

Berwyn North School District 98

Berwyn, Illinois

Annual Financial Report

Year Ended June 30, 2016

Berwyn North School District 98
 ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2016

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(Concluded)

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
Berwyn North School District 98
Berwyn, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Berwyn North School District 98, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Berwyn North School District 98's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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

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

(Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Berwyn North School District 98, as of June 30, 2016, and the respective changes in financial position thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note L to the audited financial statements, net position, fund balance, capital assets and cash has been restated to correct a misstatement related to capital assets and cash. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 12, the Illinois Municipal Retirement Fund and Teacher's Retirement System pension data on pages 60 - 63, the other postemployment benefits data on page 64, and budgetary comparison schedules and notes to the required supplementary information on pages 65 through 86 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit for the year ended June 30, 2016 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Berwyn North School District 98's basic financial statements. The other schedules listed in the table of contents as the supplementary financial information and other supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information for the year ended June 30, 2016 has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information for the year ended June 30, 2016 is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2016.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, Berwyn North School District 98's basic financial statements, as of and for the year ended June 30, 2015 (not presented herein), and have issued our report thereon dated January 19, 2016, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Berwyn North School District 98's basic financial statements as a whole. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Fire Prevention and Safety Fund, with comparative actual totals, for the year ended June 30, 2015 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2015 basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for the Fire Prevention and Safety Fund have been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Fire Prevention and Safety Fund are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2015.

The Other Supplemental Information, as listed in the table of contents, 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.

The Members of the Board of Education
Berwyn North School District 98
Berwyn, Illinois

(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2016 on our consideration of Berwyn North School District 98'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 Berwyn North School District 98's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.



Certified Public Accountants

Deerfield, Illinois
September 28, 2016

Berwyn North School District 98

Management's Discussion and Analysis

Year Ended June 30, 2016

The discussion and analysis of Berwyn North School District No. 98's (the "District") financial performance provides an overall review of the District's financial activities 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. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- Total net position increased by \$1,501,169
- Assets and deferred outflows exceeded liabilities and deferred inflows by \$70,065,168

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 the financial statements

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

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 presents information on all of the District's assets and liabilities and deferred inflows/outflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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, operations and maintenance of facilities, and transportation services.

Berwyn North School District 98

Management's Discussion and Analysis

Year Ended June 30, 2016

Overview of the Financial Statements (Continued)

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 five individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund (Educational Account, Tort Immunity and Judgment Account, and Working Cash Account), Operations and Maintenance, Transportation, IMRF, and Fire Prevention and Safety, all of which are considered to be major funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison statement 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 statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that for the fund financial statements.

Notes to the financial statements

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

Berwyn North School District 98
Management's Discussion and Analysis
Year Ended June 30, 2016

Overview of the Financial Statements (Continued)

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its noncertified employees. Information is also included comparing actual results to the initial budget.

District-Wide Financial Analysis

The District's net position is \$1,501,169 higher as of June 30, 2016 than it was as of June 30, 2015. The District budgeted conservatively for state aid and in the current year, additional revenue of approximately \$990,000 was received.

The District's total revenues were \$45.5 million. Real estate and person property replacement taxes accounted for 19 percent of revenues. Another 80 percent of revenues came from state and federal aid for specific programs and the remainder from fees charged for services and miscellaneous sources.

The District's total expenses were \$44.0 million. These expenses were used to provide instructional and related services to the District's students.

Berwyn North School District 98
Management's Discussion and Analysis
Year Ended June 30, 2016

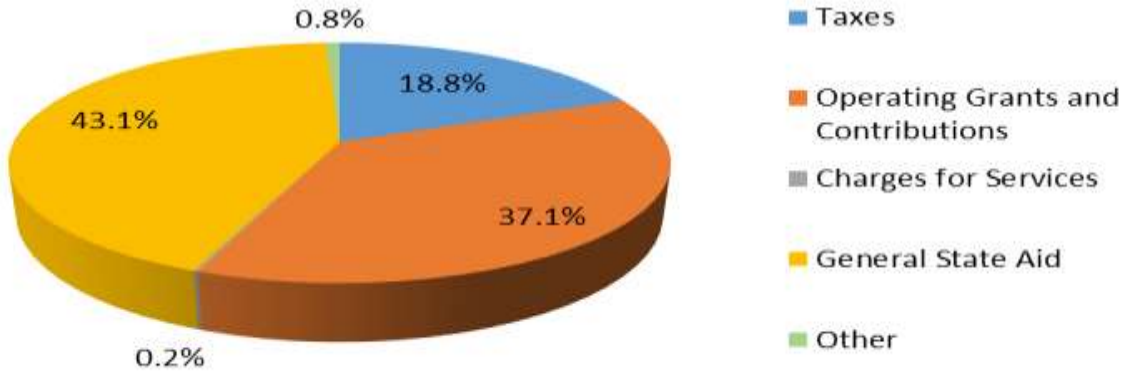
Table 1		
Condensed Statement of Net Position		
	<u>2015</u> (as originally reported)	<u>2016</u>
Current and other assets	\$ 46,385,042	\$ 49,217,259
Capital assets, net	35,043,662	33,572,615
Total assets	<u>81,428,704</u>	<u>82,789,874</u>
Deferred outflow of resources	1,051,088	2,155,768
Current liabilities	3,290,084	2,496,129
Long-term liabilities	<u>6,648,178</u>	<u>7,913,737</u>
Total liabilities	<u>9,938,262</u>	<u>10,409,866</u>
Deferred inflow of resources	4,515,090	4,470,608
Net position:		
Investment in capital assets	35,043,662	33,572,615
Restricted	2,889,456	3,123,813
Unrestricted	<u>30,093,322</u>	<u>33,368,740</u>
Total net position	<u>\$ 68,026,440</u>	<u>\$ 70,065,168</u>

Berwyn North School District 98
Management's Discussion and Analysis
Year Ended June 30, 2016

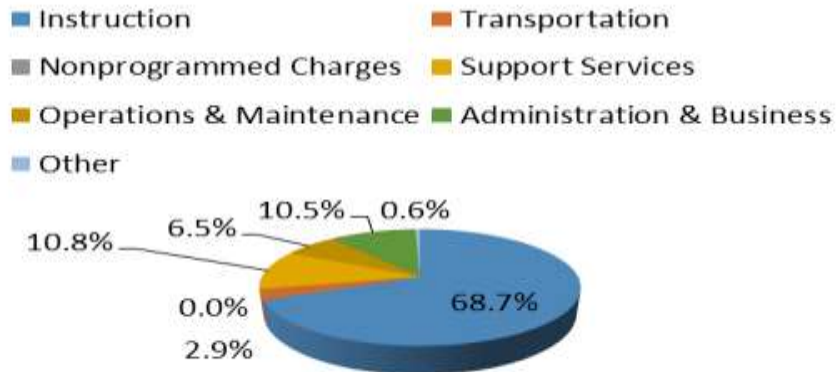
Table 2				
Changes in Net Position				
	<u>2015</u> (as originally reported)	<u>% of Total</u>	<u>2016</u>	<u>% of Total</u>
Revenues:				
Program revenues:				
Charges for services	\$ 148,894	0.4%	\$ 88,029	0.2%
Operating grants and contributions	15,339,567	36.0%	16,887,091	37.1%
General revenues:				
Property taxes	8,344,449	19.6%	8,541,167	18.8%
General state aid	18,428,089	43.4%	19,642,250	43.1%
Other	249,724	0.6%	360,083	0.8%
Total revenues	42,510,723	100.0%	45,518,620	100.0%
Expenses:				
Instruction	31,236,972	70.5%	30,230,563	68.7%
Pupil and instructional services	3,621,287	8.1%	4,767,069	10.8%
Administration and business	4,327,012	9.7%	4,622,680	10.5%
Transportation	1,199,540	2.8%	1,277,025	2.9%
Operations and maintenance	2,479,460	5.6%	2,867,629	6.5%
Other	1,484,879	3.3%	252,485	0.6%
Total expenses	44,349,150	100.0%	44,017,451	100.0%
Change in net position	(1,838,427)		1,501,169	
Net Position, Beginning of Year (as restated)	69,864,867		68,563,999	
Net Position, End of Year	\$ 68,026,440		\$ 70,065,168	

**Berwyn North School District 98
Management's Discussion and Analysis
Year Ended June 30, 2016**

Government-Wide Revenues by Source



Government-Wide Expenses by Function



Financial Analysis of the District's Funds

As the District completed the year, its government funds reported combined fund balances of \$42.7 million.

The most significant changes in the fund balances occurred in the General Fund. The General Fund had revenues in excess of expenditures in the amount of \$2.5 million and is discussed in more detail below.

Berwyn North School District 98
Management's Discussion and Analysis
Year Ended June 30, 2016

Financial Analysis of the District's Funds (Continued)

The General Fund ended with a net increase of \$2,516,227, and ended with a fund balance of \$39,757,852. Revenues were higher than anticipated due to additional state aid received combined with lower than anticipated expenditures. The fund balance of the Educational account in the General Fund was also restated to increase cash and fund balance to reverse the effects of payroll expense posted twice as a result of the system conversion. The fund balance noted above also reflects this change. See Note L of the District's financial statements for additional detail.

The Operations and Maintenance Fund ended with a net increase of \$187,697 and ended with a fund balance of \$2,401,690. Revenues were higher than anticipated combined with lower than anticipated expenditures.

The Transportation Fund ended with a net decrease of \$17,421, and ended with a fund balance of \$429,776 primarily due to special education revenue being less than anticipated.

The IMRF/Social Security Fund ended with a net decrease of \$60,582, and ended with a fund balance of \$129 primarily due to property tax revenue being less than anticipated.

The Debt Service Fund ended with a net increase of \$17,730, and ended with a fund balance of \$17,730 as a result of property tax revenue being received from prior tax levies that was not anticipated.

The Fire Prevention and Safety Fund had a net decrease of \$11,768, and an ending fund balance of \$120,856. The change approximates the decrease the District anticipated in the budget of \$27,701.

General Fund Budgetary Highlights

Over the course of the year, the District did not revise the annual operating budget. Expenditures were under budget in the Educational Account by \$972,626, excluding the on-behalf payments, primarily due to the cost of salaries and benefits being less than anticipated. Revenues were higher than the budgeted amount by \$1,129,944.

Capital Assets

By the end of 2016, the District has invested \$34 million in a broad range of capital assets, including school buildings, furnishings, and equipment. Total depreciation expense for the year was \$1.4 million. The District also hired a third party to perform an inventory of all capital assets during the fiscal year. This inventory resulted in restatement of beginning balances to decrease net capital assets (and net position) by approximately \$472,000. Detailed information on the District's capital assets can be found in Note E and L of the District's financial statements.

Berwyn North School District 98
Management's Discussion and Analysis
Year Ended June 30, 2016

Table 3		
Capital Assets (net of depreciation)		
	<u>2015</u>	<u>2016</u>
	(as restated)	
Land	\$ 255,810	\$ 255,810
Construction in progress	-	138,889
Buildings and improvements	33,109,385	31,990,163
Equipment and furniture	1,207,384	1,187,753
Total	\$ 34,572,579	\$ 33,572,615

Factors Bearing on the District's Future

Staff and health insurance costs are anticipated to increase, in addition to transportation costs and expenditures in the IMRF fund to support pensions, FICA, and Medicare payments required for qualified non-certified staff. As a consequence of the State's financial condition, State Aid payments have been reduced in the past and this may continue unless the State changes how it funds public education. This loss of income from the State, coupled with lack of access to tax revenue to replace it because of the tax cap, will mean that the District will closely monitor their expenditures in order to continue adopting a balanced budget. If the problem with revenue continues, the district will need to draw down its reserve funds to avoid the sale of bonds or a referendum and/or make program cuts that will have a negative effect on the instructional program.

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 Director of Business Services, 6633 West 16th Street, Berwyn, Illinois 60402.

BASIC FINANCIAL STATEMENTS

Berwyn North School District 98
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
June 30, 2016

ASSETS

Cash and investments	\$	43,925,485
Receivables (net of allowance for uncollectibles):		
Property taxes		4,164,939
Replacement taxes		20,369
Intergovernmental		1,106,466
Capital assets:		
Land		255,810
Construction in progress		138,889
Depreciable buildings, property, and equipment, net		33,177,916
Total assets		82,789,874

DEFERRED OUTFLOW OF RESOURCES

Deferred outflows related to pension liabilities		2,155,768
Total deferred outflows		2,155,768

LIABILITIES

Accounts payable		261,666
Salaries and wages payable		1,585,438
Payroll deductions payable		634,635
Due from other governments		14,390
Long-term liabilities:		
Due within one year		54,722
Due after one year		7,859,015
Total liabilities		10,409,866

DEFERRED INFLOW OF RESOURCES

Deferred inflows related to pension liabilities		477,511
Property taxes levied for a future period		3,993,097
Total deferred inflows		4,470,608

NET POSITION

Investment in capital assets		33,572,615
Restricted For:		
Operations and maintenance		2,401,690
Debt service		17,730
Student transportation		429,776
Retirement benefits		129
Tort immunity		153,632
Fire prevention and safety		120,856
Unrestricted		33,368,740
Total net position	\$	70,065,168

The accompanying notes are an integral part of this statement.

Berwyn North School District 98

STATEMENT OF ACTIVITIES For the Year Ended June 30, 2016

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 12,684,761	\$ 32,415	\$ 1,472,989	\$ (11,179,357)
Special programs	5,854,917	-	3,715,941	(2,138,976)
Other instructional programs	2,659,118	-	360,359	(2,298,759)
State retirement contributions	9,031,767	-	9,031,767	-
Support services:				
Pupils	1,905,605	-	-	(1,905,605)
Instructional staff	1,562,205	-	63,787	(1,498,418)
General administration	774,182	-	-	(774,182)
School administration	1,562,072	-	-	(1,562,072)
Business	2,296,819	54,846	1,285,829	(956,144)
Transportation	1,277,025	-	956,419	(320,606)
Operations and maintenance	2,867,629	768	-	(2,866,861)
Central	1,299,259	-	-	(1,299,259)
Other supporting services	98,531	-	-	(98,531)
Community services	133,541	-	-	(133,541)
Nonprogrammed charges - excluding special education	10,020	-	-	(10,020)
 Total governmental activities	 <u>\$ 44,017,451</u>	 <u>\$ 88,029</u>	 <u>\$ 16,887,091</u>	 <u>\$ (27,042,331)</u>
General revenues:				
Taxes:				
Real estate taxes, levied for general purposes				6,042,080
Real estate taxes, levied for specific purposes				2,382,616
Real estate taxes, levied for debt service				17,730
Personal property replacement taxes				98,741
State aid-formula grants				19,642,250
Investment earnings				126,218
Miscellaneous				<u>233,865</u>
Total general revenues				<u>28,543,500</u>
 Change in net position				 1,501,169
Net position, beginning of year, as restated (See Note L)				<u>68,563,999</u>
 Net position, end of year				 <u>\$ 70,065,168</u>

The accompanying notes are an integral part of this statement.

Berwyn North School District 98

Governmental Funds

BALANCE SHEET

June 30, 2016

	General	Operations and Maintenance	Transportation
ASSETS			
Cash and investments	\$ 40,967,082	\$ 2,561,533	\$ 214,147
Receivables (net of allowance for uncollectibles):			
Property taxes	3,093,663	514,741	93,736
Replacement taxes	20,369	-	-
Intergovernmental	866,425	-	240,041
Total assets	<u>\$ 44,947,539</u>	<u>\$ 3,076,274</u>	<u>\$ 547,924</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 52,309	\$ 181,079	\$ 28,278
Salaries and wages payable	1,585,438	-	-
Payroll deductions payable	571,531	-	-
Other current liabilities	14,390	-	-
Total liabilities	<u>2,223,668</u>	<u>181,079</u>	<u>28,278</u>
DEFERRED INFLOWS			
Property taxes levied for a future period	<u>2,966,019</u>	<u>493,505</u>	<u>89,870</u>
Total deferred inflows	<u>2,966,019</u>	<u>493,505</u>	<u>89,870</u>
FUND BALANCES			
Restricted	153,632	2,401,690	429,776
Unassigned	<u>39,604,220</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>39,757,852</u>	<u>2,401,690</u>	<u>429,776</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 44,947,539</u>	<u>\$ 3,076,274</u>	<u>\$ 547,924</u>

The accompanying notes are an integral part of this statement.

Municipal Retirement / Soc. Sec.	Debt Service	Fire Prevention and Safety	Total
\$ 44,158	\$ 17,730	\$ 120,835	\$ 43,925,485
462,315	-	484	4,164,939
-	-	-	20,369
-	-	-	1,106,466
<u>\$ 506,473</u>	<u>\$ 17,730</u>	<u>\$ 121,319</u>	<u>\$ 49,217,259</u>
\$ -	\$ -	\$ -	\$ 261,666
-	-	-	1,585,438
63,104	-	-	634,635
-	-	-	14,390
<u>63,104</u>	<u>-</u>	<u>-</u>	<u>2,496,129</u>
<u>443,240</u>	<u>-</u>	<u>463</u>	<u>3,993,097</u>
<u>443,240</u>	<u>-</u>	<u>463</u>	<u>3,993,097</u>
129	17,730	120,856	3,123,813
-	-	-	39,604,220
<u>129</u>	<u>17,730</u>	<u>120,856</u>	<u>42,728,033</u>
<u>\$ 506,473</u>	<u>\$ 17,730</u>	<u>\$ 121,319</u>	<u>\$ 49,217,259</u>

Berwyn North School District 98
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2016

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	\$ 42,728,033
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.	33,572,615
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:	
Deferred outflows of resources related to pensions	\$ 1,612,434
Deferred outflows of 2016 employer contributions related to pensions	<u>543,334</u> 2,155,768
Deferred inflows of resources related to pensions	(477,511)
Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not recognized in the governmental funds balance sheet.	<u>(7,913,737)</u>
Net position - governmental activities	<u>\$ 70,065,168</u>

The accompanying notes are an integral part of this statement.

Berwyn North School District 98

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2016

	General	Operations and Maintenance	Transportation
Revenues			
Property taxes	\$ 6,314,112	\$ 1,006,185	\$ 198,398
Replacement taxes	78,741	-	-
State aid	29,920,330	1,838,643	956,419
Federal aid	3,813,949	-	-
Interest	115,883	7,297	930
Other	164,849	133,497	23,548
Total revenues	<u>40,407,864</u>	<u>2,985,622</u>	<u>1,179,295</u>
Expenditures			
Current:			
Instruction:			
Regular programs	11,460,761	-	-
Special programs	5,645,592	-	-
Other instructional programs	2,608,042	-	-
State retirement contributions	9,031,767	-	-
Support services:			
Pupils	1,836,592	-	-
Instructional staff	1,503,043	-	-
General administration	748,655	-	-
School administration	1,473,594	-	-
Business	2,062,455	10,541	-
Transportation	-	-	1,196,716
Operations and maintenance	-	2,362,937	-
Central	1,082,224	201,159	-
Community services	117,820	-	-
Nonprogrammed charges	10,020	-	-
Capital outlay	311,072	223,288	-
Total expenditures	<u>37,891,637</u>	<u>2,797,925</u>	<u>1,196,716</u>
Excess (deficiency) of revenues over expenditures	2,516,227	187,697	(17,421)
Fund balance, beginning of year, as restated (Note L)	<u>37,241,625</u>	<u>2,213,993</u>	<u>447,197</u>
Fund balance, end of year	<u>\$ 39,757,852</u>	<u>\$ 2,401,690</u>	<u>\$ 429,776</u>

The accompanying notes are an integral part of this statement.

Municipal Retirement / Soc. Sec.	Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 905,462	\$ 17,730	\$ -	\$ 539	\$ 8,442,426
20,000	-	-	-	98,741
-	-	-	-	32,715,392
-	-	-	-	3,813,949
1,677	-	-	431	126,218
-	-	-	-	321,894
<u>927,139</u>	<u>17,730</u>	<u>-</u>	<u>970</u>	<u>45,518,620</u>
55,414	-	-	-	11,516,175
214,391	-	-	-	5,859,983
54,444	-	-	-	2,662,486
-	-	-	-	9,031,767
48,645	-	-	-	1,885,237
34,803	-	-	-	1,537,846
24,609	-	-	-	773,264
90,393	-	-	-	1,563,987
139,923	-	-	9,603	2,222,522
57,893	-	-	-	1,254,609
204,364	-	-	-	2,567,301
53,686	-	-	-	1,337,069
9,156	-	-	-	126,976
-	-	-	-	10,020
-	-	-	3,135	537,495
<u>987,721</u>	<u>-</u>	<u>-</u>	<u>12,738</u>	<u>42,886,737</u>
(60,582)	17,730	-	(11,768)	2,631,883
<u>60,711</u>	<u>-</u>	<u>-</u>	<u>132,624</u>	<u>40,096,150</u>
<u>\$ 129</u>	<u>\$ 17,730</u>	<u>\$ -</u>	<u>\$ 120,856</u>	<u>\$ 42,728,033</u>

Berwyn North School District 98

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2016

Net change in fund balances - total governmental funds	\$ 2,631,883
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeds capital outlay in the current period.	
	(999,964)
Changes in deferred outflows and inflows of resources related to pensions are reported only in the statement of activities:	
Deferred outflow and inflows of resources related to IMRF pension	891,309
Deferred outflow and inflows of resources related to TRS pension	243,500
The increase in long-term liabilities (e.g. compensated absences and retirement benefits) consumes the current financial resources of the government.	<u>(1,265,559)</u>
Change in net position - governmental activities	\$ <u><u>1,501,169</u></u>

The accompanying notes are an integral part of this statement.

Berwyn North School District 98
Agency Fund
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2016

	Student Activities Fund
<hr/>	
ASSETS	
Cash and investments	\$ <u>54,231</u>
LIABILITIES	
Due to student groups	\$ <u><u>54,231</u></u>

The accompanying notes are an integral part of this statement.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Berwyn North School District 98 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to Illinois school districts (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

1. Reporting Entity

The District is located in Cook County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all personnel, budgetary, taxing, and debt matters.

The District includes all funds of its operations that are controlled by or dependent upon the District, as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will, and fiscal dependency. The accompanying financial statements include only those funds of the District, as there are no organizations for which it has financial accountability.

The District is not included as a component unit in any other governmental reporting entity, as defined by Governmental Accounting Standards Board (GASB) pronouncements.

2. Fund Accounting

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental and fiduciary.

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (debt service funds), and the acquisition or construction of major capital facilities (capital projects funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund. The District considers all governmental funds to be major.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds, within the District.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

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

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

a. General Fund

The General Fund includes the Educational Account, the Working Cash Account, and the Tort Immunity and Judgment Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources held by the District to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid within one year. As allowed by the School Code of Illinois, this account may be permanently abolished and become part of the Educational Account or it may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Account of at least .05% of the District's current equalized assessed valuation. The Tort Immunity and Judgment Account is used to account for revenues derived from a specific property levy and expenditures of these monies is for risk management activities and claims.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements (Continued)

b. Special Revenue Funds

The special revenue funds are used to account for and report the proceeds of specific revenue sources (other than those accounted for in a debt service, capital projects, or fiduciary funds) that are legally restricted to expenditures for specified purposes.

Each of the District's special revenue funds has been established, as a separate fund, in accordance with the fund structure required by the state of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's special revenue funds is as follows:

Operations and Maintenance Fund - accounts for all revenue and expenditures made for operations, repair, and maintenance of the District's building and land. Revenue consists primarily of general state aid and local property taxes.

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

c. Debt Service Fund

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

d. Capital Projects Funds

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

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements (Continued)

e. Fiduciary Fund

The Fiduciary (Agency) Fund accounts for assets held by the District in an agency capacity for individuals, private organizations, or other funds.

The *Student Activity Funds* are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These 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. It accounts for activities such as student yearbook, student clubs and council, and scholarships.

4. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary agency fund statements. Revenues and additions are recorded when earned, and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are used to account for the District's general governmental activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property tax revenues and most other revenues available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if vouchered by year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences, claims, and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property and replacement taxes, interest, and intergovernmental revenue associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The District reports unearned and unavailable revenue on its financial statements. Unearned and unavailable revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability or deferred inflow of resources for unearned or unavailable revenue is removed from the balance sheet and revenue is recognized. Governmental Funds also defer revenue recognition in connection with resources received, but not yet earned.

5. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position / fund balance that applies to a future period(s). At June 30, 2016, the District has deferred outflows related to pension liabilities. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting period(s). At June 30, 2016, the District reported deferred inflows of resources related to property taxes levied for a future period and amounts related to pension liabilities.

6. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the General Fund which does not budget for on-behalf payments for the State of Illinois. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

7. Deposits and Investments

Investments are stated at fair value. Due to the nature of the District's investments, fair value equals cost. No amortization is made to interest income for discounted federal securities. Gains and losses on the sale of investments are recorded as interest income at the date of sale or maturity.

8. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the Municipal Retirement/Social Security Fund, with the balance allocated at the discretion of the District.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Capital Assets

Capital assets are recorded in the statement of net position at cost (or estimated historical cost). Donated capital assets are recorded at their estimated fair value at the date of donation. Capital assets are updated for additions and retirements during the year. The District maintains a capitalization threshold of \$500 and an estimated useful life in excess of one year. All reported capital assets, except land and construction-in-progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

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

Depreciation of capital assets is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	15 - 75
Improvements other than buildings	20
Vehicles	8 - 10
Machinery and equipment	5 - 20

10. Compensated Absences

Noncertified and certified employees who work a twelve-month year are entitled to be compensated for vacation time. Vacations are usually taken within the calendar year. Accrued but unpaid vacation leave at June 30, 2016 was \$127,578.

Noncertified and certified employees receive a specific number of sick days per year depending on years of service, in accordance with the agreement between the Board of Education and the Education Association. Unused sick leave days are accumulated. Upon retirement from the District, certified employees receive TRS creditable service time for accumulated sick days. Due to the nature of the policies on sick leave, no liability has been recorded in the District's financial statements.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. 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 and losses on refunding of bonds are deferred and amortized over the life of the applicable bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount or loss on refunding. Bond issuance costs are expensed as incurred. The District had no outstanding bonds at June 30, 2016.

In the fund financial statements, governmental funds recognize bond premiums and discounts, losses on refunding, and bond issuance costs, during the current period. 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. Issuance cost and losses on refunding are reported as debt service expenditures.

12. Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position is either: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation. All of the District's restricted net position was restricted as a result of enabling legislation.

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 as the resources are needed.

13. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements, and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Fund Balance

In the fund financial statements, the governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items or inventories.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. At June 30, 2016, the District had no committed fund balances.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or an individual the Board of Education delegates the authority to assign amounts to be used for specific purposes. The Board of Education has not delegated this authority. At June 30, 2016, the District had no assigned fund balances.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Fund Balance (Continued)

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

Governmental fund balances reported on the fund financial statements at June 30, 2016 are as follows:

The restricted fund balance in the General Fund is comprised of \$153,632, representing the remaining unspent portion of the restricted tort immunity levy. The remaining restricted and unassigned fund balances are for the purpose of the restricted funds as described in Note A-3.

15. Pensions

For purposes of measuring the 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 the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Government Funds Balance Sheet and the Government-Wide Statement of Net Position

The governmental funds balance sheet includes a reconciliation between total fund balances - governmental funds and net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not recognized in the governmental funds balance sheet." The details of this difference are as follows:

Other postemployment benefit obligations	\$	(359,075)
Compensated absences		(127,578)
IMRF net pension liability		(2,692,994)
TRS net pension liability		(4,679,368)
Early retirement incentives payable		<u>(54,722)</u>
Net adjustment to reduce total fund balances - governmental funds to arrive at net position - governmental activities	\$	<u><u>(7,913,737)</u></u>

Berwyn North School District 98
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

2. Explanation of Certain Differences Between the Government Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances - total governmental funds and change in net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$ 419,643
Depreciation expense	<u>(1,419,607)</u>
Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position - governmental activities	<u>\$ (999,964)</u>

Another element of that reconciliation states that "The issuance of long-term debt (e.g. bonds, other) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds." The details of this difference are as follows:

Other postemployment benefit obligations, net	\$ (71,559)
Compensated absences, net	(2,344)
IMRF pension expense, net	(1,144,154)
TRS pension expense, net	(218,504)
Early retirement incentives payable, net	<u>171,002</u>
Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position - governmental activities.	<u>\$ (1,265,559)</u>

Berwyn North School District 98
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE C - DEPOSITS AND INVESTMENTS

The District's investment policy is in line with State Statutes. The investments that the District may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) interest-bearing savings accounts, interest-bearing certificates of deposit or time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; (4) short-term discount obligations of corporations organized in the United States with assets exceeding \$500,000,000; (5) interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation or school district; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

At June 30, 2016, the District's cash and investments consisted of the following:

	<u>Governmental</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	\$ <u>43,925,485</u>	\$ <u>54,231</u>	\$ <u>43,979,716</u>

For disclosure purposes, this amount is segregated into two components as follows:

Deposits with financial institutions	\$ 41,845,804
Illinois School District Liquid Asset Fund	<u>2,133,912</u>
	<u>\$ 43,979,716</u>

1. Interest Rate Risk

The District's investment policy seeks to ensure preservation of capital in the District's overall portfolio. The highest return on investments is sought, consistent with the preservation of principal and prudent investment principles. The investment portfolio is required to provide sufficient liquidity to pay District obligations as they come due, considering maturity and marketability. The investment portfolio is also required to be diversified as to maturities and investments, as appropriate to the nature, purpose, and amount of funds.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality (that is, at the time of purchase, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard & Poor's). The Board, at its discretion, may impose a higher standard on an individual investment manager basis, as circumstances require, to protect bondholders.

3. Concentration of Credit Risk

The District places no limit on the amount it may invest in any one issuer.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an unrated, not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. It is not registered with the SEC as an investment company, but operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments are valued at share price, which is the price for which the investment could be sold.

4. Custodial Risk

With respect to deposits, custodial credit risk is the risk that, in the event of the failure of the bank, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for District investment or any other high quality, interest-bearing security rated at least AAA/Aaa by one or more standard rating service, to include Standard & Poor's, Moody's, or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE D - PROPERTY TAX RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on November 19, 2015. The District's property tax is levied each year on all taxable real property located in the District, and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

The Cook County Assessor is responsible for the assessment of all taxable property within Cook County, except for certain railroad property, which is assessed directly by the state. One-third of the county is reassessed every year by the Assessor.

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the state. Each year, the Illinois Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment between counties at one-third of market value. This factor (the equalization factor) is then applied to the assessed valuation to compute the valuation of property to which the tax rate will be applied (the equalized assessed valuation). The equalization factor for Cook County was 2.6685 for 2015.

The County Clerk adds the equalized assessed valuation of all real property in the county to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2015 tax levy was \$209,903,385.

Property taxes are collected by the Cook County Collector/Treasurer, who remits them to the District. Taxes levied in one year become due and payable in two installments on March 1 and approximately August 1 during the following year. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment bill is based on the current levy, assessment, and equalization, and any changes from the prior year.

The portion of the 2015 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectibles of 2%. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Such time, thereafter, does not exceed 60 days. Net taxes receivable less the amount expected to be collected within 60 days are reflected as deferred inflow of resources.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE E - CAPITAL ASSETS

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

	Beginning Balance (as restated)	Additions/ Transfers	Disposals/ Transfers	Ending Balance
Capital assets, not being depreciated				
Construction in progress	\$ -	\$ 138,889	\$ -	\$ 138,889
Land	255,810	-	-	255,810
Total capital assets not being depreciated	255,810	138,889	-	394,699
Capital assets, being depreciated				
Buildings	45,312,339	-	-	45,312,339
Improvements other than buildings	606,699	-	-	606,699
Vehicles	505,568	-	49,497	456,071
Machinery and equipment	3,480,045	280,754	-	3,760,799
Total capital assets being depreciated	49,904,651	280,754	49,497	50,135,908
Less accumulated depreciation for:				
Buildings	12,438,990	1,079,377	-	13,518,367
Improvements other than buildings	370,663	39,845	-	410,508
Vehicles	463,815	16,424	49,497	430,742
Machinery and equipment	2,314,414	283,961	-	2,598,375
Total accumulated depreciation	15,587,882	1,419,607	49,497	16,957,992
Total capital assets being depreciated, net	34,316,769	(1,138,853)	-	33,177,916
Governmental activities capital assets, net	\$ 34,572,579	\$ (999,964)	\$ -	\$ 33,572,615

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE E - CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities		
General government		
Instructional staff		
Regular programs	\$	1,276,907
Support services		
General administration		98,531
Food service		12,830
Operations and maintenance		9,358
Transportation		<u>21,981</u>
Total depreciation from governmental activities	\$	<u><u>1,419,607</u></u>

NOTE F - LONG-TERM LIABILITIES

The following is the long-term liability activity for the District for the year ended June 30, 2016:

	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>
	<u>July 1, 2015</u>			<u>June 30, 2016</u>
Other postemployment benefit obligations	\$ 287,516	\$ 102,853	\$ 31,294	\$ 359,075
IMRF net pension liability	1,548,840	1,944,790	800,636	2,692,994
TRS net pension liability	4,460,864	514,033	295,529	4,679,368
Compensated absences	125,234	2,344	-	127,578
Early retirement incentives payable	<u>225,724</u>	<u>-</u>	<u>171,002</u>	<u>54,722</u>
Total long-term liabilities	<u>\$ 6,648,178</u>	<u>\$ 2,564,020</u>	<u>\$ 1,298,461</u>	<u>\$ 7,913,737</u>

Long-term liability payments due within one year are as follows:

Early retirement incentives	\$ <u><u>54,722</u></u>
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Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE F - LONG-TERM LIABILITIES (Continued)

1. Early Retirement Incentives

The District implemented an early retirement incentive plan in which a certified employee can notify the District of her/his intent to retire at the end of three upcoming school years. The certified employee shall receive a 6% increase in salary for each year up to retirement. This payment is paid to the certified employee over the course of the next three fiscal school years. As of June 30, 2016, the entire liability of \$54,722 is due within one year.

NOTE G - PENSION LIABILITIES

1. Teachers' Retirement System of the State of Illinois

General Information about the Pension Plan

Plan Description

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active 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.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

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

Benefits Provided (Continued)

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

Essentially all Tier I retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of 3 percent of the original benefit or 0.5 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 employer, is submitted to TRS by the employer.

On-behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 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 \$8,809,674 in pension contributions from the state of Illinois.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

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

Contributions (Continued)

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 \$120,387, and are deferred because they were paid after the June 30, 2015 measurement date.

Federal and Special Trust Fund Contributions

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

For the year ended June 30, 2016, the employer pension contribution was 36.06 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2016, salaries totaling \$555,954 were paid from federal and special trust funds that required employer contributions of \$200,477. These contributions are deferred because they were paid after the June 30, 2015 measurement date.

Early Retirement Cost Contributions

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

Berwyn North School District 98
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

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

Early Retirement Cost Contributions (Continued)

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

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

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 net pension liability	\$ 4,679,368
State's proportionate share of the net pension liability associated with the District	<u>107,528,890</u>
 Total	 \$ <u><u>112,208,258</u></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, the District's proportion was 0.0071429751 percent, which was an decrease of 0.0001869472 from its proportion measured as of June 30, 2014.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

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

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

For the year ended June 30, 2016, the District recognized pension expense of \$9,034,969 and revenue of \$8,809,674 for support provided by the state. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,739	\$ 5,129
Net difference between projected and actual earnings on pension plan investments	92,672	163,856
Change in assumptions	64,711	-
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>-</u>	<u>269,026</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>159,122</u>	<u>438,011</u>
District contributions subsequent to the measurement date	<u>320,864</u>	<u>-</u>
Total deferred amount related to pension	<u>\$ 479,986</u>	<u>\$ 438,011</u>

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

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

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

The District reported \$320,864 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2017	\$ (95,670)
2018	(95,670)
2019	(95,670)
2020	8,121
2021	-
Thereafter	<u>-</u>
Total	<u>\$ (278,889)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 percent
Salary increases	Varies by amount of service credit
Investment rate of return	7.50 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully-generational basis using projection table MP-2014.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

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

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

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.

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:

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. large cap	18 %	7.53 %
Global equity (excluding U.S.)	18	7.88
Aggregate bonds	16	1.57
U.S. TIPS	2	2.82
NCREIF	11	5.11
Opportunistic real estate	4	9.09
ARS	8	2.57
Risk parity	8	4.87
Diversified inflation strategy	1	3.26
Private equity	14	12.33
Total	100 %	

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.

Berwyn North School District 98
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

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

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

Discount Rate (Continued)

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.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.47 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:

	<u>1% Decrease (6.47%)</u>	<u>Current Discount (7.47%)</u>	<u>1% Increase (8.47%)</u>
District's proportionate share of the net pension liability	\$ <u>5,782,552</u>	\$ <u>4,679,368</u>	\$ <u>3,774,728</u>

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*.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed with the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the **Benefits Provided** section below. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least 8 years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) 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 Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 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 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.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Employees Covered by Benefit Terms

As of December 31, 2015, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	71
Inactive plan members entitled to but not yet receiving benefits	105
Active plan members	<u>128</u>
Total	<u><u>304</u></u>

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2015 was 10.74%. For the fiscal year ended June 30, 2016 the District contributed \$469,117 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The District's net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2015:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Inflation Rate	2.75%
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.48%
Projected Retirement Age	Experience-based table of rates, specific to the type of eligibility condition, 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 generations 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 generation 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.

Berwyn North School District 98
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	38%	7.39%
International Equity	17%	7.59%
Fixed Income	27%	3.00%
Real Estate	8%	6.00%
Alternative Investments	9%	2.75-8.15%
Cash Equivalents	1%	2.25%
Total	100%	

Single Discount Rate

A Single Discount Rate of 7.48% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Single Discount Rate (Continued)

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.48%.

Changes in Net Pension Liability

The following table shows the components of the change in the District's net pension liability for the calendar year ended December 31, 2015:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
	<u>(A)</u>	<u>(B)</u>	<u>(A) - (B)</u>
Balances at December 31, 2014	\$ 14,010,509	\$ 12,461,669	\$ 1,548,840
Changes for the year:			
Service cost	479,990	-	479,990
Interest on the total pension liability	1,045,592	-	1,045,592
Difference between expected and actual experience of the total pension liability	398,313	-	398,313
Changes of assumptions	20,895	-	20,895
Contributions - Employer	-	476,208	(476,208)
Contributions - Employees	-	199,530	(199,530)
Net Investment Income	-	62,544	(62,544)
Benefit payments, including refunds of employee contributions	(581,320)	(581,320)	-
Other (net transfer)	-	62,354	(62,354)
Net changes	<u>1,363,470</u>	<u>219,316</u>	<u>1,144,154</u>
Balances at December 31, 2015	<u>\$ 15,373,979</u>	<u>\$ 12,680,985</u>	<u>\$ 2,692,994</u>

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.48%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

	<u>1% Lower (6.48%)</u>	<u>Current Discount Rate (7.48%)</u>	<u>1% Higher (8.48%)</u>
Net pension liability	\$ <u>4,969,964</u>	\$ <u>2,692,994</u>	\$ <u>852,631</u>

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

For the year ended June 30, 2016, the District recognized pension expense of \$723,448. At June 30, 2016, the District reported deferred inflows and outflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 314,051	\$ 39,500
Change of assumptions	340,888	-
Net difference between projected and actual earnings on pension plan investments	<u>798,373</u>	<u>-</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>1,453,312</u>	<u>39,500</u>
Pension contributions made subsequent to the measurement date	<u>222,470</u>	<u>-</u>
Total deferred amounts related to pensions	<u>\$ 1,675,782</u>	<u>\$ 39,500</u>

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

Year Ended December 31,	Net Deferred Outflows of Resources
2015	\$ 400,254
2016	400,254
2017	373,232
2018	240,072
2019	-
Thereafter	-
Total	\$ 1,413,812

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE G - PENSION LIABILITIES (Continued)

3. Summary of Pension Items

Below is a summary of the various pension items at June 30, 2016:

	<u>TRS</u>	<u>IMRF</u>	<u>Total</u>
Deferred outflows of resources:			
Employer contributions	\$ 320,864	\$ 222,470	\$ 543,334
Experience	1,739	314,051	315,790
Assumptions	64,711	340,888	405,599
Investments	<u>92,672</u>	<u>798,373</u>	<u>891,045</u>
	<u>\$ 479,986</u>	<u>\$ 1,675,782</u>	<u>\$ 2,155,768</u>
Net pension liability	<u>\$ 4,679,368</u>	<u>\$ 2,692,994</u>	<u>\$ 7,372,362</u>
Deferred inflows of resources:			
Investments	\$ 163,856	\$ -	\$ 163,856
Experience	5,129	39,500	44,629
Proportionate share	<u>269,026</u>	<u>-</u>	<u>269,026</u>
	<u>\$ 438,011</u>	<u>\$ 39,500</u>	<u>\$ 477,511</u>

4. Social Security/Medicare

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security/Medicare. The District paid the total required contribution for the current fiscal year.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE H - OTHER POSTEMPLOYMENT BENEFITS

1. Teachers' Health Insurance Security (THIS)

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

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

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

On Behalf Contributions to the THIS Fund

The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.07 percent of pay during the year ended June 30, 2016. State of Illinois contributions were \$222,093, and the District recognized revenue and expenditures of this amount during the year.

District Contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.80 percent during the year ended June 30, 2016. For the year ended June 30, 2016, the District paid \$166,051 to the THIS Fund, which was 100 percent of the required contribution.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

Further Information on the THIS Fund

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

2. Retiree Health Plan

Plan Description

The District pays the premium for healthcare insurance in the State of Illinois' Teachers' Retirement System plan for qualified retirees. The teacher must have insurance through the District at the time of retirement. The employee moves off the District's plan and onto the TRS insurance program and the District pays the premiums until the employee reaches age 65. Effective in 2009, both Teachers' Retirement System (TRS) and Illinois Municipal Retirement (IMRF) retirees may access the health insurance plan during retirement years. If a retiree elects to leave the health plan, they may not return to the plan in a future year. Retirees also receive dental and life insurance benefits until age 65. For 2016, one former employee accessed a postemployment benefit through the District, eleven active employees were fully eligible to retire, and seventy active employees were not yet fully eligible to retire.

Funding Policy

The contributions by the District are negotiated between the District and union representatives. The District's insurance benefits cease at age 65 for all retirees. Educational Support Retirees who are Medicare eligible may access a Medicare supplemental policy through the District and must pay the entire cost. For fiscal year 2016, total retiree postemployment contributions were \$31,294.

Annual OPEB Cost and Net OPEB Obligation

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following tables show the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation to the Retiree Health Plan:

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

	June 30, 2016
Annual required contribution	\$ 100,936
Interest on net OPEB obligation	11,501
ARC adjustment	(9,584)
Annual OPEB cost	102,853
Contributions made	(31,294)
Increase in net OPEB obligation	71,559
Net OPEB obligation beginning of year	287,516
Net OPEB obligation end of year	\$ 359,075

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2016 and the two preceding fiscal years were as follows:

Actuarial Valuation Date	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/16*	\$ 102,853	19.0%	\$ 359,075
6/30/15	102,302	19.0%	287,516
6/30/14*	104,221	15.6%	204,846

* Annual OPEB cost estimated using ARC from most recent valuation information available.

Berwyn North School District 98
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (Continued)

Funding Status and Funding Progress

As of June 30, 2015 (the most recent information available), the actuarial accrued liability for benefits was \$979,961, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) used by the actuary was \$3,010,221 and the ratio of the unfunded actuarial accrued liability to the covered payroll was 33%.

The projection of future benefit payments for an ongoing plan involved estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the 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.

Methods and Assumptions

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

The following simplifying assumptions were made:

Actuarial valuation date	July 1, 2014
Actuarial cost method	Entry age normal
Amortization period	Level dollar - open
Remaining amortization period	30 years
Asset valuation method	Not applicable
Actuarial assumptions:	
Investment rate of return	4.00%
Projected salary increases	4.00%
Healthcare inflation rate	6.00% initial, 5.00% ultimate
Mortality, Turnover, Disability, Retirement ages	Same rate utilized for IMRF
Percentage of active employees assumed to elect benefit	Custodians: 100%, Non Custodial: 5%

Berwyn North School District 98
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE I - RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; worker's compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect against such risks, the District participates in the following public entity risk pools: the Suburban School Cooperative Insurance Pool (SSCIP) and the School Employee Loss Fund (SELF). The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that the pools will be self-sustaining through member premiums, and will reinsure through commercial companies for claims in excess of certain levels established by the pools. Settlements have not exceeded coverages for each of the past three fiscal years.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. There have been no significant reductions in insurance coverage from coverage in prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE J - OPERATING LEASES

The District has an operating lease for copiers that commenced January 1, 2014 and expires on December 31, 2018. The lease requires monthly payments of \$1,735. The future minimum lease payments under this agreement are as follows:

Year Ending June 30,	Total
2017	\$ 20,815
2018	20,815
2019	10,408
Total	\$ 52,038

NOTE K - CONTINGENCIES

1. Litigation

The District is a defendant in various lawsuits. The eventual outcome and related liability, if any, are not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs.

Berwyn North School District 98
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE K - CONTINGENCIES (Continued)

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

NOTE L - PRIOR PERIOD ADJUSTMENT

The District engaged a third party to perform a capital asset inventory upon completion of the renovation construction projects at various schools. The inventory resulted in a decrease in the cost of capital assets of \$1,438,255, a decrease in the accumulated depreciation of capital assets of \$967,172, and a net decrease in net position of the District of \$471,083 at July 1, 2015. This adjustment affects the government-wide financial statements only and has no effect on the individual fund statements. The District also recorded an adjustment to increase cash and fund balance in the Educational Fund in the fund statement, and to increase cash and net position on the government-wide statements for \$1,008,642 to reverse the effect of payroll expenses posted twice as a result of a system conversion.

NOTE M - SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 28, 2016, the date these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Berwyn North School District 98
SCHEDULES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
 Illinois Municipal Retirement Fund
June 30, 2016

Calendar year ended December 31,	<u>2015</u>	<u>2014</u>
Total pension liability		
Service cost	\$ 479,990	\$ 491,055
Interest on the total pension liability	1,045,592	942,714
Difference between expected and actual experience of the total pension liability	398,313	(68,330)
Assumption changes	20,895	561,201
Benefit payments and refunds	(581,320)	(480,252)
Net change in total pension liability	<u>1,363,470</u>	<u>1,446,388</u>
Total pension liability, beginning	<u>14,010,509</u>	<u>12,564,121</u>
Total pension liability, ending	<u>\$ 15,373,979</u>	<u>\$ 14,010,509</u>
 Plan fiduciary net position		
Contributions, employer	\$ 476,208	\$ 435,573
Contributions, employee	199,530	191,610
Net investment income	62,544	720,410
Benefit payments, including refunds of employee contributions	(581,320)	(480,252)
Other (net transfer)	62,354	(142,199)
Net change in plan fiduciary net position	<u>219,316</u>	<u>725,142</u>
Plan fiduciary net position, beginning	<u>12,461,669</u>	<u>11,736,527</u>
Plan fiduciary net position, ending	<u>\$ 12,680,985</u>	<u>\$ 12,461,669</u>
 Net pension liability	 <u>\$ 2,692,994</u>	 <u>\$ 1,548,840</u>
 Plan fiduciary net position as a percentage of the total pension liability	 82.48 %	 88.95 %
 Covered Valuation Payroll	 \$ 4,433,973	 \$ 4,204,370
 Net pension liability as a percentage of covered valuation payroll	 60.74 %	 36.84 %

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015; therefore, 10 years of information is not available.

Berwyn North School District 98
SCHEDULE OF CONTRIBUTIONS
 Illinois Municipal Retirement Fund
June 30, 2016

<u>Calendar Year</u> Ending <u>December 31,</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>Covered</u> <u>Valuation</u> <u>Payroll</u>	<u>Actual Contribution</u> as a % of <u>Covered Valuation Payroll</u>
2015	\$ 476,209	* \$ 476,208	\$ 1	\$ 4,433,973	10.74 %
2014	435,573	435,573	-	4,145,208	10.36 %

* Estimated based on contribution rate of 10.74% and covered valuation payroll of \$4,433,973.

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015; therefore, 10 years of information is not available.

Berwyn North School District 98
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE
 SHARE OF THE NET PENSION LIABILITY
 Teachers' Retirement System of the State of Illinois
June 30, 2016

Fiscal year ended June 30,

	<u>2015</u>		<u>2014</u>	
District's proportion of the net pension liability	0.0071429751	%	0.007329922	%
District's proportionate share of the net pension liability	\$ 4,679,368		\$ 4,460,864	
State's proportionate share of the net pension liability associated with the District	<u>107,528,890</u>		<u>99,522,919</u>	
Total	<u>\$ 112,208,258</u>		<u>\$ 103,983,783</u>	
District's covered-employee payroll	\$ 16,645,674		\$ 16,218,130	
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.281116163	%	0.275054152	%
Plan fiduciary net position as a percentage of the total pension liability	41.50	%	43.00	%

Note 1: The amounts presented were determined as of the prior fiscal-year end.

Note 2: The District implemented GASB 68 beginning with it's fiscal year ended June 30, 2015 therefore 10 years of information is not available.

Berwyn North School District 98
SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Retirement System of the State of Illinois
June 30, 2016

Fiscal year ended June 30,

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 249,844	\$ 161,736
Contributions in relation to the contractually required contribution	<u>250,289</u>	<u>245,206</u>
Contribution excess	<u><u>\$ (445)</u></u>	<u><u>\$ (83,470)</u></u>
District's covered-employee payroll	\$ 16,645,674	\$ 16,218,130
Contributions as a percentage of covered-employee payroll	1.50 %	1.51 %

Note: The District implemented GASB 68 beginning with it's fiscal year ended June 30, 2015 therefore 10 years of information is not available.

Berwyn North School District 98
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS
June 30, 2016

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2)-(1)]/(5)
6/30/16*	\$ -	\$ 979,961	0.00 %	\$ 979,961	\$ 3,010,221	33.00 %
6/30/15	-	979,961	0.00	979,961	3,010,221	33.00
6/30/14*	-	752,153	0.00	752,153	-	0.00

*Results are from the previous year's actuarial valuation. The District is required to obtain an actuarial valuation every three years.

Berwyn North School District 98

General Fund - Budgetary Basis

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016			2015 Actual (as restated)
	Original and Final Budget	Actual	Variance From Final Budget	
Revenues				
Local sources				
General levy	\$ 6,017,649	\$ 6,263,976	\$ 246,327	\$ 6,322,042
Special education levy	55,773	50,136	(5,637)	56,667
Corporate personal property replacement taxes	100,000	78,741	(21,259)	103,577
Interest on investments	92,575	115,883	23,308	152,242
Sales to pupils - lunch	80,000	52,540	(27,460)	80,126
Sales to pupils - breakfast	2,000	2,306	306	1,705
Payment from other districts	3,254	3,159	(95)	2,979
Local fees	28,750	32,415	3,665	64,313
Other	<u>22,009</u>	<u>74,429</u>	<u>52,420</u>	<u>12,567</u>
Total local sources	<u>6,402,010</u>	<u>6,673,585</u>	<u>271,575</u>	<u>6,796,218</u>
State sources				
General State Aid	17,629,842	17,558,044	(71,798)	17,690,792
General State Aid - Hold Harmless/Supplemental	-	982,245	982,245	-
Special Education - Private Facility Tuition	550,000	606,701	56,701	587,532
Special Education - Extraordinary	557,279	460,859	(96,420)	488,318
Special Education - Personnel	700,000	775,700	75,700	666,888
Special Education - Summer School	100,000	105,627	5,627	97,922
Bilingual Ed. - Downstate - T.P.I. and T.P.E.	338,601	268,777	(69,824)	204,864
State Free Lunch and Breakfast	15,000	12,230	(2,770)	11,359
Early Childhood - Block Grant	116,400	116,400	-	108,305
Other state sources	<u>2,500</u>	<u>1,980</u>	<u>(520)</u>	<u>429,910</u>
Total state sources	<u>20,009,622</u>	<u>20,888,563</u>	<u>878,941</u>	<u>20,285,890</u>

(Continued)

Berwyn North School District 98

General Fund - Budgetary Basis

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016		Variance From Final Budget	2015 Actual (as restated)
	Original and Final Budget	Actual		
Federal sources				
National School Lunch Program	\$ 1,145,000	\$ 1,112,155	\$ (32,845)	\$ 1,148,574
Special Breakfast Program	163,000	161,444	(1,556)	162,485
Food Service - Fresh Fruits and Vegetables	-	-	-	30,347
Title I - Low Income	1,285,000	1,350,289	65,289	1,327,800
Federal - Special Education - Pre-School Flow Through	30,391	30,391	-	27,001
Federal - Special Education - I.D.E.A. - Flow Through	759,649	716,574	(43,075)	626,989
Emergency Immigrant Assistance	-	4,144	4,144	3,485
Title III - English Language Acquisition	4,500	87,438	82,938	116,171
Learn & Serve America	116,750	-	(116,750)	-
Title II - Teacher Quality	-	61,807	61,807	68,398
Federal charter schools	71,000	-	(71,000)	-
Administrative Outreach	-	71,611	71,611	75,049
Medicaid Matching Funds -				
Fee-For-Service-Program	-	211,796	211,796	187,783
Other federal sources	<u>265,000</u>	<u>6,300</u>	<u>(258,700)</u>	<u>-</u>
Total federal sources	<u>3,840,290</u>	<u>3,813,949</u>	<u>(26,341)</u>	<u>3,774,082</u>
Total revenues	<u>30,251,922</u>	<u>31,376,097</u>	<u>1,124,175</u>	<u>30,856,190</u>
Expenditures				
Instruction				
Regular programs				
Salaries	8,484,615	8,479,848	4,767	8,245,519
Employee benefits	3,103,824	2,713,602	390,222	2,260,052
Purchased services	15,575	10,897	6,994	11,256
Supplies and materials	225,474	210,400	33,342	612,599
Capital outlay	13,529	13,552	1,657	4,843
Other objects	64,500	37,275	27,225	27,504
Non-capitalized equipment	8,267	7,639	2,964	4,736
Termination benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,000</u>
Total	<u>11,915,784</u>	<u>11,473,213</u>	<u>467,171</u>	<u>11,249,509</u>

(Continued)

Berwyn North School District 98

General Fund - Budgetary Basis

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016			2015 Actual (as restated)
	Original and Final Budget	Actual	Variance From Final Budget	
Pre-K programs				
Purchased services	\$ 1,000	\$ 1,100	\$ (100)	\$ -
Supplies and materials	3,201	6,170	(2,969)	4,060
Capital outlay	-	-	-	5,217
Total	4,201	7,270	(3,069)	9,277
Special education programs				
Salaries	3,781,561	3,640,547	141,014	3,972,093
Employee benefits	65,336	64,453	883	124,768
Purchased services	50,000	50,000	-	-
Supplies and materials	53,225	37,873	15,352	8,144
Capital outlay	8,500	4,930	3,570	4,115
Other objects	300,000	352,131	(52,131)	297,042
Non-capitalized equipment	2,800	723	2,077	4,174
Total	4,261,422	4,150,657	110,765	4,410,336
Remedial and Supplemental Programs K-12				
Salaries	99,213	75,174	24,039	172,714
Employee benefits	37,145	26,908	10,237	44,443
Purchased services	74,495	86,587	(12,092)	112,498
Supplies and materials	197,000	114,649	82,351	471,268
Capital outlay	-	73,915	(73,915)	100,275
Total	407,853	377,233	30,620	901,198
Interscholastic programs				
Salaries	169,848	173,745	(3,897)	178,182
Employee benefits	2,344	2,221	123	-
Purchased services	6,500	5,384	1,116	2,630
Supplies and materials	500	-	500	-
Other objects	2,000	-	2,000	109
Total	181,192	181,350	(158)	180,921

(Continued)

Berwyn North School District 98

General Fund - Budgetary Basis

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016			2015 Actual (as restated)
	Original and Final Budget	Actual	Variance From Final Budget	
Summer school programs				
Salaries	\$ 137,305	\$ 60,978	\$ 76,327	\$ 158,886
Employee benefits	1,270	-	1,270	-
Purchased services	10,565	8,038	2,527	13,490
Supplies and materials	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>-</u>
Total	<u>150,640</u>	<u>69,016</u>	<u>81,624</u>	<u>172,376</u>
Gifted programs				
Salaries	14,853	12,360	2,493	12,000
Employee benefits	205	169	36	-
Supplies and materials	<u>-</u>	<u>1,321</u>	<u>(1,321)</u>	<u>1,094</u>
Total	<u>15,058</u>	<u>13,850</u>	<u>1,208</u>	<u>13,094</u>
Bilingual programs				
Salaries	2,173,737	2,085,404	88,333	2,021,933
Employee benefits	47,440	34,983	12,457	51,281
Purchased services	66,563	64,968	1,595	1,032
Supplies and materials	<u>14,240</u>	<u>2,852</u>	<u>11,388</u>	<u>79,444</u>
Total	<u>2,301,980</u>	<u>2,188,207</u>	<u>113,773</u>	<u>2,153,690</u>
Regular K-12 programs - private tuition	-	-	-	9,308
Special education programs K-12 - private tuition	845,000	1,196,547	(351,547)	1,131,628
Special education programs pre-K - private tuition	60,000	-	60,000	29,802
Summer school programs - private tuition	<u>95,000</u>	<u>149,449</u>	<u>(54,449)</u>	<u>132,919</u>
Total instruction	<u>20,238,130</u>	<u>19,806,792</u>	<u>455,938</u>	<u>20,394,058</u>

(Continued)

Berwyn North School District 98

General Fund - Budgetary Basis

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016			2015 Actual (as restated)
	Original and Final Budget	Actual	Variance From Final Budget	
Support services				
Pupils				
Attendance and social work services				
Salaries	\$ 496,513	\$ 488,995	\$ 7,518	\$ 608,454
Employee benefits	7,245	6,620	625	6,928
Supplies and materials	<u>1,000</u>	<u>189</u>	<u>811</u>	<u>856</u>
Total	<u>504,758</u>	<u>495,804</u>	<u>8,954</u>	<u>616,238</u>
Health services				
Salaries	297,748	302,326	(4,578)	328,762
Employee benefits	5,556	5,644	(88)	5,248
Purchased services	219,568	182,905	36,663	184,782
Supplies and materials	4,000	15,806	(11,806)	3,986
Capital outlay	12,840	-	12,840	-
Non-capitalized equipment	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Total	<u>540,712</u>	<u>506,681</u>	<u>34,031</u>	<u>522,778</u>
Psychological services				
Salaries	173,517	140,950	32,567	189,914
Employee benefits	2,395	1,952	443	1,807
Purchased services	-	43,928	(43,928)	22,363
Supplies and materials	<u>10,000</u>	<u>9,598</u>	<u>402</u>	<u>9,628</u>
Total	<u>185,912</u>	<u>196,428</u>	<u>(10,516)</u>	<u>223,712</u>
Speech pathology and audiology services				
Salaries	388,811	383,291	5,520	420,048
Employee benefits	5,366	5,390	(24)	4,103
Purchased services	262,000	244,632	17,368	264,506
Supplies and materials	<u>2,500</u>	<u>2,833</u>	<u>(333)</u>	<u>1,770</u>
Total	<u>658,677</u>	<u>636,146</u>	<u>22,531</u>	<u>690,427</u>
Total pupils	<u>1,890,059</u>	<u>1,835,059</u>	<u>55,000</u>	<u>2,053,155</u>

(Continued)

Berwyn North School District 98

General Fund - Budgetary Basis

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016			2015 Actual (as restated)
	Original and Final Budget	Actual	Variance From Final Budget	
Instructional staff				
Improvement of instruction services				
Salaries	\$ 611,330	\$ 519,828	\$ 91,502	\$ 417,573
Employee benefits	190,924	155,514	35,410	104,965
Purchased services	281,837	261,379	20,458	327,455
Supplies and materials	41,395	33,367	8,028	61,890
Capital outlay	5,000	16,197	(11,197)	-
Total	<u>1,130,486</u>	<u>986,285</u>	<u>144,201</u>	<u>911,883</u>
Educational media services				
Salaries	344,449	337,289	7,160	384,953
Employee benefits	3,582	12,997	(9,415)	2,525
Supplies and materials	67,748	70,121	(2,373)	58,750
Other objects	9,000	6,800	2,200	7,545
Non-capitalized equipment	3,000	2,480	520	2,168
Total	<u>427,779</u>	<u>429,687</u>	<u>(1,908)</u>	<u>455,941</u>
Assessment and testing				
Salaries	11,840	5,539	6,301	12,805
Employee benefits	163	10	153	-
Purchased services	101,500	102,348	(848)	77,391
Supplies and materials	2,500	1,683	817	1,756
Total	<u>116,003</u>	<u>109,580</u>	<u>6,423</u>	<u>91,952</u>
Total instructional staff	<u>1,674,268</u>	<u>1,525,552</u>	<u>148,716</u>	<u>1,459,776</u>

(Continued)

Berwyn North School District 98

General Fund - Budgetary Basis

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016			2015 Actual (as restated)
	Original and Final Budget	Actual	Variance From Final Budget	
General administration				
Board of education services				
Employee benefits	\$ -	\$ -	\$ -	\$ 560
Purchased services	43,893	84,165	(40,272)	18,628
Supplies and materials	14,000	14,018	(18)	10,116
Other objects	-	-	-	25,000
Total	<u>57,893</u>	<u>98,183</u>	<u>(40,290)</u>	<u>54,304</u>
Executive administration services				
Salaries	208,158	216,321	(8,163)	184,893
Employee benefits	2,873	2,986	(113)	20,971
Purchased services	13,000	9,407	3,593	10,751
Supplies and materials	<u>6,000</u>	<u>4,087</u>	<u>1,913</u>	<u>3,830</u>
Total	<u>230,031</u>	<u>232,801</u>	<u>(2,770)</u>	<u>220,445</u>
Special area administrative services				
Salaries	203,601	204,227	(626)	179,544
Employee benefits	2,049	2,049	-	14,956
Purchased services	28,600	2,876	25,724	5,897
Supplies and materials	<u>3,000</u>	<u>529</u>	<u>2,471</u>	<u>1,020</u>
Total	<u>237,250</u>	<u>209,681</u>	<u>27,569</u>	<u>201,417</u>
Tort immunity services				
Salaries	20,000	15,781	4,219	27,277
Purchased services	<u>204,520</u>	<u>185,897</u>	<u>18,623</u>	<u>225,056</u>
Total	<u>224,520</u>	<u>201,678</u>	<u>22,842</u>	<u>252,333</u>
Total general administration	<u>749,694</u>	<u>742,343</u>	<u>7,351</u>	<u>728,499</u>

(Continued)

Berwyn North School District 98

General Fund - Budgetary Basis

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016			2015 Actual (as restated)
	Original and Final Budget	Actual	Variance From Final Budget	
School administration				
Office of the principal services				
Salaries	\$ 1,448,155	\$ 1,450,708	\$ (2,553)	\$ 1,266,748
Employee benefits	14,282	14,304	(22)	83,185
Purchased services	4,000	2,081	1,919	4,617
Supplies and materials	<u>6,500</u>	<u>6,501</u>	<u>(1)</u>	<u>5,196</u>
Total school administration	<u>1,472,937</u>	<u>1,473,594</u>	<u>(657)</u>	<u>1,359,746</u>
Business				
Direction of business support services				
Salaries	91,620	83,543	8,077	81,905
Purchased services	<u>3,000</u>	<u>2,532</u>	<u>468</u>	<u>1,704</u>
Total	<u>94,620</u>	<u>86,075</u>	<u>8,545</u>	<u>83,609</u>
Fiscal services				
Salaries	495,570	472,536	23,034	410,195
Purchased services	232,705	250,920	(18,215)	186,856
Supplies and materials	40,000	37,839	2,161	20,505
Non-capitalized equipment	<u>5,000</u>	<u>4,762</u>	<u>238</u>	<u>3,750</u>
Total	<u>773,275</u>	<u>766,057</u>	<u>7,218</u>	<u>621,306</u>

(Continued)

Berwyn North School District 98

General Fund - Budgetary Basis

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016			2015 Actual (as restated)
	Original and Final Budget	Actual	Variance From Final Budget	
Food services				
Salaries	\$ 457,422	\$ 381,954	\$ 75,468	\$ 408,917
Employee benefits	1,265	930	335	-
Purchased services	7,500	1,788	5,712	1,535
Supplies and materials	<u>937,400</u>	<u>825,651</u>	<u>111,749</u>	<u>898,177</u>
Total	<u>1,403,587</u>	<u>1,210,323</u>	<u>193,264</u>	<u>1,308,629</u>
Total business	<u>2,271,482</u>	<u>2,062,455</u>	<u>209,027</u>	<u>2,013,544</u>
Planning, research, development and evaluation services				
Salaries	189,400	189,400	-	170,709
Employee benefits	2,228	2,229	(1)	16,268
Purchased services	5,000	3,775	1,225	2,352
Supplies and materials	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>196,628</u>	<u>195,404</u>	<u>1,224</u>	<u>189,329</u>
Staff services				
Salaries	3,500	3,850	(350)	3,763
Employee benefits	<u>1,310</u>	<u>1,441</u>	<u>(131)</u>	<u>1,332</u>
Total	<u>4,810</u>	<u>5,291</u>	<u>(481)</u>	<u>5,095</u>
Data processing services				
Salaries	429,389	370,366	59,023	394,405
Employee benefits	1,966	1,798	168	13,093
Purchased services	280,881	315,505	(34,624)	319,099
Supplies and materials	65,384	63,359	2,025	54,784
Capital outlay	202,000	202,478	(478)	125,515
Other objects	-	-	-	48,557
Non-capitalized equipment	<u>138,073</u>	<u>130,501</u>	<u>7,572</u>	<u>148,260</u>
Total	<u>1,117,693</u>	<u>1,084,007</u>	<u>33,686</u>	<u>1,103,713</u>
Total central	<u>1,319,131</u>	<u>1,284,702</u>	<u>34,429</u>	<u>1,298,137</u>

(Continued)

Berwyn North School District 98

General Fund - Budgetary Basis

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016			2015 Actual (as restated)
	Original and Final Budget	Actual	Variance From Final Budget	
Other supporting services				
Purchased services	\$ -	\$ -	\$ -	\$ 47
Total	-	-	-	47
Total support services	9,377,571	8,923,705	453,866	8,912,904
Community services				
Salaries	89,802	77,809	11,993	82,554
Employee benefits	4,979	1,842	3,137	1,898
Purchased services	18,453	19,989	(1,536)	10,394
Supplies and materials	17,515	15,000	2,515	15,193
Other objects	-	3,180	(3,180)	-
Total	130,749	117,820	12,929	110,039
Payments for special education programs				
Purchased services	10,000	1,533	8,467	-
Other objects	-	-	-	216
Total	10,000	1,533	8,467	216
Other payments to in-state governmental units				
Other objects	23,888	10,020	13,868	27,168
Total	23,888	10,020	13,868	27,168
Total payments to other districts and other government units	33,888	11,553	22,335	27,384

(Continued)

Berwyn North School District 98

General Fund - Budgetary Basis

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016			2015 Actual (as restated)
	Original and Final Budget	Actual	Variance From Final Budget	
Provision for contingencies	\$ 75,000	\$ -	\$ 75,000	\$ -
Total expenditures	<u>29,855,338</u>	<u>28,859,870</u>	<u>1,020,068</u>	<u>29,444,385</u>
Excess of revenues over expenditures	<u>396,584</u>	<u>2,516,227</u>	<u>2,144,243</u>	<u>1,411,805</u>
Fund balance, beginning of year, as restated (Note L)		<u>37,241,625</u>		<u>35,829,820</u>
Fund balance, end of year		<u>\$39,757,852</u>		<u>\$37,241,625</u>

(Concluded)

Berwyn North School District 98
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016		Variance From Final Budget	Actual Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 1,041,996	\$ 1,006,185	\$ (35,811)	\$ 811,490
Interest on investments	7,690	7,297	(393)	12,318
Rentals	1,800	768	(1,032)	2,750
Refund of prior years' expenditures	15,000	16,019	1,019	15,821
Other	<u>-</u>	<u>116,710</u>	<u>116,710</u>	<u>46,149</u>
Total local sources	<u>1,066,486</u>	<u>1,146,979</u>	<u>80,493</u>	<u>888,528</u>
State sources				
General State Aid	1,589,795	1,838,643	248,848	737,297
Other	<u>80,472</u>	<u>-</u>	<u>(80,472)</u>	<u>-</u>
Total state sources	<u>1,670,267</u>	<u>1,838,643</u>	<u>168,376</u>	<u>737,297</u>
Federal sources				
Other federal grants-in-aid	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>
Total federal sources	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>
Total revenues	<u>2,836,753</u>	<u>2,985,622</u>	<u>148,869</u>	<u>1,625,825</u>

(Continued)

Berwyn North School District 98
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016		Variance From Final Budget	Actual Actual
	Original and Final Budget	Actual		
Expenditures				
Support services				
Facilities acquisition and construction services				
Purchased services	\$ 11,000	\$ 10,541	\$ 459	\$ 9,009
Capital outlay	<u>146,582</u>	<u>182,443</u>	<u>(35,861)</u>	<u>-</u>
Total	<u>157,582</u>	<u>192,984</u>	<u>(35,402)</u>	<u>9,009</u>
Operation and maintenance of plant services				
Salaries	1,228,405	1,159,828	68,577	1,134,296
Employee benefits	186,204	177,063	9,141	206,999
Purchased services	450,600	697,777	(247,177)	397,219
Supplies and materials	569,500	529,428	40,072	530,179
Capital outlay	45,011	40,845	4,166	81,444
Other objects	<u>700</u>	<u>-</u>	<u>700</u>	<u>561</u>
Total	<u>2,480,420</u>	<u>2,604,941</u>	<u>(124,521)</u>	<u>2,350,698</u>
Other support services				
Purchased services	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>-</u>
Total	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>-</u>
Total support services	<u>2,788,002</u>	<u>2,797,925</u>	<u>(9,923)</u>	<u>2,359,707</u>
Provision for contingencies	<u>75,000</u>	<u>-</u>	<u>75,000</u>	<u>-</u>
Total expenditures	<u>2,863,002</u>	<u>2,797,925</u>	<u>65,077</u>	<u>2,359,707</u>

(Continued)

Berwyn North School District 98
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016		Variance From Final Budget	Actual Actual
	Original and Final Budget	Actual		
Excess (deficiency) of revenues over expenditures	\$ (26,249)	\$ 187,697	\$ 213,946	\$ (733,882)
Other financing uses				
Transfer to Capital Projects Fund	-	-	-	(675,536)
Total other financing uses	-	-	-	(675,536)
Net change in fund balance	<u>\$ (26,249)</u>	187,697	<u>\$ 213,946</u>	(1,409,418)
Fund balance, beginning of year		<u>2,213,993</u>		<u>3,623,411</u>
Fund balance, end of year		<u>\$ 2,401,690</u>		<u>\$ 2,213,993</u>

(Concluded)

Berwyn North School District 98

Transportation Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016		Variance From Final Budget	Actual Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 194,208	\$ 198,398	\$ 4,190	\$ 194,300
Interest on investments	2,020	930	(1,090)	1,739
Other	<u>23,548</u>	<u>23,548</u>	<u>-</u>	<u>5,228</u>
Total local sources	<u>219,776</u>	<u>222,876</u>	<u>3,100</u>	<u>201,267</u>
State sources				
Transportation - Special Education	<u>983,895</u>	<u>956,419</u>	<u>(27,476)</u>	<u>787,949</u>
Total state sources	<u>983,895</u>	<u>956,419</u>	<u>(27,476)</u>	<u>787,949</u>
Total revenues	<u>1,203,671</u>	<u>1,179,295</u>	<u>(24,376)</u>	<u>989,216</u>
Expenditures				
Business				
Pupil transportation services				
Salaries	306,601	347,056	(40,455)	277,349
Employee benefits	94,982	82,062	12,920	91,055
Purchased services	711,564	756,136	(44,572)	784,482
Supplies and materials	18,000	11,392	6,608	16,743
Other objects	<u>200</u>	<u>70</u>	<u>130</u>	<u>-</u>
Total support services	<u>1,131,347</u>	<u>1,196,716</u>	<u>(65,369)</u>	<u>1,169,629</u>
Total expenditures	<u>1,131,347</u>	<u>1,196,716</u>	<u>(65,369)</u>	<u>1,169,629</u>

(Continued)

Berwyn North School District 98

Transportation Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016		Variance From Final Budget	Actual Actual
	Original and Final Budget	Actual		
Excess (deficiency) of revenues over expenditures	<u>\$ 72,324</u>	<u>\$ (17,421)</u>	<u>\$ (89,745)</u>	<u>\$ (180,413)</u>
Fund balance, beginning of year		<u>447,197</u>		<u>627,610</u>
Fund balance, end of year		<u>\$ 429,776</u>		<u>\$ 447,197</u>

(Concluded)

Berwyn North School District 98
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016		Variance From Final Budget	Actual Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 645,045	\$ 426,682	\$ (218,363)	\$ 375,333
Social security/Medicare only levy	595,426	478,780	(116,646)	460,508
Corporate personal property replacement taxes	20,000	20,000	-	20,000
Interest on investments	<u>537</u>	<u>1,677</u>	<u>1,140</u>	<u>1,830</u>
Total local sources	<u>1,261,008</u>	<u>927,139</u>	<u>(333,869)</u>	<u>857,671</u>
Total revenues	<u>1,261,008</u>	<u>927,139</u>	<u>(333,869)</u>	<u>857,671</u>
Expenditures				
Instruction				
Regular programs	128,499	55,414	73,085	404,495
Special education programs	221,844	214,458	7,386	172,982
Remedial and supplemental programs K-12	1,410	575	835	-
Interscholastic programs	2,463	3,641	(1,178)	-
Summer school programs	9,828	-	9,828	-
Gifted programs	215	178	37	-
Bilingual programs	<u>51,521</u>	<u>49,983</u>	<u>1,538</u>	<u>36,301</u>
Total instruction	<u>415,780</u>	<u>324,249</u>	<u>91,531</u>	<u>613,778</u>

(Continued)

Berwyn North School District 98
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016		Variance From Final Budget	Actual Actual
	Original and Final Budget	Actual		
Support services				
Pupils				
Attendance and social work services	\$ 8,005	\$ 14,058	\$ (6,053)	\$ 6,901
Health services	23,873	26,939	(3,066)	26,294
Psychological services	2,516	1,985	531	1,956
Speech pathology and audiology services	<u>5,638</u>	<u>5,663</u>	<u>(25)</u>	<u>4,439</u>
Total pupils	<u>40,032</u>	<u>48,645</u>	<u>(8,613)</u>	<u>39,590</u>
Instructional staff				
Improvement of instruction services	20,561	16,813	3,748	8,390
Educational media services	<u>20,107</u>	<u>17,990</u>	<u>2,117</u>	<u>16,836</u>
Total instructional staff	<u>40,668</u>	<u>34,803</u>	<u>5,865</u>	<u>25,226</u>
General administration				
Executive administration services	3,018	3,137	(119)	1,935
Special area administrative services	12,476	20,268	(7,792)	13,190
Education, inspectional, supervisory services related to loss prevention or reduction	<u>1,530</u>	<u>1,204</u>	<u>326</u>	<u>1,293</u>
Total general administration	<u>17,024</u>	<u>24,609</u>	<u>(7,585)</u>	<u>16,418</u>
School administration				
Office of the principal services	<u>91,733</u>	<u>90,393</u>	<u>1,340</u>	<u>49,130</u>
Total school administration	<u>91,733</u>	<u>90,393</u>	<u>1,340</u>	<u>49,130</u>

(Continued)

Berwyn North School District 98
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016		Variance From Final Budget	Actual Actual
	Original and Final Budget	Actual		
Business				
Direction of business support services	\$ 17,031	\$ 15,375	\$ 1,656	\$ 9,879
Fiscal services	91,318	78,392	12,926	42,793
Operation and maintenance of plant services	215,492	204,364	11,128	127,438
Pupil transportation services	50,045	57,893	(7,848)	13,552
Food services	<u>60,219</u>	<u>46,156</u>	<u>14,063</u>	<u>10,782</u>
Total business	<u>434,105</u>	<u>402,180</u>	<u>31,925</u>	<u>204,444</u>
Central				
Planning, research, development and evaluation services	7,660	7,554	106	4,804
Staff services	51	-	51	-
Data processing services	<u>54,205</u>	<u>46,132</u>	<u>8,073</u>	<u>34,937</u>
Total central	<u>61,916</u>	<u>53,686</u>	<u>8,230</u>	<u>39,741</u>
Total support services	<u>685,478</u>	<u>654,316</u>	<u>31,162</u>	<u>374,549</u>
Community services	<u>9,210</u>	<u>9,156</u>	<u>54</u>	<u>5,097</u>
Provision for contingencies	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Total expenditures	<u>1,115,468</u>	<u>987,721</u>	<u>127,747</u>	<u>993,424</u>
Excess (deficiency) of revenues over expenditures	<u>145,540</u>	<u>(60,582)</u>	<u>(206,122)</u>	<u>(135,753)</u>
Fund balance, beginning of year		<u>60,711</u>		<u>196,464</u>
Fund balance, end of year		<u>\$ 129</u>		<u>\$ 60,711</u>

(Concluded)

Berwyn North School District 98
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2016

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

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

- a) 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.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) 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 a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) The budget amounts shown in the financial statements are as originally adopted, by the Board of Education, on September 24, 2015.
- g) All budget appropriations lapse at the end of the fiscal year.

Berwyn North School District 98

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2016

2. BUDGET RECONCILIATION

The Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds (GAAP basis) includes "on-behalf" payments received and made for the amounts contributed by the state of Illinois for the employer's share of the Teachers' Retirement System pension. The District does not budget for these amounts. The differences between the budget and GAAP basis are as follows:

	<u>Revenues</u>	<u>Expenditures</u>
General fund - budgetary basis	\$ 31,376,097	\$ 28,859,870
On-behalf payments received	9,031,767	-
On-behalf payments made	<u>-</u>	<u>9,031,767</u>
General fund - GAAP basis	<u>\$ 40,407,864</u>	<u>\$ 37,891,637</u>

3. EXPENDITURES IN EXCESS OF BUDGETS

The following funds had expenditures in excess of budgets, at June 30, 2016:

<u>Funds</u>	<u>Variance</u>
Transportation Fund	\$ 65,369

4. TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Changes of Assumptions

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

Berwyn North School District 98
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2016

**5. SUMMARY OF ACUTARIAL METHODS AND ASSUMPTIONS USED IN THE
CALCULATION OF THE 2015 IMRF CONTRIBUTION RATE***

Valuation Date:

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

Methods and Assumptions Used to Determine the 2015 Contribution Rate:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular members): 28-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	4.00%
Price Inflation	3.0% - approximate; no explicit price inflation assumption is used in this valuation.
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. Last updated for the 2011 valuation F97 pursuant to an experience study of the period 2008-2010.
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2013 actuarial valuation.

SUPPLEMENTARY FINANCIAL INFORMATION

Berwyn North School District 98

General Fund

COMBINING BALANCE SHEET

June 30, 2016

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Total
ASSETS				
Cash and investments	\$ 40,256,981	\$ 147,920	\$ 562,181	\$ 40,967,082
Receivables (net of allowance for uncollectibles):				
Property taxes	2,955,221	138,442	-	3,093,663
Replacement taxes	20,369	-	-	20,369
Intergovernmental	866,425	-	-	866,425
Total assets	<u>\$ 44,098,996</u>	<u>\$ 286,362</u>	<u>\$ 562,181</u>	<u>\$ 44,947,539</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 52,309	\$ -	\$ -	\$ 52,309
Salaries and wages payable	1,585,438	-	-	1,585,438
Payroll deductions payable	571,531	-	-	571,531
Due to other governments	14,390	-	-	14,390
Total liabilities	<u>2,223,668</u>	<u>-</u>	<u>-</u>	<u>2,223,668</u>
DEFERRED INFLOWS				
Property taxes levied for a future period	<u>2,833,289</u>	<u>132,730</u>	<u>-</u>	<u>2,966,019</u>
Total deferred inflows	<u>2,833,289</u>	<u>132,730</u>	<u>-</u>	<u>2,966,019</u>
FUND BALANCES				
Restricted	-	153,632	-	153,632
Unassigned	<u>39,042,039</u>	<u>-</u>	<u>562,181</u>	<u>39,604,220</u>
Total fund balance	<u>39,042,039</u>	<u>153,632</u>	<u>562,181</u>	<u>39,757,852</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 44,098,996</u>	<u>\$ 286,362</u>	<u>\$ 562,181</u>	<u>\$ 44,947,539</u>

Berwyn North School District 98

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES For the Year Ended June 30, 2016

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Total
Revenues				
Property taxes	\$ 6,042,080	\$ 272,032	\$ -	\$ 6,314,112
Replacement taxes	78,741	-	-	78,741
State aid	29,920,330	-	-	29,920,330
Federal aid	3,813,949	-	-	3,813,949
Interest	114,077	-	1,806	115,883
Other	164,849	-	-	164,849
Total revenues	<u>40,134,026</u>	<u>272,032</u>	<u>1,806</u>	<u>40,407,864</u>
Expenditures				
Current:				
Instruction:				
Regular programs	11,460,761	-	-	11,460,761
Special programs	5,645,592	-	-	5,645,592
Other instructional programs	2,608,042	-	-	2,608,042
State retirement contributions	9,031,767	-	-	9,031,767
Support services:				
Pupils	1,836,592	-	-	1,836,592
Instructional staff	1,503,043	-	-	1,503,043
General administration	546,977	201,678	-	748,655
School administration	1,473,594	-	-	1,473,594
Business	2,062,455	-	-	2,062,455
Central	1,082,224	-	-	1,082,224
Community services	117,820	-	-	117,820
Nonprogrammed charges	10,020	-	-	10,020
Capital outlay	311,072	-	-	311,072
Total expenditures	<u>37,689,959</u>	<u>201,678</u>	<u>-</u>	<u>37,891,637</u>
Excess of revenues over expenditures	<u>2,444,067</u>	<u>70,354</u>	<u>1,806</u>	<u>2,516,227</u>
Fund balance, beginning of year, as restated	<u>36,597,972</u>	<u>83,278</u>	<u>560,375</u>	<u>37,241,625</u>
Fund balance, end of year	<u>\$ 39,042,039</u>	<u>\$ 153,632</u>	<u>\$ 562,181</u>	<u>\$ 39,757,852</u>

Berwyn North School District 98
 Fire Prevention and Safety Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2016

With Comparative Actual Amounts for the Year Ended June 30, 2015 (as restated)

	2016		Variance From Final Budget	Actual Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 1,000	\$ 539	\$ (461)	\$ 532
Interest on investments	<u>299</u>	<u>431</u>	<u>132</u>	<u>689</u>
Total local sources	<u>1,299</u>	<u>970</u>	<u>(329)</u>	<u>1,221</u>
Total revenues	<u>1,299</u>	<u>970</u>	<u>(329)</u>	<u>1,221</u>
Expenditures				
Support services				
Facilities acquisition and construction services				
Purchased services	-	9,603	(9,603)	22,968
Capital outlay	-	3,135	(3,135)	13,953
Other objects	<u>29,000</u>	<u>-</u>	<u>29,000</u>	<u>-</u>
Total support services	<u>29,000</u>	<u>12,738</u>	<u>16,262</u>	<u>36,921</u>
Total expenditures	<u>29,000</u>	<u>12,738</u>	<u>16,262</u>	<u>36,921</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (27,701)</u>	<u>(11,768)</u>	<u>\$ 15,933</u>	<u>(35,700)</u>
Fund balance, beginning of year		<u>132,624</u>		<u>168,324</u>
Fund balance, end of year		<u>\$ 120,856</u>		<u>\$ 132,624</u>

OTHER SUPPLEMENTAL INFORMATION
(Unaudited)

Berwyn North School District 98
PROPERTY TAX RATES AND LEVIES
LAST FIVE TAX LEVY YEARS

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Assessed valuation	\$ <u>209,903,385</u>	\$ <u>216,502,292</u>	\$ <u>232,173,685</u>	\$ <u>248,174,532</u>	\$ <u>272,819,086</u>
Rates Extended					
Educational	2.9058	2.8500	2.7628	2.6123	2.2878
Tort Immunity	0.1374	0.1242	0.1074	0.1452	0.0927
Special Education	0.0270	0.0281	0.0242	0.0216	0.0264
Operations and Maintenance	0.5108	0.4615	0.3000	-	0.0374
Debt Service	-	-	-	-	0.6271
Transportation	0.0930	0.0951	0.0843	0.0794	0.1699
IMRF	0.2208	0.1879	0.1584	0.1226	0.1699
Social Security	0.2380	0.2236	0.2017	0.3641	0.1699
Fire Prevention and Safety	<u>0.0005</u>	<u>0.0005</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total rates extended	<u>4.1333</u>	<u>3.9709</u>	<u>3.6388</u>	<u>3.3452</u>	<u>3.5811</u>
Levies Extended					
Educational	\$ 6,099,437	\$ 6,170,329	\$ 6,414,478	\$ 6,483,063	\$ 6,241,464
Tort Immunity	288,400	268,830	249,260	360,349	252,790
Special Education	56,650	60,770	56,201	53,605	71,894
Operations and Maintenance	1,072,230	999,203	696,510	-	102,100
Debt Service	-	-	-	-	1,710,923
Transportation	195,237	206,000	195,700	197,050	463,500
IMRF	463,500	406,850	367,871	304,261	463,500
Social Security	499,550	484,100	468,199	903,603	463,500
Fire Prevention and Safety	<u>1,030</u>	<u>1,030</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total levies extended	<u>\$ 8,676,034</u>	<u>\$ 8,597,112</u>	<u>\$ 8,448,219</u>	<u>\$ 8,301,931</u>	<u>\$ 9,769,671</u>

Note: Tax Rates are expressed in dollars per \$100 of assessed valuation.

Berwyn North School District 98
OPERATING COSTS AND TUITION CHARGE
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Operating costs per pupil		
Average Daily Attendance (ADA):	<u>2,696.88</u>	<u>2,754.30</u>
Operating costs:		
Educational	\$ 28,658,192	\$ 30,200,694
Operations and Maintenance	2,797,925	2,359,707
Tort Immunity and Judgment	201,678	1,169,629
Transportation	1,196,716	993,424
Municipal Retirement/Social Security	<u>987,721</u>	<u>252,333</u>
Subtotal	<u>33,842,232</u>	<u>34,975,787</u>
Less Revenues/Expenditures of Nonregular Programs:		
Tuition	1,345,996	1,307,717
Summer school	76,286	172,376
Capital outlay	534,360	321,409
Non-capitalized equipment	146,105	163,088
Community services	126,976	115,136
Payments to other government units	<u>11,553</u>	<u>27,384</u>
Subtotal	<u>2,241,276</u>	<u>2,107,110</u>
Operating costs	<u>\$ 31,600,956</u>	<u>\$ 32,868,677</u>
Operating costs per pupil - based on ADA	<u>\$ 11,718</u>	<u>\$ 11,933.59</u>
Tuition Charge		
Operating costs	\$ 31,600,956	\$ 32,868,677
Less - revenues from specific programs, such as special education or lunch programs	<u>7,063,039</u>	<u>7,173,696</u>
Net operating costs	24,537,917	25,694,981
Depreciation allowance	<u>1,434,218</u>	<u>1,309,215</u>
Allowance tuition costs	<u>\$ 25,972,135</u>	<u>\$ 27,004,196</u>
Tuition charge per pupil - based on ADA	<u>\$ 9,630</u>	<u>\$ 9,804.38</u>

Berwyn North School District 98

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Educational Account, Tort Immunity and Judgment Account, and Operations and Maintenance Funds) Last Ten Years

	2016	2015 (as restated)	2014	2013
Revenues				
Local Sources	\$ 7,818,758	\$ 7,682,573	\$ 6,802,005	\$ 7,494,662
State Sources:				
Educational Fund	20,888,563	20,285,890	20,094,889	17,965,536
Operations and Maintenance Fund	1,838,643	737,297	789,417	2,738,498
Federal Sources	<u>3,813,949</u>	<u>3,774,082</u>	<u>3,569,655</u>	<u>3,287,417</u>
Total revenues	<u>34,359,913</u>	<u>32,479,842</u>	<u>31,255,966</u>	<u>31,486,113</u>
Expenditures				
Instruction	19,495,720	20,154,093	18,696,911	17,944,817
Support services:				
Educational and Torts Funds	8,923,705	8,912,904	8,520,434	8,326,076
Operations and Maintenance Fund	2,576,170	2,278,263	2,524,403	2,479,720
Community services	117,820	110,039	83,839	92,347
Nonprogrammed charges	10,020	27,384	66,987	69,036
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	<u>534,360</u>	<u>321,409</u>	<u>60,601</u>	<u>1,001,688</u>
Total expenditures	<u>31,657,795</u>	<u>31,804,092</u>	<u>29,953,175</u>	<u>29,913,684</u>
Excess of revenues over expenditures	<u>2,702,118</u>	<u>675,750</u>	<u>1,302,791</u>	<u>1,572,429</u>
Other financing sources uses				
Transfers in	-	-	-	820,000
Transfers (out)	-	(675,536)	(4,601,853)	(1,204,057)
Bond proceeds	-	-	-	-
Payment to escrow	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources uses	<u>-</u>	<u>(675,536)</u>	<u>(4,601,853)</u>	<u>(384,057)</u>
Net change in fund balance	2,702,118	214	(3,299,062)	1,188,372
Fund balance, beginning of year	<u>38,895,243</u>	<u>38,895,029</u>	<u>42,194,091</u>	<u>41,005,719</u>
Fund balance, end of year	<u>\$ 41,597,361</u>	<u>\$ 38,895,243</u>	<u>\$ 38,895,029</u>	<u>\$ 42,194,091</u>

The accompanying notes are an integral part of this statement.

2012	2011	2010	2009	2008	2007
\$ 7,306,633	\$ 6,500,674	\$ 7,210,397	\$ 7,312,099	\$ 6,767,463	\$ 6,820,217
17,774,366	18,532,257	13,354,336	14,232,741	15,489,111	12,582,956
8,376,038	2,209,891	2,353,122	1,579,371	2,158,723	2,897,229
<u>3,551,142</u>	<u>5,526,360</u>	<u>7,368,007</u>	<u>6,374,886</u>	<u>2,409,713</u>	<u>2,374,341</u>
<u>37,008,179</u>	<u>32,769,182</u>	<u>30,285,862</u>	<u>29,499,097</u>	<u>26,825,010</u>	<u>24,674,743</u>
16,970,443	16,292,736	15,900,825	16,751,428	14,626,938	12,356,522
7,829,980	7,368,146	6,910,387	6,367,953	5,781,491	5,284,224
2,443,893	2,800,076	2,705,154	2,475,117	2,200,655	2,076,776
70,025	42,663	81,175	74,034	40,750	22,828
56,568	250,448	303,639	231,620	361,533	209,256
-	-	-	-	-	765,000
-	-	-	-	-	572,250
<u>1,179,776</u>	<u>-</u>	<u>-</u>	<u>575,583</u>	<u>326,403</u>	<u>601,734</u>
<u>28,550,685</u>	<u>26,754,069</u>	<u>25,901,180</u>	<u>26,475,735</u>	<u>23,337,770</u>	<u>21,888,590</u>
<u>8,457,494</u>	<u>6,015,113</u>	<u>4,384,682</u>	<u>3,023,362</u>	<u>3,487,240</u>	<u>2,786,153</u>
-	-	-	87,615	-	477,036
-	-	-	(87,615)	(63,832)	(700,000)
-	-	-	-	1,581,361	-
-	-	-	-	(1,581,361)	-
-	-	-	-	(63,832)	(222,964)
8,457,494	6,015,113	4,384,682	3,023,362	3,423,408	2,563,189
<u>32,548,225</u>	<u>26,533,112</u>	<u>22,148,430</u>	<u>19,125,068</u>	<u>15,701,660</u>	<u>13,138,471</u>
<u>\$ 41,005,719</u>	<u>\$ 32,548,225</u>	<u>\$ 26,533,112</u>	<u>\$ 22,148,430</u>	<u>\$ 19,125,068</u>	<u>\$ 15,701,660</u>

Berwyn North School District 98

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN ACCUMULATED BALANCES

Child Nutrition Program

Last Five Years

	2016	2015	2014	2013	2012
Receipts / Revenues					
Federal reimbursement	\$ 1,112,155	\$ 1,148,574	\$ 1,112,044	\$ 1,110,288	\$ 1,061,164
State reimbursement	12,230	11,359	24,673	30,392	60,743
Children's payments	52,540	80,126	103,231	84,307	88,399
Adults' payments	-	-	-	-	1,445
 Total receipts / revenues	<u>1,176,925</u>	<u>1,240,059</u>	<u>1,239,948</u>	<u>1,224,987</u>	<u>1,211,751</u>
 Expenditures					
Salaries	381,954	408,917	360,667	403,195	419,480
Benefits	930	-	198	454	10,913
Food and contracted food service	827,439	899,712	974,279	998,473	1,035,531
Capital outlay	-	-	-	2,873	4,197
Other costs	-	-	-	-	398
 Total expenditures	<u>1,210,323</u>	<u>1,308,629</u>	<u>1,335,144</u>	<u>1,404,995</u>	<u>1,470,519</u>
 Deficiency of revenues over expenditures	(33,398)	(68,570)	(95,196)	(180,008)	(258,768)
 Accumulated balance excess, beginning of year	<u>1,949</u>	<u>70,519</u>	<u>165,715</u>	<u>345,723</u>	<u>604,491</u>
 Accumulated balance excess (deficit), end of year	<u>\$ (31,449)</u>	<u>\$ 1,949</u>	<u>\$ 70,519</u>	<u>\$ 165,715</u>	<u>\$ 345,723</u>