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**ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATE OF ILLINOIS**

**ANNUAL FINANCIAL REPORT**

**JUNE 30, 2015**

**eder, casella & co.**

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## INDEPENDENT AUDITORS' OPINION

To the Board of Education  
Antioch Community Consolidated School District No. 34  
Antioch, Illinois

We have audited the accompanying basic financial statements of

Antioch Community Consolidated School District No. 34

as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions prescribed or permitted by the Illinois State Board of Education as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' 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 adverse and unmodified audit opinions.

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

As described more fully in Note 1 to the financial statements, to meet the financial reporting requirements of the Illinois State Board of Education, the financial statements are prepared by Antioch Community Consolidated School District No. 34 in accordance with the financial reporting provisions prescribed or permitted by the Illinois State Board of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America. They are intended to assure effective legislative and public oversight of school district financing and spending activities of accountable Illinois public school districts. Also as described in Note 1, Antioch Community Consolidated School District No. 34 prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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 above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Antioch Community Consolidated School District No. 34 as of June 30, 2015, or changes in financial position for the year then ended.

## **Unmodified Opinion on Regulatory Cash Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of Antioch Community Consolidated School District No. 34 as of June 30, 2015, and the revenue it received and expenditures it paid during the fiscal year then ended, on the basis of accounting described in Note 1.

## **Change in Accounting Principle**

As discussed in Note 20 to the financial statements, the District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to these matters.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Antioch Community Consolidated School District No. 34's basic financial statements. The supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information, except for the average daily attendance figure included in the computation of operating expense per pupil and per capita tuition charges, has been subjected to the auditing

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

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2015 on our consideration of Antioch Community Consolidated School District No. 34's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Antioch Community Consolidated School District No. 34's internal control over financial reporting and compliance.

#### **Restriction on Use**

This report is intended solely for the information and use of management, the Board of Education, others within the organization, and the Illinois State Board of Education and is not intended to be and should not be used by anyone other than these specified parties.

*Eder, Casella & Co.*

EDER, CASELLA & CO.  
Certified Public Accountants

McHenry, Illinois  
December 4, 2015

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

To the Board of Education  
Antioch Community Consolidated School District No. 34  
Antioch, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of

Antioch Community Consolidated School District No. 34

as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Antioch Community Consolidated School District No. 34's basic financial statements, and have issued our report thereon dated December 4, 2015. Our opinion was adverse because the financial statements are not prepared in accordance with generally accepted accounting principles. 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 generally accepted accounting principles.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Antioch Community Consolidated School District No. 34's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the effectiveness of Antioch Community Consolidated School District No. 34's internal control. Accordingly, we do not express an opinion on the effectiveness of Antioch Community Consolidated School District No. 34's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 over financial reporting 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 Antioch Community Consolidated School District No. 34's 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.

## **Restriction on Use**

This report is intended solely for the information and use of management, the Board of Education, the Illinois State Board of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Eder, Casella & Co.*

EDER, CASELLA & CO.  
Certified Public Accountants

McHenry, Illinois  
December 4, 2015



## BASIC FINANCIAL STATEMENTS

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES  
ARISING FROM CASH TRANSACTIONS - REGULATORY BASIS  
ALL FUNDS AND ACCOUNT GROUPS  
AT JUNE 30, 2015

<u>ASSETS</u>	EDUCATIONAL	OPERATIONS AND MAINTENANCE	DEBT SERVICES	TRANSPOR- TATION	ILLINOIS MUNICIPAL RETIREMENT/ SOCIAL SECURITY	WORKING CASH
Cash and Cash Equivalents	\$ 11,330,567	\$ 2,583,966	\$ 576,153	\$ 1,926,454	\$ 333,210	\$ 2,067,930
Restricted Cash and Cash Equivalents	334,387	-	-	-	-	-
Investments	2,681,494	482,117	120,450	472,758	32,628	142,611
Prepaid Payroll Deductions	201,373	-	-	-	395	-
Employee Computer Purchase Receivable	1,996	-	-	-	-	-
Capital Assets						
Land	-	-	-	-	-	-
Building and Building Improvements	-	-	-	-	-	-
Site Improvements and Infrastructure	-	-	-	-	-	-
Capitalized Equipment	-	-	-	-	-	-
Construction in Progress	-	-	-	-	-	-
Amount Available in Debt Services Fund	-	-	-	-	-	-
Amount to be Provided for Payment on Long-Term Debt	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 14,549,817</b>	<b>\$ 3,066,083</b>	<b>\$ 696,603</b>	<b>\$ 2,399,212</b>	<b>\$ 366,233</b>	<b>\$ 2,210,541</b>
<u>LIABILITIES AND FUND BALANCE</u>						
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Salaries and Benefits Payable	\$ -	\$ -	\$ -	\$ 1,319	\$ -	\$ -
Payroll Deductions and Withholdings	196,581	183	-	-	-	-
Due to Activity Fund Organizations	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>\$ 196,581</b>	<b>\$ 183</b>	<b>\$ -</b>	<b>\$ 1,319</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Long-Term Liabilities</b>						
Long-Term Debt Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Long-Term Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Liabilities</b>	<b>\$ 196,581</b>	<b>\$ 183</b>	<b>\$ -</b>	<b>\$ 1,319</b>	<b>\$ -</b>	<b>\$ -</b>
<b>FUND BALANCE</b>						
Investment in General Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance						
Reserved	334,387	-	-	-	58,205	-
Unreserved						
Designated	183,117	108,138	-	-	-	-
Undesignated	13,835,732	2,957,762	696,603	2,397,893	308,028	2,210,541
<b>Total Fund Balance</b>	<b>\$ 14,353,236</b>	<b>\$ 3,065,900</b>	<b>\$ 696,603</b>	<b>\$ 2,397,893</b>	<b>\$ 366,233</b>	<b>\$ 2,210,541</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 14,549,817</b>	<b>\$ 3,066,083</b>	<b>\$ 696,603</b>	<b>\$ 2,399,212</b>	<b>\$ 366,233</b>	<b>\$ 2,210,541</b>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES  
ARISING FROM CASH TRANSACTIONS - REGULATORY BASIS  
ALL FUNDS AND ACCOUNT GROUPS  
AT JUNE 30, 2015

<u>ASSETS</u>	TORT	FIRE PREVENTION AND SAFETY	AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	TOTAL (MEMORANDUM ONLY)
Cash and Cash Equivalents	\$ 141,186	\$ 50,567	\$ 43,156	\$ -	\$ -	\$ 19,053,189
Restricted Cash and Cash Equivalents	-	-	-	-	-	334,387
Investments	22,772	10,257	-	-	-	3,965,087
Prepaid Payroll Deductions	-	-	-	-	-	201,768
Employee Computer Purchase Receivable	-	-	-	-	-	1,996
Capital Assets						
Land	-	-	-	3,264,362	-	3,264,362
Building and Building Improvements	-	-	-	28,699,258	-	28,699,258
Site Improvements and Infrastructure	-	-	-	3,607,548	-	3,607,548
Capitalized Equipment	-	-	-	6,993,673	-	6,993,673
Construction in Progress	-	-	-	21,496	-	21,496
Amount Available in Debt Services Fund	-	-	-	-	696,603	696,603
Amount to be Provided for Payment on Long-Term Debt	-	-	-	-	6,670,046	6,670,046
<b>Total Assets</b>	<b>\$ 163,958</b>	<b>\$ 60,824</b>	<b>\$ 43,156</b>	<b>\$ 42,586,337</b>	<b>\$ 7,366,649</b>	<b>\$ 73,509,413</b>
 <u>LIABILITIES AND FUND BALANCE</u>						
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Salaries and Benefits Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,319
Payroll Deductions and Withholdings	-	-	-	-	-	196,764
Due to Activity Fund Organizations	-	-	43,156	-	-	43,156
<b>Total Current Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 43,156</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 241,239</b>
<b>Long-Term Liabilities</b>						
Long-Term Debt Payable	\$ -	\$ -	\$ -	\$ -	\$ 7,366,649	\$ 7,366,649
<b>Total Long-Term Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,366,649</b>	<b>\$ 7,366,649</b>
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 43,156</b>	<b>\$ -</b>	<b>\$ 7,366,649</b>	<b>\$ 7,607,888</b>
<b>FUND BALANCE</b>						
Investment in General Fixed Assets	\$ -	\$ -	\$ -	\$ 42,586,337	\$ -	\$ 42,586,337
Fund Balance						
Reserved	-	-	-	-	-	392,592
Unreserved						
Designated	-	-	-	-	-	291,255
Undesignated	163,958	60,824	-	-	-	22,631,341
<b>Total Fund Balance</b>	<b>\$ 163,958</b>	<b>\$ 60,824</b>	<b>\$ -</b>	<b>\$ 42,586,337</b>	<b>\$ -</b>	<b>\$ 65,901,525</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 163,958</b>	<b>\$ 60,824</b>	<b>\$ 43,156</b>	<b>\$ 42,586,337</b>	<b>\$ 7,366,649</b>	<b>\$ 73,509,413</b>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF REVENUE RECEIVED, EXPENDITURES DISBURSED, OTHER  
FINANCING SOURCES (USES), AND CHANGES IN FUND BALANCES -  
ALL FUNDS EXCEPT AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

	EDUCATIONAL	OPERATIONS AND MAINTENANCE	DEBT SERVICES	TRANSPOR- TATION	ILLINOIS MUNICIPAL RETIREMENT/ SOCIAL SECURITY	WORKING CASH	TORT	FIRE PREVENTION AND SAFETY	TOTAL (MEMORANDUM ONLY)
<b>REVENUE RECEIVED</b>									
Local Sources	\$ 20,590,791	\$ 3,050,218	\$ 1,395,708	\$ 1,440,001	\$ 1,281,851	\$ 132,390	\$ 167,514	\$ 34,950	\$ 28,093,423
State Sources	4,182,739	133,596	-	1,184,268	-	-	-	-	5,500,603
Federal Sources	1,007,926	-	-	-	-	-	-	-	1,007,926
On-Behalf Payments	7,785,435	-	-	-	-	-	-	-	7,785,435
	<u>\$ 33,566,891</u>	<u>\$ 3,183,814</u>	<u>\$ 1,395,708</u>	<u>\$ 2,624,269</u>	<u>\$ 1,281,851</u>	<u>\$ 132,390</u>	<u>\$ 167,514</u>	<u>\$ 34,950</u>	<u>\$ 42,387,387</u>
<b>EXPENDITURES DISBURSED</b>									
Instruction	\$ 18,506,407	\$ -	\$ -	\$ -	\$ 411,986	\$ -	\$ -	\$ -	\$ 18,918,393
Support Services	7,627,501	3,440,158	-	2,703,144	715,853	-	163,619	-	14,650,275
Community Services	108,760	-	-	-	14,580	-	-	-	123,340
Payments to Other Districts and Governmental Units	1,073,048	90,316	-	-	48,675	-	-	-	1,212,039
Debt Services	-	-	1,756,944	250,487	-	-	-	-	2,007,431
On-Behalf Payments	7,785,435	-	-	-	-	-	-	-	7,785,435
	<u>\$ 35,101,151</u>	<u>\$ 3,530,474</u>	<u>\$ 1,756,944</u>	<u>\$ 2,953,631</u>	<u>\$ 1,191,094</u>	<u>\$ -</u>	<u>\$ 163,619</u>	<u>\$ -</u>	<u>\$ 44,696,913</u>
<b>EXCESS OR (DEFICIENCY) OF REVENUE RECEIVED OVER EXPENDITURES DISBURSED</b>	<u>\$ (1,534,260)</u>	<u>\$ (346,660)</u>	<u>\$ (361,236)</u>	<u>\$ (329,362)</u>	<u>\$ 90,757</u>	<u>\$ 132,390</u>	<u>\$ 3,895</u>	<u>\$ 34,950</u>	<u>\$ (2,309,526)</u>
<b>OTHER FINANCING SOURCES (USES)</b>									
Principal on Bonds Sold	\$ -	\$ -	\$ 4,260,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,260,000
Sale or Compensation for Fixed Assets	-	-	-	145,100	-	-	-	-	145,100
Premium on Bonds Sold	-	-	139,797	-	-	-	-	-	139,797
Refunding Payment to Escrow Agent	-	-	(4,339,999)	-	-	-	-	-	(4,339,999)
Interfund Transfers	-	(600,000)	600,000	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ (600,000)</u>	<u>\$ 659,798</u>	<u>\$ 145,100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 204,898</u>
<b>EXCESS OR (DEFICIENCY) OF REVENUE RECEIVED AND OTHER FINANCING SOURCES OVER EXPENDITURES DISBURSED AND OTHER FINANCING USES</b>	<u>\$ (1,534,260)</u>	<u>\$ (946,660)</u>	<u>\$ 298,562</u>	<u>\$ (184,262)</u>	<u>\$ 90,757</u>	<u>\$ 132,390</u>	<u>\$ 3,895</u>	<u>\$ 34,950</u>	<u>\$ (2,104,628)</u>
<b>FUND BALANCE - JULY 1, 2014</b>	<u>15,887,496</u>	<u>4,012,560</u>	<u>398,041</u>	<u>2,582,155</u>	<u>275,476</u>	<u>2,078,151</u>	<u>160,063</u>	<u>25,874</u>	<u>25,419,816</u>
<b>FUND BALANCE - JUNE 30, 2015</b>	<u>\$ 14,353,236</u>	<u>\$ 3,065,900</u>	<u>\$ 696,603</u>	<u>\$ 2,397,893</u>	<u>\$ 366,233</u>	<u>\$ 2,210,541</u>	<u>\$ 163,958</u>	<u>\$ 60,824</u>	<u>\$ 23,315,188</u>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF REVENUE RECEIVED  
ALL FUNDS EXCEPT AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

	EDUCATIONAL	OPERATIONS AND MAINTENANCE	DEBT SERVICES	TRANSPOR- TATION	ILLINOIS MUNICIPAL RETIREMENT/ SOCIAL SECURITY	WORKING CASH	TORT	FIRE PREVENTION AND SAFETY	TOTAL (MEMORANDUM ONLY)
<b>REVENUE RECEIVED</b>									
Local Sources									
Ad Valorem Taxes Levied									
Designated Purpose Levies	\$ 18,894,845	\$ 2,870,558	\$ 1,393,994	\$ 1,437,200	\$ 662,298	\$ 132,225	\$ 167,305	\$ 34,904	\$ 25,593,329
Special Education Purpose Levy	837,374	-	-	-	-	-	-	-	837,374
FICA/Medicare Only Purposes Levy	-	-	-	-	509,688	-	-	-	509,688
Other Tax Levies	-	-	-	-	44,378	-	-	-	44,378
Payments in Lieu of Taxes									
Corporate Personal Property Replacement Taxes	-	167,702	-	-	64,000	-	-	-	231,702
Tuition									
Summer School Tuition from Pupils or Parents (In State)	49,684	-	-	-	-	-	-	-	49,684
Interest on Investments	25,273	3,604	1,714	1,801	1,487	165	209	46	34,299
Food Service									
Sales to Pupils - Lunch	349,248	-	-	-	-	-	-	-	349,248
Sales to Pupils - Other	758	-	-	-	-	-	-	-	758
Sales to Adults	4,279	-	-	-	-	-	-	-	4,279
District/School Activity Income									
Admissions - Athletic	2,074	-	-	-	-	-	-	-	2,074
Fees	91,732	-	-	-	-	-	-	-	91,732
Other District/School Activity Revenue	5,018	-	-	-	-	-	-	-	5,018
Textbooks									
Rentals - Regular Textbook	244,667	-	-	-	-	-	-	-	244,667
Rentals	2,183	7,744	-	-	-	-	-	-	9,927
Contributions and Donations from Private Sources	9,413	-	-	-	-	-	-	-	9,413
Refund of Prior Years' Expenditures	1,611	-	-	-	-	-	-	-	1,611
Other Local Revenues	72,632	610	-	1,000	-	-	-	-	74,242
<b>Total Local Sources</b>	<b>\$ 20,590,791</b>	<b>\$ 3,050,218</b>	<b>\$ 1,395,708</b>	<b>\$ 1,440,001</b>	<b>\$ 1,281,851</b>	<b>\$ 132,390</b>	<b>\$ 167,514</b>	<b>\$ 34,950</b>	<b>\$ 28,093,423</b>
State Sources									
Unrestricted Grants-In-Aid									
General State Aid - Sec. 18-8	\$ 2,836,424	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,836,424
Restricted Grants-In-Aid									
Special Education									
Private Facility Tuition	230,929	-	-	-	-	-	-	-	230,929
Extraordinary	266,096	-	-	-	-	-	-	-	266,096
Personnel	404,169	-	-	-	-	-	-	-	404,169
Orphanage - Individual	70,272	-	-	-	-	-	-	-	70,272
Bilingual Education									
Downstate - TPI & TBE	17,424	-	-	-	-	-	-	-	17,424
State Free Lunch and Breakfast	2,563	-	-	-	-	-	-	-	2,563
Transportation									
Regular/Vocational	-	-	-	532,723	-	-	-	-	532,723
Special Education	-	-	-	651,545	-	-	-	-	651,545
Early Childhood - Block Grant	352,688	-	-	-	-	-	-	-	352,688
Other Restricted Revenue from State Sources	2,174	133,596	-	-	-	-	-	-	135,770
<b>Total State Sources</b>	<b>\$ 4,182,739</b>	<b>\$ 133,596</b>	<b>\$ -</b>	<b>\$ 1,184,268</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,500,603</b>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF REVENUE RECEIVED  
ALL FUNDS EXCEPT AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

	EDUCATIONAL	OPERATIONS AND MAINTENANCE	DEBT SERVICES	TRANSPOR- TATION	ILLINOIS MUNICIPAL RETIREMENT/ SOCIAL SECURITY	WORKING CASH	TORT	FIRE PREVENTION AND SAFETY	TOTAL (MEMORANDUM ONLY)
REVENUE RECEIVED (Continued)									
Federal Sources									
Restricted Grants-In-Aid Received Directly from the Federal Government through the State									
Food Service									
National School Lunch Program	\$ 297,449	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 297,449
Special Milk Program	12,000	-	-	-	-	-	-	-	12,000
Title I									
Low Income	220,629	-	-	-	-	-	-	-	220,629
Federal - Special Education									
IDEA - Flow Through/Low Incidence	285,154	-	-	-	-	-	-	-	285,154
Title III- English Language Acquisition	3,332	-	-	-	-	-	-	-	3,332
Title II - Teacher Quality	41,466	-	-	-	-	-	-	-	41,466
Medicaid Matching Funds - Administrative Outreach	34,895	-	-	-	-	-	-	-	34,895
Medicaid Matching Funds - Fee-For-Service Program	113,001	-	-	-	-	-	-	-	113,001
Total Federal Sources	<u>\$ 1,007,926</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,007,926</u>
Total Direct Revenue	<u>\$ 25,781,456</u>	<u>\$ 3,183,814</u>	<u>\$ 1,395,708</u>	<u>\$ 2,624,269</u>	<u>\$ 1,281,851</u>	<u>\$ 132,390</u>	<u>\$ 167,514</u>	<u>\$ 34,950</u>	<u>\$ 34,601,952</u>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL  
EDUCATIONAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	BUDGET	ACTUAL
EXPENDITURES DISBURSED		
Instruction		
Regular Programs		
Salaries	\$ 11,381,657	\$ 11,192,289
Employee Benefits	1,706,807	1,934,612
Purchased Services	77,375	63,713
Supplies and Materials	551,831	487,634
Capital Outlay	209,649	209,630
Other Objects	5,100	5,634
Non-Capitalized Equipment	397,434	383,876
	<u>\$ 14,329,853</u>	<u>\$ 14,277,388</u>
Pre-K Programs		
Salaries	\$ 144,439	\$ 145,128
Employee Benefits	27,952	35,251
Purchased Services	1,800	1,031
Supplies and Materials	2,167	2,030
	<u>\$ 176,358</u>	<u>\$ 183,440</u>
Special Education Programs		
Salaries	\$ 2,147,799	\$ 1,998,552
Employee Benefits	494,164	526,941
Purchased Services	83,500	96,266
Supplies and Materials	69,678	23,544
Non-Capitalized Equipment	28,000	18,868
	<u>\$ 2,823,141</u>	<u>\$ 2,664,171</u>
Special Education Programs Pre-K		
Salaries	\$ 227,951	\$ 239,914
Employee Benefits	-	42,659
Purchased Services	1,000	436
Supplies and Materials	10,000	4,058
Non-Capitalized Equipment	5,000	-
	<u>\$ 243,951</u>	<u>\$ 287,067</u>
Remedial and Supplemental Programs K-12		
Salaries	\$ 65,192	\$ 66,922
Employee Benefits	37,152	38,770
Supplies and Materials	56,686	58,653
	<u>\$ 159,030</u>	<u>\$ 164,345</u>
Interscholastic Programs		
Salaries	\$ 110,300	\$ 101,712
Employee Benefits	2,100	96
Purchased Services	11,400	9,923
	<u>\$ 123,800</u>	<u>\$ 111,731</u>
Summer School Programs		
Salaries	\$ 68,000	\$ 71,896
Employee Benefits	-	523
Purchased Services	500	-
Supplies and Materials	10,000	10,539
	<u>\$ 78,500</u>	<u>\$ 82,958</u>
Gifted Programs		
Salaries	\$ 238,400	\$ 184,011
Employee Benefits	26,200	17,083
Purchased Services	1,500	545
Supplies and Materials	2,250	387
Other Objects	2,000	-
	<u>\$ 270,350</u>	<u>\$ 202,026</u>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL  
EDUCATIONAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	BUDGET	ACTUAL
EXPENDITURES DISBURSED (Continued)		
Instruction (Continued)		
Bilingual Programs		
Salaries	\$ 15,818	\$ 23,221
Employee Benefits	2,317	3,164
Purchased Services	-	62
Supplies and Materials	5,000	2,544
	<u>\$ 23,135</u>	<u>\$ 28,991</u>
Private Tuition - Other Objects		
Regular K-12 Programs	\$ 8,000	\$ 3,338
Special Education Programs K-12	485,000	500,952
	<u>\$ 493,000</u>	<u>\$ 504,290</u>
 Total Instruction	 <u>\$ 18,721,118</u>	 <u>\$ 18,506,407</u>
 Support Services		
Pupils		
Attendance and Social Work Services		
Salaries	\$ 285,900	\$ 284,104
Employee Benefits	3,900	51,492
Purchased Services	15,000	10,655
Supplies and Materials	1,500	610
	<u>\$ 306,300</u>	<u>\$ 346,861</u>
Health Services		
Salaries	\$ 282,800	\$ 299,068
Employee Benefits	44,200	42,851
Purchased Services	2,800	257
Supplies and Materials	4,700	4,587
	<u>\$ 334,500</u>	<u>\$ 346,763</u>
Psychological Services		
Salaries	\$ 436,300	\$ 316,497
Employee Benefits	46,200	34,367
Purchased Services	19,000	21,068
Supplies and Materials	5,000	5,033
	<u>\$ 506,500</u>	<u>\$ 376,965</u>
Speech Pathology and Audiology Services		
Salaries	\$ 514,600	\$ 532,057
Employee Benefits	62,200	72,566
Purchased Services	20,000	21,285
Supplies and Materials	3,500	2,652
	<u>\$ 600,300</u>	<u>\$ 628,560</u>
Other Support Services - Pupils		
Salaries	\$ -	\$ 508
Purchased Services	1,000	-
	<u>\$ 1,000</u>	<u>\$ 508</u>
 Total Support Services - Pupils	 <u>\$ 1,748,600</u>	 <u>\$ 1,699,657</u>
 Instructional Staff		
Improvement of Instruction Services		
Salaries	\$ 187,871	\$ 176,568
Employee Benefits	3,200	4,756
Purchased Services	359,928	305,564
Supplies and Materials	57,327	60,618
	<u>\$ 608,326</u>	<u>\$ 547,506</u>

The Notes to Financial Statements are an integral part of this statement.



ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL  
EDUCATIONAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	BUDGET	ACTUAL
EXPENDITURES DISBURSED (Continued)		
Support Services (Continued)		
Instructional Staff (Continued)		
Educational Media Services		
Salaries	\$ 250,200	\$ 239,075
Employee Benefits	42,800	53,090
Supplies and Materials	58,300	54,489
	<u>\$ 351,300</u>	<u>\$ 346,654</u>
Assessment and Testing		
Purchased Services	\$ 34,700	\$ 30,945
	<u>\$ 34,700</u>	<u>\$ 30,945</u>
	<u>\$ 994,326</u>	<u>\$ 925,105</u>
Total Support Services - Instructional Staff		
General Administration		
Board of Education Services		
Employee Benefits	\$ 2,000	\$ 907
Purchased Services	498,349	498,679
Supplies and Materials	8,197	7,879
Other Objects	7,743	11,056
	<u>\$ 516,289</u>	<u>\$ 518,521</u>
Executive Administration Services		
Salaries	\$ 303,500	\$ 270,841
Employee Benefits	134,500	22,072
Purchased Services	56,121	44,870
Supplies and Materials	9,413	7,482
Other Objects	15,789	10,550
	<u>\$ 519,323</u>	<u>\$ 355,815</u>
Special Area Administration Services		
Salaries	\$ 130,400	\$ 402,531
Employee Benefits	-	52,444
Supplies and Materials	600	887
	<u>\$ 131,000</u>	<u>\$ 455,862</u>
Tort Immunity Services		
Other Objects	\$ 7,000	\$ -
	<u>\$ 7,500</u>	<u>\$ 1,008</u>
	<u>\$ 1,174,112</u>	<u>\$ 1,331,206</u>
Total Support Services - General Administration		
School Administration		
Office of the Principal Services		
Salaries	\$ 1,053,000	\$ 1,197,536
Employee Benefits	258,300	162,165
Other Objects	3,500	2,933
	<u>\$ 1,314,800</u>	<u>\$ 1,362,634</u>
	<u>\$ 1,314,800</u>	<u>\$ 1,362,634</u>
Total Support Services - School Administration		
Business		
Direction of Business Support Services		
Salaries	\$ 127,200	\$ 139,785
Employee Benefits	16,900	3,509
	<u>\$ 144,100</u>	<u>\$ 143,294</u>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL  
EDUCATIONAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	BUDGET	ACTUAL
EXPENDITURES DISBURSED (Continued)		
Support Services (Continued)		
Business (Continued)		
Fiscal Services		
Salaries	\$ 142,300	\$ 196,716
Employee Benefits	25,200	19,440
Purchased Services	5,500	1,250
Supplies and Materials	1,400	1,352
	<u>\$ 174,400</u>	<u>\$ 218,758</u>
Operation and Maintenance of Plant Services		
Purchased Services	\$ 177,738	\$ 207,701
	<u>\$ 177,738</u>	<u>\$ 207,701</u>
Food Services		
Salaries	\$ 282,600	\$ 282,895
Employee Benefits	13,100	6,021
Purchased Services	3,600	1,371
Supplies and Materials	369,050	321,744
Other Objects	3,000	3,060
Non-Capitalized Equipment	11,500	3,757
	<u>\$ 682,850</u>	<u>\$ 618,848</u>
Internal Services		
Salaries	\$ -	\$ 11,551
	<u>\$ -</u>	<u>\$ 11,551</u>
Total Support Services - Business	<u>\$ 1,179,088</u>	<u>\$ 1,200,152</u>
Central		
Direction of Central Support Services		
Salaries	\$ 321,000	\$ 188,495
Employee Benefits	20,300	34,720
	<u>\$ 341,300</u>	<u>\$ 223,215</u>
Planning, Research, Development and Evaluation Services		
Salaries	\$ 76,800	\$ 13,008
	<u>\$ 76,800</u>	<u>\$ 13,008</u>
Information Services		
Purchased Services	\$ 291,000	\$ 282,381
	<u>\$ 291,000</u>	<u>\$ 282,381</u>
Staff Services		
Salaries	\$ 500	\$ 37,144
Employee Benefits	-	4,971
Purchased Services	18,700	15,252
Supplies and Materials	3,000	343
	<u>\$ 22,200</u>	<u>\$ 57,710</u>
Data Processing Services		
Salaries	\$ 251,100	\$ 207,505
Employee Benefits	35,800	33,810
Purchased Services	155,829	151,400
Supplies and Materials	144,481	139,718
	<u>\$ 587,210</u>	<u>\$ 532,433</u>
Total Support Services - Central	<u>\$ 1,318,510</u>	<u>\$ 1,108,747</u>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL  
EDUCATIONAL FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	BUDGET	ACTUAL
EXPENDITURES DISBURSED (Continued)		
Support Services (Continued)		
Other Support Services		
Supplies and Materials	\$ 572	\$ -
Total Other Support Services	<u>\$ 572</u>	<u>\$ -</u>
Total Support Services	<u>\$ 7,730,008</u>	<u>\$ 7,627,501</u>
Community Services		
Salaries	\$ 89,751	\$ 87,193
Employee Benefits	9,619	8,663
Purchased Services	25,576	3,803
Supplies and Materials	22,348	9,101
Total Community Services	<u>\$ 147,294</u>	<u>\$ 108,760</u>
Payments to Other Districts and Governmental Units		
Payments to Other Districts and Governmental Units (In-State)		
Payments for Regular Programs		
Purchased Services	\$ 6,000	\$ -
	<u>\$ 6,000</u>	<u>\$ -</u>
Payments for Special Education Programs		
Purchased Services	\$ 71,800	\$ 71,018
	<u>\$ 71,800</u>	<u>\$ 71,018</u>
Other Payments to In-State Governmental Units		
Other Objects	\$ 6,000	\$ -
	<u>\$ 6,000</u>	<u>\$ -</u>
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 83,800</u>	<u>\$ 71,018</u>
Payments to Other Districts and Governmental Units-Tuition (In-State)		
Other Objects		
Payments for Regular Programs	\$ 5,000	\$ -
Payments for Special Education Programs	1,010,000	1,002,030
Total Payments to Other Districts and Governmental Units-Tuition (In-State)	<u>\$ 1,015,000</u>	<u>\$ 1,002,030</u>
Total Payments to Other Districts and Governmental Units	<u>\$ 1,098,800</u>	<u>\$ 1,073,048</u>
Total Direct Expenditures	<u>\$ 27,697,220</u>	<u>\$ 27,315,716</u>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL  
OPERATIONS AND MAINTENANCE FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	BUDGET	ACTUAL
EXPENDITURES DISBURSED		
Support Services		
Business		
Facilities Acquisition and Construction Services		
Purchased Services	\$ 80,000	\$ 91,526
Supplies and Materials	-	443
Capital Outlay	1,447,500	1,358,839
Non-Capitalized Equipment	6,488	3,988
	<u>\$ 1,533,988</u>	<u>\$ 1,454,796</u>
Operation and Maintenance of Plant Services		
Salaries	\$ 862,600	\$ 853,358
Employee Benefits	162,400	171,302
Purchased Services	336,312	322,934
Supplies and Materials	648,600	612,375
Capital Outlay	24,000	7,355
Other Objects	2,000	672
Non-Capitalized Equipment	18,000	17,366
	<u>\$ 2,053,912</u>	<u>\$ 1,985,362</u>
 Total Support Services - Business	 <u>\$ 3,587,900</u>	 <u>\$ 3,440,158</u>
 Other Support Services		
Purchased Services	\$ 1,000	\$ -
Total Other Support Services	<u>\$ 1,000</u>	<u>\$ -</u>
 Total Support Services	 <u>\$ 3,588,900</u>	 <u>\$ 3,440,158</u>
 Payments to Other Districts and Governmental Units		
Payments to Other Districts and Governmental Units (In-State)		
Payments for Special Education Programs		
Purchased Services	\$ 92,200	\$ 90,316
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 92,200</u>	<u>\$ 90,316</u>
 Total Payments to Other Districts and Governmental Units	 <u>\$ 92,200</u>	 <u>\$ 90,316</u>
 Total Direct Expenditures	 <u><u>\$ 3,681,100</u></u>	 <u><u>\$ 3,530,474</u></u>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL  
DEBT SERVICES FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	BUDGET	ACTUAL
EXPENDITURES DISBURSED		
Debt Services		
Interest		
Other Interest on Long-Term Debt		
Other Objects	\$ 122,900	\$ 194,543
Total Debt Services - Interest	<u>\$ 122,900</u>	<u>\$ 194,543</u>
Debt Services - Payment of Principal on Long-Term Debt		
Other Objects	\$ 1,614,100	\$ 1,503,786
Total Debt Services - Payment of Principal on Long-Term Debt	<u>\$ 1,614,100</u>	<u>\$ 1,503,786</u>
Debt Services - Other		
Purchased Services	\$ 1,000	\$ 58,615
Total Debt Services - Other	<u>\$ 1,000</u>	<u>\$ 58,615</u>
Total Debt Services	<u>\$ 1,738,000</u>	<u>\$ 1,756,944</u>
Total Direct Expenditures	<u><u>\$ 1,738,000</u></u>	<u><u>\$ 1,756,944</u></u>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL  
TRANSPORTATION FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	BUDGET	ACTUAL
EXPENDITURES DISBURSED		
Support Services		
Business		
Pupil Transportation Services		
Salaries	\$ 1,058,700	\$ 1,046,016
Employee Benefits	52,500	54,726
Purchased Services	797,400	738,273
Supplies and Materials	284,530	242,477
Capital Outlay	622,000	618,887
Other Objects	200	-
Non-Capitalized Equipment	5,000	2,765
	<u>\$ 2,820,330</u>	<u>\$ 2,703,144</u>
Total Support Services - Business	<u>\$ 2,820,330</u>	<u>\$ 2,703,144</u>
Total Support Services	<u>\$ 2,820,330</u>	<u>\$ 2,703,144</u>
Debt Services		
Interest		
Interest on Long-Term Debt		
Other Objects	\$ 13,300	\$ 13,280
Payments of Principal on Long-Term Debt		
Other Objects	238,000	237,207
Total Debt Services	<u>\$ 251,300</u>	<u>\$ 250,487</u>
Total Direct Expenditures	<u><u>\$ 3,071,630</u></u>	<u><u>\$ 2,953,631</u></u>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL  
ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	BUDGET	ACTUAL
EXPENDITURES DISBURSED		
Instruction		
Regular Programs		
Employee Benefits	\$ 243,246	\$ 213,606
Pre-K Programs		
Employee Benefits	8,914	9,310
Special Education Programs		
Employee Benefits	144,381	164,875
Special Education Programs - Pre-K		
Employee Benefits	8,306	11,901
Remedial and Supplemental Programs - K-12		
Employee Benefits	-	1,425
Interscholastic Programs		
Employee Benefits	2,500	2,240
Summer School Programs		
Employee Benefits	-	5,654
Gifted Programs		
Employee Benefits	3,500	2,669
Bilingual Programs		
Employee Benefits	-	306
Total Instruction	<u>\$ 410,847</u>	<u>\$ 411,986</u>
Support Services		
Pupils		
Attendance and Social Work Services		
Employee Benefits	\$ 4,200	\$ 3,936
Health Services		
Employee Benefits	42,300	57,358
Psychological Services		
Employee Benefits	6,700	2,992
Speech Pathology and Audiology Services		
Employee Benefits	7,600	7,658
Other Support Services - Pupils		
Employee Benefits	-	95
Total Supports Services - Pupils	<u>\$ 60,800</u>	<u>\$ 72,039</u>
Instructional Staff		
Improvement of Instruction Services		
Employee Benefits	\$ 4,000	\$ 3,469
Educational Media Services		
Employee Benefits	21,300	22,051
Total Support Services - Instructional Staff	<u>\$ 25,300</u>	<u>\$ 25,520</u>
General Administration		
Executive Administration Services		
Employee Benefits	\$ 30,200	\$ 12,225
Special Area Administrative Services		
Employee Benefits	-	12,190
Total Support Services - General Administration	<u>\$ 30,200</u>	<u>\$ 24,415</u>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL  
ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	BUDGET	ACTUAL
EXPENDITURES DISBURSED (Continued)		
Support Services (Continued)		
School Administration		
Office of the Principal Services		
Employee Benefits	\$ 78,000	\$ 84,029
Total Support Services - School Administration	<u>\$ 78,000</u>	<u>\$ 84,029</u>
Business		
Direction of Business Support Services		
Employee Benefits	\$ 1,900	\$ 2,046
Fiscal Services		
Employee Benefits	25,700	37,359
Operation and Maintenance of Plant Services		
Employee Benefits	193,800	158,828
Pupil Transportation Services		
Employee Benefits	216,600	199,635
Food Services		
Employee Benefits	50,800	46,704
Internal Services		
Employee Benefits	-	2,226
Total Support Services - Business	<u>\$ 488,800</u>	<u>\$ 446,798</u>
Central		
Direction of Central Support Services		
Employee Benefits	\$ -	\$ 14,923
Planning, Research, Development and Evaluation Services		
Employee Benefits	37,300	2,224
Staff Services		
Employee Benefits	1,900	7,139
Data Processing Services		
Employee Benefits	54,800	38,766
Total Support Services - Central	<u>\$ 94,000</u>	<u>\$ 63,052</u>
Total Support Services	<u>\$ 777,100</u>	<u>\$ 715,853</u>
Community Services		
Employee Benefits	\$ 14,727	\$ 14,580
Total Community Services	<u>\$ 14,727</u>	<u>\$ 14,580</u>
Payments to Other Districts and Governmental Units		
Payments for Special Education Programs		
Employee Benefits	\$ 49,400	\$ 48,675
Total Payments to Other Districts and Governmental Units	<u>\$ 49,400</u>	<u>\$ 48,675</u>
Total Direct Expenditures	<u>\$ 1,252,074</u>	<u>\$ 1,191,094</u>

The Notes to Financial Statements are an integral part of this statement.



ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL  
TORT FUND  
FOR THE YEAR ENDED JUNE 30, 2015

	BUDGET	ACTUAL
EXPENDITURES DISBURSED		
Support Services		
General Administration		
Workers' Compensation or Worker's Occupational Disease Act		
Purchased Services	\$ 152,000	\$ 151,619
	<u>\$ 152,000</u>	<u>\$ 151,619</u>
Insurance Payments		
Purchased Services	\$ 12,000	\$ 12,000
	<u>\$ 12,000</u>	<u>\$ 12,000</u>
Total Support Services - General Administration	<u>\$ 164,000</u>	<u>\$ 163,619</u>
Total Support Services	<u>\$ 164,000</u>	<u>\$ 163,619</u>
Total Direct Expenditures	<u><u>\$ 164,000</u></u>	<u><u>\$ 163,619</u></u>

The Notes to Financial Statements are an integral part of this statement.

ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 34  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Antioch Community Consolidated School District No. 34's (District) accounting policies conform to the cash basis of accounting as defined by the Illinois State Board of Education Audit Guide.

A. *Principles Used to Determine Scope of Entity*

The reporting entity includes the 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 its citizens, including joint agreements which serve pupils from numerous districts, should be included within its financial reporting entity. 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 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.

B. *Basis of Presentation – Fund Accounting*

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.

These funds are grouped as required for reports filed with the Illinois State Board of Education. 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 funds and account groups are used by the District:

Educational Fund – The Educational Fund is the general operating fund of the District. It is used to account for all transactions that are not specifically covered in another fund. Certain expenditures that must be charged to this fund include the direct costs of instructional programs, health and attendance services, lunch programs, all costs of administration, and related insurance costs. Certain revenues that must be credited to this fund include educational tax levies, tuition, and textbook rentals. Special Education is included in this fund.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. *Basis of Presentation – Fund Accounting (Continued)*

Operations and Maintenance Fund – The Operations and Maintenance Fund is used to account for all costs of maintaining, improving or repairing school buildings and property, renting buildings and property for school purposes, or paying of premiums for insurance on school buildings. Operations of this fund are generally financed by a special tax levied for these purposes.

Debt Services Fund – The Debt Services Fund is used to account for all principal, interest, and administrative costs for tax-financed bond payments. Operations of this fund are generally financed by a special tax levied for these purposes.

Transportation Fund – The Transportation Fund is used to account for the costs associated with transporting pupils for any purpose. Revenue received for transportation purposes from any source must be deposited into this fund, including property taxes levied and state grants received for these purposes.

Illinois Municipal Retirement/Social Security Fund – The Illinois Municipal Retirement/Social Security Fund is used to account for costs of providing retirement benefits under Illinois Municipal Retirement Fund and Social Security if there are separate taxes levied for these purposes. If separate taxes are not levied for these purposes, then the payments shall be charged to the fund where the salaries are charged.

Working Cash Fund – The Working Cash Fund is used to account for a separate tax levied for working cash purposes and for any bonds sold for this purpose. Cash available in this fund may be loaned to any fund of the District.

Tort Fund – The Tort Fund is used to account for the proceeds of specific revenue sources that are legally restricted for tort expenditures.

Fire Prevention and Safety Fund – The Fire Prevention and Safety Fund is used to account for the proceeds of specific revenue sources that are legally restricted for fire prevention and safety projects.

Agency Fund – The Agency Fund is used to account for Student Activity Funds and Convenience Accounts, which are assets held by the District as an agent for the students and teachers. This fund is custodial in nature and does not involve the measurement of the results of operations. The amounts due to the Activity Fund organizations are equal to the assets.

General Fixed Assets Account Group – The General Fixed Assets Account Group is used to record physical assets of the District that have a long-term (i.e. more than one year) period of usefulness.

General Long-Term Debt Account Group – The General Long-Term Debt Account Group is used to record total bonded debt and other long-term debt of the District.

Measurement Focus

The financial statements of all funds, except the Agency Fund and two account groups, focus on the measurement of spending or “financial flow” and the

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. *Basis of Presentation – Fund Accounting (Continued)*

Measurement Focus (Continued)

determination of changes in financial position rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources.” Fund operating statements present increases (cash receipts and other financing sources) and decreases (cash disbursements and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

General Fixed Assets and General Long-Term Debt Account Groups

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. Fixed assets used in operations are accounted for in the General Fixed Assets Account Group rather than in the funds. Long-term liabilities expected to be financed from the funds are accounted for in the General Long-Term Debt Account Group, not in the funds.

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.

C. *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 when 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.

If the District utilized accounting principles generally accepted in the United States of America, the basic financial statements would be replaced with government-wide financial statements and fund financial statements. The fund financial statements would use the modified accrual basis of accounting. The government-wide financial statements would be presented on the accrual basis of accounting.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. *Budgets and Budgetary Accounting*

The budget for all funds 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 105, Section 5/17-1 of the Illinois Compiled Statutes. The budget was passed on September 16, 2014.

For each fund, total fund disbursements may not legally exceed the budgeted disbursements. 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. A tentative budget is prepared more than 30 days in advance of a public hearing. 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 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.
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% 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.

E. *Cash and Cash Equivalents and Investments*

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

Occasionally certain of the funds participating in the common bank account will incur overdrafts (deficits) in the account. Such overdrafts in effect constitute cash borrowed from other District funds and are, therefore, interfund loans which have not been authorized by School Board action.

No District fund had a cash overdraft at June 30, 2015.

The District has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at the lower of cost or market. Gains or losses on the sale of investments are recognized upon realization.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. *Inventories*

It is the District's policy to charge all purchases of items for resale or supplies to expenditures when purchased. No inventory accounts are maintained to reflect the values of resale or supply items on hand.

G. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate. All other interfund transactions are treated as transfers.

H. *General Fixed Assets*

General fixed assets have been acquired for general governmental purposes. At the time of purchase, assets are recorded as disbursements in the funds for which the asset was purchased and capitalized at cost in the General Fixed Assets Account Group. Donated general fixed assets are stated at estimated fair market value as of the date of acquisition. Depreciation accounting is not considered applicable (except to determine the per capita tuition charge, which is calculated on a straight-line basis with useful lives of 50 years for Buildings, 20 years for Improvements Other than Buildings, and 5 to 10 years for Equipment). The District's capitalization threshold for fixed assets is \$5,000.

I. *Governmental Fund Balances*

Governmental fund balances are reported as "reserved" because they are legally segregated for a specific future use. The remaining balances are "unreserved" fund balances. From time to time, the Board agrees to set aside or "designate" resources for future uses – such as for specific capital projects. These unreserved, designated balances are based on management's tentative plans and can be changed.

J. *Property Tax Calendar and Revenues*

Property taxes are levied each calendar year on all taxable real property located in the District on or before the last Tuesday in December. The 2014 tax levy was passed by the Board on December 16, 2014. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year they are for and are payable in two installments early in June and early in September of the following calendar year. The District receives significant distributions of tax receipts within one month after these dates.

K. *Total Memorandum Only*

The "Total Memorandum Only" column represents the aggregation (by addition) of the line item amounts reported for each fund and account group. No consolidating or other eliminations were made in arriving at the totals; thus they do not present consolidated information.

These totals are presented only to facilitate financial analysis and are not intended to reflect the financial position or results of operations of the District as a whole.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits with financial institutions are fully insured or collateralized by securities held in the District's name.

The District is allowed to invest in securities as authorized by the School Code of Illinois, Chapter 30, Act 235/Articles 2 and 6; and Chapter 105, Section 5/8-7.

*Investments*

As of June 30, 2015, the District had the following investments and maturities:

Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	5 - 10	More Than 10
State Investment Pool	\$ 17,945,209	\$ 17,945,209	\$ -	\$ -	\$ -

The fair value of investments in the State Investment Pool is the same as the value of pool shares. The State Investment Pool is not SEC-registered, but does have regulatory oversight through the State of Illinois.

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

*Credit Risk.* State law limits investments based on credit risk. The District has no investment policy that would further limit its investment choices. As of June 30, 2015, the District's investments were rated as follows:

Investment	Credit Rating	Rating Source
State Investment Pool	AAAm	Standard and Poor's

NOTE 3 - RESTRICTED CASH AND CASH EQUIVALENTS

The Educational Fund reflects a reserved cash and cash equivalents balance in the amount of \$334,387 representing the amount the District has invested in the Self-Insurance Cooperative (Lake Region Schools Benefit Cooperative) at June 30, 2015. This amount is to be expended for insurance claims. See Notes 6, 7, 15, and 16 for more information.

NOTE 4 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance	Additions	Deletions	Balance
	July 1, 2014			June 30, 2015
Land	\$ 3,264,362	\$ -	\$ -	\$ 3,264,362
Building and Building Improvements	28,972,382	594,668	867,792	28,699,258
Site Improvements and Infrastructure	2,313,758	1,293,790	-	3,607,548
Capitalized Equipment	6,968,984	813,118	788,429	6,993,673
Construction in Progress	51,263	21,496	51,263	21,496
	<u>\$ 41,570,749</u>	<u>\$ 2,723,072</u>	<u>\$ 1,707,484</u>	<u>\$ 42,586,337</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 - CHANGES IN GENERAL LONG-TERM DEBT

Changes in general long-term debt are summarized as follows:

	Balance July 1, 2014	Additions	Retirement	Balance June 30, 2015	Amounts Due Within One Year
<b>Long-Term Debt</b>					
Series 2004 General Obligation Refunding Bonds Dated 12/1/2004	\$ 5,335,000	\$ -	\$ 5,335,000	\$ -	\$ -
Series 2014 General Obligation Refunding Bonds Dated 11/08/2014	-	4,260,000	60,000	4,200,000	1,365,000
Special Education Bonds Dated 10/1/2008	351,018	-	64,300	286,718	66,409
Debt Certificates Series 2010 Dated 8/30/2010	2,995,000	-	270,000	2,725,000	270,000
Lease/Purchase Agreements	381,112	62,193	288,374	154,931	134,214
<b>Total Long-Term Debt</b>	<b>\$ 9,062,130</b>	<b>\$ 4,322,193</b>	<b>\$ 6,017,674</b>	<b>\$ 7,366,649</b>	<b>\$ 1,835,623</b>

General long-term debt consisted of the following at June 30, 2015:

	Maturity Date	Interest Rate	Face Amount	Carrying Amount
Series 2004 General Obligation Refunding Bonds Dated 12/1/2004	1/1/2019	2.25% - 4.03%	\$ 9,485,000	\$ -
Series 2014 General Obligation Refunding Bonds Dated 10/08/2014	1/1/2018	2.00%-3.00%	4,260,000	4,200,000
Special Education Bonds Dated 10/1/2008	10/1/2018	3.0% - 5.0%	580,968	286,718
Debt Certificates Series 2010 Dated 8/30/2010	12/1/2023	2.0% - 3.55%	3,360,000	2,725,000
Lease/Purchase Agreement Sovereign Bank	7/25/2014	4.30%	607,764	-
Lease/Purchase Agreement Sovereign Bank	7/1/2014	4.15%	141,798	-
Lease/Purchase Agreement Sovereign Bank	7/28/2015	3.45%	435,288	114,420
Lease/Purchase Agreement De Lage Landen Public Finance	1/8/2017	4.66%	62,193	40,511

On October 8, 2014, the District issued \$4,260,000 of general obligation refunding bonds to provide resources to purchase U.S. Government and State and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for refunding \$4,255,000 of the 2004 Series Refunding Bonds. This current refunding was undertaken to reduce total debt service payments over the next five years and resulted in an economic gain of \$224,867.

As described in Note 14, the District is a member of the Special Education District of Lake County (SEDOL). On October 1, 2008, SEDOL issued \$10,700,000 in Special Education Bonds. The bond proceeds were used to construct a facility for severe/profound students and to provide housing for behavior disorder students. Each SEDOL member district is liable for a portion of the debt payments for both issues through the maturity of the bonds regardless of their continued membership in the joint agreement.

At June 30, 2015 the annual debt service requirements to service all long-term debt is as follows:



NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 - CHANGES IN GENERAL LONG-TERM DEBT (Continued)

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 1,835,623	\$ 181,480	\$ 2,017,103
2017	1,761,343	132,147	1,893,490
2018	1,803,787	85,222	1,889,009
2019	370,896	59,249	430,145
2020	305,000	48,318	353,318
2021	320,000	38,475	358,475
2022	330,000	27,908	357,908
2023	340,000	16,515	356,515
2024	300,000	5,325	305,325
	<u>\$ 7,366,649</u>	<u>\$ 594,639</u>	<u>\$ 7,961,288</u>

NOTE 6 - SPECIAL TAX LEVIES AND RESERVED EQUITY

A. *Social Security Tax Levy*

Cash receipts and the related cash disbursements of this reserved tax levy are accounted for in the Illinois Municipal Retirement/Social Security Fund. A portion, \$6,698, of this fund's equity represents the excess of cumulative receipts over cumulative disbursements which is reserved for future Social Security disbursements.

B. *SEDOL Municipal Retirement Tax Levy*

Cash receipts and the related cash disbursements of this reserved tax levy are accounted for in the Illinois Municipal Retirement/Social Security Fund. A portion, \$51,507, of this fund's equity represents the excess of cumulative receipts over cumulative disbursements which is reserved for future SEDOL Municipal Retirement disbursements.

C. *Self-Insurance*

The Educational Fund reflects a reserved fund balance in the amount of \$334,387 representing the unexpended portion of self-insurance contribution at Lake Region Schools Benefit Cooperative at June 30, 2015. This amount is to be expended for insurance claims.

NOTE 7 - DESIGNATED FUND BALANCE

The Educational Fund reflects a designated fund balance in the amount of \$183,117 representing the portion of the District's money they have earmarked for self-insurance costs at June 30, 2015. This amount is to be expended for insurance claims.

The Operations and Maintenance Fund reflects a designated fund balance in the amount of \$108,138 representing the unexpended portion of developer contributions at June 30, 2015. This amount is to be expended for building additions and improvements.

NOTE 8 - DEFICIT FUND BALANCE

No District fund had a deficit fund balance at June 30, 2015.

NOTE 9 - PROPERTY TAXES

Taxes recorded in these financial statements are from the 2013 (\$13,199,301) and 2014 (\$13,785,468) tax levies. A summary of the assessed valuations, rates, and extensions for tax years 2014, 2013, and 2012 follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 - PROPERTY TAXES (Continued)

TAX YEAR ASSESSED VALUATION	2014		2013		2012	
	Rate	Extension	Rate	Extension	Rate	Extension
		\$ 18,624,030		\$ 19,164,887		\$ 19,096,569
Educational	3.5000		3.4750		3.1850	
Tort Immunity	0.0318	169,005	0.0300	165,452	0.0270	161,886
Special Education	0.2005	1,067,003	0.1090	601,143	0.0360	215,848
Operations and Maintenance	0.5500	2,926,633	0.5100	2,812,688	0.4630	2,776,048
Transportation	0.2745	1,461,002	0.2560	1,411,859	0.2270	1,361,043
Municipal Retirement	0.1353	720,005	0.1090	601,143	0.0980	587,587
Social Security	0.1052	560,003	0.0830	457,751	0.0750	449,684
SEDOL Municipal Retirement	0.0074	39,153	0.0090	49,636	0.0050	29,979
Working Cash	0.0252	134,002	0.0240	132,362	0.0340	203,857
Debt Service	0.2777	1,477,529	0.2370	1,307,073	0.2090	1,253,119
Fire Prevention and Safety	0.0051	27,005	0.0080	44,121	-	-
	<u>5.1127</u>	<u>\$ 27,205,370</u>	<u>4.8500</u>	<u>\$ 26,748,115</u>	<u>4.3590</u>	<u>\$ 26,135,620</u>

NOTE 10 - OVEREXPENDITURE OF BUDGET

For the year ended June 30, 2015, the following fund had expenditures that exceeded the budget:

Fund	Budget	Actual	Excess of Actual Over Budget
Debt Service Fund	\$ 1,738,000	\$ 1,756,944	\$ 18,944

The over expenditure was covered by available fund balance.

NOTE 11 - RETIREMENT FUND COMMITMENTS

A. *Teachers' Retirement System of the State of Illinois*

➤ **General Information About the Pension Plan**

○ **Plan Description**

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

TRS issues a publicly available financial report that can be obtained at <http://trs.illinois.gov/pubs/cafr>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 877-0890, option 2.

○ **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

NOTE 11 - RETIREMENT FUND COMMITMENTS (Continued)

A. *Teachers' Retirement System of the State of Illinois* (Continued)

➤ **General Information About the Pension Plan** (Continued)

○ **Benefits Provided** (Continued)

members qualify for retirement benefits at age 62 with five years of service, at age 60 with ten 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 ten 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% of final average salary up to a maximum of 75% with 34 years of service. Disability and death benefits are also provided.

Tier II members qualify for retirement benefits at age 67 with ten years of service, or a discounted annuity can be paid at age 62 with ten 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% 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 3% of the original benefit or ½% of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

○ **Contributions**

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2015 was 9.4% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

▪ **On-Behalf Contributions to TRS**

The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2015, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$7,622,228 in pension contributions from the State of Illinois.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 - RETIREMENT FUND COMMITMENTS (Continued)

A. *Teachers' Retirement System of the State of Illinois* (Continued)

➤ **General Information About the Pension Plan** (Continued)

○ **Contributions** (Continued)

▪ **2.2 Formula Contributions**

Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2015 were \$92,804 .

▪ **Federal and Special Trust Fund Contributions**

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

For the year ended June 30, 2015, the District pension contribution was 33.00% of salaries paid from federal and special trust funds. For the year ended June 30, 2015, salaries totaling \$101,699 were paid from federal and special trust funds that required District contributions of \$33,561 .

▪ **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 is 146.5% and applies when the member is age 55 at retirement. For the year ended June 30, 2015, the District paid \$0 to TRS for employer ERO contributions.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2015, the District paid \$247 to TRS for employer contributions due on salary increases in excess of 6% and \$0 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2015, the District has a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 - RETIREMENT FUND COMMITMENTS (Continued)

A. *Teachers' Retirement System of the State of Illinois* (Continued)

➤ **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

pension support provided to the District. The State's support and total are for disclosure purposes only. The District's proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

State's proportionate share of the net pension liability	\$ 94,673,580
District's proportionate share of the net pension liability	<u>2,146,144</u>
Total Net Pension Liability	<u><u>\$ 96,819,724</u></u>

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 and rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2014, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2014, the District's proportion was 0.003526%.

The net pension liability as of the beginning of this first measurement period under GASB Statement No. 68 was measured as of June 30, 2013, and the total pension liability was based on the June 30, 2013 actuarial valuation without any roll-up. The District's proportion of the net pension liability as of June 30, 2013 was based on the District's share of contributions to TRS for the measurement year ended June 30, 2013, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2013, the District's proportion was 0.003603%.

For the year ended June 30, 2015, the District recognized pension expense of \$7,785,435 and revenue of \$7,785,435 for support provided by the State. At June 30, 2015, the District's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows of Resources
Differences between expected and actual experience	\$ 1,134	\$ -	\$ 1,134
Net difference between projected and actual earnings on pension investments	-	(107,860)	(107,860)
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	(38,583)	(38,583)
Employer contributions subsequent to the measurement date	<u>126,364</u>		<u>126,364</u>
	<u><u>\$ 127,498</u></u>	<u><u>\$ (146,443)</u></u>	<u><u>\$ (18,945)</u></u>

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 - RETIREMENT FUND COMMITMENTS (Continued)

A. *Teachers' Retirement System of the State of Illinois* (Continued)

➤ **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**  
(Continued)

\$126,364 of deferred outflows of resources related to pensions results from employer contributions subsequent to the measurement date. Other deferred outflows of resources and deferred inflows of resources related to pensions will be part of the pension expense in future years as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2016	\$ (36,055)
2017	(36,055)
2018	(36,055)
2019	(36,055)
2020	(1,091)
	<u>\$ (145,311)</u>

○ **Actuarial Assumptions**

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

Inflation	3.00%
Salary Increases	5.75%, average including inflation
Investment Rate of Return	7.5%, net of pension plan investment expenses, including inflation

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

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

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

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 - RETIREMENT FUND COMMITMENTS (Continued)

A. *Teachers' Retirement System of the State of Illinois* (Continued)

➤ **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

○ **Actuarial Assumptions** (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S large cap	18.0%	8.23%
Global equity excluding U.S	18.0%	8.58%
Aggregate bonds	16.0%	2.27%
U.S TIPS	2.0%	3.52%
NCREIF	11.0%	5.81%
Opportunistic real estate	4.0%	9.79%
ARS	8.0%	3.27%
Risk Parity	8.0%	5.57%
Diversified inflation strategy	1.0%	3.96%
Private Equity	14.0%	13.03%
	100.0%	

○ **Discount Rate**

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

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

○ **Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

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

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Employer's proportionate share of the net pension liability	\$ 2,650,383	\$ 2,146,144	\$ 1,728,577

○ **TRS Fiduciary Net Position**

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

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 - RETIREMENT FUND COMMITMENTS (Continued)

B. *Illinois Municipal Retirement Fund*

➤ **Plan Description**

The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. 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. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

➤ **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 ten years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

➤ **Employees Covered by Benefit Terms**

All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired



NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 - RETIREMENT FUND COMMITMENTS (Continued)

B. *Illinois Municipal Retirement Fund* (Continued)

➤ **Employees Covered by Benefit Terms** (Continued)

after 1981) or more of work in a year are required to participate. At December 31, 2014, the measurement date, the District's membership consisted of:

Retirees and beneficiaries currently receiving benefits	107
Inactive plan members entitled to but not yet receiving benefits	217
Active plan members	205
Total	529

➤ **Contributions**

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2014 was 13.25%. For the fiscal year ended June 30, 2015, the District contributed \$563,282 to the Plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

➤ **Net Pension Liability**

The components of the net pension liability of the IMRF as of December 31, 2014, calculated in accordance with GASB Statement No. 68, were as follows:

Total Pension Liability	\$ 19,129,630
IMRF Fiduciary Net Position	16,891,730
District's Net Pension Liability	2,237,900
IMRF Fiduciary Net Position as a Percentage of the Total Pension Liability	88.30%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the Supplementary Information following the notes to the financial statements for additional information related to the funded status of the Plan.

➤ **Actuarial Assumptions**

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2014 using the following actuarial methods and assumptions.

Assumptions	
Inflation	3.50%
Price Inflation	2.75%
Salary Increases	3.75% - 14.50% including inflation
Interest Rate	7.48%

Asset Valuation Method      Market value of assets

Projected Retirement Age      Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 - RETIREMENT FUND COMMITMENTS (Continued)

B. *Illinois Municipal Retirement Fund* (Continued)

➤ **Actuarial Assumptions** (Continued)

The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

➤ **Long-Term Expected Rate of Return**

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:

Asset Class	Target Allocation	Projected Return
Equities	63.2%	7.60%
International Equities	2.6%	7.80%
Fixed Income	23.5%	3.00%
Real Estate	4.3%	6.15%
Alternatives	4.5%	
Private Equity		8.50%
Hedge Funds		5.25%
Commodities		2.75%
Cash	1.9%	2.25%
	100.0%	

➤ **Single Discount Rate**

The projection of cash flow used to determine this Single Discount Rate assumed that the Plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 - RETIREMENT FUND COMMITMENTS (Continued)

B. *Illinois Municipal Retirement Fund* (Continued)

➤ **Single Discount Rate** (Continued)

For the purpose of this discount rate, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.56%; and resulting single discount rate is 7.48%.

➤ **Discount Rate Sensitivity**

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 7.48% as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.48%) or 1-percentage-point higher (8.48%) than the current rate:

	1% Decrease 6.48%	Current Discount Rate 7.48%	1% Increase 8.48%
Net Pension Liability	\$ 4,700,365	\$ 2,237,900	\$ 207,089

➤ **Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2015, the District's pension expense is \$563,282 . At June 30, 2015, the District's deferred outflows of resources and deferred inflows of resources related to pension from the following sources were as follows:

<b>Expense in Future Periods</b>	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
Differences between expected and actual experience	\$ 173,192	\$ -	\$ 173,192
Assumption changes	607,914	-	607,914
Net difference between projected and actual earnings on pension investments	<u>181,046</u>	<u>-</u>	<u>181,046</u>
Total deferred amounts to be recognized in pension expense in future periods	\$ 962,152	\$ -	\$ 962,152
Pension contributions made subsequent to the measurement date	<u>295,184</u>	<u>-</u>	<u>295,184</u>
Total deferred amounts related to pensions	<u><u>\$ 1,257,336</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,257,336</u></u>

Deferred outflows of resources and deferred inflows of resources related to pensions will be part of the pension expense in future years as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2015	\$ 352,083
2016	352,083
2017	212,724
2018	45,262
2019	-
Thereafter	-
	<u><u>\$ 962,152</u></u>

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 - RETIREMENT FUND COMMITMENTS (Continued)

C. *Social Security*

Employees not qualifying for coverage under the Teachers' Retirement System of the State of Illinois 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. The District paid the total required contribution for the current fiscal year.

NOTE 12 - POST EMPLOYMENT BENEFIT COMMITMENTS

*Teacher Health Insurance Security Fund (THIS)*

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

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the Plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

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

- **On behalf contributions to the THIS Fund**  
The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.02% of pay during the year ended June 30, 2015. State of Illinois contributions were \$163,207, and the District recognized revenue and expenditures of this amount during the year.
- **Employer contributions to the THIS Fund**  
The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.76% during the year ended June 30, 2015. For the year ended June 30, 2015, the District paid \$121,605 to the THIS Fund, which was 100% of the required contribution.

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." Prior reports are available under "Healthcare and Family Services."

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 13 - INTERFUND TRANSFERS

Interfund transfers during the year ended June 30, 2015 were as follows:

Transfer from	Transfer to	Amount
Operations and Maintenance Fund	Debt Services Fund	\$ 600,000

The purposes of the interfund transfers to the Debt Services Fund were to provide the necessary funds for payment on long-term debt.

NOTE 14 - JOINT VENTURES

A. *Special Education District of Lake County (SEDOL)*

The District and thirty-four other districts within Lake County have entered into a joint agreement to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the management council.

A summary of financial condition (cash basis) of SEDOL at June 30, 2014 (most recent information available) is as follows:

Assets	\$ 65,472,495
Liabilities	\$ 15,670,812
Deferred Inflows of Resources	247,500
Fund Equity	49,554,183
	<u>\$ 65,472,495</u>
Revenues Received	\$ 73,011,757
Expenditures Disbursed	74,342,202
Net Increase/(Decrease) in Fund Balance	<u>\$ (1,330,445)</u>

Complete financial statements for SEDOL can be obtained from the Administrative Offices at 18160 Gages Lake Road, Gages Lake, Illinois 60030-1819.

B. *Lake Region Schools Benefit Cooperative*

The District has entered into a joint venture with seven other school districts in order to reduce fixed reinsurance costs with common third party administrators, Blue Cross Blue Shield and Allied Benefits.

A summary of financial condition of the Lake Region Schools Benefit Cooperative can be obtained from the administrative offices of Zion Benton Township High School at 3901 W. 21<sup>st</sup> Street, Zion, Illinois, 60099.

C. *Village of Antioch*

The District has entered into a joint agreement with the Village of Antioch for shared facilities use allowing the Parks Department use of School District facilities for public recreation programs and for School Districts' use of Village property for school and school-related purposes, both at no charge.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 15 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to handle these risks of loss. During fiscal year 2015, there was no significant reduction in insurance coverage for any category. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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, 2015, there were no significant adjustments in premiums based on actual experience.

The District is self-insured for its health and dental insurance and belongs to an insurance cooperative in order to reduce costs. The District covers up to \$50,000 per year per individual. The Cooperative handles claims between \$50,000 and \$175,000. The Cooperative purchases stop loss insurance coverage for claims in excess of \$175,000 per individual. The maximum liability for the District alone at June 30, 2015 is undeterminable based on the nature of the Cooperative. See a further description of the insurance cooperative in Note 14.

NOTE 16 - SELF INSURANCE

The District has a self-insured plan that provides its employees' health benefits. A third party administrator and a claims administrator are contracted to manage the plan. At June 30, 2015 the liability for unpaid claims was \$0. A reconciliation of changes in the aggregate liabilities for claims for the fiscal year ended June 30, 2015 is as follows:

Claims Liabilities - Beginning of Year	\$ -
Incurred Claims	2,462,930
Payments on Claims	<u>(2,462,930)</u>
Claims Liabilities - End of Year	<u><u>\$ -</u></u>

NOTE 17 - CONTINGENCIES

The District is not aware of any litigation which might have a material adverse effect on the District's financial position.

NOTE 18 - LEGAL DEBT LIMITATION

The Illinois School Code limits the amount of indebtedness to 6.9% of the most recent available equalized assessed valuation (EAV) of the District. The District's legal debt limitation is as follows:

2014 EAV	\$ 532,115,122
Rate	<u>6.90%</u>
Debt Margin	\$ 36,715,943
Current Debt	<u>7,366,649</u>
Remaining Debt Margin	<u><u>\$ 29,349,294</u></u>

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 19 - SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 4, 2015, the date on which the financial statements were available to be issued.

NOTE 20 - CHANGE IN ACCOUNTING PRINCIPLE

Effective in the year ended June 30, 2015, the District has implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

SUPPLEMENTAL FINANCIAL INFORMATION



ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 34  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION  
LIABILITY AND RELATED RATIOS  
JUNE 30, 2015

	6/30/2015 *
<b>TOTAL PENSION LIABILITY</b>	
Service Cost	\$ 579,714
Interest	1,264,946
Differences Between Expected and Actual Experience	241,223
Changes in Assumptions	846,705
Benefit Payments, Including Refunds of Member Contributions	(803,122)
Net Change in Total Pension Liability	\$ 2,129,466
 Total Pension Liability - Beginning	 17,000,164
 Total Pension Liability - Ending	 \$ 19,129,630
 <b>PLAN FIDUCIARY NET POSITION</b>	
Contributions - Employer	\$ 609,307
Contributions - Member	208,456
Net Investment Income	962,417
Benefit Payments, Including Refunds of Member Contributions	(803,122)
Other	144,669
Net Change in Plan Fiduciary Net Position	\$ 1,121,727
 Plan Net Position - Beginning	 15,770,003
 Plan Net Position - Ending	 \$ 16,891,730
 District's Net Pension Liability	 \$ 2,237,900
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.30%
 Covered-Employee Payroll	\$ 4,599,198
 Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	48.66%

\* This information presented is based on the actuarial valuation performed as of the December 31 year end prior to the fiscal year end listed above.

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

ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 34  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF EMPLOYER CONTRIBUTION  
JUNE 30, 2015

	6/30/2015 *
Actuarial Determined Contribution	\$ 510,051
Contributions in Relation to Actuarially Determined Contribution	609,307
Contribution Deficiency/(Excess)	\$ (99,256)
Covered-Employee Payroll	\$ 4,599,198
Contributions as a Percentage of Covered-Employee Payroll	13.25%

**Notes to Schedule:**

***Actuarial Method and Assumptions Used on the Calculation of the 2014 Contribution Rate \****

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.

**Actuarial Cost Method:** Aggregate entry age = normal

**Amortization Method:** Level percentage of payroll, closed

**Remaining Amortization Period:** 29-year closed period

**Asset Valuation Method:** 5-year smoothed market; 20% corridor

**Wage Growth:** 4%

**Price Inflation:** 3%, approximate; No explicit price inflation assumption is used in this valuation.

**Salary Increases:** 4.40% to 16%, including inflation

**Investment Rate of Return:** 7.50%

**Retirement Age:** Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.

**Mortality:** RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward ten years.

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

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

ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 34  
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
 SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE  
 OF THE NET PENSION LIABILITY  
 JUNE 30, 2015

	6/30/2015 *
Employer's proportion of the Net Pension Liability	0.0035265%
Employer's proportionate share of the Net Pension Liability	\$ 2,146,144
State's proportionate share of the Net Pension Liability associated with the employer	94,673,580
Total	\$ 96,819,724
Employer's Covered-Employee Payroll	\$ 15,224,710
Employer's proportionate share of the Net Pension Liability as a percentage of Covered-Employee Payroll	14.10%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	43.00%

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

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

ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 34  
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
 SCHEDULE OF EMPLOYER CONTRIBUTION  
 JUNE 30, 2015

	<u>6/30/2015 *</u>
Contractually-required contribution	\$ 126,364
Contributions in relation to the contractually - required contribution	125,822
Contribution deficiency/(excess)	\$ 542
Employer's Covered-Employee Payroll	\$ 15,224,710
Contributions as a percentage of Covered-Employee Payroll	0.83%

\* - This information presented is based on the actuarial valuation performed as of the prior June 30 year end.

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
ACTIVITY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

ASSETS	BALANCE JULY 1, 2014	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2015
Cash and Cash Equivalents	\$ 43,519	\$ 48,558	\$ 48,921	\$ 43,156
<b>LIABILITIES</b>				
Amounts Due to Activity				
District-Wide				
Rotary Club	\$ 1,320	\$ -	\$ -	\$ 1,320
Donation	352	-	-	352
Interest and Charges	722	66	-	788
Antioch Elementary				
Faculty Pop	1,084	782	1,092	774
W.C. Petty				
Art Activity	1,050	-	353	697
Oakland				
Faculty Pop	674	364	511	527
Antioch Upper Grade				
Faculty Pop	1,648	2,177	2,430	1,395
Student Council	13,585	5,242	6,269	12,558
Ski Club	5,226	8,615	8,571	5,270
Science Olympiad	261	-	-	261
National Junior Honor	1,708	-	372	1,336
Yearbook	10,536	9,651	8,968	11,219
Choir	1,117	18,191	16,854	2,454
Sunshine	96	-	-	96
Drama Club	1,560	1,831	1,918	1,473
Community Service Club	794	-	-	794
Hillcrest				
Art Activity	1,387	-	-	1,387
Faculty Pop	399	1,639	1,583	455
	<u>\$ 43,519</u>	<u>\$ 48,558</u>	<u>\$ 48,921</u>	<u>\$ 43,156</u>

See Accompanying Independent Auditors' Report

ANTIOCH COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT NO. 34  
COMPUTATION OF OPERATING EXPENSE PER PUPIL AND  
PER CAPITA TUITION CHARGE  
FOR THE YEAR ENDED JUNE 30, 2015

<b>OPERATING EXPENSE PER PUPIL</b>
------------------------------------

**EXPENDITURES:**

ED	Total Expenditures	\$ 27,315,716
O&M	Total Expenditures	3,530,474
DS	Total Expenditures	1,756,944
TR	Total Expenditures	2,953,631
MR/SS	Total Expenditures	1,191,094
TORT	Total Expenditures	163,619
	<b>Total Expenditures</b>	<b>\$ 36,911,478</b>

**LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:**

ED	1125 Pre-K Programs	\$ 183,440
ED	1225 Special Education Programs Pre-K	287,067
ED	1600 Summer School Programs	82,958
ED	1911 Regular K-12 Programs - Private Tuition	3,338
ED	1912 Special Education Programs K-12 - Private Tuition	500,952
ED	3000 Community Services	108,760
ED	4000 Total Payments to Other District & Govt Units	1,073,048
ED	- Capital Outlay	209,630
ED	- Non-Capitalized Equipment	406,501
O&M	4000 Total Payments to Other Dist & Govt Units	90,316
O&M	- Capital Outlay	1,366,194
O&M	- Non-Capitalized Equipment	21,354
DS	5300 Debt Service - Payments of Principal on Long-Term Debt	1,503,786
TR	5300 Debt Service - Payments of Principal on Long-Term Debt	237,207
TR	- Capital Outlay	618,887
TR	- Non-Capitalized Equipment	2,765
MR/SS	1125 Pre-K Programs	9,310
MR/SS	1225 Special Education Programs - Pre-K	11,901
MR/SS	1600 Summer School Programs	5,654
MR/SS	3000 Community Services	14,580
MR/SS	4000 Total Payments to Other Dist & Govt Units	48,675

**Total Deductions \$ 6,786,323**

**Total Operating Expenses (Regular K-12) 30,125,155**

**9 Mo ADA (See the General State Aid Claim for 2012-2013 (ISBE 54-33, L12) 2,625.42**

**Estimated OEPP \* \$ 11,474.41**

<b>PER CAPITA TUITION CHARGE</b>
----------------------------------

**LESS OFFSETTING RECEIPTS/REVENUES:**

ED	1600 Total Food Service	\$ 354,285
ED-O&M	1700 Total District/School Activity Income	98,824
ED	1811 Rentals - Regular Textbooks	244,667
ED-O&M	1910 Rentals	9,927
ED-O&M-TR	3100 Total Special Education	971,466
ED-MR/SS	3300 Total Bilingual Ed	17,424
ED	3360 State Free Lunch & Breakfast	2,563
ED-O&M-TR-MR/SS	3500 Total Transportation	1,184,268
ED-O&M-DS-TR-MR/SS-Tort	3999 Other Restricted Revenue from State Sources	135,770
ED-MR/SS	- Total Food Service	309,449
ED-O&M-TR-MR/SS	- Total Title I	220,629
ED-O&M-TR-MR/SS	4620 Fed - Spec Education - IDEA - Flow Through/Low Incidence	285,154
ED-TR-MR/SS	4909 Title III - English Language Acquisition	3,332
ED-O&M-TR-MR/SS	4932 Title II - Teacher Quality	41,466
ED-O&M-TR-MR/SS	4991 Medicaid Matching Funds - Administrative Outreach	34,895
ED-O&M-TR-MR/SS	4992 Medicaid Matching Funds - Fee-for-Service Program	113,001

**Total Allowance for PCTC Computation \$ 4,027,120**

**Net Operating Expense for PCTC Computation 26,098,035**

**Total Depreciation Allowance (from page 27, Col I) 1,559,423**

**Total Allowance for PCTC Computation 27,657,458**

**9 Mo ADA 2,625.42**

**Total Estimated PCTC \* \$ 10,534.49**

Unaudited

ANNUAL FEDERAL FINANCIAL COMPLIANCE SECTION

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Education  
Antioch Community Consolidated School District No. 34  
Antioch, Illinois

**Report on Compliance for Each Major Federal Program**

We have audited

Antioch Community Consolidated School District No. 34's

compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Antioch Community Consolidated School District No. 34's major federal programs for the year ended June 30, 2015. Antioch Community Consolidated School District No. 34's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Antioch Community Consolidated School District No. 34's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Antioch Community Consolidated School District No. 34's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Antioch Community Consolidated School District No. 34's compliance.



## Opinion on Each Major Federal Program

In our opinion, Antioch Community Consolidated School District No. 34, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

## Report on Internal Control Over Compliance

Management of Antioch Community Consolidated School District No. 34 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered Antioch Community Consolidated School District No. 34's internal control over compliance with the types of compliance that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Antioch Community Consolidated School District No. 34's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Eder, Casella & Co.*

EDER, CASELLA & CO.  
Certified Public Accountants

McHenry, Illinois  
December 4, 2015

**ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DIST. NO. 34**  
**34-049-0340-04**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ending June 30, 2015**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number <sup>2</sup> (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements <sup>4</sup>		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/13-6/30/14 (C)	Year 7/1/14-6/30/15 (D)	Year 7/1/13-6/30/14 (E)	Year 7/1/14-6/30/15 (F)			
U.S. Department of Agriculture/Department of Defense									
Passed Through Illinois State Board of Education:									
Food Donation Program	10.555	15-4299-00		23,569		23,569		23,569	N/A
U.S. Department of Agriculture Passed Through Illinois									
State Board of Education:									
Food Donation Program	10.555	15-4299-00		47,348		47,348		47,348	N/A
National School Lunch Program (1)	10.555	14-4210-00	236,863	44,114	236,863	44,114		280,977	N/A
National School Lunch Program (1)	10.555	15-4210-00		253,335		253,335		253,335	N/A
Special Milk Program (1)	10.556	14-4215-00	10,419	1,887	10,419	1,887		12,306	N/A
Special Milk Program (1)	10.556	15-4215-00		10,113		10,113		10,113	N/A
Subtotal - CDFA "10"			247,282	380,366	247,282	380,366	0	627,648	
(1) 9/30 Year-End									
(2) 8/31 Year-End									

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

**The accompanying notes are an integral part of this schedule.**

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

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

<sup>3</sup> When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.

<sup>4</sup> Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

**ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DIST. NO. 34**  
**34-049-0340-04**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ending June 30, 2015**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number <sup>2</sup> (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements <sup>4</sup>		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/13-6/30/14 (C)	Year 7/1/14-6/30/15 (D)	Year 7/1/13-6/30/14 (E)	Year 7/1/14-6/30/15 (F)			
U.S. Department of Education Passed Through Illinois									
State Board of Education:									
Title I - Low Income (M) (2)	84.010	14-4300-00	122,454	126,548	198,832	50,170		249,002	281,626
Title I - Low Income (M) (2)	84.010	15-4300-00	0	94,081	0	245,485	36,429	281,914	321,938
Title II - Teacher Quality (2)	84.367	14-4932-00	34,126	3,210	37,271	65		37,336	77,947
Title II - Teacher Quality (2)	84.367	15-4932-00	0	38,256	0	85,525	944	86,469	96,126
Title III - Lang Inst Prog-Limited Eng LIPLEP (2)	84.365	14-4909-00	0	3,332	3,332	0		3,332	13,800
Title III - Lang Inst Prog-Limited Eng LIPLEP (2)	84.365	15-4909-00	0	0	0	62		62	10,468
U.S. Department of Education Passed Through Special									
Education of Lake County:									
Special Education - Preschool Grants (M)	84.173A	14-4600-00	9,682	8,436	9,682	8,436		18,118	21,197
Special Education - Preschool Grants (M)	84.173A	15-4600-00		19,077		19,077		19,077	33,542
Special Education - Grants to States (M)	84.027A	14-4620-00	159,505	67,407	159,505	67,407		226,912	276,314
Special Education - Grants to States (M)	84.027A	15-4620-00		190,234		190,234		190,234	287,813
Subtotal - CDFA "84"			325,767	550,581	408,622	666,461	37,373	1,112,456	

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

**The accompanying notes are an integral part of this schedule.**

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

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

<sup>3</sup> When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.

<sup>4</sup> Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

**ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DIST. NO. 34**  
**34-049-0340-04**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ending June 30, 2015**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title and Major Program Designation	CFDA Number <sup>2</sup> (A)	ISBE Project # (1st 8 digits) or Contract #3 (B)	Receipts/Revenues		Expenditure/Disbursements <sup>4</sup>		Obligations/ Encumb. (G)	Final Status (H)	Budget (I)
			Year 7/1/13-6/30/14 (C)	Year 7/1/14-6/30/15 (D)	Year 7/1/13-6/30/14 (E)	Year 7/1/14-6/30/15 (F)			
U.S Department of Health & Human Services Passed									
Through Illinois Department of Healthcare and Family Services:									
Medicaid Matching Funds - Administrative Outreach	93.778	14-4991-00	9,185	12,212	9,185	12,212		21,397	N/A
Medicaid Matching Funds - Administrative Outreach	93.778	15-4991-00		24,137		72,739		72,739	N/A
Subtotal - CFDA "93"			9,185	36,349	9,185	84,951	0	94,136	
Total Federal Assistance			582,234	967,296	665,089	1,131,778	37,373	1,834,240	

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

**The accompanying notes are an integral part of this schedule.**

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

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

<sup>3</sup> When awards are received as a subrecipient, the identifying number assigned by the pass-through entity should be included in the schedule.

<sup>4</sup> Circular A-133 requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in either the schedule or a note to the schedule. Although it is not required, Circular A-133 states that it is preferable to present this information in the schedule (versus the notes to the schedule). If the auditee presents non-cash assistance in the notes to the schedule, the auditor should be aware that such amounts must still be included in part III of the data collection form.

ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 34  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Antioch Community Consolidated School District No. 34 and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with requirements of the OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - NONCASH ASSISTANCE

Noncash assistance is reported in the Schedule of Expenditures of Federal Awards at the fair market value of the commodities received and disbursed. During the year ended June 30, 2015, the District received and disbursed \$70,917 of food commodities.

NOTE 3 - INSURANCE

The District did not receive any federal awards in the form of insurance provided during the year ended June 30, 2015.

NOTE 4 - LOANS AND LOAN GUARANTEES

The District did not receive any federal awards in the form of loans or loan guarantees during the year ended June 30, 2015.

NOTE 5 - SUBRECIPIENTS

The District did not provide federal awards to subrecipients during the year ended June 30, 2015.

ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 34  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2015

- 1) Summary of auditors' results:
  - a) An adverse opinion report was issued due to the use of the regulatory basis of accounting.
  - b) No significant deficiencies in internal control were disclosed by the audit of the financial statements.
  - c) No instances of noncompliance material to the financial statements were disclosed by the audit of the financial statements.
  - d) No significant deficiencies or material weaknesses in internal control over major programs were disclosed by the audit.
  - e) An unmodified opinion report on compliance for major programs was issued.
  - f) The audit disclosed no audit findings which the auditor is required to report.
  - g) The major programs identified were Title I Low Income and Special Education Cluster.
  - h) The dollar threshold to distinguish between Type A and Type B programs was \$300,000.
  - i) Antioch Community Consolidated School District No. 34 does not qualify as a low-risk auditee.
- 2) There were no findings relating to the financial statements which are required to be reported.
- 3) There was no findings and questioned costs for federal awards which are required to be reported.

**ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DIST. NO. 34**  
**34-049-0340-04**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ending June 30, 2015**

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

---

1. FINDING NUMBER:<sup>11</sup>      **2015- NONE**      2. THIS FINDING IS:       New       Repeat from Prior Year?  
Year originally reported? \_\_\_\_\_

---

3. Criteria or specific requirement

---

4. Condition

---

5. Context<sup>12</sup>

---

6. Effect

---

7. Cause

---

8. Recommendation

---

9. Management's response<sup>13</sup>

**For ISBE Review**

Date: \_\_\_\_\_ Resolution Criteria Code Number \_\_\_\_\_  
Initials: \_\_\_\_\_ Disposition of Questioned Costs Code Letter \_\_\_\_\_

<sup>11</sup> A suggested format for assigning reference numbers is to use the digits of the fiscal year being audited followed by a numeric sequence of findings. For example, findings identified and reported in the audit of fiscal year 2015 would be assigned a reference number of 2015-001, 2015-002, etc. The sheet is formatted so that only the number need be entered (1, 2, etc.).

<sup>12</sup> Provide sufficient information for judging the prevalence and consequences of the finding, such as relation to universe of costs and/or number of items examined and quantification of audit findings in dollars.

<sup>13</sup> See paragraphs 5.18 through 5.20 and 7.38 through 7.42 of Government Auditing Standards for additional guidance on reporting management's response.

ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DIST. NO. 34  
34-049-0340-04  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ending June 30, 2015

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER:<sup>14</sup> 2015- NONE 2. THIS FINDING IS:  New  Repeat from Prior year?  
Year originally reported? \_\_\_\_\_

3. Federal Program Name and Year: \_\_\_\_\_

4. Project No.: \_\_\_\_\_ 5. CFDA No.: \_\_\_\_\_

6. Passed Through: \_\_\_\_\_

7. Federal Agency: \_\_\_\_\_

8. Criteria or specific requirement (including statutory, regulatory, or other citation)

9. Condition<sup>15</sup>

10. Questioned Costs<sup>16</sup>

11. Context<sup>17</sup>

12. Effect

13. Cause

14. Recommendation

15. Management's response<sup>18</sup>

<b>For ISBE Review</b>	
Date: _____	Resolution Criteria Code Number _____
Initials: _____	Disposition of Questioned Costs Code Letter _____

<sup>14</sup> See footnote 11.  
<sup>15</sup> Include facts that support the deficiency identified on the audit finding.  
<sup>16</sup> Identify questioned costs as required by sections 510(a)(3) and 510 (a) (4) of Circular A-133.  
<sup>17</sup> See footnote 12.  
<sup>18</sup> To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.



**ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DIST. NO. 34**  
**34-049-0340-04**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS<sup>19</sup>**  
**Year Ending June 30, 2015**

[If there are no prior year audit findings, please submit schedule and indicate NONE]

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status<sup>20</sup></u>
NONE		

---

When possible, all prior findings should be on the same page

<sup>19</sup> See the instructions in the Guide to Auditing and Reporting for Illinois Public Local Education Agencies for an explanation of this schedule.

<sup>20</sup> Current Status should include one of the following:

- A statement that corrective action was taken
- A description of any partial or planned corrective action
- An explanation if the corrective action taken was significantly different from that previously reported or in the management decision received from the pass-through entity.

**ANTIOCH COMMUNITY CONSOLIDATED SCHOOL DIST. NO. 34**  
**34-049-0340-04**  
**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS<sup>21</sup>**  
**Year Ending June 30, 2015**

**Corrective Action Plan**

Finding No.:      **2015- NONE**

Condition:

Plan:

Anticipated Date of Completion:

Name of Contact Person:      [Name and Title of person responsible for implementation]

Management Response:      [If applicable, an explanation giving specific reasons if the district officials do not agree with the finding and believe that corrective action is unnecessary.]

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<sup>21</sup> See the instructions in the Guide to Auditing and Reporting for Illinois Public Local Education Agencies for an explanation of this schedule.