

**PRAIRIE-HILLS ELEMENTARY  
SCHOOL DISTRICT 144**

**FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED  
JUNE 30, 2016  
AND  
INDEPENDENT AUDITORS' REPORT**

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

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**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Education  
Prairie-Hills Elementary School District 144  
Markham, Illinois

**Report on the Financial Statements**

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Prairie-Hills Elementary School District 144, Markham, Illinois, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Prairie-Hills Elementary School District 144's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' 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 auditors' 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 over financial reporting relevant to Prairie-Hills Elementary School District 144'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 Prairie-Hills Elementary School District 144'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.

To the Board of Education  
Prairie-Hills Elementary School District 144

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Prairie-Hills Elementary School District 144, Markham, Illinois, as of June 30, 2016 and the respective changes in the modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

**Basis of Accounting**

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

**Other Matters**

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Prairie-Hills Elementary School District 144's basic financial statements. The other 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. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*Prior-Year Comparative Information*

We have previously audited Prairie-Hills Elementary School District 144's 2015 financial statements, and we expressed unmodified audit opinions on the respective modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated November 4, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2016 on our consideration of Prairie-Hills Elementary School District 144'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 Prairie-Hills Elementary School District 144's internal control over financial reporting and compliance.



Oak Brook, Illinois  
November 11, 2016

# **Prairie-Hills Elementary School District 144**

## **Management's Discussion and Analysis (Unaudited)**

### **As of and for the Year Ended June 30, 2016**

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The discussion and analysis of Prairie-Hills Elementary School District 144's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2016. 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. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is presented in the Management's Discussion and Analysis (the "MD&A").

#### **Financial Highlights**

- > In total, net position decreased by \$0.4. This represents a 2% decrease from 2015.
- > General revenues accounted for \$27.7 in revenue or 68% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$12.9 or 32% of total revenues of \$40.6.
- > The District had \$41.0 in expenses related to government activities. However, only \$12.9 of these expenses were offset by program specific charges and grants.
- > The Operating Cost per Pupil for fiscal year 2016 was \$12,496 (dollars). This is an increase over fiscal year 2015 of \$343 (dollars) or 2.8%.
- > The Tuition Charge per Pupil, based on the Average Daily Attendance for fiscal year 2016 was \$10,835 (dollars). This was an increase from fiscal year 2015 of \$180 (dollars) or 1.7%. 2016.
- > The Average Daily Attendance of 2,357 for FY 2016 is an increase of 2.9% from FY 2015.
- > Property taxes accounted for a large portion of the District's revenue, contributing \$13.4.
- > General State Aid contributed \$14.0 of the District's revenue in FY16.
- > Instruction made up the largest portion of all expenditures with \$23.2 or 57% of all expenditures.
- > Pupil and instructional staff service accounted for \$3.2 or 7.8% of all expenditures.
- > Administration and business services accounted for \$4.9 or 11.9% of all expenditures.

#### **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 other supplementary information in addition to the basic financial statements.

# **Prairie-Hills Elementary School District 144**

## **Management's Discussion and Analysis (Unaudited)**

### **As of and for the Year Ended June 30, 2016**

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#### *Government-wide financial statements*

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position - modified cash basis presents information on all District assets/deferred outflows of resources and liabilities/deferred inflows of resources arising from cash transactions, with the difference between them reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statements of activities - modified cash basis presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported with cash is received and disbursed. Additionally, activity related to acquisition, depreciation and year end balances of capital assets, as well as year end balances and related changes in long-term debt in its government-wide financial statements are reported.

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, operation and maintenance of facilities and transportation services.

#### *Fund financial statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds (the District maintains no proprietary funds).

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a school district's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. 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, Operations and Maintenance Fund, Transportation Fund, IMRF/Social Security Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Safety Fund, all of which are considered to be major funds.

**Prairie-Hills Elementary School District 144**  
**Management's Discussion and Analysis (Unaudited)**  
**As of and for the Year Ended June 30, 2016**

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 School District. Fiduciary funds are not reflected in the government-wide financial statement 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 information concerning the District's pension benefits.

**Government-Wide Financial Analysis**

The District's combined net position was lower on June 30, 2016, than it was the year before, decreasing 2% to \$16.5.

<b>Table 1</b>		
<b>Condensed Statements of Net Position</b>		
<b>(in millions of dollars)</b>		
	<u>2015</u>	<u>2016</u>
<b>Assets:</b>		
Current and other assets	\$ 11.7	\$ 20.8
Capital assets	46.1	44.2
Total assets	<u>57.8</u>	<u>65.0</u>
Deferred outflows of resources	<u>8.2</u>	<u>10.7</u>
<b>Liabilities:</b>		
Current liabilities	(0.1)	(0.1)
Long-term debt outstanding	49.2	59.3
Total liabilities	<u>49.1</u>	<u>59.2</u>
<b>Net position:</b>		
Net investment in capital assets	9.1	5.4
Restricted	2.9	7.7
Unassigned	4.9	3.4
Total net position	<u>\$ 16.9</u>	<u>\$ 16.5</u>

Expenses in the governmental activities of the District of \$41.0 exceeded revenues by \$0.4.



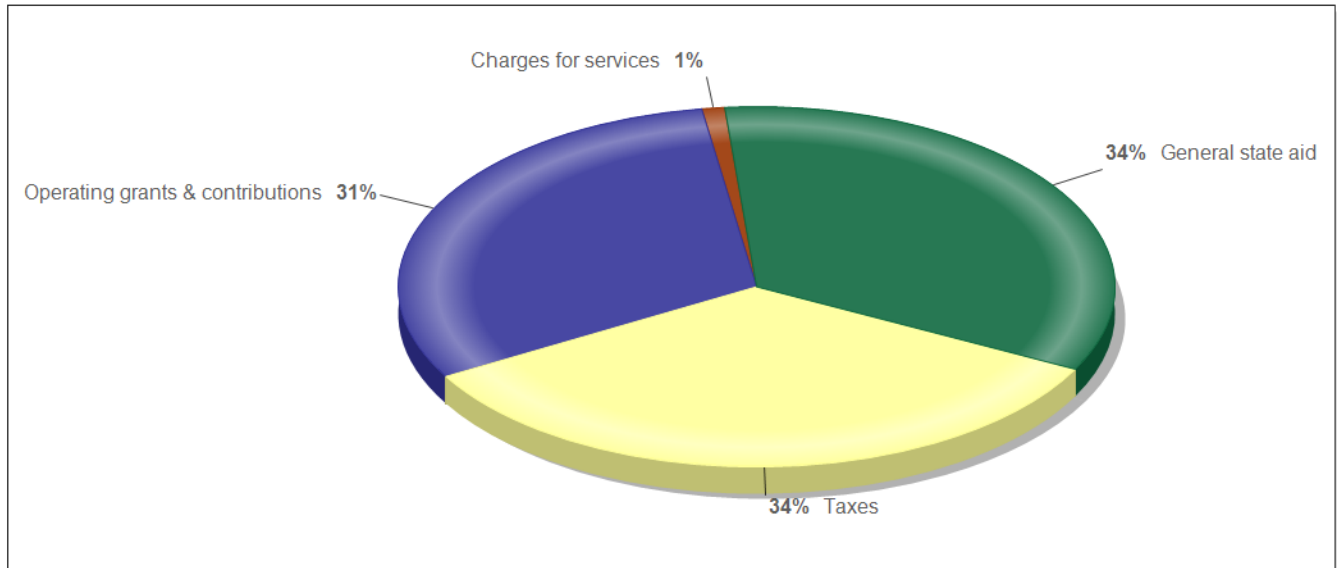
**Prairie-Hills Elementary School District 144**  
**Management's Discussion and Analysis (Unaudited)**  
**As of and for the Year Ended June 30, 2016**

<b>Table 2</b>		
<b>Changes in Net Position</b>		
<b>(in millions of dollars)</b>		
	<u>2015</u>	<u>2016</u>
<b>Revenues:</b>		
<i>Program revenues:</i>		
Charges for services	\$ 0.6	\$ 0.6
Operating grants & contributions	11.7	12.3
Capital grants & contributions	0.2	-
<i>General revenues:</i>		
Taxes	12.1	13.6
General state aid	12.8	14.0
Other	<u>0.1</u>	<u>0.1</u>
Total revenues	<u>37.5</u>	<u>40.6</u>
<b>Expenses:</b>		
Instruction	22.4	23.2
Pupil & instructional staff services	3.0	3.2
Administration & business	4.9	4.9
Transportation	1.3	1.7
Operations & maintenance	2.8	2.9
Other	<u>4.0</u>	<u>5.1</u>
Total expenses	<u>38.4</u>	<u>41.0</u>
<b>Increase (decrease) in net position</b>	<u>\$ (0.9)</u>	<u>\$ (0.4)</u>

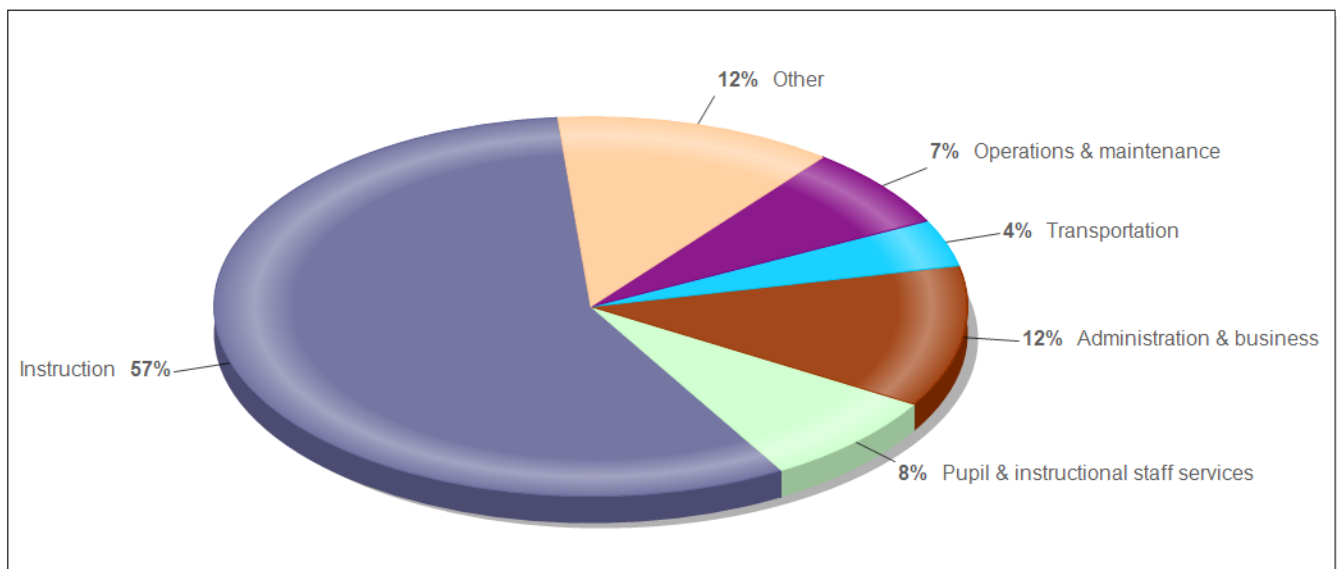
Property taxes and General State Aid accounted for the largest portions of the District's revenues, contributing 33% and 34%; respectively. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$41.0, mainly related to instructing and caring for the students and student transportation at 69%.

**Prairie-Hills Elementary School District 144  
 Management's Discussion and Analysis (Unaudited)  
 As of and for the Year Ended June 30, 2016**

**District-Wide Revenues by Source**



**District-Wide Expenses by Function**



**Financial Analysis of the District's Funds**

The District's Governmental Funds balance increased from \$11.7 to \$20.9.

Fund balances increased by \$9.2. This increase was primarily attributable to proceeds received as part of a refunding bond issuance in the current year.

The District achieved an appropriate year end operational fund balance of \$18.7. With a fund balance to revenue ratio of 63.7%, the District scored four (4) points out of four (4) points possible from the Illinois State Board of Education's financial profile summary.

**Prairie-Hills Elementary School District 144  
Management's Discussion and Analysis (Unaudited)  
As of and for the Year Ended June 30, 2016**

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The expenditure to revenue ratio was 0.960.

The District attained appropriate year end fund balance to provide 237.54 days of cash on hand, but short of the 180 days of cash on hand recommended by the Illinois State Board of Education. The District received four (4) points in this area on the financial profile summary.

The District received four (4) points in the percentage of short-term borrowing maximum remaining.

**General Fund Budgetary Highlights**

The District received \$11.9 in General State Aid in the General Fund.

Overall General Fund expenditures were over budget by \$4.3. Generally, the District expended \$3.2 more than was budgeted for instruction, which can mostly be attributed to increase in special education services.

The General Fund balance increased by \$4.3 from 2015.

**Capital Assets and Debt Administration**

*Capital assets*

By the end of 2016, the District had compiled a total investment of \$62.9 (\$44.2 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$1.8. More detailed information about capital assets can be found in Note 5 of the basic financial statements.

<b>Table 3</b>		
<b>Capital Assets (net of depreciation)</b>		
<b>(in millions of dollars)</b>		
	<u>2015</u>	<u>2016</u>
Land	\$ 0.3	\$ 0.3
Land improvements	0.1	0.3
Buildings	43.6	42.4
Equipment	<u>2.1</u>	<u>1.2</u>
Total	<u>\$ 46.1</u>	<u>\$ 44.2</u>

**Prairie-Hills Elementary School District 144  
Management's Discussion and Analysis (Unaudited)  
As of and for the Year Ended June 30, 2016**

*Long-term debt*

The District retired \$9.4 in bonds and issued \$19.4 in bonds in 2016. At the end of fiscal 2016, the District had a debt margin of \$2.5. More detailed information on long-term debt can be found in Note 6 of the basic financial statements.

<b>Table 4</b>				
<b>Outstanding Long-Term Debt</b>				
<b>(in millions of dollars)</b>				
	<u>2015</u>		<u>2016</u>	
General obligation bonds	\$	13.7	\$	10.5
Capital appreciation bonds		14.4		11.5
Refunding bonds		21.0		37.5
Unamortized premium		0.3		0.3
Unamortized discount		(0.3)		(0.6)
Capital leases and other		0.1		0.1
Total	\$	<u>49.2</u>	\$	<u>59.3</u>

**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:

Property tax caps limit the amount of tax revenue growth to CPI or five percent. State aid is not sufficient enough to offset the limited property tax revenue growth. Specifically, the State's funding crisis continues to contribute to the District's sluggish revenue growth because of missing mandated categorical payments and additional proration of General State Aid. Also, the residual effect of the mortgage crisis may continue to impact the amount of taxes collected in the future as assessed values are diminished.

The Consumer Price Index for December 2015 decreased from 0.8% to 0.7% when compared to 2014. This decrease in CPI will allow for a minimum increase in local revenues derived from property taxes for 2016 payable in 2017.

The IMRF rate has declined over the past several years (i.e. 2011 12.46%, 2012 12.35%, 2013 12.73%, 2014 12.52%, 2015 9.99%). The declining rate pattern was due to the poor return on investments at the State level. Consequently, the IMRF rate for 2016 is 9.15%.

The District's Equalized Assessed Value declined considerably for the tax year 2015. The EAV decreased from \$229,564,458 to \$235,346,008 due primarily to reassessments associated with the mortgage crisis.

As the State struggles to provide new funding to Illinois public school districts overall, Prairie-Hills maintained an operating surplus in FY16. This is a direct result of the steps taken by District administrators during the last four years to eliminate deficit spending and the resulting negative cash flow implications. These steps included, staff reductions, adjusting employee benefit plans and eliminating wasteful spending. Additionally, the District acquired new debt in FY16, the proceeds were placed in the General Fund in an effort to manage cash flow in the event the State does not meet its funding obligation to the school district. These strategic actions helped to improve the District's overall fund balances and maintain financial viability during these times of fiscal instability.

**Prairie-Hills Elementary School District 144**  
**Management's Discussion and Analysis (Unaudited)**  
**As of and for the Year Ended June 30, 2016**

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**Requests for Information**

This 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 this report, or need additional financial information, contact the Business Office:

Terri Sharpp  
Prairie-Hills Elementary School District 144  
3015 W. 163rd Street  
Markham, Illinois 60428

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

AS OF JUNE 30, 2016

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	GOVERNMENTAL ACTIVITIES
<b>Assets</b>	
Cash	\$ 20,775,881
Capital assets:	
Land	251,294
Depreciable buildings, property and equipment, net	<u>43,942,386</u>
Total assets	<u>64,969,561</u>
<b>Deferred outflows of resources</b>	
Deferred charge on refunding	<u>10,763,851</u>
Total deferred outflows of resources	<u>10,763,851</u>
<b>Liabilities</b>	
Payroll deductions payable	(87,024)
Long-term liabilities:	
Other long-term liabilities - due within one year	1,078,351
Other long-term liabilities - due after one year	<u>58,208,097</u>
Total liabilities	<u>59,199,424</u>
<b>Net position</b>	
Net investment in capital assets	5,348,929
Restricted for:	
Operations and maintenance	4,970,037
Student transportation	617,029
Retirement benefits	1,031,087
Debt service	1,071,480
Capital projects	105,577
Unrestricted	<u>3,389,849</u>
Total net position	<u>\$ 16,533,988</u>

See Notes to Basic Financial Statements

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2016

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE			GOVERNMENTAL ACTIVITIES	NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS		
<b>Governmental activities</b>						
Instruction:						
Regular programs	\$ 13,329,783	\$ 466,575	\$ 1,514,381	\$ -	\$ (11,348,827)	
Special programs	2,750,410	-	1,527,487	-	(1,222,923)	
Other instructional programs	429,861	7,019	24,886	-	(397,956)	
State retirement contributions	6,698,221	-	6,698,221	-	-	
Support Services:						
Pupils	1,959,329	-	-	-	(1,959,329)	
Instructional staff	1,257,469	-	159,590	-	(1,097,879)	
General administration	1,264,020	-	-	-	(1,264,020)	
School administration	1,502,844	-	-	-	(1,502,844)	
Business	2,094,864	18	1,618,416	-	(476,430)	
Transportation	1,653,793	-	753,777	-	(900,016)	
Operations and maintenance	2,866,322	78,325	-	1,511	(2,786,486)	
Central	1,961,545	-	-	-	(1,961,545)	
Other supporting services	7,050	-	-	-	(7,050)	
Community services	51,479	-	-	-	(51,479)	
Payments to other districts and gov't units - excluding special education	275,473	-	-	-	(275,473)	
Interest and fees	2,809,167	-	-	-	(2,809,167)	
<b>Total governmental activities</b>	<b>\$ 40,911,630</b>	<b>\$ 551,937</b>	<b>\$ 12,296,758</b>	<b>\$ 1,511</b>	<b>\$ (28,061,424)</b>	

General revenues:

Taxes:

Real estate taxes, levied for general purposes	7,512,045
Real estate taxes, levied for specific purposes	3,132,430
Real estate taxes, levied for debt service	2,797,498
Personal property replacement taxes	175,289
State aid-formula grants	13,994,020
Investment income	53,771
Miscellaneous	58,464
<b>Total general revenues</b>	<b>27,723,517</b>

Change in net position (337,907)

Net position, beginning of year 16,871,895

Net position, end of year \$ 16,533,988

See Notes to Basic Financial Statements

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**GOVERNMENTAL FUNDS**

BALANCE SHEET - MODIFIED CASH BASIS

AS OF JUNE 30, 2016

WITH COMPARATIVE TOTALS AS OF JUNE 30, 2015

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
<b>Assets</b>				
Cash	\$ 12,986,394	\$ 4,964,945	\$ 616,953	\$ 1,031,088
Total assets	<u>\$ 12,986,394</u>	<u>\$ 4,964,945</u>	<u>\$ 616,953</u>	<u>\$ 1,031,088</u>
<b>Liabilities and fund balance</b>				
<b>Liabilities</b>				
Payroll deductions payable	\$ (81,308)	\$ (5,092)	\$ (76)	\$ 1
Total liabilities	<u>(81,308)</u>	<u>(5,092)</u>	<u>(76)</u>	<u>1</u>
<b>Fund balance</b>				
Restricted	-	4,970,037	617,029	1,031,087
Unassigned	<u>13,067,702</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>13,067,702</u>	<u>4,970,037</u>	<u>617,029</u>	<u>1,031,087</u>
Total liabilities and fund balance	<u>\$ 12,986,394</u>	<u>\$ 4,964,945</u>	<u>\$ 616,953</u>	<u>\$ 1,031,088</u>

See Notes to Basic Financial Statements



DEBT SERVICE FUND	CAPITAL PROJECTS FUND	FIRE PREVENTION AND LIFE SAFETY FUND	TOTAL	
			2016	2015
\$ 1,071,480	\$ -	\$ 105,021	\$ 20,775,881	\$ 11,661,843
<u>\$ 1,071,480</u>	<u>\$ -</u>	<u>\$ 105,021</u>	<u>\$ 20,775,881</u>	<u>\$ 11,661,843</u>
\$ -	\$ -	\$ (549)	\$ (87,024)	\$ (55,837)
<u>-</u>	<u>-</u>	<u>(549)</u>	<u>(87,024)</u>	<u>(55,837)</u>
1,071,480	-	105,570	7,795,203	2,876,368
<u>-</u>	<u>-</u>	<u>-</u>	<u>13,067,702</u>	<u>8,841,312</u>
<u>1,071,480</u>	<u>-</u>	<u>105,570</u>	<u>20,862,905</u>	<u>11,717,680</u>
<u>\$ 1,071,480</u>	<u>\$ -</u>	<u>\$ 105,021</u>	<u>\$ 20,775,881</u>	<u>\$ 11,661,843</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

RECONCILIATION OF THE GOVERNMENTAL FUNDS

BALANCE SHEET - MODIFIED CASH BASIS TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
AS OF JUNE 30, 2016

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Total fund balances - governmental funds - modified cash basis	\$ 20,862,905
Amounts reported for governmental activities in the Statement of Net Position - Modified Cash Basis are different because:	
Net capital assets used in governmental activities and included in the Statement of Net Position - Modified Cash Basis do not require the expenditure of financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet - Modified Cash Basis.	44,193,680
Long-term liabilities included in the Statement of Net Position - Modified Cash Basis are not due and payable in the current period and, therefore, are not reported in the Governmental Funds Balance Sheet - Modified Cash Basis.	(59,286,448)
Deferred charge on refunding included in the Statement of Net Position - Modified Cash Basis is not available to pay for current period expenditures and, therefore, is not included in the Governmental Funds Balance Sheet - Modified Cash Basis.	<u>10,763,851</u>
Net position of governmental activities - modified cash basis	<u>\$ 16,533,988</u>

See Notes to Basic Financial Statements

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**  
**GOVERNMENTAL FUNDS**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
 FOR THE YEAR ENDED JUNE 30, 2016  
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2015

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
<b>Revenues</b>				
Property taxes	\$ 7,512,045	\$ 1,123,156	\$ 665,178	\$ 1,344,096
Corporate personal property replacement taxes	158,753	-	-	16,536
State aid	20,136,995	1,000,000	853,777	-
Federal aid	3,951,517	-	-	-
Investment income	43,318	1,263	3,307	2,699
Other	494,583	96,000	19,818	-
Total revenues	<u>32,297,211</u>	<u>2,220,419</u>	<u>1,542,080</u>	<u>1,363,331</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular programs	10,904,154	-	-	204,080
Special programs	1,627,591	-	-	41,257
Other instructional programs	413,863	-	-	15,998
State retirement contributions	6,698,221	-	-	-
Support Services:				
Pupils	1,911,085	-	-	48,244
Instructional staff	1,200,616	-	-	56,853
General administration	1,229,163	-	-	24,836
School administration	1,408,257	-	-	64,523
Business	1,992,590	-	-	94,257
Transportation	-	-	1,652,010	1,783
Operations and maintenance	6,467	2,537,642	-	204,079
Central	1,850,228	-	-	90,498
Other supporting services	7,050	-	-	-
Community services	50,431	-	-	1,048
Payments to other districts and gov't units	1,315,584	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	76,971	14,120	-	-
Total expenditures	<u>30,692,271</u>	<u>2,551,762</u>	<u>1,652,010</u>	<u>847,456</u>
Excess (deficiency) of revenues over expenditures	<u>1,604,940</u>	<u>(331,343)</u>	<u>(109,930)</u>	<u>515,875</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	4,628,990	-	-
Transfers (out)	(4,667,066)	-	-	-
Principal on bonds sold	7,288,516	-	-	-
Payment to escrow for refunded bonds	-	-	-	-
Discount on bonds	-	-	-	-
Total other financing sources (uses)	<u>2,621,450</u>	<u>4,628,990</u>	<u>-</u>	<u>-</u>
Net change in fund balance	4,226,390	4,297,647	(109,930)	515,875
Fund balance, beginning of year	<u>8,841,312</u>	<u>672,390</u>	<u>726,959</u>	<u>515,212</u>
Fund balance, end of year	<u>\$ 13,067,702</u>	<u>\$ 4,970,037</u>	<u>\$ 617,029</u>	<u>\$ 1,031,087</u>

See Notes to Basic Financial Statements

DEBT SERVICE FUND	CAPITAL PROJECTS FUND	FIRE PREVENTION AND LIFE SAFETY FUND	TOTAL	
			2016	2015
\$ 2,797,498	\$ -	\$ -	\$ 13,441,973	\$ 11,949,821
-	-	-	175,289	190,416
-	-	350,000	22,340,772	20,811,274
-	-	-	3,951,517	3,967,577
2,757	113	314	53,771	49,261
-	-	-	610,401	593,090
<u>2,800,255</u>	<u>113</u>	<u>350,314</u>	<u>40,573,723</u>	<u>37,561,439</u>
-	-	-	11,108,234	9,238,736
-	-	-	1,668,848	3,307,252
-	-	-	429,861	399,509
-	-	-	6,698,221	6,290,733
-	-	-	1,959,329	1,874,864
-	-	-	1,257,469	1,168,829
-	-	-	1,253,999	1,336,479
-	-	-	1,472,780	1,423,866
-	-	-	2,086,847	2,093,340
-	-	-	1,653,793	1,324,647
-	-	60,679	2,808,867	2,825,248
-	-	-	1,940,726	1,767,593
-	-	-	7,050	6,090
-	-	-	51,479	46,274
-	-	16,231	1,331,815	1,061,112
1,136,619	-	-	1,136,619	789,977
2,261,400	-	-	2,261,400	1,501,735
-	-	331,227	422,318	721,240
<u>3,398,019</u>	<u>-</u>	<u>408,137</u>	<u>39,549,655</u>	<u>37,177,524</u>
<u>(597,764)</u>	<u>113</u>	<u>(57,823)</u>	<u>1,024,068</u>	<u>383,915</u>
38,189	-	-	4,667,179	140,899
-	(113)	-	(4,667,179)	(140,899)
12,501,484	-	-	19,790,000	-
(11,328,775)	-	-	(11,328,775)	-
<u>(340,068)</u>	<u>-</u>	<u>-</u>	<u>(340,068)</u>	<u>-</u>
<u>870,830</u>	<u>(113)</u>	<u>-</u>	<u>8,121,157</u>	<u>-</u>
273,066	-	(57,823)	9,145,225	383,915
<u>798,414</u>	<u>-</u>	<u>163,393</u>	<u>11,717,680</u>	<u>11,333,765</u>
<u>\$ 1,071,480</u>	<u>\$ -</u>	<u>\$ 105,570</u>	<u>\$ 20,862,905</u>	<u>\$ 11,717,680</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 - MODIFIED CASH BASIS TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
 FOR THE YEAR ENDED JUNE 30, 2016

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Net change in fund balances - total governmental funds - modified cash basis	\$ 9,145,225
Amounts reported for governmental activities in the Statement of Activities - Modified Cash Basis are different because:	
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities - Modified Cash Basis, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeds net capital outlay in the current period.	(1,448,775)
The net effect of various miscellaneous transactions involving capital assets (sale, disposal, transfer, etc.) is to decrease net position.	(502,052)
The issuance of long-term debt (bonds, capital leases, etc.) provides current financial resources to the governmental funds, while its principal repayment consumes current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This is the amount by which current year borrowings exceed principal repayments on long-term debt.	(10,382,318)
Governmental funds report the effects of premiums, discounts and similar items when the debt is issued. However, these amounts are deferred and amortized in the Statement of Activities - Modified Cash Basis. This is the amount of the current year, net effect of these differences.	<u>2,850,013</u>
Change in net position of governmental activities - modified cash basis	<u>\$ (337,907)</u>

See Notes to Basic Financial Statements

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**  
**AGENCY FUND**  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - MODIFIED CASH BASIS  
AS OF JUNE 30, 2016

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	<u>AGENCY STUDENT ACTIVITY FUND</u>
<b>Assets</b>	
Cash and investments	\$ <u>26,502</u>
Total assets	\$ <u>26,502</u>
<b>Liabilities</b>	
Liabilities, Due to student groups	\$ <u>26,502</u>
Total liabilities	\$ <u>26,502</u>

See Notes to Basic Financial Statements

# PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Prairie-Hills Elementary School District 144 (the “District”) operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to the modified cash basis of accounting as applicable to the local governmental units of this type. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The following is a summary of the more significant accounting policies of the District:

### **Basis of Presentation**

#### *Government-wide Financial Statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District’s operating activities are all considered “governmental activities”, that is, activities normally supported by taxes and 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 cash disbursements of a given function are offset by program receipts. Direct cash disbursement are those that are clearly identifiable with a specific function. Program receipts include (1) amounts paid by the recipient of goods or services offered by the program and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program receipts are reported instead as general receipts.

#### *Governmental Funds Financial Statements*

Governmental funds financial statements are organized and operated on the basis of funds and are used to account for the District's general governmental activities. Fund accounting segregates funds according to their intended purpose, and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund balance, revenues and expenditures. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

### **Measurement Focus and Basis of Accounting**

The government-wide financial statements and the fund financial statements are reported using the modified cash basis of accounting. Assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenditures are recognized when they result from cash transactions with a provision for depreciation in the government-wide statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

# PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

In the government-wide financial statements, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as described above. In the governmental fund financial statements, the current financial resources measurement focus is used. Only current financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period.

As a result of the use of the modified cash basis of accounting, certain assets and deferred outflows of resources and their related revenues, (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and deferred inflows of resources and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

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

### *Major Governmental Funds*

General Fund - the general operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state government aid.

Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes, other than those accounted for in the Debt Service Fund, Capital Projects Funds or Fiduciary Funds.

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

*Transportation Fund* - accounts for all revenue and expenditures made for student transportation. 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-certified employees. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

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

Capital Project Funds - accounts for the financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

*Capital Projects Fund* - accounts for construction projects and renovations financed through debt instruments.



# PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

*Fire Prevention and Life Safety Fund* - accounts for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes.

### *Other Fund Types*

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

*Agency Funds* - include Student Activity Funds, Convenience Accounts 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. Convenience Accounts account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc.

### *Deposits and Investments*

State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly-rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments are stated at cost.

### *Receivables and Payables*

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". These amounts are eliminated in the governmental activities column in the statement of net position. Receivables are expected to be collected within one year.

### *Property Tax Revenues*

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2015 levy resolution was approved during the December 21, 2015 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

The tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the approval of the voters of the District.

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lessor of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation. The CPI rates applicable to the 2015 and 2014 tax levies were 0.8% and 1.5%, respectively.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments: the first due on March 1 and the second due on the later of August 1 or 30 days after the second installment tax bill is mailed. The first installment is an estimated bill, and is fifty-five percent of the 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. Property taxes are normally collected by the District within 60 days of the due date.

*Personal Property Replacement Taxes*

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

*Capital Assets*

Capital assets, which include land, land improvements, buildings, building improvements, equipment and fixtures are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. In addition, all computer hardware with an original unit cost of \$300 or more shall be considered a capital asset and shall be placed in the district's inventory. Donated capital assets are recorded at estimated fair value at the date of donation.

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

<i>Assets</i>	<i>Years</i>
Land improvements	15 - 20
Buildings and building improvements	20 - 40
Equipment and fixtures	5 - 20

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

*Deferred Outflows of Resources*

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arise from advance refunding of debt. The difference between the cost of the securities placed in trust for future payment of refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide statements.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

*Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the applicable bonds using the effective interest method. The balance at year end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the period incurred. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

*Equity Classifications*

Equity is classified as net position in the government-wide financial statements and displayed in three components:

*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 than any unspent debt proceeds.

*Restricted net position* - Consists of net position with constraints placed on its 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."

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and then unrestricted resources.

Equity is classified as fund balance in the fund financial statements and displayed in five components:

*Nonspendable* - includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually (principal endowment) (e.g. inventory, pre-paid items, permanent scholarships).

*Restricted* - includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, Capital Projects, State and Federal Grant Funds).

*Committed* - includes amounts constrained for a specific purpose by a government using its highest level of decision making authority, the Board of Education. This formal action (an ordinance) must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Board of Education board that originally created the commitment.

# PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

*Assigned* - includes general fund amounts constrained for a specific purpose by the Board of Education or by an official that has been delegated authority to assign amounts. The Board of Education may also take official action to assign amounts. Additionally, all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.

*Unassigned* - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended in the General Fund is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. In all other funds (Special Revenue, Debt Service, Capital Projects), assigned fund balance will be spent first, followed by committed fund balance, and then restricted fund balance.

The restricted fund balances are for the purpose of the respective funds as described above in the Major Governmental Funds section.

### ***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, 2015, from which such summarized information was derived.

### ***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.

## **NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### **Budgetary Data**

The budgeted amounts for the Governmental Funds are adopted on the modified cash basis, which is consistent with the modified cash basis of accounting prescribed by the program accounting manual for Illinois school districts.

The Board of Education follows these procedures in establishing the budgetary data reflected in the general purpose financial statements:

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - (CONTINUED)**

3. Prior to September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.
4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
6. All budget appropriations lapse at the end of the fiscal year.

The Board of Education amended the budget on June 30, 2016.

**Excess of Expenditures over Budget**

For the year ended June 30, 2016, expenditures exceeded budget in the General Fund by \$3,202,175, in the Operations and Maintenance Fund by \$51,200, in the Transportation Fund by \$279,437, in the Debt Service Fund by \$211,324, and in the Fire Prevention and Life Safety Fund by \$12,467. These excesses were funded by available fund balance.

**NOTE 3 - DEPOSITS AND INVESTMENTS**

**Cash & Investments under the custody of the Township Treasurer**

Under the Illinois Compiled Statutes, the Bremen Township School Treasurer is the lawful custodian of all school funds. The Treasurer is appointed by the Township School Trustees, an independently 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 in 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 and convenience accounts, petty cash, and imprest funds, are part of a common pool for all school districts and cooperatives within the township. The Treasurer maintains records that segregate the cash and investment balance by district or cooperative. Income from investments is distributed monthly based upon the District's percentage participation in the pool. All cash for all funds, including cash applicable to the Debt Service Fund and the Illinois Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

The Treasurer's investment policies are established by the Bremen Township School Trustees as prescribed by the Illinois School Code and the Illinois Compiled Statutes. The Treasurer is authorized to invest in obligations of the U.S. Treasury, backed by the full faith and credit of the U.S. Government, certificates of deposit issued by commercial banks and savings and loan associations, and commercial paper rated within the three highest classifications by at least two standard rating services (subject to certain limitations).

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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**NOTE 3 - DEPOSITS AND INVESTMENTS - (CONTINUED)**

The Treasurer's Office operates as a non-rated, external investment pool. The fair value of the District's investment in the Treasurer's pool is determined by the District's proportionate share of the fair value of the investments held by the Treasurer's office.

The weighted average maturity of all marketable pooled investments held by the Treasurer was 0.73 years at June 30, 2016. The Treasurer also holds money market type investments, certificates of deposits and other deposits with financial institutions. As of June 30, 2016, the cost of all investments held by the Treasurer's office was \$131,946,671 and the cost of the District's proportionate share of the pool was \$20,772,881.

Because all cash and investments are pooled by a separate legal governmental agency (Treasurer), categorization by risk category is not determinable. Further information about whether investments are insured, collateralized, or uncollateralized is available from the Treasurer's financial statements.

**Cash & Investments in the custody of the District**

Deposits of the student activity and imprest funds, which are held in the District's custody, consist of deposits with financial institutions. The following is a summary of such deposits:

	<u>Carrying Value</u>	<u>Bank Balance</u>
Deposits with financial institutions	\$ 29,502	\$ 57,066
Total	<u>\$ 29,502</u>	<u>\$ 57,066</u>

*Custodial Credit Risk - Deposits.* With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2016, the bank balance of the District's deposit with financial institutions totaled \$57,066 and was fully insured.

**NOTE 4 - INTERFUND TRANSFERS**

During the year, the Board of Education transferred \$38,189 from the General Fund (Educational Accounts) to the Debt Service Fund for capital lease payments.

The Board of Education also authorized the abatement of a portion of the General Fund (Working Cash Accounts), thereby transferring fund balance of \$4,628,877 to the Operations and Maintenance Fund.

Also during the year, the Board of Education transferred \$113 from the Capital Projects Fund to the Operations and Maintenance Fund to cover future maintenance expenditures.

State law allows for the above transfers.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

**NOTE 5 - CAPITAL ASSETS**

Capital asset activity for the District for the year ended June 30, 2016, was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Adjustments</i>	<i>Ending Balance</i>
<b><u>Capital assets not being depreciated:</u></b>					
Land	\$ 251,294	\$ -	\$ -	\$ -	\$ 251,294
Total capital assets not being depreciated	<u>251,294</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>251,294</u>
<b><u>Capital assets being depreciated:</u></b>					
Land improvements	607,292	-	-	201,067	808,359
Buildings	57,749,896	331,227	-	-	58,081,123
Equipment	<u>8,947,426</u>	<u>28,850</u>	<u>5,000,684</u>	<u>(201,067)</u>	<u>3,774,525</u>
Total capital assets being depreciated	<u>67,304,614</u>	<u>360,077</u>	<u>5,000,684</u>	<u>-</u>	<u>62,664,007</u>
<b><u>Less Accumulated Depreciation for:</u></b>					
Land improvements	496,310	33,531	-	29,832	559,673
Buildings	14,178,265	1,452,028	-	-	15,630,293
Equipment	<u>6,736,826</u>	<u>323,293</u>	<u>4,498,632</u>	<u>(29,832)</u>	<u>2,531,655</u>
Total accumulated depreciation	<u>21,411,401</u>	<u>1,808,852</u>	<u>4,498,632</u>	<u>-</u>	<u>18,721,621</u>
Net capital assets being depreciated	<u>45,893,213</u>	<u>(1,448,775)</u>	<u>502,052</u>	<u>-</u>	<u>43,942,386</u>
Net governmental activities capital assets	<u>\$ 46,144,507</u>	<u>\$ (1,448,775)</u>	<u>\$ 502,052</u>	<u>\$ -</u>	<u>\$ 44,193,680</u>

An adjustment was needed in the current year to align the capital asset balances recorded on the books with the appraisal that was completed during the fiscal year.

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

<b><u>Governmental Activities</u></b>	<b><u>Depreciation</u></b>
Regular programs	\$ 1,738,910
Special programs	19,741
District administration	7,844
School administration	23,532
Business	6,275
Operations and maintenance	<u>12,550</u>
Total depreciation expense - governmental activities	<u>\$ 1,808,852</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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**NOTE 6 - LONG TERM LIABILITIES**

*Changes in General Long-term Liabilities.* The following is the long-term liability activity for the District for the year ended June 30, 2016:

	<b><i>Beginning Balance</i></b>	<b><i>Additions</i></b>	<b><i>Deletions</i></b>	<b><i>Ending Balance</i></b>	<b><i>Due Within One Year</i></b>
General obligation bonds	\$ 13,705,000	\$ -	\$ 3,260,000	\$ 10,445,000	\$ 215,000
Capital appreciation bonds	14,364,017	-	2,821,063	11,542,954	-
GO Limited School Refunding Bonds	21,015,000	19,790,000	3,295,000	37,510,000	830,000
Unamortized premium	299,221	-	17,601	281,620	-
Unamortized discount	<u>(273,622)</u>	<u>(340,068)</u>	<u>(14,930)</u>	<u>(598,760)</u>	<u>-</u>
Total bonds payable	<u>49,109,616</u>	<u>19,449,932</u>	<u>9,378,734</u>	<u>59,180,814</u>	<u>1,045,000</u>
Capital leases	<u>137,253</u>	<u>-</u>	<u>31,619</u>	<u>105,634</u>	<u>33,351</u>
Total long-term liabilities - governmental activities	<u>\$ 49,246,869</u>	<u>\$ 19,449,932</u>	<u>\$ 9,410,353</u>	<u>\$ 59,286,448</u>	<u>\$ 1,078,351</u>



**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

**NOTE 6 - LONG TERM LIABILITIES - (CONTINUED)**

*General Obligation Bonds.* General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

<b>Purpose</b>	<b>Interest Rates</b>	<b>Original Indebtedness</b>	<b>Face Amount</b>	<b>Carrying Amount</b>
Series 2010A Limited School Bonds dated July 15, 2010 are due in annual installments through December 1, 2029	2.00% - 5.25%	\$ 22,460,000	\$ 1,630,000	\$ 1,630,000
Series 2010B Limited Refunding School Bonds dated July 15, 2010 are due in annual installments through December 1, 2029	2.00% - 5.25%	6,120,000	120,000	120,000
Series 2011A Limited Refunding School Bonds dated September 20, 2012 are due in annual installments through December 1, 2030	2.00% - 5.00%	22,525,000	8,475,000	8,475,000
Series 2011B Limited Refunding School Bonds dated September 20, 2012 are due in annual installments through September 1, 2031	5.00%	2,120,000	220,000	220,000
Series 2011C Capital Appreciation Bonds dated September 20, 2012 are due in annual installments through December 1, 2030	1.25% - 6.39%	18,198,607	25,605,000	11,542,954
Series 2014A General Obligation Limited School Refunding Bonds dated June 25, 2014 are due in annual installments through December 1, 2033	0.75% - 5.25%	11,140,000	7,290,000	7,290,000
Series 2014B General Obligation Limited School Refunding Bonds dated June 25, 2014 are due in annual installments through December 1, 2033	5.25%	10,430,000	10,430,000	10,430,000
Series 2016A General Obligation Limited School Bonds dated April 11, 2016 are due in annual installments through December 1, 2035	4.000% - 4.125%	6,000,000	6,000,000	6,000,000
Series 2016B Taxable General Obligation Limited School Bonds dated April 11, 2016 are due in annual installments through December 1, 2032	1.25% - 5.75%	4,065,000	4,065,000	4,065,000
Series 2016C General Obligation Refunding School Bonds dated April 11, 2016 are due in annual installments through December 1, 2035	4.125%	6,425,000	6,425,000	6,425,000
Series 2016D Taxable General Obligation Refunding School Bonds dated April 11, 2016 are due in annual installments through December 1, 2034	5.88%	<u>3,300,000</u>	<u>3,300,000</u>	<u>3,300,000</u>
Total		<u>\$ 112,783,607</u>	<u>\$ 73,560,000</u>	<u>\$ 59,497,954</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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**NOTE 6 - LONG TERM LIABILITIES - (CONTINUED)**

During the year, the District issued \$19,790,000 in General Obligation Bonds with an average interest rate of 4.59% using a portion of the proceeds to advance refund \$8,271,063 of outstanding 2010A, 2011A, 2011C, and 2014A Series bonds with an average interest rate of 4.43%. A portion of the net proceeds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for a portion of the future debt service payments on the 2010A, 2011A, 2011C, and 2014A Series bonds. As a result, a portion of the 2010A, 2011A, 2011C, and 2014A Series bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position.

The District advance refunded the 2010A, 2011A, 2011C, and 2014A Series bonds to restructure the District's current debt and obtain additional working capital for future operational or capital needs. The refunding increased the District's total debt service payments over the next 20 years by \$13,557,468. This transaction resulted in an economic loss (difference between the present values of the debt service payments on the old and new debt) of \$2,603,445.

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2016, \$43,474,680 of bonds outstanding are considered defeased.

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

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2017	\$ 1,045,000	\$ 2,190,208	\$ 3,235,208
2018	1,084,877	2,202,396	3,287,273
2019	1,097,796	2,193,280	3,291,076
2020	2,129,888	2,610,862	4,740,750
2021	2,078,976	2,661,037	4,740,013
2022 - 2026	10,432,017	14,142,245	24,574,262
2027 - 2031	12,079,400	16,977,563	29,056,963
2032 - 2036	<u>29,550,000</u>	<u>3,856,616</u>	<u>33,406,616</u>
Total	<u>\$ 59,497,954</u>	<u>\$ 46,834,207</u>	<u>\$ 106,332,161</u>

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2016, the statutory debt limit for the District was \$15,839,948. As of June 30, 2016 the total amount of debt outstanding by the District subject to the statutory debt limitation was \$13,292,954, providing a debt margin of \$2,546,994. There are numerous covenants with which the District must comply in regard to these bond issues. As of June 30, 2016, the District was in compliance with all significant bond covenants, including federal arbitrage regulations.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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**NOTE 6 - LONG TERM LIABILITIES - (CONTINUED)**

*Capital Leases.* The District has entered into a lease agreement as lessee for financing the acquisition of 13 copiers with a down payment of \$3,182 and monthly payments of \$3,182. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. At June 30, 2016, \$105,634 of amounts included in capital assets were acquired via capital leases. The obligations for the capital leases will be repaid from the Debt Service Fund via a transfer from the General (Educational) Fund. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2016, are as follows:

	<i>Amount</i>
2017	\$ 38,189
2018	38,189
2019	<u>38,189</u>
Total minimum lease payments	114,567
Less: amount representing interest	<u>(8,933)</u>
Present value of minimum lease payments	<u>\$ 105,634</u>

**NOTE 7 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the following public entity risk pools: CLIC for workers' compensation and liability insurance coverage and EBC for health and dental insurance coverage. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years.

**NOTE 8 - JOINT AGREEMENTS**

The District is a member of SPEED, 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 of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

## PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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### NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS

#### Teachers' Health Insurance Security

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

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

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

*On Behalf Contributions to THIS Fund.* The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.07 percent of pay during the year ended June 30, 2016. State of Illinois contributions were \$131,751, and the District recognized revenues and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2015 and June 30, 2014 were 1.02 and 0.97 percent of pay, respectively. For these years, state contributions on behalf of District employees were \$126,272 and \$120,141, respectively.

*Employer Contributions to THIS Fund.* The District also makes contributions to THIS Fund. The District's THIS Fund contribution was 0.80 percent during the year ended June 30, 2016 and 0.76 and 0.72 percent during the years ended June 30, 2015 and 2014, respectively. For the years ended June 30, 2016, 2015 and 2014 the District paid \$98,505, \$94,085 and \$89,176 to the THIS Fund, respectively, which was 100 percent of the required contribution for those years.

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."

#### Retiree Health Plan

The District administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides for eligible retirees and their spouses through the District's which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their spouses receive lifetime healthcare insurance at established contribution rates. The Retiree Health Plan does not issue a publicly available financial report.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

**NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)**

Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the board and the union.. For fiscal year 2016, the District contributed \$106,376 to the plan. Administrative costs of the Retiree Health Plan are financed through District operating revenues as costs are incurred.

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the Retiree Health Plan, and changes in the District's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	\$ 30,274
Interest on net OPEB obligation	-
Adjustment to annual required contribution	<u>-</u>
Annual OPEB cost	30,274
Contributions made	<u>(106,376)</u>
Decrease in net OPEB obligation (asset)	(76,102)
Net OPEB Obligation (Asset) - Beginning of Year	<u>(576,658)</u>
Net OPEB Obligation (Asset) - End of Year	<u><u>\$ (652,760)</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the Retiree Health Plan, and the net OPEB obligation for June 30, 2016 and the two preceding years are as follows:

<b><i>Fiscal Year Ended</i></b>	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
June 30, 2016	\$ 30,274	351.38 %	\$ (652,760)
June 30, 2015	30,274	401.32 %	(576,658)
June 30, 2014	44,695	256.74 %	(485,437)

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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**NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)**

The funded status of the Retiree Health Plan as of June 30, 2014, the most recent actuarial valuation date, is as follows:

Actuarial accrued liability (AAL)	\$ 798,696
Actuarial value of plan assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u><u>\$ 798,696</u></u>
Funded ratio (actuarial value of plan assets/AAL)	-%
Covered payroll (active plan members)	\$ 13,922,596
UAAL as a percentage of covered payroll	5.74%

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan is understood by the employer and plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 5 percent investment rate of return and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 5 percent after 5 years. Both rates include a 0 percent inflation assumption. The actuarial value of the Retiree Health Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three-year period. The Retiree Health Plan's unfunded actuarial accrued liability is being amortized as a level of percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2016 is 30 years.

**NOTE 10 - RETIREMENT SYSTEMS**

The retirement plans of the District include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the District. IMRF is funded through property taxes and a perpetual lien of the District's corporate personal property replacement tax. Each retirement system is discussed below.

## PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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### NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

#### Teachers' Retirement System

*Plan Description.* The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active 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 <http://trs.illinois.gov/pubs/cafr>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 877-0890, option 2.

*Benefits Provided.* TRS provides retirement, disability, and death benefits. *Tier I* members have TRS or reciprocal system service prior to January 1, 2011. *Tier I* 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.

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2016 was 9.4 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the District, is submitted to TRS by the District.

# PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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## NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

*On Behalf Contributions to TRS.* The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2016, State of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$6,566,470 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, 2016, were \$71,579.

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

For the year ended June 30, 2016, the District pension contribution was 36.06 percent of salaries paid from federal and special trust funds. Contributions for the year ended June 30, 2016, were \$72,811, which was equal to the District's required contribution.

*Early Retirement Option.* Contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The District is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2016, the District made no payments to TRS for District ERO contributions.

*Salary increases over 6 percent.* The District 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. For the year ended June 30, 2016, the District paid \$3,949 to TRS for employer contributions due on salary increases in excess of 6 percent.

*Excess sick leave.* A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2016, the District paid \$62 to TRS for sick leave days granted in excess of the normal annual allotment.

*TRS Fiduciary Net Position.* Detailed information about the TRS's fiduciary net position as of June 30, 2015 is available in the separately issued TRS Comprehensive Annual Financial Report.



**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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**NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)**

*Net Pension Liability.* At June 30, 2016, the District 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 District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 1,666,406
State's proportionate share of the collective net pension liability associated with the District	<u>80,148,852</u>
Total	<u>\$ 81,815,258</u>

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014, and rolled forward to June 30, 2015. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2015, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2015 and 2014, the District's proportion was 0.00254374 percent and 0.00356533 percent, respectively.

*Summary of Significant Accounting Policies.* For purposes of measuring the collective net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TRS and additions to/deductions from TRS fiduciary net position have been determined on the same basis as they are reported by TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

*Actuarial Assumptions.* The assumptions used to measure the total pension liability in the June 30, 2015 actuarial valuation included (a) 7.50% investment rate of return net of pension plan investment expense, including inflation, (b) projected salary increases varies by amount of service credit, and (c) inflation of 3.00%.

The actuarial assumptions for the years ended June 30, 2015 and 2014 were different. The actuarial assumptions used in the June 30, 2015 valuation were based on the 2015 actuarial experience analysis. The investment return assumption remained at 7.5 percent, salary increase assumptions were lowered, retirement rates were increased, mortality updates were made and other assumptions were revised. The actuarial assumptions used in the June 30, 2014 valuation were based on updates to economic assumptions adopted in 2014 which lowered the investment return assumption from 8.0 percent to 7.5 percent. The salary increase and inflation assumptions were also lowered from their 2013 levels.

*Mortality.* 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.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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**NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)**

*Long-Term Expected Real Rate of Return.* The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return 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. large cap	18.00 %	7.53 %
Global equity excluding U.S.	18.00 %	7.88 %
Aggregate bonds	16.00 %	1.57 %
U.S. TIPS	2.00 %	2.82 %
NCREIF	11.00 %	5.11 %
Opportunistic real estate	4.00 %	9.09 %
ARS	8.00 %	2.57 %
Risk parity	8.00 %	4.87 %
Diversified inflation strategy	1.00 %	3.26 %
Private equity	14.00 %	12.33 %

*Discount Rate.* At June 30, 2015, the discount rate used to measure the total pension liability was a blended rate of 7.47 percent, which was a change from the June 30, 2014 rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2015 was not projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Despite the subsidy, all projected future payments were not covered, so a slightly lower long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2014, the discount rate used to measure the total pension liability was 7.50 percent. The discount rate was the same as the actuarially-assumed rate of return on investments that year because TRS's fiduciary net position and the subsidy provided by Tier II were sufficient to cover all projected benefit payments.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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**NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)**

*Discount Rate Sensitivity.* The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.47 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.47 percent) or 1-percentage-point higher (8.47 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the collective net pension liability	\$ 2,059,269	\$ 1,666,406	\$ 1,344,248

*Pension Expense and Expenditures.* For the year ended June 30, 2016, the District recognized pension expense of \$291,439 and on-behalf revenue of \$6,566,470 for support provided by the state.

**Illinois Municipal Retirement Fund**

*Plan Description.* The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. The report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Public Act 96-0889 created a second tier for IMRF's Regular Plan. IMRF assigns a benefit tier to a member when he or she is enrolled in IMRF. The tier is determined by the member's first IMRF participation date. If the member first participated in IMRF before January 1, 2011, they participate in *Regular Tier 1*. If the member first participated in IMRF on or after January 1, 2011, they participate in *Regular Tier 2*.

For *Regular Tier 1*, pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 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 *Regular Tier 1*, the pension is increased by 3% of the original amount on January 1 every year after retirement. For *Regular Tier 2*, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 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 *Regular 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. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

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**NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)**

*Plan Membership.* At December 31, 2015, the measurement date, membership of the plan was as follows:

Retirees and beneficiaries	271
Inactive, non-retired members	257
Active members	<u>131</u>
Total	<u><u>659</u></u>

*Contributions.* As set by statute, District employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's actuarially determined contribution rate for calendar year 2015 was 9.44 percent of annual covered payroll. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Net Pension Liability/(Asset).* The net pension liability/(asset) was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

*Summary of Significant Accounting Policies.* For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

*Actuarial Assumptions.* The assumptions used to measure the total pension liability in the December 31, 2015 annual actuarial valuation included (a) 7.49% investment rate of return, (b) projected salary increases from 3.75% to 14.50%, including inflation, and (c) price inflation of 2.75%. The retirement age is based on experience-based table of rates that are specific to the type of eligibility condition. The tables were last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

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

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

**NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)**

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

Asset Class	Target Allocation	Projected Returns/Risk	
		One Year Arithmetic	Ten Year Geometric
Equities	38.00 %	8.85 %	7.39 %
International equities	17.00 %	9.55 %	7.59 %
Fixed income	27.00 %	3.05 %	3.00 %
Real estate	8.00 %	7.20 %	6.00 %
Alternatives	9.00 %		
Private equity		13.15 %	8.15 %
Hedge funds		5.55 %	5.25 %
Commodities		4.40 %	2.75 %
Cash equivalents	1.00 %	2.25 %	2.25 %

*Discount Rate.* The discount rate used to measure the total pension liability for IMRF was 7.49%. The discount rate calculated using the December 31, 2014 measurement date was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments of 7.50% was blended with the index rate of 3.57% for tax exempt 20-year general obligation municipal bonds with an average AA credit rating at December 31, 2015 to arrive at a discount rate of 7.49 used to determine the total pension liability. The year ending December 31, 2086 is the last year in the 2016 to 2115 projection period for which projected benefit payments are fully funded.

*Discount Rate Sensitivity.* The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 7.49% as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.49%) or 1 percentage point higher (8.49%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 20,751,738	\$ 18,418,376	\$ 16,488,108
Plan fiduciary net position	<u>17,386,855</u>	<u>17,386,855</u>	<u>17,386,855</u>
Net pension liability/(asset)	<u>\$ 3,364,883</u>	<u>\$ 1,031,521</u>	<u>\$ (898,747)</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016

**NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)**

*Changes in Net Pension Liability/(Asset).* The District's changes in net pension liability/(asset) for the calendar year ended December 31, 2015 was as follows:

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2014	\$ 17,553,618	\$ 17,553,199	\$ 419
Service cost	431,985	-	431,985
Interest on total pension liability	1,297,335	-	1,297,335
Differences between expected and actual experience of the total pension liability	57,453	-	57,453
Change of assumptions	21,602	-	21,602
Benefit payments, including refunds of employee contributions	(943,617)	(943,617)	-
Contributions - employer	-	363,702	(363,702)
Contributions - employee	-	174,557	(174,557)
Net investment income	-	86,753	(86,753)
Other (net transfer)	-	152,261	(152,261)
Balances at December 31, 2015	<u>\$ 18,418,376</u>	<u>\$ 17,386,855</u>	<u>\$ 1,031,521</u>

*Pension Expense.* District pension expense as part of the December 31, 2015 valuation was \$604,184. The IMRF pension expense recognized in the District's financials for the year ended June 30, 2016 was \$376,937.

**NOTE 11 - CONTINGENT LIABILITIES**

The District is a participant in various lawsuits, although the outcome of these lawsuits is not presently determinable. In the opinion of the District's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

**NOTE 12 - EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS**

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, GASB Statement No. 77, *Tax Abatement Disclosures*, GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, GASB Statement No. 80, *Blending Requirements for Certain Component Units an amendment of GASB Statement No. 14*, GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, and GASB Statement No. 82, *Pension Issues an amendment of GASB Statements No. 67, No. 68, and No. 73*. Application of these standards may restate portions of these financial statements.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY  
AND RELATED RATIOS  
Most Recent Fiscal Year

	<u>2016</u>	<u>2015</u>
<b>Total pension liability</b>		
Service cost	\$ 431,985	\$ 468,307
Interest	1,297,335	1,212,753
Differences between expected and actual experience	57,453	(314,290)
Changes of assumptions	21,602	684,043
Benefit payments, including refunds of member contributions	<u>(943,617)</u>	<u>(866,173)</u>
<b>Net change in total pension liability</b>	864,758	1,184,640
<b>Total pension liability - beginning</b>	<u>17,553,618</u>	<u>16,368,978</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 18,418,376</u>	<u>\$ 17,553,618</u>
<b>Plan fiduciary net position</b>		
Employer contributions	\$ 363,702	\$ 479,274
Employee contributions	174,557	175,024
Net investment income	86,753	1,020,595
Benefit payments, including refunds of member contributions	(943,617)	(866,173)
Other (net transfer)	<u>152,261</u>	<u>(92,516)</u>
<b>Net change in plan fiduciary net position</b>	(166,344)	716,204
<b>Plan fiduciary net position - beginning</b>	<u>17,553,199</u>	<u>16,836,995</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 17,386,855</u>	<u>\$ 17,553,199</u>
<b>Employer's net pension liability - ending (a) - (b)</b>	<u>\$ 1,031,521</u>	<u>\$ 419</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	94.40%	100.00%
<b>Covered-employee payroll</b>	\$ 3,852,781	\$ 3,781,440
<b>Employer's net pension liability as a percentage of covered-employee payroll</b>	26.77%	0.01%

**Notes to Schedule:**

The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
Most Recent Fiscal Year**

	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 384,893	\$ 449,991
Contributions in relation to the actuarially determined contribution	<u>(363,702)</u>	<u>(479,274)</u>
Contribution deficiency (excess)	<u>\$ 21,191</u>	<u>\$ (29,283)</u>
Covered-employee payroll	\$ 3,852,781	\$ 3,781,440
Contributions as a percentage of covered-employee payroll	9.44%	12.67%

**Notes to Schedule:**

The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 each year, which are 6 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	28 years
Asset valuation method	5-Year Smoothed Market
Inflation	3.00%
Salary increases	4.40% to 16.00% including inflation
Investment rate of return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2000 CHBCA

Other information:

There were no benefit changes during the year.



**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**TEACHERS' RETIREMENT SYSTEM**

**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY AND DISTRICT CONTRIBUTIONS  
Most Recent Fiscal Year**

	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability	0.00254374%	0.00356533%
District's proportionate share of the net pension liability	\$ 1,666,406	\$ 2,169,797
State's proportionate share of the net pension liability	<u>80,148,852</u>	<u>76,567,059</u>
Total net pension liability	<u>\$ 81,815,258</u>	<u>\$ 78,736,856</u>
Covered-employee payroll	\$ 12,313,165	\$ 12,379,591
District's proportionate share of the net pension liability as a percentage of covered payroll	13.53%	17.53%
Plan fiduciary net position as a percentage of the total pension liability	41.50%	43.00%
Contractually required contribution	\$ 144,226	\$ 94,463
Contributions in relation to the contractually required contribution	<u>(144,390)</u>	<u>(94,480)</u>
Contribution deficiency (excess)	<u>\$ (164)</u>	<u>\$ (17)</u>
Contributions as a percentage of covered employee payroll	1.1726%	0.7632%

Note: The District implemented GASB 68 in 2015. Information for fiscal years prior to 2015 is not applicable.

**Notes to Schedule:**

Amounts reported in 2015 reflect an investment rate of return of 7.5 percent, an inflation rate of 3.0 percent and real return of 4.5 percent, and salary increases that vary by service credit. In 2014, assumptions used were an investment rate of return of 7.5 percent, an inflation rate of 3.0 percent and real return of 4.5 percent, and salary increases of 5.75 percent. However, the total pension liability at the beginning and end of the year was calculated using the same assumptions, so the difference due to actuarial assumptions was not calculated or allocated.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

SCHEDULE OF FUNDING PROGRESS FOR RETIREE HEALTH PLAN

AS OF JUNE 30, 2016

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Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/14	\$ -	\$ 798,696	\$ 798,696	N/A	\$ 13,922,596	5.74%
7/1/12	-	798,696	798,696	N/A	14,737,065	5.55%
7/1/10	-	1,185,013	1,185,013	N/A	18,685,262	8.04%

Valuations must be performed every two years for OPEB plans with more than 200 members and at least every three years for plans with fewer than 200 members.

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Revenues</b>					
<b>Local sources</b>					
General levy	\$ 7,640,867	\$ 7,640,867	\$ 7,512,045	\$ (128,822)	\$ 7,203,002
Corporate personal property replacement taxes	181,547	181,547	158,753	(22,794)	171,717
Investment income	30,000	30,000	43,318	13,318	37,406
Sales to pupils - lunch	20	20	-	(20)	20
Sales to pupils - other	20	20	18	(2)	64
Rentals - regular textbook	7,000	7,000	9,087	2,087	8,367
Rentals - other	-	-	7,019	7,019	-
Sales - other	10,000	10,000	-	(10,000)	-
Other - textbooks	-	-	60	60	-
Contributions and donations from private sources	500	500	5,970	5,470	300
Refund of prior years' expenditures	15,000	15,000	44,710	29,710	12,393
Proceed's from vendor contracts	500	500	2,135	1,635	1,004
Other local fees	1,750	1,750	1,431	(319)	16,312
Other	12,000	12,000	424,153	412,153	435,934
Total local sources	<u>7,899,204</u>	<u>7,899,204</u>	<u>8,208,699</u>	<u>309,495</u>	<u>7,886,519</u>
<b>State sources</b>					
General state aid	11,550,000	11,550,000	11,942,672	392,672	10,853,998
General state aid hold harmless/supplemental	-	-	601,348	601,348	-
Special education - private facility tuition	12,193	12,193	19,002	6,809	12,193
Special education - extraordinary	383,370	383,370	378,792	(4,578)	289,734
Special education - personnel	119,244	119,244	157,494	38,250	119,244
Special education - orphanage - individual	116,736	116,736	116,647	(89)	116,736
Special education - orphanage - summer	5,000	5,000	3,332	(1,668)	5,817
CTE - Secondary program improvement	-	-	-	-	2,461
Bilingual education - downstate - TPI	31,883	31,883	19,101	(12,782)	21,385
State free lunch & breakfast	17,476	17,476	13,360	(4,116)	16,428
Early childhood - block grant	232,800	232,800	185,515	(47,285)	222,587
Other restricted revenue from state sources	-	-	1,511	1,511	235,937
On behalf payment to TRS from the state	<u>4,455,763</u>	<u>4,455,763</u>	<u>6,698,221</u>	<u>2,242,458</u>	<u>6,290,733</u>
Total state sources	<u>16,924,465</u>	<u>16,924,465</u>	<u>20,136,995</u>	<u>3,212,530</u>	<u>18,187,253</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Federal sources</b>					
Breakfast start-up	\$ -	\$ -	\$ -	\$ -	\$ 3,647
National school lunch program	900,000	900,000	1,131,098	231,098	1,039,910
School breakfast program	250,000	250,000	324,083	74,083	255,815
Summer food service admin/program	22,000	22,000	23,010	1,010	23,763
Fresh Fruits and Vegetables Grant	34,285	34,285	20,250	(14,035)	99,288
Food service - other	-	-	106,615	106,615	96,727
Title I - Low income	1,129,786	1,129,786	1,319,434	189,648	1,271,670
Title I - Comprehensive school reform	-	-	-	-	3,085
Federal - special education - preschool flow-through	24,763	24,763	16,488	(8,275)	25,944
Federal - special education - IDEA - flow-through/low incident	550,208	550,208	444,014	(106,194)	616,740
Federal - special education - IDEA - room & board	-	-	101,657	101,657	-
Race to the top	-	-	9,432	9,432	61,678
Title III - English language acquisition	-	-	5,785	5,785	5,945
Learn & serve america	10,625	10,625	-	(10,625)	-
Title II - Teacher quality	-	-	159,590	159,590	150,594
Federal charter schools	131,251	131,251	-	(131,251)	-
Medicaid matching funds - administrative outreach	-	-	123,951	123,951	169,146
Medicaid matching funds - fee-for-service program	59,523	59,523	166,110	106,587	143,625
Other restricted revenue from federal sources	<u>81,675</u>	<u>81,675</u>	<u>-</u>	<u>(81,675)</u>	<u>-</u>
Total federal sources	<u>3,194,116</u>	<u>3,194,116</u>	<u>3,951,517</u>	<u>757,401</u>	<u>3,967,577</u>
Total revenues	<u>28,017,785</u>	<u>28,017,785</u>	<u>32,297,211</u>	<u>4,279,426</u>	<u>30,041,349</u>
<b>Expenditures</b>					
<b>Instruction</b>					
<b>Regular programs</b>					
Salaries	7,773,603	7,773,603	8,715,032	(941,429)	7,426,367
Employee benefits	1,041,307	1,041,307	1,310,645	(269,338)	1,073,749
On-behalf payments to TRS from the state	4,455,763	4,455,763	6,698,221	(2,242,458)	6,290,733
Purchased services	344,865	344,865	182,181	162,684	211,989
Supplies and materials	655,301	655,301	696,296	(40,995)	345,619
Other objects	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>2,000</u>
Total	<u>14,272,839</u>	<u>14,272,839</u>	<u>17,602,375</u>	<u>(3,329,536)</u>	<u>15,350,457</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Pre-K programs</b>					
Salaries	\$ 285,624	\$ 285,624	\$ 162,706	\$ 122,918	\$ 181,708
Employee benefits	59,794	59,794	35,835	23,959	31,291
Purchased services	5,000	5,000	3,553	1,447	4,453
Supplies and materials	<u>14,455</u>	<u>14,455</u>	<u>8,452</u>	<u>6,003</u>	<u>2,839</u>
Total	<u>364,873</u>	<u>364,873</u>	<u>210,546</u>	<u>154,327</u>	<u>220,291</u>
<b>Special education programs</b>					
Salaries	1,886,341	1,886,341	1,432,615	453,726	2,827,520
Employee benefits	252,569	252,569	179,078	73,491	401,686
Purchased services	1,200	1,200	5,113	(3,913)	1,553
Supplies and materials	<u>13,000</u>	<u>13,000</u>	<u>10,785</u>	<u>2,215</u>	<u>12,105</u>
Total	<u>2,153,110</u>	<u>2,153,110</u>	<u>1,627,591</u>	<u>525,519</u>	<u>3,242,864</u>
<b>Interscholastic programs</b>					
Purchased services	2,500	2,500	2,880	(380)	3,780
Supplies and materials	-	-	511	(511)	-
Other objects	<u>-</u>	<u>-</u>	<u>790</u>	<u>(790)</u>	<u>-</u>
Total	<u>2,500</u>	<u>2,500</u>	<u>4,181</u>	<u>(1,681)</u>	<u>3,780</u>
<b>Summer school programs</b>					
Salaries	140,379	140,379	168,670	(28,291)	129,650
Employee benefits	<u>1,321</u>	<u>1,321</u>	<u>2,098</u>	<u>(777)</u>	<u>1,769</u>
Total	<u>141,700</u>	<u>141,700</u>	<u>170,768</u>	<u>(29,068)</u>	<u>131,419</u>
<b>Bilingual programs</b>					
Salaries	31,883	31,883	19,834	12,049	17,732
Employee benefits	-	-	99	(99)	51
Purchased services	-	-	-	-	3,962
Supplies and materials	<u>-</u>	<u>-</u>	<u>8,435</u>	<u>(8,435)</u>	<u>3,517</u>
Total	<u>31,883</u>	<u>31,883</u>	<u>28,368</u>	<u>3,515</u>	<u>25,262</u>
Total instruction	<u>16,966,905</u>	<u>16,966,905</u>	<u>19,643,829</u>	<u>(2,676,924)</u>	<u>18,974,073</u>
<b>Support services</b>					
<b>Pupils</b>					
<b>Attendance and social work services</b>					
Salaries	528,795	528,795	557,829	(29,034)	524,204
Employee benefits	64,089	64,089	81,321	(17,232)	67,095
Purchased services	50,000	50,000	94,988	(44,988)	56,485
Supplies and materials	<u>5,000</u>	<u>5,000</u>	<u>2,813</u>	<u>2,187</u>	<u>1,250</u>
Total	<u>647,884</u>	<u>647,884</u>	<u>736,951</u>	<u>(89,067)</u>	<u>649,034</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Guidance services</b>					
Purchased services	\$ 1,000	\$ 1,000	\$ 409	\$ 591	\$ 1,032
Supplies and materials	-	-	394	(394)	581
Total	<u>1,000</u>	<u>1,000</u>	<u>803</u>	<u>197</u>	<u>1,613</u>
<b>Health services</b>					
Salaries	261,823	261,823	225,781	36,042	224,243
Employee benefits	53,718	53,718	47,208	6,510	48,639
Purchased services	193,296	193,296	216,649	(23,353)	251,724
Supplies and materials	<u>12,000</u>	<u>12,000</u>	<u>4,916</u>	<u>7,084</u>	<u>9,161</u>
Total	<u>520,837</u>	<u>520,837</u>	<u>494,554</u>	<u>26,283</u>	<u>533,767</u>
<b>Psychological services</b>					
Salaries	195,152	195,152	184,076	11,076	194,780
Employee benefits	30,815	30,815	23,298	7,517	19,492
Purchased services	200	200	-	200	19,740
Supplies and materials	<u>5,000</u>	<u>5,000</u>	<u>1,862</u>	<u>3,138</u>	<u>4,860</u>
Total	<u>231,167</u>	<u>231,167</u>	<u>209,236</u>	<u>21,931</u>	<u>238,872</u>
<b>Speech pathology and audiology services</b>					
Salaries	120,865	120,865	73,315	47,550	72,112
Employee benefits	8,720	8,720	8,074	646	7,619
Purchased services	186,877	186,877	375,905	(189,028)	310,298
Supplies and materials	<u>3,500</u>	<u>3,500</u>	<u>1,012</u>	<u>2,488</u>	<u>-</u>
Total	<u>319,962</u>	<u>319,962</u>	<u>458,306</u>	<u>(138,344)</u>	<u>390,029</u>
<b>Other support services - pupils</b>					
Salaries	<u>11,954</u>	<u>11,954</u>	<u>11,235</u>	<u>719</u>	<u>11,708</u>
Total	<u>11,954</u>	<u>11,954</u>	<u>11,235</u>	<u>719</u>	<u>11,708</u>
Total pupils	<u>1,732,804</u>	<u>1,732,804</u>	<u>1,911,085</u>	<u>(178,281)</u>	<u>1,825,023</u>
<b>Instructional staff</b>					
<b>Improvement of instructional services</b>					
Salaries	644,508	644,508	308,708	335,800	314,146
Employee benefits	68,938	68,938	75,002	(6,064)	61,357
Purchased services	66,000	66,000	398,326	(332,326)	294,454
Supplies and materials	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>12,561</u>
Total	<u>804,446</u>	<u>804,446</u>	<u>782,036</u>	<u>22,410</u>	<u>682,518</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Educational media services</b>					
Salaries	\$ 267,652	\$ 267,652	\$ 303,342	\$ (35,690)	\$ 294,571
Employee benefits	43,165	43,165	33,851	9,314	34,783
Supplies and materials	30,500	30,500	4,204	26,296	6,595
Capital outlay	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>144,697</u>
Total	<u>491,317</u>	<u>491,317</u>	<u>341,397</u>	<u>149,920</u>	<u>480,646</u>
<b>Assessment and testing</b>					
Purchased services	-	-	74,070	(74,070)	917
Supplies and materials	84,200	84,200	2,320	81,880	87,849
Other objects	<u>2,500</u>	<u>2,500</u>	<u>793</u>	<u>1,707</u>	<u>854</u>
Total	<u>86,700</u>	<u>86,700</u>	<u>77,183</u>	<u>9,517</u>	<u>89,620</u>
Total instructional staff	<u>1,382,463</u>	<u>1,382,463</u>	<u>1,200,616</u>	<u>181,847</u>	<u>1,252,784</u>
<b>General administration</b>					
<b>Board of education services</b>					
Salaries	102	102	100	2	200
Purchased services	310,887	310,887	264,184	46,703	310,317
Supplies and materials	6,500	6,500	8,936	(2,436)	7,471
Other objects	<u>25,000</u>	<u>25,000</u>	<u>17,311</u>	<u>7,689</u>	<u>22,035</u>
Total	<u>342,489</u>	<u>342,489</u>	<u>290,531</u>	<u>51,958</u>	<u>340,023</u>
<b>Executive administration services</b>					
Salaries	216,556	216,556	218,494	(1,938)	213,994
Employee benefits	55,653	55,653	56,855	(1,202)	61,859
Purchased services	6,000	6,000	6,798	(798)	4,618
Supplies and materials	13,200	13,200	13,293	(93)	11,288
Other objects	<u>5,800</u>	<u>5,800</u>	<u>5,775</u>	<u>25</u>	<u>5,838</u>
Total	<u>297,209</u>	<u>297,209</u>	<u>301,215</u>	<u>(4,006)</u>	<u>297,597</u>
<b>Special area administration services</b>					
Salaries	221,037	221,037	220,525	512	216,703
Employee benefits	45,037	45,037	45,338	(301)	43,055
Purchased services	16,052	16,052	13,177	2,875	16,887
Supplies and materials	5,000	5,000	1,875	3,125	5,065
Other objects	<u>2,000</u>	<u>2,000</u>	<u>(466)</u>	<u>2,466</u>	<u>1,320</u>
Total	<u>289,126</u>	<u>289,126</u>	<u>280,449</u>	<u>8,677</u>	<u>283,030</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Tort immunity services</b>					
Purchased services	\$ 386,000	\$ 386,000	\$ 356,968	\$ 29,032	\$ 389,570
Total	<u>386,000</u>	<u>386,000</u>	<u>356,968</u>	<u>29,032</u>	<u>389,570</u>
Total general administration	<u>1,314,824</u>	<u>1,314,824</u>	<u>1,229,163</u>	<u>85,661</u>	<u>1,310,220</u>
<b>School administration</b>					
<b>Office of the principal services</b>					
Salaries	1,171,108	1,171,108	1,135,478	35,630	1,082,768
Employee benefits	288,138	288,138	259,537	28,601	258,463
Purchased services	10,133	10,133	2,637	7,496	6,495
Supplies and materials	8,830	8,830	8,058	772	7,868
Other objects	3,899	3,899	2,547	1,352	2,538
Total	<u>1,482,108</u>	<u>1,482,108</u>	<u>1,408,257</u>	<u>73,851</u>	<u>1,358,132</u>
Total school administration	<u>1,482,108</u>	<u>1,482,108</u>	<u>1,408,257</u>	<u>73,851</u>	<u>1,358,132</u>
<b>Business</b>					
<b>Direction of business support services</b>					
Salaries	371,058	371,058	359,527	11,531	352,243
Employee benefits	<u>63,882</u>	<u>63,882</u>	<u>74,088</u>	<u>(10,206)</u>	<u>70,030</u>
Total	<u>434,940</u>	<u>434,940</u>	<u>433,615</u>	<u>1,325</u>	<u>422,273</u>
<b>Fiscal services</b>					
Purchased services	2,289	2,289	3,189	(900)	2,283
Supplies and materials	3,665	3,665	1,870	1,795	3,665
Other objects	<u>729</u>	<u>729</u>	<u>650</u>	<u>79</u>	<u>729</u>
Total	<u>6,683</u>	<u>6,683</u>	<u>5,709</u>	<u>974</u>	<u>6,677</u>
<b>Operation and maintenance of plant services</b>					
Salaries	3,292	3,292	-	3,292	2,336
Employee benefits	532	532	-	532	972
Purchased services	3,451	3,451	6,467	(3,016)	3,871
Capital outlay	<u>7,094</u>	<u>7,094</u>	<u>27,302</u>	<u>(20,208)</u>	<u>7,095</u>
Total	<u>14,369</u>	<u>14,369</u>	<u>33,769</u>	<u>(19,400)</u>	<u>14,274</u>



**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Food services</b>					
Salaries	\$ 443,606	\$ 443,606	\$ 431,747	\$ 11,859	\$ 426,414
Employee benefits	45,118	45,118	28,475	16,643	43,948
Purchased services	16,222	16,222	12,341	3,881	17,188
Supplies and materials	838,851	838,851	1,013,814	(174,963)	1,016,525
Other objects	<u>2,104</u>	<u>2,104</u>	<u>1,588</u>	<u>516</u>	<u>2,104</u>
Total	<u>1,345,901</u>	<u>1,345,901</u>	<u>1,487,965</u>	<u>(142,064)</u>	<u>1,506,179</u>
<b>Internal services</b>					
Purchased services	63,381	63,381	64,407	(1,026)	54,613
Supplies and materials	<u>1,784</u>	<u>1,784</u>	<u>894</u>	<u>890</u>	<u>2,049</u>
Total	<u>65,165</u>	<u>65,165</u>	<u>65,301</u>	<u>(136)</u>	<u>56,662</u>
Total business	<u>1,867,058</u>	<u>1,867,058</u>	<u>2,026,359</u>	<u>(159,301)</u>	<u>2,006,065</u>
<b>Central</b>					
<b>Staff services</b>					
Salaries	195,348	195,348	133,279	62,069	124,172
Employee benefits	4,907	4,907	22,176	(17,269)	17,220
Purchased services	33,096	33,096	42,472	(9,376)	26,134
Supplies and materials	24,940	24,940	13,618	11,322	17,341
Capital outlay	1,128	1,128	-	1,128	1,128
Other objects	<u>3,437</u>	<u>3,437</u>	<u>1,091</u>	<u>2,346</u>	<u>3,437</u>
Total	<u>262,856</u>	<u>262,856</u>	<u>212,636</u>	<u>50,220</u>	<u>189,432</u>
<b>Data processing services</b>					
Salaries	428,099	428,099	445,538	(17,439)	406,578
Employee benefits	72,092	72,092	60,759	11,333	58,588
Purchased services	388,500	388,500	725,606	(337,106)	780,826
Supplies and materials	293,000	293,000	405,689	(112,689)	244,089
Capital outlay	200,000	200,000	49,669	150,331	46,063
Other objects	<u>300</u>	<u>300</u>	<u>-</u>	<u>300</u>	<u>-</u>
Total	<u>1,381,991</u>	<u>1,381,991</u>	<u>1,687,261</u>	<u>(305,270)</u>	<u>1,536,144</u>
Total central	<u>1,644,847</u>	<u>1,644,847</u>	<u>1,899,897</u>	<u>(255,050)</u>	<u>1,725,576</u>
<b>Other supporting services</b>					
Purchased services	690	690	-	690	846
Supplies and materials	<u>4,854</u>	<u>4,854</u>	<u>7,050</u>	<u>(2,196)</u>	<u>5,244</u>
Total	<u>5,544</u>	<u>5,544</u>	<u>7,050</u>	<u>(1,506)</u>	<u>6,090</u>
Total support services	<u>9,429,648</u>	<u>9,429,648</u>	<u>9,682,427</u>	<u>(252,779)</u>	<u>9,483,890</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Community services</b>					
Salaries	\$ -	\$ -	\$ 9,364	\$ (9,364)	\$ 5,182
Employee benefits	-	-	990	(990)	46
Purchased services	26,920	26,920	20,411	6,509	20,236
Supplies and materials	30,873	30,873	19,666	11,207	20,453
Other objects	<u>750</u>	<u>750</u>	<u>-</u>	<u>750</u>	<u>-</u>
Total community services	<u>58,543</u>	<u>58,543</u>	<u>50,431</u>	<u>8,112</u>	<u>45,917</u>
<b>Payments to other districts and governmental units</b>					
<b>Payments for Regular Programs - Tuition</b>					
Other objects	<u>35,000</u>	<u>35,000</u>	<u>252,202</u>	<u>(217,202)</u>	<u>49,360</u>
Total	<u>35,000</u>	<u>35,000</u>	<u>252,202</u>	<u>(217,202)</u>	<u>49,360</u>
<b>Payments for special education programs - tuition</b>					
Other objects	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,056,342</u>	<u>(56,342)</u>	<u>980,482</u>
Total	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,056,342</u>	<u>(56,342)</u>	<u>980,482</u>
<b>Payments for other programs - transfers</b>					
Other objects	<u>-</u>	<u>-</u>	<u>7,040</u>	<u>(7,040)</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>7,040</u>	<u>(7,040)</u>	<u>-</u>
Total payments to other districts and governmental units	<u>1,035,000</u>	<u>1,035,000</u>	<u>1,315,584</u>	<u>(280,584)</u>	<u>1,029,842</u>
Total expenditures	<u>27,490,096</u>	<u>27,490,096</u>	<u>30,692,271</u>	<u>(3,202,175)</u>	<u>29,533,722</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Other financing sources (uses)</b>					
Principal on bonds sold	\$ -	\$ 7,288,516	\$ 7,288,516	\$ -	\$ -
Permanent transfer from working cash accounts - abatement	-	(2,450,000)	(4,628,877)	(2,178,877)	-
Transfer to debt service fund to pay principal on capital leases	-	-	(31,619)	(31,619)	(29,976)
Transfer to debt service fund to pay interest on capital leases	-	-	(6,570)	(6,570)	(8,213)
Total other financing sources (uses)	<u>-</u>	<u>4,838,516</u>	<u>2,621,450</u>	<u>(2,217,066)</u>	<u>(38,189)</u>
Net change in fund balance	<u>\$ 527,689</u>	<u>\$ 5,366,205</u>	4,226,390	<u>\$ (1,139,815)</u>	469,438
Fund balance, beginning of year			<u>8,841,312</u>		<u>8,371,874</u>
Fund balance, end of year			<u>\$ 13,067,702</u>		<u>\$ 8,841,312</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
OPERATIONS AND MAINTENANCE FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Revenues</b>					
<b>Local sources</b>					
General levy	\$ 970,703	\$ 970,703	\$ 1,123,156	\$ 152,453	\$ 973,544
Investment income	1,000	1,000	1,263	263	1,600
Rentals	50,000	50,000	78,325	28,325	94,093
Other	-	-	17,675	17,675	-
Total local sources	<u>1,021,703</u>	<u>1,021,703</u>	<u>1,220,419</u>	<u>198,716</u>	<u>1,069,237</u>
<b>State sources</b>					
General state aid	1,000,000	1,000,000	1,000,000	-	1,500,000
Other restricted revenue from state sources	-	-	-	-	1,495
Total state sources	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>1,501,495</u>
Total revenues	<u>2,021,703</u>	<u>2,021,703</u>	<u>2,220,419</u>	<u>198,716</u>	<u>2,570,732</u>
<b>Expenditures</b>					
<b>Support services</b>					
<b>Business</b>					
<b>Operation and maintenance of plant services</b>					
Salaries	1,223,918	1,223,918	1,215,160	8,758	1,188,013
Employee benefits	216,338	216,338	199,455	16,883	191,350
Purchased services	200,982	200,982	238,901	(37,919)	207,831
Supplies and materials	831,324	831,324	884,086	(52,762)	905,364
Capital outlay	28,000	28,000	14,120	13,880	7,822
Other objects	-	-	40	(40)	-
Total	<u>2,500,562</u>	<u>2,500,562</u>	<u>2,551,762</u>	<u>(51,200)</u>	<u>2,500,380</u>
Total business	<u>2,500,562</u>	<u>2,500,562</u>	<u>2,551,762</u>	<u>(51,200)</u>	<u>2,500,380</u>
Total support services	<u>2,500,562</u>	<u>2,500,562</u>	<u>2,551,762</u>	<u>(51,200)</u>	<u>2,500,380</u>
Total expenditures	<u>2,500,562</u>	<u>2,500,562</u>	<u>2,551,762</u>	<u>(51,200)</u>	<u>2,500,380</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
OPERATIONS AND MAINTENANCE FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Other financing sources (uses)</b>					
Permanent transfer from general fund (working cash accounts) - abatement	\$ -	\$ 4,631,524	\$ 4,628,877	\$ (2,647)	\$ -
Permanent transfer from site & construction fund	<u>-</u>	<u>-</u>	<u>113</u>	<u>113</u>	<u>102,710</u>
Total other financing sources (uses)	<u>-</u>	<u>4,631,524</u>	<u>4,628,990</u>	<u>(2,534)</u>	<u>102,710</u>
Net change in fund balance	<u>\$ (478,859)</u>	<u>\$ 4,152,665</u>	4,297,647	<u>\$ 144,982</u>	173,062
Fund balance, beginning of year			<u>672,390</u>		<u>499,328</u>
Fund balance, end of year			<u>\$ 4,970,037</u>		<u>\$ 672,390</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
TRANSPORTATION FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016					2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		
<b>Revenues</b>						
<b>Local sources</b>						
General levy	\$ 442,310	\$ 442,310	\$ 665,178	\$ 222,868	\$ 442,274	
Investment income	1,500	1,500	3,307	1,807	3,039	
Refund of prior years' expenditures	-	-	5,589	5,589	-	
Other local fees	-	500	7,870	7,370	2,750	
Other	9,000	10,000	6,359	(3,641)	21,853	
Total local sources	<u>452,810</u>	<u>454,310</u>	<u>688,303</u>	<u>233,993</u>	<u>469,916</u>	
<b>State sources</b>						
General state aid	100,000	100,000	100,000	-	343,400	
Transportation - regular/vocational	320,429	320,429	255,788	(64,641)	242,788	
Transportation - special education	<u>512,285</u>	<u>512,285</u>	<u>497,989</u>	<u>(14,296)</u>	<u>386,338</u>	
Total state sources	<u>932,714</u>	<u>932,714</u>	<u>853,777</u>	<u>(78,937)</u>	<u>972,526</u>	
Total revenues	<u>1,385,524</u>	<u>1,387,024</u>	<u>1,542,080</u>	<u>155,056</u>	<u>1,442,442</u>	
<b>Expenditures</b>						
<b>Support Services</b>						
<b>Business</b>						
<b>Pupil transportation services</b>						
Salaries	9,922	9,922	10,354	(432)	10,150	
Employee benefits	20	20	16	4	17	
Purchased services	<u>1,362,631</u>	<u>1,362,631</u>	<u>1,641,640</u>	<u>(279,009)</u>	<u>1,312,562</u>	
Total	<u>1,372,573</u>	<u>1,372,573</u>	<u>1,652,010</u>	<u>(279,437)</u>	<u>1,322,729</u>	
Total business	<u>1,372,573</u>	<u>1,372,573</u>	<u>1,652,010</u>	<u>(279,437)</u>	<u>1,322,729</u>	
Total support services	<u>1,372,573</u>	<u>1,372,573</u>	<u>1,652,010</u>	<u>(279,437)</u>	<u>1,322,729</u>	
Total expenditures	<u>1,372,573</u>	<u>1,372,573</u>	<u>1,652,010</u>	<u>(279,437)</u>	<u>1,322,729</u>	
Net change in fund balance	<u>\$ 12,951</u>	<u>\$ 14,451</u>	(109,930)	<u>\$ (124,381)</u>	119,713	
Fund balance, beginning of year			<u>726,959</u>		<u>607,246</u>	
Fund balance, end of year			<u>\$ 617,029</u>		<u>\$ 726,959</u>	

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016					2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		
<b>Revenues</b>						
<b>Local sources</b>						
General levy	\$ 551,492	\$ 551,492	\$ 671,998	\$ 120,506	\$ 552,705	
Social security/Medicare only levy	536,871	536,871	672,098	135,227	538,145	
Corporate personal property replacement taxes	-	-	16,536	16,536	18,699	
Investment income	<u>750</u>	<u>750</u>	<u>2,699</u>	<u>1,949</u>	<u>1,251</u>	
Total local sources	<u>1,089,113</u>	<u>1,089,113</u>	<u>1,363,331</u>	<u>274,218</u>	<u>1,110,800</u>	
Total revenues	<u>1,089,113</u>	<u>1,089,113</u>	<u>1,363,331</u>	<u>274,218</u>	<u>1,110,800</u>	
<b>Expenditures</b>						
<b>Instruction</b>						
Regular programs	175,391	175,391	204,080	(28,689)	179,012	
Pre-K programs	1,628	1,628	10,322	(8,694)	11,583	
Special education programs	44,900	44,900	41,257	3,643	64,388	
Summer school programs	3,501	3,501	4,989	(1,488)	4,394	
Bilingual programs	<u>-</u>	<u>-</u>	<u>687</u>	<u>(687)</u>	<u>2,780</u>	
Total instruction	<u>225,420</u>	<u>225,420</u>	<u>261,335</u>	<u>(35,915)</u>	<u>262,157</u>	
<b>Support services</b>						
<b>Pupils</b>						
Attendance and social work services	15,767	15,767	14,748	1,019	14,243	
Health services	40,618	40,618	28,329	12,289	30,967	
Psychological services	3,658	3,658	2,548	1,110	2,713	
Speech pathology and audiology services	1,702	1,702	1,038	664	1,022	
Other support services - pupils	<u>1,426</u>	<u>1,426</u>	<u>1,581</u>	<u>(155)</u>	<u>896</u>	
Total pupils	<u>63,171</u>	<u>63,171</u>	<u>48,244</u>	<u>14,927</u>	<u>49,841</u>	
<b>Instructional staff</b>						
Improvement of instructional staff	13,554	13,554	12,490	1,064	13,613	
Educational media services	<u>37,169</u>	<u>37,169</u>	<u>44,363</u>	<u>(7,194)</u>	<u>47,129</u>	
Total instructional staff	<u>50,723</u>	<u>50,723</u>	<u>56,853</u>	<u>(6,130)</u>	<u>60,742</u>	

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>General administration</b>					
Board of education services	\$ 3,872	\$ 3,872	\$ 3,332	\$ 540	\$ 3,811
Executive administration services	13,235	13,235	12,424	811	12,888
Special area administration services	<u>10,114</u>	<u>10,114</u>	<u>9,080</u>	<u>1,034</u>	<u>9,560</u>
Total general administration	<u>27,221</u>	<u>27,221</u>	<u>24,836</u>	<u>2,385</u>	<u>26,259</u>
<b>School administration</b>					
Office of the principal services	<u>73,099</u>	<u>73,099</u>	<u>64,523</u>	<u>8,576</u>	<u>65,734</u>
Total school administration	<u>73,099</u>	<u>73,099</u>	<u>64,523</u>	<u>8,576</u>	<u>65,734</u>
<b>Business</b>					
Direction of business support services	38,769	38,769	27,783	10,986	29,565
Operations and maintenance of plant services	275,910	275,910	204,079	71,831	256,207
Pupil transportation services	1,993	1,993	1,783	210	1,918
Food services	<u>82,630</u>	<u>82,630</u>	<u>66,474</u>	<u>16,156</u>	<u>71,984</u>
Total business	<u>399,302</u>	<u>399,302</u>	<u>300,119</u>	<u>99,183</u>	<u>359,674</u>
<b>Central</b>					
Staff services	26,524	26,524	15,770	10,754	16,845
Data processing services	<u>81,090</u>	<u>81,090</u>	<u>74,728</u>	<u>6,362</u>	<u>72,363</u>
Total central	<u>107,614</u>	<u>107,614</u>	<u>90,498</u>	<u>17,116</u>	<u>89,208</u>
Total support services	<u>721,130</u>	<u>721,130</u>	<u>585,073</u>	<u>136,057</u>	<u>651,458</u>
<b>Community services</b>					
	<u>-</u>	<u>-</u>	<u>1,048</u>	<u>(1,048)</u>	<u>357</u>
Total expenditures	<u>946,550</u>	<u>946,550</u>	<u>847,456</u>	<u>99,094</u>	<u>913,972</u>
Net change in fund balance	<u>\$ 142,563</u>	<u>\$ 142,563</u>	515,875	<u>\$ 373,312</u>	196,828
Fund balance, beginning of year			<u>515,212</u>		<u>318,384</u>
Fund balance, end of year			<u>\$ 1,031,087</u>		<u>\$ 515,212</u>



**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**DEBT SERVICE FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Revenues</b>					
<b>Local sources</b>					
General levy	\$ 2,460,354	\$ 2,460,354	\$ 2,797,498	\$ 337,144	\$ 2,240,151
Investment income	<u>1,500</u>	<u>1,500</u>	<u>2,757</u>	<u>1,257</u>	<u>3,098</u>
Total local sources	<u>2,461,854</u>	<u>2,461,854</u>	<u>2,800,255</u>	<u>338,401</u>	<u>2,243,249</u>
Total revenues	<u>2,461,854</u>	<u>2,461,854</u>	<u>2,800,255</u>	<u>338,401</u>	<u>2,243,249</u>
<b>Expenditures</b>					
<b>Debt services</b>					
<b>Payments on long term debt</b>					
Interest on long term debt	2,646,014	2,646,014	1,564,133	1,081,881	1,501,735
Principal payments on long term debt	<u>-</u>	<u>-</u>	<u>1,136,619</u>	<u>(1,136,619)</u>	<u>789,977</u>
Total	<u>2,646,014</u>	<u>2,646,014</u>	<u>2,700,752</u>	<u>(54,738)</u>	<u>2,291,712</u>
<b>Other debt service</b>					
Purchased services	-	502,681	-	502,681	-
Issuance costs	<u>38,000</u>	<u>38,000</u>	<u>697,267</u>	<u>(659,267)</u>	<u>-</u>
Total	<u>38,000</u>	<u>540,681</u>	<u>697,267</u>	<u>(156,586)</u>	<u>-</u>
Total debt services	<u>2,684,014</u>	<u>3,186,695</u>	<u>3,398,019</u>	<u>(211,324)</u>	<u>2,291,712</u>
Total expenditures	<u>2,684,014</u>	<u>3,186,695</u>	<u>3,398,019</u>	<u>(211,324)</u>	<u>2,291,712</u>
Excess (deficiency) of revenues over expenditures	<u>(222,160)</u>	<u>(724,841)</u>	<u>(597,764)</u>	<u>127,077</u>	<u>(48,463)</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
DEBT SERVICE FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Other financing sources (uses)</b>					
Principal on bonds sold	\$ -	\$ 12,501,484	\$ 12,501,484	\$ -	\$ -
Discount on bonds sold	-	(534,154)	(340,068)	194,086	-
Transfer to debt service to pay principal on capital leases	-	-	31,619	31,619	29,976
Transfer to debt service to pay interest on capital leases	-	-	6,570	6,570	8,213
Payment to escrow for refunded bonds	-	(11,328,775)	(11,328,775)	-	-
Total other financing sources (uses)	-	638,555	870,830	232,275	38,189
Net change in fund balance	\$ (222,160)	\$ (86,286)	273,066	\$ 359,352	(10,274)
Fund balance, beginning of year			798,414		808,688
Fund balance, end of year			\$ 1,071,480		\$ 798,414

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
CAPITAL PROJECTS FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Revenues</b>					
<b>Local sources</b>					
Investment income	\$ -	\$ -	\$ 113	\$ 113	\$ 459
Total local sources	-	-	113	113	459
Total revenues	-	-	113	113	459
<b>Expenditures</b>					
Total expenditures	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	113	113	459
<b>Other financing sources (uses)</b>					
Permanent transfer from site & construction fund	-	-	(113)	(113)	(102,710)
Total other financing sources (uses)	-	-	(113)	(113)	(102,710)
Net change in fund balance	\$ -	\$ -	-	\$ -	(102,251)
Fund balance, beginning of year			-		102,251
Fund balance, end of year			\$ -		\$ -

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
FIRE PREVENTION AND LIFE SAFETY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Revenues</b>					
<b>Local sources</b>					
Investment income	\$ 1,000	\$ 1,000	\$ 314	\$ (686)	\$ 2,408
Total local sources	<u>1,000</u>	<u>1,000</u>	<u>314</u>	<u>(686)</u>	<u>2,408</u>
<b>State sources</b>					
General state aid	350,000	350,000	350,000	-	150,000
Other restricted revenue from state sources	<u>65,000</u>	<u>65,000</u>	<u>-</u>	<u>(65,000)</u>	<u>-</u>
Total state sources	<u>415,000</u>	<u>415,000</u>	<u>350,000</u>	<u>(65,000)</u>	<u>150,000</u>
Total revenues	<u>416,000</u>	<u>416,000</u>	<u>350,314</u>	<u>(65,686)</u>	<u>152,408</u>
<b>Expenditures</b>					
<b>Support services</b>					
<b>Business</b>					
<b>Operation and maintenance of plant services</b>					
Salaries	47,634	47,634	47,632	2	49,531
Employee benefits	7,025	7,025	7,133	(108)	6,715
Purchased services	8,000	8,000	5,914	2,086	13,058
Capital outlay	<u>333,011</u>	<u>333,011</u>	<u>331,227</u>	<u>1,784</u>	<u>514,435</u>
Total	<u>395,670</u>	<u>395,670</u>	<u>391,906</u>	<u>3,764</u>	<u>583,739</u>
Total business	<u>395,670</u>	<u>395,670</u>	<u>391,906</u>	<u>3,764</u>	<u>583,739</u>
Total support services	<u>395,670</u>	<u>395,670</u>	<u>391,906</u>	<u>3,764</u>	<u>583,739</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
FIRE PREVENTION AND LIFE SAFETY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Payments to other districts and government units</b>					
<b>Other payments to in- state governmental units</b>					
Other objects	\$ -	\$ -	\$ 16,231	\$ (16,231)	\$ 31,270
Total	-	-	16,231	(16,231)	31,270
Total payments to other districts and government units	-	-	16,231	(16,231)	31,270
Total expenditures	395,670	395,670	408,137	(12,467)	615,009
Net change in fund balance	<u>\$ 20,330</u>	<u>\$ 20,330</u>	(57,823)	<u>\$ (78,153)</u>	(462,601)
Fund balance, beginning of year			163,393		625,994
Fund balance, end of year			<u>\$ 105,570</u>		<u>\$ 163,393</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**

**GENERAL FUND**

COMBINING BALANCE SHEET - MODIFIED CASH BASIS

AS OF JUNE 30, 2016

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	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
<b>Assets</b>			
Cash	\$ 5,562,738	\$ 7,423,656	\$ 12,986,394
Total assets	<u>\$ 5,562,738</u>	<u>\$ 7,423,656</u>	<u>\$ 12,986,394</u>
<b>Liabilities and fund balance</b>			
<b>Liabilities</b>			
Payroll deductions payable	\$ (81,308)	\$ -	\$ (81,308)
Total liabilities	<u>(81,308)</u>	<u>-</u>	<u>(81,308)</u>
<b>Fund balance</b>			
Unassigned	<u>5,644,046</u>	<u>7,423,656</u>	<u>13,067,702</u>
Total fund balance	<u>5,644,046</u>	<u>7,423,656</u>	<u>13,067,702</u>
Total liabilities and fund balance	<u>\$ 5,562,738</u>	<u>\$ 7,423,656</u>	<u>\$ 12,986,394</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
GENERAL FUND**

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH  
BASIS  
FOR THE YEAR ENDED JUNE 30, 2016

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
<b>Revenues</b>			
Property taxes	\$ 7,512,045	\$ -	\$ 7,512,045
Corporate personal property replacement taxes	158,753	-	158,753
State aid	20,136,995	-	20,136,995
Federal aid	3,951,517	-	3,951,517
Investment income	19,667	23,651	43,318
Other	494,583	-	494,583
	<u>32,273,560</u>	<u>23,651</u>	<u>32,297,211</u>
Total revenues			
<b>Expenditures</b>			
Current:			
Instruction:			
Regular programs	10,904,154	-	10,904,154
Special programs	1,627,591	-	1,627,591
Other instructional programs	413,863	-	413,863
State retirement contributions	6,698,221	-	6,698,221
Support Services:			
Pupils	1,911,085	-	1,911,085
Instructional staff	1,200,616	-	1,200,616
General administration	1,229,163	-	1,229,163
School administration	1,408,257	-	1,408,257
Business	1,992,590	-	1,992,590
Operations and maintenance	6,467	-	6,467
Central	1,850,228	-	1,850,228
Other supporting services	7,050	-	7,050
Community services	50,431	-	50,431
Payments to other districts and gov't units	1,315,584	-	1,315,584
Capital outlay	76,971	-	76,971
	<u>30,692,271</u>	<u>-</u>	<u>30,692,271</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>1,581,289</u>	<u>23,651</u>	<u>1,604,940</u>
<b>Other financing sources (uses)</b>			
Transfers (out)	(38,189)	(4,628,877)	(4,667,066)
Principal on bonds sold	-	7,288,516	7,288,516
	<u>(38,189)</u>	<u>2,659,639</u>	<u>2,621,450</u>
Total other financing sources (uses)			
Net change in fund balance	1,543,100	2,683,290	4,226,390
Fund balance, beginning of year	<u>4,100,946</u>	<u>4,740,366</u>	<u>8,841,312</u>
Fund balance, end of year	<u>\$ 5,644,046</u>	<u>\$ 7,423,656</u>	<u>\$ 13,067,702</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Revenues</b>					
<b>Local sources</b>					
General levy	\$ 7,640,867	\$ 7,640,867	\$ 7,512,045	\$ (128,822)	\$ 7,203,002
Corporate personal property replacement taxes	181,547	181,547	158,753	(22,794)	171,717
Investment income	10,000	10,000	19,667	9,667	16,644
Sales to pupils - lunch	20	20	-	(20)	20
Sales to pupils - other	20	20	18	(2)	64
Rentals - regular textbook	7,000	7,000	9,087	2,087	8,367
Rentals - other	-	-	7,019	7,019	-
Sales - other	10,000	10,000	-	(10,000)	-
Other - textbooks	-	-	60	60	-
Contributions and donations from private sources	500	500	5,970	5,470	300
Refund of prior years' expenditures	15,000	15,000	44,710	29,710	12,393
Proceed's from vendor contracts	500	500	2,135	1,635	1,004
Other local fees	1,750	1,750	1,431	(319)	16,312
Other	12,000	12,000	424,153	412,153	435,934
Total local sources	<u>7,879,204</u>	<u>7,879,204</u>	<u>8,185,048</u>	<u>305,844</u>	<u>7,865,757</u>
<b>State sources</b>					
General state aid	11,550,000	11,550,000	11,942,672	392,672	10,853,998
General state aid hold harmless/supplemental	-	-	601,348	601,348	-
Special education - private facility tuition	12,193	12,193	19,002	6,809	12,193
Special education - extraordinary	383,370	383,370	378,792	(4,578)	289,734
Special education - personnel	119,244	119,244	157,494	38,250	119,244
Special education - orphanage - individual	116,736	116,736	116,647	(89)	116,736
Special education - orphanage - summer	5,000	5,000	3,332	(1,668)	5,817
CTE - Secondary program improvement	-	-	-	-	2,461
Bilingual education - downstate - TPI	31,883	31,883	19,101	(12,782)	21,385
State free lunch & breakfast	17,476	17,476	13,360	(4,116)	16,428
Early childhood - block grant	232,800	232,800	185,515	(47,285)	222,587
Other restricted revenue from state sources	-	-	1,511	1,511	235,937
On behalf payment to TRS from the state	<u>4,455,763</u>	<u>4,455,763</u>	<u>6,698,221</u>	<u>2,242,458</u>	<u>6,290,733</u>
Total state sources	<u>16,924,465</u>	<u>16,924,465</u>	<u>20,136,995</u>	<u>3,212,530</u>	<u>18,187,253</u>



**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Federal sources</b>					
Breakfast start-up	\$ -	\$ -	\$ -	\$ -	\$ 3,647
National school lunch program	900,000	900,000	1,131,098	231,098	1,039,910
School breakfast program	250,000	250,000	324,083	74,083	255,815
Summer food service admin/program	22,000	22,000	23,010	1,010	23,763
Fresh Fruits and Vegetables Grant	34,285	34,285	20,250	(14,035)	99,288
Food service - other	-	-	106,615	106,615	96,727
Title I - Low income	1,129,786	1,129,786	1,319,434	189,648	1,271,670
Title I - Comprehensive school reform	-	-	-	-	3,085
Federal - special education - preschool flow-through	24,763	24,763	16,488	(8,275)	25,944
Federal - special education - IDEA - flow-through/low incident	550,208	550,208	444,014	(106,194)	616,740
Federal - special education - IDEA - room & board	-	-	101,657	101,657	-
Race to the top	-	-	9,432	9,432	61,678
Title III - English language acquisition	-	-	5,785	5,785	5,945
Learn & serve america	10,625	10,625	-	(10,625)	-
Title II - Teacher quality	-	-	159,590	159,590	150,594
Federal charter schools	131,251	131,251	-	(131,251)	-
Medicaid matching funds - administrative outreach	-	-	123,951	123,951	245,093
Medicaid matching funds - fee-for-service program	59,523	59,523	166,110	106,587	67,678
Other restricted revenue from federal sources	<u>81,675</u>	<u>81,675</u>	<u>-</u>	<u>(81,675)</u>	<u>-</u>
Total federal sources	<u>3,194,116</u>	<u>3,194,116</u>	<u>3,951,517</u>	<u>757,401</u>	<u>3,967,577</u>
Total revenues	<u>27,997,785</u>	<u>27,997,785</u>	<u>32,273,560</u>	<u>4,275,775</u>	<u>30,020,587</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Expenditures</b>					
<b>Instruction</b>					
<b>Regular programs</b>					
Salaries	\$ 7,773,603	\$ 7,773,603	\$ 8,715,032	\$ (941,429)	\$ 7,426,367
Employee benefits	1,041,307	1,041,307	1,310,645	(269,338)	1,073,749
On-behalf payments to TRs from the state	4,455,763	4,455,763	6,698,221	(2,242,458)	6,290,733
Purchased services	344,865	344,865	182,181	162,684	211,989
Supplies and materials	655,301	655,301	696,296	(40,995)	345,619
Other objects	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>2,000</u>
Total	<u>14,272,839</u>	<u>14,272,839</u>	<u>17,602,375</u>	<u>(3,329,536)</u>	<u>15,350,457</u>
<b>Pre-K programs</b>					
Salaries	285,624	285,624	162,706	122,918	181,708
Employee benefits	59,794	59,794	35,835	23,959	31,291
Purchased services	5,000	5,000	3,553	1,447	4,453
Supplies and materials	<u>14,455</u>	<u>14,455</u>	<u>8,452</u>	<u>6,003</u>	<u>2,839</u>
Total	<u>364,873</u>	<u>364,873</u>	<u>210,546</u>	<u>154,327</u>	<u>220,291</u>
<b>Special education programs</b>					
Salaries	1,886,341	1,886,341	1,432,615	453,726	2,827,520
Employee benefits	252,569	252,569	179,078	73,491	401,686
Purchased services	1,200	1,200	5,113	(3,913)	1,553
Supplies and materials	<u>13,000</u>	<u>13,000</u>	<u>10,785</u>	<u>2,215</u>	<u>12,105</u>
Total	<u>2,153,110</u>	<u>2,153,110</u>	<u>1,627,591</u>	<u>525,519</u>	<u>3,242,864</u>
<b>Interscholastic programs</b>					
Purchased services	2,500	2,500	2,880	(380)	3,780
Supplies and materials	-	-	511	(511)	-
Other objects	<u>-</u>	<u>-</u>	<u>790</u>	<u>(790)</u>	<u>-</u>
Total	<u>2,500</u>	<u>2,500</u>	<u>4,181</u>	<u>(1,681)</u>	<u>3,780</u>
<b>Summer school programs</b>					
Salaries	140,379	140,379	168,670	(28,291)	129,650
Employee benefits	<u>1,321</u>	<u>1,321</u>	<u>2,098</u>	<u>(777)</u>	<u>1,769</u>
Total	<u>141,700</u>	<u>141,700</u>	<u>170,768</u>	<u>(29,068)</u>	<u>131,419</u>
<b>Bilingual programs</b>					
Salaries	31,883	31,883	19,834	12,049	17,732
Employee benefits	-	-	99	(99)	51
Purchased services	-	-	-	-	3,962
Supplies and materials	<u>-</u>	<u>-</u>	<u>8,435</u>	<u>(8,435)</u>	<u>3,517</u>
Total	<u>31,883</u>	<u>31,883</u>	<u>28,368</u>	<u>3,515</u>	<u>25,262</u>
Total instruction	<u>16,966,905</u>	<u>16,966,905</u>	<u>19,643,829</u>	<u>(2,676,924)</u>	<u>18,974,073</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Support services</b>					
<b>Pupils</b>					
<b>Attendance and social work services</b>					
Salaries	\$ 528,795	\$ 528,795	\$ 557,829	\$ (29,034)	\$ 524,204
Employee benefits	64,089	64,089	81,321	(17,232)	67,095
Purchased services	50,000	50,000	94,988	(44,988)	56,485
Supplies and materials	<u>5,000</u>	<u>5,000</u>	<u>2,813</u>	<u>2,187</u>	<u>1,250</u>
Total	<u>647,884</u>	<u>647,884</u>	<u>736,951</u>	<u>(89,067)</u>	<u>649,034</u>
<b>Guidance services</b>					
Purchased services	1,000	1,000	409	591	1,032
Supplies and materials	<u>-</u>	<u>-</u>	<u>394</u>	<u>(394)</u>	<u>581</u>
Total	<u>1,000</u>	<u>1,000</u>	<u>803</u>	<u>197</u>	<u>1,613</u>
<b>Health services</b>					
Salaries	261,823	261,823	225,781	36,042	224,243
Employee benefits	53,718	53,718	47,208	6,510	48,639
Purchased services	193,296	193,296	216,649	(23,353)	251,724
Supplies and materials	<u>12,000</u>	<u>12,000</u>	<u>4,916</u>	<u>7,084</u>	<u>9,161</u>
Total	<u>520,837</u>	<u>520,837</u>	<u>494,554</u>	<u>26,283</u>	<u>533,767</u>
<b>Psychological services</b>					
Salaries	195,152	195,152	184,076	11,076	194,780
Employee benefits	30,815	30,815	23,298	7,517	19,492
Purchased services	200	200	-	200	19,740
Supplies and materials	<u>5,000</u>	<u>5,000</u>	<u>1,862</u>	<u>3,138</u>	<u>4,860</u>
Total	<u>231,167</u>	<u>231,167</u>	<u>209,236</u>	<u>21,931</u>	<u>238,872</u>
<b>Speech pathology and audiology services</b>					
Salaries	120,865	120,865	73,315	47,550	72,112
Employee benefits	8,720	8,720	8,074	646	7,619
Purchased services	186,877	186,877	375,905	(189,028)	310,298
Supplies and materials	<u>3,500</u>	<u>3,500</u>	<u>1,012</u>	<u>2,488</u>	<u>-</u>
Total	<u>319,962</u>	<u>319,962</u>	<u>458,306</u>	<u>(138,344)</u>	<u>390,029</u>
<b>Other support services - pupils</b>					
Salaries	<u>11,954</u>	<u>11,954</u>	<u>11,235</u>	<u>719</u>	<u>11,708</u>
Total	<u>11,954</u>	<u>11,954</u>	<u>11,235</u>	<u>719</u>	<u>11,708</u>
Total pupils	<u>1,732,804</u>	<u>1,732,804</u>	<u>1,911,085</u>	<u>(178,281)</u>	<u>1,825,023</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Instructional staff</b>					
<b>Improvement of instructional services</b>					
Salaries	\$ 644,508	\$ 644,508	\$ 308,708	\$ 335,800	\$ 314,146
Employee benefits	68,938	68,938	75,002	(6,064)	61,357
Purchased services	66,000	66,000	398,326	(332,326)	294,454
Supplies and materials	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>12,561</u>
Total	<u>804,446</u>	<u>804,446</u>	<u>782,036</u>	<u>22,410</u>	<u>682,518</u>
<b>Educational media services</b>					
Salaries	267,652	267,652	303,342	(35,690)	294,571
Employee benefits	43,165	43,165	33,851	9,314	34,783
Supplies and materials	30,500	30,500	4,204	26,296	6,595
Capital outlay	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>144,697</u>
Total	<u>491,317</u>	<u>491,317</u>	<u>341,397</u>	<u>149,920</u>	<u>480,646</u>
<b>Assessment and testing</b>					
Purchased services	-	-	74,070	(74,070)	917
Supplies and materials	84,200	84,200	2,320	81,880	87,849
Other objects	<u>2,500</u>	<u>2,500</u>	<u>793</u>	<u>1,707</u>	<u>854</u>
Total	<u>86,700</u>	<u>86,700</u>	<u>77,183</u>	<u>9,517</u>	<u>89,620</u>
Total instructional staff	<u>1,382,463</u>	<u>1,382,463</u>	<u>1,200,616</u>	<u>181,847</u>	<u>1,252,784</u>
<b>General administration</b>					
<b>Board of education services</b>					
Salaries	102	102	100	2	200
Purchased services	310,887	310,887	264,184	46,703	310,317
Supplies and materials	6,500	6,500	8,936	(2,436)	7,471
Other objects	<u>25,000</u>	<u>25,000</u>	<u>17,311</u>	<u>7,689</u>	<u>22,035</u>
Total	<u>342,489</u>	<u>342,489</u>	<u>290,531</u>	<u>51,958</u>	<u>340,023</u>
<b>Executive administration services</b>					
Salaries	216,556	216,556	218,494	(1,938)	213,994
Employee benefits	55,653	55,653	56,855	(1,202)	61,859
Purchased services	6,000	6,000	6,798	(798)	4,618
Supplies and materials	13,200	13,200	13,293	(93)	11,288
Other objects	<u>5,800</u>	<u>5,800</u>	<u>5,775</u>	<u>25</u>	<u>5,838</u>
Total	<u>297,209</u>	<u>297,209</u>	<u>301,215</u>	<u>(4,006)</u>	<u>297,597</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Special area administration services</b>					
Salaries	\$ 221,037	\$ 221,037	\$ 220,525	\$ 512	\$ 216,703
Employee benefits	45,037	45,037	45,338	(301)	43,055
Purchased services	16,052	16,052	13,177	2,875	16,887
Supplies and materials	5,000	5,000	1,875	3,125	5,065
Other objects	<u>2,000</u>	<u>2,000</u>	<u>(466)</u>	<u>2,466</u>	<u>1,320</u>
Total	<u>289,126</u>	<u>289,126</u>	<u>280,449</u>	<u>8,677</u>	<u>283,030</u>
<b>Tort immunity services</b>					
Purchased services	<u>386,000</u>	<u>386,000</u>	<u>356,968</u>	<u>29,032</u>	<u>389,570</u>
Total	<u>386,000</u>	<u>386,000</u>	<u>356,968</u>	<u>29,032</u>	<u>389,570</u>
Total general administration	<u>1,314,824</u>	<u>1,314,824</u>	<u>1,229,163</u>	<u>85,661</u>	<u>1,310,220</u>
<b>School administration</b>					
<b>Office of the principal services</b>					
Salaries	1,171,108	1,171,108	1,135,478	35,630	1,082,768
Employee benefits	288,138	288,138	259,537	28,601	258,463
Purchased services	10,133	10,133	2,637	7,496	6,495
Supplies and materials	8,830	8,830	8,058	772	7,868
Other objects	<u>3,899</u>	<u>3,899</u>	<u>2,547</u>	<u>1,352</u>	<u>2,538</u>
Total	<u>1,482,108</u>	<u>1,482,108</u>	<u>1,408,257</u>	<u>73,851</u>	<u>1,358,132</u>
Total school administration	<u>1,482,108</u>	<u>1,482,108</u>	<u>1,408,257</u>	<u>73,851</u>	<u>1,358,132</u>
<b>Business</b>					
<b>Direction of business support services</b>					
Salaries	371,058	371,058	359,527	11,531	352,243
Employee benefits	<u>63,882</u>	<u>63,882</u>	<u>74,088</u>	<u>(10,206)</u>	<u>70,030</u>
Total	<u>434,940</u>	<u>434,940</u>	<u>433,615</u>	<u>1,325</u>	<u>422,273</u>
<b>Fiscal services</b>					
Purchased services	2,289	2,289	3,189	(900)	2,283
Supplies and materials	3,665	3,665	1,870	1,795	3,665
Other objects	<u>729</u>	<u>729</u>	<u>650</u>	<u>79</u>	<u>729</u>
Total	<u>6,683</u>	<u>6,683</u>	<u>5,709</u>	<u>974</u>	<u>6,677</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**  
**EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
 BUDGET TO ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2016  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Operation and maintenance of plant services</b>					
Salaries	\$ 3,292	\$ 3,292	\$ -	\$ 3,292	\$ 2,336
Employee benefits	532	532	-	532	972
Purchased services	3,451	3,451	6,467	(3,016)	3,871
Capital outlay	<u>7,094</u>	<u>7,094</u>	<u>27,302</u>	<u>(20,208)</u>	<u>7,095</u>
Total	<u>14,369</u>	<u>14,369</u>	<u>33,769</u>	<u>(19,400)</u>	<u>14,274</u>
<b>Food services</b>					
Salaries	443,606	443,606	431,747	11,859	426,414
Employee benefits	45,118	45,118	28,475	16,643	43,948
Purchased services	16,222	16,222	12,341	3,881	17,188
Supplies and materials	838,851	838,851	1,013,814	(174,963)	1,016,525
Other objects	<u>2,104</u>	<u>2,104</u>	<u>1,588</u>	<u>516</u>	<u>2,104</u>
Total	<u>1,345,901</u>	<u>1,345,901</u>	<u>1,487,965</u>	<u>(142,064)</u>	<u>1,506,179</u>
<b>Internal services</b>					
Purchased services	63,381	63,381	64,407	(1,026)	54,613
Supplies and materials	<u>1,784</u>	<u>1,784</u>	<u>894</u>	<u>890</u>	<u>2,049</u>
Total	<u>65,165</u>	<u>65,165</u>	<u>65,301</u>	<u>(136)</u>	<u>56,662</u>
Total business	<u>1,867,058</u>	<u>1,867,058</u>	<u>2,026,359</u>	<u>(159,301)</u>	<u>2,006,065</u>
<b>Central</b>					
<b>Staff services</b>					
Salaries	195,348	195,348	133,279	62,069	124,172
Employee benefits	4,907	4,907	22,176	(17,269)	17,220
Purchased services	33,096	33,096	42,472	(9,376)	26,134
Supplies and materials	24,940	24,940	13,618	11,322	17,341
Capital outlay	1,128	1,128	-	1,128	1,128
Other objects	<u>3,437</u>	<u>3,437</u>	<u>1,091</u>	<u>2,346</u>	<u>3,437</u>
Total	<u>262,856</u>	<u>262,856</u>	<u>212,636</u>	<u>50,220</u>	<u>189,432</u>
<b>Data processing services</b>					
Salaries	428,099	428,099	445,538	(17,439)	406,578
Employee benefits	72,092	72,092	60,759	11,333	58,588
Purchased services	388,500	388,500	725,606	(337,106)	780,826
Supplies and materials	293,000	293,000	405,689	(112,689)	244,089
Capital outlay	200,000	200,000	49,669	150,331	46,063
Other objects	<u>300</u>	<u>300</u>	<u>-</u>	<u>300</u>	<u>-</u>
Total	<u>1,381,991</u>	<u>1,381,991</u>	<u>1,687,261</u>	<u>(305,270)</u>	<u>1,536,144</u>
Total central	<u>1,644,847</u>	<u>1,644,847</u>	<u>1,899,897</u>	<u>(255,050)</u>	<u>1,725,576</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Other supporting services</b>					
Purchased services	\$ 690	\$ 690	\$ -	\$ 690	\$ 846
Supplies and materials	<u>4,854</u>	<u>4,854</u>	<u>7,050</u>	<u>(2,196)</u>	<u>5,244</u>
Total	<u>5,544</u>	<u>5,544</u>	<u>7,050</u>	<u>(1,506)</u>	<u>6,090</u>
Total support services	<u>9,429,648</u>	<u>9,429,648</u>	<u>9,682,427</u>	<u>(252,779)</u>	<u>9,483,890</u>
<b>Community services</b>					
Salaries	-	-	9,364	(9,364)	5,182
Employee benefits	-	-	990	(990)	46
Purchased services	26,920	26,920	20,411	6,509	20,236
Supplies and materials	30,873	30,873	19,666	11,207	20,453
Other objects	<u>750</u>	<u>750</u>	<u>-</u>	<u>750</u>	<u>-</u>
Total community services	<u>58,543</u>	<u>58,543</u>	<u>50,431</u>	<u>8,112</u>	<u>45,917</u>
<b>Payments to other districts and governmental units</b>					
<b>Payments for Regular Programs - Tuition</b>					
Other objects	<u>35,000</u>	<u>35,000</u>	<u>252,202</u>	<u>(217,202)</u>	<u>49,360</u>
Total	<u>35,000</u>	<u>35,000</u>	<u>252,202</u>	<u>(217,202)</u>	<u>49,360</u>
<b>Payments for special education programs - tuition</b>					
Other objects	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,056,342</u>	<u>(56,342)</u>	<u>980,482</u>
Total	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,056,342</u>	<u>(56,342)</u>	<u>980,482</u>
<b>Payments for other programs - transfers</b>					
Other objects	<u>-</u>	<u>-</u>	<u>7,040</u>	<u>(7,040)</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>7,040</u>	<u>(7,040)</u>	<u>-</u>
Total payments to other districts and governmental units	<u>1,035,000</u>	<u>1,035,000</u>	<u>1,315,584</u>	<u>(280,584)</u>	<u>1,029,842</u>
Total expenditures	<u>27,490,096</u>	<u>27,490,096</u>	<u>30,692,271</u>	<u>(3,202,175)</u>	<u>29,533,722</u>

**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144  
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Other financing sources (uses)</b>					
Transfer to debt service fund to pay principal on capital leases	\$ -	\$ -	\$ (31,619)	\$ (31,619)	\$ (29,976)
Transfer to debt service fund to pay interest on capital leases	<u>-</u>	<u>-</u>	<u>(6,570)</u>	<u>(6,570)</u>	<u>(8,213)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(38,189)</u>	<u>(38,189)</u>	<u>(38,189)</u>
Net change in fund balance	<u>\$ 507,689</u>	<u>\$ 507,689</u>	1,543,100	<u>\$ 1,035,411</u>	448,676
Fund balance, beginning of year			<u>4,100,946</u>		<u>3,652,270</u>
Fund balance, end of year			<u>\$ 5,644,046</u>		<u>\$ 4,100,946</u>



**PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144**  
**WORKING CASH ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -  
 BUDGET TO ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2016  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016				2015 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Revenues</b>					
<b>Local sources</b>					
Investment income	\$ 20,000	\$ 20,000	\$ 23,651	\$ 3,651	\$ 20,762
Total local sources	<u>20,000</u>	<u>20,000</u>	<u>23,651</u>	<u>3,651</u>	<u>20,762</u>
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>23,651</u>	<u>3,651</u>	<u>20,762</u>
<b>Expenditures</b>					
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>20,000</u>	<u>20,000</u>	<u>23,651</u>	<u>3,651</u>	<u>20,762</u>
<b>Other financing sources (uses)</b>					
Principal on bonds sold	-	7,288,516	7,288,516	-	-
Permanent transfer from working cash accounts - abolishment	<u>-</u>	<u>(4,631,524)</u>	<u>(4,628,877)</u>	<u>2,647</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>2,656,992</u>	<u>2,659,639</u>	<u>2,647</u>	<u>-</u>
Net change in fund balance	<u>\$ 20,000</u>	<u>\$ 2,676,992</u>	2,683,290	<u>\$ 6,298</u>	20,762
Fund balance, beginning of year			<u>4,740,366</u>		<u>4,719,604</u>
Fund balance, end of year			<u>\$ 7,423,656</u>		<u>\$ 4,740,366</u>

# PRAIRIE-HILLS ELEMENTARY SCHOOL DISTRICT 144

## OPERATING COST AND TUITION CHARGE FOR THE YEAR ENDED JUNE 30, 2016

	2016	2015
<b>Operating Cost Per Pupil</b>		
Average Daily Attendance (ADA):	<u>2,357</u>	<u>2,290</u>
Operating Costs:		
Educational	\$ 23,994,050	\$ 23,242,989
Operations and maintenance	2,551,762	2,500,380
Debt service	3,398,019	2,291,712
Transportation	1,652,010	1,322,729
Municipal retirement/social security	<u>847,456</u>	<u>913,972</u>
Subtotal	<u>32,443,297</u>	<u>30,271,782</u>
Less Revenues/Expenditures of Nonregular Programs:		
Pre-K programs	220,868	231,874
Summer school	175,757	135,813
Capital outlay	91,091	206,805
Debt principal retired	1,136,619	789,977
Community services	51,479	46,274
Payments to other districts & governmental units	<u>1,315,584</u>	<u>1,029,842</u>
Subtotal	<u>2,991,398</u>	<u>2,440,585</u>
Operating costs	<u>\$ 29,451,899</u>	<u>\$ 27,831,197</u>
Operating Cost Per Pupil - Based on ADA	<u>\$ 12,496</u>	<u>\$ 12,153</u>
<b>Tuition Charge</b>		
Operating Costs	\$ 29,451,899	\$ 27,831,197
Less - revenues from specific programs, such as special education or lunch programs	<u>5,493,985</u>	<u>5,511,045</u>
Net operating costs	23,957,914	22,320,152
Depreciation allowance	<u>1,579,493</u>	<u>2,080,106</u>
Allowable Tuition Costs	<u>\$ 25,537,407</u>	<u>\$ 24,400,258</u>
Tuition Charge Per Pupil - based on ADA	<u>\$ 10,835</u>	<u>\$ 10,655</u>