

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

GENERAL PURPOSE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2018

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

TABLE OF CONTENTS

Independent Auditors' Report	<u>Page</u> 1-3
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	4-5
Basic Financial Statements	
Statement of Assets and Liabilities Arising from Cash Transactions/ Statement of Position	6-7
Statement of Revenues Received/Revenues, Expenditures Disbursed/ Expenditures, Other Sources (Uses) and Changes in Fund Balances (All Funds)	8-9
Statements of Revenues Received/Revenues (All Funds)	10-15
Statements of Expenditures Disbursed/Expenditures Budget to Actual (All Funds)	16-23
Notes to Financial Statements	24-47
Supplementary Schedules	
IMRF - Schedule of Changes in the Net Pension Liability and Related Ratios	48
IMRF - Schedule of Employer Contributions	49
TRS - Schedule of Employer's Proportion Share of Net Pension Liability	50
Student Activity Funds	51-52
Schedule of Ad Valorem Tax Receipts	53
Schedule of Short-Term Debt/Long-Term Debt	54
Schedule of Restricted Local Tax Levies and Selected Revenue Sources/Schedule of Tort Immunity Expenditures	55
Statistical Section	
Schedule of Capital Outlay and Depreciation	56
Estimated Operating Expenditures Per Pupil and Per Capita Tuition Charge Computation	57-58
Financial Profile Information	59
Estimated Financial Profile Summary	60
Current Year Payment on Contracts for Indirect Cost Rate Computation	61
Estimated Indirect Cost Rate for Federal Programs (Section I, Section II)	62
Administrative Cost Worksheet	63
Auditor's Questionnaire	64-65
Report on Shared Services or Outsourcing	66
Itemization Schedule	67

J. Timothy Cravens, C.P.A.
Todd J. Anderson, C.P.A.
Dorinda L. Fitzgerald, C.P.A.
Jamie L. Nichols, C.P.A.

Pehlman & Dold, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Joseph E. Pehlman, C.P.A. (1941-1984)
Joseph B. Dold, C.P.A. (1953-2005)
Robert E. Ritter, C.P.A., Retired

100 North Amos Avenue
Springfield, IL 62702
217-787-0563
FAX 217-787-9266

July 10, 2018

To the President and Board of Education
Pawnee Community Unit School District No. 11
Pawnee, Illinois

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying cash basis financial statements of Pawnee Community Unit School District No. 11, Pawnee, Illinois, which comprise the statement of assets and liabilities arising from cash transactions, of each fund as of June 30, 2018, and the related statement of revenues received, expenditures disbursed, other sources (uses) and changes in fund balance, statement of revenues received, and statement of expenditures disbursed - budget to actual, for each fund, for the year then ended, and the related notes to the 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 financial reporting provisions of the Illinois State Board of Education. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to 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.

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

As described in Note 1, the financial statements are prepared by Pawnee Community Unit School District No. 11, Pawnee, Illinois, on the basis of financial reporting provisions of the Illinois State Board of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Illinois State Board of Education.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Pawnee Community Unit School District No. 11, Pawnee, Illinois, as of June 30, 2018, the changes in its financial position, or, where applicable, its cash flows for the year then ended.

Basis for Qualified Opinion

The District does not maintain a formal record system for the general fixed asset account group as shown on the statement of assets and liabilities arising from cash transactions. Capital assets of the District, as of July 1, 1966, were calculated by School District officials in accordance with guidelines promulgated by the Illinois State Board of Education. These valuations have been adjusted for transactions since July 1, 1966, and have been recorded in the fixed asset group of accounts. We did not attempt to establish these values.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects, if any, of the valuation of fixed assets as noted in the preceding paragraphs, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets and liabilities arising from cash transactions of each fund of Pawnee Community Unit School District No. 11, Pawnee, Illinois, as of June 30, 2018, and their respective cash receipts and disbursements, and budgetary results for the year then ended, on the basis of the financial reporting provisions of the Illinois State Board of Education as described in Note 1.

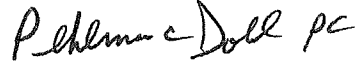
Other Matters

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary schedules on pages 48 through 55, statistical section on pages 56 through 60, the information provided on pages 61 through 63, and the itemization schedule on page 67, are presented for the purposes of additional analysis and are not a required part of the financial statements of Pawnee Community Unit School District No. 11, Pawnee, Illinois. Such information, except for the average daily attendance figure, included in the computation of operating expense per pupil on page 57 and per capita tuition charges on page 58, the supplementary information relative to the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois and Illinois Municipal Retirement Fund on pages 40 through 50, is the responsibility of management and has been derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole. The information on pages 57 through 58, and pages 61 through 62, is propagated from information in the audited financial statements, but we take no responsibility for the accuracy of those calculations. The Report on Shared Services or Outsourcing on page 66 contains unaudited information concerning prior, current, and future year expenditures which was provided by the District. The Administrative Cost Worksheet on page 63 contains unaudited information concerning the current year budget which was provided by the District. The actual expenditure information on this page is fairly stated in all material respects in relation to the financial statements taken as a whole. The average daily attendance figure, included in the computation of operating expense per pupil on page 57 and per capita tuition charges on page 58, and the supplementary information relative to the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois and Illinois Municipal Retirement Fund on pages 48 through 50, have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 10, 2018, on our consideration of Pawnee Community Unit School District No. 11, Pawnee, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pawnee Community Unit School District No. 11, Pawnee, Illinois' internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink that reads "Peelman & Dold PC". The signature is written in a cursive, flowing style.

PEHLMAN & DOLD, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
SPRINGFIELD, ILLINOIS

Pehlman & Dold, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Joseph E. Pehlman, C.P.A. (1941-1984)
Joseph B. Dold, C.P.A. (1953-2005)
Robert E. Ritter, C.P.A., Retired

100 North Amos Avenue
Springfield, IL 62702
217-787-0563
FAX 217-787-9266

July 10, 2018

To the President and Board of Education
Pawnee Community Unit School District No. 11
Pawnee, Illinois 62558

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

We have audited, in accordance with the 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 cash basis financial statements of Pawnee Community Unit School District No. 11, Pawnee, Illinois as of and for the year ended June 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated July 10, 2018, which was adverse because financial statements are not prepared in accordance with accounting principles generally accepted in the United States of America. However, the financial statements were found to be fairly stated on the cash basis of accounting, in accordance with regulatory reporting requirements established by the Illinois State Board of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As described more fully in Note #1, Pawnee Community Unit School District No. 11 has prepared the aforementioned financial statements using accounting practices prescribed by the Illinois State Board of Education, which differ from accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Pawnee Community Unit School District No. 11, Pawnee, Illinois' 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 Pawnee Community Unit School District No. 11, Pawnee, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of Pawnee Community Unit School District No. 11, Pawnee, Illinois' 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. 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.

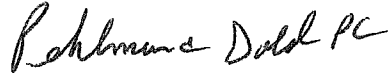
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pawnee Community Unit School District No. 11, Pawnee, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Pehlman & Dold PC", written in a cursive style.

PEHLMAN & DOLD, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
SPRINGFIELD, ILLINOIS

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

ASSETS (Enter Whole Dollars)		Acct. #	{10}	{20}	{30}	{40}	{50}	{60}	{70}	{80}	{90}
CURRENT ASSETS {100}											
Cash (Accounts 111 through 115) ¹			2,800,069	756,790	82,829	251,683	140,846	14,412	15,335	120,972	261,026
Investments	120		577,490			210,000			879,671		245,100
Taxes Receivable	130										
Interfund Receivables	140										
Intergovernmental Accounts Receivable	150										
Other Receivables	160										
Inventory	170										
Prepaid Items	180										
Other Current Assets (Describe & Itemize)	190										
Total Current Assets			3,377,559	756,790	82,829	461,683	140,846	14,412	895,006	120,972	506,126
CAPITAL ASSETS {200}											
Works of Art & Historical Treasures	210										
Land	220										
Building & Building Improvements	230										
Site Improvements & Infrastructure	240										
Capitalized Equipment	250										
Construction in Progress	260										
Amount Available in Debt Service Funds	340										
Amount to be Provided for Payment on Long-Term Debt	350										
Total Capital Assets											
CURRENT LIABILITIES {400}											
Interfund Payables	410										
Intergovernmental Accounts Payable	420										
Other Payables	430										
Contracts Payable	440										
Loans Payable	460										
Salaries & Benefits Payable	470										
Payroll Deductions & Withholdings	480		4,525								
Deferred Revenues & Other Current Liabilities	490										
Due to Activity Fund Organizations	493										
Total Current Liabilities			4,525	0	0	0	0	0	0	0	0
LONG-TERM LIABILITIES {500}											
Long-Term Debt Payable (General Obligation, Revenue, Other)	511										
Total Long-Term Liabilities			14,521					14,412			506,126
Reserved Fund Balance	714		3,358,513	756,790	82,829	461,683	140,846		895,006	120,972	
Unreserved Fund Balance	730										
Investment in General Fixed Assets											
Total Liabilities and Fund Balance			3,377,559	756,790	82,829	461,683	140,846	14,412	895,006	120,972	506,126

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

ASSETS (Enter Whole Dollars)	Acct. #	Agency Fund	Account Groups	
			General Fixed Assets	General Long-Term Debt
CURRENT ASSETS (100)				
Cash (Accounts 111 through 115) ¹		189,247		
Investments	120	806		
Taxes Receivable	130			
Interfund Receivables	140			
Intergovernmental Accounts Receivable	150			
Other Receivables	160			
Inventory	170			
Prepaid Items	180			
Other Current Assets (Describe & Itemize)	190			
Total Current Assets		190,053		
CAPITAL ASSETS (200)				
Works of Art & Historical Treasures	210			
Land	220		68,728	
Building & Building Improvements	230		8,892,310	
Site Improvements & Infrastructure	240		726,464	
Capitalized Equipment	250		1,082,611	
Construction in Progress	260			
Amount Available in Debt Service Funds	340			82,829
Amount to be Provided for Payment on Long-Term Debt	350			767,171
Total Capital Assets			10,770,113	850,000
CURRENT LIABILITIES (400)				
Interfund Payables	410			
Intergovernmental Accounts Payable	420			
Other Payables	430			
Contracts Payable	440			
Loans Payable	460			
Salaries & Benefits Payable	470			
Payroll Deductions & Withholdings	480			
Deferred Revenues & Other Current Liabilities	490			
Due to Activity Fund Organizations	493	190,053		
Total Current Liabilities		190,053		
LONG-TERM LIABILITIES (600)				
Long-Term Debt Payable (General Obligation, Revenue, Other)	511			850,000
Total Long-Term Liabilities				850,000
Reserved Fund Balance	714			
Unreserved Fund Balance	730			
Investment in General Fixed Assets		190,053	10,770,113	850,000
Total Liabilities and Fund Balance		190,053	10,770,113	850,000

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

	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement / Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
RECEIPTS/REVENUES										
LOCAL SOURCES	1000	3,248,917	519,039	192,357	149,380	286,103	10,273	40,907	531,754	37,250
FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT	2000	127,550	0	0	0	0	0	0	0	0
STATE SOURCES	3000	807,503	0	0	27,950	0	0	0	0	0
FEDERAL SOURCES	4000	286,388	0	0	0	0	0	0	0	0
Total Direct Receipts/Revenues		4,470,358	519,039	192,357	177,330	286,103	10,273	40,907	531,754	37,250
Receipts/Revenues for "On Behalf" Payments ²	3998	3,059,063								
Total Receipts/Revenues		7,529,421	519,039	192,357	177,330	286,103	10,273	40,907	531,754	37,250
DISBURSEMENTS/EXPENDITURES										
Instruction	1000	3,180,770				111,632				
Support Services	2000	914,471	477,523		120,836	137,192	9,994		532,371	109,331
Community Services	3000	0	0	0	0	0	0		0	0
Payments to Other Districts & Governmental Units	4000	507,768	0	0	0	0	0		0	0
Debt Service	5000	0	0	198,913	0	0	0		0	0
Total Direct Disbursements/Expenditures		4,603,009	477,523	198,913	120,836	248,824	9,994		532,371	109,331
Disbursements/Expenditures for "On Behalf" Payments ²	4180	3,059,063	0	0	0	0	0		0	0
Total Disbursements/Expenditures		7,662,072	477,523	198,913	120,836	248,824	9,994		532,371	109,331
Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures ³		(132,651)	41,516	(6,556)	56,494	37,279	279	40,907	(617)	(72,081)
OTHER SOURCES/USES OF FUNDS										
OTHER SOURCES OF FUNDS (7000)										
PERMANENT TRANSFER FROM VARIOUS FUNDS										
Abolishment of the Working Cash Fund ¹²	7110									
Abatement of the Working Cash Fund ¹²	7110									
Transfer of Working Cash Fund Interest	7120	8,290								
Transfer Among Funds	7130									
Transfer of Interest	7140									
Transfer from Capital Project Fund to O&M Fund	7150									
Transfer of Excess Fire Prevention & Safety Tax and Interest Proceeds to O&M Fund ⁴	7160									
Transfer to Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund ⁵	7170									
SALE OF BONDS (7200)										
Principal on Bonds Sold	7210									850,000
Premium on Bonds Sold	7220									16,210
Accrued Interest on Bonds Sold	7230									
Sale or Compensation for Fixed Assets ⁶	7300									
Transfer to Debt Service to Pay Principal on Capital Leases	7400			0						
Transfer to Debt Service to Pay Interest on Capital Leases	7500			0						
Transfer to Debt Service to Pay Principal on Revenue Bonds	7600			0						
Transfer to Debt Service Fund to Pay Interest on Revenue Bonds	7700			0						
Transfer to Capital Projects Fund	7800						0			
ISBE Loan Proceeds	7900									
Other Sources Not Classified Elsewhere	7990	8,290	0	0	0	0	0	0	0	866,210
Total Other Sources of Funds										
OTHER USES OF FUNDS (8000)										

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

Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
PERMANENT TRANSFER TO VARIOUS OTHER FUNDS (\$100)										
Abolishment or Abatement of the Working Cash Fund ¹²	8110									
Transfer of Working Cash Fund Interest ¹²	8120							0		
Transfer Among Funds	8130							8,290		
Transfer of Interest	8140									
Transfer from Capital Project Fund to O&M Fund	8150						0			
Transfer of Excess Fire Prevention & Safety Tax & Interest Proceeds to O&M Fund ⁴	8160									
Transfer of Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund ⁵	8170									0
Taxes Pledged to Pay Principal on Capital Leases	8410									0
Grants/Reimbursements Pledged to Pay Principal on Capital Leases	8420									
Other Revenues Pledged to Pay Principal on Capital Leases	8430									
Fund Balance Transfers Pledged to Pay Principal on Capital Leases	8440									
Taxes Pledged to Pay Interest on Capital Leases	8510									
Grants/Reimbursements Pledged to Pay Interest on Capital Leases	8520									
Other Revenues Pledged to Pay Interest on Capital Leases	8530									
Fund Balance Transfers Pledged to Pay Interest on Capital Leases	8540									
Taxes Pledged to Pay Principal on Revenue Bonds	8610									
Grants/Reimbursements Pledged to Pay Principal on Revenue Bonds	8620									
Other Revenues Pledged to Pay Principal on Revenue Bonds	8630									
Fund Balance Transfers Pledged to Pay Principal on Revenue Bonds	8640									
Taxes Pledged to Pay Interest on Revenue Bonds	8710									
Grants/Reimbursements Pledged to Pay Interest on Revenue Bonds	8720									
Other Revenues Pledged to Pay Interest on Revenue Bonds	8730									
Fund Balance Transfers Pledged to Pay Interest on Revenue Bonds	8740									
Taxes Transferred to Pay for Capital Projects	8810									
Grants/Reimbursements Pledged to Pay for Capital Projects	8820									
Other Revenues Pledged to Pay for Capital Projects	8830									
Fund Balance Transfers Pledged to Pay for Capital Projects	8840									
Transfer to Debt Service Fund to Pay Principal on ISBE Loans	8910									
Other Uses Not Classified Elsewhere	8990									
Total Other Uses of Funds		0	0	0	0	0	0	8,290	0	0
Total Other Sources/Uses of Funds		8,290	0	0	0	0	0	(8,290)	0	866,210
Excess of Receipts/Revenues and Other Sources of Funds (Over/Under)										
Expenditures/Disbursements and Other Uses of Funds		(124,361)	41,516	(6,556)	56,494	37,279	279	32,617	(617)	794,129
Fund Balances - July 1, 2017		3,497,395	715,274	89,385	405,189	103,567	14,133	862,389	121,589	(288,003)
Other Changes in Fund Balances - Increases (Decreases) (Describe & Itemize)										
Fund Balances - June 30, 2018		3,373,034	756,790	82,829	461,683	140,846	14,412	895,006	120,972	506,136

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

Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
RECEIPTS/REVENUES FROM LOCAL SOURCES (1000)										
AD VALOREM TAXES LEVIED BY LOCAL EDUCATION AGENCY	1100									
Designated Purposes Levies (1110-1120) ⁷		1,370,806	372,415	192,145	148,966	97,064		37,241	513,821	37,241
Leasing Purposes Levy ⁸	1130	37,241								
Special Education Purposes Levy	1140	29,793								
FICA/Medicare Only Purposes Levies	1150					131,988				
Area Vocational Construction Purposes Levy	1160									
Summer School Purposes Levy	1170									
Other Tax Levies (Describe & Itemize)	1190									
Total Ad Valorem Taxes Levied By District		1,437,640	372,415	192,145	148,966	229,052	0	37,241	513,821	37,241
PAYMENTS IN LIEU OF TAXES										
2200										
Mobile Home Privilege Tax	1210									
Payments from Local Housing Authorities	1220									
Corporate Personal Property Replacement Taxes ⁹	1230	1,608,351	141,000			57,000				
Other Payments in Lieu of Taxes (Describe & Itemize)	1290									
Total Payments in Lieu of Taxes		1,608,351	141,000	0	0	57,000	0	0	0	0
TUITION	1300									
Regular - Tuition from Pupils or Parents (In State)	1311									
Regular - Tuition from Other Districts (In State)	1312									
Regular - Tuition from Other Sources (In State)	1313									
Regular - Tuition from Other Sources (Out of State)	1314									
Summer Sch - Tuition from Pupils or Parents (In State)	1321	660								
Summer Sch - Tuition from Other Districts (In State)	1322									
Summer Sch - Tuition from Other Sources (In State)	1323									
Summer Sch - Tuition from Other Sources (Out of State)	1324									
CTE - Tuition from Pupils or Parents (In State)	1331									
CTE - Tuition from Other Districts (In State)	1332									
CTE - Tuition from Other Sources (In State)	1333									
CTE - Tuition from Other Sources (Out of State)	1334									
Special Ed - Tuition from Pupils or Parents (In State)	1341									
Special Ed - Tuition from Other Districts (In State)	1342									
Special Ed - Tuition from Other Sources (In State)	1343									
Special Ed - Tuition from Other Sources (Out of State)	1344									
Adult - Tuition from Pupils or Parents (In State)	1351									
Adult - Tuition from Other Districts (In State)	1352									
Adult - Tuition from Other Sources (In State)	1353									
Adult - Tuition from Other Sources (Out of State)	1354									
Total Tuition		660								
TRANSPORTATION FEES										
1400										
Regular - Transp Fees from Pupils or Parents (In State)	1411									
Regular - Transp Fees from Other Districts (In State)	1412									
Regular - Transp Fees from Other Sources (In State)	1413									
Regular - Transp Fees from Co-curricular Activities (In State)	1415									
Regular Transp Fees from Other Sources (Out of State)	1416									
Summer Sch - Transp. Fees from Pupils or Parents (In State)	1421									
Summer Sch - Transp. Fees from Other Districts (In State)	1422									
Summer Sch - Transp. Fees from Other Sources (In State)	1423									
Summer Sch - Transp. Fees from Other Sources (Out of State)	1424									
CTE - Transp Fees from Pupils or Parents (In State)	1431									
CTE - Transp Fees from Other Districts (In State)	1432									
CTE - Transp Fees from Other Sources (In State)	1433									
CTE - Transp Fees from Other Sources (Out of State)	1434									
Special Ed - Transp Fees from Pupils or Parents (In State)	1441									
Special Ed - Transp Fees from Other Districts (In State)	1442									
Special Ed - Transp Fees from Other Sources (In State)	1443									
Special Ed - Transp Fees from Other Sources (Out of State)	1444									

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

Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
Adult - Transp Fees from Pupils or Parents (In State)	1451									
Adult - Transp Fees from Other Districts (In State)	1452									
Adult - Transp Fees from Other Sources (In State)	1453									
Adult - Transp Fees from Other Sources (Out of State)	1454									
Total Transportation Fees					0					
EARNINGS ON INVESTMENTS	1500									
Interest on Investments	1510	17,556	82	212	33	51		3,566	123	9
Gain or Loss on Sale of Investments	1520									
Total Earnings on Investments		17,556	82	212	33	51	0	3,566	123	9
FOOD SERVICE	1600									
Sales to Pupils - Lunch	1611	55,718								
Sales to Pupils - Breakfast	1612									
Sales to Pupils - A la Carte	1613	659								
Sales to Pupils - Other (Describe & Itemize)	1614	2,825								
Sales to Adults	1620	3,773								
Other Food Service (Describe & Itemize)	1690									
Total Food Service		62,475								
DISTRICT/SCHOOL ACTIVITY INCOME	1700									
Admissions - Athletic	1711	19,912								
Admissions - Other (Describe & Itemize)	1719									
Fees	1720	15,856								
Book Store Sales	1730									
Other District/School Activity Revenue (Describe & Itemize)	1790	2,122								
Total District/School Activity Income		37,890	0							
TEXTBOOK INCOME	1800									
Rentals - Regular Textbooks	1811	54,457								
Rentals - Summer School Textbooks	1812									
Rentals - Adult/Continuing Education Textbooks	1813									
Rentals - Other (Describe & Itemize)	1819									
Sales - Regular Textbooks	1821									
Sales - Summer School Textbooks	1822									
Sales - Adult/Continuing Education Textbooks	1823									
Sales - Other (Describe & Itemize)	1829									
Other (Describe & Itemize)	1890									
Total Textbook Income		54,457								
OTHER REVENUE FROM LOCAL SOURCES	1900									
Rentals	1910		1,170							
Contributions and Donations from Private Sources	1920	590	4,000							
Impact Fees from Municipal or County Governments	1930									
Services Provided Other Districts	1940									
Refund of Prior Years' Expenditures	1950									
Payments of Surplus Moneys from TIF Districts	1960									
Drivers' Education Fees	1970	2,850								
Proceeds from Vendors' Contracts	1980									
School Facility Occupation Tax Proceeds	1983									
Payment from Other Districts	1991	13,442								
Sale of Vocational Projects	1992									
Other Local Fees (Describe & Itemize)	1993	11,663								
Other Local Revenues (Describe & Itemize)	1999	1,543	372							
Total Other Revenue from Local Sources		30,088	5,542	0		0		0	17,810	0
Total Receipts/Revenues from Local Sources	1000	3,248,917	519,039	192,357	149,380	286,103	10,273	40,907	531,754	37,250
FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT (2000)										
Flow-through Revenue from State Sources	2100	12,577								
Flow-through Revenue from Federal Sources	2200	114,973								
Other Flow-Through (Describe & Itemize)	2300									

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

Description (Enter Whole Dollars)	Act #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
Total Flow-Through Receipts/Revenues from One District to Another District	2000	127,550	0	0	0	0	0	0	0	0
RECEIPTS/REVENUES FROM STATE SOURCES (3000)										
UNRESTRICTED GRANTS-IN-AID (3001-3099)										
Evidence Based Funding Formula (Section 18-8.15)	3001	454,143								
General State Aid - Hold Harmless/Supplemental	3002									
Reorganization Incentives (Accounts 3005-3021)	3005									
Other Unrestricted Grants-In-Aid from State Sources (Describe & Itemize)	3099									
Total Unrestricted Grants-In-Aid		454,143	0	0	0	0	0	0	0	0
RESTRICTED GRANTS-IN-AID (3100 - 3900)										
SPECIAL EDUCATION										
Special Education - Private Facility Tuition	3100									
Special Education - Funding for Children Requiring Sp Ed Services	3105	39,378								
Special Education - Personnel	3110	14,917								
Special Education - Orphanage - Individual	3120	75,807								
Special Education - Orphanage - Summer Individual	3130									
Special Education - Summer School	3145	307								
Special Education - Other (Describe & Itemize)	3199									
Total Special Education		130,409	0	0	0	0	0	0	0	0
CAREER AND TECHNICAL EDUCATION (CTE)										
CTE - Technical Education - Tech Prep	3200									
CTE - Secondary Program Improvement (CTEI)	3220									
CTE - WCECP	3225									
CTE - Agriculture Education	3235	2,740								
CTE - Instructor Practicum	3240									
CTE - Student Organizations	3270									
CTE - Other (Describe & Itemize)	3299									
Total Career and Technical Education		2,740	0	0	0	0	0	0	0	0
BILINGUAL EDUCATION										
Bilingual Ed - Downstate - TPI and TBE	3305									
Bilingual Education Downstate - Transitional Bilingual Education	3310									
Total Bilingual Ed		0	0	0	0	0	0	0	0	0

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

Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
State Free Lunch & Breakfast	3360	1,444								
School Breakfast Initiative	3365									
Driver Education	3370	7,211								
Adult Ed (from ICCB)	3410									
Adult Ed - Other (Describe & Itemize)	3499									
TRANSPORTATION										
Transportation - Regular and Vocational	3500									
Transportation - Special Education	3510									
Transportation - Other (Describe & Itemize)	3599									
Total Transportation			0							
Learning Improvement - Change Grants	3610				27,950	0				
Scientific Literacy	3660									
Tenant Alternative/Optional Education	3695									
Early Childhood - Block Grant	3705	210,056								
Reading Improvement Block Grant	3715									
Reading Improvement Block Grant - Reading Recovery	3720									
Continued Reading Improvement Block Grant	3725									
Continued Reading Improvement Block Grant (2% Set Aside)	3726									
Chicago General Education Block Grant	3766									
Chicago Educational Services Block Grant	3767									
School Safety & Educational Improvement Block Grant	3775									
Technology - Technology for Success	3780									
State Charter Schools	3815									
Extended Learning Opportunities - Summer Bridges	3825									
Infrastructure Improvements - Planning/Construction	3920									
School Infrastructure - Maintenance Projects	3925									
Other Restricted Revenue from State Sources (Describe & Itemize)	3999	1,500								
Total Receipts from State Sources		353,360								
Total Restricted Grants-In-Aid	3000	807,503	0	0	27,950	0	0	0	0	0
RECEIPTS/REVENUES FROM FEDERAL SOURCES (4000)										
UNRESTRICTED GRANTS-IN-AID RECEIVED DIRECTLY FROM FEDERAL GOVT (4001-4009)										
Federal Impact Aid	4001									
Other Unrestricted Grants-In-Aid Received Directly from the Fed Govt (Describe & Itemize)	4009									
Total Unrestricted Grants-In-Aid Received Directly from the Federal Govt		0	0	0	0	0	0	0	0	0
RESTRICTED GRANTS-IN-AID RECEIVED DIRECTLY FROM FEDERAL GOVT (4045-4090)										
Head Start	4045									
Construction (Impact Aid)	4050									
MAGNET	4060									
Other Restricted Grants-In-Aid Received Directly from the Federal Govt (Describe & Itemize)	4090									
Total Restricted Grants-In-Aid Received Directly from Federal Govt		0	0	0	0	0	0	0	0	0
RESTRICTED GRANTS-IN-AID RECEIVED FROM FEDERAL GOVT THRU THE STATE (4100-4999)										
TITLE V										
Title V - Innovation and Flexibility Formula	4100									
Title V - District Projects	4105									

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

Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
Title V - Rural Education Initiative (REI)	4107									
Title V - Other (Describe & Itemize)	4199									
Total Title V		0	0			0				
FOOD SERVICE										
Breakfast Start-Up Expansion	4200									
National School Lunch Program	4210	84,351								
Special Milk Program	4215									
School Breakfast Program	4220	21,870								
Summer Food Service Program	4225									
Child Adult Care Food Program	4226	3,069								
Fresh Fruits & Vegetables	4240									
Food Service - Other (Describe & Itemize)	4299									
Total Food Service		109,290				0				
TITLE I										
Title I - Low Income	4300	123,598								
Title I - Low Income - Neglected, Private	4305									
Title I - Comprehensive School Reform	4332									
Title I - Reading First	4334									
Title I - Even Start	4335									
Title I - Reading First SEA Funds	4337									
Title I - Migrant Education	4340									
Title I - Other (Describe & Itemize)	4399									
Total Title I		123,598	0		0	0				
TITLE IV										
Title IV - Safe & Drug Free Schools - Formula	4400	2,000								
Title IV - 21st Century Comm Learning Centers	4421									
Title IV - Other (Describe & Itemize)	4499									
Total Title IV		2,000	0		0	0				
FEDERAL - SPECIAL EDUCATION										
Fed - Spec Education - Preschool Flow-Through	4600									
Fed - Spec Education - Preschool Discretionary	4605									
Fed - Spec Education - IDEA - Flow Through	4620									
Fed - Spec Education - IDEA - Room & Board	4625	3,209								
Fed - Spec Education - IDEA - Discretionary	4630									
Fed - Spec Education - IDEA - Other (Describe & Itemize)	4699									
Total Federal - Special Education		3,209	0		0	0				
CTE - PERKINS										
CTE - Perkins - Title III E - Tech Prep	4770									
CTE - Other (Describe & Itemize)	4799									
Total CTE - Perkins		0	0			0				
Federal - Adult Education										
ARRA - General State Aid - Education Stabilization	4810									
ARRA - Title I - Low Income	4850									
ARRA - Title I - Neglected, Private	4851									
ARRA - Title I - Delinquent, Private	4852									
ARRA - Title I - School Improvement (Part A)	4853									
ARRA - Title I - School Improvement (Section 1003g)	4854									
ARRA - IDEA - Part B - Preschool	4855									
ARRA - IDEA - Part B - Flow-Through	4856									
ARRA - Title IID - Technology Formula	4857									
ARRA - Title IID - Technology-Competitive	4860									
ARRA - McKinney - Vento Homeless Education	4861									
ARRA - Child Nutrition Equipment Assistance	4862									
Impact Aid Formula Grants	4863									
Impact Aid Competitive Grants	4864									
Qualified Zone Academy Bond Tax Credits	4865									
	4866									

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

Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
Qualified School Construction Bond Credits	4867									
Build America Bond Tax Credits	4868									
Build America Bond Interest Reimbursement	4869									
ARRA - General State Aid - Other Govt Services Stabilization	4870									
Other ARRA Funds - II	4871									
Other ARRA Funds - III	4872									
Other ARRA Funds - IV	4873									
Other ARRA Funds - V	4874									
ARRA - Early Childhood	4875									
Other ARRA Funds VII	4876									
Other ARRA Funds VIII	4877									
Other ARRA Funds IX	4878									
Other ARRA Funds X	4879									
Other ARRA Funds Ed Job Fund Program	4880	0	0	0	0	0	0		0	0
Total Stimulus Programs										
Race to the Top Program	4901									
Race to the Top - Preschool Expansion Grant	4902									
Advanced Placement Fee/International Baccalaureate	4904									
Title III - Immigrant Education Program (IEP)	4905									
Title III - Language Inst Program - Limited Eng (LIPLEP)	4909									
Learn & Serve America	4910									
McKinney Education for Homeless Children	4920									
Title II - Eisenhower Professional Development Formula	4930									
Title II - Teacher Quality	4932	15,766								
Federal Charter Schools	4960									
Medicaid Matching Funds - Administrative Outreach	4991	16,046								
Medicaid Matching Funds - Fee-for-Service Program	4992	16,479								
Other Restricted Revenue from Federal Sources (Describe & Itemize)	4999									
Total Restricted Grants-In-Aid Received from the Federal Govt Thru the State		286,388	0	0	0	0	0	0	0	0
Total Receipts/Revenues from Federal Sources	4000	286,388	0	0	0	0	0	0	0	0
Total Direct Receipts/Revenues		4,470,358	519,039	192,357	177,330	286,103	10,273	40,907	531,754	37,250

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

Description (Enter Whole Dollars)	Funct #	10 - EDUCATIONAL FUND (ED)								(900) Total	Budget
		(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits		
INSTRUCTION (ED)	1000										
Regular Programs	1100										
Tuition Payment to Charter Schools	1115	2,024,358	234,089	5,722	50,926		365			2,315,460	2,325,684
Pre-K Programs	1125	127,156	12,734	2,344	5,089	1,240				148,563	114,377
Special Education Programs (Functions 1200-1220)	1200	164,290	34,259							198,549	146,661
Special Education Programs Pre-K	1225									0	
Remedial and Supplemental Programs K-12	1250	11,010	924	3,198	56,264	1,100				72,496	74,877
Remedial and Supplemental Programs Pre-K	1275									0	
Adult/Continuing Education Programs	1300									0	
CTE Programs	1400	213,697	28,622	1,816	17,685	1,166				262,986	261,604
Interscholastic Programs	1500	116,114	371	25,077	18,292	15,181	1,846			176,881	180,440
Summer School Programs	1600	5,788	47							5,835	4,359
Gifted Programs	1650									0	
Driver's Education Programs	1700									0	
Bilingual Programs	1800									0	
Tuant Alternative & Optional Programs	1900									0	
Pre-K Programs - Private Tuition	1910									0	
Regular K-12 Programs - Private Tuition	1911									0	
Special Education Programs K-12 - Private Tuition	1912									0	
Special Education Programs Pre-K - Tuition	1913									0	
Remedial/Supplemental Programs K-12 - Private Tuition	1914									0	
Remedial/Supplemental Programs Pre-K - Private Tuition	1915									0	
Adult/Continuing Education Programs - Private Tuition	1916									0	
CTE Programs - Private Tuition	1917									0	
Interscholastic Programs - Private Tuition	1918									0	
Summer School Programs - Private Tuition	1919									0	
Gifted Programs - Private Tuition	1920									0	
Bilingual Programs - Private Tuition	1921									0	
Tnants Alternative/Optional Ed Progrms - Private Tuition	1922									0	
Total Instruction	1000	2,662,413	311,046	38,157	148,256	18,687	2,211	0	0	3,180,770	3,108,002
SUPPORT SERVICES (ED)	2000										
SUPPORT SERVICES - PUPILS											
Attendance & Social Work Services	2110									0	
Guidance Services	2120	43,347	7,527		1,000					51,874	51,125
Health Services	2130	21,516	9,762		424					31,702	17,797
Psychological Services	2140									0	
Speech Pathology & Audiology Services	2150									0	
Other Support Services - Pupils (Describe & Itemize)	2190									0	
Total Support Services - Pupils	2100	64,863	17,289	0	1,424	0	0	0	0	83,576	68,922
SUPPORT SERVICES - INSTRUCTIONAL STAFF											
Improvement of Instruction Services	2210		6,171	24,104							
Educational Media Services	2220	43,601	10,604	341	4,308					30,275	37,246
Assessment & Testing	2230				650					58,854	59,123
Total Support Services - Instructional Staff	2200	43,601	16,775	24,445	4,958	0	0	0	0	89,779	97,019
SUPPORT SERVICES - GENERAL ADMINISTRATION											
Board of Education Services	2310	625		24,131	1,953		10,426			37,135	38,507
Executive Administration Services	2320	123,865	11,810		320		841			136,836	140,364
Special Area Administration Services	2330									0	
Tort Immunity Services	2360 -									0	
Total Support Services - General Administration	2300	124,490	11,810	24,131	2,273	0	11,267	0	0	173,971	178,871

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

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
SUPPORT SERVICES - SCHOOL ADMINISTRATION											
Office of the Principal Services	2410	259,539	25,321		4,319		829			290,008	283,143
Other Support Services - School Admin (Describe & Itemize)	2490									0	
Total Support Services - School Administration	2400	259,539	25,321	0	4,319	0	829	0	0	290,008	283,143
SUPPORT SERVICES - BUSINESS											
Direction of Business Support Services	2510									0	
Fiscal Services	2520	21,150	14		144					21,308	21,906
Operation & Maintenance of Plant Services	2540					11,559				11,559	15,115
Pupil Transportation Services	2550									0	
Food Services	2560	88,468	6,847	3,938	83,450	1,485				184,188	192,168
Internal Services	2570			19,128	9,361					28,489	28,880
Total Support Services - Business	2500	109,618	6,861	23,066	92,955	13,044	0	0	0	245,544	258,069
SUPPORT SERVICES - CENTRAL											
Direction of Central Support Services	2610									0	
Planning, Research, Development, & Evaluation Services	2620									0	
Information Services	2630				2,081					2,081	3,500
Staff Services	2640									0	
Data Processing Services	2650									0	
Total Support Services - Central	2600	0	0	0	2,081	0	0	0	0	2,081	3,500
Other Support Services (Describe & Itemize)	2900	29,512								29,512	29,890
Total Support Services	2000	631,623	78,056	71,642	108,010	13,044	12,096	0	0	914,471	919,414
COMMUNITY SERVICES (ED)	3000									0	
PAYMENTS TO OTHER DISTRICTS & GOVT UNITS (ED)	4000										
PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
Payments for Regular Programs	4110									0	
Payments for Special Education Programs	4120									0	
Payments for Adult/Continuing Education Programs	4130									0	
Payments for CTE Programs	4140									0	
Payments for Community College Programs	4170									0	
Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
Total Payments to Other Govt Units (In-State)	4100			0			0	0	0	0	0
Payments for Regular Programs - Tuition	4210						764			764	
Payments for Special Education Programs - Tuition	4220									0	
Payments for Adult/Continuing Education Programs - Tuition	4230						507,004			507,004	662,900
Payments for CTE Programs - Tuition	4240									0	
Payments for Community College Programs - Tuition	4270									0	
Payments for Other Programs - Tuition	4280									0	
Other Payments to In-State Govt Units	4290									0	
Total Payments to In-State Govt Units (In-State)	4200						507,768			507,768	662,900
Payments for Regular Programs - Transfers	4310									0	
Payments for Special Education Programs - Transfers	4320									0	
Payments for Adult/Continuing Ed Programs-Transfers	4330									0	
Payments for CTE Programs - Transfers	4340									0	
Payments for Community College Program - Transfers	4370									0	
Payments for Other Programs - Transfers	4380									0	
Other Payments to In-State Govt Units - Transfers	4390									0	
Total Payments to Other Govt Units - Transfers (In-State)	4300			0			0			0	0
Payments to Other Govt Units (Out-of-State)	4400									0	
Total Payments to Other Govt Units	4000			0			507,768			507,768	662,900
DEBT SERVICES (ED)	5000										
DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Tax Anticipation Notes	5120									0	
Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
State Aid Anticipation Certificates	5140									0	

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

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
Other Interest on Short-Term Debt	5100						0			0	0
Total Interest on Short-Term Debt	5100						0			0	0
Debt Services - Interest on Long-Term Debt	5200									0	0
Total Debt Services	5000						0			0	0
PROVISIONS FOR CONTINGENCIES (ED)	6000										0
Total Direct Disbursements/Expenditures		3,294,036	389,102	109,799	256,266	31,731	522,075	0	0	4,603,009	4,690,316
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										(132,651)	
20 - OPERATIONS & MAINTENANCE FUND (O&M)											
SUPPORT SERVICES (O&M)	2000										
SUPPORT SERVICES - PUPILS											
Other Support Services - Pupils (Describe & Itemize)	2190									0	
SUPPORT SERVICES - BUSINESS											
Direction of Business Support Services	2510									0	
Facilities Acquisition & Construction Services	2530									0	
Operation & Maintenance of Plant Services	2540	204,218	31,156	60,226	170,505	11,418				477,523	509,936
Pupil Transportation Services	2550									0	
Food Services	2560									0	
Total Support Services - Business	2500	204,218	31,156	60,226	170,505	11,418	0	0	0	477,523	509,936
Other Support Services (Describe & Itemize)	2900										
Total Support Services	2000	204,218	31,156	60,226	170,505	11,418	0	0	0	477,523	509,936
COMMUNITY SERVICES (O&M)	3000										
PAYMENTS TO OTHER DIST & GOVT UNITS (O&M)	4000										
PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
Payments for Regular Programs	4110										
Payments for Special Education Programs	4120									0	
Payments for CTE Programs	4140									0	
Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
Total Payments to Other Govt. Units (In-State)	4100			0			0			0	0
Payments to Other Govt. Units (Out of State)	4400									0	
Total Payments to Other Govt Units	4000			0			0			0	0
DEBT SERVICES (O&M)	5000										
DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110										
Tax Anticipation Notes	5120									0	
Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
State Aid Anticipation Certificates	5140									0	
Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
Total Debt Service - Interest on Short-Term Debt	5100						0			0	0
DEBT SERVICE - INTEREST ON LONG-TERM DEBT	5200										
Total Debt Services	5000									0	0
PROVISIONS FOR CONTINGENCIES (O&M)	6000										
Total Direct Disbursements/Expenditures		204,218	31,156	60,226	170,505	11,418	0	0	0	477,523	509,936
Excess (Deficiency) of Receipts/Revenues/Over Disbursements/Expenditures										41,516	

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

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
30 - DEBT SERVICES (DS)											
PAYMENTS TO OTHER DIST & GOVT UNITS (DS)	4000										
PAYMENTS TO OTHER DIST & GOVT UNITS (In-State)											
Payments for Regular Programs	4110									0	
Payments for Special Education Programs	4120									0	
Other Payments to In-State Govt Units (Describe & Itemize)	4190									0	
Total Payments to Other Districts & Govt Units (In-State)	4000						0			0	0
DEBT SERVICES (DS)	5000										
DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Tax Anticipation Notes	5120									0	
Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
State Aid Anticipation Certificates	5140									0	
Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
Total Debt Services - Interest On Short-Term Debt	5100						0			0	0
DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200										
(Lease/Purchase Principal Retired) ¹¹	5300						3,413			3,413	3,413
DEBT SERVICES - OTHER (Describe & Itemize)	5400										
Total Debt Services	5000			0			195,000			195,000	195,000
PROVISION FOR CONTINGENCIES (DS)	6000						198,913			198,913	500
Total Disbursements/ Expenditures				0			198,913			198,913	198,913
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures				0			198,913			198,913	198,913
										(6,556)	
40 - TRANSPORTATION FUND (TR)											
SUPPORT SERVICES (TR)											
SUPPORT SERVICES - PUPILS											
Other Support Services - Pupils (Describe & Itemize)	2190									0	0
SUPPORT SERVICES - BUSINESS											
Pupil Transportation Services	2550	75,336	7,819	7,191	21,191	9,299				120,836	129,789
Other Support Services (Describe & Itemize)	2900									0	
Total Support Services	2000	75,336	7,819	7,191	21,191	9,299	0	0	0	120,836	129,789
COMMUNITY SERVICES (TR)	3000										
PAYMENTS TO OTHER DIST & GOVT UNITS (TR)	4000										
PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
Payments for Regular Programs	4110									0	
Payments for Special Education Programs	4120									0	
Payments for Adult/Continuing Education Programs	4130									0	
Payments for CTE Programs	4140									0	
Payments for Community College Programs	4170									0	
Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
Total Payments to Other Govt. Units (In-State)	4100			0			0			0	0
PAYMENTS TO OTHER GOVT UNITS (OUT-OF-STATE)	4400										
Total Payments to Other Govt Units	4000			0			0			0	0
DEBT SERVICES (TR)	5000										
DEBT SERVICE - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Tax Anticipation Notes	5120									0	
Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
State Aid Anticipation Certificates	5140									0	
Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
Total Debt Services - Interest On Short-Term Debt	5100						0			0	0

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

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200									0	
DEBT SERVICE - PAYMENTS OF PRINCIPAL ON LONG-TERM DEBT (Lease/Purchase Principal Retired) ¹¹	5300									0	
DEBT SERVICES - OTHER (Describe & Itemize)	5400									0	
Total Debt Services	5000						0			0	0
PROVISION FOR CONTINGENCIES (TR)	6000										
Total Disbursements/ Expenditures		75,336	7,819	7,191	21,191	9,299	0	0	0	120,836	129,789
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										56,494	
50 - MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND (MR/SS)											
INSTRUCTION (MR/SS)	1000										
Regular Programs	1100									44,174	83,533
Pre-K Programs	1125									9,031	7,990
Special Education Programs (Functions 1200-1220)	1200									37,953	
Special Education Programs - Pre-K	1225									0	
Remedial and Supplemental Programs - K-12	1250									0	
Remedial and Supplemental Programs - Pre-K	1275									0	
Adult/Continuing Education Programs	1300									0	
CTE Programs	1400									0	
Intercholastic Programs	1500									16,029	14,118
Summer School Programs	1600									3,985	5,069
Gifted Programs	1650									460	108
Driver's Education Programs	1700									0	
Bilingual Programs	1800									0	
Tuants' Alternative & Optional Programs	1900									0	
Total Instruction	1000									111,632	113,962
SUPPORT SERVICES (MR/SS)	2000										
SUPPORT SERVICES - PUPILS											
Attendance & Social Work Services	2110									0	
Guidance Services	2120									721	705
Health Services	2130									10,144	9,370
Psychological Services	2140									0	
Speech Pathology & Audiology Services	2150									0	
Other Support Services - Pupils (Describe & Itemize)	2190									0	
Total Support Services - Pupils	2100									10,865	10,075
SUPPORT SERVICES - INSTRUCTIONAL STAFF											
Improvement of Instruction Services	2210									0	
Educational Media Services	2220									4,156	4,043
Assessment & Testing	2230									0	
Total Support Services - Instructional Staff	2200									4,156	4,043
SUPPORT SERVICES - GENERAL ADMINISTRATION											
Board of Education Services	2310									0	40
Executive Administration Services	2320									7,932	8,387
Service Area Administrative Services	2330									0	
Claims Paid from Self Insurance Fund	2361									0	
Workers' Compensation or Workers' Occupation Disease Acts Pymts	2362									0	
Unemployment Insurance Pymts	2363									0	
Insurance Payments (Regular or Self-Insurance)	2364									0	
Risk Management and Claims Services Payments	2365									0	

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

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
Judgment and Settlements	2366									0	
Educational, Inspectional, Supervisory Services Related to Loss Prevention or Reduction	2367									0	
Reciprocal Insurance Payments	2368									0	
Legal Services	2369									0	
Total Support Services - General Administration	2300		7,932							7,932	8,427
SUPPORT SERVICES - SCHOOL ADMINISTRATION											
Office of the Principal Services	2410		31,106							31,106	31,297
Other Support Services - School Administration (Describe & Itemize)	2490									0	
Total Support Services - School Administration	2400		31,106							31,106	31,297
SUPPORT SERVICES - BUSINESS											
Direction of Business Support Services	2510									0	
Fiscal Services	2520		1,838							1,838	4,069
Facilities Acquisition & Construction Services	2530									0	
Operation & Maintenance of Plant Services	2540		50,784							50,784	47,927
Pupil Transportation Services	2550		12,624							12,624	9,263
Food Services	2560		17,887							17,887	19,150
Internal Services	2570									0	
Total Support Services - Business	2500		83,133							83,133	80,409
SUPPORT SERVICES - CENTRAL											
Direction of Central Support Services	2610									0	
Planning, Research, Development, & Evaluation Services	2620									0	
Information Services	2630									0	
Staff Services	2640									0	
Data Processing Services	2660									0	0
Total Support Services - Central	2600		0							0	0
Other Support Services (Describe & Itemize)	2900									0	
Total Support Services	2000		137,192							137,192	134,251
COMMUNITY SERVICES (MR/SS)	3000									0	655
PAYMENTS TO OTHER DIST & GOVT UNITS (MR/SS)	4000										
Payments for Regular Programs	4110									0	
Payments for Special Education Programs	4120									0	
Payments for CTE Programs	4140									0	
Total Payments to Other Govt Units	4000		0							0	0
DEBT SERVICES (MR/SS)	5000										
DEBT SERVICE - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Tax Anticipation Notes	5120									0	
Corporate Personal Prop. Tax Anticipation Notes	5130									0	
State Aid Anticipation Certificates	5140									0	
Other (Describe & Itemize)	5150									0	
Total Debt Services - Interest	5000									0	0
PROVISION FOR CONTINGENCES (MR/SS)	6000										
Total Disbursements/Expenditures			248,824							248,824	248,868
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										37,279	

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

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
60 - CAPITAL PROJECTS (CP)											
SUPPORT SERVICES (CP)	2000										
SUPPORT SERVICES - BUSINESS											
Facilities Acquisition and Construction Services	2530			9,994						9,994	9,994
Other Support Services (Describe & Itemize)	2900									0	
Total Support Services	2000	0	0	9,994	0	0	0	0	0	9,994	9,994
PAYMENTS TO OTHER DIST & GOVT UNITS (CP)	4000										
PAYMENTS TO OTHER GOVT UNITS (In-State)											
Payments to Regular Programs (In-State)	4110									0	
Payments for Special Education Programs	4120									0	
Payments for CTE Programs	4140									0	
Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
Total Payments to Other Govt Units	4000			0			0			0	0
PROVISION FOR CONTINGENCIES (S&C/CI)	6000										
Total Disbursements/Expenditures		0	0	9,994	0	0	0	0	0	9,994	9,994
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										279	
70 - WORKING CASH (WC)											
80 - TORT FUND (TF)											
SUPPORT SERVICES - GENERAL ADMINISTRATION											
Claims Paid from Self Insurance Fund	2361									0	
Workers' Compensation or Workers' Occupation Disease Acts Pymts	2362									0	1,000
Unemployment Insurance Payments	2363			2,726						2,726	8,000
Insurance Payments (Regular or Self-Insurance)	2364									0	
Risk Management and Claims Services Payments	2365			73,537	2,275		15,500			75,812	83,000
Judgment and Settlements	2366									15,500	10,000
Educational, Inspectional, Supervisory Services Related to Loss Prevention or Reduction	2367										
Reciprocal Insurance Payments	2368	341,870								341,870	335,228
Legal Services	2369			16,087						16,087	13,260
Property Insurance (Buildings & Grounds)	2371			80,376						80,376	82,585
Vehicle Insurance (Transportation)	2372									0	
Total Support Services - General Administration	2000	341,870	0	172,726	2,275	0	15,500	0	0	532,371	533,073
PAYMENTS TO OTHER DIST & GOVT UNITS (TF)	4000										
Payments for Regular Programs	4110									0	
Payments for Special Education Programs	4120									0	
Total Payments to Other Dist & Govt Units	4000						0			0	0
DEBT SERVICES (TF)	5000										
DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
Other Interest or Short-Term Debt	5150									0	
Total Debt Services - Interest on Short-Term Debt	5000						0			0	0
PROVISIONS FOR CONTINGENCIES (TF)	6000										
Total Disbursements/Expenditures		341,870	0	172,726	2,275	0	15,500	0	0	532,371	533,073
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										(617)	

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

Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
90 - FIRE PREVENTION & SAFETY FUND (FP&S)											
SUPPORT SERVICES (FP&S)	2000										
SUPPORT SERVICES - BUSINESS											
Facilities Acquisition & Construction Services	2530			34,682	9,663	49,736				94,081	100,000
Operation & Maintenance of Plant Services	2540									0	
Total Support Services - Business	2500	0	0	34,682	9,663	49,736	0	0	0	94,081	100,000
Other Support Services (Describe & Itemize)							15,250			15,250	
Total Support Services	2000	0	0	34,682	9,663	49,736	15,250	0	0	109,331	100,000
PAYMENTS TO OTHER DIST & GOVT UNITS (FP&S)	4000										
Payments to Regular Programs	4110									0	
Payments to Special Education Programs	4120									0	
Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
Total Payments to Other Govt Units	4000						0			0	0
DEBT SERVICES (FP&S)	5000										
DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
Tax Anticipation Warrants	5110									0	
Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
Total Debt Service - Interest on Short-Term Debt	5100						0			0	0
DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200									0	
Debt Service - Payments of Principal on Long-Term Debt	5300									0	
(Lease/Purchase Principal Retired)										0	
Total Debt Service	5000						0			0	0
PROVISION FOR CONTINGENCIES (FP&S)	6000										
Total Disbursements/Expenditures		0	0	34,682	9,663	49,736	15,250	0	0	109,331	100,000
Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										(72,081)	

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018

Note 1. *REPORTING ENTITY, DESCRIPTION OF FUNDS AND ACCOUNT GROUPS, AND SIGNIFICANT ACCOUNTING POLICIES*

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

These financial statements have been issued to comply with regulatory provisions prescribed by the Illinois State Board of Education and do not include financial statements in compliance with Government Accounting Standards Board (GASB) Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Government*, and Government Accounting Standards Board (GASB) Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in accordance with accounting principles generally accepted in the United States of America.

FINANCIAL REPORTING ENTITY

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

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

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

DESCRIPTIONS OF FUNDS AND ACCOUNT GROUPS

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and liabilities (arising from cash transactions), fund balance, revenue received and expenditures disbursed. The District maintains individual funds required by the State of Illinois.

District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types and account groups are used by the District:

Governmental Fund Types:

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

Education and Operations and Maintenance Funds – The Education and Operations and Maintenance Funds are the general operating funds of the District. They are used to account for all financial resources except those required to be accounted for in another fund. Special Education is included in the Education Fund.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

**Note 1. *REPORTING ENTITY, DESCRIPTION OF FUNDS AND ACCOUNT GROUPS, AND
SIGNIFICANT ACCOUNTING POLICIES***

DESCRIPTIONS OF FUNDS AND ACCOUNT GROUPS

Governmental Fund Types: - continued

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

Transportation Fund – The Transportation Fund is used to account for proceeds from revenues specified for use by the District for transportation of students either to and from school or for other purposes.

Municipal Retirement/Social Security Fund (IMRF) – IMRF accounts for the accumulation of resources for, and the payment of municipal retirement, social security, and Medicare.

Capital Projects Fund – The Capital Projects Fund is to be used for the acquisition or construction of major capital facilities.

Tort Fund – The Tort Fund accounts for the accumulation of resources for, and the payment of expenditures in connection with defending or otherwise protecting the District against any liability or loss.

Fire Prevention and Safety Fund – The Fire Prevention and Safety Fund is used to account for proceeds from revenues specified for fire prevention and safety projects.

Fiduciary Fund Types:

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

Working Cash Fund – The Working Cash Fund is used to account for proceeds from bonds sold for working cash purposes by the District and for proceeds from working cash tax levies.

Activity Funds – Activity Funds account for assets held by the District as an agent for the students, other individuals, private organizations, other governmental units, and/or other funds. These funds are custodial in nature and do not involve the measurement of the results of operations. The amounts due to activity funds' organizations are equal to assets.

Account Groups:

General Fixed Assets – Fixed assets used in operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Purchases of property and equipment are recorded as capital outlay expenditures of the various funds and as additions to the General Fixed Assets Account Group.

General Long-term Debt – Long-term liabilities are accounted for in the General Long-term Debt Account Group. Payments on general long-term debt are made through the various funds of the District.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 1. **REPORTING ENTITY, DESCRIPTION OF FUNDS AND ACCOUNT GROUPS, AND
SIGNIFICANT ACCOUNTING POLICIES**

DESCRIPTIONS OF FUNDS AND ACCOUNT GROUPS

Account Groups:

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

BASIS OF ACCOUNTING

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

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

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

BUDGET AND BUDGETARY ACCOUNTING

The budget for all Governmental Fund Types and for the Working Cash Fund is prepared on the cash basis of accounting which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 122, Paragraph 17.1 of the Illinois Revised Statutes. The budget, which was not amended, was passed on September 20, 2017.

For each fund, total fund expenditures disbursed may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

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

1. Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures disbursed and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

**Note 1. *REPORTING ENTITY, DESCRIPTION OF FUNDS AND ACCOUNT GROUPS, AND
SIGNIFICANT ACCOUNTING POLICIES***

BUDGET AND BUDGETARY ACCOUNTING

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

4. Formal budgetary integration is employed as a management control device during the year.
5. The Board of Education may make transfers between the various items in any fund, not exceeding in the aggregate 10 percent of the total of such fund as set forth in the budget.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

CASH AND INVESTMENTS

Except where otherwise required, the District maintains all deposits in a bank account in the name of the District. These deposits are invested on a short-term basis with interest income being allocated to the Funds based on their respective balance. The District's investments consist primarily of certificates of deposit and the Illinois School District Liquid Asset Fund Plus. Investments are stated at the lower of cost or market and gains or losses on the sale of investments are recognized upon realization. The District has no formal investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

The District invests in the Illinois School District Liquid Asset Fund Plus (ISDLAF+), Multi-Class Series (Liquid Class and Max Class) which is a comprehensive cash management program exclusively for Illinois public school entities. ISDLAF+ invests in high-quality, short-term debt instruments guaranteed by the full faith and credit of the United States, U.S. Government agency obligations, commercial paper, bank obligations and other obligations permitted by applicable Illinois statutes. The Fund is managed to comply with specific requirements of Illinois law, particularly the Public Funds Investment Act and other laws applicable to the investment of Participant's fund. Deposits in a Multi-Class Series is not considered a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental or private agency. A board of trustees provides fund management oversight. The District's fair market value position in the fund is the same as the value of the pool shares.

GENERAL FIXED ASSETS

General fixed assets have been acquired for general governmental purposes. At the time of purchase, assets are recorded as expenditures disbursed in the Governmental or Activity Funds and capitalized at cost in the general fixed assets account group, except that land and buildings acquired prior to July 1, 1966, are stated at estimated original cost as determined by guidelines for evaluation on a cost basis promulgated by the Illinois State Board of Education for establishing values at that date. Donated general fixed assets are stated at estimated fair market value as of the date of acquisition. The capitalization threshold for all fixed assets is \$500. Depreciation accounting is not considered applicable (except to determine the per capita tuition charge). Depreciation for this purpose was calculated using the straight-line method.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

**Note 1. *REPORTING ENTITY, DESCRIPTION OF FUNDS AND ACCOUNT GROUPS, AND
SIGNIFICANT ACCOUNTING POLICIES***

GENERAL FIXED ASSETS

The estimated useful lives for fixed assets are as follows:

<u>Property Type</u>	<u>Estimated Useful Life (in years)</u>
Building and Building Improvements	25-50
Site Improvements and Infrastructure	20
Capitalized Equipment	3-10

For the year ended June 30, 2018, depreciation used in calculating per capita tuition charge was \$194,859.

Interest on bond proceeds that are to be used for health, life safety maintenance and capital improvement projects are also expensed instead of capitalized. During the year ending June 30, 2018 the District expensed \$3,413 of interest in the Debt Service Fund.

FUND BALANCE REPORTING

According to the Government Accounting Standards Board (GASB 54) fund balances are to be classified into five major classifications: Nonspendable, Restricted, Committed, Assigned and Unassigned. The regulatory model followed by the District only reports Reserved and Unreserved fund balances.

GASB 54 Fund Balances Definitions:

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Government Fund Type Definitions (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

Nonspendable – Nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted into cash, such as inventory and prepaid amounts. Due to the District using the cash basis of accounting, all such items are expensed at the time of purchase, therefore, the nonspendable classification is not applicable.

Restricted – Restricted fund balance classification includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, such as creditors, grantors or contributors, or through enabling legislation. The District has several different revenue sources that fall into this category and can be accounted for within different funds. Some examples may include state and federal grants and certain tax levies. Such tax levies that are levied for a specific purpose are for Special Education, IMRF, Social Security, Tort Immunity, Leasing, Fire Prevention and Safety, and Debt Service. Any excess revenues over disbursements will result in restricted balances.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

**Note 1. *REPORTING ENTITY, DESCRIPTION OF FUNDS AND ACCOUNT GROUPS, AND
SIGNIFICANT ACCOUNTING POLICIES***

FUND BALANCE REPORTING

Committed – Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Board of Education at the highest level of decision-making authority, such as a resolution. A similar action must be made to remove or modify any previously committed amounts. Committed amounts will also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Assigned fund balance classification is intended to be used by the government for a specific purpose but do not meet the criteria to be classified as restricted or committed. Intent may be expressed by the School Board itself, by the finance committee, or by the Superintendent when the School Board has delegated the authority to assign amounts.

Unassigned – Unassigned fund balance classification is the residual classification for the government's general operating funds that do not meet the requirements of the other fund balance classifications. The general operating funds of the District are the Education Fund, Operations and Maintenance Fund, Transportation Fund and Working Cash Fund.

Regulatory – Fund Balance Definitions:

Reserved – Reserved fund balances are those balances that are reserved by an external source for a specified purpose, other than the regular purpose of any given fund.

Unreserved – Unreserved fund balances are all those that are not reserved for a specified purpose of the fund.

Reconciliation of Fund Balance Reporting:

The first four columns of the following table represent fund balance reporting according to generally accepted accounting principles, and GASB 54. The last two columns represent fund balance reporting under the regulatory accounting model utilized by the District in preparation of the financial statements.

<u>Fund</u>	<u>Generally Accepted Accounting Principles/GASB 54</u>				<u>Regulatory Basis</u>	
	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>	<u>Unassigned</u>	<u>Reserved</u>	<u>Unreserved</u>
Education	\$ 14,521	\$	\$ 228	\$3,358,285	\$ 14,521	\$3,358,513
Operations & Maintenance				756,790		756,790
Debt Service	82,829					82,829
Transportation				461,683		461,683
Municipal Retirement/ Social Security	140,846					140,846
Capital Projects	14,412				14,412	
Working Cash				895,006		895,006
Tort	120,972					120,972
Fire Prevention & Safety	506,126				506,126	

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 1. *REPORTING ENTITY, DESCRIPTION OF FUNDS AND ACCOUNT GROUPS, AND SIGNIFICANT ACCOUNTING POLICIES*

FUND BALANCE REPORTING

Expenditure of Fund Balances:

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

Note 2. *PROPERTY TAXES*

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The 2017 tax levy was passed by the board on December 20, 2017. Property taxes attached as an enforceable lien on property as of January 1 and are payable in two installments on, or about, June 1 and September 1. The District receives significant distributions of tax receipts approximately one month after these due dates. Taxes recorded on these financial statements are from the 2017 and prior tax levies.

The following are the tax rate limits permitted by the School Code and by local referendum and the actual rates levied per \$100.00 of assessed valuation:

		<u>Actual (Sangamon County)</u>	
	<u>Limit</u>	<u>2017 Levy</u>	<u>2016 Levy</u>
Education	1.8400	1.8400	1.8400
Tort Immunity	As Needed	.6852	.6948
Special Education	.0400	.0400	.0400
Building	.5000	.5000	.5000
Transportation	.2000	.2000	.2000
Municipal Retirement	As Needed	.1318	.1292
Bond and Interest	As Needed	.2441	.2699
Working Cash	.0500	.0500	.0500
Social Security	As Needed	.1779	.1768
Fire Protection & Safety	.0500	.0500	.0500
Lease	.0500	.0500	.0500
		<u>3.9690</u>	<u>4.0007</u>

Note 3. *SPECIAL TAX LEVIES*

The financial report of the Pawnee Community Unit School District No. 11, Pawnee, Illinois for the year ended June 30, 2018 was prepared on a cash basis of accounting, as stated in Note 1. The administrators of the School District consider one year's taxes in each budget year. Local property taxes are normally collected between May and September each year and distribution of taxes to the School District could occur at anytime from June through November. Receipts from local taxes could become income in one of two years depending on when the local tax collector distributes his collections to the School District.

(a) *Tort Immunity:*

Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Tort Fund. The fund will also account for other receipts specifically restricted for tort immunity purposes. The portion of these funds' equity which represents the excess of cumulative receipts over cumulative disbursements is restricted for future tort immunity disbursements in accordance with Chapter 745, paragraph 9-101 to 9-107 of the Illinois Compiled Statutes. As of June 30, 2018, there was remaining receipts of \$120,972 restricted for future tort immunity disbursement.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 3. SPECIAL TAX LEVIES

The restricted balance at June 30, 2018 was determined as follows:

	<u>Tort Fund</u>
<i>Restricted Balance at July 1, 2017</i>	\$121,589
Receipts:	
2016 tort levy	281,030
2017 tort levy-advance payment	232,791
Interest	123
Refunds and reimbursements	17,810
Expenditures:	
Risk management and claims service payments	(75,812)
Judgements and settlements	(15,500)
Insurance and unemployment payments	(83,102)
Loss prevention salaries and employee benefits	(341,870)
Legal/professional services	(16,087)
<i>Restricted Balance at June 30, 2018</i>	<u>\$120,972</u>

(b) Special Education:

Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Education Fund. The portion of this fund's equity which represents the excess of cumulative receipts over cumulative disbursements is restricted for future special education disbursements in accordance with Section 17-2-2A of the School Code. At June 30, 2018, there was no excess cumulative receipts over disbursements.

(c) Lease:

Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Education Fund. The portion of this fund's equity which represents the excess of cumulative receipts over cumulative disbursements is restricted for future lease disbursements. At June 30, 2018, there was excess cumulative receipts over disbursements of \$6,970.

Note 4. CASH AND INVESTMENTS

Statutes allows the District to invest in obligations of the U.S. Treasury or any U.S. Agency whose obligations are guaranteed by the full faith and credit of the United States of America as to principal and interest; interest bearing accounts of banks insured by the Bank Insurance Fund; commercial paper of U.S. Corporations with assets exceeding \$500,000,000 provided the obligations are rated in the 3 highest classifications by at least 2 rating services and mature no later than 180 days from purchase; money market mutual funds registered under the Investment Company Act of 1940; repurchase agreements; interest bearing accounts of savings and loan associations insured by the Savings Association Insurance Fund; dividend bearing accounts of Illinois or Federally chartered credit unions provided such accounts are insured; and the Public Treasurers Investment Pool.

All funds of the District must be deposited and invested according to these statutes. Depository banks use the Dedicated Method of collateralization, placing approved pledged securities for safekeeping and trust with the District's agent bank in an amount sufficient to protect District funds. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) Insurance. External investment pools use the Pooling Method of collateralization. Due to the nature of external investment pools, participants maintain separate investment accounts representing a proportionate share of the pool assets and its respective collateral. Collateral is maintained in the name of the investment pool.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 4. CASH AND INVESTMENTS

The following is disclosed regarding coverage as of June 30, 2018.

- a) The Total amount of FDIC coverage as of June 30, 2018 was \$750,000.
- b) Dedicated Method: The market value of securities pledged was \$4,721,070.
- c) Pooling Method: Deposits in external investment pools are fully collateralized.

(a) Cash and Cash Equivalents:

At June 30, 2018, the carrying amount of the District's cash and cash equivalents, (cash and interest bearing demand accounts at financial institutions) was \$4,633,209, and the bank balance was \$4,654,122.

A reconciliation of the cash and cash equivalents on the financial statements is as follows:

Cash in banks – now accounts	\$4,632,553
Value checking	<u>656</u>
	<u>\$4,633,209</u>

(b) Investments:

Statutes authorize the District to invest in, but not limited to, interest bearing time accounts at financial institutions and external investment pools. The carrying value of investments owned at year end was \$1,913,067 which approximates fair market value.

Similar to cash deposits, investments held at a financial institution can be categorized according to three levels of risk. The District's investments are detailed as follows:

	<u>Fair Value</u>	<u>Less Than 6 Months</u>	<u>6 Months to 1 Year</u>	<u>1 to 5 Years</u>	<u>Rating</u>
<i>On Demand Investments:</i>					
Illinois Educators Credit Union	\$ 13,179	\$ 13,179			Unrated
Illinois School District Liquid Asset Fund Plus	1,899,082	1,899,082			AAAM
<i>Certificates of Deposit:</i>					
United Community Bank	<u>806</u>	<u>806</u>	<u> </u>	<u> </u>	Unrated
	<u>\$1,913,067</u>	<u>\$1,913,067</u>	<u>\$ </u>	<u>\$ </u>	

(c) Investment Policies:

Interest Rate Risk: The District has no formal policy on interest rate risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District can manage its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 4. CASH AND INVESTMENTS

(d) Investment Policies:

Custodial Credit Risk: The District has no formal policy on custodial credit risk. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Of the District's total cash and investments, \$-0- was subject to custodial credit risk.

The District's investments in the Illinois School District Liquid Asset Fund is fully collateralized, but not in the District's name, therefore no collateral is identified with the District.

Credit Risk: The District has no formal policy on credit risk. Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

Concentration Risk: The Board places no limit on the amount that can be invested with any single issuer. One of the District's investments is more than 5 percent of the total investments, or \$95,653. The Illinois school District Liquid Asset Fund Plus represents 99.27 percent of total District investments.

Note 5. CHANGES IN GENERAL FIXED ASSETS

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
Non-depreciable land	\$ 68,728	\$	\$	\$ 68,728
Land improvements	720,886	5,578		726,464
Permanent buildings and improvements	8,845,974	46,336		8,892,310
Other capitalized equipment	418,772	39,486	63,640	394,618
Transportation equipment	660,524	9,299		669,823
Food service equipment	16,685	1,485		18,170
<i>Total general fixed assets</i>	<u>10,731,569</u>	<u>102,184</u>	<u>63,640</u>	<u>10,770,113</u>
Less: Accumulated depreciation	6,200,338	194,859	63,640	6,331,557
Net fixed assets	<u><u>\$ 4,531,231</u></u>	<u><u>\$ (92,675)</u></u>	<u><u>\$</u></u>	<u><u>\$ 4,438,556</u></u>

The District prepares its financial statements using accounting practices prescribed by the Illinois State Board of Education. These practices do not allow depreciation to be recorded in the General Fixed Asset Account Group. As explained in Note 1, depreciation is calculated only in determining the per capita tuition charge.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 6. RETIREMENT FUND COMMITMENTS

a) Teachers' Retirement System of the State of Illinois:

- **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.htm>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 877-0890, option 2.

- **Benefits provided**

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with 5 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 the final average salary up to a maximum of 75 percent with 34 years of service. Disability and death benefits are also provided.

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

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

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

- **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, provided 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, 2017, was 9.0 percent of the creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer. Creditable earnings for the year ended June 30, 2018 are \$2,838,244.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 6. RETIREMENT FUND COMMITMENTS

On behalf contributions to TRS. The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2018, state of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$2,089,555 in pension contributions from the state of Illinois.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2018, were \$16,462 and are deferred because they were paid after the June 30, 2017 measurement date. However, since the District prepares its financial statements on the cash basis, these contributions were expensed when paid.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the employers, there is a statutory requirement for the employer to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

Previously, employer contributions for employees paid from federal and special trust funds were at the same rate as the state contribution rate to TRS and were much higher.

For the year ended June 30, 2018, the employer pension contribution was 10.10 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2018, salaries totaling \$8,200 were paid from federal and special trust funds that required employer contributions of \$828. These contributions are deferred because they were paid after the June 30, 2017 measurement date. However, since the District prepares its financial statements on the cash basis, these contributions were expensed when paid.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program that ended on June 30, 2016 is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2018, the employer paid \$0 to TRS for employer ERO contributions for retirements that occurred before July 1, 2016.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2018, the employer paid \$7,022 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.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 6. RETIREMENT FUND COMMITMENTS

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

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

District's proportionate share of the net pension	\$ 461,577
State's proportionate share of the net pension liability	
associated with the District	<u>21,232,032</u>
Total	<u>\$21,693,609</u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016, and rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2017, the District's proportion was .0006041734 percent, which was an increase of .0000564663 from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the District recognized pension expense of \$43,792. Additionally, for the year ended June 30, 2018, the District recognized pension expense of \$2,089,555 and revenue of \$2,089,555 for support provided by the state. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,013	\$ 213
Net difference between projected and actual earnings on pension plan investments	317	
Changes of assumptions	30,807	13,264
Changes in proportion and differences between District contributions and proportionate share of contributions	37,079	200,258
District contributions subsequent to the measurement date	<u>17,290</u>	
	<u>\$90,506</u>	<u>\$213,735</u>

\$17,290 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended, June 30,</u>	
2019	\$(55,745)
2020	(36,921)
2021	(40,755)
2022	(7,795)
2023	<u>697</u>
Total	<u>\$(140,519)</u>

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 6. **RETIREMENT FUND COMMITMENTS**

- **Actuarial assumptions**

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

Inflation	2.50 percent
Salary increases	varies by amount of service credit
Investment rate of return	7.0 percent, net of pension plan investment expense, including inflation

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equities large cap	14.4%	6.94%
U.S. equities small/mid cap	3.6	8.09
International equities developed	14.4	7.46
Emerging market equities	3.6	10.15
U.S. bond core	10.7	2.44
Opportunistic real estate	5.3	1.70
ARS	15.0	5.44
Risk parity	11.0	4.28
Diversified inflation strategy	8.0	4.16
Private equity	14.0	10.63
Total	<u>100%</u>	

- **Discount Rate**

At June 30, 2017, the discount rate used to measure the total pension liability was 7.00 percent, which was a change from the June 30, 2016 rate of 6.83 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 6. RETIREMENT FUND COMMITMENTS

Based on those assumptions, TRS's fiduciary net position at June 30, 2017 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, and the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2016, the discount rate used to measure the total pension liability was 6.83 percent. The discount rate was lower than the actuarially-assumed rate of return on investments that year because TRS's fiduciary net position and the subsidy provided by Tier II were not sufficient to cover all projected benefit payments

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

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.00 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

	<i>1% Decrease (6.00%)</i>	<i>Current Discount Rate (7.00%)</i>	<i>1% Increase (8.00%)</i>
District's proportionate share of net pension liability	\$576,108	\$461,577	\$375,139

- ***TRS fiduciary net position***

Detailed information about the TRS's fiduciary net position as of June 30, 2017 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

(b) Illinois Municipal Retirement Fund Pension Plan – Regular (RP)

- ***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 the Illinois Municipal Retirement Fund ("IMRF"), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 6. RETIREMENT FUND COMMITMENTS

- **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 benefits, 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 of the 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.

- **Employees Covered by Benefit Terms.**

As of December 31, 2017, the following employees were covered by the benefit terms:

	<u>IMRF</u>
Retirees and Beneficiaries currently receiving benefits	58
Inactive Plan Members entitled to but not yet receiving benefits	39
Active Plan Members	<u>41</u>
Total	<u>138</u>

- **Contributions.**

As set by statute, The District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute required employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2017 was 14.45%. For the fiscal year ended June 30, 2018, the District contributed \$133,384 to the plan. The District also contributed 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.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 6. RETIREMENT FUND COMMITMENTS

- **Net Pension (Asset) Liability.**

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

- **Actuarial Assumptions.**

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

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.59% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- For non-disabled retirees, an IMRF specific **mortality** table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific **mortality** table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific **mortality** table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2016.

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

- There were no benefit changes during the year.

- **Single Discount Rate**

A Single Discount Rate of 7.5% 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:

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 6. RETIREMENT FUND COMMITMENTS

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 3.31% and the resulting single discount rate is 7.50%.

• **Changes in Net Pension (Asset) Liability.**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) Liability (A) – (B)
Balance December 31, 2016	<u>\$5,073,504</u>	<u>\$4,130,471</u>	<u>\$943,033</u>
Changes for the year:			
Service Cost	88,712		88,712
Interest on Total Pension Liability	372,110		372,110
Changes in Benefit Terms			
Difference between Expected and Actual Experience of Total Pension Liability	94,957		94,957
Changes of Assumptions	(164,976)		(164,976)
Contributions – Employer		118,627	(118,627)
Contributions – Employees		38,598	(38,598)
Net Investment Inc.		761,101	(761,101)
Benefit Payments including Refunds	(312,782)	(312,782)	
Other (net transfer)		(122,992)	122,992
Net Changes in NPL(A)	<u>78,021</u>	<u>482,552</u>	<u>(404,531)</u>
Balance December 31, 2017	<u><u>\$5,151,525</u></u>	<u><u>\$4,613,023</u></u>	<u><u>\$538,502</u></u>

• **Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate.**

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

	1% Lower (6.50%)	Current Discount (7.50%)	1% Higher (8.50%)
Net Pension (Asset) Liability	\$1,143,709	\$538,502	\$32,327

• **Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pension.**

For the year ended June 30, 2018, the District recognized pension expense of \$133,384. At June 30, 2018, the District has unreported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 6. RETIREMENT FUND COMMITMENTS

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ 70,404	\$
Changes of assumptions		110,994
Net difference between projected and actual earnings on pension plan investments	<u>132,112</u>	<u>369,409</u>
<i>Total deferred amounts to be recognized in pension expense in future periods</i>	202,516	480,403
Pension contributions made subsequent to the measurement date	<u>80,330</u>	
<i>Total deferred amounts related to pensions</i>	<u>\$ 282,846</u>	<u>\$480,403</u>

If the District was on the accrual basis of accounting, 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 Outflow of Resources</u>
2018	\$(45,745)
2019	(50,902)
2020	(88,887)
2021	<u>(92,353)</u>
Total	<u>\$(277,887)</u>

(c) Social Security:

Employees not qualifying for coverage under the Illinois Downstate Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "*non-participating employees*". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security.

Note 7. POST EMPLOYMENT BENEFITS OTHER THAN PENSION

• **Plan Description**

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

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

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 7. POST EMPLOYMENT BENEFITS OTHER THAN PENSION

• **Benefits Provided**

THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

• **Contributions**

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.6) requires that all active contributors of TRS, who are not employees of a department, make contributions to the plan at a rate of 1.18 percent of salary and for every employer of a teacher to contribute an amount equal to .88 percent of each teacher's salary. The Department determines the percentage required, which each year shall not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year. Additionally, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund to the State Comptroller for deposit in the THIS Fund an amount equal to the amount certified by the Board of Trustees of TRS as the estimated amount of contributions to be paid under 5 ILCS 376/6.6(a) in the fiscal year.

During the year, the District makes contributions to the THIS Fund. The employer contributions for the year ended June 30, 2018 was .88 percent, or \$24,977, which was 100 percent of the required contribution.

The State of Illinois also makes employer retiree health insurance contributions on behalf of the District, which is intended to match contributions to the THIS Fund from active members. For the year ended June 30, 2018, the State of Illinois contributed \$220,819 and the employer recognized revenue and expenditures of the amount during the year.

• **Net OPEB (Asset) Liability**

At June 30, 2018, the Pawnee Community Unit School District No. 11, had an unreported net OPEB liability of \$2,970,753. The net OPEB liability was measured as of June 30, 2017 and was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based upon the District's share of contributions to the THIS Fund for the measurement year ending June 30, 2017, relative to the contributions of all participating THIS employers and the state during that period. At June 30, 2017, the District's proportional share was .011448 percent, which was an increase of .000404 from its proportion share measured as of June 30, 2016.

• **Changes in the Net OPEB (Asset) Liability:**

	Net OPEB (Asset) Liability
Balance July 1, 2016	\$3,019,011
Changes for the year:	
Total OPEB Exp	220,819
Employer contributions	(24,092)
Change in proportion and difference between employer contributions and share of contributions	95,733
Changes in liability experience outflows (inflows) recognized in the current liabilities	(1,683)
Change in assumption changes experience outflows (inflows) recognized in the current liabilities	(353,707)
Changes in investment experience outflows (inflows) recognized in the current liabilities	(33)
Net amortization of deferred amounts from changes in proportions and difference between employer contributions and proportionate share of contributions	14,705
Net Changes in NPL(A)	(48,258)
Balance June 30, 2017	<u>\$2,970,753</u>

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 7. POST EMPLOYMENT BENEFITS OTHER THAN PENSION

• **Net OPEB (Asset) Liability, Expense, and Deferred Outflow of Resources and Deferred Inflow of Resources**

For the year ended June 30, 2018, the District recognized revenue and expenditures in the amount of \$220,819 for support provided by the State. If the District prepared its financial statements in accordance with GAAP, at June 30, 2018 the District would have reported deferred outflows of resources and deferred inflows of resources related to THIS from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$ 1,683
Changes of assumptions		353,707
Net difference between projected and actual earnings on OPEB plan investments		33
Changes in proportion and difference between Employer contributions and share of contributions	<u>95,733</u>	
	95,733	<u>355,423</u>
Employer contributions subsequent to the measurement date	<u>58,467</u>	
Total deferred amounts relate to pensions	<u>\$154,200</u>	<u>\$ 355,423</u>

\$58,467 reported as deferred outflow of resources related to OPEBs resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the reporting period ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as an expense in future years.

Note 8. BOND ISSUES

- a) Pawnee Community Unit School District No. 11 issued General Obligation Bonds "Series 2013", in amount of \$895,000, dated February 1, 2013. Bond proceeds were used to make Fire Prevention and Life Safety improvements to the existing school buildings and pay costs associated with the issuance of the bonds. Interest was due on the bonds semiannually each June 1 and December 1 and principal payments are due annually on each December 1. Principal and interest payments are being paid out of the Debt Service Fund. As of June 30, 2018, this obligation was paid in full.
- b) Pawnee Community Unit School District No. 11 issued General Obligation Bonds "Series 2018", in the amount of \$850,000, dated January 11, 2018. Bonds were issued pursuant to Sect 17-2.11 of the School Code for the purpose of altering and reconstructing school buildings and purchasing and installing equipment therein for fire prevention and safety, energy conservation and school security purposes. Interest is due on the bonds semiannually each June 1 and December 1, and principal payments are due annually on each December 1. Principal and interest payment are being paid out of the Debt Service Fund. The balance at June 30, 2018 was \$850,000.

Proceeds from the sale of bonds were as follows:

Source:	
Par amount, Series 2018	850,000
Bond premium	<u>16,210</u>
	<u>\$866,210</u>
Uses:	
Deposit to Fire prevention And Safety Fund	850,960
Cost of Issuance	<u>15,250</u>
	<u>\$866,210</u>

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 8. BOND ISSUES

The following is future payment obligations on the bonds, *Series 2018*:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Interest Rate</u>
2019	\$153,000	\$32,244	\$185,244	2.25%
2020	167,000	19,134	186,134	2.25%
2021	171,000	14,690	185,690	3.00%
2022	176,000	9,265	185,265	3.25%
2023	183,000	3,202	186,202	3.50%
	<u>\$850,000</u>	<u>\$78,535</u>	<u>\$928,535</u>	

Note 9. CHANGES IN GENERAL LONG-TERM DEBT

	<u>Balance 7/1/2017</u>	<u>Proceeds</u>	<u>Decreases</u>	<u>Balance 6/30/2018</u>
General Obligation Bonds, Series 2013	\$195,000	\$	\$195,000	\$
General Obligation Bonds, Series 2018		<u>850,000</u>		<u>850,000</u>
	<u>\$195,000</u>	<u>\$850,000</u>	<u>\$195,000</u>	<u>\$850,000</u>

Note 10. LEGAL DEBT MARGIN

Assessed valuation (Sangamon County 2017 tax levy year)	<u>\$75,886,632</u>
Debt limit – 13.8% of assessed value	10,472,355
Less: Bonded indebtedness	<u>850,000</u>
Legal debt margin	<u>\$ 9,622,355</u>

Note 11. OPERATING LEASES

During the year ended June 30, 2018, Pawnee Community Unit School District No. 11 entered into an operating lease with Watts Copy Systems, Inc. for five office copiers. The lease has a five-year term with a month to month option at the end of the term. The original lease, which expired August 2017, had monthly lease payments of \$1,651. The renewed lease, starting September 2017, has monthly lease payments of \$1,008. Both monthly lease payments include an allowable annual image allowance. Images in excess of the allowable allowance are billed in addition to the monthly lease payment. Total lease expense, including excess image charges, for the fiscal year ending June 30, 2018 on the copier leases was \$18,544.

The required lease payments, excluding additional image charges, are as follows:

<u>Year Ending December 31</u>	<u>Lease payment</u>
2019	\$12,096
2020	12,096
2021	12,096
2022	12,096
2023	2,016

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 12. ESTIMATES

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

Note 13. CONTINGENCIES

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

Note 14. JOINT VENTURE

Pawnee Community Unit School District No. 11, Pawnee, Illinois participates in a joint agreement with the Sangamon Area Special Education District, who provides special education services to various school districts. The District pays tuition annually to the Sangamon Area Special Education District for providing these services to the District's qualifying students. For the year ended June 30, 2018, the District paid \$569,480 in special education tuition.

The District does not have an equity interest in this joint agreement. Sangamon Area Special Education District is separately audited and is not included in these financial statements. A copy of their audit report can be obtained by contacting Sangamon Area Special Education District, Springfield, Illinois.

Note 15. DISCLOSURE OF RISK

- (a) Significant losses are covered by commercial insurance for all major programs: property, liability, and workers' compensation. During the year ended June 30, 2018 there were no significant reductions in coverage. Also, there have been no settlement amounts which have exceeded insurance coverage over the past four years.
- (a) The District is insured under a retrospectively-rated policy for workers' compensation coverage. Whereas, the initial premium may be adjusted based on actual experience. Adjustments in premiums are recorded when paid or received. During the year ended June 30, 2018, there were no significant adjustments in premiums based on actual experience.

Note 16. RESTRICTED FUND BALANCE

During the fiscal year, the District receives various revenue sources that, based upon restrictions from outside sources, must be spent for a particular purpose. Any excess cumulative receipts over disbursements at June 30, 2018 are considered to be restricted. Restricted fund balances at June 30, 2018 consist of the following:

Education Fund:	
Lease levy	\$ 6,970
Title I - Low income	6,900
Local donations - to be used for grade	
school literacy needs.	651
	<u>\$ 14,521</u>

Note 17. OVER EXPENDITURE OF BUDGET

Pawnee Community Unit School District No. 11 had no Funds with actual expenditures in excess of budgeted amounts for fiscal year ended June 30, 2018.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
For the Year Ended June 30, 2018

Note 18. INTERFUND ACTIVITY

Interfund Activity may arise from two types of transactions. One type of transaction occurs when a fund pays for a good or service that a portion of the benefit belongs to another fund. The second type of transaction occurs when one fund provides a good or service to another fund. In addition to the two types of transactions, permanent operating transfers and interfund loans may also result by board resolution. Interfund loans are used to finance activities of a fund which has temporarily over expended its current available resources. All interfund loans are considered short-term.

During the year ended June 30, 2018, the District made the following permanent transfer of interest resulting from Board resolution:

	Transfer <u>In</u>	Transfer <u>Out</u>
Education Fund	\$8,290	\$
Working Cash Fund		8,290

Note 19. SUBSEQUENT EVENT

Management and the District Board have evaluated subsequent events through September 11, 2018, which is the date the financial statements were available to be issued. As of September 11, 2018, no subsequent events required recognition or disclosure in the financial statements.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

SUPPLEMENTARY INFORMATION
RELATIVE TO ILLINOIS MUNICIPAL RETIREMENT FUND

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
MOST RECENT CALENDAR YEARS

Calendar Year Ended December 31	2017	2016	2015	2014
Total Pension Liability				
Service Cost	\$ 88,712	\$ 85,927	\$ 78,340	\$ 80,662
Interest on the Total Pension Liability	372,110	359,549	339,066	316,523
Changes of Benefit Terms				
Differences between Expected and Actual Experience of the Total Pension Liability	94,957	32,203	173,169	17,427
Changes of Assumptions	(164,976)	(22,824)	5,472	208,540
Benefit Payments, including Refunds of Employee Contributions	(213,782)	(316,167)	(322,189)	(295,606)
Net Change in Total Pension Liability	<u>78,021</u>	<u>138,688</u>	<u>273,858</u>	<u>327,546</u>
Total Pension Liability - Beginning	<u>5,073,504</u>	<u>4,934,816</u>	<u>4,660,958</u>	<u>4,333,412</u>
Total Pension Liability - Ending (A)	<u>\$5,151,525</u>	<u>\$ 5,073,504</u>	<u>\$ 4,934,816</u>	<u>\$ 4,660,958</u>
Plan Fiduciary Net Position				
Contributions - Employer	\$ 118,627	\$ 117,586	\$ 111,610	\$ 91,417
Contributions - Employees	38,598	13,584	34,177	30,428
Net Investment Income	761,101	276,914	19,213	228,170
Benefit Payments, including Refunds of Employee Contributions	(312,782)	(316,167)	(322,189)	(295,606)
Other (Net Transfer)	(122,992)	24,848	219,136	48,978
Net Change in Plan Fiduciary Net Position	<u>482,552</u>	<u>137,765</u>	<u>(61,947)</u>	<u>103,387</u>
Plan Fiduciary Net Position - Beginning	<u>4,130,471</u>	<u>3,992,706</u>	<u>3,930,759</u>	<u>3,827,372</u>
Plan Fiduciary Net Position - Ending (B)	<u>\$ 538,502</u>	<u>\$4,130,471</u>	<u>\$3,992,706</u>	<u>\$ 3,930,759</u>
Net Position (Asset) Liability - Ending (A)-(B)	<u>\$ 538,502</u>	<u>\$ 943,033</u>	<u>\$ 942,110</u>	<u>\$ 730,199</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	89.55%	81.41%	80.91%	84.33%
Covered Valuation Payroll	\$ 820,948	\$ 768,536	\$ 730,908	\$ 676,355
Net Pension Liability as a Percentage of Covered Valuation Payroll	65.60%	122.71%	128.90%	107.96%

Note 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.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

**SUPPLEMENTARY INFORMATION
RELATIVE TO ILLINOIS MUNICIPAL RETIREMENT FUND**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
MOST RECENT CALENDAR YEARS**

<u>Calendar Year Ended December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation of Payroll</u>
2014	\$ 93,269	\$ 91,417	\$1,852	\$676,355	13.52%
2015	111,610	111,610		730,908	15.27%
2016	117,586	117,586		768,536	15.30%
2017	118,627	118,627		820,948	14.45%

Notes to Schedule:

Summary of Actuarial Methods and Assumptions used in the Calculation of the 2017 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 2017 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>	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 26-year closed period. Early Retirement Incentive plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 21 years for most employers (two employers were financed over 31 years).
<i>Asset Valuation Method:</i>	5 year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.50%
<i>Price Inflation:</i>	2.75%, approximate; No explicit price inflation assumption is used in this valuation
<i>Salary Increases:</i>	3.75% to 14.5%, 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 2014 valuation pursuant to an experience study of the period 2011 to 2013.
<i>Mortality:</i>	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projections scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes: There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2015 actuarial valuation.

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.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Pawnee, Illinois

SUPPLEMENTARY INFORMATION
RELATIVE TO THE TEACHERS' RETIREMENT SYSTEM
OF THE STATE OF ILLINOIS

SCHEDULE OF EMPLOYER'S PROPORTIONAL SHARE OF
THE NET PENSION LIABILITY
(DOLLAR AMOUNTS IN THOUSANDS)

	<u>FY17*</u>	<u>FY16*</u>	<u>FY 15*</u>	<u>FY 14*</u>
District's proportion of the net pension liability	.0006041734%	.0005477071%	.000997077%	.000975019%
District's proportionate share of the net pension liability	\$ 462	\$ 432	\$ 653	\$ 593
State's proportionate share of the net pension liability associated with the District	<u>21,232</u>	<u>22,458</u>	<u>17,512</u>	<u>15,929</u>
Total	<u>\$21,694</u>	<u>\$22,890</u>	<u>\$18,165</u>	<u>\$16,522</u>
District's covered-employee payroll	\$ 2,838	\$ 2,868	\$ 2,830	\$ 2,703
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	16.3%	15.1%	23.1%	21.9%
Plan fiduciary net position as a percentage of the total pension liability	39.3%	36.4%	41.5%	43.0%

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS
(DOLLAR AMOUNTS IN THOUSANDS)

	<u>FY 17</u>	<u>FY 16</u>	<u>FY 15</u>	<u>FY 14</u>
Contractually-required contribution	\$ 273	\$ 283	\$ 287	\$ 289
Contributions in relation to the contractually-required contribution	<u>273</u>	<u>283</u>	<u>287</u>	<u>289</u>
Contribution deficiency (excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered-employee payroll	\$2,838	\$2,868	\$ 2,803	\$ 2,703
Contributions as a percentage of covered-employee payroll	9.62%	9.87%	10.24%	10.69%

Changes of Assumptions

For the 2017 and 2016 measurement years, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit.

For the 2015 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

For the 2014 measurement year, the assumed investment, rate of return was also 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. However, salary increases were assumed to vary by age.

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Sangamon County, Illinois

AGENCY FUNDS - STUDENT ACTIVITY FUNDS
For the Year Ended June 30, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>June 30, 2018</u>
Student Council	\$ 3,458	\$ 6,392	\$(6,651)	\$ 3,199
Yearbook	1,939	7,341	(5,507)	3,773
FCA	22			22
School Play	12,020	6,658	(6,059)	12,619
Spanish Club	281			281
National Honor Society	399	3,265	(3,198)	466
Library	4,568	5,702	(8,246)	2,024
Cheerleaders	1,927	2,467	(2,460)	1,934
Chorus	509	4,289	(1,390)	3,408
Junior High Scholastic Bowl	566	175	(93)	648
Beta Club Junior High	3,198	4,687	(4,040)	3,845
Band	15,548	10,835	(8,996)	17,387
Junior High Tech		7,632	(7,632)	
Accelerated Reader	3,354	3,686	(5,077)	1,963
Class of 2018	16,094	24,365	(39,651)	808
Class of 2019	11,842	11,037	(9,796)	13,083
Class of 2021	89	5,364	(3,933)	1,520
Class of 2022		2,026	(1,942)	84
High School Administration	313	13,802	(13,950)	165
Grade School Administration	5,315	11,354	(12,858)	3,811
Teacher Lounge	541	558	(914)	185
Pop Corn Machine Fund	2,734		(4)	2,730
Interest	2,425	603	(189)	2,839
Senior Trip Fund	1,178			1,178
Elementary Art	431		(295)	136
Graduation Picture Display	745			745
Athletic Director	2,454	11,980	(11,139)	3,295
Speech Contest	107	67	(84)	90
Class of 2020	2,461	18,492	(11,111)	9,842
Elementary Tech	574		(38)	536
Elementary Structured Classroom		1,217		1,217
6 th Grade Volleyball	9,262	2,824	(3,980)	8,106
Volleyball Tournament	3,612	6,838	(4,935)	5,515
Basketball	3,631	3,321	(1,461)	5,491
Football	3,761	8,236	(11,026)	971
IESA	3,538	10,907	(9,948)	4,497
IHSA	15,398	42,523	(45,462)	12,459
High School Volleyball	2,661	5,703	(4,530)	3,834
Youth and Government	316	144		460
SADD	910	900	(900)	910
Bass Fishing	116	873	(156)	833
Track	1,304	1,089	(1,011)	1,382
Junior High Track Invitational	4,201	870	(121)	4,950
Junior High Cheerleading	1,690	1,114	(2,190)	614
Elementary P.E.	288			288
Junior High Volleyball	1,808	931	(1,003)	1,736
High School Softball	5,115	5,400	(3,097)	7,418
Baseball	4,568	5,367	(5,406)	4,529
Pre-K Fundraiser	1,011	3,518	(2,075)	2,454

PAWNEE COMMUNITY UNIT SCHOOL DISTRICT NO. 11
Sangamon County, Illinois

AGENCY FUNDS - STUDENT ACTIVITY FUNDS - continued
For the Year Ended June 30, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>June 30, 2018</u>
High School Girls Basketball	\$ 1,020	\$ 2,840	\$(2,668)	\$ 1,192
Junior High Softball	3,309	3,173	(2,701)	3,781
Testing Grant	10		(10)	
Donation Relief Fund	807			807
Interact Club	698	306		1,004
Special Ed Grants	900		(797)	103
Grade School Playground	39			39
Junior High Drama	342			342
Honor Band	3,410			3,410
Baseball/Softball Concessions		5,576	(4,364)	1,212
High School PE	2,463	1,418	(785)	3,096
Sports Ad Signs	1,562	2,000	(1,024)	2,538
Junior High Girls Basketball	45			45
MSM High School Conference	848	400	(375)	873
Rotating Tournaments	969	3,058	(2,844)	1,183
FFA	3,331	6,288	(5,354)	4,265
Class of 2016	431		(431)	
State Tournament Concessions	2,893	3,052	(3,328)	2,617
Greenhouse	581			581
High School Scholastic Bowl	126	255	(126)	255
Class of 2017	836		(243)	593
High School Creative Arts	<u>375</u>	<u> </u>	<u> </u>	<u>375</u>
Totals	<u>\$183,277</u>	<u>\$292,918</u>	<u>\$(287,604)</u>	<u>\$188,591</u>

SCHEDULE OF AD VALOREM TAX RECEIPTS

Description (Enter Whole Dollars)	Taxes Received 7-1-17 thru 6-30-18 (from 2016 Levy & Prior Levies) *		Taxes Received (from the 2017 Levy)		Taxes Received (from 2016 & Prior Levies)		Total Estimated Taxes (from the 2017 Levy)		Estimated Taxes Due (from the 2017 Levy)	
					(Column B - C)				(Column E - C)	
Educational	1,370,606		625,124		745,482		1,396,314		771,190	
Operations & Maintenance	372,415		169,870		202,545		379,433		209,563	
Debt Services **	192,145		82,931		109,214		185,240		102,309	
Transportation	148,966		67,948		81,018		151,773		83,825	
Municipal Retirement	97,064		44,778		52,286		100,019		55,241	
Capital Improvements	0				0				0	
Working Cash	37,241		16,987		20,254		37,943		20,956	
Tort Immunity	513,821		232,791		281,030		519,975		287,184	
Fire Prevention & Safety	37,241		16,987		20,254		37,943		20,956	
Leasing Levy	37,241		16,987		20,254		37,943		20,956	
Special Education	29,793		13,590		16,203		30,355		16,765	
Area Vocational Construction	0				0				0	
Social Security/Medicare Only	131,988		60,440		71,548		135,002		74,562	
Summer School	0				0				0	
Other (Describe & Itemize)	0				0				0	
Totals	2,968,521		1,348,433		1,620,088		3,011,940		1,663,507	

* The formulas in column B are unprotected to be overridden when reporting on a ACCRUAL basis.

** All tax receipts for debt service payments on bonds must be recorded on line 6 (Debt Services).

Description (Enter Whole Dollars)

SCHEDULE OF LONG-TERM DEBT

- Each type of debt issued must be identified separately with the amount:

7. Other _____
8. Other _____
9. Other _____

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

SCHEDULE OF RESTRICTED LOCAL TAX LEVIES AND SELECTED REVENUE SOURCES

Description (Enter Whole Dollars)	Account No	Tort Immunity ^a	Special Education	Area Vocational Construction	School Facility Occupation Taxes ^b	Driver Education
Cash Basis Fund Balance as of July 1, 2017					14,133	
RECEIPTS:						
Ad Valorem Taxes Received by District	10, 20, 40 or 50-1100		29,793			
Earnings on Investments	10, 20, 40, 50 or 60-1500					
Drivers' Education Fees	10-1970					
School Facility Occupation Tax Proceeds	30 or 60-1983				10,273	2,850
Driver Education	10 or 20-3370					7,211
Other Receipts (Describe & Itemize)						
Sale of Bonds	10, 20, 40 or 60-7200					
Total Receipts		0	29,793	0	10,273	10,061
DISBURSEMENTS:						
Instruction	10 or 50-1000					
Facilities Acquisition & Construction Services	20 or 60-2530		29,793			10,061
Tort Immunity Services	10, 20, 40-2360-2370				9,994	
DEBT SERVICE						
Debt Services - Interest on Long-Term Debt	30-5200				0	
Debt Services - Principal Payments on Long-Term Debt (Lease/Purchase Principal Retired)	30-5300					
Debt Services Other (Describe & Itemize)	30-5400					
Total Debt Services						
Other Disbursements (Describe & Itemize)						
Total Disbursements		0	29,793	0	9,994	10,061
Ending Cash Basis Fund Balance as of June 30, 2018		0	0	0	14,412	0
Reserved Fund Balance	714				14,412	
Unreserved Fund Balance	730	0	0	0	0	0

SCHEDULE OF TORT IMMUNITY EXPENDITURES^a

Yes ☐ No ☐ Has the entity established an insurance reserve pursuant to 745 ILCS 10/9-103?
If yes, list in the aggregate the following:

Total Claims Payments:	
Total Reserve Remaining:	

In the following categories, list all other Tort Immunity expenditures not included in line 30 above. Enter total dollar amount for each category.

Expenditures:

Workers' Compensation Act and/or Workers' Occupational Disease Act	
Unemployment Insurance Act	
Insurance (Regular or Self-Insurance)	
Risk Management and Claims Service	
Judgments/Settlements	
Educational, Inspectional, Supervisory Services Related to Loss Prevention and/or Reduction	
Reciprocal Insurance Payments (Insurance Code 72, 76, and 81)	
Legal Services	
Principal and Interest on Tort Bonds	

^a Schedules for Tort Immunity are to be completed only if expenditures have been reported in any fund other than the Tort Immunity Fund (80) during the fiscal year as a result of existing (restricted) fund balances in those other funds that are being spent down. Cell G6 above should include interest earnings only from these restricted tort immunity monies and only if reported in a fund other than Tort Immunity Fund (80).

^b 55 ILCS 5/5-1006.7

SCHEDULE OF CAPITAL OUTLAY AND DEPRECIATION											
Description of Assets (Enter Whole Dollars)	Acct #	Cost Beginning July 1, 2017	Add: Additions July 1, 2017 thru June 30, 2018	Less: Deletions July 1, 2017 thru June 30 2018	Cost Ending June 30, 2018	Life In Years	Accumulated Depreciation Beginning July 1, 2017	Add: Depreciation Allowable July 1, 2017 thru June 30, 2018	Less: Depreciation Deletions July 1, 2017 thru June 30, 2018	Accumulated Depreciation Ending June 30, 2018	Ending Balance Undepreciated June 30, 2018
Works of Art & Historical Treasures	210		0							0	0
Land	220										
Non-Depreciable Land	221	68,728			68,728						68,728
Depreciable Land	222		0			50				0	0
Buildings	230										
Permanent Buildings	231	8,845,974	46,336		8,892,310	50	4,872,628	117,846		4,990,474	3,901,836
Temporary Buildings	232				0	20				0	0
Improvements Other than Buildings (Infrastructure)	240	720,886	5,578		726,464	20	413,410	36,323		449,733	276,731
Capitalized Equipment	250										
10 Yr Schedule	251	435,457	40,971	63,640	412,788	10	256,071	39,907	63,640	232,338	180,450
5 Yr Schedule	252	660,524	9,299		669,823	5	658,229	783		659,012	10,811
3 Yr Schedule	253				0	3				0	0
Construction in Progress	260				0	-					0
Total Capital Assets	200	10,731,569	102,184	63,640	10,770,113		6,200,338	194,859	63,640	6,331,557	4,438,556
Non-Capitalized Equipment	700				0	10					
Allowable Depreciation								194,859			

ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2017-2018)

This schedule is completed for school districts only.

<u>Fund</u>	<u>Sheet, Row</u>	<u>ACCOUNT NO - TITLE</u>	<u>Amount</u>
OPERATING EXPENSE PER PUPIL			
EXPENDITURES:			
ED	Expenditures 15-22, L114	Total Expenditures	\$ 4,603,009
O&M	Expenditures 15-22, L151	Total Expenditures	477,523
DS	Expenditures 15-22, L174	Total Expenditures	198,913
TR	Expenditures 15-22, L210	Total Expenditures	120,836
MR/SS	Expenditures 15-22, L295	Total Expenditures	248,824
TORT	Expenditures 15-22, L342	Total Expenditures	532,371
		Total Expenditures	\$ 6,181,476
LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:			
TR	Revenues 9-14, L43, Col F	1412 Regular - Transp Fees from Other Districts (In State)	\$ 0
TR	Revenues 9-14, L47, Col F	1421 Summer Sch - Transp. Fees from Pupils or Parents (In State)	0
TR	Revenues 9-14, L48, Col F	1422 Summer Sch - Transp. Fees from Other Districts (In State)	0
TR	Revenues 9-14, L49, Col F	1423 Summer Sch - Transp. Fees from Other Sources (In State)	0
TR	Revenues 9-14, L50 Col F	1424 Summer Sch - Transp. Fees from Other Sources (Out of State)	0
TR	Revenues 9-14, L52, Col F	1432 CTE - Transp Fees from Other Districts (In State)	0
TR	Revenues 9-14, L56, Col F	1442 Special Ed - Transp Fees from Other Districts (In State)	0
TR	Revenues 9-14, L59, Col F	1451 Adult - Transp Fees from Pupils or Parents (In State)	0
TR	Revenues 9-14, L60, Col F	1452 Adult - Transp Fees from Other Districts (In State)	0
TR	Revenues 9-14, L61, Col F	1453 Adult - Transp Fees from Other Sources (In State)	0
TR	Revenues 9-14, L62, Col F	1454 Adult - Transp Fees from Other Sources (Out of State)	0
O&M-TR	Revenues 9-14, L148, Col D & F	3410 Adult Ed (from ICCB)	0
O&M-TR	Revenues 9-14, L149, Col D & F	3499 Adult Ed - Other (Describe & Itemize)	0
O&M-TR	Revenues 9-14, L218, Col D,F	4600 Fed - Spec Education - Preschool Flow-Through	0
O&M-TR	Revenues 9-14, L219, Col D,F	4605 Fed - Spec Education - Preschool Discretionary	0
O&M	Revenues 9-14, L229, Col D	4810 Federal - Adult Education	0
ED	Expenditures 15-22, L7, Col K - (G+I)	1125 Pre-K Programs	147,323
ED	Expenditures 15-22, L9, Col K - (G+I)	1225 Special Education Programs Pre-K	0
ED	Expenditures 15-22, L11, Col K - (G+I)	1275 Remedial and Supplemental Programs Pre-K	0
ED	Expenditures 15-22, L12, Col K - (G+I)	1300 Adult/Continuing Education Programs	0
ED	Expenditures 15-22, L15, Col K - (G+I)	1600 Summer School Programs	5,835
ED	Expenditures 15-22, L20, Col K	1910 Pre-K Programs - Private Tuition	0
ED	Expenditures 15-22, L21, Col K	1911 Regular K-12 Programs - Private Tuition	0
ED	Expenditures 15-22, L22, Col K	1912 Special Education Programs K-12 - Private Tuition	0
ED	Expenditures 15-22, L23, Col K	1913 Special Education Programs Pre-K - Tuition	0
ED	Expenditures 15-22, L24, Col K	1914 Remedial/Supplemental Programs K-12 - Private Tuition	0
ED	Expenditures 15-22, L25, Col K	1915 Remedial/Supplemental Programs Pre-K - Private Tuition	0
ED	Expenditures 15-22, L26, Col K	1916 Adult/Continuing Education Programs - Private Tuition	0
ED	Expenditures 15-22, L27, Col K	1917 CTE Programs - Private Tuition	0
ED	Expenditures 15-22, L28, Col K	1918 Interscholastic Programs - Private Tuition	0
ED	Expenditures 15-22, L29, Col K	1919 Summer School Programs - Private Tuition	0
ED	Expenditures 15-22, L30, Col K	1920 Gifted Programs - Private Tuition	0
ED	Expenditures 15-22, L31, Col K	1921 Bilingual Programs - Private Tuition	0
ED	Expenditures 15-22, L32, Col K	1922 Truants Alternative/Optional Ed Progrms - Private Tuition	0
ED	Expenditures 15-22, L75, Col K - (G+I)	3000 Community Services	0
ED	Expenditures 15-22, L102, Col K	4000 Total Payments to Other Govt Units	507,768
ED	Expenditures 15-22, L114, Col G	- Capital Outlay	31,731
ED	Expenditures 15-22, L114, Col I	- Non-Capitalized Equipment	0
O&M	Expenditures 15-22, L130, Col K - (G+I)	3000 Community Services	0
O&M	Expenditures 15-22, L139, Col K	4000 Total Payments to Other Govt Units	0
O&M	Expenditures 15-22, L151, Col G	- Capital Outlay	11,418
O&M	Expenditures 15-22, L151, Col I	- Non-Capitalized Equipment	0
DS	Expenditures 15-22, L160, Col K	4000 Payments to Other Dist & Govt Units	0
DS	Expenditures 15-22, L170, Col K	5300 Debt Service - Payments of Principal on Long-Term Debt	195,000
TR	Expenditures 15-22, L185, Col K - (G+I)	3000 Community Services	0
TR	Expenditures 15-22, L196, Col K	4000 Total Payments to Other Govt Units	0
TR	Expenditures 15-22, L206, Col K	5300 Debt Service - Payments of Principal on Long-Term Debt	0
TR	Expenditures 15-22, L210, Col G	- Capital Outlay	9,299
TR	Expenditures 15-22, L210, Col I	- Non-Capitalized Equipment	0
MR/SS	Expenditures 15-22, L216, Col K	1125 Pre-K Programs	9,031
MR/SS	Expenditures 15-22, L218, Col K	1225 Special Education Programs - Pre-K	0
MR/SS	Expenditures 15-22, L220, Col K	1275 Remedial and Supplemental Programs - Pre-K	0
MR/SS	Expenditures 15-22, L221, Col K	1300 Adult/Continuing Education Programs	0
MR/SS	Expenditures 15-22, L224, Col K	1600 Summer School Programs	460
MR/SS	Expenditures 15-22, L280, Col K	3000 Community Services	0
MR/SS	Expenditures 15-22, L285, Col K	4000 Total Payments to Other Govt Units	0
Tort	Expenditures 15-22, L334, Col K	4000 Total Payments to Other Govt Units	0
		Total Deductions for OEPP Computation (Sum of Lines 18 - 74)	\$ 917,865
		Total Operating Expenses Regular K-12 (Line 14 minus Line 76)	5,263,611
		9 Month ADA from District Average Daily Attendance/Prior General State Aid Inquiry 2017-2018	600.38
		Estimated OEPP (Line 77 divided by Line 78)	\$ 8,767.13

ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2017-2018)

This schedule is completed for school districts only.

Fund	Sheet, Row	ACCOUNT NO - TITLE	Amount
PER CAPITA TUITION CHARGE			
LESS OFFSETTING RECEIPTS/REVENUES:			
TR	Revenues 9-14, L42, Col F	1411 Regular - Transp Fees from Pupils or Parents (In State)	\$ 0
TR	Revenues 9-14, L44, Col F	1413 Regular - Transp Fees from Other Sources (In State)	0
TR	Revenues 9-14, L45, Col F	1415 Regular - Transp Fees from Co-curricular Activities (In State)	0
TR	Revenues 9-14, L46, Col F	1416 Regular Transp Fees from Other Sources (Out of State)	0
TR	Revenues 9-14, L51, Col F	1431 CTE - Transp Fees from Pupils or Parents (In State)	0
TR	Revenues 9-14, L53, Col F	1433 CTE - Transp Fees from Other Sources (In State)	0
TR	Revenues 9-14, L54, Col F	1434 CTE - Transp Fees from Other Sources (Out of State)	0
TR	Revenues 9-14, L55, Col F	1441 Special Ed - Transp Fees from Pupils or Parents (In State)	0
TR	Revenues 9-14, L57, Col F	1443 Special Ed - Transp Fees from Other Sources (In State)	0
TR	Revenues 9-14, L58, Col F	1444 Special Ed - Transp Fees from Other Sources (Out of State)	0
ED	Revenues 9-14, L75, Col C	1600 Total Food Service	62,475
ED-O&M	Revenues 9-14, L82, Col C,D	1700 Total District/School Activity Income	37,890
ED	Revenues 9-14, L84, Col C	1811 Rentals - Regular Textbooks	54,457
ED	Revenues 9-14, L87, Col C	1819 Rentals - Other (Describe & Itemize)	0
ED	Revenues 9-14, L88, Col C	1821 Sales - Regular Textbooks	0
ED	Revenues 9-14, L91, Col C	1829 Sales - Other (Describe & Itemize)	0
ED	Revenues 9-14, L92, Col C	1890 Other (Describe & Itemize)	0
ED-O&M	Revenues 9-14, L95, Col C,D	1910 Rentals	1,170
ED-O&M-TR	Revenues 9-14, L98, Col C,D,F	1940 Services Provided Other Districts	0
ED-O&M-DS-TR-MR/SS	Revenues 9-14, L104, Col C,D,E,F,G	1991 Payment from Other Districts	13,442
ED	Revenues 9-14, L106, Col C	1993 Other Local Fees (Describe & Itemize)	11,663
ED-O&M-TR	Revenues 9-14, L131, Col C,D,F	3100 Total Special Education	130,409
ED-O&M-MR/SS	Revenues 9-14, L140, Col C,D,G	3200 Total Career and Technical Education	2,740
ED-MR/SS	Revenues 9-14, L144, Col C,G	3300 Total Bilingual Ed	0
ED	Revenues 9-14, L145, Col C	3360 State Free Lunch & Breakfast	1,444
ED-O&M-MR/SS	Revenues 9-14, L146, Col C,D,G	3365 School Breakfast Initiative	0
ED-O&M	Revenues 9-14, L147, Col C,D	3370 Driver Education	7,211
ED-O&M-TR-MR/SS	Revenues 9-14, L154, Col C,D,F,G	3500 Total Transportation	27,950
ED	Revenues 9-14, L155, Col C	3610 Learning Improvement - Change Grants	0
ED-O&M-TR-MR/SS	Revenues 9-14, L156, Col C,D,F,G	3660 Scientific Literacy	0
ED-TR-MR/SS	Revenues 9-14, L157, Col C,F,G	3695 Truant Alternative/Optional Education	0
ED-TR-MR/SS	Revenues 9-14, L159, Col C,F,G	3715 Reading Improvement Block Grant	0
ED-TR-MR/SS	Revenues 9-14, L160, Col C,F,G	3720 Reading Improvement Block Grant - Reading Recovery	0
ED-TR-MR/SS	Revenues 9-14, L161, Col C,F,G	3725 Continued Reading Improvement Block Grant	0
ED-TR-MR/SS	Revenues 9-14, L162, Col C,F,G	3726 Continued Reading Improvement Block Grant (2% Set Aside)	0
ED-O&M-TR-MR/SS	Revenues 9-14, L163, Col C,D,F,G	3766 Chicago General Education Block Grant	0
ED-O&M-TR-MR/SS	Revenues 9-14, L164, Col C,D,F,G	3767 Chicago Educational Services Block Grant	0
ED-O&M-DS-TR-MR/SS	Revenues 9-14, L165, Col C,D,E,F,G	3775 School Safety & Educational Improvement Block Grant	0
ED-O&M-DS-TR-MR/SS	Revenues 9-14, L166, Col C,D,E,F,G	3780 Technology - Technology for Success	0
ED-TR	Revenues 9-14, L167, Col C,F	3815 State Charter Schools	0
O&M	Revenues 9-14, L170, Col D	3925 School Infrastructure - Maintenance Projects	0
ED-O&M-DS-TR-MR/SS-Tort	Revenues 9-14, L171, Col C-G,J	3999 Other Restricted Revenue from State Sources	1,500
ED	Revenues 9-14, L180, Col C	4045 Head Start (Subtract)	0
ED-O&M-TR-MR/SS	Revenues 9-14, L184, Col C,D,F,G	- Total Restricted Grants-In-Aid Received Directly from Federal Govt	0
ED-O&M-TR-MR/SS	Revenues 9-14, L191, Col C,D,F,G	4100 Total Title V	0
ED-MR/SS	Revenues 9-14, L201, Col C,G	4200 Total Food Service	109,290
ED-O&M-TR-MR/SS	Revenues 9-14, L211, Col C,D,F,G	4300 Total Title I	123,598
ED-O&M-TR-MR/SS	Revenues 9-14, L216, Col C,D,F,G	4400 Total Title IV	2,000
ED-O&M-TR-MR/SS	Revenues 9-14, L220, Col C,D,F,G	4620 Fed - Spec Education - IDEA - Flow Through	0
ED-O&M-TR-MR/SS	Revenues 9-14, L221, Col C,D,F,G	4625 Fed - Spec Education - IDEA - Room & Board	3,209
ED-O&M-TR-MR/SS	Revenues 9-14, L222, Col C,D,F,G	4630 Fed - Spec Education - IDEA - Discretionary	0
ED-O&M-TR-MR/SS	Revenues 9-14, L223, Col C,D,F,G	4699 Fed - Spec Education - IDEA - Other (Describe & Itemize)	0
ED-O&M-MR/SS	Revenues 9-14, L228, Col C,D,G	4700 Total CTE - Perkins	0
ED-O&M-DS-TR-MR/SS-Tort	Revenue Adjustments (C231 thru J258)	4800 Total ARRA Program Adjustments	0
ED	Revenues 9-14, L260, Col C	4901 Race to the Top	0
ED-O&M-DS-TR-MR/SS-Tort	Revenues 9-14, L261, Col C-G,J	4902 Race to the Top-Preschool Expansion Grant	0
ED,O&M,M/SS	Revenues 9-14, L262, Col C,D,G	4904 Advanced Placement Fee/International Baccalaureate	0
ED-TR-MR/SS	Revenues 9-14, L263, Col C,F,G	4905 Title III - Immigrant Education Program (IEP)	0
ED-TR-MR/SS	Revenues 9-14, L264, Col C,F,G	4909 Title III - Language Inst Program - Limited Eng (LIPLEP)	0
ED-TR-MR/SS	Revenues 9-14, L265, Col C,F,G	4910 Learn & Serve America	0
ED-O&M-TR-MR/SS	Revenues 9-14, L266, Col C,D,F,G	4920 McKinney Education for Homeless Children	0
ED-O&M-TR-MR/SS	Revenues 9-14, L267, Col C,D,F,G	4930 Title II - Eisenhower Professional Development Formula	0
ED-O&M-TR-MR/SS	Revenues 9-14, L268, Col C,D,F,G	4932 Title II - Teacher Quality	15,766
ED-O&M-TR-MR/SS	Revenues 9-14, L269, Col C,D,F,G	4960 Federal Charter Schools	0
ED-O&M-TR-MR/SS	Revenues 9-14, L270, Col C,D,F,G	4991 Medicaid Matching Funds - Administrative Outreach	16,046
ED-O&M-TR-MR/SS	Revenues 9-14, L271, Col C,D,F,G	4992 Medicaid Matching Funds - Fee-for-Service Program	16,479
ED-O&M-TR-MR/SS	Revenues 9-14, L272, Col C,D,F,G	4999 Other Restricted Revenue from Federal Sources (Describe & Itemize)	0
ED-TR-MR/SS	Revenues (Part of EBF Payment)	3100 Special Education Contributions from EBF Funds **	0
ED-MR/SS	Revenues (Part of EBF Payment)	3300 English Learning (Bilingual) Contributions from EBF Funds ***	0
Total Deductions for PCTC Computation Line 84 through Line 174			\$ 638,739
Net Operating Expense for Tuition Computation (Line 77 minus Line 176)			4,624,872
Total Depreciation Allowance (from page 26, Line 18, Col I)			194,859
Total Allowance for PCTC Computation (Line 177 plus Line 178)			4,819,731
9 Month ADA from District Average Daily Attendance/Prior General State Aid Inquiry 2017-2018			600.38
Total Estimated PCTC (Line 179 divided by Line 180) *			\$ 8,027.80

* The total OEPP/PCTC may change based on the data provided. The final amounts will be calculated by ISBE

** Go to the link below: Under "What's New!" select "FY 2018 Special Education Funding Allocation Calculation Details." Open excel file and use the amount in column W for the selected district.

*** Follow the same instructions as above except under What's New, select "FY 2018 English Learner Education Funding Allocation Calculation Details", and use column U for the selected district.

Evidence Based Funding Link: <https://www.isbe.net/Pages/ebfdistribution.aspx>

FINANCIAL PROFILE INFORMATION

Required to be completed for School Districts only.

A. Tax Rates (Enter the tax rate - ex: .0150 for \$1.50)

Tax Year <u>2017</u>		Equalized Assessed Valuation (EAV):		75,886,632	
	Educational	Operations & Maintenance	Transportation	Combined Total	Working Cash
Rate(s):	0.018400	0.005000	0.002000	0.025400	0.000500

B. Results of Operations *

Receipts/Revenues	Disbursements/Expenditures	Excess/ (Deficiency)	Fund Balance
5,207,634	5,201,368	6,266	5,486,513

* The numbers shown are the sum of entries on Pages 7 & 8, lines 8, 17, 20, and 81 for the Educational, Operations & Maintenance, Transportation and Working Cash Funds.

C. Short-Term Debt **

CPRT Notes	TAWs	TANs	TO/EMP. Orders	GSA Certificates
0	0	0	0	0
Other	Total			
0	0			

** The numbers shown are the sum of entries on page 25.

D. Long-Term Debt

Check the applicable box for long-term debt allowance by type of district.

<input type="checkbox"/>	a. 6.9% for elementary and high school districts,	10,472,355
<input checked="" type="checkbox"/>	b. 13.8% for unit districts.	

Long-Term Debt Outstanding:

c. Long-Term Debt (Principal only)	Acct	
Outstanding:.....	511	850,000

E. Material Impact on Financial Position

If applicable, check any of the following items that may have a material impact on the entity's financial position during future reporting periods. Attach sheets as needed explaining each item checked.

<input type="checkbox"/>	Pending Litigation
<input type="checkbox"/>	Material Decrease in EAV
<input type="checkbox"/>	Material Increase/Decrease in Enrollment
<input type="checkbox"/>	Adverse Arbitration Ruling
<input type="checkbox"/>	Passage of Referendum
<input type="checkbox"/>	Taxes Filed Under Protest
<input type="checkbox"/>	Decisions By Local Board of Review or Illinois Property Tax Appeal Board (PTAB)
<input type="checkbox"/>	Other Ongoing Concerns (Describe & Itemize)

Comments:

ESTIMATED FINANCIAL PROFILE SUMMARY

(Go to the following website for reference to the Financial Profile)

<https://www.isbe.net/Pages/School-District-Financial-Profile.aspx>

District Name: Pawnee CUSD #11
District Code: 51-084-0110-26
County Name: Sangamon

DRAFT

1. Fund Balance to Revenue Ratio:

Total Sum of Fund Balance (P8, Cells C81, D81, F81 & I81)
Total Sum of Direct Revenues (P7, Cell C8, D8, F8 & I8)
Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74)
(Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)

2. Expenditures to Revenue Ratio:

Total Sum of Direct Expenditures (P7, Cell C17, D17, F17, I17)
Total Sum of Direct Revenues (P7, Cell C8, D8, F8, & I8)
Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74)
(Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)
Possible Adjustment:

3. Days Cash on Hand:

Total Sum of Cash & Investments (P5, Cell C4, D4, F4, I4 & C5, D5, F5 & I5)
Total Sum of Direct Expenditures (P7, Cell C17, D17, F17 & I17)

4. Percent of Short-Term Borrowing Maximum Remaining:

Tax Anticipation Warrants Borrowed (P24, Cell F6-7 & F11)
EAV x 85% x Combined Tax Rates (P3, Cell I7 and J10)

5. Percent of Long-Term Debt Margin Remaining:

Long-Term Debt Outstanding (P3, Cell H37)
Total Long-Term Debt Allowed (P3, Cell H31)

Total	Ratio	Score	4
5,486,513.00	1.054	Weight	0.35
5,207,634.00		Value	1.40
0.00			
Total	Ratio	Score	4
5,201,368.00	0.999	Adjustment	0
5,207,634.00		Weight	0.35
0.00		Value	1.40
Total	Days	Score	4
5,491,038.00	380.04	Weight	0.10
14,448.24		Value	0.40
Total	Percent	Score	4
0.00	100.00	Weight	0.10
1,638,392.38		Value	0.40
Total	Percent	Score	4
850,000.00	91.88	Weight	0.10
10,472,355.22		Value	0.40
Total Profile Score:			4.00 *

Estimated 2019 Financial Profile Designation: RECOGNITION

* Total Profile Score may change based on data provided on the Financial Profile Information, page 3 and by the timing of mandated categorical payments. Final score will be calculated by ISBE.

Current Year Payment on Contracts For Indirect Cost Rate Computation

Instructions:

This schedule is to calculate the amount allowed on contracts obligated by the school district for the Indirect Cost Rate calculation. The greatest amount allowed in the indirect cost calculation is \$25,000 for each contract. The contracts should be only for purchase services and not for salary contracts.

1. In column (A) enter the name of the Fund-Function-Object of the account where the payment was made on each contract in the current year.
2. In column (B) enter the number of the Fund-Function-Object (use this format [00-0000-000]) of the account where the payment was made on each contract for the current year. Use only the functions listed on page 30.
3. In Column (C) enter the name of the Company that is listed on the contract.
4. In column (D) enter the total amount paid in the AFR for the contract. The amount must be equal to the amount reported in the AFR's "Expenditures 15-22" tab.
5. Column (E) and (F) are calculated automatically based on the information provided in Columns (A through D).
6. The amount in column (E) is the amount allowed on each contract in the Indirect Cost Rate calculation. The amount in column (F) is the amount that will be deducted from the base in the indirect cost rate (page 30) for Program Year 2020.
7. Do not include contracts for Capital Outlay (500) or Non-Capitalized Equipment (700) on this form, they are excluded from the Indirect Cost Rate calculation.

Fund-Function-Object Name Where the Expenditure was Recorded (Column A)	Fund- Function- Object Number (Column B)	Contracted Company Name (Column C)	Current Year Amount Paid on Contract (Column D)	Contract Amount Applied to the Indirect Cost Rate Base (Column E)	Contract Amount deducted from the Indirect Cost Rate Base (Column F)
Enter as shown here: ED-Instruction-Other	10-1000-600	Company Name	500,000	25,000	475,000
Tort - Insurance Payments - Purchased Service	10-2360-300	Prairie State Insurance Cooperative	79,985	0	0
Total			79,985	0	0

ESTIMATED INDIRECT COST RATE DATA

SECTION I

Financial Data To Assist Indirect Cost Rate Determination

(Source document for the computation of the Indirect Cost Rate is found in the "Expenditures 15-22" tab.)

ALL OBJECTS EXCLUDE CAPITAL OUTLAY. With the exception of line 11, enter the disbursements/expenditures included within the following functions charged directly to and reimbursed from federal grant programs. Also, include all amounts paid to or for other employees within each function that work with specific federal grant programs in the same capacity as those charged to and reimbursed from the same federal grant programs. For example, if a district received funding for a Title I clerk, all other salaries for Title I clerks performing like duties in that function must be included. Include any benefits and/or purchased services paid on or to persons whose salaries are classified as direct costs in the function listed.

Support Services - Direct Costs (1-2000) and (5-2000)

Direction of Business Support Services (1-2510) and (5-2510)			
Fiscal Services (1-2520) and (5-2520)			
Operation and Maintenance of Plant Services (1, 2, and 5-2540)			
Food Services (1-2560) Must be less than (PI16, Col E-F, L63)	81,991		
Value of Commodities Received for Fiscal Year 2018 (Include the value of commodities when determining if a Single Audit is required)	13,184		
Internal Services (1-2570) and (5-2570)			
Staff Services (1-2640) and (5-2640)			
Data Processing Services (1-2660) and (5-2660)			

SECTION II

Estimated Indirect Cost Rate for Federal Programs

	Function	Restricted Program		Unrestricted Program	
		Indirect Costs	Direct Costs	Indirect Costs	Direct Costs
Instruction	1000		3,273,715		3,273,715
Support Services:					
Pupil	2100		94,441		94,441
Instructional Staff	2200		93,935		93,935
General Admin.	2300		714,274		714,274
School Admin	2400		321,114		321,114
Business:					
Direction of Business Spt. Srv.	2510	0	0	0	0
Fiscal Services	2520	23,146	0	23,146	0
Oper. & Maint. Plant Services	2540		516,889	516,889	0
Pupil Transportation	2550		124,161		124,161
Food Services	2560		118,599		118,599
Internal Services	2570	28,489	0	28,489	0
Central:					
Direction of Central Spt. Srv.	2610		0		0
Plan, Rsrch, Dvlp, Eval. Srv.	2620		0		0
Information Services	2630		2,081		2,081
Staff Services	2640	0	0	0	0
Data Processing Services	2660	0	0	0	0
Other:	2900		29,512		29,512
Community Services	3000		0		0
Contracts Paid in CY over the allowed amount for ICR calculation (from page 29)					
Total		51,635	5,288,721	568,524	4,771,832
		Restricted Rate		Unrestricted Rate	
		Total Indirect Costs:	51,635	Total Indirect costs:	568,524
		Total Direct Costs:	5,288,721	Total Direct Costs:	4,771,832
		= 0.98%		= 11.91%	

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

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

		Actual Expenditures, Fiscal Year 2018			Budgeted Expenditures, Fiscal Year 2019		
		(10)	(20)	Total	(10)	(20)	Total
Description		Education Fund	Operations & Maintenance Fund		Education Fund	Operations & Maintenance Fund	
Funct. No.							
1. Executive Administration Services	2320	136,836		136,836	141,434		141,434
2. Special Area Administration Services	2330	0		0			0
3. Other Support Services - School Administration	2490	0		0			0
4. Direction of Business Support Services	2510	0	0	0			0
5. Internal Services	2570	28,489		28,489	24,900		24,900
6. Direction of Central Support Services	2610	0		0			0
7. Deduct - Early Retirement or other pension obligations required by state law and included above.							
8. Totals		165,325	0	165,325	166,334	0	166,334
9. Percent Increase (Decrease) for FY2019 (Budgeted) over FY2018 (Actual)							1%

School District Name: Pawnee CUSD #11
RCDT Number: 51-084-0110-26

DRAFT

CERTIFICATION

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

Signature of Superintendent

Date

Contact Name (for questions)

Contact Telephone Number

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

☐

The District is ranked by ISBE in the lowest 25th percentile of like districts in administrative expenditures per student (4th quartile) and will waive the limitation by board action, subsequent to a public hearing. Waiver resolution must be adopted no later than June 30.

☐

The District is unable to waive the limitation by board action and will be requesting a waiver from the General Assembly pursuant to the procedures in Chapter 105 ILCS 5/2-3.25g. Waiver applications must be postmarked by August 15, 2018 to ensure inclusion in the Fall 2018 report or postmarked by January 15, 2019 to ensure inclusion in the Spring 2019 report. Information on the waiver process can be found at <https://www.isbe.net/Pages/Waivers.aspx>.

☐

The district will amend their budget to become in compliance with the limitation. Budget amendments must be adopted no later than June 30.

AUDITOR'S QUESTIONNAIRE

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

PART A - FINDINGS

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

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

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

PART C - OTHER ISSUES

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

Part C, 23 - Other than cash basis, the Auditor's Report was qualified due to the District not maintaining a formal record system to track assets accounted for in the General Fixed Asset Account Group.

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

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

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

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

Date:

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

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

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

PART E - QUALIFICATIONS OF AUDITING FIRM

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

Comments Applicable to the Auditor's Questionnaire:**Pehlman and Dold, P.C.**

Name of Audit Firm (print)

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


Signature

9/21/2018
mm/dd/yyyy

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

REPORT ON SHARED SERVICES OR OUTSOURCING
 School Code, Section 17-1.1 (Public Act 97-0357)

Fiscal Year Ending June 30, 2018

Complete the following for attempts to improve fiscal efficiency through shared services or outsourcing in the prior, current and next fiscal years.

Pawnee CUSD #11
51-084-0110-26

Service or Function (Check all that apply)	Check box if this schedule is not applicable	Indicate with an (X) if Deficit Reduction Plan Is Required in the Budget	Prior Fiscal Year	Current Fiscal Year	Next Fiscal Year	Name of the Local Education Agency (LEA) Participating in the Joint Agreement, Cooperative or Shared Service.
						(Limit text to 200 characters, for additional space use line 33 and 38)
Curriculum Planning						
Custodial Services						
Educational Shared Programs						
Employee Benefits						
Energy Purchasing						
Food Services						
Grant Writing						
Grounds Maintenance Services						
Insurance						
Investment Pools			X	X		Prairie State Insurance Cooperative
Legal Services						
Maintenance Services						
Personnel Recruitment						
Professional Development						
Shared Personnel						
Special Education Cooperatives			X	X		Sangamon Area Special Education District
STEM (science, technology, engineering and math) Program Offerings						
Supply & Equipment Purchasing						
Technology Services			X	X		CMS Joint Purchasing Agreement
Transportation						
Vocational Education Cooperatives			X	X		Regional Office of Career and Technical Education
All Other Joint/Cooperative Agreements			X	X		Truant Alternative - TAOEP
Other						

Additional space for Column (D) - Barriers to Implementation:

Additional space for Column (E) - Name of LEA:

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

1. Education Fund - Acct 1614 - Cafeteria Pop Rebates
2. Education Fund - Acct 1790 - Misc Pupil Reimbursements/PE Uniforms
3. Education Fund - Acct 1993 - Preschool Fees \$10,363, Graduation Fees \$1,300
4. Education Fund - Acct 1999 - UCB Royalties \$212, Misc Refunds and Reimbursements \$1,331
5. Operations and Maintenance Fund - Acct 1999 - Salvage Income \$277, Misc Refunds and Reimbursement \$95
6. Transportation Fund - Acct 1999 - Fuel Reimbursement
7. Education Fund - Acct 3999 - Library Annual Per Capita Grant
8. Debt Service Fund - Function 5400, Object 600 - Bank fees on bond payments
- 9.
- 10.