

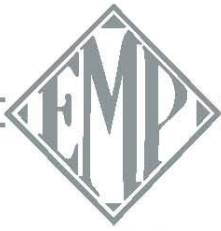
**COOK COUNTY SCHOOL DISTRICT NO. 92
BROADVIEW, ILLINOIS
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2018**

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Independent Auditor's Report

Board of Education
Cook County School District No. 92
Broadview, Illinois 60155

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cook County School District No. 92 (the "District"), Broadview, Illinois, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Cook County School District No. 92, Broadview, Illinois, as of June 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 14 to the financial statements, in 2018 the District adopted new accounting guidance; GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Prior-Year Comparative Information

We have previously audited the District's 2017 financial statements, and we expressed qualified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated December 14, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2017 (not presented herein), and have issued our report dated December 14, 2017, which contained qualified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The supplementary information as listed in the table of contents for the year ended June 30, 2017 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2017 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in

accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2017.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Evans, Marshall & Pease, P.C.

Evans, Marshall & Pease, P.C.
Certified Public Accountants

December 11, 2018
Rolling Meadows, IL
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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Education
Cook County School District No. 92
Broadview, Illinois 60155

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Cook County School District No. 92 as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Cook County School District No. 92's financial statements, and have issued our report thereon dated December 11, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cook County School District No. 92's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cook County School District No. 92's internal control. Accordingly, we do not express an opinion on the effectiveness of Cook County School District No. 92'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 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 Cook County School District No. 92's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Evans, Marshall & Pease, P.C.

Evans, Marshall & Pease, P.C.
Certified Public Accountants

December 11, 2018
Rolling Meadows, Illinois

REQUIRED SUPPLEMENTARY INFORMATION
Management's Discussion and Analysis

The management's discussion and analysis of Cook County School District 92's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2018. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- The District adopted new accounting guidance GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. The effect of the adoption reduced Net Position – July 1, 2017, as previously reported from \$14,898,341 to \$12,118,904, a reduction in net position in the amount of \$2,779,437.
- The District's total government-wide assets increased by \$431,395. Net position at June 30, 2018, is \$12,550,299.
- The District reported combined ending fund balances of \$12,401,557, an increase of \$674,840 in comparison with the prior year.
- The District made debt service payments in the amount of \$363,353. See Note 6 for more information.
- The District made capital outlay expenditures for improvements and equipment in the amount of \$361,865. See Note 4 for more information.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components:

- Government-Wide financial statements,
- Fund financial statements, and
- Notes to basic financial statements.

This report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

Government-Wide financial statements

The government-wide financial statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The *Statement of Net Position* includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenditures are accounted for in the *Statement of Activities* regardless of when cash is received or disbursed. Both statements are prepared using the accrual basis of accounting.

The two government-wide statements report the District's net position and how it has changed. Net position, the difference between the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, is one way to measure the District's financial health or position.

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

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their

costs through user fees and charges. The District's governmental activities include instructional services (regular education, special education and other), supporting services, community services, payments to other governmental units, interest on long term debt, and other.

Fund financial statements

The District's fund financial statements provide more detailed information about the District's funds. Funds are independent fiscal entities used to account for specific sources of funding and spending on particular programs. Some funds are required by state law such as Educational and Transportation and others the District establishes to manage and control monies for particular purposes.

The District's categories of funds:

- Governmental funds – most of the District's basic services are included in the governmental funds, which generally focus on: 1) how cash and other financial assets that can be readily converted to cash flow in and out; and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or less financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the bottom of the governmental funds statements explains the relationship between them.
- Fiduciary funds – the District is the trustee, or fiduciary, for assets that belong to others, such as student activity funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance operations.
- The District maintains no proprietary funds.

The District currently maintains nine individual governmental funds and accounts. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund (which includes the Educational Account and the Working Cash Account), Operations and Maintenance Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Tort Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Safety Fund, all of which are considered to be major funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with this budget.

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that for the government-wide financial statements.

Notes to basic financial statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* concerning the District's operations presented to supplement the basic financial statements and progress in funding related to the Teachers' Retirement System, Illinois Municipal Retirement Fund, and Other Post-Employment Benefits. The *Supplementary Information* provides additional analysis derived from and relate directly to the underlying accounting and other records used to prepare the financial statements.

Financial Analysis of the District as a Whole

Statement of Net Position: The following summary data is compared with data from the preceding year. The following provides a summary of the District's Statement of Net Position as of June 30, 2018, and 2017:

	Governmental Activities		% Change
	2018	2017	
Assets:			
Current and other assets	\$ 12,959,115	\$ 12,140,238	6.75%
Capital assets	8,530,692	8,391,657	1.66%
Total Assets	21,489,807	20,531,895	4.67%
Deferred Outflows of Resources:			
Pensions	268,530	489,100	-45.10%
Other post-employment benefits	262,077	-	N/A
Total Deferred Outflows of Resources	530,607	489,100	8.49%
Liabilities:			
Other liabilities	252,039	113,516	122.03%
Non-current liabilities	4,907,344	3,127,449	56.91%
Total Liabilities	5,159,383	3,240,965	59.19%
Deferred Inflows of Resources:			
Unavailable revenue - property tax	3,035,682	2,739,875	10.80%
Pensions	928,213	141,814	554.53%
Other post-employment benefits	346,837	-	N/A
Total Deferred Inflows of Resources	4,310,732	2,881,689	49.59%
Net Position:			
Net investment in capital assets	6,586,571	6,143,193	7.22%
Restricted	2,888,921	2,102,026	37.44%
Unrestricted	3,074,807	6,653,122	-53.78%
Total Net Position	<u>\$ 12,550,299</u>	<u>\$ 14,898,341</u>	<u>-15.76%</u>

Total Net Position: Please note that the amounts reported for governmental activities in the audit statement are different from the summary tables above because (1) capital assets used in governmental activities are not financial resources, as they are in business, and are not reported as assets in governmental funds. (2) long-term liabilities, including bonds payable and capital leases are not due in the current period and therefore not reported as liabilities in the funds. The result is that the total net position for governmental activities is \$12,550,299.

Restricted Net Position: A portion of the District's total net position is considered restricted. The District's restricted net position results from portions of governmental funds that are restricted, committed, or assigned, or in any other way, limit the availability of fund resources for future use. The Operations and Maintenance Fund, Transportation Fund, and Municipal Retirement/Social Security Fund are special revenue funds; by law, funds held in a special revenue fund are restricted to the purpose of the fund. The Net Position of the Debt Service Fund, Tort Fund, Capital Projects Fund, and Fire Prevention and Safety Fund are also restricted for expenditures disbursed for specified purposes.

Cook County School District 92
Management's Discussion and Analysis
For the Year Ended June 30, 2018

The funds have a restricted balance as follows: Operations and Maintenance Fund, \$283,416; Transportation Fund, \$399,289; Municipal Retirement/Social Security Fund, \$980,363; Debt Service Fund, \$236,556; Tort Fund, \$472,551; Fire Prevention and Safety Fund, \$305,350; and Capital Projects Fund, \$211,396. The District's total restricted net position at the end of the fiscal year totaled \$2,888,921. There were no significant changes affecting restrictions, commitments, or other limitations to the availability of fund resources for future use.

The following is a summary of the District's changes in net position for the year ending June 30, 2018, and 2017:

	Governmental Activities			
	2018	Percentage of Total	2017	Percentage of Total
Revenues:				
Program Revenues:				
Charges for services	\$ 113,768	1.32%	\$ 57,950	0.53%
Operating grants and contributions	654,848	7.59%	710,805	6.55%
State on-behalf retirement	-	0.00%	3,227,625	29.76%
General Revenues:				
Property taxes	5,787,198	67.06%	5,505,961	50.76%
Personal property replacement taxes	192,254	2.23%	233,549	2.15%
Payments of surplus moneys from TIF districts	642,562	7.45%	-	0.00%
Evidence based funding formula	1,066,475	12.36%	954,778	8.80%
Earnings on investments	104,671	1.21%	54,548	0.50%
Gain on investments	5,116	0.06%	-	0.00%
Other	62,895	0.73%	101,667	0.94%
Total Revenues	8,629,787	100.00%	10,846,883	100.00%
Expenses:				
Current:				
Instruction	3,530,483	43.06%	2,789,521	27.16%
Support services	3,224,067	39.33%	2,852,758	27.78%
Community services	20,749	0.25%	15,102	0.15%
Payments to other governmental units	951,716	11.61%	925,026	9.01%
State on-behalf retirement	-	0.00%	3,227,625	31.43%
Debt service - interest and other	87,496	1.07%	96,777	0.94%
Depreciation - unallocated	383,881	4.68%	362,496	3.53%
Total Expenses	8,198,392	100.00%	10,269,305	100.00%
Change in Net Position	431,395		577,578	
Net Position, July 1 - as previously reported	14,898,341		14,320,763	
Prior Period Adjustments				
Other post-employment benefit expenses	(2,779,437)		-	
Net Position, July 1 - as restated	12,118,904		14,320,763	
Net Position - Ending	\$ 12,550,299		\$ 14,898,341	

Changes in Net Position: The District's combined net position decreased to \$12,550,299 in fiscal year 2018.

The District's total revenues were \$8,629,787 for governmental activities. Local taxes (predominantly real estate taxes) were \$5,979,452 or 69.29%. Charges for services were \$113,768 or 1.32%. State and federal funding and grants were \$654,848 or 7.59% of the total. Evidence based funding formula was \$1,066,475 or 12.36%.

Total costs for all governmental programs totaled \$8,198,392. Expenses are predominantly related to instruction, instructional support services, and maintenance of the physical plant. Expenses remained relatively stable in comparison to the prior year. Expenses related to instruction services increased by \$740,962 to total \$3,530,483 in the fiscal year ended June 30, 2018. Support service expenses also increased by \$371,309.

It should be kept in mind that to get a true picture of the District's revenue, expenses and balances the "on-behalf" payment by the state to the Teachers' Retirement System (TRS) and Teachers' Health Insurance Security (THIS) Fund must be discounted. This amount totaled \$3,227,625 in fiscal year 2017. Please note that the District was over-reported on the prior year financials, resulting in a negative state allocation of state on-behalf retirement expense in the current year. Please see Note 7 for more information.

Financial Analysis of the District's Funds

The financial performance of the District reflects the financial climate of the country as a whole and Illinois in particular. Expenditures and revenues are monitored carefully. Financial updates and projections are shared with the Board of Education regularly. Account balances for all funds are at a healthy level for the year ended June 30, 2018. The governmental funds reported combined fund balances of \$12,401,557, which is an increase of \$674,840 in comparison to the prior year.

General Fund (Educational and Working Cash Accounts)

- Fund balance decreased by \$31,229, resulting in an ending fund balance of \$9,506,483.
- Revenues totaled \$6,590,511, which is \$1,463,876 more than the previous year discounting on-behalf retirement payments in the amount of \$3,227,625.
- The property tax extension for the 2017 levy increased to \$3,685,508 from \$2,765,145 levied in 2016, resulting in collection in the current year of \$3,533,980.
- The District received payment of surplus moneys from TIF districts in the amount of \$642,562.
- Expenditures totaled \$6,163,327, with pre-k expenditures increasing by \$207,902 from the previous year.
- The District made transfers out of the General Fund in the amount of \$544,423.

Operations and Maintenance Fund

- Fund balance decreased by \$271,432, resulting in an ending fund balance of \$283,416.
- Revenues remained relatively stable, while expenditures increased by \$168,697, to total \$745,100.
- Purchased services and supplies/materials for the operations and maintenance of the building increased by a combined \$122,015 over the previous year.

Transportation Fund

- Fund balance increased to an ending balance of \$399,289, an increase of \$60,625.
- Revenue decreased by \$480,012 to total \$276,127 in the current year.
- The property tax extension for the 2017 levy decreased to \$244,365 from \$653,178 levied in 2016, resulting in collection in the current year of \$212,842.
- The District made no transfers to other funds.

Capital Projects Fund

- Fund balance increased by \$152,057, resulting in an ending fund balance of \$211,396.
- The District completed various building improvements totaling \$361,865.
- The District transferred \$512,000 to the fund to cover improvement expenditures.

Debt Service Fund

- Fund balance increased by \$4,751, resulting in an ending fund balance of \$242,709.
- The District made principal payments on debt obligations in the amount of \$363,353.

Remaining Funds

- The Municipal Retirement/Social Security Fund, Tort Fund, and Fire Prevention and Safety Fund continued to see fund balances grow in FY18.
- Fund balances increased by a cumulative amount of \$760,068. These same funds increased by a cumulative amount of \$611,158 in FY17.
- Fire Prevention and Safety Fund had no expenditures.

Budgetary Information

For the year ended June 30, 2018, actual expenditures exceeded budgeted expenditures in the Operations and Maintenance Fund by \$32,050; the Tort Fund by \$18,597; and in the Debt Service Fund by \$26,340. The excess of actual expenditures over budgeted expenditures were funded by available fund balances and transfers from other funds.

Capital Assets and Debt Administration

Capital assets

At the end of fiscal 2018, the District had compiled a total investment in capital assets of \$8,530,692, net of accumulated depreciation. The District invested in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$383,881.

Capital Assets (net of depreciation)		
Governmental Activities	2018	2017
Land	\$ 314,014	\$ 314,014
Equipment	391,649	294,164
Land improvements	138,180	153,680
Building and improvements	7,686,849	7,629,799
Total	<u>\$ 8,530,692</u>	<u>\$ 8,391,657</u>

More detailed information about capital assets can be found in Note 4 of the basic financial statements.

Long-Term debt

The District retired \$363,353 in bonds and capital leases in fiscal 2018. At the end of fiscal 2018, the District had \$4,907,344 in general obligation bonds and other long-term debt outstanding with \$375,228 due within the next fiscal year.

Outstanding Long-Term Debt

Governmental Activities	2018	2017
General Obligation Bonds	\$ 1,875,000	\$ 2,210,000
Capital Leases	69,121	38,464
Compensated absences	28,506	17,526
Pensions	35,730	861,459
Other post-employment benefits	2,898,987	-
Total	\$ 4,907,344	\$ 3,127,449

More detailed information on long-term debt can be found in Note 6 of the basic financial statements.

Factors Bearing on the District's Future

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

Revenues:

Of the District's Governmental Activity Revenue 67.06 % comes from local real estate taxes. The District is dependent on economic development and new property growth to bring in revenues above the (CPI) tax cap to support operating expenses. Changes in the economy may affect these revenues.

Expenses:

Capital Leases – The District continues to use a lease strategy for the replacement of copiers District-wide. This strategy equalizes expenses in this area, which helps greatly in planning annual cash flows.

Salaries and Benefits – In May of 2018 the School Board and the Lindop Teachers' Association, IEA-NEA approved a three year Collective Bargaining Agreement for the 2017-18, 2018-19, and 2019-20 School Years. In September of 2018 the School Board and the Lindop Support Staff Association, IEA-NEA approved a three year Collective Bargaining Agreement for the 2018-19, 2019-20, and 2020-21 School Years. Having these agreements in place, better allows the District to budget and plan for the next two fiscal years and beyond.

Goods and Services – The District is constantly looking for more efficient and effective ways to purchase goods and services.

Life Safety – As part of the Long-Term Facility and Life Safety Plan, the District is currently reviewing upcoming major projects.

Requests for Information

The financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about the report, or need additional financial information, contact the District's business office: Cook County School District 92, Mr. Robert Holmes, Chief School Business Official, 2400 South 18th Avenue, Broadview, IL. 60155.

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BASIC FINANCIAL STATEMENTS

COOK COUNTY SCHOOL DISTRICT NO. 92
STATEMENT OF NET POSITION
JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS AS OF JUNE 30, 2017

	Governmental Activities	
	2018	2017
ASSETS		
Cash and investments	\$ 9,813,833	\$ 9,130,651
Receivables (net of allowance for uncollectibles):		
Interest	30,159	17,033
Property taxes	3,035,682	2,739,875
Replacement taxes	32,757	36,903
Intergovernmental	19,272	188,608
Prepaid items	27,412	27,168
Capital assets not being depreciated:		
Land	314,014	314,014
Capital assets, net of accumulated depreciation		
Land improvements	138,180	153,680
Building and improvements	7,686,849	7,629,799
Equipment	391,649	294,164
	<u>21,489,807</u>	<u>20,531,895</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pensions	268,530	489,100
Other post-employment benefits	262,077	-
	<u>530,607</u>	<u>489,100</u>
LIABILITIES		
Accounts payable	246,954	104,527
Salaries and wages payable	4,097	1,924
Payroll deductions payable	(5,165)	(101)
Interest payable	6,153	7,166
Non-Current Liabilities:		
Due within one year	375,228	354,414
Due in more than one year	4,532,116	2,773,035
	<u>5,159,383</u>	<u>3,240,965</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	3,035,682	2,739,875
Pensions	928,213	141,814
Other post-employment benefits	346,837	-
	<u>4,310,732</u>	<u>2,881,689</u>
NET POSITION		
Net investment in capital assets	6,586,571	6,143,193
Restricted	2,888,921	2,102,026
Unrestricted	3,074,807	6,653,122
	<u>\$ 12,550,299</u>	<u>\$ 14,898,341</u>

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

COOK COUNTY SCHOOL DISTRICT NO. 92
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

Functions/ Programs	Expenses Disbursed	Program Revenues			Governmental Activities	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	2018	2017
					Net (Expense) Revenue and Changes in Net Position	
Governmental Activities:						
Instruction:						
Regular programs	\$ 2,589,583	\$ 51,500	\$ 213,142	\$ -	\$ (2,324,941)	\$ (2,054,040)
Pre-K programs	374,389	-	-	-	(374,389)	(128,385)
Special programs	319,778	-	80,087	-	(239,691)	(69,078)
Other instructional programs	246,733	12,400	18,172	-	(216,161)	(28,077)
State on-behalf retirement	-	-	-	-	-	-
Support services:						
Pupils	255,064	-	-	-	(255,064)	(138,628)
Instructional staff	187,153	-	39,414	-	(147,739)	(133,012)
General administration	722,386	-	-	-	(722,386)	(650,066)
School administration	355,177	-	-	-	(355,177)	(331,754)
Business	644,245	18	285,318	-	(358,909)	(385,426)
Operations and maintenance	688,839	9,097	-	-	(679,742)	(564,485)
Transportation	129,876	40,753	18,715	-	(70,408)	(150,891)
Central	235,962	-	-	-	(235,962)	(234,468)
Other support services	5,365	-	-	-	(5,365)	(5,214)
Community services	20,749	-	-	-	(20,749)	(15,102)
Payments to other governmental units	951,716	-	-	-	(951,716)	(925,026)
Debt service:						
Interest	87,046	-	-	-	(87,046)	(96,327)
Other	450	-	-	-	(450)	(450)
Depreciation - unallocated	383,881	-	-	-	(383,881)	(362,496)
Total Governmental Activities	\$ 8,198,392	\$ 113,768	\$ 654,848	\$ -	(7,429,776)	(6,272,925)
GENERAL REVENUE						
Taxes:						
Property taxes, levied for general purposes					5,361,596	5,071,163
Property taxes, levied for debt service					425,602	434,798
Personal property replacement taxes					192,254	233,549
Payments of surplus moneys from TIF Districts					642,562	-
Evidence based funding formula					1,066,475	954,778
Interest on investments					104,671	54,548
Gain on investments					5,116	-
Other					62,895	101,667
Total General Revenues					7,861,171	6,850,503
Change in Net Position					431,395	577,578
Net Position - July 1, as previously reported					14,898,341	14,320,763
Prior Period Adjustment:						
Other post-employment benefit expenses					(2,779,437)	-
Net Position - July 1, as restated					12,118,904	14,320,763
Net Position - June 30,					\$ 12,550,299	\$ 14,898,341

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

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COOK COUNTY SCHOOL DISTRICT NO. 92
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2018

WITH SUMMARIZED COMPARATIVE ACTUAL AMOUNTS AS OF JUNE 30, 2017

	General Fund	Operations and Maintenance Fund	Debt Service Fund	Transportation Fund
ASSETS				
Cash and investments	\$ 7,878,206	\$ 119,540	\$ 53,254	\$ 305,244
Receivables (net of allowance for uncollectibles):				
Interest	24,504	1,024	409	1,336
Property taxes	1,935,567	229,721	210,549	116,096
Replacement taxes	32,757	-	-	-
Intergovernmental	14,588	-	-	4,684
Prepaid items	-	-	-	-
Total Assets	<u>\$ 9,885,622</u>	<u>\$ 350,285</u>	<u>\$ 264,212</u>	<u>\$ 427,360</u>
LIABILITIES				
Accounts payable	\$ 181,125	\$ 43,356	\$ -	\$ 16,032
Salaries and wages payable	4,097	-	-	-
Other liabilities	(4,821)	-	-	-
Total Liabilities	<u>180,401</u>	<u>43,356</u>	<u>-</u>	<u>16,032</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	198,738	23,513	21,503	12,039
Total Deferred Inflows of Resources	<u>198,738</u>	<u>23,513</u>	<u>21,503</u>	<u>12,039</u>
FUND BALANCE				
Nonspendable	-	-	-	-
Restricted	-	283,416	242,709	399,289
Unassigned	9,506,483	-	-	-
Total Fund Balance	<u>9,506,483</u>	<u>283,416</u>	<u>242,709</u>	<u>399,289</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 9,885,622</u>	<u>\$ 350,285</u>	<u>\$ 264,212</u>	<u>\$ 427,360</u>

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

Municipal Retirement/ Social Security Fund	Capital Projects Fund	Tort Fund	Fire Prevention and Safety Fund	Total	
				2018	2017
\$ 703,145	\$ 210,888	\$ 275,620	\$ 267,936	\$ 9,813,833	\$ 9,130,651
1,204	508	534	640	30,159	17,033
307,246	-	195,484	41,019	3,035,682	2,739,875
-	-	-	-	32,757	36,903
-	-	-	-	19,272	188,608
-	-	27,412	-	27,412	27,168
<u>\$ 1,011,595</u>	<u>\$ 211,396</u>	<u>\$ 499,050</u>	<u>\$ 309,595</u>	<u>\$ 12,959,115</u>	<u>\$ 12,140,238</u>
\$ -	\$ -	6,441	\$ -	\$ 246,954	\$ 104,527
-	-	-	-	4,097	1,924
(344)	-	-	-	(5,165)	(101)
<u>(344)</u>	<u>-</u>	<u>6,441</u>	<u>-</u>	<u>245,886</u>	<u>106,350</u>
31,576	-	20,058	4,245	311,672	307,171
<u>31,576</u>	<u>-</u>	<u>20,058</u>	<u>4,245</u>	<u>311,672</u>	<u>307,171</u>
-	-	27,412	-	27,412	27,168
980,363	211,396	445,139	305,350	2,867,662	2,161,837
-	-	-	-	9,506,483	9,537,712
<u>980,363</u>	<u>211,396</u>	<u>472,551</u>	<u>305,350</u>	<u>12,401,557</u>	<u>11,726,717</u>
<u>\$ 1,011,595</u>	<u>\$ 211,396</u>	<u>\$ 499,050</u>	<u>\$ 309,595</u>	<u>\$ 12,959,115</u>	<u>\$ 12,140,238</u>

(Continued)

COOK COUNTY SCHOOL DISTRICT 92
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018

Total fund balances-governmental funds (Exhibit C)		\$ 12,401,557
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Amounts reported for governmental activities in the Statement of Net Position are different because:

When capital assets that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets of the District as a whole:

Cost of capital assets:		
Land	\$ 314,014	
Land improvements	328,356	
Buildings and improvements	12,198,910	
Equipment	<u>1,898,448</u>	
Total cost of capital assets	14,739,728	
Accumulated depreciation	<u>(6,209,036)</u>	
Net capital assets		8,530,692

Certain revenues receivable by the District and recognized in the governmental funds balance sheet do not provide current financial resources and are unearned in the statement of net position, as follows:

Property tax revenues	(2,724,010)	
Pensions	(928,213)	
Other post-employment benefits	<u>(346,837)</u>	(3,999,060)

Deferred charges included in the statement of net position are not available to be paid with current period revenues and therefore are not recognized in the governmental funds balance sheet.

Pensions	268,530	
Other post-employment benefits	<u>262,077</u>	530,607

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. All liabilities, both current and long-term, are reported in the statement of net position.

Bonds payable	(1,875,000)	
Capital leases payable	(69,121)	
Pensions	(35,730)	
Other post-employment benefits	(2,898,987)	
Compensated absences	(28,506)	
Interest payable	<u>(6,153)</u>	<u>(4,913,497)</u>

Net position of governmental activities (Exhibit A)		<u><u>\$ 12,550,299</u></u>
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The accompanying notes to the financial statements are an integral part of this statement.

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COOK COUNTY SCHOOL DISTRICT 92
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018

WITH SUMMARIZED COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Operations and Maintenance Fund	Debt Service Fund	Transportation Fund
REVENUES:				
Local Sources:				
General tax levy	\$ 3,533,980	\$ 461,232	\$ 422,707	\$ 212,842
Special education levy	333,779	-	-	-
FICA/Medicare levy	-	-	-	-
Personal property replacement taxes	160,691	-	-	-
Summer school tuition from pupils	-	-	-	-
Interest on investments	84,962	3,339	1,483	3,817
Gain on investments	5,116	-	-	-
Sales to adults	18	-	-	-
Fees	51,500	-	-	-
Donations and contributions	1,521	-	-	-
Refund of prior years' expenditures	61,374	9,097	-	40,686
Payment of surplus moneys from TIF districts	642,562	-	-	-
Other	12,400	-	-	67
State Sources:				
Evidence based funding formula	1,066,475	-	-	-
Special education - private facility tuition	57,112	-	-	-
Special education - funding for children	-	-	-	-
Special education - personnel	-	-	-	-
Special education - orphanage	22,975	-	-	-
CTE - technical education - tech prep	-	-	-	-
Bilingual education - downstate - TPI	10,372	-	-	-
Transportation - special education	-	-	-	18,715
State free lunch and breakfast	2,830	-	-	-
Early childhood - block grant	68,190	-	-	-
Other	-	-	-	-
On-behalf retirement	-	-	-	-
Federal Sources:				
National school lunch	166,431	-	-	-
School breakfast program	73,022	-	-	-
Commodities	18,185	-	-	-
Fresh fruit and vegetables	24,850	-	-	-
Title I - low income	144,952	-	-	-
Title IVA - student support and academic enrichment	7,800	-	-	-
IDEA room and board	-	-	-	-
Title II - teacher quality	11,520	-	-	-
Medicaid matching funds - fee for service	27,894	-	-	-
Total Revenues	6,590,511	473,668	424,190	276,127

Municipal Retirement/ Social Security Fund	Capital Projects Fund	Tort Fund	Fire Prevention and Safety Fund	Total	
				2018	2017
\$ 315,840	\$ -	\$ 399,999	\$ 82,285	\$ 5,428,885	\$ 5,095,425
-	-	-	-	333,779	324,232
315,840	-	-	-	315,840	262,566
31,563	-	-	-	192,254	233,549
-	-	-	-	-	30
4,767	1,922	2,049	2,332	104,671	54,548
-	-	-	-	5,116	-
-	-	-	-	18	-
-	-	-	-	51,500	51,104
-	-	-	-	1,521	5,312
-	-	-	-	111,157	89,717
-	-	-	-	642,562	-
-	-	-	-	12,467	13,454
-	-	-	-	1,066,475	954,778
-	-	-	-	57,112	29,952
-	-	-	-	-	57,782
-	-	-	-	-	36,000
-	-	-	-	22,975	44,939
-	-	-	-	-	402
-	-	-	-	10,372	253
-	-	-	-	18,715	8,140
-	-	-	-	2,830	1,653
-	-	-	-	68,190	118,005
-	-	-	-	-	6,350
-	-	-	-	-	3,227,625
-	-	-	-	166,431	159,301
-	-	-	-	73,022	34,531
-	-	-	-	18,185	21,017
-	-	-	-	24,850	15,778
-	-	-	-	144,952	123,154
-	-	-	-	7,800	-
-	-	-	-	-	19,634
-	-	-	-	11,520	12,044
-	-	-	-	27,894	21,870
<u>668,010</u>	<u>1,922</u>	<u>402,048</u>	<u>84,617</u>	<u>8,921,093</u>	<u>11,023,145</u>

(Continued)

COOK COUNTY SCHOOL DISTRICT 92
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018

WITH SUMMARIZED COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Operations and Maintenance Fund	Debt Service Fund	Transportation Fund
EXPENDITURES:				
Current:				
Instruction:				
Regular programs	\$ 2,304,382	\$ -	\$ -	\$ -
Pre-K programs	331,528	-	-	-
Special programs	278,186	-	-	-
Other instructional programs	218,991	-	-	-
State on-behalf retirement	-	-	-	-
Support Services:				
Pupils	248,532	-	-	-
Instructional staff	183,460	-	-	-
General administration	483,086	-	-	-
School administration	326,990	-	-	-
Business	563,716	-	-	-
Operations and maintenance	-	678,846	-	-
Transportation	-	-	-	129,876
Central	210,455	-	-	-
Other support services	5,365	-	-	-
Community services	20,749	-	-	-
Payments to other governmental units	829,482	36,608	-	85,626
Debt Service:				
Principal	-	-	363,353	-
Interest	-	-	88,059	-
Other	-	-	450	-
Capital Outlay	131,405	29,646	-	-
Total Expenditures	6,136,327	745,100	451,862	215,502
Excess (Deficiency) of Revenues				
Over Expenditures	454,184	(271,432)	(27,672)	60,625
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	32,423	-
Transfers out	(544,423)	-	-	-
Capital leases	59,010	-	-	-
Total Other Financing Sources (Uses)	(485,413)	-	32,423	-
NET CHANGE IN FUND BALANCE	(31,229)	(271,432)	4,751	60,625
FUND BALANCE - BEGINNING OF YEAR	9,537,712	554,848	237,958	338,664
FUND BALANCE - END OF YEAR	\$ 9,506,483	\$ 283,416	\$ 242,709	\$ 399,289

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

Municipal Retirement/ Social Security Fund	Capital Projects Fund	Tort Fund	Fire Prevention and Safety Fund	Total	
				2018	2017
\$ 40,794	\$ -	\$ -	\$ -	\$ 2,345,176	\$ 2,244,992
10,280	-	-	-	341,808	128,382
10,334	-	-	-	288,520	257,379
3,529	-	-	-	222,520	158,698
-	-	-	-	-	3,227,625
1,569	-	-	-	250,101	134,335
887	-	-	-	184,347	140,563
12,368	-	215,397	-	710,851	629,935
9,667	-	-	-	336,657	321,480
70,559	-	-	-	634,275	598,576
-	-	-	-	678,846	553,157
-	-	-	-	129,876	154,106
19,223	-	-	-	229,678	227,045
-	-	-	-	5,365	5,214
-	-	-	-	20,749	15,102
-	-	-	-	951,716	925,026
-	-	-	-	363,353	355,560
-	-	-	-	88,059	97,253
-	-	-	-	450	450
-	361,865	-	-	522,916	112,823
<u>179,210</u>	<u>361,865</u>	<u>215,397</u>	<u>-</u>	<u>8,305,263</u>	<u>10,287,701</u>
<u>488,800</u>	<u>(359,943)</u>	<u>186,651</u>	<u>84,617</u>	<u>615,830</u>	<u>735,444</u>
-	512,000	-	-	544,423	836,212
-	-	-	-	(544,423)	(836,212)
-	-	-	-	59,010	57,049
<u>-</u>	<u>512,000</u>	<u>-</u>	<u>-</u>	<u>59,010</u>	<u>57,049</u>
488,800	152,057	186,651	84,617	674,840	792,493
<u>491,563</u>	<u>59,339</u>	<u>285,900</u>	<u>220,733</u>	<u>11,726,717</u>	<u>10,934,224</u>
<u>\$ 980,363</u>	<u>\$ 211,396</u>	<u>\$ 472,551</u>	<u>\$ 305,350</u>	<u>\$ 12,401,557</u>	<u>\$ 11,726,717</u>

(Continued)

COOK COUNTY SCHOOL DISTRICT 92
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

Total net change in fund balances-governmental funds (Exhibit D)		\$ 674,840
For modified accrual purposes tax collections made within 60 days after year end are included as revenue in the fiscal year. However, for accrual basis these collections are not recognized until the subsequent year end.		(291,306)
When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net position decreases by the amount of depreciation expense charged for the year. Capital outlays for items below the District's capitalization policy limits and repairs and maintenance are expensed.		
Depreciation expense	\$ (383,881)	
Capital outlay	<u>522,916</u>	
Capital outlay in excess of depreciation expense		139,035
The issuance of long-term debt (e.g. bonds or capital leases) provides current financial resources to governmental funds but are recorded as long-term liabilities in the Statement of Net Position.		
Capital leases		(59,010)
Repayment of debt principal is recorded as an expenditure in governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities. The District debt was reduced by principal payments made to bond and note holders.		363,353
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The expenses include the changes in:		
Interest payable	1,013	
Pensions	(181,241)	
Other post-employment benefits	(204,309)	
Compensated absences	<u>(10,980)</u>	
		<u>(395,517)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 431,395</u>

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

COOK COUNTY SCHOOL DISTRICT 92
 AGENCY FUNDS
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS AS OF JUNE 30, 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash	\$ 23,753	\$ 17,231
Total Assets	<u>\$ 23,753</u>	<u>\$ 17,231</u>
LIABILITIES		
Due to student groups	\$ 23,753	\$ 17,231
Total Liabilities	<u>\$ 23,753</u>	<u>\$ 17,231</u>

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

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cook County School District No. 92 (the “District”) operates as a public school system governed by an elected Board of Education. The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the significant accounting policies, consistently applied in the preparation of the accompanying financial statements is described below.

A. The Reporting Entity

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity is made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The definition of a component unit is a legally separate organization for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The District is financially accountable if it appoints a voting majority of the organization’s governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District. The District also may be financially accountable if an organization is fiscally dependent on the District regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government or (3) a jointly appointed board. There are no component units, as defined by GASB, which are included in the District’s reporting entity. Even though there are local government agencies serving the geographic area that is served by the District, such as the municipality, library and park district, these agencies have been excluded from the report because they are legally separate and the District is not financially accountable for them.

The District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

The District is a member of the following Joint Venture organization:

Proviso Area for Exceptional Children (PAEC) (See Note 9)

B. Basis of Presentation

The District’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements (GWFS)

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) tuition and fees and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

Governmental Funds Financial Statements

The accounts of the District are organized and operated on the basis of funds. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

compliance with finance-related and contractual provisions. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

Governmental Fund Types

General Fund – The General Fund, which consists of the legally mandated Educational Account and the Working Cash Account is the general operating fund of the District and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in other funds. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state and federal government aid. The Working Cash Account accounts for financial resources held by the District to be used as temporary interfund loans for working capital requirements to the Educational Account and the Special Revenue Fund's Operations and Maintenance and Transportation Funds. Loans by the Working Cash Account to other funds must be repaid within one year.

As allowed by the School Code of Illinois, this account may be permanently abolished and become a part of the General Fund or it may be partially abated to the Educational Account, Special Revenue Funds, Debt Service Funds, or the Fire Prevention and Safety Fund.

Special Revenue Funds – The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes and include the Operations and Maintenance Fund, Transportation Fund, the Municipal Retirement/Social Security Fund, and the Tort Fund. Special Revenue Funds do not include the Debt Service Fund, Capital Projects Funds, or Fiduciary Funds.

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

Capital Projects Funds – The Capital Projects Funds include the Capital Projects Fund and the Fire Prevention and Safety Fund. The Capital Projects Fund accounts for construction projects and renovations financed through serial bond issues or local property taxes levied specifically for such purposes. The Fire Prevention and Safety Fund accounts for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes.

Fiduciary Fund Types (not included in government-wide statements)

Agency Funds – The Agency Funds (including Student Activity Funds) account for assets held by the District in a trustee capacity or as an agent for student organizations and employees. These funds are custodial in nature (assets equals liabilities) and do not involve measurement focus of the results of operations.

Major and Non-major Funds

An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the District, is considered major by the District or meets the following criteria:

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenditures of that individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and:

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

- b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures of the individual governmental or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The District has elected to treat all funds as major.

The funds classified as major are as follows:

General Fund – see above for description.

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

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

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

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

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

Tort Fund – accounts for financial resources to be used for activity relating to insurance and risk management.

Fire Prevention and Safety Fund – accounts for capital expenditures related to fire prevention and safety concerns.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Therefore, when program expenses are incurred, both restricted and unrestricted net assets may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

Agency Funds (not included in government-wide statements) – include Student Activity Funds, and Other Agency Funds. These funds are custodial in nature and do not present results of operations or have a measurement focus. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational or cultural purposes.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide financial statements

The government-wide financial statements are reported using the "economic resources" measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when measurable and available.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fund financial statements

Governmental fund financial statements are reported using the “current financial resources” measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both “measurable and available”. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers property tax revenues available if they are collected within 60 days after year-end. All other state and federal revenues are measurable and available if they are vouchered by the Illinois State Board of Education on or before June 30, 2018, which are normally collected within 60 days of year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

On-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the state to the Teachers’ Retirement System and Teachers’ Health Insurance Security Fund) have been recognized in the financial statements.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

D. Equity Classifications/Fund Balance Reporting

Government-Wide Reporting

Equity is classified as net position displayed in three components: Net Investment in Capital Assets, Restricted Net Position, and Unrestricted Net Position.

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less any unspent debt proceeds.

Restricted Net Position – Consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Unless specifically identified, expenditures reduce restricted resources first, then unrestricted resources as they are needed.

Governmental Fund Balance Reporting

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

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. The nonspendable fund balance consists of prepaids in the Tort Fund of \$27,412.

Restricted – The restricted balance classification refers to amounts that are subject to restrictions, not controlled by the District. Items such as restrictions imposed by creditors (such as debt covenants), grantors, contributions or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special revenue funds are by definition restricted for

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

those specified purposes. Restricted fund balance totals \$2,867,662. The District has several revenue sources received within different funds that fall into these categories:

- Special Education – revenues and the related expenditures of this restricted tax levy are accounted for in the Educational Account. Expenditures exceeded revenues for this purpose, resulting in no restricted fund balance.
- State grants – proceeds from state grants and the related expenditures have been included in the Educational Account and the Transportation Fund. At June 30, 2018, expenditures exceeded revenues from state grants, resulting in no restricted fund balance.
- Federal grants – proceeds from federal grants and the related expenditures have been included in the Educational Account. At June 30, 2018, expenditures exceeded revenues from federal grants, resulting in no restricted fund balance.
- Social Security – expenditures and related expenditures of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. At June 30, 2018, expenditures disbursed exceeded revenue received, resulting in no restricted fund balance.

Committed – the committed fund balance refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the school board. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit that amount. The formal action required to modify, rescind, or commit fund balance is by formal resolution of the school board to allocate funds to a specific project. There are no committed fund balance designations.

Assigned – the assigned fund balance classification refers to amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Assignments may take place after the end of the reporting period. There are no assigned fund balance designations.

Unassigned – the unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund (\$9,506,483).

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

The General Fund and any other fund with a negative fund balance are considered to be unassigned. All special revenue funds are deemed to be "restricted" and prepaid expenses are reported as "non-spendable".

E. Assets, Deferred Inflows/Outflows, Liabilities and Net Position or Equity

Deposits and Investments

Investments of the District, for which the Proviso Township School Treasurer's Office maintains accounting records, are in the custody of the Treasurer, except for imprest funds, which are in the custody of the District. The Treasurer maintains cash accounts for each Fund of the District and invests excess cash. These investments are in the name of the Treasurer.

Income is distributed monthly based on each district's contribution to the purchase of such securities. Investments are stated at cost which equals fair value.

COOK COUNTY SCHOOL DISTRICT NO. 92
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Receivables

In government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends. Major receivable balances are shown on the exhibits. In fund financial statements, material receivables in governmental funds include revenue accruals that are both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis.

Prepaid Items

The District's prepaid items are accounted for using the consumption method. Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items. At June 30, 2018, \$27,412 is from prepaid insurance policies. These amounts are reported as non-spendable fund balances in the governmental funds.

Capital Assets

Capital assets, which include land, buildings and improvements, and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Buildings and improvements, land improvements and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20-50
Equipment	5-15

In the fund financial statements, fixed assets are accounted for as capital outlay expenditures upon acquisition. No depreciation is recorded in the fund financial statements.

Long-Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations (capital leases) are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Issuance costs are recognized as an expense in the period incurred. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of new debt issued is reported as other financing sources. Premiums received on new debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures in the year of issuance.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualifies for this category – pensions and other post-employment benefits reported in the government-wide statement of position (\$268,530 pensions and \$262,077 other post-employment benefits). This result is from the differences between expected and actual experience, the net differences projected and actual investment earnings on plan investments, changes of assumptions, and changes in proportion and differences between contributions and proportion share of contributions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. The first is unavailable revenue; it is reported in both the government-wide statement of position and in the governmental funds balance sheet (\$3,035,682). The item for unavailable revenue is from property taxes. The second and third items are pensions (\$928,213) and other post-employment benefits (\$346,837). These results are from differences between expected and actual experience, the net differences projected and actual investment earnings on plan investments, changes of assumptions, and changes in proportion and differences between contributions and proportion share of contributions. These items amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Program Revenues

Amounts reported as program revenues include 1) Tuition and fees and 2) Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. All taxes, including those dedicated for specific purposes, are reported as general revenues rather as program revenues.

Personal Property Replacement Taxes

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

Eliminations and Reclassifications

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

Comparative Data

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2017, from which such summarized information was derived.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial

COOK COUNTY SCHOOL DISTRICT NO. 92
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Compensated Absences

Under terms of employment, employees are granted vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2018, are determined on the basis of current salary rates and include salary related payments.

Employees who work a twelve-month year are entitled to be compensated for vacation time. Vacation days earned and not taken can be carried forward up to a maximum of between five and twenty days per employee (depending on employee group), but expire at June 30 of the succeeding calendar year. The amount (\$28,506) is included as a liability in the Government-Wide Financial Statements.

All certified employees receive a specified number of sick days per year depending on their years of service, in accordance with the agreement between Board of Education and the Education Association. Unused sick leave days accumulate with no maximum imposed. Upon retirement, a certified employee may apply up to 340 days of unused sick leave toward credit to TRS.

Educational support personnel receive ten sick days per year, which accumulate to a maximum of 180 days. The District does not reimburse employees for unused sick days remaining upon termination of employment. Upon retirement, however, employees may apply unused sick days remaining toward service credit for IMRF.

Due to the nature of the policies on sick leave, and the fact that any liability is contingent upon future event and cannot be reasonably estimated, no liability is provided in the financial statements for accumulated unpaid sick leave.

NOTE 2 – CASH AND INVESTMENTS

Under Illinois Compiled Statutes, the Proviso Township School Treasurer is the lawful custodian of all school funds. The Treasurer is appointed by the Township School Trustees, an independent elected body, to serve the school districts in the Township. The Treasurer is the direct recipient of property taxes, replacement taxes and most state and federal aid and disburses school funds upon lawful order of the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below. For these purposes, the Treasurer is permitted to combine monies from more than one fund of a single district and to combine monies of more than one district to the township. Monies combined under these circumstances as well as investment earnings are accounted for separately for each fund and/or district.

Cash and investments, other than the student activity, imprest funds and petty cash, are part of a common pool for all school districts and cooperatives within the township. The Treasurer maintains records which segregate the cash and investment balance by district or cooperative. Income from investments is distributed annually based on the District's percentage participation in the pool. The Treasurer's investment policies are established by the District's Board of Education prescribed by the *Illinois School Code* and the *Illinois Compiled Statutes*.

COOK COUNTY SCHOOL DISTRICT NO. 92
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 2 – CASH AND INVESTMENTS (Cont'd)

Categorization by risk category is not determinable for all cash and investments pooled by a separate legal governmental agency (Treasurer). Further information regarding collateralization of investments and insurance is available from the Treasurer's financial statements. As of June 30, 2018, the amount of pooled cash and investments held by the Proviso Township School Treasurer and allocated to the District was \$9,800,835. The remaining \$12,998 consists of imprest (\$5,000), cafeteria benefit plan (\$7,698) and petty cash (\$300) for total cash of \$9,813,833.

Deposits of the student activity fund, which are held in the District's custody, consist of cash held in financial institutions.

Custodial Credit Risk – Student Activity

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2018, \$23,753 held in bank accounts of the District is covered by collateral or FDIC coverage.

Investments

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 from increasing interest rates. As of June 30, 2018, the weighted average maturity (in years) is 1.10 for the investment pool.

Credit Risk: Under Illinois law, the District is restricted to investing funds in specific types of investment instruments. The following generally represents the types of instruments allowable by State laws:

- Securities issued or guaranteed by the United States.
- Interest-bearing accounts of banks and Savings and Loan Associations are insured up to \$250,000 by the Federal Deposit Insurance Corporation.
- Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500,000,000 rated in the three highest classifications by at least two rating agencies.
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- The Illinois Funds or Illinois School District Liquid Asset Fund Plus.
- Repurchase agreements which meet instrument transaction requirements of Illinois law.

Concentration of Credit Risk: The District places no limit on the amount the District may invest in any one issuer.

NOTE 3 – PROPERTY TAXES

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the Proviso Township School Treasurer for the use of the District, its share of collections. Property taxes are levied each year on all taxable real property located in the District on or before the last Tuesday in December. The adoption date for the 2017 tax levy was November 21, 2017, and the adoption date for the 2016 tax levy was November 15, 2016. Taxes attach as an enforceable lien on property on January 1 and are due and payable in two installments. The first installment is due on March 1. The due date of the second installment varies and can occur in September, October, or November. The first installment is an estimated bill, and is 55 percent of the

COOK COUNTY SCHOOL DISTRICT NO. 92
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 3 – PROPERTY TAXES (Cont'd)

prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill.

A summary of the past two years' assessed valuation, tax rates, and extensions are as follows:

Tax Year	2017		2016	
	Rates	Extensions	Rates	Extensions
Equalized Assessed Valuation	\$102,674,699		\$82,275,598	
Educational	3.5895	\$ 3,685,508	3.3608	\$ 2,765,145
Special Education	0.3384	347,451	0.3841	316,017
Operations and Maintenance	0.4713	483,905	0.5281	434,523
Bond and Interest	0.4320	443,579	0.5430	446,797
Transportation	0.2380	244,365	0.7939	653,178
Municipal Retirement	0.3151	323,527	0.3443	283,250
Social Security/Medicare	0.3151	323,527	0.3443	283,250
Working Cash	0.0424	43,534	0.0480	39,502
Liability Insurance	0.4010	411,725	0.4382	360,500
Life Safety	0.0841	86,349	0.0960	79,004
Totals	6.2269	\$ 6,393,470	6.8807	\$ 5,661,166

During the year, the County Assessor's office settled claims by various taxpayers in the District regarding their property's assessed value. The District was required to refund the excess taxes collected on the higher assessed value to the taxpayers.

Based upon collection histories, the District has provided an allowance for uncollectible real property taxes equivalent to 1 percent of the current levy. All property taxes receivable over one year old have been written off. At June 30, 2018, real property taxes receivable less the allowance for uncollectible real property taxes are as follows:

Property taxes receivable	\$ 3,099,616
Less: allowance for uncollectible taxes	<u>(63,934)</u>
Property taxes receivable, net	<u>\$ 3,035,682</u>

COOK COUNTY SCHOOL DISTRICT NO. 92
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 4 – CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
<u>Governmental Activities</u>				
Capital assets, not being depreciated:				
Land	\$ 314,014	\$ -	\$ -	\$ 314,014
Total capital assets, not being depreciated	314,014	-	-	314,014
Capital assets, being depreciated:				
Land improvements	328,356	-	-	328,356
Building and improvements	11,837,045	361,865	-	12,198,910
Equipment	1,737,397	161,051	-	1,898,448
Total capital assets, being depreciated	13,902,798	522,916	-	14,425,714
Accumulated depreciation:				
Land improvements	174,676	15,500	-	190,176
Building and improvements	4,207,246	304,815	-	4,512,061
Equipment	1,443,233	63,566	-	1,506,799
Total accumulated depreciation	5,825,155	383,881	-	6,209,036
Net Depreciable Capital Assets	8,077,643	139,035	-	8,216,678
Net Total Capital Assets	<u>\$ 8,391,657</u>	<u>\$ 139,035</u>	<u>\$ -</u>	<u>\$ 8,530,692</u>

Depreciation expense of \$383,881 was unallocated.

NOTE 5 – INTERFUND TRANSFERS

Interfund Transfers

The District abated \$512,000 from the Working Cash Fund to the Capital Projects Fund for improvement projects. The District transferred \$32,423 from the Educational Account to the Debt Service Fund for capital lease payments.

Interfund transfers are used to (1) move revenues from the fund in which statute or budget requires collection to the fund that statute or budget requires expenditure, and (2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

COOK COUNTY SCHOOL DISTRICT NO. 92
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 6 – LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2018:

Governmental Activities	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018	Due Within One Year
Bonds Payable:					
03/15/2003 GO Bonds	\$ 2,210,000	\$ -	\$ 335,000	\$ 1,875,000	\$ 345,000
Total Bonds Payable	<u>2,210,000</u>	<u>-</u>	<u>335,000</u>	<u>1,875,000</u>	<u>345,000</u>
Capital Leases:					
Apple equipment	1,339	-	1,339	-	-
Educational/Online Resources	37,125	-	18,075	19,050	19,050
(6) ImageRunner Copiers	-	59,010	8,939	50,071	11,178
Capital Leases Payable	<u>38,464</u>	<u>59,010</u>	<u>28,353</u>	<u>69,121</u>	<u>30,228</u>
Subtotal - Debt	<u>2,248,464</u>	<u>59,010</u>	<u>363,353</u>	<u>1,944,121</u>	<u>375,228</u>
Net Pension Liability	861,459	-	825,729	35,730	-
Other Post-Employment Benefits	-	2,898,987	-	2,898,987	-
Compensated Absences	17,526	10,980	-	28,506	-
Total Long-Term Liabilities	<u>\$ 3,127,449</u>	<u>\$ 2,968,977</u>	<u>\$ 1,189,082</u>	<u>\$ 4,907,344</u>	<u>\$ 375,228</u>

Bonds Payable

On March 15, 2003, the District issued \$5,850,000 in general obligation bonds with interest rates of 2.5% to 4.5%. At June 30, 2018, \$1,875,000 remains outstanding.

Capital Leases Payable

On July 1, 2016, the District entered into a lease/purchase agreement with American Capital Financial Services for the purchase of educational and online resources totaling \$57,049. This lease is to be paid in annual amounts of \$20,078 per year at a simple interest rate of 5.583%. At June 30, 2018, \$19,050 remains outstanding.

On August 15, 2017, the District entered into a lease/purchase agreement with Canon financial Services for the purchase of (3) ImageRunner Advance 6555 copiers, (1) ImageRunner C7565 copier, (1) ImageRunner advance 8595, and (1) ImageRunner Advance 6575 copier, totaling \$59,010. This lease is to be paid in monthly payments of \$1,100 at a nominal annual rate of 4.495%. At June 30, 2018, \$50,071 remains outstanding.

Annual Debt Service Requirements

As of June 30, 2018, the annual debt service requirements to service bonds payable and capital leases payable are:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 375,228	\$ 73,606	\$ 448,834
2020	371,690	57,966	429,656
2021	387,227	42,495	429,722
2022	402,788	25,912	428,700
2023	407,188	8,619	415,807
Total	<u>\$ 1,944,121</u>	<u>\$ 208,598</u>	<u>\$ 2,152,719</u>

NOTE 6 – LONG-TERM OBLIGATIONS (Cont'd)

General obligation bonds are liquidated by the Debt Service Fund. Capital leases are liquidated with the general revenues of the Educational Account which are transferred to the Debt Service Fund, in which expenditures are recorded. Pensions and compensated absences are liquidated by the General Fund.

Legal Debt Margin

The Illinois School Code limits the amount of bond indebtedness to 6.9 percent of equalized assessed valuation. Based on the 2017 assessed valuation of \$102,674,699, the legal debt margin is \$7,084,554. At June 30, 2018, the outstanding bonded debt to which the legal debt margin applies is \$1,944,121, leaving an available borrowing power of \$5,140,433.

NOTE 7 – RETIREMENT FUND COMMITMENTS

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

General Information about the Pension Plan

Plan Description

The employer participates in the Teachers' Retirement System (TRS) of the State of Illinois. 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 nonannuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the system's administration.

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org>; by writing to TRS at 2815 W. Washington Street, P. O. Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

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

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

NOTE 7 – RETIREMENT SYSTEMS (Cont'd)

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2017, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

Please note that the District was over-reported on the prior year financials, resulting in a negative state allocation of pension expense and net pension liability in the current year. This timing difference inflated the prior year's actuarial figures and had the reverse affect in the current year actuarial study. Reporting \$-0- for on-behalf contributions to TRS and net pension liability better reflects the District as of the fiscal year ended June 30, 2018.

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2018, State of Illinois contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$-0- in pension contributions from the State of Illinois.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2018, were \$17,051, and are deferred because they were paid after the June 30, 2017 measurement date.

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

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

For the year ended June 30, 2018, the employer pension contribution was 10.10 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2018, salaries totaling \$-0- were paid from federal and special trust funds that required employer contributions of \$-0-. These contributions are deferred because they were paid after the June 30, 2017, measurement date.

Employer retirement 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 program that ended on June 30, 2016, is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2018, the employer paid \$-0- to TRS for employer ERO contributions for retirements that occurred before July 1, 2016.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal

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NOTE 7 – RETIREMENT SYSTEMS (Cont'd)

annual allotment if those days are used as TRS service credit. For the year ended June 30, 2018, the employer paid \$2,507 to TRS for employer contributions due on salary increases in excess of 6 percent and \$-0- for sick leave days granted in excess of the normal annual allotment.

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

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

Employer's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the employer		-
		-
Total	\$	-

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016, and rolled forward to June 30, 2017. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2017, the employer's proportion was .000000 percent, which was a (decrease) of .000665 percent from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the employer recognized pension expense of \$156,283 and revenue of \$-0- for support provided by the state. At June 30, 2018, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred (Inflows) of Resources
<i>Deferred amounts to be recognized in pension expense in future periods</i>			
Differences between expected and actual experience	\$ (2,702)	\$ (115)	\$ (2,587)
Net difference between projected and actual earnings on pension plan investments	(171)	-	(171)
Changes of assumptions	(16,601)	(7,148)	(9,453)
Changes in proportion and differences between employer contributions and proportionate share of contributions	117,034	630,765	(513,731)
Total deferred amounts to be recognized in pension expense in future periods	97,560	623,502	(525,942)
<i>Pension contributions made subsequent to the measurement date</i>	17,051	-	17,051
Total	\$ 114,611	\$ 623,502	\$ (508,891)

\$17,051 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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NOTE 7 – RETIREMENT SYSTEMS (Cont'd)

Year Ending June 30,	Net Deferred Outflows (Inflows) Of Resources
2019	\$ (122,283)
2020	(147,151)
2021	(111,718)
2022	(126,268)
2023	(18,522)
Total	<u>\$ (525,942)</u>

Actuarial Assumptions

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

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

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

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

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

Discount Rate

At June 30, 2017, the discount rate used to measure the total pension liability was 7.0 percent, which was a change from the June 30, 2016, rate of 6.83 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

NOTE 7 – RETIREMENT SYSTEMS (Cont'd)

Based on those assumptions, TRS’s fiduciary net position at June 30, 2017, was not projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I’s liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net pension liability	\$ -	\$ -	\$ -

TRS Fiduciary Net Position

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

B. Illinois Municipal Retirement Fund (IMRF)

IMRF Plan Description

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

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NOTE 7 – RETIREMENT SYSTEMS (Cont'd)

with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

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

December 31,	<u>2017</u>
Retirees and Beneficiaries currently receiving benefits	21
Inactive Plan Members entitled to but not yet receiving benefits	56
Active Plan Members	<u>22</u>
Total	<u><u>99</u></u>

Contributions

As set by statute, the employer’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 employer’s annual required contribution rate for calendar year 2017 was 9.80%. For the fiscal year ended June 30, 2018, the employer contributed \$65,060 to the plan. The employer 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 employer’s net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

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

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.

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NOTE 7 – RETIREMENT SYSTEMS (Cont'd)

- The Inflation Rate was assumed to be 2.50%.
- Salary Increases were expected to be 3.39% to 14.25%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%.
- Projected Retirement Age was from the experience-based table of rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study of the period 2014 to 2016.
- For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015); the IMRF-specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015); the IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2017:

Asset Class	Target Allocation	Return 12/31/17	Projected Returns/Risks	
			One Year Arithmetic	Ten Year Geometric
Equities	37%	19.60%	8.30%	6.85%
International Equities	18%	27.53%	8.45%	6.75%
Fixed Income	28%	4.67%	3.05%	3.00%
Real Estate	9%	9.10%	6.90%	5.75%
Alternatives	7%			
Private Equity		N/A	12.45%	7.35%
Hedge Funds		N/A	5.35%	5.05%
Commodities		N/A	4.25%	2.65%
Cash Equivalents	1%	N/A	2.25%	2.25%
Total	<u>100%</u>			

Single Discount Rate

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

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and

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NOTE 7 – RETIREMENT SYSTEMS (Cont'd)

2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

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

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2016	\$ 3,144,527	\$ 2,807,897	\$ 336,630
Changes for the year:			
Service Cost	74,052	-	74,052
Interest on the Total Pension Liability	232,276	-	232,276
Differences Between Expected and Actual Experience of the Total Pension Liability	51,410	-	51,410
Changes of Assumptions	(110,434)	-	(110,434)
Contributions - Employer	-	65,060	(65,060)
Contributions - Employees	-	30,254	(30,254)
Net Investment Income	-	505,353	(505,353)
Benefits Payments, including Refunds of Employee Contributions	(169,079)	(169,079)	-
Other (Net Transfer)	-	(52,463)	52,463
Net Changes	<u>78,225</u>	<u>379,125</u>	<u>(300,900)</u>
Balances at December 31, 2017	<u>\$ 3,222,752</u>	<u>\$ 3,187,022</u>	<u>\$ 35,730</u>

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

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

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Total Pension Liability	\$ 3,591,340	\$ 3,222,752	\$ 2,914,622
Plan Fiduciary Net Position	<u>3,187,022</u>	<u>3,187,022</u>	<u>3,187,022</u>
Net Pension Liability	<u>\$ 404,318</u>	<u>\$ 35,730</u>	<u>\$ (272,400)</u>

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

For the year ended June 30, 2018, the employer recognized pension expense of \$24,957. At June 30, 2018, the employer reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

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NOTE 7 – RETIREMENT SYSTEMS (Cont'd)

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferred (Inflows) of Resources</u>
<i>Deferred amounts to be recognized in pension expense in future periods</i>			
Differences between expected and actual experience	\$ 25,758	\$ 8,002	\$ 17,756
Changes of assumptions	-	57,114	(57,114)
Net difference between projected and actual earnings on pension plan investments	<u>88,696</u>	<u>239,595</u>	<u>(150,899)</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>114,454</u>	<u>304,711</u>	<u>(190,257)</u>
<i>Pension contributions made subsequent to the measurement date</i>	<u>39,465</u>	<u>-</u>	<u>39,465</u>
Total Deferred Amounts Related to Pensions	<u>\$ 153,919</u>	<u>\$ 304,711</u>	<u>\$ (150,792)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending December 31</u>	<u>Net Deferred (Inflows) of Resources</u>
2018	\$ (52,628)
2019	(20,455)
2020	(57,276)
2021	(59,898)
Thereafter	<u>-</u>
Total	<u>\$ (190,257)</u>

C. Aggregate Pension Amounts

For the year ended June 30, 2018, aggregate pension amounts are as follows:

	<u>TRS</u>	<u>IMRF</u>	<u>Total</u>
Deferred Outflows of Resources	\$ 114,611	\$ 153,919	\$ 268,530
Net Pension Liability	-	35,730	35,730
Deferred Inflows of Resources	623,502	304,711	928,213
Pension Expense, Net of State Support	156,283	24,957	181,240

D. Social Security/Medicare

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

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS

A. Teachers’ Health Insurance Security (THIS) Fund

General Information about the Plan

Plan Description

The employer participates in the Teachers’ 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.

Benefits Provided

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

Contributions

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

- *On-Behalf Contributions to the THIS Fund*

The State of Illinois makes employer retiree health insurance contributions on behalf of the employer. State contributions are intended to match contributions to the THIS Fund from active members which were 1.18 percent of pay during the year ended June 30, 2018. State of Illinois contributions were \$34,690, and the employer recognized revenue and expenditures of this amount during the year.

- *Employer Contributions to the THIS Fund*

The employer also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.88 percent during the year ended June 30, 2018. For the year ended June 30, 2018, the employer paid \$25,870 to the THIS Fund, which was 100 percent of the required contribution. The contributions are deferred because they were paid after the June 30, 2017 measurement date.

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

At June 30, 2018, the employer reported a liability for its proportionate share of the net THIS liability (first amount shown below). The state’s support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net THIS liability, the related state support, and the total portion of the net THIS liability that was associated with the employer were as follows:

Employer's proportionate share of the net THIS liability	\$	2,898,987
State's proportionate share of the net THIS liability associated with the employer		3,807,090
Total	\$	6,706,077

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NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (Cont'd)

The net THIS liability was measured as of June 30, 2017, and the total THIS liability used to calculate the net THIS liability was determined by an actuarial valuation as of June 30, 2016, and rolled forward to June 30, 2017. The employer's proportion of the net THIS liability was based on the employer's share of contributions to THIS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2017, the employer's proportion was 0.011172 percent, which was an increase of 0.001 percent from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the employer recognized THIS expense of \$204,310 and revenue of \$-0- for support provided by the state. At June 30, 2018, the employer reported deferred outflows of resources and deferred inflows of resources related to THIS from the following sources:

Deferred Amounts Related to OPEB	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred (Inflows) of Resources
<i>Deferred amounts to be recognized in OPEB expense in future periods</i>			
Differences between expected and actual experience	\$ -	\$ 1,642	\$ (1,642)
Net difference between projected and actual earnings on pension plan investments	-	32	(32)
Changes of assumptions	-	345,163	(345,163)
Changes in proportion and differences between employer contributions and proportionate share of contributions	236,207	-	236,207
Total deferred amounts to be recognized in OPEB expense in future periods	236,207	346,837	(110,630)
<i>OPEB contributions made subsequent to the measurement date</i>	25,870	-	25,870
Total	<u>\$ 262,077</u>	<u>\$ 346,837</u>	<u>\$ (84,760)</u>

\$25,870 reported as deferred outflows of resources related to THIS resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the THIS pension liability in the reporting year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to THIS will be recognized in THIS expense as follows:

Year Ending June 30,	Net Deferred (Inflows) of Resources
2019	\$ (16,995)
2020	(16,995)
2021	(16,995)
2022	(16,995)
2023	(16,992)
Thereafter	(25,658)
Total	<u>\$ (110,630)</u>

Actuarial Assumptions

The total THIS liability was determined by an actuarial valuation as of June 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified:

Inflation 2.75 percent

COOK COUNTY SCHOOL DISTRICT NO. 92
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (Cont'd)

Salary increases	varies by amount of service credit
Investment rate of return	0.00 percent, net of THIS plan investment expense, including inflation
Healthcare cost trend rates	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend rate of 4.50%. Additional trend rate of 0.59% is added to non-Medicare costs on and after 2020 to account for Excise Tax.

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

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

Given the significant benefit payable, negative asset value and pay-as-you-go funding policy, the long-term expected rate of return assumption was set at zero.

Discount Rate

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

Sensitivity of the Employer's Proportionate Share of the Net THIS Liability to Changes in the Discount Rate

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

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
Employer's proportionate share of the net pension liability	\$ 3,478,888	\$ 2,898,987	\$ 2,435,152

Sensitivity of the Employer's Proportionate Share of the Net THIS Liability to Changes in the Health Care Trend Rate

The following presents the employer's proportionate share of the net THIS liability calculated using an initial health care cost trend rate of 8.00% as well as what the plan's net OPEB liability would be if it were calculated using a Trend Rate that is 1% lower or 1% higher:

COOK COUNTY SCHOOL DISTRICT NO. 92
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (Cont'd)

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Employer's proportionate share of the net pension liability	\$ 2,339,859	\$ 2,898,987	\$ 3,701,761

Further information on the THIS Fund

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

B. Retiree Healthcare Plan

The District does not provide post-employment medical insurance benefits (OPEB) for retired employees, as no formal post-employment benefit plan has been established. The District's implicit cost is equal to the difference between current premium levels and what those premiums would be if retirees were not included. The implicit cost cannot presently be determined; however, management believes that this amount is immaterial.

NOTE 9 – JOINT VENTURE – PROVISO AREA FOR EXCEPTIONAL CHILDREN (PAEC)

The District is a member of Proviso Area for Exceptional Children (PAEC), a joint agreement that provides certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because it does not exercise control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, this joint agreement is not included as component unit of the District.

Complete financial statements for PAEC can be obtained from the Administrative Offices at 1000 Van Buren Street, Maywood, Illinois 60153.

NOTE 10 – RISK MANAGEMENT

The District has purchased insurance from various insurance risk pools (see Notes 11 and 12). Risks covered include general liability, workers compensation, and other. Premiums have been reported as expenditures in appropriate funds. There were no significant changes in insurance coverage from the prior year and the amount of settlements did not exceed insurance coverage for the last three years.

NOTE 11 – SCHOOL EMPLOYEES LOSS FUND (SELF)

The District is a member of SELF, which has been formed to reduce local school districts' workers' compensation costs. SELF is controlled by a Board of Directors which is composed of representatives designated by each school district. The day-to-day operations of SELF are managed through an Executive Board elected by the Board of Directors. Each member district has a financial responsibility for annual membership contributions, which are calculated to provide for administrative expenses, specific and aggregate excess insurance coverage, and the funding of a portion of anticipated losses and loss adjustment expenses to be borne by the membership are those which must be incurred prior to the attachment of excess insurance coverage.

Complete financial statements for SELF can be obtained from their accountant at Two Pierce Place, Itasca, Illinois 60143.

NOTE 12 – SUBURBAN SCHOOL COOPERATIVE INSURANCE POOL (SSCIP)

The District is a member of SSCIP, which has been formed to provide casualty, property and liability protections and to administer some or all insurance coverages and protection other than health, life and accident coverages procured by the member districts. SSCIP is controlled by a Board of Directors which is composed of representatives designated by each member. The day-to-day operations of SSCIP are managed through an Executive Board elected by the Board of Directors. It is intended, by the creation of SSCIP to allow a member District to equalize annual fluctuations in insurance costs by establishing a program whereby reserves may be created and temporary deficits of individual districts covered and to ultimately equalize the risks and stabilize the costs of providing casualty, property and liability protections. If, during the fiscal year, the funds on hand in the account of SSCIP are not sufficient to pay expenses of administration, the Board of Directors shall require supplementary payment from all members. Such payment shall be made in the same proportion as prior payments during the year to SSCIP.

Complete financial statements for SSCIP can be obtained from their accountant at Two Pierce Place, Itasca, Illinois 60143.

NOTE 13 – STATE AND FEDERAL AID CONTINGENCIES

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowance, if any, would be immaterial.

NOTE 14 – CHANGE IN ACCOUNTING PRINCIPLE

In 2018, the District adopted new accounting guidance; GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*.

The Net Position at July 1, 2017 was reduced by \$2,779,437, due to the post-employment benefits other than pension expense recognition previously unrecognized.

NOTE 15 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or available to be issued. There are two types of subsequent events: recognized (events that relate to conditions present at the balance sheet date) and non-recognized (events or conditions that did not exist at the balance sheet date but arose after that date).

There have been no recognized or non-recognized subsequent events that have occurred between June 30, 2018, and the date of this audit report requiring disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

COOK COUNTY SCHOOL DISTRICT NO. 92
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
 MOST RECENT FISCAL YEARS

Fiscal year ending June 30,*	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension liability	0.000000%	0.000665%	0.000455%	0.000763%
Employer's proportionate share of the net pension liability	\$ -	\$ 524,829	\$ 298,055	\$ 464,621
State's proportionate share of the net pension liability associated with the employer	<u>-</u>	<u>32,572,004</u>	<u>18,988,131</u>	<u>27,840,035</u>
Total	<u>\$ -</u>	<u>\$33,096,833</u>	<u>\$19,286,186</u>	<u>\$28,304,656</u>
Employer's covered-employee payroll	\$ 2,576,415	\$ 2,366,140	\$ 2,105,977	\$ 2,216,053
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	22.18%	14.15%	20.97%
Plan fiduciary net position as a percentage of the total pension liability	39.30%	36.40%	41.50%	43.00%

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

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

COOK COUNTY SCHOOL DISTRICT NO. 92
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
 MOST RECENT FISCAL YEARS

Fiscal year ending June 30,	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually-required contribution	\$ 17,051	\$ 14,943	\$ 13,724	\$ 12,215
Contributions in relation to the contractually-required contribution	<u>58,634</u>	<u>53,741</u>	<u>44,527</u>	<u>31,002</u>
Contribution deficiency (excess)	<u>\$ (41,583)</u>	<u>\$ (38,798)</u>	<u>\$ (30,803)</u>	<u>\$ (18,787)</u>
Employer's covered-employee payroll	\$2,939,809	\$2,576,415	\$2,366,140	\$2,105,977
Contributions as a percentage of covered-employee payroll	1.99%	2.09%	1.88%	1.47%

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

COOK COUNTY SCHOOL DISTRICT NO. 92
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
MOST RECENT CALENDAR YEARS

Calendar year ending December 31,	2017	2016	2015	2014
Total pension liability				
Service cost	\$ 74,052	\$ 90,472	\$ 79,414	\$ 85,001
Interest on the total pension liability	232,276	224,338	207,729	198,133
Difference between expected and actual experience	51,410	(31,802)	128,979	(81,727)
Changes of assumption	(110,434)	(7,088)	3,421	121,158
Benefit payments, including refunds of employee contributions	(169,079)	(170,651)	(227,985)	(148,269)
Net change in total pension liability	78,225	105,269	191,558	174,296
Total pension liability - beginning	3,144,527	3,039,258	2,847,700	2,673,404
Total pension liability - ending (A)	<u>\$ 3,222,752</u>	<u>\$ 3,144,527</u>	<u>\$ 3,039,258</u>	<u>\$ 2,847,700</u>
Plan fiduciary net position				
Contributions - employer	\$ 65,060	\$ 82,198	\$ 89,418	\$ 75,083
Contributions - employees	30,254	36,551	34,333	30,969
Net investment income	505,353	185,221	12,805	151,547
Benefit payments, including refunds of employee contributions	(169,079)	(170,651)	(227,985)	(148,269)
Other (net transfer)	(52,463)	8,188	144,614	(1,605)
Net change in plan fiduciary net position	379,125	141,507	53,185	107,725
Plan fiduciary net position - beginning	2,807,897	2,666,390	2,613,205	2,505,480
Plan fiduciary net position - ending (B)	<u>\$ 3,187,022</u>	<u>\$ 2,807,897</u>	<u>\$ 2,666,390</u>	<u>\$ 2,613,205</u>
Net pension liability/(asset) - ending (A) - (B)	<u>\$ 35,730</u>	<u>\$ 336,630</u>	<u>\$ 372,868</u>	<u>\$ 234,495</u>
Plan fiduciary net position as a percentage of total pension liability	98.89%	89.29%	87.73%	91.77%
Covered valuation payroll	\$ 663,879	\$ 776,912	\$ 762,963	\$ 688,205
Net pension liability as a percentage of covered valuation payroll	5.38%	43.33%	48.87%	34.07%

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

COOK COUNTY SCHOOL DISTRICT NO. 92
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 ILLINOIS MUNICIPAL RETIREMENT FUND
 MOST RECENT CALENDAR YEARS

Calendar Year Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2017	\$ 65,060	\$ 65,060	\$ -	\$ 663,879	9.80%
2016	82,197	82,198	(1)	776,912	10.58%
2015	89,419	89,418	1	762,963	11.72%
2014	75,093	75,083	10	688,296	10.91%

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2017 Contribution Rate*

Valuation Date:

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

Methods and Assumptions Used to Determine 2017 Contribution Rates:

- Actuarial Cost Method:* Aggregate entry age normal
- Amortization Method:* Level percentage of payroll, closed
- Remaining Amortization Period:* Non-Taxing bodies: 10 year rolling period.
Taxing bodies (Regular, SLEP and ECO groups): 26 year closed period
Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 21 years for most employers (two employers were financed over 30 years).
- Asset Valuation Method:* 5-year smoothed market; 20% corridor
- Wage Growth:* 3.50%
- Price Inflation:* 2.75% - Approximate; No explicit price inflation assumption is used in this valuation
- Salary Increases:* 3.75% to 14.50%, including inflation
- Investment Rate of Return:* 7.50%
- Retirement Age:* Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013
- Mortality:* For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2015, actuarial valuation; note two year lag between valuation and rate setting.

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

COOK COUNTY SCHOOL DISTRICT NO. 92
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE THIS LIABILITY
 OTHER POST-EMPLOYMENT BENEFITS - TEACHERS' HEALTH INSURANCE SECURITY FUND
 MOST RECENT FISCAL YEARS

	2018
Fiscal year ending June 30,*	
Employer's proportion of the net THIS liability	0.011172%
Employer's proportionate share of the net THIS liability	\$ 2,898,987
State's proportionate share of the net pension liability associated with the employer	3,807,090
Total	\$ 6,706,077
Employer's covered-employee payroll	\$ 2,576,415
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	112.52%
Plan fiduciary net position as a percentage of the total THIS liability	-0.17%

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

COOK COUNTY SCHOOL DISTRICT NO. 92
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 OTHER POST-EMPLOYMENT BENEFITS - TEACHERS' HEALTH INSURANCE SECURITY FUND
 MOST RECENT FISCAL YEARS

Fiscal year ending June 30,	<u>2018</u>
Contractually-required contribution	\$ 25,870
Contributions in relation to the contractually-required contribution	<u>25,870</u>
Contribution deficiency (excess)	<u>\$ -</u>
Employer's covered-employee payroll	\$ 2,939,809
Contributions as a percentage of covered-employee payroll	0.88%

COOK COUNTY SCHOOL DISTRICT NO. 92
GENERAL FUND
COMBINING BALANCE SHEET
JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS AS OF JUNE 30, 2017

	2018		2017	
	Educational Account	Working Cash Account	General Fund	General Fund
ASSETS				
Cash and investments	\$ 6,474,790	\$ 1,403,416	\$ 7,878,206	\$ 7,996,380
Receivables (net of allowance for uncollectibles):				
Interest	19,853	4,651	24,504	13,689
Property taxes	1,914,866	20,701	1,935,567	1,510,446
Personal property replacement taxes	32,757	-	32,757	36,903
Intergovernmental	14,588	-	14,588	184,529
<u>Total Assets</u>	<u>\$ 8,456,854</u>	<u>\$ 1,428,768</u>	<u>\$ 9,885,622</u>	<u>\$ 9,741,947</u>
LIABILITIES				
Accounts payable	\$ 181,125	\$ -	\$ 181,125	\$ 33,270
Salaries payable	4,097	-	4,097	1,924
Payroll liabilities	(4,821)	-	(4,821)	(498)
<u>Total Liabilities</u>	<u>180,401</u>	<u>-</u>	<u>180,401</u>	<u>34,696</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	196,560	2,178	198,738	169,539
<u>Total Deferred Inflows of Resources</u>	<u>196,560</u>	<u>2,178</u>	<u>198,738</u>	<u>169,539</u>
FUND BALANCE				
Unassigned	8,079,893	1,426,590	9,506,483	9,537,712
<u>Total Fund Balance</u>	<u>8,079,893</u>	<u>1,426,590</u>	<u>9,506,483</u>	<u>9,537,712</u>
<u>Total Liabilities, Deferred Inflows of Resources and Fund Balances</u>	<u>\$ 8,456,854</u>	<u>\$ 1,428,768</u>	<u>\$ 9,885,622</u>	<u>\$ 9,741,947</u>

COOK COUNTY SCHOOL DISTRICT 92
GENERAL FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017	
	Original and Final Budget	Educational Account	Working Cash Account	Total	Actual
REVENUES:					
Local Sources:					
General tax levy	\$ 3,155,191	\$ 3,492,539	\$ 41,441	\$ 3,533,980	\$ 2,802,270
Special education levy	324,707	333,779	-	333,779	324,232
Personal property replacement taxes	210,000	160,691	-	160,691	207,424
Summer school tuition from pupils	-	-	-	-	30
Interest on investments	41,563	69,390	15,572	84,962	43,951
Gain on investments	-	5,116	-	5,116	-
Sales to adults	22,680	18	-	18	-
Fees	48,000	51,500	-	51,500	51,104
Donations and contributions	-	1,521	-	1,521	5,312
Refund of prior years' expenditures	85,000	61,374	-	61,374	61,403
Payment of surplus moneys from TIF districts	200,000	642,562	-	642,562	-
Other	7,000	12,400	-	12,400	6,816
State Sources:					
Evidence based funding formula	1,055,920	1,066,475	-	1,066,475	954,778
Special education - private facility tuition	35,000	57,112	-	57,112	29,952
Special education - funding for children	55,000	-	-	-	57,782
Special education - personnel	40,000	-	-	-	36,000
Special education - orphanage	95,000	22,975	-	22,975	44,939
Special education - summer school	3,700	-	-	-	-
CTE - technical education - tech prep	250	-	-	-	402
Bilingual education - downstate - TPI	11,239	10,372	-	10,372	253
State free lunch and breakfast	3,000	2,830	-	2,830	1,653
Early childhood - block grant	118,005	68,190	-	68,190	118,005
On-behalf retirement	275,542	-	-	-	3,227,625
Federal Sources:					
National school lunch	199,030	166,431	-	166,431	159,301
School breakfast program	110,100	73,022	-	73,022	34,531
Commodities	-	18,185	-	18,185	21,017
Fresh fruit and vegetables	20,000	24,850	-	24,850	15,778
Title I - low income	201,200	144,952	-	144,952	123,154
Title IVA - student support and academic enrichment	-	7,800	-	7,800	-
Title IV - other	10,000	-	-	-	-
IDEA room and board	15,000	-	-	-	19,634
Race to the top - preschool expansion grant	288,000	-	-	-	-
Title II - teacher quality	20,958	11,520	-	11,520	12,044
Medicaid matching funds - fee for service	15,000	27,894	-	27,894	21,870
Total Revenues	6,666,085	6,533,498	57,013	6,590,511	8,381,260

(Continued)

COOK COUNTY SCHOOL DISTRICT 92
GENERAL FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017	
	Original and Final Budget	Educational Account	Working Cash Account	Total	Actual
EXPENDITURES:					
Current:					
Instruction					
Regular programs	\$ 2,370,345	\$ 2,304,382	\$ -	\$ 2,304,382	\$ 2,211,206
Regular programs - Pre-K	300,098	331,528	-	331,528	123,626
Special programs	289,446	278,186	-	278,186	248,706
Other instructional programs	293,068	218,991	-	218,991	154,893
State on-behalf retirement	275,542	-	-	-	3,227,625
Support services					
Pupils	243,579	248,532	-	248,532	135,749
Instructional staff	129,179	183,460	-	183,460	138,089
General administration	477,253	483,086	-	483,086	443,324
School administration	328,820	326,990	-	326,990	312,189
Business	597,550	563,716	-	563,716	526,136
Central	157,486	210,455	-	210,455	201,171
Other support services	-	5,365	-	5,365	5,214
Community services	-	20,749	-	20,749	15,102
Payments to other governmental units	795,000	829,482	-	829,482	815,133
Capital Outlay	157,000	131,405	-	131,405	112,823
<u>Total Expenditures</u>	<u>6,414,366</u>	<u>6,136,327</u>	<u>-</u>	<u>6,136,327</u>	<u>8,670,986</u>
<u>Excess (Deficiency) of Revenues</u>					
<u>Over Expenditures</u>	<u>251,719</u>	<u>397,171</u>	<u>57,013</u>	<u>454,184</u>	<u>(289,726)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	800,000
Transfers out	(512,000)	(32,423)	(512,000)	(544,423)	(36,212)
Capital leases	-	59,010	-	59,010	57,049
<u>Total Other Financing Sources (Uses)</u>	<u>(512,000)</u>	<u>26,587</u>	<u>(512,000)</u>	<u>(485,413)</u>	<u>820,837</u>
NET CHANGE IN FUND BALANCE	<u>\$ (260,281)</u>	423,758	(454,987)	(31,229)	531,111
FUND BALANCE - BEGINNING OF YEAR		7,656,135	1,881,577	9,537,712	9,006,601
FUND BALANCE - END OF YEAR		<u>\$ 8,079,893</u>	<u>\$ 1,426,590</u>	<u>\$ 9,506,483</u>	<u>\$ 9,537,712</u>

COOK COUNTY SCHOOL DISTRICT 92
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		Over (Under) Budget	2017
	Original and Final Budget	Actual		Actual
REVENUES				
Local Sources:				
General tax levy	\$ 3,114,315	\$ 3,492,539	\$ 378,224	\$ 2,762,531
Special education levy	324,707	333,779	9,072	324,232
Personal property replacement taxes	210,000	160,691	(49,309)	207,424
Summer school tuition from pupils	-	-	-	30
Interest on investments	32,063	69,390	37,327	34,532
Gain on investments	-	5,116	5,116	-
Sales to adults	22,680	18	(22,662)	-
Fees	48,000	51,500	3,500	51,104
Donations and contributions	-	1,521	1,521	5,312
Refund of prior years' expenditures	85,000	61,374	(23,626)	61,403
Payment of surplus moneys from TIF districts	200,000	642,562	442,562	-
Other	7,000	12,400	5,400	6,816
Total Local Sources	4,043,765	4,830,890	787,125	3,453,384
State Sources:				
Evidence based funding formula	1,055,920	1,066,475	10,555	954,778
Special education - private facility tuition	35,000	57,112	22,112	29,952
Special education - funding for children	55,000	-	(55,000)	57,782
Special education - personnel	40,000	-	(40,000)	36,000
Special education - orphanage	95,000	22,975	(72,025)	44,939
Special education - summer school	3,700	-	(3,700)	-
CTE - technical education - tech prep	250	-	(250)	402
Bilingual education - downstate - TPI	11,239	10,372	(867)	253
State free lunch and breakfast	3,000	2,830	(170)	1,653
Early childhood - block grant	118,005	68,190	(49,815)	118,005
On-behalf retirement	275,542	-	(275,542)	3,227,625
Total State Sources	1,692,656	1,227,954	(464,702)	4,471,389
Federal Sources:				
National school lunch	199,030	166,431	(32,599)	159,301
School breakfast program	110,100	73,022	(37,078)	34,531
Commodities	-	18,185	18,185	21,017
Fresh fruit and vegetables	20,000	24,850	4,850	15,778
Title I - low income	201,200	144,952	(56,248)	123,154
Title IVA - student support and academic enrichment	-	7,800	7,800	-
Title IV - other	10,000	-	(10,000)	-
IDEA room and board	15,000	-	(15,000)	19,634
Race to the top - preschool expansion grant	288,000	-	(288,000)	-
Title II - teacher quality	20,958	11,520	(9,438)	12,044
Medicaid matching funds - fee for service	15,000	27,894	12,894	21,870
Total Federal Sources	879,288	474,654	(404,634)	407,329
Total Revenues	6,615,709	6,533,498	(82,211)	8,332,102

(Continued)

COOK COUNTY SCHOOL DISTRICT 92
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		Over (Under) Budget	2017
	Original and Final Budget	Actual		Actual
EXPENDITURES				
Instruction:				
Regular Programs:				
Salaries	\$ 1,899,924	\$ 1,837,939	\$ (61,985)	\$ 1,719,940
Employee benefits	264,421	324,349	59,928	300,133
On-behalf payments	275,542	-	(275,542)	3,227,625
Purchased services	90,000	73,492	(16,508)	142,805
Supplies and materials	115,000	68,469	(46,531)	47,816
Capital outlay	-	-	-	39,289
Other objects	1,000	133	(867)	512
Total	2,645,887	2,304,382	(341,505)	5,478,120
Pre-K Programs:				
Salaries	240,798	244,950	4,152	99,184
Employee benefits	48,800	36,626	(12,174)	19,070
Purchased services	4,500	14,111	9,611	2,123
Supplies and materials	6,000	35,841	29,841	3,249
Total	300,098	331,528	31,430	123,626
Special Education Programs:				
Salaries	242,320	235,007	(7,313)	210,299
Employee benefits	45,126	39,695	(5,431)	36,414
Purchased services	2,000	3,027	1,027	817
Supplies and materials	-	457	457	1,176
Total	289,446	278,186	(11,260)	248,706
Remedial and Supplemental Programs K-12:				
Salaries	60,000	-	(60,000)	-
Employee benefits	6,500	-	(6,500)	-
Total	66,500	-	(66,500)	-
Interscholastic Programs:				
Salaries	75,000	84,310	9,310	59,126
Employee benefits	950	447	(503)	270
Purchased services	12,000	6,478	(5,522)	8,291
Supplies and materials	3,800	6,600	2,800	1,747
Total	91,750	97,835	6,085	69,434
Summer School Programs:				
Salaries	59,000	36,747	(22,253)	26,462
Employee benefits	1,400	205	(1,195)	170
Purchased services	500	-	(500)	-
Supplies and materials	250	39	(211)	266
Total	61,150	36,991	(24,159)	26,898

(Continued)

COOK COUNTY SCHOOL DISTRICT 92
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	Original and Final Budget	Actual	Over (Under) Budget	Actual
EXPENDITURES (Cont'd)				
Bilingual Programs:				
Salaries	\$ 62,439	\$ 62,439	\$ -	\$ 57,708
Employee benefits	10,579	21,628	11,049	841
Purchased services	500	-	(500)	-
Supplies and materials	150	98	(52)	12
Total	73,668	84,165	10,497	58,561
Total Instruction	3,528,499	3,133,087	(395,412)	6,005,345
Support Services:				
Pupils:				
Attendance and Social Work Services:				
Salaries	52,437	51,358	(1,079)	51,358
Employee benefits	10,579	15,768	5,189	8,905
Purchased services	-	460	460	-
Supplies and materials	500	-	(500)	190
Total	63,516	67,586	4,070	60,453
Guidance Services:				
Employee benefits	10,579	-	(10,579)	-
Total	10,579	-	(10,579)	-
Health Services:				
Salaries	20,000	-	(20,000)	31,400
Employee benefits	2,500	-	(2,500)	109
Purchased services	60,000	95,911	35,911	33,349
Supplies and materials	3,000	3,526	526	3,165
Non-capitalized equipment	4,000	-	(4,000)	-
Total	89,500	99,437	9,937	68,023
Psychological services:				
Salaries	58,155	58,155	-	-
Employee benefits	10,579	11,343	764	-
Supplies and materials	500	2,045	1,545	-
Total	69,234	71,543	2,309	-
Other Support Services:				
Salaries	1,250	-	(1,250)	-
Purchased services	6,500	5,120	(1,380)	3,639
Supplies and materials	3,000	4,846	1,846	3,634
Total	10,750	9,966	(784)	7,273
Total Pupils	243,579	248,532	4,953	135,749

(Continued)

COOK COUNTY SCHOOL DISTRICT 92
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	Original and Final Budget	Actual	Over (Under) Budget	Actual
EXPENDITURES (Cont'd)				
Instructional Staff:				
Improvement of Instruction Services:				
Salaries	\$ 22,000	\$ 6,925	\$ (15,075)	\$ 35,474
Employee benefits	16,500	4,789	(11,711)	6,440
Purchased services	25,000	85,329	60,329	39,509
Supplies and material	1,500	-	(1,500)	630
Total	65,000	97,043	32,043	82,053
Educational Media Services:				
Salaries	52,493	55,250	2,757	10,552
Employee benefits	11,386	11,326	(60)	2,472
Supplies and materials	300	9,796	9,496	43,012
Total	64,179	76,372	12,193	56,036
Assessment and Testing Services:				
Purchased services	-	10,045	10,045	-
Total	-	10,045	10,045	-
Total Instructional Staff	129,179	183,460	54,281	138,089
General Administration:				
Board of Education Services:				
Salaries	2,000	1,867	(133)	-
Purchased services	85,000	84,516	(484)	64,603
Supplies and materials	6,500	9,737	3,237	6,032
Other objects	10,000	10,882	882	9,632
Total	103,500	107,002	3,502	80,267
Executive Administration Services:				
Salaries	171,500	172,878	1,378	175,525
Employee benefits	42,958	43,526	568	40,883
Purchased services	16,000	8,415	(7,585)	10,518
Supplies and materials	2,200	14,490	12,290	4,453
Capital outlay	-	1,832	1,832	-
Other objects	4,500	1,774	(2,726)	2,094
Total	237,158	242,915	5,757	233,473

COOK COUNTY SCHOOL DISTRICT 92
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		2017	
	Original and Final Budget	Actual	Over (Under) Budget	Actual
EXPENDITURES (Cont'd)				
General Administration:				
Special Area Administration Services:				
Salaries	\$ 97,500	\$ 97,344	\$ (156)	\$ 93,600
Employee benefits	36,095	35,853	(242)	34,116
Purchased services	-	1,804	1,804	1,738
Supplies and materials	1,000	-	(1,000)	-
Other objects	2,000	-	(2,000)	130
Total	136,595	135,001	(1,594)	129,584
Total General Administration	477,253	484,918	7,665	443,324
School Administration:				
Office of the Principal Services:				
Salaries	232,620	241,901	9,281	228,494
Employee benefits	72,000	71,994	(6)	70,620
Purchased services	1,500	5,903	4,403	5,488
Supplies and materials	20,500	6,393	(14,107)	6,890
Other objects	2,200	799	(1,401)	697
Total	328,820	326,990	(1,830)	312,189
Total School Administration	328,820	326,990	(1,830)	312,189
Business:				
Direction of Business Support Services:				
Salaries	146,000	-	(146,000)	105,007
Employee benefits	40,000	-	(40,000)	16,521
Purchased services	1,500	66,730	65,230	61,079
Supplies and materials	1,500	682	(818)	15
Other objects	2,200	150	(2,050)	-
Total	191,200	67,562	(123,638)	182,622
Fiscal Services:				
Salaries	45,000	107,574	62,574	-
Employee benefits	8,000	8,017	17	-
Purchased services	7,000	8,420	1,420	8,932
Supplies and materials	1,000	401	(599)	584
Total	61,000	124,412	63,412	9,516
Food Services:				
Salaries	95,250	103,329	8,079	90,295
Employee benefits	9,000	8,858	(142)	8,850
Purchased services	215,000	230,832	15,832	198,644
Supplies and materials	1,500	23,853	22,353	21,792
Capital outlay	-	13,283	13,283	-
Total	320,750	380,155	59,405	319,581

(Continued)

COOK COUNTY SCHOOL DISTRICT 92
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		Over (Under) Budget	2017
	Original and Final Budget	Actual		Actual
EXPENDITURES (Cont'd)				
Business:				
Internal Services:				
Purchased services	\$ 12,500	\$ -	\$ (12,500)	\$ 1,345
Supplies and materials	12,100	4,870	(7,230)	13,072
Capital outlay	-	59,010	59,010	-
Total	24,600	63,880	39,280	14,417
Total Business	597,550	636,009	38,459	526,136
Central:				
Information Services:				
Purchased services	1,400	2,296	896	2,307
Supplies and materials	5,000	-	(5,000)	-
Total	6,400	2,296	(4,104)	2,307
Data Processing Services:				
Salaries	83,286	85,016	1,730	80,862
Employee benefits	20,300	20,508	208	20,179
Purchased services	7,500	10,409	2,909	10,896
Supplies and materials	38,000	77,159	39,159	83,398
Capital outlay	157,000	57,280	(99,720)	73,534
Non-capitalized equipment	2,000	15,067	13,067	3,529
Total	308,086	265,439	(42,647)	272,398
Total Central	314,486	267,735	(46,751)	274,705
Other Support Services:				
Supplies and materials	-	855	855	660
Other	-	4,510	4,510	4,554
Total Other Support Services	-	5,365	5,365	5,214
Total Support Services	2,090,867	2,153,009	62,142	1,835,406
Community Services:				
Purchased services	-	12,753	12,753	9,762
Supplies and materials	-	7,996	7,996	5,340
Total Community Services	-	20,749	20,749	15,102
Payments to Other Governmental Units:				
Payments for Special Education:				
Purchased services	15,000	1,653	(13,347)	9,218
Other	780,000	781,359	1,359	781,420
Total	795,000	783,012	(11,988)	790,638

(Continued)

COOK COUNTY SCHOOL DISTRICT 92
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		2017
	Original and Final Budget	Actual	Over (Under) Budget Actual
Other payments to in-state governmental units:			
Purchased services	\$ -	\$ 46,470	\$ 46,470
Total	-	46,470	46,470
Total Payments to Other Governmental Units	795,000	829,482	34,482
Total Expenditures	6,414,366	6,136,327	(278,039)
Excess (Deficiency) of Revenues Over Expenditures	201,343	397,171	195,828
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	(32,423)	(32,423)
Capital leases	-	59,010	59,010
Total Other Financing Sources	-	26,587	26,587
NET CHANGE IN FUND BALANCE	\$ 201,343	423,758	\$ 222,415
FUND BALANCE - BEGINNING OF YEAR		7,656,135	7,174,182
FUND BALANCE - END OF YEAR		\$ 8,079,893	\$ 7,656,135

COOK COUNTY SCHOOL DISTRICT 92
WORKING CASH ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		Over (Under) Budget	2017
	Original and Final Budget	Actual		Actual
REVENUES				
Local Sources:				
General tax levy	\$ 40,876	\$ 41,441	\$ 565	\$ 39,739
Interest on investments	9,500	15,572	6,072	9,419
Total Local Sources	<u>50,376</u>	<u>57,013</u>	<u>6,637</u>	<u>49,158</u>
<u>Total Revenues</u>	<u>50,376</u>	<u>57,013</u>	<u>6,637</u>	<u>49,158</u>
EXPENDITURES				
<u>Total Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Excess of Revenues Over Expenditures</u>	<u>50,376</u>	<u>57,013</u>	<u>6,637</u>	<u>49,158</u>
OTHER FINANCING (USES)				
Transfer of working cash fund interest	(512,000)	(512,000)	-	-
<u>Total Other Financing (Uses)</u>	<u>(512,000)</u>	<u>(512,000)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (461,624)</u>	(454,987)	<u>\$ 6,637</u>	49,158
FUND BALANCE - BEGINNING OF YEAR		<u>1,881,577</u>		<u>1,832,419</u>
FUND BALANCE - END OF YEAR		<u>\$ 1,426,590</u>		<u>\$ 1,881,577</u>

COOK COUNTY SCHOOL DISTRICT 92
OPERATIONS AND MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		Over (Under) Budget	2017
	Original and Final Budget	Actual		Actual
REVENUES				
Local Sources:				
General tax levy	\$ 446,473	\$ 461,232	\$ 14,759	\$ 436,217
Interest on investments	3,000	3,339	339	2,993
Refund of prior years' expenditures	4,000	9,097	5,097	1,426
Other	7,000	-	(7,000)	3,685
Total Local Sources	460,473	473,668	13,195	444,321
State Sources:				
Other	-	-	-	6,350
Total State Sources	-	-	-	6,350
<u>Total Revenues</u>	460,473	473,668	13,195	450,671
EXPENDITURES				
Support Services:				
Facilities Acquisition and Construction Services:				
Purchased services	125,000	24,958	(100,042)	34,878
Total	125,000	24,958	(100,042)	34,878
Operations and Maintenance of Plant Service:				
Salaries	210,500	190,067	(20,433)	181,075
Employee benefits	53,000	61,959	8,959	51,352
Purchased services	110,000	195,090	85,090	113,974
Supplies and materials	161,550	206,772	45,222	165,873
Capital outlay	24,000	29,646	5,646	-
Total	559,050	683,534	124,484	512,274
Total Support Services	684,050	708,492	24,442	547,152
Payments to Other Governmental Units:				
Purchased services	29,000	36,608	7,608	29,251
Total Payments to Other Governmental Units	29,000	36,608	7,608	29,251
<u>Total Expenditures</u>	713,050	745,100	32,050	576,403
NET CHANGE IN FUND BALANCE	<u>\$ (252,577)</u>	(271,432)	<u>\$ (18,855)</u>	(125,732)
FUND BALANCE - BEGINNING OF YEAR		554,848		680,580
FUND BALANCE - END OF YEAR		<u>\$ 283,416</u>		<u>\$ 554,848</u>

COOK COUNTY SCHOOL DISTRICT 92
TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		Over (Under) Budget	2017
	Original and Final Budget	Actual		Actual
REVENUES				
Local Sources:				
General tax levy	\$ 403,930	\$ 212,842	\$ (191,088)	\$ 713,344
Interest on investments	4,500	3,817	(683)	4,814
Regular transportation fee	20,000	-	(20,000)	-
Refund of prior years' expenditures	4,000	40,686	36,686	26,888
Other	-	67	67	2,953
Total Local Sources	432,430	257,412	(175,018)	747,999
State Sources:				
Transportation - special education	-	18,715	18,715	8,140
Total State Sources	-	18,715	18,715	8,140
Total Revenues	432,430	276,127	(156,303)	756,139
EXPENDITURES				
Support Services:				
Pupil Transportation Services:				
Purchased services	160,000	129,876	(30,124)	154,106
Total Support Services	160,000	129,876	(30,124)	154,106
Payments to Other Governmental Units:				
Purchased services	125,000	85,626	(39,374)	80,642
Total Payments to Other Governmental Units	125,000	85,626	(39,374)	80,642
Total Expenditures	285,000	215,502	(69,498)	234,748
Excess of Revenues Over Expenditures	147,430	60,625	(86,805)	521,391
OTHER FINANCING (USES)				
Transfers out	-	-	-	(800,000)
Total Other Financing (Uses)	-	-	-	(800,000)
NET CHANGE IN FUND BALANCE	\$ 147,430	60,625	\$ (86,805)	(278,609)
FUND BALANCE - BEGINNING OF YEAR		338,664		617,273
FUND BALANCE - END OF YEAR		\$ 399,289		\$ 338,664

COOK COUNTY SCHOOL DISTRICT 92
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		2017	
	Original and Final Budget	Actual	Over (Under) Budget	Actual
REVENUES				
Local Sources:				
General tax levy	\$ 654,750	\$ 315,840	\$ (338,910)	\$ 262,566
FICA/Medicare Levy	-	315,840	315,840	262,566
Personal property replacement taxes	-	31,563	31,563	26,125
Interest on investments	750	4,767	4,017	212
Total Local Sources	655,500	668,010	12,510	551,469
Total Revenues	655,500	668,010	12,510	551,469
EXPENDITURES				
Instruction:				
Regular programs	36,900	40,794	3,894	33,786
Pre-K programs	5,212	10,280	5,068	4,756
Special Education programs	9,700	10,334	634	8,673
Interscholastic programs	3,165	2,077	(1,088)	2,309
Summer school programs	2,100	755	(1,345)	672
Bilingual programs	890	697	(193)	824
Total Instruction	57,967	64,937	6,970	51,020
Support Services:				
Pupils:				
Attendance and social work services	763	735	(28)	740
Health services	700	-	(700)	5,119
Psychological services	770	834	64	-
Total Pupils	2,233	1,569	(664)	5,859
Instructional Staff:				
Improvement of instruction services	345	96	(249)	550
Educational media services	5,048	791	(4,257)	1,924
Total Instructional Staff	5,393	887	(4,506)	2,474
General Administration:				
Board of education services	8,585	286	(8,299)	10,174
Executive administration services	1,780	10,675	8,895	1,713
Special area administrative service	1,700	1,407	(293)	-
Total General Administration	12,065	12,368	303	11,887

(Continued)

COOK COUNTY SCHOOL DISTRICT 92
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		2017	
	Original and Final Budget	Actual	Over (Under) Budget	Actual
School Administration:				
Office of the principal services	\$ 9,371	\$ 9,667	\$ 296	\$ 9,291
Total School Administration	<u>9,371</u>	<u>9,667</u>	<u>296</u>	<u>9,291</u>
Business:				
Direction of business support services	25,000	-	(25,000)	9,294
Fiscal services	12,700	17,330	4,630	11,572
Operations and maintenance of plant services	34,850	39,680	4,830	38,302
Food services	16,725	13,549	(3,176)	13,272
Internal services	17,875	-	(17,875)	-
Total Business	<u>107,150</u>	<u>70,559</u>	<u>(36,591)</u>	<u>72,440</u>
Central:				
Data processing services	-	19,223	19,223	18,601
Total Central	<u>-</u>	<u>19,223</u>	<u>19,223</u>	<u>18,601</u>
Total Support Services	<u>136,212</u>	<u>114,273</u>	<u>(21,939)</u>	<u>120,552</u>
<u>Total Expenditures</u>	<u>194,179</u>	<u>179,210</u>	<u>(14,969)</u>	<u>171,572</u>
NET CHANGE IN FUND BALANCE	<u>\$ 461,321</u>	488,800	<u>\$ 27,479</u>	379,897
FUND BALANCE - BEGINNING OF YEAR		<u>491,563</u>		<u>111,666</u>
FUND BALANCE - END OF YEAR		<u>\$ 980,363</u>		<u>\$ 491,563</u>

COOK COUNTY SCHOOL DISTRICT 92

TORT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		Over (Under) Budget	2017
	Original and Final Budget	Actual		Actual
REVENUES				
Local Sources:				
General tax levy	\$ 371,500	\$ 399,999	\$ 28,499	\$ 353,018
Interest on investments	500	2,049	1,549	582
Total Local Sources	<u>372,000</u>	<u>402,048</u>	<u>30,048</u>	<u>353,600</u>
<u>Total Revenues</u>	<u>372,000</u>	<u>402,048</u>	<u>30,048</u>	<u>353,600</u>
EXPENDITURES				
Support Services:				
General Administration:				
Workers' compensation	6,800	15,002	8,202	33,304
Unemployment insurance	35,000	14,835	(20,165)	53,859
Insurance payments	60,000	54,579	(5,421)	81,118
Legal	95,000	130,981	35,981	6,443
Total Support Services	<u>196,800</u>	<u>215,397</u>	<u>18,597</u>	<u>174,724</u>
<u>Total Expenditures</u>	<u>196,800</u>	<u>215,397</u>	<u>18,597</u>	<u>174,724</u>
NET CHANGES IN FUND BALANCE	<u>\$ 175,200</u>	186,651	<u>\$ 11,451</u>	178,876
FUND BALANCE - BEGINNING OF YEAR		<u>285,900</u>		<u>107,024</u>
FUND BALANCE - END OF YEAR		<u>\$ 472,551</u>		<u>\$ 285,900</u>

NOTE 1 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (TRS)

Changes of Assumptions

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

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

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

NOTE 2 – TEACHERS’ HEALTH INSURANCE SECURITY (THIS) FUND

Changes of Assumptions

Amounts reported in 2016 reflect an investment rate of return of 7.00%, an inflation rate of 2.50% and salary increases that vary by amount of service credit. Amounts reported in 2015 reflect an investment rate of return of 7.50%, an inflation rate of 3.00% and real return of 4.50%, and salary increases that vary by service credit. In 2014, assumptions used were an investment rate of return of 7.50%, and inflation rate of 3.00% and real return of 4.50%, and salary increases of 5.75%.

NOTE 3 – BUDGETARY PROCESS

The District follows procedures mandated by Illinois State law and District Board policy to establish the budgetary data reflected in its financial statements. The original and final budget was passed September 27, 2017. The modified accrual basis budgeted amounts in this report are the result of full compliance with the following procedures:

The budget lapses at the end of each fiscal year.

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

1. Prior to July 1, the superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures 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.

COOK COUNTY SCHOOL DISTRICT NO. 92
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
 JUNE 30, 2018

NOTE 3 – BUDGETARY PROCESS (Cont'd)

EXPENDITURES IN EXCESS OF BUDGET

For the year ended June 30, 2018, the following funds had expenditures exceeding their respective budgets: the Operations and Maintenance Fund (\$32,050) and the Tort Fund (\$18,597). The District had to make unexpected repairs in the Operations and Maintenance Fund, and legal fees were higher than budgeted amounts in the Tort Fund in the amount of \$35,981. The Debt Service Fund was over expended by \$26,340, an amount less than the principal and interest payments of capital leases transferred from the Education Account and expended out of the Debt Service Fund in the amount of \$32,432. The excess of actual expenditures over budgeted expenditures were funded by available fund balances and transfers from other funds.

BUDGET AND BOOK BASIS OF ACCOUNTING

The major differences between the budgetary basis and the modified accrual basis are as follows:

Revenues (primarily property tax revenues) are recorded when received in cash on the budgetary basis; they are recorded when susceptible to accrual on the modified accrual basis.

Expenditures (primarily payroll expenditures) are recorded when cash is disbursed as determined by the date of the check on the budgetary basis; they are recorded when the liability is incurred on the modified accrual basis.

Adjustments necessary to convert the results of operations and fund balances as of June 30, 2018 on the modified accrual basis for governmental funds to the budgetary basis are as follows:

Net Changes in Fund Balances as of June 30, 2018		
Modified accrual basis:		
General Fund	\$ (31,229)	
Operations and Maintenance Fund	(271,432)	
Transportation Fund	60,625	
Municipal Retirement/Social Security Fund	488,800	
Tort Fund	186,651	
Debt Service Fund	4,751	
Capital Projects Fund	152,057	
Fire Prevention and Safety Fund	84,617	\$ 674,840
Due to revenues:		
Received in cash during year but accrued as receivables, net of deferred revenue (modified accrual) at June 30, 2017		3,034,576
Accrued as receivables net of deferred revenue (modified accrual) at June 30, 2018, but not recognized in budget		(2,833,610)
Due to expenditures:		
Paid in cash during year but accrued as liability (modified accrual) at June 30, 2017		(106,350)
Accrued as liability (modified accrual) at June 30, 2018, but not recognized in budget		245,886
Budgetary basis		\$ 1,015,342

COOK COUNTY SCHOOL DISTRICT NO. 92
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018

NOTE 3 – BUDGETARY PROCESS (Cont'd)

<u>Fund Balance as of June 30, 2018</u>	
Modified accrual basis	\$ 12,401,557
Due to revenues:	
Accrued as receivables net of deferred revenue (modified accrual) at June 30, 2018 but not recognized in budget	(2,833,610)
Due to expenditures:	
Accrued as liability (modified accrual) at June 30, 2018 but not recognized in budget	<u>245,886</u>
Budgetary basis	<u><u>\$ 9,813,833</u></u>

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SUPPLEMENTARY INFORMATION

COOK COUNTY SCHOOL DISTRICT 92
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		Over (Under) Budget	2017
	Original and Final Budget	Actual		Actual
REVENUES				
Local Sources:				
General tax levy	\$ 459,083	\$ 422,707	\$ (36,376)	\$ 448,479
Interest on investments	750	1,483	733	800
Total Local Sources	459,833	424,190	(35,643)	449,279
<u>Total Revenues</u>	459,833	424,190	(35,643)	449,279
EXPENDITURES				
Debt Service:				
Interest	83,989	88,059	4,070	97,253
Principal	341,533	363,353	21,820	355,560
Other	-	450	450	450
Total Debt Service	425,522	451,862	26,340	453,263
<u>Total Expenditures</u>	425,522	451,862	26,340	453,263
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	34,311	(27,672)	(61,983)	(3,984)
OTHER FINANCING SOURCES				
Transfers in	-	32,423	32,423	36,212
Total Other Financing Sources	-	32,423	32,423	36,212
NET CHANGE IN FUND BALANCE	<u>\$ 34,311</u>	4,751	<u>\$ (29,560)</u>	32,228
FUND BALANCE - BEGINNING OF YEAR		237,958		205,730
FUND BALANCE - END OF YEAR		<u>\$ 242,709</u>		<u>\$ 237,958</u>

COOK COUNTY SCHOOL DISTRICT 92
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		2017	
	Original and Final Budget	Actual	Over (Under) Budget	Actual
REVENUES				
Local Sources:				
Interest on investments	\$ 375	\$ 1,922	\$ 1,547	\$ 337
Total Local Sources	<u>375</u>	<u>1,922</u>	<u>1,547</u>	<u>337</u>
<u>Total Revenues</u>	<u>375</u>	<u>1,922</u>	<u>1,547</u>	<u>337</u>
EXPENDITURES				
Support Services:				
Facilities Acquisition and Construction:				
Capital outlay	420,000	361,865	(58,135)	-
Total Supporting Services	<u>420,000</u>	<u>361,865</u>	<u>(58,135)</u>	<u>-</u>
<u>Total Expenditures</u>	<u>420,000</u>	<u>361,865</u>	<u>(58,135)</u>	<u>-</u>
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	<u>(419,625)</u>	<u>(359,943)</u>	<u>59,682</u>	<u>337</u>
OTHER FINANCING SOURCES				
Transfer of working cash fund interest	512,000	512,000	-	-
<u>Total Other Financing Sources</u>	<u>512,000</u>	<u>512,000</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 92,375</u>	152,057	<u>\$ 59,682</u>	337
FUND BALANCE - BEGINNING OF YEAR		<u>59,339</u>		<u>59,002</u>
FUND BALANCE - END OF YEAR		<u>\$ 211,396</u>		<u>\$ 59,339</u>

COOK COUNTY SCHOOL DISTRICT 92
 FIRE PREVENTION AND SAFETY FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	Original and Final Budget	2018 Actual	Over (Under) Budget	2017 Actual
REVENUES				
Local Sources:				
General tax levy	\$ 80,102	\$ 82,285	\$ 2,183	\$ 79,531
Interest on investments	750	2,332	1,582	859
Total Local Sources	<u>80,852</u>	<u>84,617</u>	<u>3,765</u>	<u>80,390</u>
Total Revenues	<u>80,852</u>	<u>84,617</u>	<u>3,765</u>	<u>80,390</u>
EXPENDITURES				
Support Services:				
Facilities Acquisition and Construction:				
Purchased services	15,000	-	(15,000)	6,005
Total Supporting Services	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>	<u>6,005</u>
Total Expenditures	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>	<u>6,005</u>
NET CHANGE IN FUND BALANCE	<u>\$ 65,852</u>	84,617	<u>\$ 18,765</u>	74,385
FUND BALANCE - BEGINNING OF YEAR		<u>220,733</u>		<u>146,348</u>
FUND BALANCE - END OF YEAR		<u>\$ 305,350</u>		<u>\$ 220,733</u>

COOK COUNTY SCHOOL DISTRICT 92
 AGENCY FUNDS - STUDENT ACTIVITY FUNDS
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
ASSETS				
Cash	\$ 17,231	\$ 12,462	\$ 5,940	\$ 23,753
Total Assets	<u>\$ 17,231</u>	<u>\$ 12,462</u>	<u>\$ 5,940</u>	<u>\$ 23,753</u>
LIABILITIES				
Due to Activity Fund Organizations:				
MSMFA-Darryl Bogg	\$ 207	\$ -	\$ -	\$ 207
Field trips	12,929	12,462	5,940	19,451
Band parents	1,692	-	-	1,692
Student council	1,712	-	-	1,712
7th Grade treasuries	200	-	-	200
NJHS Band	217	-	-	217
Pop machine	274	-	-	274
Total Liabilities	<u>\$ 17,231</u>	<u>\$ 12,462</u>	<u>\$ 5,940</u>	<u>\$ 23,753</u>

COOK COUNTY SCHOOL DISTRICT 92
 FIVE YEAR SUMMARY OF ASSESSED VALUATIONS,
 TAX RATES, EXTENSIONS AND COLLECTIONS
 JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2017

	2017	2016
ASSESSED VALUATION	\$ 102,674,699	\$ 82,275,598
TAX RATES		
Educational	3.5895	3.3608
Tort immunity	0.4010	0.4382
Special education	0.3384	0.3841
Operations and maintenance	0.4713	0.5281
Bond and interest	0.4320	0.5430
Transportation	0.2380	0.7939
Municipal retirement	0.3151	0.3443
Social security	0.3151	0.3443
Working cash	0.0424	0.0480
Fire prevention and safety	0.0841	0.0960
Total	6.2269	6.8807
TAX EXTENSION		
Educational	\$ 3,685,508	\$ 2,765,145
Tort immunity	411,725	360,500
Special education	347,451	316,017
Operations and maintenance	483,905	434,523
Bond and interest	443,579	446,797
Transportation	244,365	653,178
Municipal retirement	323,527	283,250
Social security	323,527	283,250
Working cash	43,534	39,502
Fire prevention and safety	86,349	79,004
Total	\$ 6,393,470	\$ 5,661,166
TAX COLLECTIONS:		
Year ended June 30,		
2017	\$ -	\$ 2,864,681
2018	3,293,854	2,664,856
Total	\$ 3,293,854	\$ 5,529,537
Percentage of Total Levy Collected to June 30, 2018	51.52%	97.67%

COOK COUNTY SCHOOL DISTRICT 92
OPERATING COST AND TUITION CHARGES
FOR THE YEAR ENDED JUNE 30, 2018

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018	2017
OPERATING COST PER PUPIL		
Average Daily Attendance (ADA):	<u>354.89</u>	<u>402.89</u>
Operating Costs:		
Educational	\$ 6,118,142	\$ 5,443,361
Operations and maintenance	745,100	576,403
Debt service	451,862	453,263
Transportation	215,502	234,748
Municipal Retirement/Social Security	179,210	171,572
Tort	<u>215,397</u>	<u>174,724</u>
Subtotal	<u>7,925,213</u>	<u>7,054,071</u>
Less Revenues/Expenditures of Non-regular Programs:		
Pre-K	341,808	128,382
Summer school	37,746	27,570
Capital outlay	161,051	112,823
Non-capitalized equipment	15,067	3,529
Debt principal retired	363,353	355,560
Community services	20,749	15,102
Payments to other governmental units	<u>951,716</u>	<u>925,026</u>
Subtotal	<u>1,891,490</u>	<u>1,567,992</u>
Operating costs	<u>6,033,723</u>	<u>5,486,079</u>
Operating Cost Per Pupil - Based on ADA	<u>\$ 17,002</u>	<u>\$ 13,617</u>
TUITION CHARGE		
Operating Costs	\$ 6,033,723	\$ 5,486,079
Less - revenues from specific programs, such as Special education or lunch programs	<u>619,991</u>	<u>643,904</u>
Net operating costs	5,413,732	4,842,175
Depreciation allowance	<u>385,388</u>	<u>362,849</u>
Allowable Tuition Costs	<u>\$ 5,799,120</u>	<u>\$ 5,205,024</u>
Tuition Charge Per Pupil - based on ADA	<u>\$ 16,341</u>	<u>\$ 12,919</u>

COOK COUNTY SCHOOL DISTRICT 92
 SCHEDULE OF BONDS OUTSTANDING
 JUNE 30, 2018

Date of Issue: March 15, 2003
 Principal due each year: December 1
 Interest dates: June 1 and December 1
 Type: General Obligation Bonds
 Interest Rates: 2.50% - 4.50%
 Paying Agent: LaSalle National Bank

Fiscal Year Ended June 30,	Principal	Interest	Total Debt Service
2019	\$ 345,000	\$ 70,556	\$ 415,556
2020	360,000	56,456	416,456
2021	375,000	41,522	416,522
2022	390,000	25,500	415,500
2023	405,000	8,607	413,607
TOTAL	<u>\$ 1,875,000</u>	<u>\$ 202,641</u>	<u>\$ 2,077,641</u>

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