258,403	(258,403)
Contributions – employees	-	96,842	(96,842)
Net investment income	-	494,832	(494,832)
Benefit payments, including refunds of Employee contributions	(420,801)	(420,801)	-
Other (net transfer)	-	89,464	(89,464)
Net changes	<u>1,053,847</u>	<u>518,740</u>	<u>535,107</u>
Balances at December 31, 2014	<u>\$9,889,177</u>	<u>\$8,663,523</u>	<u>\$1,225,654</u>

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 9 – Pension Plans (Continued)

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 7.48%, 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 <u>(6.48%)</u>	Current Discount <u>(7.48%)</u>	1% Higher <u>(8.48%)</u>
Net Pension Liability (Asset)	\$2,517,208	\$1,225,654	\$155,485

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

For the year ended June 30, 2015, the District recognized pension expense of \$258,535 on the cash basis of accounting at June 30, 2015. Under GAAP, the District would have reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to IMRF Pensions	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<i>Deferred Amounts under GAAP that would be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$113,680	\$ -
Changes of assumptions	329,473	-
Net difference between projected and actual earnings on pension plan investments	<u>93,538</u>	<u>-</u>
Total deferred amounts to be recognized in pension expenses in future periods	536,691	-
<i>Pension Contributions made subsequent to the Measurement Date</i>	<u>132,342</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$669,033</u>	<u>\$ -</u>

Under GAAP, amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense in future periods as follows:

<u>Year Ending December 31</u>	<u>Net Deferred Outflows of Resources</u>
2015	\$140,182
2016	140,182
2017	140,182
2018	116,145
2019	-
Thereafter	<u>-</u>
Total	<u>\$536,691</u>

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 9 – Pension Plans (Continued)

Under GAAP, pension-related amounts for all pension plans are shown below in the aggregate.

	<u>TRS (6/30/14)</u>	<u>IMRF (12/31/14)</u>	<u>Total</u>
Employer fiduciary net position	Not available	\$8,663,523	\$8,663,523
Deferred outflows of resources	\$ 75,985	669,033	745,018
Employer total pension liability	Not available	9,889,177	9,889,177
Employer net pension liability (asset)	1,174,812	1,225,654	2,400,466
Deferred inflows of resources	416,468	-	416,468
Pension expense (benefit)	14,989	256,819	271,808

Note 10 – Social Security

Employees not qualifying for coverage under the Teachers' Retirement System are covered under Social Security. The District paid \$148,089, 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. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. 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 1.02 percent of pay during the year ended June 30, 2015. State of Illinois contributions were \$77,390, and the District recognized revenue and expenditures of this amount during the year.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 11 – Other Post-Employment Benefits (Continued)

State contributions intended to match active member contributions during the years ended June 30, 2014 and June 30, 2013 were 0.97 and 0.92 percent of pay, respectively. State contributions on behalf of District employees were \$72,921 and \$67,969, respectively.

- **Employer contributions to THIS Fund.**

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.76 percent during the year ended June 30, 2014, and 0.72 and 0.69 percent during the years ended June 30, 2014 and June 30, 2013, respectively. For the year ended June 30, 2015, the District paid \$57,644 to the THIS Fund. For the years ended June 30, 2014 and June 30, 2013, the District paid \$54,127 and \$50,977, respectively, which was 100 percent of the required contribution.

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 are 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:

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 12 – Health Insurance Plan (Continued)

Participant Data

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

	<u>Participants</u>	<u>Average Age</u>	<u>Average Service</u>
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	<u>10</u>	73.4	N/A
	<u>195</u>		

Annual OPEB Cost and Net OPEB Obligation

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	<u>2,159</u>
Annual OPEB cost	64,177
Contributions made	<u>(106,798)</u>
Change in net OPEB obligation	(42,621)
OPEB obligation – beginning of year	<u>(64,769)</u>
OPEB obligation – end of year	<u>\$(107,390)</u>

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:

<u>Year</u> <u>Ended</u>	<u>OPEB Cost</u>	<u>Contribution</u> <u>(ARC)</u>	<u>OPEB Cost</u> <u>Contributed</u>	<u>% of ARC</u> <u>Contributed</u>	<u>OPEB</u> <u>Obligation</u>
2015	\$64,177	\$64,177	\$106,798	166%	\$(107,390)

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 12 – Health Insurance Plan (Continued)

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 Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll $\frac{[b-a]}{c}$
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.

Note 13 – Joint Agreement

During the current year, the District paid the Kankakee Area Special Education Cooperative \$195,608 for tuition and professional development and received \$289,932 in flow through grants from the Cooperative.

Note 14 - Budgetary Data

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 reflected in the general purpose financial statements:

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.

Bradley School District No. 61
Notes to Basic Financial Statements
As of and for the Year Ended June 30, 2015

Note 14 - Budgetary Data (Continued)

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 Transportation Fund exceeded the budgeted amounts for the year.

Note 15 – 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
 Fiscal Year 2015***

District's proportion of the net pension liability	0.0019%
District's proportionate share of the net pension liability	\$ 1,174,812
State's proportionate share of the net pension liability associated with the District	<u>46,375,339</u>
Total	<u>\$47,550,151</u>
District's covered-employee payroll	\$ 7,587,302
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	15.48%
Plan fiduciary net position as a percentage of the total pension liability	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
 Fiscal Year 2015**

Contractually-required contribution	\$ 75,985
Contributions in relation to the contractually-required contribution	<u>(76,913)</u>
Contribution deficiency (excess)	<u>\$ (928)</u>
District's covered-employee payroll	\$7,587,302
Contributions as a percentage of covered-employee payroll	1.00%

Notes to Schedules

Changes of Assumptions

Amounts reported in 2014 reflect an investment rate of return of 7.5 percent, an inflation rate of 3.0 percent and real return of 4.5 percent, and a salary increase assumption of 5.75 percent. In 2013, assumptions used were an investment rate of return of 8.0 percent, an inflation rate of 3.25 percent and real return of 4.75 percent, and salary increases of 6.00 percent. However, the total pension liability at the beginning and end of the year was calculated using the same assumptions, so the difference due to actuarial assumptions was not calculated or allocated.

Bradley School District No. 61
Supplementary Information

IMRF
Schedule of Changes in the Net Pension Liability and Related Ratios
Most Recent Calendar Year

Calendar Year Ended December 31,	2014
Total Pension Liability	
Service Cost	\$ 258,992
Interest on the total pension liability	655,706
Changes of benefit terms	-
Differences between expected and actual experience of the total pension liability	143,641
Changes of assumptions	416,309
Benefit payments, including refunds of employee contributions	<u>(420,801)</u>
Net change in total pension liability	1,053,847
Total Pension Liability – Beginning	<u>8,835,330</u>
Total Pension Liability – End (A)	<u>\$9,889,177</u>
Plan Fiduciary Net Position	
Contributions – District	\$ 258,403
Contributions – Employees	96,842
Net investment income	494,832
Benefit payments, including refunds of employee contributions	(420,801)
Other (net transfer)	<u>89,464</u>
Net change in plan fiduciary net position	518,740
Plan Fiduciary Net Position – Beginning	<u>8,144,783</u>
Plan Fiduciary Net Position – Ending (B)	<u>\$8,663,523</u>
Net Pension Liability (Asset) – Ending (A) – (B)	<u>\$1,225,654</u>
Plan fiduciary net position as a percentage of the total pension liability	87.61%
Covered valuation payroll	\$2,152,051
Net pension liability (asset) as a percentage of covered valuation payroll	56.95%

Notes to Schedule:

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

Schedule of District Contributions
Most Recent Calendar Year

Calendar Year Ended <u>December 31</u>	Actuarially Determined <u>Contribution</u>	Actual <u>Contribution</u>	Contribution Deficiency <u>(Excess)</u>	Covered Valuation <u>Payroll</u>	Actual Contribution as a Percentage of Covered <u>Valuation Payroll</u>
2014	\$247,486	\$258,403	\$(10,917)	\$2,152,051	12.01%

Bradley School District No. 61
Supplementary Information

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2014 Contribution Rate*

Valuation Date:

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

Methods and Assumptions Used to Determine 2014 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate entry age = normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	29-year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	4%
<i>Price Inflation:</i>	3% approximate; No explicit price inflation assumption is used in this valuation
<i>Salary Increases:</i>	4.40% to 16%, including inflation
<i>Investment Rate of Return:</i>	7.50%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010
<i>Mortality:</i>	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92 percent of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes: There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2012, actuarial valuation; note two year lag between valuation and rate setting.

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

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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over Or (Under) Budget</u>
Revenues:			
Local Sources:			
General tax levy	\$ 6,480,000	\$ 6,453,208	\$ (26,792)
Special education levy	48,000	48,460	460
Corporate personal property replacement taxes	359,000	384,127	25,127
Special education tuition-other districts	-	2,434	2,434
Earnings on investments	20,000	11,109	(8,891)
Food services	137,700	99,717	(37,983)
Pupil activities	4,645	3,496	(1,149)
Textbooks	39,000	32,801	(6,199)
Impact fees	-	5,363	5,363
Contributions	-	1,000	1,000
Prior year refunds	49,500	6,645	(42,855)
Other	1,000	2,126	1,126
Total local sources	<u>7,138,845</u>	<u>7,050,486</u>	<u>(88,359)</u>
State sources:			
General state aid	4,136,050	4,043,519	(92,531)
Special education - private facility tuition	153,500	202,169	48,669
Special education - extraordinary	159,400	157,059	(2,341)
Special education - personnel	289,500	296,114	6,614
Special education - orphanage - individual	9,800	9,823	23
Special education - summer school	11,000	8,040	(2,960)
Bilingual education downstate	20,000	27,775	7,775
State free lunch & breakfast	8,000	6,101	(1,899)
Early childhood block grant	570,000	566,584	(3,416)
Other restricted revenue	10,500	96,161	85,661
Total state sources	<u>5,367,750</u>	<u>5,413,345</u>	<u>45,595</u>
Federal sources:			
National lunch program	350,000	384,828	34,828
School milk program	90,000	-	(90,000)
School breakfast program	-	103,518	103,518
Food service-other	-	9,400	9,400
Title I-low income	320,000	417,087	97,087
Special education - preschool flow-through	11,500	15,396	3,896
Special education - I.D.E.A. flow-through	300,000	274,536	(25,464)
Title III-English language acquisition	15,000	15,081	81
Title II-teacher quality	52,000	85,380	33,380
Medicaid administrative outreach	55,000	56,181	1,181
Medicaid fee for service	145,000	116,963	(28,037)
Total federal sources	<u>1,338,500</u>	<u>1,478,370</u>	<u>139,870</u>
Total revenues	<u>13,845,095</u>	<u>13,942,201</u>	<u>97,106</u>

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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over Or (Under) Budget</u>
Expenditures:			
Instruction:			
Regular programs:			
Salaries	\$ 4,682,930	\$ 4,480,719	\$ (202,211)
Employee benefits	825,000	774,215	(50,785)
Purchased services	70,900	71,436	536
Supplies and materials	280,700	225,896	(54,804)
Capital outlay	20,000	12,803	(7,197)
Other	800	-	(800)
	<u>5,880,330</u>	<u>5,565,069</u>	<u>(315,261)</u>
Total regular programs			
Pre-K Programs			
Salaries	361,850	336,246	(25,604)
Employee benefits	91,100	89,598	(1,502)
Purchased services	-	450	450
Supplies and materials	7,700	5,808	(1,892)
	<u>460,650</u>	<u>432,102</u>	<u>(28,548)</u>
Total Pre-K programs			
Special education programs:			
Salaries	1,624,800	1,591,982	(32,818)
Employee benefits	371,800	384,933	13,133
Purchased services	2,800	-	(2,800)
Supplies and materials	20,500	17,945	(2,555)
Capital outlay	-	4,139	4,139
Other	150	42	(108)
	<u>2,020,050</u>	<u>1,999,041</u>	<u>(21,009)</u>
Total special education programs			
Special education programs-Pre-K:			
Salaries	18,600	9,621	(8,979)
Employee benefits	-	617	617
Supplies and materials	700	-	(700)
	<u>19,300</u>	<u>10,238</u>	<u>(9,062)</u>
Total special education programs-Pre-K			

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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over Or (Under) Budget</u>
Remedial and supplemental programs K-12:			
Salaries	167,350	172,398	5,048
Employee benefits	14,800	57,626	42,826
Purchased services	30,600	20,637	(9,963)
Supplies and materials	60,000	92,517	32,517
Capital outlay	33,600	67,680	34,080
Total remedial and supplemental programs	<u>306,350</u>	<u>410,858</u>	<u>104,508</u>
CTE programs:			
Supplies and materials	200	740	540
Total CTE programs	<u>200</u>	<u>740</u>	<u>540</u>
Interscholastic programs:			
Salaries	135,900	123,695	(12,205)
Purchased services	11,500	10,036	(1,464)
Supplies and materials	12,500	5,825	(6,675)
Capital outlay	1,000	4,925	3,925
Other	10,000	7,915	(2,085)
Total interscholastic programs	<u>170,900</u>	<u>152,396</u>	<u>(18,504)</u>
Gifted:			
Salaries	69,000	68,399	(601)
Employee benefits	13,700	13,388	(312)
Purchased services	100	-	(100)
Supplies and materials	2,100	93	(2,007)
Other	8,000	7,930	(70)
Total gifted	<u>92,900</u>	<u>89,810</u>	<u>(3,090)</u>
Bilingual programs:			
Salaries	227,400	210,465	(16,935)
Employee benefits	56,200	55,892	(308)
Purchased services	200	-	(200)
Supplies and materials	6,500	446	(6,054)
Total bilingual programs	<u>290,300</u>	<u>266,803</u>	<u>(23,497)</u>
Total instruction	<u>9,240,980</u>	<u>8,927,057</u>	<u>(313,923)</u>

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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over Or (Under) Budget</u>
Support services:			
Pupils:			
Attendance and social work services:			
Salaries	201,600	190,558	(11,042)
Employee benefits	39,200	40,154	954
Other	9,000	4,344	(4,656)
	<u>249,800</u>	<u>235,056</u>	<u>(14,744)</u>
Total attendance and social work services			
Health services:			
Salaries	172,200	164,005	(8,195)
Employee benefits	31,500	39,512	8,012
Purchased services	2,200	2,100	(100)
Supplies and materials	4,000	2,639	(1,361)
Capital outlay	1,000	-	(1,000)
Other	200	775	575
	<u>211,100</u>	<u>209,031</u>	<u>(2,069)</u>
Total health services			
Psychological services:			
Salaries	125,700	124,753	(947)
Employee benefits	13,500	13,636	136
Purchased services	360	360	-
	<u>139,560</u>	<u>138,749</u>	<u>(811)</u>
Total psychological services			
Speech pathology and audiology services:			
Salaries	184,050	182,499	(1,551)
Employee benefits	34,400	33,724	(676)
Purchased services	95,360	105,073	9,713
	<u>313,810</u>	<u>321,296</u>	<u>7,486</u>
Total speech pathology and audiology services			
Instructional staff:			
Improvement of instruction services:			
Salaries	157,500	144,068	(13,432)
Employee benefits	23,800	23,910	110
Purchased services	103,150	101,430	(1,720)
Supplies and materials	8,000	19,270	11,270
Other	2,000	1,974	(26)
	<u>294,450</u>	<u>290,652</u>	<u>(3,798)</u>
Total improvement of instruction services			

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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over Or (Under) Budget</u>
Education media:			
Salaries	188,200	191,207	3,007
Employee benefits	37,000	36,638	(362)
Purchased services	1,500	1,440	(60)
Supplies and materials	27,200	15,984	(11,216)
Capital outlay	5,000	-	(5,000)
Other	4,200	4,219	19
	<u>263,100</u>	<u>249,488</u>	<u>(13,612)</u>
Assessment and testing:			
Salaries	7,900	-	(7,900)
Purchased services	12,500	12,339	(161)
Supplies and materials	7,100	6,000	(1,100)
	<u>27,500</u>	<u>18,339</u>	<u>(9,161)</u>
General administration:			
Board of Education:			
Salaries	23,650	6,822	(16,828)
Employee benefits	132,420	116,308	(16,112)
Purchased services	203,000	165,150	(37,850)
Supplies and materials	3,500	1,796	(1,704)
Other	42,000	41,128	(872)
	<u>404,570</u>	<u>331,204</u>	<u>(73,366)</u>
Executive administration:			
Salaries	207,100	207,308	208
Employee benefits	44,000	56,067	12,067
Purchased services	44,300	48,014	3,714
Supplies and materials	5,500	4,266	(1,234)
Capital outlay	2,000	-	(2,000)
Other	9,450	13,896	4,446
	<u>312,350</u>	<u>329,551</u>	<u>17,201</u>

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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over Or (Under) Budget</u>
Special area administration:			
Salaries	88,400	88,342	(58)
Employee benefits	13,500	9,711	(3,789)
Purchased services	1,000	-	(1,000)
Other	100	-	(100)
Total special area administration	<u>103,000</u>	<u>98,053</u>	<u>(4,947)</u>
Tort immunity services:			
Purchased services	50,600	34,483	(16,117)
Total tort immunity services	<u>50,600</u>	<u>34,483</u>	<u>(16,117)</u>
School administration:			
Office of the principal:			
Salaries	545,000	546,643	1,643
Employee benefits	133,900	125,833	(8,067)
Purchased services	114,400	61,337	(53,063)
Supplies and materials	15,800	12,151	(3,649)
Capital outlay	4,000	4,068	68
Other	6,000	5,524	(476)
Total office of the principal	<u>819,100</u>	<u>755,556</u>	<u>(63,544)</u>
Business:			
Direction of business support services:			
Salaries	101,700	102,138	438
Employee benefits	13,900	13,653	(247)
Purchased services	2,900	1,464	(1,436)
Supplies and materials	500	163	(337)
Capital outlay	4,000	-	(4,000)
Other	1,000	1,194	194
Total business support services	<u>124,000</u>	<u>118,612</u>	<u>(5,388)</u>

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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over Or (Under) Budget</u>
Fiscal services:			
Salaries	41,200	41,200	-
Employee benefits	28,500	28,558	58
Purchased services	16,000	12,162	(3,838)
Supplies and materials	3,500	410	(3,090)
Other	3,400	2,162	(1,238)
	<u>92,600</u>	<u>84,492</u>	<u>(8,108)</u>
Operations and maintenance:			
Purchased services	28,500	28,089	(411)
Supplies and materials	207,700	155,545	(52,155)
	<u>236,200</u>	<u>183,634</u>	<u>(52,566)</u>
Food services:			
Salaries	220,500	226,996	6,496
Employee benefits	35,000	36,767	1,767
Purchased services	20,100	21,371	1,271
Supplies and materials	278,000	249,383	(28,617)
Capital outlay	21,500	7,326	(14,174)
Other	5,650	5,628	(22)
	<u>580,750</u>	<u>547,471</u>	<u>(33,279)</u>
Central:			
Direction of central support services:			
Supplies and materials	6,000	-	(6,000)
	<u>6,000</u>	<u>-</u>	<u>(6,000)</u>
Planning/research/development/evaluation services:			
Supplies and materials	-	6,000	6,000
	<u>-</u>	<u>6,000</u>	<u>6,000</u>
Information services:			
Supplies and materials	1,900	1,710	(190)
	<u>1,900</u>	<u>1,710</u>	<u>(190)</u>

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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over Or (Under) Budget</u>
Data processing services:			
Supplies and materials	40,000	41,960	1,960
Capital outlay	48,000	43,154	(4,846)
Total data processing services	88,000	85,114	(2,886)
Total support services	4,318,390	4,038,491	(279,899)
Community services:			
Salaries	166,450	168,181	1,731
Employee benefits	12,500	16,694	4,194
Purchased services	5,600	5,540	(60)
Supplies and materials	5,530	6,429	899
Total community services	190,080	196,844	6,764
Payments to other districts and governmental units			
Other payments to in state governments	8,350	1,300	(7,050)
Payments-special education-tuition	650,000	1,104,193	454,193
Total payments to other districts/gov't units	658,350	1,105,493	447,143
Total expenditures	14,407,800	14,267,885	(139,915)
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(562,705)	(325,684)	(237,021)
Other financing sources (uses):			
Revenue pledged to pay capital leases	(52,347)	(52,347)	-
Total other financing sources (uses)	(52,347)	(52,347)	-
Excess (deficiency) of revenues over expenditures	<u>\$ (615,052)</u>	(378,031)	<u>\$ (237,021)</u>
Fund balance, beginning of year		3,555,382	
Fund balance, end of year		<u>\$ 3,177,351</u>	

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, 2015

	Final Budget	Actual	Actual Over Or (Under) Budget
Revenues:			
Local sources:			
General tax levy	\$ 825,000	\$ 823,864	\$ (1,136)
Earnings on investments	200	110	(90)
Rentals	-	950	950
Total local sources	<u>825,200</u>	<u>824,924</u>	<u>(276)</u>
State sources:			
General state aid	150,000	150,000	-
Other	26,403	21,650	(4,753)
Total state sources	<u>176,403</u>	<u>171,650</u>	<u>(4,753)</u>
Total revenues	<u>1,001,603</u>	<u>996,574</u>	<u>(5,029)</u>
Expenditures:			
Facilities acquisition and construction services:			
Purchased services	25,000	6,227	(18,773)
Supplies and materials	-	10,300	10,300
Capital outlay	304,000	181,403	(122,597)
Total facilities acquisition and construction services	<u>329,000</u>	<u>197,930</u>	<u>(131,070)</u>
Operations and maintenance of plant services:			
Salaries	440,000	406,683	(33,317)
Employee benefits	70,450	73,950	3,500
Purchased services	289,300	291,897	2,597
Supplies and materials	61,000	65,143	4,143
Capital outlay	18,500	12,774	(5,726)
Other	500	-	(500)
Total operations and maintenance of plant services	<u>879,750</u>	<u>850,447</u>	<u>(29,303)</u>
Total expenditures	<u>1,208,750</u>	<u>1,048,377</u>	<u>(160,373)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (207,147)</u>	(51,803)	<u>\$ (155,344)</u>
Fund balance, beginning of year		<u>475,492</u>	
Fund balance, end of year		<u>\$ 423,689</u>	

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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over Or (Under) Budget</u>
Revenues:			
Local sources:			
General tax levy	\$ 247,200	\$ 246,252	\$ (948)
Earnings on investments	20	15	(5)
Total local sources	<u>247,220</u>	<u>246,267</u>	<u>(953)</u>
Total revenues	<u>247,220</u>	<u>246,267</u>	<u>(953)</u>
Expenditures:			
Debt service:			
Bond/lease principal retired	214,473	214,473	-
Bond/lease interest	85,047	85,047	-
	<u>299,520</u>	<u>299,520</u>	<u>-</u>
Debt service - other	<u>1,200</u>	<u>856</u>	<u>(344)</u>
Total expenditures	<u>300,720</u>	<u>300,376</u>	<u>(344)</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>(53,500)</u>	<u>(54,109)</u>	<u>609</u>
Other financing sources (uses):			
Transfer for payment of capital leases	<u>52,347</u>	<u>52,347</u>	<u>-</u>
Total other financing sources (uses)	<u>52,347</u>	<u>52,347</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (1,153)</u>	<u>(1,762)</u>	<u>\$ 609</u>
Fund balance, beginning of year		<u>62,402</u>	
Fund balance, end of year		<u>\$ 60,640</u>	

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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over Or (Under) Budget</u>
Revenues:			
Local sources:			
General tax levy	\$ 125,000	\$ 125,919	\$ 919
Earnings on investments	75	112	37
Total local sources	<u>125,075</u>	<u>126,031</u>	<u>956</u>
State sources:			
Transportation - regular	37,500	69,976	32,476
Transportation - special education	150,000	95,903	(54,097)
Early childhood block grant	10,000	10,000	-
Total state sources	<u>197,500</u>	<u>175,879</u>	<u>(21,621)</u>
Total revenues	<u>322,575</u>	<u>301,910</u>	<u>(20,665)</u>
Expenditures:			
Support services:			
Pupil transportation services:			
Salaries	295,000	292,809	(2,191)
Employee benefits	43,000	56,184	13,184
Purchased services	21,200	44,444	23,244
Supplies and materials	65,000	55,530	(9,470)
Other	1,000	464	(536)
Total pupil transportation services	<u>425,200</u>	<u>449,431</u>	<u>24,231</u>
Total expenditures	<u>425,200</u>	<u>449,431</u>	<u>24,231</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (102,625)</u>	(147,521)	<u>\$ (44,896)</u>
Fund balance, beginning of year		<u>617,333</u>	
Fund balance, end of year		<u>\$ 469,812</u>	

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, 2015

	Final Budget	Actual	Actual Over Or (Under) Budget
Revenues:			
Local sources:			
General tax levies	\$ 320,000	\$ 319,153	\$ (847)
Social security/medicare only levy	184,000	183,910	(90)
Corporate replacement taxes	43,000	43,000	-
Earnings on investments	40	50	10
Total local sources	<u>547,040</u>	<u>546,113</u>	<u>(927)</u>
Total revenues	<u>547,040</u>	<u>546,113</u>	<u>(927)</u>
Expenditures			
Instruction:			
Regular programs	63,520	63,557	37
Pre-K Programs	24,500	22,295	(2,205)
Special education programs	127,782	118,876	(8,906)
Special education programs-Pre-K	2,050	1,785	(265)
Remedial and supplemental programs K-12	11,450	13,738	2,288
Interscholastic programs	5,100	3,257	(1,843)
Gifted programs	1,000	973	(27)
Bilingual programs	17,150	16,792	(358)
Total instruction	<u>252,552</u>	<u>241,273</u>	<u>(11,279)</u>
Support services:			
Pupils:			
Attendance and social work services	5,630	4,728	(902)
Health services	22,200	31,434	9,234
Psychological services	1,310	1,755	445
Speech pathology and audiology	2,550	2,580	30
Instructional staff			
Improvement of instructional staff	3,050	2,391	(659)
Educational media	34,915	36,206	1,291
General administration			
Board of education	210	598	388
Executive administration	10,600	10,639	39
Special area administration	1,250	1,270	20
School administration:			
Office of the principal	53,000	42,956	(10,044)
Business:			
Direction of business support	1,450	1,453	3
Fiscal services	8,100	7,961	(139)
Operation and maintenance of plant	78,900	69,518	(9,382)
Pupil transportation	47,950	46,377	(1,573)
Food services	34,500	35,726	1,226
Total support services	<u>305,615</u>	<u>295,592</u>	<u>(10,023)</u>
Community services	<u>4,820</u>	<u>4,770</u>	<u>(50)</u>
Total expenditures	<u>562,987</u>	<u>541,635</u>	<u>(21,352)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (15,947)</u>	4,478	<u>\$ (20,425)</u>
Fund balance, beginning of year		<u>61,159</u>	
Fund balance, end of year		<u>\$ 65,637</u>	

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, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over Or (Under) Budget</u>
Local sources:			
General tax levy	\$ 87,000	\$ 87,189	\$ 189
Earnings on investments	500	1,420	920
Total local sources	<u>87,500</u>	<u>88,609</u>	<u>1,109</u>
Total revenues	<u>87,500</u>	<u>88,609</u>	<u>1,109</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 87,500</u>	88,609	<u>\$ 1,109</u>
Fund balance, beginning of year		<u>1,093,709</u>	
Fund balance, end of year		<u>\$ 1,182,318</u>	

Bradley School District No. 61
 Student Activity Funds
 For the year ended June 30, 2015

	<u>Beginning of Year</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>End of Year</u>
Student Council	\$ 1,056	\$ 12,590	\$ 11,368	\$ 2,278
Donations	4,320	-	-	4,320
District office	-	7	-	7
Central Best Buddies	-	796	640	156
Charitable (nurse's) account	-	2,701	2,770	(69)
Flower Fund	372	-	291	81
East	8,949	18,916	22,454	5,411
West	6,249	27,113	25,460	7,902
Central	6,319	17,415	17,532	6,202
Central Band	977	12,185	12,521	641
Central Chorus	2,068	2,048	1,984	2,132
Yearbook	874	4,576	4,967	483
Cap and Gown	1,361	2,551	2,775	1,137
Newspaper	404	-	42	362
Student Council West	8,552	3,198	3,843	7,907
Central Cheerleading	5,043	12,318	15,355	2,006
	7,653	1,114	3,193	5,574
Total	<u>\$ 54,197</u>	<u>\$ 117,528</u>	<u>\$ 125,195</u>	<u>\$ 46,530</u>

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

	2014	2013	2012	2011	2010
Assessed valuation	<u>\$ 203,390,722</u>	<u>\$ 207,997,911</u>	<u>\$ 218,895,974</u>	<u>\$ 224,476,276</u>	<u>\$ 237,017,014</u>
Tax rates					
Educational	3.2716	3.1159	2.889	2.710	2.549
Special education	0.0238	0.0234	0.022	0.020	0.018
Operations and maintenance	0.4053	0.3978	0.354	0.336	0.304
Bond and interest	0.1217	0.1189	0.111	0.102	0.096
Transportation	0.0620	0.0608	0.091	0.090	0.107
Municipal retirement	0.1280	0.1541	0.137	0.146	0.091
Social security	0.1011	0.0888	0.091	0.087	0.082
Working cash	0.0410	0.0421	0.036	0.034	0.034
Total	<u>4.1545</u>	<u>4.0018</u>	<u>3.731</u>	<u>3.525</u>	<u>3.281</u>
Extensions					
Educational	\$ 6,654,131	\$ 6,481,007	\$ 6,323,905	\$ 6,083,307	\$ 6,041,564
Special education	48,407	48,672	48,157	44,895	42,663
Operations and maintenance	824,343	827,416	774,892	754,240	720,532
Bond and interest	247,527	247,310	242,975	228,966	227,536
Transportation	126,102	126,463	199,195	202,029	253,608
Municipal retirement	260,340	320,525	299,887	327,735	215,685
Social security	205,628	184,702	199,195	195,294	194,354
Working cash	83,390	87,567	78,803	76,322	80,586
Total	<u>\$ 8,449,868</u>	<u>\$ 8,323,660</u>	<u>\$ 8,167,009</u>	<u>\$ 7,912,789</u>	<u>\$ 7,776,528</u>
Total collected		<u>\$ 8,287,955</u>	<u>\$ 8,163,467</u>	<u>\$ 7,882,796</u>	<u>\$ 7,762,322</u>
Percentage collected		<u>99.57%</u>	<u>99.96%</u>	<u>99.62%</u>	<u>99.82%</u>

Bradley School District No. 61
Schedule of Long Term Debt

Due Year End June 30,	General Obligation School Bonds 2012A		General Obligation School Bonds 2006		Total
	Principal	Interest	Principal	Interest	
	2016	\$ 170,000	\$ 27,968	\$ -	
2017	180,000	25,553	-	49,550	255,103
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	\$ 1,355,000	\$ 120,347	\$ 1,575,000	\$ 496,425	\$ 3,546,772

Due Year End June 30,	Capital Lease Computers 2013	
	Principal	Interest
	2016	# \$ 50,413
2017	51,371	975
Total	\$ 101,784	\$ 2,908

**Bradley School District No. 61
Operating Cost and Tuition Charge
June 30, 2015**

	<u>Year ended June 30,</u>	
	<u>2015</u>	<u>2014</u>
Average Daily Attendance	1,424	1,455
Operating Costs:		
Educational	\$ 14,267,885	\$ 13,789,064
Operations and Maintenance	1,048,377	2,975,014
Debt Service	300,376	362,206
Transportation	449,431	421,493
Municipal Retirement/Social Security	541,635	532,213
Subtotal	<u>16,607,704</u>	<u>18,079,990</u>
Less revenues/expenditures of nonregular programs:		
Pre-K programs	466,420	419,525
Summer school	-	33
Capital outlay	338,272	2,205,654
Debt principal retired	214,473	267,751
Community services	201,614	221,470
Payments to other district/governmental units	1,105,493	622,273
Subtotal	<u>2,326,272</u>	<u>3,736,706</u>
Operating costs	<u>14,281,432</u>	<u>14,343,284</u>
Operating cost per pupil	<u>\$ 10,032</u>	<u>\$ 9,855</u>
Tuition charge:		
Operating costs	\$ 14,281,432	\$ 14,343,284
Less-revenues for specific programs	<u>2,590,709</u>	<u>2,954,942</u>
Net operating costs	11,690,723	11,388,342
Depreciation allowance	<u>942,536</u>	<u>937,989</u>
Allowable tuition costs	<u>\$ 12,633,259</u>	<u>\$ 12,326,331</u>
Per Capita Tuition Charge	<u>\$ 8,874</u>	<u>\$ 8,469</u>

Bradley School District No. 61
 Statements of Assets and Liabilities Arising From Cash Transactions
 All Funds and Account Groups
 June 30, 2015

	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	General Long-Term Debt
Assets.												
Cash	\$ 675,213	\$ 424,832	\$ 60,640	\$ 454,890	\$ 65,655	\$ -	\$ 410,118	\$ 1,234	\$ -	\$ 1,407,695	\$ -	\$ -
Investments	2,493,366	-	-	25,000	-	-	772,200	-	-	99,000	-	-
Property and equipment	-	-	-	-	-	-	-	-	-	-	33,393,210	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Amount available in Debt Service fund	-	-	-	-	-	-	-	-	-	-	-	60,640
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	-	-	-	-	-	2,971,144
Total assets	\$ 3,168,579	\$ 424,832	\$ 60,640	\$ 479,890	\$ 65,655	\$ -	\$ 1,182,318	\$ 1,234	\$ -	\$ 1,506,695	\$ 33,393,210	\$ 3,031,784
Liabilities												
Payroll withholdings	\$ (8,772)	\$ 1,143	\$ -	10,078	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to organizations	-	-	-	-	-	-	-	-	-	46,350	-	-
Bonds and loans payable	-	-	-	-	-	-	-	-	-	-	-	3,031,784
Total liabilities	(8,772)	1,143	-	10,078	18	-	-	-	-	46,350	-	3,031,784
Fund balances												
Investment in general fixed assets	-	-	-	-	-	-	-	-	-	-	33,393,210	-
Restricted for:												
Municipal retirement/social security	-	-	-	-	65,637	-	-	-	-	-	-	-
Debt service	-	-	60,640	-	-	-	-	-	-	-	-	-
Capital projects	-	250,000	-	-	-	-	-	-	-	-	-	-
Tort	-	-	-	-	-	-	-	1,234	-	-	-	-
Health benefits	-	-	-	-	-	-	-	-	-	1,460,345	-	-
Committed for:												
Working cash	-	-	-	-	-	-	1,182,318	-	-	-	-	-
Assigned:												
Operations and maintenance	-	173,689	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	469,812	-	-	-	-	-	-	-	-
Unassigned	3,177,351	-	-	-	-	-	-	-	-	-	-	-
Total fund balance	3,177,351	423,689	60,640	469,812	65,637	-	1,182,318	1,234	-	1,460,345	33,393,210	-
Total liabilities and fund balance	\$ 3,168,579	\$ 424,832	\$ 60,640	\$ 479,890	\$ 65,655	\$ -	\$ 1,182,318	\$ 1,234	\$ -	\$ 1,506,695	\$ 33,393,210	\$ 3,031,784

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, 2015

	Educational	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety
Revenues:									
Local sources	\$ 7,050,486	\$ 824,924	\$ 246,267	\$ 126,031	\$ 546,113	\$ -	\$ 88,609	\$ -	\$ -
State sources	5,413,345	171,650	-	175,879	-	-	-	-	-
Federal sources	1,478,370	-	-	-	-	-	-	-	-
Total direct revenues	13,942,201	996,574	246,267	301,910	546,113	-	88,609	-	-
Revenues for "on behalf" payments	3,811,097	-	-	-	-	-	-	-	-
Total revenues	17,753,298	996,574	246,267	301,910	546,113	-	88,609	-	-
Expenditures									
Instruction	8,927,057	-	-	-	241,273	-	-	-	-
Supporting services	4,038,491	1,048,377	-	449,431	295,592	-	-	-	-
Community services	196,844	-	-	-	4,770	-	-	-	-
Payments to other districts and governmental units	1,105,493	-	-	-	-	-	-	-	-
Debt services	-	-	300,376	-	-	-	-	-	-
Total direct expenditures	14,267,885	1,048,377	300,376	449,431	541,635	-	-	-	-
Expenditures for "on behalf" payments	3,811,097	-	-	-	-	-	-	-	-
Total expenditures	18,078,982	1,048,377	300,376	449,431	541,635	-	-	-	-
Excess (deficiency) of revenues over expenditures	(325,684)	(51,803)	(54,109)	(147,521)	4,478	-	88,609	-	-
Other financing sources (uses)									
Revenues pledged for capital lease payments	(52,347)	-	52,347	-	-	-	-	-	-
Total other financing sources (uses)	(52,347)	-	52,347	-	-	-	-	-	-
Excess (deficiency) of revenues received and other financing sources (uses) over expenditures disbursed	(378,031)	(51,803)	(1,762)	(147,521)	4,478	-	88,609	-	-
Fund balance - beginning of year	3,555,382	475,492	62,402	617,333	61,159	-	1,093,709	1,234	-
Fund balance - end of year	\$ 3,177,351	\$ 423,689	\$ 60,640	\$ 469,812	\$ 65,637	\$ -	\$ 1,182,318	\$ 1,234	\$ -

Bradley School District No. 61
Statement of Revenues Received - All Funds
For the year ended June 30, 2015

	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	\$ 6,453,208	\$ 823,864	\$ 246,252	\$ 125,919	\$ 319,153	\$ -	\$ 87,189	\$ -	\$ -
Special education levy	48,460	-	-	-	-	-	-	-	-
Social security/medicare only levy	-	-	-	-	183,910	-	-	-	-
Total ad valorem taxes levied by LEA	6,501,668	823,864	246,252	125,919	503,063	-	87,189	-	-
Payments in lieu of taxes									
Corporate personal property replacement taxes	384,127	-	-	-	43,000	-	-	-	-
Total payments in lieu of taxes	384,127	-	-	-	43,000	-	-	-	-
Tuition									
Special Ed - tuition from other districts	2,434	-	-	-	-	-	-	-	-
Total tuition	2,434	-	-	-	-	-	-	-	-
Earnings on investments									
Interest on investments	11,109	110	15	112	50	-	1,420	-	-
Total earnings on investments	11,109	110	15	112	50	-	1,420	-	-
Food service									
Sales to pupils - lunch	54,804	-	-	-	-	-	-	-	-
Sales to pupils - breakfast	6,870	-	-	-	-	-	-	-	-
Sales to pupils - a la carte	36,892	-	-	-	-	-	-	-	-
Sales to adults	1,151	-	-	-	-	-	-	-	-
Total food service	99,717	-	-	-	-	-	-	-	-
Pupil activities									
Admissions - athletic	3,306	-	-	-	-	-	-	-	-
Other pupil activity revenue	190	-	-	-	-	-	-	-	-
Total pupil activities	3,496	-	-	-	-	-	-	-	-
Textbooks									
Rentals - regular textbooks	32,801	-	-	-	-	-	-	-	-
Total textbooks	32,801	-	-	-	-	-	-	-	-
Other revenue from local sources									
Rentals	-	950	-	-	-	-	-	-	-
Contributions	1,000	-	-	-	-	-	-	-	-
Impact fees from municipal governments	5,363	-	-	-	-	-	-	-	-
Refund of prior year's expenditures	6,645	-	-	-	-	-	-	-	-
Other	2,126	-	-	-	-	-	-	-	-
Total other revenue from local sources	15,134	950	-	-	-	-	-	-	-
Total revenues from local sources	7,050,486	824,924	246,267	126,031	546,113	-	88,609	-	-
Revenues from state sources									
General state aid- Sec 18-8.05	4,043,519	150,000	-	-	-	-	-	-	-
Total unrestricted grants-in-aid	4,043,519	150,000	-	-	-	-	-	-	-
Restricted grants-in-aid									
Special education									
Special education - private facility tuition	202,169	-	-	-	-	-	-	-	-
Special education - extraordinary	157,059	-	-	-	-	-	-	-	-
Special education - personnel	296,114	-	-	-	-	-	-	-	-
Special education - orphanage - individual	9,823	-	-	-	-	-	-	-	-
Special education - summer school	8,040	-	-	-	-	-	-	-	-
Total special education	673,205	-	-	-	-	-	-	-	-

Bradley School District No. 61
 Statement of Revenues Received - All Funds
 For the year ended June 30, 2015

	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	27,775	-	-	-	-	-	-	-	-
Total bilingual education	27,775	-	-	-	-	-	-	-	-
State free lunch & breakfast	6,101	-	-	-	-	-	-	-	-
Transportation									
Transportation - regular/vocational	-	-	-	69,976	-	-	-	-	-
Transportation - special education	-	-	-	95,903	-	-	-	-	-
Total transportation	-	-	-	165,879	-	-	-	-	-
Early childhood - block grant	566,584	-	-	10,000	-	-	-	-	-
Other restricted revenue from state sources	96,161	21,650	-	-	-	-	-	-	-
Total restricted grants-in-aid	1,369,826	21,650	-	175,879	-	-	-	-	-
Total revenues from state sources	5,413,345	171,650	-	175,879	-	-	-	-	-
Revenues from federal sources									
Restricted grants-in-aid received from the federal government through the state									
Food service									
National school lunch program	384,828	-	-	-	-	-	-	-	-
School breakfast program	103,518	-	-	-	-	-	-	-	-
Food service - other	9,400	-	-	-	-	-	-	-	-
Total food service	497,746	-	-	-	-	-	-	-	-
Title I									
Title I - Low income	417,087	-	-	-	-	-	-	-	-
Total Title I	417,087	-	-	-	-	-	-	-	-
Federal special education									
Fed - spec education - preschool flow-through	15,396	-	-	-	-	-	-	-	-
Fed - spec education - IDEA - flow through/low incidence	274,536	-	-	-	-	-	-	-	-
Total federal - special education	289,932	-	-	-	-	-	-	-	-
Title III - English language acquisition	15,081	-	-	-	-	-	-	-	-
Title II - Teacher quality	85,380	-	-	-	-	-	-	-	-
Medicaid matching funds - administrative outreach	56,181	-	-	-	-	-	-	-	-
Medicaid matching funds - fees-for-service program	116,963	-	-	-	-	-	-	-	-
Total restricted grants-in-aid received from the federal government through thru the state	1,478,370	-	-	-	-	-	-	-	-
Total revenues from federal sources	1,478,370	-	-	-	-	-	-	-	-
Total direct revenues	\$ 13,942,201	\$ 996,574	\$ 246,267	\$ 301,910	\$ 546,113	\$ -	\$ 88,609	\$ -	\$ -

Bradley School District No. 61
 Statement of Expenditures Disbursed, Budget to Actual - All Funds
 For the year ended June 30, 2015

	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-capitalized Equipment	Termination Benefits	Total	Budget
Educational Fund										
Instruction										
Regular programs	\$ 4,480,719	\$ 774,215	\$ 71,436	\$ 225,896	\$ 12,803	\$ -	\$ -	\$ -	\$ 5,565,069	\$ 5,880,330
Pre-K programs	336,246	89,598	450	5,808	-	-	-	-	432,102	460,650
Special education programs	1,591,982	384,933	-	17,945	4,139	42	-	-	1,999,041	2,020,050
Special education programs-Pre K	9,621	617	-	-	-	-	-	-	10,238	19,300
Remedial and supplemental K-12 programs	172,398	57,626	20,637	92,517	67,680	-	-	-	410,858	306,350
CTE programs	-	-	-	740	-	-	-	-	740	200
Interscholastic programs	123,695	-	10,036	5,825	4,925	7,915	-	-	152,396	170,900
Gifted programs	68,399	13,388	-	93	-	7,930	-	-	89,810	92,900
Bilingual programs	210,465	55,892	-	446	-	-	-	-	266,803	290,300
Total instruction	6,993,525	1,376,269	102,559	349,270	89,547	15,887	-	-	8,927,057	9,240,980
Support services										
Support services - pupils										
Attendance & social work services	190,558	40,154	-	-	-	4,344	-	-	235,056	249,800
Health services	164,005	39,512	2,100	2,639	-	775	-	-	209,031	211,100
Psychological services	124,753	13,636	360	-	-	-	-	-	138,749	139,560
Speech pathology & audiology services	182,499	33,724	105,073	-	-	-	-	-	321,296	313,810
Total support services - pupils	661,815	127,026	107,533	2,639	-	5,119	-	-	904,132	914,270
Support services - instructional staff										
Improvement of instruction services	144,068	23,910	101,430	19,270	-	1,974	-	-	290,652	294,450
Educational media services	191,207	36,638	1,440	15,984	-	4,219	-	-	249,488	263,100
Assessment and testing	-	-	12,339	6,000	-	-	-	-	18,339	27,500
Total support services - instructional staff	335,275	60,548	115,209	41,254	-	6,193	-	-	558,479	585,050
Support services - general administration										
Board of education services	6,822	116,308	165,150	1,796	-	41,128	-	-	331,204	404,570
Executive administration services	207,308	56,067	48,014	4,266	-	13,896	-	-	329,551	312,350
Service area administrative services	88,342	9,711	-	-	-	-	-	-	98,053	103,000
Tort immunity services	-	-	34,483	-	-	-	-	-	34,483	50,600
Total support services - general administration	302,472	182,086	247,647	6,062	-	55,024	-	-	793,291	870,520
Support services - school administration										
Office of the principal services	546,643	125,833	61,337	12,151	4,068	5,524	-	-	755,556	819,100
Total support services - school administration	546,643	125,833	61,337	12,151	4,068	5,524	-	-	755,556	819,100
Support services - business										
Direction of business support	102,138	13,653	1,464	163	-	1,194	-	-	118,612	124,000
Fiscal services	41,200	28,558	12,162	410	-	2,162	-	-	84,492	92,600
Operation & maintenance of plant services	-	-	28,089	155,545	-	-	-	-	183,634	236,200
Food services	226,996	36,767	21,371	249,383	7,326	5,628	-	-	547,471	580,750
Total support services - business	370,334	78,978	63,086	405,501	7,326	8,984	-	-	934,209	1,033,550
Support services - central										
Direction of central support services	-	-	-	-	-	-	-	-	-	6,000
Planning, research, development, evaluation services	-	-	-	6,000	-	-	-	-	6,000	-
Information services	-	-	-	1,710	-	-	-	-	1,710	1,900
Data processing services	-	-	-	41,960	43,154	-	-	-	85,114	88,000
Total support services - central	-	-	-	49,670	43,154	-	-	-	92,824	95,900
Total support services	2,216,539	574,471	594,812	517,277	54,548	80,844	-	-	4,038,491	4,318,390
Community services	168,181	16,694	5,540	6,429	-	-	-	-	196,844	190,080
Payments to other government units (in-state) tuition										
Payments for special education programs-tuition	-	-	-	-	-	1,104,193	-	-	1,104,193	658,350
Other payments to in-state government units	-	-	1,300	-	-	-	-	-	1,300	-
Total payments to other govt units (in-state) tuition	-	-	1,300	-	-	1,104,193	-	-	1,105,493	658,350
Provisions for contingencies										
Total direct expenditures	9,378,245	1,967,434	704,211	872,976	144,095	1,200,924	-	-	14,267,885	14,407,800
Excess (deficiency) of revenues over expenditures									(325,684)	

Bradley School District No. 61
Statement of Expenditures Disbursed, Budget to Actual - All Funds
For the year ended June 30, 2015

	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	-	-	6,227	10,300	181,403	-	-	-	197,930	329,000
Operation & maintenance of plant services	406,683	73,950	291,897	65,143	12,774	-	-	-	850,447	879,750
Total support services - business	406,683	73,950	298,124	75,443	194,177	-	-	-	1,048,377	1,208,750
Total support services	406,683	73,950	298,124	75,443	194,177	-	-	-	1,048,377	1,208,750
Provisions for contingencies										-
Total direct expenditures	406,683	73,950	298,124	75,443	194,177	-	-	-	1,048,377	1,208,750
Excess (deficiency) of revenues over expenditures									<u>(51,803)</u>	
Debt Service Fund										
Debt services										
Debt services - interest	-	-	-	-	-	85,047	-	-	85,047	85,047
Debt service - principal retired	-	-	-	-	-	214,473	-	-	214,473	214,473
Debt service - other	-	-	-	-	-	856	-	-	856	1,200
Total debt services	-	-	-	-	-	300,376	-	-	300,376	300,720
Provisions for contingencies										-
Total direct expenditures	-	-	-	-	-	300,376	-	-	300,376	300,720
Excess (deficiency) of revenues over expenditures									<u>\$ (54,109)</u>	
Transportation Fund										
Support services										
Support services - business										
Pupil transportation services	292,809	56,184	44,444	55,530	-	464	-	-	449,431	425,200
Total support services - business	292,809	56,184	44,444	55,530	-	464	-	-	449,431	425,200
Total support services	292,809	56,184	44,444	55,530	-	464	-	-	449,431	425,200
Provisions for contingencies										-
Total direct expenditures	292,809	56,184	44,444	55,530	-	464	-	-	449,431	425,200
Excess (deficiency) of revenues over expenditures									<u>\$ (147,521)</u>	

Bradley School District No. 61
 Statement of Expenditures Disbursed, Budget to Actual - All Funds
 For the year ended June 30, 2015

	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	-	63,557	-	-	-	-	-	-	63,557	63,520
Pre-K programs	-	22,295	-	-	-	-	-	-	22,295	24,500
Special education programs	-	118,876	-	-	-	-	-	-	118,876	127,782
Special education programs-Pre K	-	1,785	-	-	-	-	-	-	1,785	2,050
Remedial and supplemental programs	-	13,738	-	-	-	-	-	-	13,738	11,450
Interscholastic programs	-	3,257	-	-	-	-	-	-	3,257	5,100
Gifted programs	-	973	-	-	-	-	-	-	973	1,000
Bilingual programs	-	16,792	-	-	-	-	-	-	16,792	17,150
Total instruction	-	241,273	-	-	-	-	-	-	241,273	252,552
Support services										
Support services - pupils										
Attendance & social work services	-	4,728	-	-	-	-	-	-	4,728	5,630
Health services	-	31,434	-	-	-	-	-	-	31,434	22,200
Psychological services	-	1,755	-	-	-	-	-	-	1,755	1,310
Speech pathology & audiology services	-	2,580	-	-	-	-	-	-	2,580	2,550
Total support services - pupils	-	40,497	-	-	-	-	-	-	40,497	31,690
Support services - instructional staff										
Improvement of instruction services	-	2,391	-	-	-	-	-	-	2,391	3,050
Educational media services	-	36,206	-	-	-	-	-	-	36,206	34,915
Total support services - instructional staff	-	38,597	-	-	-	-	-	-	38,597	37,965
Support services - general administration										
Board of education services	-	598	-	-	-	-	-	-	598	210
Executive administration services	-	10,639	-	-	-	-	-	-	10,639	10,600
Service area administrative services	-	1,270	-	-	-	-	-	-	1,270	1,250
Total support services - general administration	-	12,507	-	-	-	-	-	-	12,507	12,060
Support services - school administration										
Office of the principal services	-	42,956	-	-	-	-	-	-	42,956	53,000
Total support services - school administration	-	42,956	-	-	-	-	-	-	42,956	53,000
Support services - business										
Direction of business support services	-	1,453	-	-	-	-	-	-	1,453	1,450
Fiscal services	-	7,961	-	-	-	-	-	-	7,961	8,100
Operation & maintenance of plant services	-	69,518	-	-	-	-	-	-	69,518	78,900
Pupil transportation services	-	46,377	-	-	-	-	-	-	46,377	47,950
Food services	-	35,726	-	-	-	-	-	-	35,726	34,500
Total support services - business	-	161,035	-	-	-	-	-	-	161,035	170,900
Total support services	-	295,592	-	-	-	-	-	-	295,592	305,615
Community services	-	4,770	-	-	-	-	-	-	4,770	4,820
Provisions for contingencies	-	-	-	-	-	-	-	-	-	-
Total direct expenditures	-	541,635	-	-	-	-	-	-	541,635	562,987
Excess (deficiency) of revenues over expenditures									<u>\$ 4,478</u>	

Bradley School District No. 61
Statement of Expenditures Disbursed, Budget to Actual - All Funds
For the year ended June 30, 2015

	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									\$ -	

Bradley School District 61
32-046-0610-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2015

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements ⁴		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/13-6/30/14 (C)	Year 7/1/14-6/30/15 (D)	Year 7/1/13-6/30/14 (E)	Year 7/1/14-6/30/15 (F)			
US Department of Education-pass-through from Illinois State Board of Education									
Title I - Low Income (M)	84.010	2014-4300	151,309	155,627	300,685	6,251	n/a	306,936	362,478
Title I - Low Income (M)	84.010	2015-4300		261,460		386,234	n/a	n/a	
<i>Total 84.010</i>			<i>151,309</i>	<i>417,087</i>	<i>300,685</i>	<i>392,485</i>			
Title II - Teacher Quality	84.367	2014-4932	30,730	25,378	51,218	4,890	n/a	56,108	62,939
Title II - Teacher Quality	84.367	2015-4932		60,002		60,002	n/a	n/a	60,002
<i>Total 84.367</i>			<i>30,730</i>	<i>85,380</i>	<i>51,218</i>	<i>64,892</i>			
Title III - Lang Inst Prog-Limited Eng-LIPLEP	84.365	2014-4909	10,551	4,521	15,072		n/a	15,072	15,072
Title III - Lang Inst Prog-Limited Eng-LIPLEP	84.365	2015-4909		10,560		10,560	n/a	n/a	13,912
<i>Total 84.365</i>			<i>10,551</i>	<i>15,081</i>	<i>15,072</i>	<i>10,560</i>			
<i>Total US Department of Education-pass-through from Illinois State Board of Education</i>			<i>192,590</i>	<i>517,548</i>	<i>366,975</i>	<i>467,937</i>			

• (M) Program was audited as a major program as defined by OMB Circular A-133.

The accompanying notes are an integral part of this schedule.

- ¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.
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Bradley School District 61
32-046-0610-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2015

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements ⁴		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/13-6/30/14 (C)	Year 7/1/14-6/30/15 (D)	Year 7/1/13-6/30/14 (E)	Year 7/1/14-6/30/15 (F)			
US Department of Education-pass-through from Kankakee Area Special Education Co-op									
Special Education Preschool Flowthrough (M)	84.173	2014-4600	9,539	5,657	15,196		n/a	n/a	n/a
Special Education Preschool Flowthrough (M)	84.173	2015-4600		9,739		13,418	n/a	n/a	n/a
Special Education IDEA Flowthrough (M)	84.027	2014-4620	207,869	76,909	284,778		n/a	n/a	n/a
Special Education IDEA Flowthrough (M)	84.027	2015-4620		197,627		267,655	n/a	n/a	n/a
<i>Total Special Education Cluster-IDEA</i>			<i>217,408</i>	<i>289,932</i>	<i>299,974</i>	<i>281,073</i>	n/a	n/a	n/a
Total US Department of Education-pass-through from Kankakee Area Special Education Co-op			217,408	289,932	299,974	281,073			
<i>Total US Department of Education</i>			<i>409,998</i>	<i>807,480</i>	<i>666,949</i>	<i>749,010</i>			
US Department of Health and Human Services-pass-through from Illinois Healthcare and Family Services									
Medical Assistance Program	93.778	2015		58,522		58,522	n/a	n/a	n/a
<i>Total US Department of Health and Human Services</i>				<i>58,522</i>		<i>58,522</i>			

• (M) Program was audited as a major program as defined by OMB Circular A-133.

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Bradley School District 61
32-046-0610-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2015

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements ⁴		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/13-6/30/14 (C)	Year 7/1/14-6/30/15 (D)	Year 7/1/13-6/30/14 (E)	Year 7/1/14-6/30/15 (F)			
US Department of Defense-pass-through from Illinois State Board of Education									
Commodities (non-cash)	10.555	2015		11,506		11,506	n/a	n/a	n/a
Total US Department of Defense			<u>0</u>	<u>11,506</u>	<u>0</u>	<u>11,506</u>			
US Department of Agriculture-pass-through from Illinois State Board of Education									
National School Lunch	10.555	2014-4210	291,850	75,654	291,850	75,654	n/a	n/a	n/a
National School Lunch	10.555	2015-4210		309,174		309,174	n/a	n/a	n/a
School Breakfast	10.555	2014-4220	75,378	20,844	75,378	20,844	n/a	n/a	n/a
School Breakfast	10.555	2015-4220		82,674		82,674	n/a	n/a	n/a
Commodities (non-cash)	10.555	2015		40,641		40,641	n/a	n/a	n/a
Commodities (non-cash)	10.555	2014	37,396		37,396		n/a	n/a	n/a
			<u>404,624</u>	<u>528,987</u>	<u>404,624</u>	<u>528,987</u>			
Total-Child Nutrition Cluster			<u>404,624</u>	<u>540,493</u>	<u>404,624</u>	<u>540,493</u>			
NSLP Equipment Assistance (M)	10.579	2015-4260		9,400		9,400	n/a	n/a	n/a
Total US Department of Agriculture-pass-through from Illinois State Board of Education			<u>404,624</u>	<u>538,387</u>	<u>404,624</u>	<u>538,387</u>			
Total Federal Awards			<u>814,622</u>	<u>1,415,895</u>	<u>1,071,573</u>	<u>1,357,425</u>			

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Bradley School District 61
32-046-0610-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2015

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements ⁴		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
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US Department of Education-pass-through from Illinois State Board of Education									
Title I - Low Income (M)	84.010	2014-4300	151,309	155,627	300,685	6,251	n/a	306,936	362,478
Title I - Low Income (M)	84.010	2015-4300		261,460		386,234	n/a	n/a	502,641
<i>Total 84.010</i>			151,309	417,087	300,685	392,485			
Title II - Teacher Quality	84.367	2014-4932	30,730	25,378	51,218	4,890	n/a	56,108	62,939
Title II - Teacher Quality	84.367	2015-4932		60,002		60,002	n/a	n/a	60,002
<i>Total 84.367</i>			30,730	85,380	51,218	64,892			
Title III - Lang Inst Prog-Limited Eng-LIPLEP	84.365	2014-4909	10,551	4,521	15,072		n/a	15,072	15,072
Title III - Lang Inst Prog-Limited Eng-LIPLEP	84.365	2015-4909		10,560		10,560	n/a	n/a	13,912
<i>Total 84.365</i>			10,551	15,081	15,072	10,560			
<i>Total US Department of Education-pass-through from Illinois State Board of Education</i>			192,590	517,548	366,975	467,937			

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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, 2015

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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-

**Bradley School District No. 61
Schedule of Findings and Questioned Costs
As of and for the year ended June 30, 2015**

**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

Current Year Findings: None

Bradley School District No. 61
Summary Schedule of Prior Year Endings
As of and for the year ended June 30, 2015

Summary Schedule of Prior Year Findings

Prior Year Findings:

Finding Number: 2014-001

Condition: Bank reconciliation as of June 30, 2014 did not agree to the accounting records.

Current status: The District has provided additional training to the bookkeeper in order for the bank reconciliation process to function correctly.

Bradley School District No. 61
Corrective Action Plan for the Current Year Audit Findings
As of and for the year ended June 30, 2015

Corrective Action Plan

Finding No.: NA