

**BATAVIA
PUBLIC
SCHOOL**
DISTRICT 101

Batavia, Illinois

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2018

**Batavia Public School
District 101
Batavia, Illinois**

Comprehensive Annual Financial Report

For the fiscal year ended
June 30, 2018

BATAVIA PUBLIC SCHOOL DISTRICT 101

June 30, 2018

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Batavia Public School District 101

335 W Wilson St

Batavia, Illinois 60510

Comprehensive Annual Financial Report

for the Fiscal Year Ended June 30, 2018

Principal Officers and Officials

Board of Education

	<u>Term Expires</u>	
Cathy Dremel	President	2019
Jon Gaspar	Vice President	2021
Tina Bleakley	Member	2021
John Dryden	Member	2019
Bob Baty-Barr	Member	2021
Susan Locke	Member	2021
Chris Lowe	Member	2019

Principal Officials

Dr. Lisa Hichens	Superintendent and Secretary
Anton Inglese	Chief Financial Officer and Treasurer
Dr. Brad Newkirk	Chief Academic Officer
Steve Pearce	Chief Human Resources Officer

Officials Issuing Report

Dr. Lisa Hichens

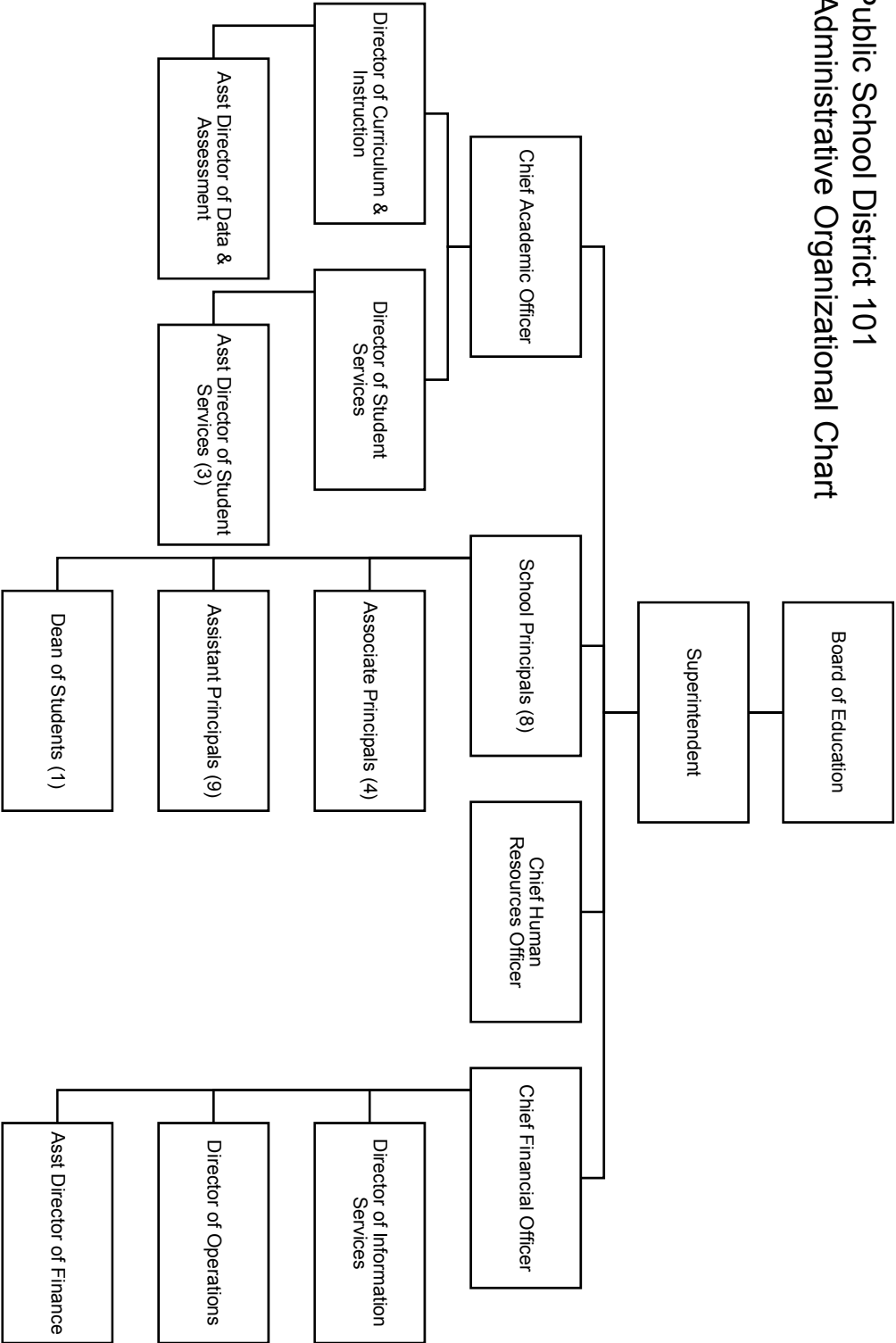
Anton Inglese

Lindsay Jannotta

Department Issuing Report

Business Office

Batavia Public School District 101
2017-18 Administrative Organizational Chart



November 27, 2018

Dear President and Members of the Board of Education for,
Citizens and Community Members of
Batavia Public School District 101,
Batavia, Illinois:

The Illinois School Code requires that all school districts publish a complete set of audited financial statements for each fiscal year. This report fulfills that requirement for the fiscal year ended June 30, 2018.

Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data as presented is (a) accurate in all material aspects, (b) presented in a manner designed to fairly set forth the financial activity of its various funds, and (c) that all disclosures necessary for public understanding of the District's financial status have been incorporated in the report.

Klein Hall Certified Public Accountants, LLC, have issued an unqualified ("clean") opinion on the District's financial statements for the fiscal year ended June 30, 2018. The independent auditor's report is located at the front of the financial section of this report.

The management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

ORGANIZATIONAL PROFILE

Batavia Public School District 101 was founded in 1911 and operates as a Unit District, serving the needs of children in grades pre-kindergarten to 12 and others as required by the Illinois School Code. The Board of Education, consisting of seven members, governs the District. The Board's powers and duties include the authority to adopt, enforce, and monitor all policies for the management and governance of the District's schools. The Board is empowered to levy a property tax on real property located within its boundaries.

The majority of the District is located within the City of Batavia in Kane County, Illinois, and includes small portions of the cities of Aurora, North Aurora, and Geneva. The District encompasses approximately 19 square miles of land, primarily within Batavia Township, and situated approximately 35 miles west of Chicago. The estimated population of the District was 28,150 in 2010.

The District's enrollment for the 2017-18 school year was officially 5,898 students. The District currently operates six elementary schools, one middle school, and one high school. Each of the elementary schools were built in sister-pairs in 1955-57, 1978, and 2001. Batavia High School was erected in 1965 and Rotolo Middle School was built in 1992.

FINANCIAL STATEMENTS

The Comprehensive Annual Financial Report consists of three sections:

1. The *Introductory Section* includes this transmittal letter, the District's organizational chart, and a list of principal officers and officials.
2. The *Financial Section* includes the management's discussion and analysis, financial statements and notes, required supplementary information and notes, and the independent auditors' report.
3. The *Statistical Section* includes selected unaudited data depicting the financial history of the District, demographics, and other miscellaneous information.

The financial reporting entity of the District is to include the District, as a primary government agency, and therefore includes all funds that are controlled by or dependent on the Board of Education of the District. The District does not exercise oversight responsibility for any other entity, and thus, does not include any other entity as a component unit in this report. Additionally, based on consideration of oversight responsibility, scope of public service, and special financing relationships, the District is an independent entity, not included as a component unit of any other reporting entity.

The general governmental activities include all services provided by the District: included are the general, special revenue, debt service and capital project funds. As such, these activities include all instructional, maintenance, and administrative costs of the District.

Property taxes are the most significant revenue source of the District. Other revenue sources consist of local revenues, exclusive of property taxes, including transportation fees, tuition, student activity fees, and building rentals.

The District is required to undergo an annual, single audit in conformity with the provisions of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including the schedule of expenditures of federal awards and independent auditors' reports on the internal control structure and compliance with applicable laws and regulations, are included in a separate report.

LOCAL ECONOMY AND ECONOMIC OUTLOOK

Batavia is among the oldest communities in the Fox Valley, having been settled in 1833, a full year before the City of Chicago. Once considered on the fringe of the Chicago metro-area, Batavia has matured into one of the premier communities in the western suburbs. Batavia serves as headquarters for many corporations and is home to Fermilab, the nation's top high-energy particle physics laboratory. A major regional shopping center for the metropolitan area lies within the District's boundaries.

Median household income for Batavia is \$89,932, significantly higher than the county and state as a whole. The median home value within for Batavia is \$278,600, up 1.4% over the last year. Development of new residential properties appears to be rebounding from the Great Recession; the Batavia City Council is currently considering the approval of several residential developments that are expected to bring hundreds of new residents to the community.

Due to its strong and healthy local economy and tax base, the District maintains a credit rating of Aa2 from Moody's Investor Service, which reflects the District's sizable tax base, affluent demographic profile, debt burden, and rapid bond repayment schedule. The District's tax base is diverse: it is comprised of 70% residential, 17% commercial, 12% industrial properties and its total equalized assessed value was \$1.24 billion in 2017, up 3.3% from the prior year.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

Unreserved fund balance (the total of committed, assigned, and unassigned components of fund balance) in the General Fund and Transportation Funds at year end was 26% of total general fund revenues. This amount was slightly above guidelines set by the Illinois State Board of Education for budgetary and planning purposes. Days cash on hand were 140, short of target of 180 days recommended by ISBE to meet operating expenditures provided no additional revenues were received. As a result, the District must borrow approximately \$5 million in Tax Anticipation Warrants to meet its cash flow needs each spring.

The District continues to maintain a multi-year financial projection to facilitate the effective and efficient application of financial resources to enrollment trends, evolving instructional practices, and maintenance of capital assets. The District also maintains a five-year capital improvement plan which serves as its planning document to ensure that its facilities, equipment, and infrastructure are well maintained and operating at peak condition. Under the guidance of the Capital Projects Committee, this plan gives the District the ability to anticipate its short-term capital needs. As part of this planning process, the District identifies and quantifies the operational costs associated with its capital projects and budgets resources accordingly. For fiscal years 2018-2022, the Board anticipates to allocate \$1.8 million of the General Fund to capital projects annually.

Enrollment has declined in recent years as fewer kindergarten students have registered, correlated with receding birth rates in Kane County. The projections indicate that enrollment will continue to decline over the next three to five years. In recent years, smaller kindergarten classes have been partially offset by student move-ins at all grade levels.

The District continued to make progress toward implementing its core strategies by aligning curriculum, instruction and assessments, developing teams, and putting students at the center of the learning environment. To that end, in 2017-18 the District:

- Implemented an alternative learning opportunities program to provide a more supportive environment for students not succeeding academically at Rotolo Middle School.
- Aligned STEM coursework by adopting the Project Lead the Way (PLTW) computer science curriculum for 7th and 8th grade computer classes.
- Eliminated class rank to support a culture of learning rather than competition.
- Utilized restorative practices and other interventions to manage disruptive behaviors and comply with a new Illinois law on student discipline (SB100).

Additionally, the Board of Education directed staff to:

- Develop a long-term master facilities plan for 2021-2026 and beyond.
- Review and revise the teacher's stipend schedule.
- Work collaboratively to create and recommend a new teacher salary schedule for the successor collective bargaining agreement.

RELEVANT FINANCIAL POLICIES

As a recipient of federal and state financial assistance, the District is required to implement an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by the Administration.

In developing and evaluating the District's accounting system, consideration is given to the adequacy of the internal accounting controls. Such controls are designed to provide reasonable, but not absolute, assurance for the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The District's internal controls are designed to safeguard assets and provide reasonable assurance of the proper recording of financial data.

Budgetary control is maintained at line-item levels and built up into program and cost centers before being combined to create fund totals. Actual activity compared to budget is reported to the District's Administrative team and the Board of Education on a monthly basis. This monthly report compares account balances to

the annual budget with accumulation to the cost center, fund, and total District levels. Full disclosures are made if extraordinary variances appear during the year.

The District has adopted a legal budget for all its Governmental Funds. The legal level of budgetary control is at the individual fund level. Therefore, actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act, expenditures may exceed the budget if additional resources are available to finance such expenditures.

AWARDS AND ACKNOWLEDGEMENTS

The District has recently been recognized for excellence in the following ways:

- Batavia High School once again earned a place on the College Board's AP Honor Roll in 2017.
- For the third time, the NAMM Foundation named the District as the "Best Community for Music" in 2018.
- The Batavia High School football team won the 7A state championship and girls cross country team took 3rd place.

In addition, the Batavia High School Class of 2018 earned the following distinctions:

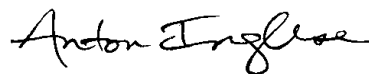
- A 93% graduation rate
- 88% of students reported that they were attending a college or university in the fall
- 104 were named Illinois State Scholars
- 50% had a 3.5 or higher GPA

The citizens of Batavia have a long history of extraordinary support and high expectations for their schools. This Comprehensive Annual Financial Report is intended to provide them with a clear and concise understanding of the District's financial condition as of June 30, 2018.

Respectfully submitted,



Lisa Hichens
Superintendent



Anton Inglese
Chief Financial Officer

FINANCIAL SECTION



Independent Auditor's Report

Board of Education
Batavia Public School District 101
Batavia, IL

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 Batavia Public School District 101, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Batavia Public School District 101's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Batavia Public School District 101'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.

Auditor's Responsibility

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

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

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

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 Batavia Public School District 101, as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended June 30, 2018. Statement No. 75 expands disclosures related to postemployment benefits other than pensions and requires the District to report the net other postemployment benefit liability in the statement of net position. The adoption of this statement had no effect on any of the District's fund balances but reduced the District's governmental activities net position by \$46,452,585 as of July 1, 2017 as disclosed in note 14. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and required supplementary information 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 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Batavia Public School District 101's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are 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 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 combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have 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 them.

We have also audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended June 30, 2017, which are not presented with the accompanying financial statements, and we expressed 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 District's basic financial statements as a whole. The schedules of revenues, expenditures and changes in fund balances - budget and actual, related to the 2017 financial statements 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 2017 basic financial statements. The information has 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 2017 schedules of revenues, expenditures and changes in fund balances - budget and actual are fairly stated in material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2018 on our consideration of Batavia Public School District 101'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 Batavia Public School District 101's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Klein Hall CPAs".

Klein Hall CPAs
Aurora, Illinois
November 27, 2018

BATAVIA PUBLIC SCHOOL DISTRICT 101

Management's Discussion & Analysis

June 30, 2018

The discussion and analysis of Batavia Public School District 101's (the District) financial performance provides review of the overall monetary health of the District and supplies a more in-depth analysis for the year ended June 30, 2018. Readers are encouraged to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and all basic financial statements to enhance their understanding of the District's financial performance.

All amounts, unless otherwise indicated, are expressed in millions of dollars.

FINANCIAL HIGHLIGHTS

- Net position increased from regular activities by \$8.0 or 14.7 percent from 2017. Revenues and expenses increased from the prior year; however, the adoption of a new accounting principle caused the recognition of a prior period adjustment that decreased net position by \$46.5. In total, net position decreased by \$38.4 or 70.2 percent from 2017.
- General revenues accounted for \$82.2 in revenue, or 74 percent of all revenues. Program-specific revenues in the form of charges for services and fees and operating grants and contributions accounted for \$29.3, or 26 percent of total revenues of \$111.5.
- The District had \$103.5 in expenses related to government activities. However, only \$29.3 of these expenses were offset by program-specific charges and grants. The general revenues (primarily taxes) were adequate to provide for the cost of these programs.
- Governmental fund balances increased \$3.2, with overall revenues of \$111.8, overall expenditures of \$108.9, and other financing sources of \$0.3.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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, with the difference between the two 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.

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 funds 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 funds balance sheet and the governmental funds 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 (includes the Educational, Operations and Maintenance and Working Cash), Transportation Fund, Municipal Retirement/Social Security Fund, Debt Service Fund, and Capital Projects Fund.

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

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

Availability of fund resources

At June 30, 2018 no significant restrictions, commitments, or other limitations significantly affect the availability of fund resources for future use.

Notes to basic financial statements

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

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its noncertified employees, and other postemployment benefits provided to retirees.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

This District's net position as of June 30, 2018 was \$16.3. This was a decrease of \$38.4 or 70.2 percent from the prior year.

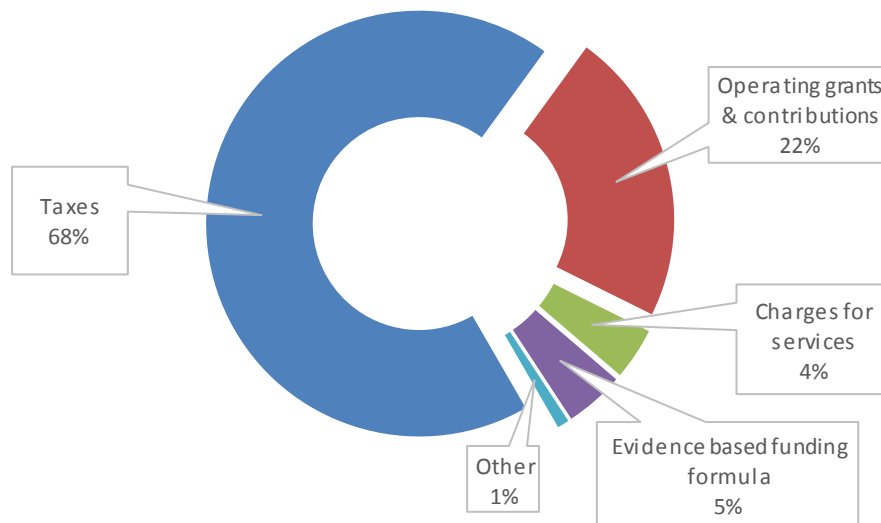
<i>Table 1</i>		
<i>Condensed Statements of Net Position</i>		
<i>(in millions of dollars)</i>		
	<u>2017</u>	<u>2018</u>
Assets:		
Current and other assets	\$ 73.3	\$ 76.5
Capital assets	105.5	107.0
Total assets	<u>178.8</u>	<u>183.5</u>
Deferred Outflows	<u>7.1</u>	<u>5.6</u>
Liabilities:		
Current liabilities	10.0	11.0
Long-term liabilities	82.5	115.7
Total liabilities	<u>92.5</u>	<u>126.7</u>
Deferred Inflows	<u>38.7</u>	<u>46.1</u>
Net position:		
Net investment in capital assets	38.0	46.3
Restricted	5.1	6.0
Unrestricted	11.6	(36.0)
Total net position	<u>\$ 54.7</u>	<u>\$ 16.3</u>

BATAVIA PUBLIC SCHOOL DISTRICT 101
Management's Discussion & Analysis (Continued)
June 30, 2018

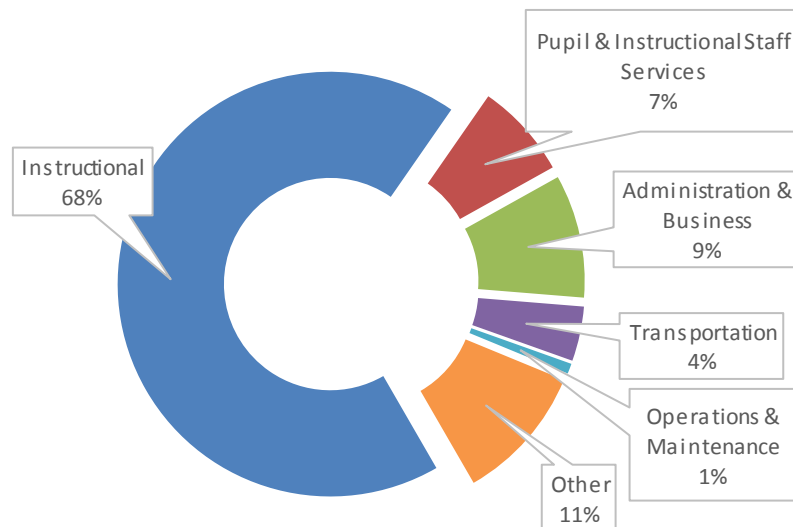
Total revenues were \$111.5 and exceeded expenses by \$8.0, with the total cost of all programs and services at \$103.4. The District's expenses were predominantly related to the instruction, care, and transportation of pupils (79%). The District's administrative and business expenses amounted to 9% of all costs.

<i>Table 2</i>		
<i>Changes in Net Position</i>		
<i>(in millions of dollars)</i>		
	<u>2017</u>	<u>2018</u>
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 3.6	\$ 4.4
Operating grants and contributions	23.8	24.9
<i>General revenues:</i>		
Taxes	72.9	76.2
Evidence based funding formula	3.1	5.0
Other	0.8	1.0
Total revenues	<u>104.2</u>	<u>111.5</u>
Expenses:		
Instruction	64.6	70.3
Pupil and instructional staff services	7.1	7.5
Administration and business	8.3	9.7
Transportation	4.5	4.3
Operations and maintenance	5.9	0.8
Other	7.4	10.8
Total expenses	<u>97.8</u>	<u>103.4</u>
Changes in net position	<u>6.4</u>	<u>8.1</u>
Net position, beginning, as originally reported	48.3	54.7
Prior period adjustment	-	(46.5)
Net position, beginning, as adjusted	48.3	8.2
Net position, end of year	<u>\$ 54.7</u>	<u>\$ 16.3</u>

DISTRICT-WIDE REVENUES BY SOURCE



DISTRICT-WIDE EXPENSES BY FUNCTION



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At the conclusion of the fiscal year, the District's governmental funds held a combined balance of \$27.7. Overall, the net balance increased \$3.1, from \$24.6 to \$27.7.

The General Fund experienced an operating surplus of \$2.3. The non-major governmental funds experienced a combined operating surplus of \$0.9, primarily due to transfers from the General Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund budget anticipated an operating surplus of \$1.9. Certain other financing uses by the General Fund were budgeted in excess of actual other financing uses in 2018, while certain other financing sources were not budgeted; this resulted in an increase of \$0.3 to the anticipated operating surplus.

MAJOR FUND HIGHLIGHTS

Debt Service Fund

Revenues and expenditures totaled \$9.3 and \$9.3, respectively. The fund realized a surplus of \$0.3 with the net balance of other financing sources (uses), with includes a transfer from the General Fund to pay for technology leases.

CAPITAL ASSETS

By the end of 2018, the District had compiled a total investment of \$168.3 (\$107.0 net of accumulated depreciation) in a broad range of capital assets including land, land improvements, buildings, and equipment. Total depreciation expense for the year was \$4.5. More detailed information about capital assets can be found in Note 3 of the basic financial statements.

<i>Table 3</i>		
<i>Capital Assets (net of depreciation)</i>		
<i>(in millions of dollars)</i>		
	<i>2017</i>	<i>2018</i>
Land	\$ 1.2	\$ 1.2
Land improvements	3.5	3.6
Buildings	99.7	101.6
Equipment	1.1	0.6
Total	<u>\$ 105.5</u>	<u>\$ 107.0</u>

LONG-TERM DEBT OBLIGATIONS

The District retired \$7.3 in bonds in 2018. In accordance with Governmental Accounting Standards Board Statements Nos. 68 and 71, the District is required to record the net pension liability attributable to the District's proportionate share of the Teachers Retirement System and the Illinois Municipal Retirement System, which totaled \$7.5. In addition, the District adopted Governmental Accounting Standards Board Statements No. 75, under which the District recorded a net OPEB liability of \$44.2.

At year-end, the District held \$115.7 in long-term debt, which includes general obligation bonds, pension liabilities, other post-employment (OPEB) liabilities and other outstanding obligations. Other long-term liabilities for compensated absences held steady at \$0.1. The District's debt margin was \$115.7, or 34.2 percent of the legal maximum. More detailed information about long-term debt can be found in Note 4 of the basic financial statements.

<i>Table 4</i>		
<i>Outstanding Long-Term Debt</i>		
<i>(in millions of dollars)</i>		
	<i>2017</i>	<i>2018</i>
General Obligation bonds	\$ 70.1	\$ 62.8
Pension Liabilities and Capital Leases	12.1	8.6
Other Post Employment Benefits, Compensated Absences	42.5	44.3
Total	<u>\$ 124.7</u>	<u>\$ 115.7</u>

FACTORS BEARING ON THE DISTRICT'S FUTURE

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

- The District's primary source of revenue, local property taxes, is capped by law at the consumer price index of the prior year or 5%, whichever is less. Thus, CPI has a direct and profound impact on District's revenue growth.
- District enrollment has declined for the last six years and is projected to continue to decline due to lower birth rates.

REQUESTS FOR INFORMATION

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Business Office:

Anton Inglese
Batavia Public School District 101
335 W Wilson St
Batavia, Illinois 60510

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

BATAVIA PUBLIC SCHOOL DISTRICT 101

Statement of Net Position

June 30, 2018

	Governmental Activities
Assets	
Cash and investments	\$ 38,629,633
Receivables	
Property taxes	36,963,510
Due from other governments	902,719
Capital assets	
Land	1,178,404
Other capital assets, net of depreciation	105,836,426
Total Assets	183,510,692
Deferred Outflows	
Deferred outflows related to pensions	2,012,168
Deferred outflows related to OPEB	373,200
Deferred amount on refunding	3,202,059
Total Deferred Outflows	5,587,427
Liabilities	
Accounts payable	2,297,916
Accrued salaries	8,620,932
Unearned Revenue	80,158
Noncurrent liabilities	
Due within one year	7,308,324
Due in more than one year	108,394,421
Total Liabilities	126,701,751
Deferred Inflows	
Deferred inflows related to pensions	3,785,687
Deferred inflows related to OPEB	5,339,973
Property taxes levied for subsequent year	36,963,510
Total Deferred Inflows	46,089,170
Net Position	
Net investment in capital assets	46,318,149
Restricted for	
Debt service	3,727,001
Capital projects	451,257
Student transportation	1,526,027
Employee retirement	245,960
Unrestricted	(35,961,196)
Total Net Position	\$ 16,307,198

See accompanying notes to basic financial statements

BATAVIA PUBLIC SCHOOL DISTRICT 101

Statement of Activities

Year Ended June 30, 2018

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
			Operating	Capital	
Functions	Expenses	Charges for Services	Grants and Contributions	Grants and Contributions	Governmental Activities
Governmental Activities					
Instructional services					
Regular programs	\$ 41,867,549	\$ 3,057,313	\$ 1,147,152	\$ -	\$ (37,663,084)
Special programs	10,895,465	-	3,025,740	-	(7,869,725)
State retirement contributions	17,592,747	-	17,592,747	-	-
Support services					
Pupils	4,981,668	-		-	(4,981,668)
Instructional staff	2,530,043	-	78,871	-	(2,451,172)
General administration	1,065,099	-	-	-	(1,065,099)
School administration	4,507,119	-	-	-	(4,507,119)
Business	4,075,864	902,023	360,682	-	(2,813,159)
Operation and maintenance of facilities	831,202	389,045	-	-	(442,157)
Transportation	4,337,156	38,426	2,414,251	-	(1,884,479)
Central	5,046,844	-	-	-	(5,046,844)
Other	466,845	-	285,410	-	(181,435)
Community services	103,309	-	-	-	(103,309)
Nonprogrammed charges	2,545,737	-	-	-	(2,545,737)
Interest on long-term liabilities	2,288,114	-	-	-	(2,288,114)
Unallocated depreciation **	343,575	-	-	-	(343,575)
Total school district	\$ 103,478,336	\$ 4,386,807	\$ 24,904,853	\$ -	(74,186,676)
General revenues					
Property taxes levied for					
General purposes					62,375,527
Transportation					3,019,126
Retirement					1,560,365
Debt service					9,287,586
State aid not restricted to specific purposes					4,980,716
Earnings on investments					304,328
Miscellaneous					685,532
Total general revenues					82,213,180
Change in net position					8,026,504
Net position - beginning, as originally reported					54,733,279
Prior period adjustment					(46,452,585)
Net position - beginning, as adjusted					8,280,694
Net position - ending					\$ 16,307,198

** Excludes direct depreciation expense of the various programs

See accompanying notes to basic financial statements

FUND FINANCIAL STATEMENTS

BATAVIA PUBLIC SCHOOL DISTRICT 101

Balance Sheet

Governmental Funds

As of June 30, 2018

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Assets				
Cash and investments	\$ 32,458,193	\$ 3,727,001	\$ 2,444,439	\$ 38,629,633
Receivables				
Property taxes	30,266,973	4,449,217	2,247,320	36,963,510
Due from other governments	296,826	-	605,893	902,719
TOTAL ASSETS	\$ 63,021,992	\$ 8,176,218	\$ 5,297,652	\$ 76,495,862
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 2,216,796	\$ -	\$ 81,120	\$ 2,297,916
Accrued salaries and related expenditures	8,480,857	-	140,075	8,620,932
Unearned revenue	80,158	-	-	80,158
Total Liabilities	10,777,811	-	221,195	10,999,006
Deferred Inflows				
Unavailable property tax revenues	30,266,973	4,449,217	2,247,320	36,963,510
Other unavailable revenue	190,642	-	605,893	796,535
Total Deferred Inflows	30,457,615	4,449,217	2,853,213	37,760,045
Fund Balances				
Restricted for				
Debt service	-	3,727,001	-	3,727,001
Capital projects	-	-	451,257	451,257
Student transportation	-	-	1,526,027	1,526,027
Employee retirement	-	-	245,960	245,960
Unassigned	21,786,566	-	-	21,786,566
Total Fund Balances	21,786,566	3,727,001	2,223,244	27,736,811
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 63,021,992	\$ 8,176,218	\$ 5,297,652	\$ 76,495,862

See accompanying notes to basic financial statements

BATAVIA PUBLIC SCHOOL DISTRICT 101

Reconciliation of the Balance Sheet of Governmental Funds

To the Statement of Net Position

As of June 30, 2018

Total fund balances - governmental funds	\$ 27,736,811
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Amounts reported for governmental activities in the statement of net position are different because

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The cost of the assets is \$168,291,868 and the accumulated depreciation is \$61,277,038.	107,014,830
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Some of the District's governmental revenues will be collected after fiscal year end but are not available soon enough to pay for the current period's expenditures and therefore are not accrued in the governmental funds.	796,535
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Other deferred outflows of resources are long-term and, therefore, are not reported in the governmental funds	
Deferred amount on refunding	3,202,059

Deferred inflows and outflows of resources related to other post-employment benefits are not reported in governmental funds.	
Deferred outflows	373,200
Deferred inflows	(5,339,973)

Deferred inflows and outflows of resources related to pensions are not reported in governmental funds.	
Deferred outflows	2,012,168
Deferred inflows	(3,785,687)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Bonds, premiums, and capital leases	(63,898,740)
Other post employment benefits	(44,152,490)
Net pension liability - TRS	(6,101,561)
Net pension liability - IMRF	(1,424,648)
Compensated absences	(125,306)

Net position of governmental activities	\$ 16,307,198
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See accompanying notes to basic financial statements

BATAVIA PUBLIC SCHOOL DISTRICT 101

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2018

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Local sources				
Property taxes	\$ 62,375,527	\$ 9,287,586	\$ 4,579,491	\$ 76,242,604
Personal property replacement tax	420,521	-	100,000	520,521
Charges for services	3,703,635	-	-	3,703,635
Miscellaneous	1,349,394	18,704	69,823	1,437,921
Total local sources	67,849,077	9,306,290	4,749,314	81,904,681
State sources	24,455,490	-	2,224,644	26,680,134
Federal sources	3,172,894	-	-	3,172,894
Total Revenues	95,477,461	9,306,290	6,973,958	111,757,709
EXPENDITURES				
Current operating				
Instruction	63,597,684	-	752,896	64,350,580
Support services	24,153,772	-	5,268,984	29,422,756
Community services	98,541	-	4,768	103,309
Non-programmed charges	2,511,271	-	-	2,511,271
Debt service				
Principal	-	7,039,177	-	7,039,177
Interest and other	36,953	2,262,223	-	2,299,176
Capital outlay	1,174,789	-	1,997,172	3,171,961
Total Expenditures	91,573,010	9,301,400	8,023,820	108,898,230
Excess (Deficiency) of revenues over expenditures	3,904,451	4,890	(1,049,862)	2,859,479
OTHER FINANCING SOURCES (USES)				
Transfers in	-	343,916	1,600,000	1,943,916
Transfers out	(1,943,916)	-	-	(1,943,916)
Capital lease proceeds	296,939	-	-	296,939
Total other financing sources (uses)	(1,646,977)	343,916	1,600,000	296,939
Net changes in fund balances	2,257,474	348,806	550,138	3,156,418
Fund balances at beginning of year	19,529,092	3,378,195	1,673,106	24,580,393
FUND BALANCES AT END OF YEAR	\$ 21,786,566	\$ 3,727,001	\$ 2,223,244	\$ 27,736,811

See accompanying notes to basic financial statements

BATAVIA PUBLIC SCHOOL DISTRICT 101

Reconciliation of the Statement of Revenues, Expenditures and
 Changes in Fund Balances of Governmental Funds to the Statement of Activities
 Year Ended June 30, 2018

Net change in fund balances - total governmental funds **\$ 3,156,418**

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, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over their estimated lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded outlays in the current period.

Capital outlays	\$ 2,858,577	
Capital asset and depreciation adjustment	3,157,226	
Depreciation expense	<u>(4,497,052)</u>	1,518,751

Revenues that are not available resources in the current period are deferred outflows in the governmental funds but are recognized in the statement of activities. This represents the change in unavailable revenue.

State categorical revenues	(252,869)
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Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:

Change in compensated absences	\$ 4,023	
Change in net pension liability - TRS	1,115,848	
Change in net pension liability - IMRF	2,355,424	
Change in pension deferred inflows/outflows	(4,084,028)	
Change in other postemployment benefits - THIS	2,360,069	
Change in other postemployment benefits	66,341	
Change in other postemployment benefits deferred inflows/outflows	<u>(4,966,773)</u>	(3,149,096)

The governmental funds record bond and loan proceeds as other financing sources, while repayment of bond and loan principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of bonds and loans and related items is as follows:

Repayment of bond and capital lease principal	\$ 7,039,177	
Principal on capital leases	(296,939)	
Premiums on bond amortization	574,135	
Deferred refunding cost amortization	<u>(563,073)</u>	6,753,300

Change in net position of governmental activities **\$ 8,026,504**

BATAVIA PUBLIC SCHOOL DISTRICT 101
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2018

Assets

Cash	\$ 98,551
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Liabilities

Due to organizations	98,551
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Total liabilities and net assets	\$ 98,551
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BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Batavia Public School District 101 (the District) is governed by an elected Board of School Inspectors. The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the significant accounting policies, consistently applied in the preparation of the accompanying financial statements is described below.

a. The Reporting Entity

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

b. 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 legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The following summarizes the fund types used by the District:

GASB statement No. 54 refined the definitions of various governmental funds. These updated definitions are incorporated into the following fund descriptions.

Governmental funds include the following funds:

General Fund - The General Fund, which consists of the legally mandated Educational Account, Operations and Maintenance Account, and Working Cash Account, is used to account for the revenues and expenditures, which are used in providing education in the District. It is used to account for all financial resources except those accounted for in other funds.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Educational Account – These accounts are used for most of the instructional and administrative aspects of the District's operations, as well as providing school lunch services to students. The revenue consists primarily of local property taxes, state government aid and student registration fees and lunch receipts from the District food service program.

Operations and Maintenance Account – These accounts are used for expenditures made for operation, repair and maintenance of District property. Revenue consists primarily of local property taxes.

Working Cash Account – This fund accounts for financial resources held by the District to be used as loans for working capital requirements to any other fund for which taxes are levied. The Working Cash Account was established and has been used to respond to fluctuations in cash flow resulting from unpredictable property tax collections. The earnings of the fund are allowed to be transferred to another fund under the Illinois Compiled Statutes. The principal of the fund, accumulated from bond issues, can be used as a source from which the District borrows money to support temporary deficiencies in other funds, or may be partially or fully transferred to the General Fund's Educational Account, upon Board approval.

Special Revenue Funds – Special Revenue Funds account for the proceeds of specific revenue sources (other than Debt Service and Capital Projects Funds) that are legally restricted to expenditures for specified purposes. The District's Special Revenue Funds are the Transportation and Municipal Retirement/Social Security Funds.

Transportation Fund – This fund accounts for the revenue and expenditures relating to student transportation, both to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund – This fund accounts for the District's portion of the pension contributions to the Illinois Municipal Retirement Fund for noncertified employees and social security contributions for applicable certified and noncertified employees. Revenue to finance the contributions is derived primarily from local property taxes.

Debt Service Funds – Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Capital Projects Fund – Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Fund Types:

Agency Funds - The Agency Funds (Activity Funds) account for assets held by the District in trustee capacity or as an agent for student organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. In accordance with GASB 34, fiduciary funds are not included in the government-wide financial statements.

The District reports the following funds as major governmental funds:

General Fund

Debt Service Fund

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

The District has adopted a policy consistent with GASB Statement No. 34 to net the interfund receivables and payables for combined totals used to determine the major funds. Consequently, the interfund loan balances, which net to zero, are not utilized to determine major funds.

c. Basis of Presentation

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 of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. All of the District's operating activities are considered "governmental activities", that is, activities that are normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered "business activities".

The statement of activities demonstrates the degree to which the direct expense of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function 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 instead as general revenues.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the fiduciary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities in the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as a revenue of the current period. All other revenue items are considered to be measurable and available only when the District receives the cash.

Revenues – Exchange and nonexchange transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements that specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, interest, grants, entitlements and student fees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows

Deferred inflows arise when assets are recognized before revenue recognition criteria have been satisfied. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Property taxes for which there is an enforceable legal claim as of June 30, 2018, but which were levied to finance fiscal year 2019 operations, have been recorded as deferred inflows. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Expenses / Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocation of costs, such as depreciation and amortization are not recognized in governmental funds.

d. Deposits and Investments

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

- Securities issued or guaranteed by the United States.
- Interest-bearing accounts of financial institutions insured by the Federal Deposit Insurance Corporation.
- Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500,000,000 rated in the three highest classifications by at least two rating agencies.
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- Illinois Funds. (A state sponsored investment pool.)
- Repurchase agreements which meet instrument transactions requirements of Illinois law.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**e. Capital Assets**

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 for furniture, equipment, buildings and improvements and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized. Buildings, improvements and furniture and equipment of the District are depreciated using the straight-line method over the following estimated lives:

<u>Assets</u>	<u>Years</u>
Buildings and building improvements	20-50 years
Land improvements	20 years
Furniture, equipment and vehicles	3-10 years

f. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as current period expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, 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 costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

g. Net Position**Government-Wide Statements**

Net position is classified and displayed in three components:

1. Net investment in capital assets. Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Restricted. Consists of restricted assets reduced by liabilities and deferred inflows or resources related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
3. Unrestricted. Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

h. Property Taxes

The District must file its tax levy ordinance by the last Tuesday in December of each year. The District's property tax is levied each year on all taxable real property located in the District. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

The Kane County Assessor is responsible for the assessment of all taxable real property within Kane County except for certain railroad property which is assessed directly by the State.

The Property Tax Extension Limitation Law Act (PTELL) limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELL limits the increase in total taxes billed to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations, and tax increment finance district property becoming eligible for taxation.

Property taxes are collected by the Kane County Treasurer who remits to the units their respective shares of the collections. Taxes levied in one year become due and payable in two installments on June 1 and September 1 during the following year. Substantial collections are received by the District in June and September.

The portion of the 2017 property tax levy billed but not received by June 30 is recorded as a receivable. The District considers that the first installment of the 2017 levy is to be used to finance operations in fiscal 2018. The District considers that the second installment of the 2017 levy is to be used to finance operations in fiscal 2019 and has deferred the corresponding receivable.

i. Personal Property Replacement Taxes

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

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**j. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Governmental Funds. All encumbrances are canceled at year end, and, if necessary, are reinstated at the beginning of the subsequent fiscal year.

k. Other receivables

The District records receivables for items such as special education costs, rent and other amounts due from individuals as "other receivables".

l. Vacation and Sick Leave

Employees who work a twelve month year are entitled to be compensated for vacation time. Vacation time is earned at varying rates according to job positions and years of service, as provided in the employment agreements. Although vacations are usually taken within the year, employees may carry over $\frac{1}{2}$ times their annual vacation leave to the following fiscal year. As of June 30, 2018, the District has recognized a liability in the General Fund for that portion of accumulated unpaid vacation leave and salary related payments that are expected to be paid from current available resources. The accrued unpaid vacation leave at June 30, 2018 in the amount of \$125,306 is reflected as a liability in the Government-wide financial statements.

m. 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 positions of the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF), together "the Plans," and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

n. Use of Estimates

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

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

2. CASH AND INVESTMENTS**a. Deposits and Custodial Credit Risk**

Investments held by the District which are short-term highly liquid investments having a remaining maturity of one year or less at the time of purchase are reported by the District at amortized cost. All other investments are reported at fair value. Gains or losses on the sale of investments are recognized upon realization. The District has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of School Inspectors.

At June 30, 2018 the carrying amount of the District's deposits, which include both cash and certificates of deposit (including activity funds), totaled \$13,506,244 and the bank balances totaled \$14,378,032. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. At June 30, 2018, all of the District's deposits were insured or collateralized.

At June 30, 2018, the carrying value of the District's fiduciary funds and trust fund was \$98,551, all of which was deposited with financial institutions and insured and collateralized.

b. Investments

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District does not report any investments subject to fair value measurement as of June 30, 2018.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) and Illinois Funds are investment pools created and regulated by the Illinois General Assembly. The fair value of the District's investments in ISDLAF+ and Illinois Funds have been determined using the net asset value (NAV) per share (or its equivalent) of the investments. The NAV of the ISDLAF+ Liquid Class and MAX Class and Illinois Funds are determined as of the close of business on each Illinois banking day. The ISDLAF+ Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The ISDLAF+ Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shares may be redeemed with seven days' advance notice. Illinois Funds invests in high-quality short-term debt instruments (U.S. Treasuries, U.S. agencies, and commercial paper), and shares may be redeemed on demand. There were no known restrictions on redemption of the District's investments as of June 30, 2018.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

2. CASH AND INVESTMENTS (Continued)

As of June 30, 2018, the District had the following investments and maturities.

Investment Type	Fair Value	Maturities (in years)	Agency Rating
		Less than 1	
ISDLAF+	\$ 21,521,558	\$ 21,521,558	AAAm
Illinois Funds	3,711,190	3,711,190	AAAm
Total	25,232,748	25,232,748	

Interest Rate Risk. The District has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The District's investments are rated, as shown above, by the applicable rating agency.

Concentration of Credit Risk. The District places no limit on the amount the District may invest in any one issuer. The above table indicates the percentage of each investment to the total investment of the District.

Foreign Currency Risk. The District held no foreign investments during the fiscal year.

The Illinois School District Liquid Asset Fund is an investment pool. The value of the position in this SEC registered investment pool is the same as the value of the pool shares.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

3. CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Capital assets, not being depreciated:				
Land	\$ 1,178,404	\$ -	\$ -	\$ 1,178,404
Total capital assets not being depreciated	1,178,404	-	-	1,178,404
Capital assets, being depreciated:				
Buildings	151,490,551	1,693,110	-	153,183,661
Improvements other than buildings	7,922,645	551,627	-	8,474,272
Equipment	6,374,353	613,840	1,532,662	5,455,531
Total capital assets being depreciated	165,787,549	2,858,577	1,532,662	167,113,464
Accumulated depreciation for:				
Buildings	51,760,437	2,989,433	3,157,226	51,592,644
Improvements other than buildings	4,417,836	451,912	-	4,869,748
Equipment	5,291,601	1,055,707	1,532,662	4,814,646
Total accumulated depreciation	61,469,874	4,497,052	4,689,888	61,277,038
Total capital assets being depreciated, net	104,317,675	(1,638,475)	(3,157,226)	105,836,426
Total capital assets, net	\$ 105,496,079	\$ (1,638,475)	\$ (3,157,226)	\$ 107,014,830

Depreciation expense was charged to functions of the District as follows:

<i>Instructional Services</i>	
Regular programs	\$ 3,129,498
Special programs	337,279
<i>Supporting Services</i>	
Instructional Staff	3,148
General administration	11,692
School administration	258,131
Business	5,846
Operations and maintenance of facilities	401,587
Central	3,148
Other	3,148
Unallocated depreciation	343,575
	<u>\$ 4,497,052</u>

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

4. LONG-TERM DEBT

The following is a summary of the components of long-term debt and related transactions of the District for the year ended June 30, 2018:

	June 30, 2017	Additions	Reductions	June 30, 2018	Amount due in one year
Series 2010 General Obligation Refunding Bonds	\$ 1,475,000	\$ -	\$ 725,000	\$ 750,000	\$ 750,000
Series 2012 General Obligation Refunding Bonds	9,465,000	-	110,000	9,355,000	115,000
Series 2013 General Obligation Refunding Bonds	9,495,000	-	125,000	9,370,000	125,000
Series 2014 General Obligation Refunding Bonds	26,370,000	-	-	26,370,000	5,230,000
Series 2015 General Obligation Refunding Bonds	9,720,000	-	100,000	9,620,000	100,000
Series 2016 General Obligation Refunding Bonds	9,985,000	-	5,640,000	4,345,000	525,000
Unamortized Premium	3,615,535	-	574,135	3,041,400	-
Total General Obligation Bonds	70,125,535	-	7,274,135	62,851,400	6,845,000
Net Pension Liability - TRS	7,217,409	-	1,115,848	6,101,561	-
Net Pension Liability - IMRF	3,780,072	-	2,355,424	1,424,648	-
Capital Lease	1,089,578	296,939	339,177	1,047,340	338,018
Compensated Absences (see Note 1L)	129,329	-	4,023	125,306	125,306
Other Post Employment Benefits	46,578,900	-	2,426,410	44,152,490	-
Total Long-Term Debt	\$ 128,920,823	\$ 296,939	\$ 13,515,017	\$ 115,702,745	\$ 7,308,324

a. General Obligation Bonds Payable

General Obligation School Building Bonds dated June 15, 2010 were issued in the amount of \$2,870,000. Principal payments are due January 1. Interest payments at rates from 2.4% to 3.1% are due on January 1 and July 1, through the fiscal year ending June 30, 2019.

General Obligation Refunding Bonds dated July 23, 2012 were issued in the amount of \$10,000,000. Principal payments are due January 1. Interest payments at rates from 2.00% to 3.00% are due on July 1 and January 1, through the fiscal year ending June 30, 2025.

General Obligation Refunding Bonds dated February 20, 2013 were issued in the amount of \$9,995,000. Principal payments are due January 1. Interest payments at rates from 2.00% to 2.25% are due on July 1 and January 1, through the fiscal year ending June 30, 2024.

General Obligation Refunding Bonds dated March 3, 2014 were issued in the amount of \$26,470,000. Principal payments are due January 1. Interest payments at rates from 3.00% to 5.00% are due on July 1 and January 1, through the fiscal year ending June 30, 2023.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

4. LONG-TERM DEBT (Continued)

General Obligation Refunding Bonds dated March 17, 2015 were issued in the amount of \$9,965,000. Principal payments are due January 1. Interest payments at rates from 2.00% to 2.55% are due on July 1 and January 1, through the fiscal year ending June 30, 2026.

General Obligation Refunding Bonds dated March 1, 2016 were issued in the amount of \$16,165,000. Principal payments are due January 1. Interest payments at rates from 2.00% to 4.00% are due on July 1 and January 1, through the fiscal year ending June 30, 2025.

At June 30, 2018 the annual cash flow requirements of all bonded debt to retirement were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 6,845,000	\$ 2,160,573	\$ 9,005,573
2020	7,155,000	1,863,035	9,018,035
2021	7,500,000	1,521,885	9,021,885
2022	7,855,000	1,161,160	9,016,160
2023	8,230,000	720,110	8,950,110
2024-2026	22,225,000	888,674	23,113,674
Total	<u>\$ 59,810,000</u>	<u>\$ 8,315,437</u>	<u>\$ 68,125,437</u>

As of June 30, 2018, the outstanding debt considered defeased is \$44,985,000.

The District is subject to the Illinois Compiled Statutes which limits the amount of bond indebtedness, including the installment contracts, to 13.8% of the most recent available equalized assessed valuation of the District. As of June 30, 2018, the statutory debt limit for the District was \$175,827,487 providing a debt margin of \$115,655,748 after taking into account amounts available in the Debt Service Fund.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

4. LONG-TERM DEBT (Continued)**b. Capital Leases**

The District has entered into a lease agreement as lessee for financing the acquisition of equipment with no down payment. These lease agreements qualify as capital leases for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. At June 30, 2018, \$1,628,875 of amounts included in capital assets were acquired through capital leases. The obligations for the capital leases will be repaid from the Debt Service Fund. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2018 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 338,018	\$ 5,898	\$ 343,916
2020	241,322	4,236	245,558
2021	144,000	-	144,000
2022	144,000	-	144,000
2023	144,000	-	144,000
2024	36,000	-	36,000
	<u>\$ 1,047,340</u>	<u>\$ 10,134</u>	<u>\$ 1,057,474</u>

5. EMPLOYEE RETIREMENT SYSTEMS

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

a. Teachers' Retirement System of the State of Illinois (TRS)*Plan Description*

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

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/cafrs/fy2017>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

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

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

Contributions

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

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

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2018, 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 \$17,135,226 in pension contributions from the State of Illinois.

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

2.2 formula contributions. The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2018 were \$224,883, and are deferred because they were paid after the June 30, 2017 measurement date.

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

For the year ended June 30, 2018, the employer pension contribution was 10.10% of salaries paid from federal and special trust funds. For the year ended June 30, 2018, salaries totaling \$361,775 were paid from the federal and special trust funds that required employer contributions of \$36,539. These contributions are deferred because they were paid after the June 30, 2017 measurement date.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The District is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program is 146.5% and applies when the member is age 55 at retirement. For the year ended June 30, 2018, the employer did not make any payment to TRS for employer ERO contributions for retirements that occurred before July 1, 2016.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2018, the District paid \$13,867 to TRS for employer contributions due on salary increases in excess of 6% and did not make any payment for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2018, the 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:

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

District's proportionate share of the net pension liability	\$ 6,101,561
State's proportionate share of the net pension liability associated with the District	286,815,948
Total	<u>\$ 292,917,509</u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 and rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2017, the District's proportion was 0.0079865%, which was a decrease of 0.00115% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the District recognized pension expense of \$17,135,226 and revenue of \$17,135,226 for support provided by the state. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 66,270	\$ 2,816
Changes in assumptions	407,235	175,331
Net difference between projected and actual earnings on pension plan investments	4,186	-
Changes in proportion and differences between District contributions and proportionate share of contributions	224,427	1,231,970
District contributions subsequent to the measurement date	261,422	-
Total	<u>\$ 963,540</u>	<u>\$ 1,410,117</u>

\$261,422 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Year Ending June 30	Net Deferred Outflows of Resources
2018	\$ (389,706)
2019	(126,101)
2020	22,699
2021	(188,145)
2022	(26,746)
Thereafter	-
Total	<u>\$ (707,999)</u>

Actuarial Assumptions

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

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

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

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

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	14.4%	6.94%
U.S. equities small/mid cap	3.6%	8.09%
International equities developed	14.4%	7.46%
Emerging market equities	3.6%	10.15%
U.S. bonds core	10.7%	2.44%
International debt developed	5.3%	1.70%
Real estate	15.0%	5.44%
Commodities (real return)	11.0%	4.28%
Hedge funds (absolute return)	8.0%	4.16%
Private Equity	14.0%	10.63%
	<u>100%</u>	

Discount rate

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

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

At June 30, 2016, the discount rate used to measure the total pension liability was 6.83 percent. The discount rate was 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 employer'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 7.00% 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 7,496,565	\$ 6,101,561	\$ 4,958,937

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

b. Illinois Municipal Retirement Fund (IMRF)*Plan Description and Benefits*

The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained online at www.imrf.org.

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Plan Membership

As of June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	188
Inactive employees entitled to but not yet receiving benefits	201
Active employees	194
Total	<u>583</u>

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)*Contributions*

As set by statute, Regular plan members are required to contribute 4.50% 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 actual contribution rate for calendar year 2017 was 10.96% of covered payroll. The District contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

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

Total pension liability	\$ 24,743,275
Plan fiduciary net position	(23,318,627)
Net pension liability/(asset)	<u>\$ 1,424,648</u>

Actuarial Assumptions

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Amortization method	Level Percent of Payroll
Remaining amortization period	30 year, open
Price inflation	2.50%
Salary increases	3.39% to 14.25%, 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 2017 valuation pursuant to an experience study of the period 2014-2016.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)**Mortality**

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

There were no benefit changes during the year.

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 geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	37.0%	6.85%
International equities	18.0%	6.75%
Fixed income	28.0%	3.00%
Real estate	9.0%	5.75%
Alternatives	7.0%	2.65-7.35%
Cash equivalents	1.0%	2.25%
	<u>100.0%</u>	

Single Discount Rate

The Single Discount Rate used to measure the total pension liability for IMRF was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.78%, and the resulting single discount rate is 7.50%.

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2016	\$ 24,348,239	\$ 20,568,167	\$ 3,780,072
Changes for the year:			
Service Cost	655,848	-	655,848
Interest on the Total Pension Liability	1,808,169	-	1,808,169
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(188,058)	-	(188,058)
Changes of Assumptions	(746,449)	-	(746,449)
Contributions - Employer	-	640,057	(640,057)
Contributions - Employees	-	265,793	(265,793)
Net Investment Income	-	3,621,058	(3,621,058)
Benefit Payments, including Refunds of Employee Contributions	(1,134,474)	(1,134,474)	-
Other (Net Transfer)	-	(641,974)	641,974
Net Changes	395,036	2,750,460	(2,355,424)
Balances at December 31, 2017	\$ 24,743,275	\$ 23,318,627	\$ 1,424,648

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)*Sensitivity 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 7.50%, 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 (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 4,476,370	\$ 1,424,648	\$ (1,089,389)

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

For the year ended June 30, 2018, the District recognized pension expense of \$1,227,697. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 59,034	\$ 130,842
Changes in assumptions	9,659	555,854
Net difference between projected and actual earnings on pension plan investments	657,668	1,688,874
Total deferred amounts to be recognized in pension expense in future periods	726,361	2,375,570
Contributions subsequent to the measurement date	322,267	-
Total	\$ 1,048,628	\$ 2,375,570

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

5. EMPLOYEE RETIREMENT SYSTEMS (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 Ending December 31	Net Deferred Outflows of Resources
2018	\$ (333,746)
2019	(414,118)
2020	(479,128)
2021	(422,217)
2022	-
Thereafter	-
Total	<u>\$ (1,649,209)</u>

6. OTHER POST-EMPLOYMENT BENEFITS**a. Teacher Health Insurance Security (THIS)***Plan Description*

The District participates in the THIS. The THIS is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan (OPEB) that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. The THIS members are retirees of public schools who were certified educators or administrators. Eligibility is currently limited to former full-time employees, and others who were not full-time employees that meet certain requirements, and their dependents. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5) (SEGIA) establishes the eligibility and benefit provisions of the plan.

The THIS issues a publicly available financial report that can be obtained at the website of the Illinois Auditor General: <https://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".

Benefits Provided

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

Amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)*Contributions*

The SEGIA requires that all active contributors to the TRS, who are not employees of a department, make contributions to the plan at a rate of 1.18% of salary and for every employer of a teacher to contribute an amount equal to 0.88% of each teacher's salary. Additionally, the SEGIA requires the State to match the employees' contribution on-behalf of the employer. The Department determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the THIS, an amount equal to the amount certified by the Board of Trustees of TRS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year.

The SEGIA requires that the Department's Director determine the rates and premiums of annuitants and dependent beneficiaries and establish the cost-sharing parameters, as well as funding. Member premiums are set by this statute, which provides for a subsidy of either 50% or 75%, depending upon member benefit choices. Dependents are eligible for coverage, at a rate of 100% of the cost of coverage.

On-behalf contributions to THIS. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members that were 1.18% of pay during the year ended June 30, 2018. State of Illinois contributions were \$457,521, and the district recognized revenue and expenditures of this amount during the year.

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.88% during the year ended June 30, 2018. For the year ended June 30, 2018, the District paid \$341,202 to the THIS Fund, which was 100 percent of the required contribution.

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

At June 30, 2018, the District reported a liability for its proportionate share of the net OPEB liability. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ 43,687,471
State's proportionate share of the net OPEB liability	
associated with the District	<u>57,372,506</u>
Total	<u>\$ 101,059,977</u>

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2016 and rolled forward to June 30, 2017. The District's proportion of the net OPEB liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2017, the District's proportion was 0.168355%, which was a decrease of 0.000096% from its proportion measured as of June 30, 2016.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)

For the year ended June 30, 2018, the District recognized OPEB expense of \$3,239,967.

At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 24,745
Changes in assumptions	-	5,201,570
Net difference between projected and actual earnings on OPEB plan investments	-	481
Changes in proportion and differences between District contributions and proportionate share of contributions	-	47,913
		-
Total deferred amounts to be recognized in OPEB expense in future periods	-	5,274,709
District contributions subsequent to the measurement date	341,202	-
Total	\$ 341,202	\$ 5,274,709

\$341,202 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Net Deferred Inflows of Resources
2018	\$ (810,294)
2019	(810,294)
2020	(810,294)
2021	(810,294)
2022	(810,173)
2023	(810,173)
Thereafter	(413,187)
Total	\$ (5,274,709)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)*Actuarial Valuation Method*

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

Actuarial Assumptions

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

Inflation	2.75%
Salary increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption,
Investment rate of return	0.00%, net of OPEB plan investment expense, including inflation.
Healthcare cost trend rates	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.59% is added to non-Medicare costs on and after 2020 to account for Excise Tax.

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

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2014.

Discount rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since the THIS is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 2.85% as of June 30, 2016, and 3.56% as of June 30, 2017. The increase in the single discount rate from 2.85% to 3.56% caused the total OPEB liability to decrease by approximately \$3.564 billion from 2016 to 2017.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

6. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Sensitivity of the employer's proportionate share of the net OPEB liability to changes in the discount rate and healthcare cost trend rate

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

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
District's proportionate share of the net OPEB liability	\$ 52,424,736	\$ 43,687,471	\$ 36,696,274

The following presents the District's proportionate share of the net OPEB liability calculated using the healthcare cost trend rate, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
District's proportionate share of the net OPEB liability	\$ 35,260,264	\$ 43,687,471	\$ 55,783,302

- (a) One percentage point decrease in healthcare trend rates are 7.00% in 2018 decreasing to an ultimate trend rate of 4.09% in 2025, for non-Medicare coverage, and 8.00% in 2018 decreasing to an ultimate trend rate of 3.50% in 2027 for Medicare coverage.
- (b) One percentage point increase in healthcare trend rates are 9.00% in 2018 decreasing to an ultimate trend rate of 6.09% in 2025, for non-Medicare coverage, and 10.00% in 2018 decreasing to an ultimate trend rate of 5.50% in 2027 for Medicare coverage.

7. POSTEMPLOYMENT HEALTHCARE PLAN**a. Plan Description**

The District administers a single-employer defined benefit healthcare plan, the "retiree Healthcare Benefit Program" or "the Plan". The plan provides healthcare insurance for eligible retirees and their dependents through the District's group health insurance plan, which covers both active and retired members. Benefit provisions are established by state law and through negotiations between the District and the unions representing District employees, which are renegotiated each bargaining period. As of June 30, 2018, all retirees are eligible for benefits pre and post-Medicare. The Plan does not issue a stand-alone financial report.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

7. POSTEMPLOYMENT HEALTHCARE PLAN (Continued)**b. Funding Policy**

All plan funding is done on a pay-as-you go basis. Eligibility – IMRF employees hired prior to January 1, 2011 are eligible at the earliest of: 1. Age 55 with 8 years of service; or 2. Age 60 with 8 years of service. IMRF employees hired after January 1, 2011 are eligible at the earliest of: 1. Age 62 with 10 years of service; or 2. Age 67 with 10 years of service. Per contractual agreement, the District pays \$12,000 per year for retiree and spouse medical coverage for a retired former Superintendent; coverage ends upon attainment of age 65 by the retiree.

For the year ended June 30, 2018, the District's contributions and total retiree contributions were not determined.

c. Employees Covered by Benefit Terms

As of June 30, 2018, the following employees were covered by the benefit terms.

Active employees	109
Inactive employees entitled to but not yet receiving benefits	-
Inactive employees currently receiving benefits	4
Total	<u>113</u>

d. Net OPEB Liability

The District's net OPEB liability was measured as of June 29, 2018. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

e. Actuarial Assumptions

The following are the methods and assumptions used to determine the total OPEB liability at June 30, 2018:

Actuarial cost method	Entry Age Normal Level
Asset valuation method	N/A
Inflation	3.00%
Salary increases	4.00%
Investment rate of return	N/A
Retirement age	Based on IMRF (with 100% retirement at age 80) and IMRF actuarial valuation report for FYE December 31, 2017
Mortality	Based on IMRF Actuarial Valuation Report for FYE December 31, 2017 and TRS Actuarial Valuation Report for FYE June 30, 2017
Healthcare cost trend rates	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 7.00%, and gradually decreases to an ultimate trend of 5.00%.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

7. POSTEMPLOYMENT HEALTHCARE PLAN (Continued)**f. Discount Rate**

The District does not have a dedicated Trust to pay the benefits of the Plan. Per GASB 75, this discount rate is a yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The discount rate used is 2.98%, which is the S&P Municipal Bond 20 Year High-Grade Rate Index as of June 29, 2018.

g. Changes in Net OPEB Liability

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
Balances at June 30, 2017	\$ 531,360	\$ -	\$ 531,360
Changes for the year:			
Service Cost	23,883	-	23,883
Interest on the Total OPEB Liability	12,887	-	12,887
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total OPEB Liability	(50,226)	-	(50,226)
Changes of Assumptions and Other Inputs	(21,029)	-	(21,029)
Contributions - Employer	-	-	-
Contributions - Employees	-	-	-
Net Investment Income	-	-	-
Benefit Payments, including Refunds of Employee Contributions	(65,171)	-	(65,171)
Other (Net Transfer)	33,315	-	33,315
Net Changes	(66,341)	-	(66,341)
Balances at June 30, 2018	\$ 465,019	\$ -	\$ 465,019

h. Sensitivity of the employer's proportionate share of the net OPEB liability to changes in the discount rate and healthcare cost trend rate

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 2.98%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

7. POSTEMPLOYMENT HEALTHCARE PLAN (Continued)

	1% Decrease (1.98%)	Current Discount Rate (2.98%)	1% Increase (3.98%)
Net OPEB liability (asset)	\$ 486,719	\$ 465,019	\$ 444,245

The following presents the District's proportionate share of the net OPEB liability calculated using the healthcare cost trend rate, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Health Care Cost Trend Rate (7.00%)	1% Increase (8.00%)
Net OPEB liability (asset)	\$ 432,700	\$ 465,019	\$ 501,865

i. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the District recognized OPEB expense of \$32,096. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 44,039
Changes in assumptions	31,998	21,225
Net difference between projected and actual earnings on OPEB plan investments	-	-
Total deferred amounts to be recognized in pension expense in future periods	31,998	65,264
Contributions subsequent to the measurement date	-	-
Total	\$ 31,998	\$ 65,264

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

7. POSTEMPLOYMENT HEALTHCARE PLAN (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Plan will be recognized in OPEB expense as follows:

Year Ending June 30	Net Deferred Outflows of Resources
2019	\$ (4,673)
2020	(4,673)
2021	(4,673)
2022	(4,673)
2023	(4,673)
2024	(4,673)
2025	(4,673)
2026	(555)
Total	<u>\$ (33,266)</u>

8. RISK MANAGEMENT

The District has purchased insurance through risk pools (see Note 10) and private insurance companies. Risks covered include general liability, workers' compensation, and other. Premiums have been displayed as expenditures in appropriate funds. No material decreases in insurance coverages have occurred nor have any insurance claims in excess of insurance coverages been paid or reported in any of the past three years.

9. SELF-INSURANCE PLAN

The District maintains a self-insurance plan to provide medical insurance to its employees. An outside administrator administers claims for a fixed fee per enrolled employee. The District makes periodic payments to an escrow account established by the plan administrator. The administrator pays employee claims from this escrow account and requires the District to cover any deficiencies. The District liability is limited by private insurance which provides a \$130,000 specific stop loss and a minimum aggregate stop loss of \$10,973,628. A liability of \$1,377,925 has been recorded as estimated claims incurred but not yet reported. Claims incurred but not yet reported include known loss events that are expected to later be presented as claims, unknown loss events that are expected to become claims, and expected future development on claims already reported.

A summary of the changes in the Districts claim liability is as follows:

	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017
Claims liability at July 1	\$ 1,397,297	\$ 1,243,743
Current year claims and changes in estimates	9,327,163	9,468,869
Claim payments	(9,346,535)	(9,315,315)
Claims liability at June 30	<u>\$ 1,377,925</u>	<u>\$ 1,397,297</u>

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

10. COLLECTIVE LIABILITY INSURANCE COOPERATIVE (CLIC)

The District is a member of CLIC, which has been formed to provide casualty, workman's compensation, property and liability protections and to administer some or all insurance coverages and protection other than health, life and accident coverages procured by the member districts. It is intended, by the creation of CLIC to allow a member District to equalize annual fluctuations in insurance costs by establishing a program whereby reserves may be created and temporary deficits of individual Districts covered and to ultimately equalize the risks and stabilize the costs of providing casualty, property and liability protections. If, during any fiscal year, the funds on hand in the account of CLIC are not sufficient to pay expenses of administration, the Board of Directors shall require supplementary payment from all members. Such payment shall be made in the same proportion as prior payments during that year to CLIC. Complete financial statements for CLIC can be obtained from its administrator, 1441 Lake Street, Libertyville, IL 60048.

11. FUND BALANCE REPORTING

According to Government Accounting Standards, fund balances are to be classified into five major classifications: nonspendable, restricted, committed, assigned, and unassigned.

A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The District has several revenue sources received within different funds that also fall into these categories –

1. Special Education

Revenues and the related expenditures of this restricted tax levy are accounted for in the Educational Account. Expenditures exceeded revenue for this purpose, resulting in no restricted fund balance.

2. State and Federal Grants

Proceeds from state and federal grants and the related expenditures have been included in the General Fund and various Special Revenue Funds. At June 30, 2018, expenditures exceeded revenue from state and federal grants, resulting in no restricted balances.

3. Capital Projects Fund

Expenditures and the related revenues are accounted for in the Capital Projects Fund. All equity within this fund is restricted for the associated capital expenditures within this fund.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

11. FUND BALANCE REPORTING (Continued)

C. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the School Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

D. Assigned Fund Balance

The assigned fund balance classification refers to page the amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds. A negative unassigned fund balance may be reported in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

F. Expenditures of Fund Balance

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

12. JOINT AGREEMENTS

The District is a member of Mid-Valley Special Education Cooperative, a joint agreement that provides certain special education services to residents of many school districts and Fox Valley Career Center, an education and vocational cooperative designed to provide quality career and technical training programs to students. It is also a member of the risk management pool listed in Note 7. The District believes that, because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Notes to Financial Statements (Continued)

June 30, 2018

13. INTERFUND TRANSFERS

The following interfund transfers were made during the year ended June 30, 2018:

Transfer From	Transfer To	Amount
Operations & Maintenance	Capital Projects	\$ 1,600,000
	Debt Service	144,000
	Total	<u>1,744,000</u>
Educational	Debt Service	199,916
	Total Transfers	<u>\$ 1,943,916</u>

The transfers to Capital Projects from Operations & Maintenance and Working Cash were made to provide working capital for future construction. The transfers from the Educational and Operations and Maintenance accounts to the Debt Service fund were made to fund payments on capital leases.

14. CHANGE IN ACCOUNTING PRINCIPLE

The District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended June 30, 2018. Statement No. 75 expands disclosures related to postemployment benefits other than pensions and requires the District to report the net other postemployment benefit liability in the statement of net position. The adoption of this statement had no effect on any of the District's fund balances but reduced the District's governmental activities net position by \$46,452,585 as of July 1, 2017.

15. TAX ANTICIPATION WARRANTS

On April 12, 2018, the District issued \$5,000,000 of taxable 2017 educational purpose tax anticipation warrants. The warrants were retired on June 29, 2018 along with interest at 2.38%.

REQUIRED SUPPLEMENTARY INFORMATION

BATAVIA PUBLIC SCHOOL DISTRICT 101
Schedule of Changes in the Employer's Net Pension Liability
And Related Ratios
Illinois Municipal Retirement Fund
Last Four Calendar Years

	2017	2016	2015	2014
TOTAL PENSION LIABILITY				
Service Cost	\$ 655,848	\$ 669,068	\$ 695,735	\$ 721,461
Interest	1,808,169	1,706,104	1,603,509	1,439,594
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	(188,058)	92,682	111,243	111,413
Changes of Assumptions	(746,449)	(86,014)	54,560	893,126
Benefit Payments, Including Refunds of Member Contributions	(1,134,474)	(1,076,945)	(964,992)	(912,322)
Net Change in Total Pension Liability	395,036	1,304,895	1,500,055	2,253,272
Total Pension Liability - Beginning	24,348,239	23,043,344	21,543,289	19,290,017
TOTAL PENSION LIABILITY - ENDING	\$24,743,275	\$24,348,239	\$23,043,344	\$21,543,289
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 640,057	\$ 646,347	\$ 650,435	\$ 657,454
Contributions - Member	265,793	273,750	290,632	279,035
Net Investment Income	3,621,058	1,318,516	95,022	1,094,224
Benefit Payments, Including Refunds of Member Contributions	(1,134,474)	(1,076,945)	(964,992)	(912,322)
Administrative Expense	(641,974)	210,952	108,014	(27,963)
Net Change in Plan Fiduciary Net Position	2,750,460	1,372,620	179,111	1,090,428
Plan Net Position - Beginning	20,568,167	19,195,547	19,016,436	17,926,008
PLAN NET POSITION - ENDING	\$23,318,627	\$20,568,167	\$19,195,547	\$19,016,436
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 1,424,648	\$ 3,780,072	\$ 3,847,797	\$ 2,526,853
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.24%	84.47%	83.30%	88.27%
Covered-Employee Payroll	\$ 5,861,325	\$ 5,946,148	\$ 6,050,562	\$ 6,113,722
Employer's Net Pension Liability as a Percentage of Covered - Employee Payroll	24.31%	63.57%	63.59%	41.33%

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

BATAVIA PUBLIC SCHOOL DISTRICT 101
Schedule of Employer Contributions
Illinois Municipal Retirement Fund
Last Four Fiscal Years

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 637,306	\$ 637,306	-	\$ 5,825,365	10.94%
2017	646,346	646,347	(1)	5,881,765	10.99%
2016	650,435	650,435	-	6,050,562	10.75%
2015	653,557	657,454	(3,897)	6,150,185	10.69%

Notes to Schedule

Valuation date: Actuarially determined contribution rates are calculated as of December 31 of 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 contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period	26 years
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.50%
Inflation	2.75%
Salary increases	3.75% to 14.50%, including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 - 2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2017 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of the District's Proportionate Share of the
 Net Pension Liability
 Teachers' Retirement System
 Last Four Fiscal Years

	2018*	2017*	2016*	2015*
District's proportion of the net pension liability	0.79865%	0.00914%	0.00859%	0.00995%
District's proportionate share of the net pension liability	\$ 6,101,561	\$ 7,217,409	\$ 5,626,332	\$ 6,056,898
State's proportionate share of the net pension liability associated with the District	286,815,948	311,144,989	253,519,135	229,250,812
Total	<u>\$ 292,917,509</u>	<u>\$ 318,362,398</u>	<u>\$ 259,145,467</u>	<u>\$ 235,307,710</u>
District's covered-employee payroll	38,726,872	39,243,679	39,130,765	37,991,034
District's proportionate share of the net pension liability as a percentage of it's covered-employee payroll	15.76%	18.39%	14.38%	15.94%
Plan fiduciary net position as a percentage of the total pension liability	39.30%	36.40%	41.50%	43.00%

Changes of assumptions

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

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

For the 2014 measurment year, the assumed investment rate of return was also 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. However, salary

The District implemented GASB Statement No. 68 in fiscal year 2015.

Information prior to fiscal year 2015 is not available.

* The amounts presented have a measurement date of the previous fiscal year end.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Employer Contributions

Teachers' Retirement System

Last Four Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 261,422	\$ 261,422	\$ -	\$ 38,772,952	0.67%
2017	505,141	505,141	-	38,726,872	1.30%
2016	481,988	481,988	-	39,243,679	1.23%
2015	334,718	334,718	-	39,130,765	0.86%

The District implemented GASB Statement No. 68 in fiscal year 2015.

BATAVIA SCHOOL DISTRICT 101

Schedule of the District's Proportionate Share of the
Net OPEB Liability - Teachers' Health Insurance Security Fund
June 30, 2018

	<u>2018*</u>
District's proportion of the net pension liability	0.168355%
District's proportionate share of the net pension liability	\$ 43,687,471
State's proportionate share of the net pension liability associated with the District	<u>57,372,506</u>
Total	<u>\$ 101,059,977</u>
District's covered-employee payroll	\$ 38,726,872
District's proportionate share of the net pension liability as a percentage of it's covered-employee payroll	112.81%
Plan fiduciary net position as a percentage of the total pension liability	0.00%

*The amounts presented have a measurement date of the previous fiscal year end.

The District implemented GASB Statement No. 75 in fiscal year 2018.
Information prior to fiscal year 2018 is not available.

BATAVIA SCHOOL DISTRICT 101
Schedule of Employer Contributions
Teachers' Health Insurance Security Fund
Year Ended June 30, 2018

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 341,202	\$ 341,202	\$ -	\$ 38,772,952	0.88%

The District implemented GASB Statement No. 75 in fiscal year 2018.
Information prior to fiscal year 2018 is not available.

BATAVIA PUBLIC SCHOOL DISTRICT 101
Schedule of Changes in the Employer's Net Other
Post-Employment (OPEB) Benefits
Postretirement Health Plan
Year Ended June 30, 2018

	2018
TOTAL OTHER POST-EMPLOYMENT BENEFIT (OPEB) LIABILITY	
Service Cost	\$ 23,883
Interest	12,887
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	(50,226)
Changes of Assumptions	(21,029)
Benefit Payments, Including Refunds of Member Contributions	(65,171)
Other Changes	33,315
	<u>33,315</u>
Net Change in Total OPEB Liability	(66,341)
Total OPEB Liability - Beginning	<u>531,360</u>
TOTAL OPEB LIABILITY - ENDING	<u><u>\$ 465,019</u></u>
PLAN FIDUCIARY NET POSITION	
Contributions - Employer	\$ -
Contributions - Active and Inactive Employees	-
Net Investment Income	-
Benefit Payments	-
Other Changes	-
	<u>-</u>
Net Change in Plan Fiduciary Net Position	-
Plan Net Position - Beginning	<u>-</u>
PLAN NET POSITION - ENDING	<u><u>\$ -</u></u>
EMPLOYER'S NET OPEB LIABILITY (ASSET)	<u><u>\$ 465,019</u></u>
District's covered-employee payroll	\$ 3,227,309
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%

The District implemented GASB Statement No. 75 in fiscal year 2018.
Information prior to fiscal year 2018 is not available.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Employer Contributions

Postretirement Health Plan

Year Ended June 30, 2018

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ -	\$ -	-	\$ 3,227,309	0.00%

Notes to Schedule

Methods and assumptions used to determine contribution rates:

Health Care Trend Rates:

Initial Health Care Cost Trend Rate	7.00%
Ultimate Health Care Cost Trend Rate	5.00%
Fiscal Year the Ultimate Rate is Reached	Fiscal Year 2028

Additional Information:

Valuation Date	July 1, 2017
Measurement Date	June 29, 2018
Actuarial Cost Method	Entry Age Normal
Discount Rate	2.98%
Inflation Rate	3.00%
Salary Rate Increase	4.00%
Funded Ratio (Fiduciary Net Position as a percentage of Total OPEB Liability)	0.00%
Covered Payroll	\$ 3,227,309
Net OPEB Liability as a Percentage of Covered Payroll	14.41%

The District implemented GASB Statement No. 75 in fiscal year 2018.

Information prior to fiscal year 2018 is not available.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund

Balances - Budget and Actual - General Fund

Year Ended June 30, 2018

	General Fund			
	Original Budget	Final Budget	Actual	Variance Over/Under
REVENUES				
Local sources	\$ 64,368,500	\$ 65,125,719	\$ 67,849,077	\$ 3,480,577
State sources	5,727,173	6,922,012	24,455,490	18,728,317
Federal sources	2,690,223	3,100,750	3,172,894	482,671
Total Revenues	72,785,896	75,148,481	95,477,461	22,691,565
EXPENDITURES				
Current operating:				
Instruction	43,411,299	43,267,523	63,597,684	20,186,385
Support services	23,962,050	25,090,504	25,328,561	1,366,511
Community services	107,763	123,508	98,541	(9,222)
Non-programmed charges	2,103,277	2,511,271	2,511,271	407,994
Debt services	15,000	15,000	36,953	21,953
Provision for contingencies	558,647	147,662	-	(558,647)
Total Expenditures	70,158,036	71,155,468	91,573,010	21,414,974
Excess (deficiency) of revenues over expenditures	2,627,860	3,993,013	3,904,451	1,276,591
OTHER FINANCING SOURCES (USES)				
Capital lease proceeds	-		296,939	296,939
Transfers out	(2,229,142)	(2,044,397)	(1,943,916)	285,226
Total other financing sources (uses)	(2,229,142)	(2,044,397)	(1,646,977)	582,165
Net changes in fund balance	\$ 398,718	\$ 1,948,616	2,257,474	\$ 1,858,756
Fund Balances at beginning of year			19,529,092	
FUND BALANCES AT END OF YEAR			\$ 21,786,566	

Budgetary Data

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments.

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

1. The Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to October 1 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The original budget was adopted on September 19, 2017 and amended on May 15, 2018.
5. Formal budgetary integration is employed as a management control device during the year for all Governmental Funds.
6. The District has adopted a legal budget for all its Governmental Funds. The legal level of budgetary control is at the individual fund level, therefore, actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.
7. The budget lapses at the end of each fiscal year.

Excess of Expenditures over Budgets in Individual Funds

Expenditures exceeded the budgeted amount in the following Funds:

	Final Budget	Actual	(Excess)
General Fund	\$ 71,155,468	\$ 91,573,010	\$ (20,417,542)
Debt Service Fund	9,300,324	9,301,400	(1,076)
Total	<u>\$ 80,455,792</u>	<u>\$ 100,874,410</u>	<u>\$ (20,418,618)</u>

The General Fund does not budget for payments made by the State of Illinois on-behalf of the District for TRS. The expenditure variances were sufficiently absorbed by surpluses that existed at the beginning of the fiscal year and were approved by the Board of Education. Under the State Budget Act, expenditures may exceed the budget if additional resources are available to finance such expenditures.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

GENERAL FUND

To account for resources traditionally associated with government operations which are not accounted for in another fund, the District maintains the following legally mandated accounts within the General Fund:

Educational Account - To account for most of the instructional and administrative aspects of the District's operations.

Operations and Maintenance Account - To account for repair and maintenance of the District's property.

Working Cash Account - To account for financial resources held by the District to be used as loans for working capital requirements to any other fund for which taxes are levied.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Balance Sheet by Account

General Fund

As of June 30 ,2018

	Educational	Operations and Maintenance	Working Cash	Total General
ASSETS				
Cash and investments	\$ 24,152,556	\$ 5,393,561	\$ 2,912,076	\$ 32,458,193
Receivables				
Property taxes	26,441,755	3,825,218	-	30,266,973
Due from other governments	296,826	-	-	296,826
TOTAL ASSETS	\$ 50,891,137	\$ 9,218,779	\$ 2,912,076	\$ 63,021,992
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 2,216,086	\$ 710	\$ -	\$ 2,216,796
Accrued salaries and related expenditures	8,470,924	9,933	-	8,480,857
Unearned revenue	-	80,158	-	80,158
Total Liabilities	10,687,010	90,801	-	10,777,811
Deferred Inflows				
Unavailable property tax revenue	26,441,755	3,825,218	-	30,266,973
Other unavailable revenue	190,642	-	-	190,642
Total Deferred Inflows	26,632,397	3,825,218	-	30,457,615
Fund balances				
Unassigned	13,571,730	5,302,760	2,912,076	21,786,566
Total Fund Balances	13,571,730	5,302,760	2,912,076	21,786,566
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 50,891,137	\$ 9,218,779	\$ 2,912,076	\$ 63,021,992

BATAVIA PUBLIC SCHOOL DISTRICT 101
Schedule of Revenues, Expenditures and Changes
In Fund Balances by Account
General Fund
Year Ended June 30, 2018

	Educational	Operations and Maintenance	Working Cash	Total General
REVENUES				
Local sources	\$ 59,529,515	\$ 8,259,563	\$ 59,999	\$ 67,849,077
State sources	24,455,490	-	-	24,455,490
Federal sources	3,172,894	-	-	3,172,894
Total Revenues	87,157,899	8,259,563	59,999	95,477,461
EXPENDITURES				
Current operating				
Instruction	63,597,684	-	-	63,597,684
Support services	19,228,145	4,925,627	-	24,153,772
Community services	98,541	-	-	98,541
Non-programmed charges	1,922,994	588,277	-	2,511,271
Debt services	36,953	-	-	36,953
Capital outlay	536,139	638,650	-	1,174,789
Total Expenditures	85,420,456	6,152,554	-	91,573,010
Excess of revenues over expenditures	1,737,443	2,107,009	59,999	3,904,451
OTHER FINANCING SOURCES (USES)				
Capital lease proceeds	296,939	-	-	296,939
Transfers out	(199,916)	(1,744,000)	-	(1,943,916)
Total other financing sources (uses)	97,023	(1,744,000)	-	(1,646,977)
Net changes in fund balance	1,834,466	363,009	59,999	2,257,474
Fund balances at beginning of year	11,737,264	4,939,751	2,852,077	19,529,092
FUND BALANCES AT END OF YEAR	\$ 13,571,730	\$ 5,302,760	\$ 2,912,076	\$ 21,786,566

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018			2017	
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
REVENUES					
Local sources					
Property taxes	\$ 54,099,695	\$ 54,053,822	\$ 54,763,105	\$ 709,283	\$ 52,642,919
Personal property replacement taxes	373,785	373,785	420,521	46,736	561,877
Tuition	-	-	8,412	8,412	12,173
Earnings on investments	146,000	224,253	251,968	27,715	116,802
Food services	889,831	793,831	902,023	108,192	820,849
Pupil activities and textbooks	953,535	1,176,576	2,562,087	1,385,511	1,770,624
Other	180,100	421,519	621,399	199,880	379,454
Total local sources	56,642,946	57,043,786	59,529,515	2,485,729	56,304,698
State sources					
Unrestricted					
Evidence based funding formula	2,842,242	4,974,551	4,980,716	6,165	3,098,194
Restricted					
Special education	2,682,000	1,738,207	1,697,679	(40,528)	2,699,878
Summer school	2,000	2,034	2,034	-	-
Bilingual education	95,788	95,788	23,535	(72,253)	32,216
Drivers education	33,000	35,556	35,033	(523)	25,090
CTE secondary program improvement	69,020	69,020	110,629	41,609	27,749
School lunch aid	3,123	3,123	5,089	1,966	1,935
On behalf payments - State of Illinois	-	-	17,592,747	17,592,747	15,253,709
Other grants-in-aid	-	3,733	8,028	4,295	-
Total state sources	5,727,173	6,922,012	24,455,490	17,533,478	21,138,771
Federal sources					
Restricted					
Title I	399,490	514,208	408,576	(105,632)	340,803
Education for handicapped	1,535,707	1,662,776	1,761,112	98,336	1,609,192
Special Milk	400	400	686	286	498
School lunch programs	311,304	311,304	354,587	43,283	325,757
Title II	79,101	83,315	78,871	(4,444)	96,931
Title III	24,961	43,180	11,924	(31,256)	23,346
Medicaid matching/administrative outreach	305,000	451,307	542,896	91,589	365,037
Other	34,260	34,260	14,242	(20,018)	33,260
Total federal sources	2,690,223	3,100,750	3,172,894	72,144	2,794,824
Total revenues	\$ 65,060,342	\$ 67,066,548	\$ 87,157,899	\$ 20,091,351	\$ 80,238,293

(Continued)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018			2017	
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
EXPENDITURES					
Current operating					
Instruction					
Regular programs					
Salaries	\$ 24,835,461	\$ 24,738,875	\$ 24,721,439	\$ (17,436)	\$ 24,984,378
Employee benefits	5,146,224	5,170,516	6,243,310	1,072,794	5,361,146
On behalf payments - State of Illinois	-	-	17,592,747	17,592,747	15,253,709
Purchased services	178,123	53,034	36,229	(16,805)	61,179
Supplies and materials	366,222	485,022	1,519,012	1,033,990	749,050
Capital outlay	-	-	-	-	-
Other	750	840	1,855	1,015	673
Non capitalized equipment	36,500	58,201	72,146	13,945	38,433
Termination benefits	-	-	-	-	3,980
Total	30,563,280	30,506,488	50,186,738	19,680,250	46,452,548
Special education programs					
Salaries	4,762,710	4,756,339	4,787,871	31,532	4,896,368
Employee benefits	1,181,593	1,200,671	1,200,487	(184)	1,188,264
Purchased services	397,100	400,504	406,289	5,785	354,644
Supplies and materials	91,790	111,610	123,426	11,816	89,480
Other	2,700,000	2,466,695	2,875,524	408,829	2,855,302
Total	9,133,193	8,935,819	9,393,597	457,778	9,384,058
Special education pre kindergarten programs					
Salaries	529,438	537,616	537,049	(567)	465,189
Employee benefits	76,466	76,874	81,571	4,697	74,255
Supplies and Materials	4,352	4,352	6,071	1,719	5,420
Total	610,256	618,842	624,691	5,849	544,864
Remedial pre kindergarten programs					
Salaries	174,381	153,197	160,697	7,500	75,881
Employee benefits	24,428	35,578	36,461	883	17,656
Supplies and Materials	500	500	-	(500)	-
Total	199,309	189,275	197,158	7,883	93,537
CTE programs					
Salaries	4,354	4,554	4,656	102	3,805
Employee benefits	52	52	195	143	195
Purchased services	17,765	28,204	25,272	(2,932)	25,379
Supplies and materials	18,888	26,160	26,400	240	22,166
Capital outlay	-	8,566	8,564	(2)	11,282
Non capitalized equipment	19,399	10,150	11,057	907	24,740
Total	\$ 60,458	\$ 77,686	\$ 76,144	\$ (1,542)	\$ 87,567

(Continued)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
Interscholastic programs					
Salaries	\$ 1,109,442	\$ 1,140,748	\$ 1,146,698	\$ 5,950	\$ 1,095,045
Employee benefits	18,678	17,758	14,749	(3,009)	12,636
Purchased services	214,150	204,647	233,802	29,155	183,458
Supplies and materials	126,500	137,200	347,606	210,406	146,795
Capital outlay	13,000	9,400	1,500	(7,900)	5,411
Other	3,400	3,400	3,796	396	3,475
Total	1,485,170	1,513,153	1,748,151	234,998	1,446,820
Summer school					
Salaries	7,500	15,195	11,434	(3,761)	7,200
Employee benefits	-	4,694	1,172	(3,522)	102
Purchased services	-	-	-	-	-
Supplies and materials	-	-	-	-	-
Total	7,500	19,889	12,606	(7,283)	7,302
Gifted					
Salaries	270,447	270,447	270,337	(110)	266,220
Employee benefits	52,606	62,703	47,329	(15,374)	40,915
Purchased services	750	-	-	-	475
Supplies and materials	2,575	9,295	15,142	5,847	2,389
Total	326,378	342,445	332,808	(9,637)	309,999
Drivers education programs					
Salaries	120,301	133,401	137,772	4,371	136,637
Employee benefits	16,869	16,188	18,068	1,880	15,442
Purchased services	2,000	2,000	838	(1,162)	1,496
Supplies and materials	3,300	3,300	2,321	(979)	2,310
Other	-	-	-	-	307
Total	142,470	154,889	158,999	4,110	156,192
Bilingual					
Salaries	693,283	696,095	696,277	182	643,243
Employee benefits	113,704	106,823	114,899	8,076	99,558
Purchased services	-	15,500	-	(15,500)	-
Supplies and materials	16,097	30,150	790	(29,360)	150
Total	\$ 823,084	\$ 848,568	\$ 811,966	\$ (36,602)	\$ 742,951

(Continued)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
Truant alternative & optional programs					
Salaries	\$ 51,893	\$ 51,893	\$ 51,872	\$ (21)	\$ 50,759
Employee benefits	808	1,076	2,954	1,878	1,531
Total	52,701	52,969	54,826	1,857	52,290
Tuition - private					
Purchased services	7,500	7,500	-	(7,500)	-
Total instruction	43,411,299	43,267,523	63,597,684	20,330,161	59,278,128
Support services					
Pupils					
Attendance and social work					
Salaries	975,352	962,191	962,330	139	936,058
Employee benefits	235,659	215,711	214,539	(1,172)	214,513
Purchased services	120,706	706	698	(8)	701
Supplies and materials	675	675	585	(90)	-
Total	1,332,392	1,179,283	1,178,152	(1,131)	1,151,272
Guidance services					
Salaries	744,136	741,687	739,653	(2,034)	733,153
Employee benefits	176,829	173,160	175,546	2,386	172,510
Purchased services	-	50,000	110,287	60,287	18,115
Supplies and materials	1,000	1,000	1,118	118	943
Total	921,965	965,847	1,026,604	60,757	924,721
Health services					
Salaries	362,091	391,296	389,098	(2,198)	381,694
Employee benefits	180,136	198,667	107,967	(90,700)	95,742
Purchased services	166,359	154,293	152,234	(2,059)	197,537
Supplies and materials	5,000	5,000	5,098	98	4,320
Total	713,586	749,256	654,397	(94,859)	679,293
Psychological services					
Salaries	555,505	553,914	555,313	1,399	543,609
Employee benefits	186,071	186,046	128,963	(57,083)	125,950
Purchased services	15,000	20,000	11,435	(8,565)	11,874
Supplies and materials	75	75	-	(75)	-
Total	\$ 756,651	\$ 760,035	\$ 695,711	\$ (64,324)	\$ 681,433

(Continued)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018			2017	
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
Speech pathology and audiology services					
Salaries	\$ 1,041,669	\$ 1,041,669	\$ 1,044,301	\$ 2,632	\$ 1,006,396
Employee benefits	213,056	213,456	215,319	1,863	200,446
Purchased services	50,000	70,527	65,746	(4,781)	59,013
Supplies and materials	700	700	336	(364)	(60)
Total	1,305,425	1,326,352	1,325,702	(650)	1,265,795
Other support services					
Purchased services	200	200	-	(200)	-
Other	-	-	50	50	700
Total	200	200	50	(150)	700
Total pupils	5,030,219	4,980,973	4,880,616	(100,357)	4,703,214
Instructional staff					
Improvement of instruction services					
Salaries	722,792	759,767	668,300	(91,467)	657,166
Employee benefits	91,987	91,628	99,315	7,687	97,692
Purchased services	453,904	340,386	392,271	51,885	205,998
Supplies and materials	45,772	22,538	18,781	(3,757)	34,766
Other	-	-	1,634	1,634	1,887
Total	1,314,455	1,214,319	1,180,301	(34,018)	997,509
Educational media services					
Salaries	842,012	838,646	842,856	4,210	838,611
Employee benefits	187,131	184,729	187,280	2,551	172,992
Supplies and materials	37,504	41,265	48,243	6,978	50,179
Termination benefits	-	-	-	-	2,500
Total	1,066,647	1,064,640	1,078,379	13,739	1,064,282
Assessment and testing					
Salaries	83,722	84,342	83,699	(643)	82,000
Employee benefits	29,349	29,349	29,349	-	29,512
Purchased services	91,010	86,010	101,120	15,110	93,494
Total	204,081	199,701	214,168	14,467	205,006
Total instructional staff	\$ 2,585,183	\$ 2,478,660	\$ 2,472,848	\$ (5,812)	\$ 2,266,797

(Continued)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
General administration					
Board of education					
Purchased services	\$ 564,792	\$ 566,792	\$ 567,005	\$ 213	\$ 458,935
Supplies and materials	20,000	20,000	8,476	(11,524)	18,697
Other	18,000	18,000	31,208	13,208	15,946
Total	602,792	604,792	606,689	1,897	493,578
Executive administration					
Salaries	255,096	252,596	250,923	(1,673)	250,024
Employee benefits	132,457	88,700	88,739	39	121,070
Purchased services	64,940	64,940	51,375	(13,565)	46,919
Supplies and materials	26,500	26,500	19,850	(6,650)	6,803
Other	10,000	10,000	5,889	(4,111)	9,671
Total	488,993	442,736	416,776	(25,960)	434,487
Tort immunity services					
Salaries	7,000	5,046	2,066	(2,980)	6,952
Employee benefits	-	-	23	23	81
Purchased services	25,000	25,000	14,931	(10,069)	25,766
Supplies and materials	2,000	2,000	27	(1,973)	3,749
Other	-	-	-	-	9,730
Total	34,000	32,046	17,047	(14,999)	46,278
Total general administration	1,125,785	1,079,574	1,040,512	(39,062)	974,343
School administration					
Office of the principal					
Salaries	2,983,482	2,971,881	2,964,319	(7,562)	2,620,722
Employee benefits	1,102,231	1,107,526	1,098,251	(9,275)	909,220
Purchased services	-	-	-	-	1,111
Supplies and materials	15,950	15,950	30,111	14,161	15,113
Other	-	-	-	-	480
Termination benefits	-	-	-	-	5,000
Total	4,101,663	4,095,357	4,092,681	(2,676)	3,551,646
Total school administration	4,101,663	4,095,357	4,092,681	(2,676)	3,551,646
Business					
Direction of business services					
Salaries	147,021	147,021	147,021	-	143,750
Employee benefits	59,100	59,100	59,100	-	59,430
Purchased services	2,340	2,340	2,828	488	1,289
Total	\$ 208,461	\$ 208,461	\$ 208,949	\$ 488	\$ 204,469

(Continued)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
Fiscal services					
Salaries	\$ 278,820	\$ 278,820	\$ 278,820	\$ -	\$ 262,505
Employee benefits	116,342	111,289	109,418	(1,871)	91,075
Purchased services	98,500	206,378	195,360	(11,018)	238,322
Other objects	-	-	715	715	-
Total	493,662	596,487	584,313	(12,174)	591,902
Operations and maintenance plant services					
Salaries	238,122	234,771	232,988	(1,783)	224,624
Employee benefits	108,941	112,278	107,258	(5,020)	93,692
Purchased services	96,000	96,000	95,174	(826)	121,124
Supplies and materials	-	-	2,414	2,414	-
Capital outlay	-	-	21,224	21,224	-
Total	443,063	443,049	459,058	16,009	439,440
Food services					
Salaries	123,047	101,582	91,707	(9,875)	96,699
Purchased services	1,099,513	995,710	1,023,691	27,981	933,183
Supplies and materials	6,200	6,200	7,560	1,360	6,177
Capital outlay	10,000	10,000	10,923	923	9,308
Other	5,400	5,400	6,228	828	5,115
Non capitalized equipment	-	-	10,295	10,295	511
Total	1,244,160	1,118,892	1,150,404	31,512	1,050,993
Total business	2,389,346	2,366,889	2,402,724	35,835	2,286,804
Central					
Information services					
Salaries	78,107	78,107	78,107	-	76,500
Employee benefits	22,281	22,281	22,281	-	23,374
Purchased services	17,000	25,200	23,016	(2,184)	17,221
Total	\$ 117,388	\$ 125,588	\$ 123,404	\$ (2,184)	\$ 117,095

(Continued)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
Staff services					
Salaries	\$ 252,271	\$ 244,306	\$ 244,812	\$ 506	\$ 250,874
Employee benefits	98,500	161,074	148,763	(12,311)	106,817
Purchased services	115,992	115,992	116,179	187	120,208
Supplies and materials	30,500	30,500	27,744	(2,756)	27,745
Other	4,500	4,500	7,146	2,646	4,685
Total	501,763	556,372	544,644	(11,728)	510,329
Data processing services					
Salaries	1,051,592	1,051,464	1,054,282	2,818	1,043,961
Employee benefits	276,035	276,035	274,356	(1,679)	269,489
Purchased services	513,868	868,913	1,265,207	396,294	1,205,305
Supplies and materials	101,000	101,000	98,415	(2,585)	70,344
Capital outlay	452,520	514,643	493,928	(20,715)	45,208
Other	-	-	-	-	1,290
Non capitalized equipment	285,000	940,512	1,010,201	69,689	38,593
Termination benefits	-	-	-	-	3,648
Total	2,680,015	3,752,567	4,196,389	443,822	2,677,838
Total central	3,299,166	4,434,527	4,864,437	429,910	3,305,262
Other support services					
Salaries	-	746	746	-	-
Employee benefits	-	-	8	8	-
Supplies and materials	-	-	9,712	9,712	-
Total	-	746	10,466	9,720	-
Total other	-	746	10,466	9,720	-
Total support services	18,531,362	19,436,726	19,764,284	327,558	17,088,066
Community Services					
Salaries	55,650	53,211	25,650	(27,561)	56,470
Employee benefits	25	25	25	-	3,646
Purchased services	50,634	69,867	57,645	(12,222)	53,678
Supplies and materials	1,454	405	15,221	14,816	-
Total community services	107,763	123,508	98,541	(24,967)	113,794
Non-programmed charges					
Tuition payments for regular programs	-	107,571	107,571	-	98,357
Tuition payments for special education programs	1,360,000	1,572,574	1,572,574	-	1,403,371
Tuition payments for CTE programs	155,000	242,849	242,849	-	150,050
Total non-programmed charges	\$ 1,515,000	\$ 1,922,994	\$ 1,922,994	\$ -	\$ 1,651,778

(Continued)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018			2017	
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
Debt services					
Interest and fees on short-term debt	\$ 15,000	\$ 15,000	\$ 36,953	\$ 21,953	\$ 22,146
Total debt services	15,000	15,000	36,953	21,953	22,146
Provisions for Contingencies	408,647	147,662	-	(147,662)	-
Total provisions	408,647	147,662	-	(147,662)	-
Total expenditures	63,989,071	64,913,413	85,420,456	20,507,043	78,153,912
Excess (deficiency) of revenues over expenditures	1,071,271	2,153,135	1,737,443	(415,692)	2,084,381
OTHER FINANCING SOURCES (USES)					
Capital lease proceeds	-	-	296,939	296,939	287,936
Transfers out	(485,142)	(300,397)	(199,916)	100,481	(143,226)
Total other financing sources (uses)	(485,142)	(300,397)	97,023	397,420	144,710
Net changes in fund balance	\$ 586,129	\$ 1,852,738	1,834,466	\$ (18,272)	2,229,091
Fund balance at beginning of year			11,737,264		9,508,173
FUND BALANCE AT END OF YEAR			\$ 13,571,730		\$ 11,737,264

(Concluded)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Operations And Maintenance Account

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018			2017	
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
REVENUES					
Local sources					
Property taxes	\$ 7,176,054	\$ 7,509,813	\$ 7,612,422	\$ 102,609	\$ 7,332,903
Earnings on investments	3,000	25,620	25,389	(231)	2,598
Pupil activities	220,000	220,000	231,113	11,113	222,733
Rentals	261,500	261,500	389,045	127,545	367,612
Other	5,000	5,000	1,594	(3,406)	20,328
Total local sources	7,665,554	8,021,933	8,259,563	237,630	7,946,174
Total revenues	7,665,554	8,021,933	8,259,563	237,630	7,946,174
EXPENDITURES					
Current operating					
Support services					
Direction of business support services					
Purchased services	-	-	10,804	(10,804)	-
Total	-	-	10,804	(10,804)	-
Operations and maintenance of plant services					
Salaries	1,230,334	1,214,749	1,189,325	(25,424)	1,181,396
Employee benefits	294,769	288,200	285,394	(2,806)	285,329
Purchased services	1,495,725	1,535,327	1,472,003	(63,324)	1,714,318
Supplies and materials	1,727,000	1,617,149	1,511,965	(105,184)	1,582,715
Capital outlay	256,000	553,825	638,650	84,825	1,206,662
Non capitalized equipment	-	15,127	15,127	-	-
Termination benefits	-	2,541	2,540	(1)	2,249
Total	\$ 5,003,828	\$ 5,226,918	\$ 5,115,004	\$ (111,914)	\$ 5,972,669

(Continued)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Operations and Maintenance Account

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
Other support services					
Salaries	\$ 102,150	\$ 104,150	\$ 101,874	\$ (2,276)	\$ 100,624
Employee benefits	22,710	22,710	22,716	6	23,639
Purchased services	268,000	266,000	276,194	10,194	268,513
Supplies and materials	17,000	17,000	19,021	2,021	16,964
Non capitalized equipment	17,000	17,000	18,664	1,664	17,179
Total	426,860	426,860	438,469	11,609	426,919
Total support services	5,430,688	5,653,778	5,564,277	(111,109)	6,399,588
Non-programmed charges					
Other payments to in-state governmental units	588,277	588,277	588,277	-	-
Total non-programmed charges	588,277	588,277	588,277	-	-
Provisions for Contingencies	150,000	-	-	-	-
Total provisions	150,000	-	-	-	-
Total expenditures	6,168,965	6,242,055	6,152,554	(111,109)	6,399,588
Excess (deficiency) of revenues over expenditures	1,496,589	1,779,878	2,107,009	327,131	1,546,586
OTHER FINANCING SOURCES (USES)					
Proceeds from debt issuance	-	-	-	-	1,044,000
Transfers out	(1,744,000)	(1,744,000)	(1,744,000)	-	(1,744,000)
Total other financing sources (uses)	(1,744,000)	(1,744,000)	(1,744,000)	-	(700,000)
Net changes in fund balance	\$ (247,411)	\$ 35,878	363,009	\$ 327,131	846,586
Fund balance at beginning of year			4,939,751		4,093,165
FUND BALANCE AT END OF YEAR			\$ 5,302,760		\$ 4,939,751

(Concluded)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Working Cash Account

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
REVENUES					
Local sources					
Contributions from private sources	\$ 60,000	\$ 60,000	\$ 59,999	\$ (1)	\$ 60,000
Total local sources	60,000	60,000	59,999	(1)	60,000
Total revenues	60,000	60,000	59,999	(1)	60,000
Net change in fund balance	<u>\$ 60,000</u>	<u>\$ 60,000</u>	59,999	<u>\$ (1)</u>	60,000
Fund balance at beginning of year			<u>2,852,077</u>		<u>2,792,077</u>
FUND BALANCE AT END OF YEAR			<u>\$ 2,912,076</u>		<u>\$ 2,852,077</u>

MAJOR DEBT SERVICE FUND

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

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Major Debt Service Fund

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
REVENUES					
Local sources					
Property taxes	\$ 9,099,325	\$ 9,168,239	\$ 9,287,586	\$ 119,347	\$ 9,326,885
Earnings on investments	4,000	18,704	18,704	-	2,789
Total local sources	9,103,325	9,186,943	9,306,290	119,347	9,329,674
Total revenues	9,103,325	9,186,943	9,306,290	119,347	9,329,674
EXPENDITURES					
Debt service					
Principal payments	6,700,000	6,700,000	7,039,177	339,177	7,502,193
Interest on debt	2,254,785	2,254,785	2,259,524	4,739	2,402,665
Service charges	629,141	345,539	2,699	(342,840)	1,598
Total expenditures	9,583,926	9,300,324	9,301,400	1,076	9,906,456
Excess (deficiency) of revenues over expenditures	(480,601)	(113,381)	4,890	118,271	(576,782)
OTHER FINANCING SOURCES					
Transfers in	629,142	444,397	343,916	(100,481)	287,226
Total other financing sources	629,142	444,397	343,916	(100,481)	287,226
Net changes in fund balance	<u>\$ 148,541</u>	<u>\$ 331,016</u>	348,806	<u>\$ 17,790</u>	(289,556)
Fund balance at beginning of year			<u>3,378,195</u>		<u>3,667,751</u>
FUND BALANCE AT END OF YEAR			<u>\$ 3,727,001</u>		<u>\$ 3,378,195</u>

BATAVIA PUBLIC SCHOOL DISTRICT 101

Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2018

	Transportation	Municipal Retirement/ Social Security	Capital Projects	Total Nonmajor Governmental Funds
ASSETS				
Assets				
Cash and investments	\$ 1,628,019	\$ 365,163	\$ 451,257	\$ 2,444,439
Receivables				
Property taxes	1,434,457	812,863	-	2,247,320
Due from other governments	605,893	-	-	605,893
TOTAL ASSETS	\$ 3,668,369	\$ 1,178,026	\$ 451,257	\$ 5,297,652
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE				
Liabilities				
Accounts payable	\$ 80,813	\$ 307	\$ -	\$ 81,120
Accrued salaries and related expenditures	21,179	118,896	-	140,075
Total Liabilities	101,992	119,203	-	221,195
Deferred Inflows				
Unavailable property tax revenues	1,434,457	812,863	-	2,247,320
Other deferred revenue	605,893	-	-	605,893
Total Deferred Inflows	2,040,350	812,863	-	2,853,213
Fund Balances				
Restricted	1,526,027	245,960	451,257	2,223,244
Total Fund Balances	1,526,027	245,960	451,257	2,223,244
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 3,668,369	\$ 1,178,026	\$ 451,257	\$ 5,297,652

BATAVIA PUBLIC SCHOOL DISTRICT 101

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2018

	Transportation	Municipal Retirement/ Social Security	Capital Projects	Total Nonmajor Governmental Funds
REVENUES				
Local sources	\$ 3,073,040	\$ 1,666,198	\$ 10,076	\$ 4,749,314
State sources	2,224,644	-	-	2,224,644
Total Revenues	5,297,684	1,666,198	10,076	6,973,958
EXPENDITURES				
Current operating:				
Instruction	-	752,896	-	752,896
Support services	4,355,236	853,942	59,806	5,268,984
Community services	-	4,768	-	4,768
Capital outlay	-	-	1,997,172	1,997,172
Total Expenditures	4,355,236	1,611,606	2,056,978	8,023,820
Excess (deficiency) of revenues over expenditures	942,448	54,592	(2,046,902)	(1,049,862)
OTHER FINANCING SOURCES				
Transfers in	-	-	1,600,000	1,600,000
Total other financing sources	-	-	1,600,000	1,600,000
Net changes in fund balances	942,448	54,592	(446,902)	550,138
Fund balances at beginning of year	583,579	191,368	898,159	1,673,106
FUND BALANCES AT END OF YEAR	\$ 1,526,027	\$ 245,960	\$ 451,257	\$ 2,223,244

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

To account for proceeds from specific revenue sources which are designated to finance expenditures for specific purposes, the District maintains the following Special Revenue Funds:

Transportation Fund - To account for activity relating to student transportation to and from school.

Municipal Retirement/Social Security Fund - To account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund and Social Security for noncertified employees.

CAPITAL PROJECTS FUNDS

Capital Projects Fund - To account for financial resources to be used for the acquisition or construction of major capital facilities.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Transportation Fund

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018			2017	
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
REVENUES					
Local sources					
Property taxes	\$ 3,031,733	\$ 2,980,648	\$ 3,019,126	\$ 38,478	\$ 2,371,288
Earnings on investments	1,000	2,433	2,434	1	717
Other	48,000	61,054	51,480	(9,574)	60,796
Total local sources	3,080,733	3,044,135	3,073,040	28,905	2,432,801
State sources					
Restricted					
Transportation aid	2,145,000	2,224,640	2,224,644	4	1,825,050
Total state sources	2,145,000	2,224,640	2,224,644	4	1,825,050
Total revenues	5,225,733	5,268,775	5,297,684	28,909	4,257,851
EXPENDITURES					
Current operating					
Support services					
Pupil transportation services					
Salaries	91,388	90,944	90,945	1	99,231
Employee benefits	34,990	33,731	33,731	-	33,447
Purchased services	4,268,394	4,281,205	4,187,315	(93,890)	4,323,197
Supplies and materials	7,300	7,300	8,661	1,361	6,654
Other objects	-	-	118	118	-
Total support services	4,402,072	4,413,180	4,320,770	(92,410)	4,462,529
Other support services					
Nonprogrammed charges					
Purchased services	-	-	34,466	34,466	-
Total other support services	-	-	34,466	34,466	-
Provisions for Contingencies	150,000	-	-	-	-
Total provisions	150,000	-	-	-	-
Total expenditures	4,552,072	4,413,180	4,355,236	(57,944)	4,462,529
Net changes in fund balance	\$ 673,661	\$ 855,595	942,448	\$ 86,853	(204,678)
Fund balance at beginning of year			583,579		788,257
FUND BALANCE AT END OF YEAR			\$ 1,526,027		\$ 583,579

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Municipal Retirement/Social Security Fund

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
REVENUES					
Local sources					
Property taxes	\$ 707,372	\$ 695,384	\$ 704,363	\$ 8,979	\$ 543,321
Social security/medicare only levy	707,372	843,176	856,002	12,826	668,045
Corporate personal property replacement taxes	100,000	100,000	100,000	-	60,197
Earnings on investments	1,000	5,827	5,833	6	712
Total local sources	1,515,744	1,644,387	1,666,198	21,811	1,272,275
Total revenues	1,515,744	1,644,387	1,666,198	21,811	1,272,275
EXPENDITURES					
Current operating					
Instruction					
Regular programs	235,322	236,086	350,204	114,118	297,440
Pre-kindergarten program	109,875	110,847	-	(110,847)	-
Special education programs	288,918	290,668	319,594	28,926	275,367
Special education pre kindergarten programs	36,142	38,121	20,834	(17,287)	34,320
Remedial and supplemental programs	1,287	2,122	2,312	190	1,049
CTE programs	49	47	66	19	56
Interscholastic programs	36,505	38,798	43,530	4,732	42,172
Summer school program	-	-	164	164	104
Gifted program	3,787	3,753	3,760	7	3,100
Drivers ed program	1,673	1,673	1,991	318	1,704
Bilingual programs	10,328	10,424	10,441	17	8,109
Total instruction	723,886	732,539	752,896	20,357	663,421
Support services					
Pupils					
Attendance & social work services	13,273	13,160	13,120	(40)	10,599
Guidance services	15,788	15,914	10,004	(5,910)	15,486
Health services	98,872	103,767	55,967	(47,800)	49,809
Psychological services	7,593	7,576	7,565	(11)	6,240
Speech pathology services	14,411	14,411	14,396	(15)	11,565
Total pupils	149,937	154,828	101,052	(53,776)	93,699
Instructional staff					
Improvement of instruction services	15,082	15,020	18,136	3,116	16,493
Education media services	34,894	34,259	34,726	467	35,536
Assessment and training	1,185	1,185	1,185	-	1,158
Total instructional staff	\$ 51,161	\$ 50,464	\$ 54,047	\$ 3,583	\$ 53,187

(Continued)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Municipal Retirement/Social Security Fund

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
General administration					
Executive administration services	\$ 12,424	\$ 12,437	\$ 12,895	\$ 458	\$ 13,060
Total general administration	12,424	12,437	12,895	458	13,060
School administration					
Office of the principal services	157,479	154,440	156,307	1,867	156,607
Total school administration	157,479	154,440	156,307	1,867	156,607
Business					
Direction of business	2,084	2,084	2,084	-	2,044
Fiscal services	49,338	49,393	49,409	16	46,286
Operation and maintenance of plant services	255,795	247,135	257,516	10,381	373,949
Pupil transportation services	16,411	16,385	16,386	1	14,797
Food services	16,833	14,893	7,077	(7,816)	7,397
Total business	340,461	329,890	332,472	2,582	444,473
Central					
Information services	14,044	14,059	14,059	-	13,721
Staff services	19,356	19,375	19,391	16	19,019
Data processing services	141,326	141,467	145,809	4,342	138,120
Other	16,144	16,178	17,910	1,732	18,005
Total central	190,870	191,079	197,169	6,090	188,865
	902,332	893,138	853,942	(39,196)	949,891
Community Services					
Employee benefits	4,763	4,768	4,768	-	4,757
Total community services	4,763	4,768	4,768	-	4,757
Total expenditures	1,630,981	1,630,445	1,611,606	(18,839)	1,618,069
Excess (deficiency) of revenues over expenditures	\$ (115,237)	\$ 13,942	54,592	\$ 40,650	(345,794)
Fund balance at beginning of year			191,368		537,162
FUND BALANCE AT END OF YEAR			\$ 245,960		\$ 191,368

(Concluded)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Capital Projects Fund

Year ended June 30, 2018 with Comparative Actual Totals for 2017

	2018			2017	
	Original Budget	Final Budget	Actual	Variance Over/Under	Actual
REVENUES					
Local sources					
Donations	\$ -	\$ -	\$ 10,076	\$ 10,076	\$ 65,985
Total local sources	-	-	10,076	10,076	65,985
Total revenues	-	-	10,076	10,076	65,985
EXPENDITURES					
Current operating					
Support services					
Facilities acquisition and construction					
Purchased services	44,171	44,171	59,806	15,635	-
Capital outlay	2,275,854	2,275,854	1,997,172	(278,682)	1,405,009
Total support services	2,320,025	2,320,025	2,056,978	(263,047)	1,405,009
Total expenditures	2,320,025	2,320,025	2,056,978	(263,047)	1,405,009
Excess (deficiency) of revenues over expenditures	(2,320,025)	(2,320,025)	(2,046,902)	273,123	(1,339,024)
OTHER FINANCING USES					
Transfers in	1,600,000	1,600,000	1,600,000	-	1,600,000
Net change in fund balance	<u>\$ (720,025)</u>	<u>\$ (720,025)</u>	<u>(446,902)</u>	<u>\$ 273,123</u>	260,976
Fund balance at beginning of year			898,159		637,183
FUND BALANCE AT END OF YEAR			<u>\$ 451,257</u>		<u>\$ 898,159</u>

AGENCY FUND

Student Activity Funds - To account for assets held by the District in a trustee capacity as an agent for student organizations and employees.

BATAVIA PUBLIC SCHOOL DISTRICT 101
Schedule of Changes in Assets and Liabilities
Fiduciary Fund - Agency Funds - Activity Funds
Year Ended June 30, 2018

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
Assets				
Cash	\$ 98,169	\$ 852,112	\$ 851,730	\$ 98,551
Liabilities				
Due to organizations				
Elementary and Middle School	\$ 22,011	\$ 153,086	\$ 157,475	\$ 17,622
High School	76,158	699,026	694,255	80,929
	\$ 98,169	\$ 852,112	\$ 851,730	\$ 98,551

STATISTICAL SECTION (UNAUDITED)

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Net Position by Component

Last Ten Fiscal Years

	2018	2017	2016	2015
Governmental activities				
Net investment in capital assets	\$ 46,318,149	\$ 38,046,098	\$ 30,325,464	\$ 28,717,554
Restricted	5,950,245	5,051,301	5,630,353	4,756,624
Unrestricted	(35,961,196)	11,635,880	12,367,573	7,969,152
Total governmental activities net position	<u>\$ 16,307,198</u>	<u>\$ 54,733,279</u>	<u>\$ 48,323,390</u>	<u>\$ 41,443,330</u>

Source of information: District records.

2014	2013	2012	2011	2010	2009
\$ 25,807,877	\$ (7,160,915)	\$ (3,498,896)	\$ 4,457,651	\$ 14,305,101	\$ 13,005,822
5,363,738	4,227,202	4,756,660	3,224,515	3,911,012	9,039,188
7,548,562	15,589,874	17,292,333	18,040,845	17,985,168	16,553,883
<hr/>					
\$ 38,720,177	\$ 12,656,161	\$ 18,550,097	\$ 25,723,011	\$ 36,201,281	\$ 38,598,893

BATAVIA PUBLIC SCHOOL DISTRICT 101

Changes in Net Position

Last Ten Fiscal Years

	2018	2017	2016	2015
Expenses				
Instruction				
Regular programs	\$ 41,867,549	\$ 38,654,686	\$ 37,362,204	\$ 39,364,382
Special programs	10,895,465	10,732,806	9,766,712	12,864,094
Other instructional programs				
State retirement contributions	17,592,747	15,253,709	14,435,889	18,799,394
Support services				
Pupils	4,981,668	4,796,913	4,543,892	4,352,687
Instructional staff	2,530,043	2,323,714	2,346,240	2,460,404
General administration	1,065,099	1,001,256	3,185,925	1,214,848
School administration	4,507,119	4,014,088	3,861,246	3,771,834
Business	4,075,864	3,315,027	2,511,434	2,547,387
Transportation	4,337,156	4,477,326	4,061,436	4,183,637
Operations and maintenance	831,202	5,898,602	4,549,460	6,342,838
Central	5,046,844	3,479,852	4,002,984	3,528,548
Other supporting services	466,845	448,654	285,649	397,168
Community services	103,309	114,930	65,259	-
Nonprogrammed charges - excluding special education	2,545,737	1,651,778	1,905,045	-
Interest and fees	2,288,114	1,239,356	2,557,135	3,154,462
Unallocated depreciation	343,575	407,070	301,034	315,791
Total expenses	103,478,336	97,809,767	95,741,544	103,297,474
Program revenues				
Charges for services				
Instruction				
Regular programs	3,057,313	2,380,298	2,468,675	2,562,037
Other instructional programs	-	-	-	-
Support services				
Business	902,023	820,849	707,962	634,854
Transportation	38,426	51,464	152,544	39,870
Operations and maintenance	389,045	367,612	62,654	318,552
Capital grants and contributions	-	-	-	-
Operating grants and contributions	24,904,853	23,841,402	22,941,986	25,964,177
Total program revenues	29,291,660	27,461,625	26,333,821	29,519,490
Net revenue (expense)	(74,186,676)	(70,348,142)	(69,407,723)	(73,777,984)
General revenues				
Taxes				
Real estate taxes, levied for general purposes	62,375,527	59,975,822	59,460,878	58,699,183
Real estate taxes, levied for specific purposes	4,579,491	3,582,654	3,307,318	3,594,103
Real estate taxes, levied for debt service	9,287,586	9,326,885	9,773,477	10,107,380
State aid-formula grants	4,980,716	3,098,194	2,803,921	3,004,703
Investment earnings	304,328	123,618	29,129	15,421
Miscellaneous	685,532	650,858	913,060	1,080,347
Total general revenues	82,213,180	76,758,031	76,287,783	76,501,137
Change in net position	\$ 8,026,504	\$ 6,409,889	\$ 6,880,060	\$ 2,723,153

Source of information: District records.

2014	2013	2012	2011	2010	2009
\$ 37,737,024	\$ 39,451,077	\$ 40,304,032	\$ 38,033,430	\$ 35,502,465	\$ 30,834,574
9,783,787	12,110,450	11,177,820	10,584,166	10,903,045	9,592,213
-	-	-	1,982,671	2,266,012	2,300,717
13,390,079	10,187,749	8,850,551	8,437,667	8,189,154	6,931,813
4,046,273	3,778,150	3,513,809	3,579,345	3,462,700	3,423,739
2,313,706	2,007,878	1,581,549	1,332,084	933,060	1,436,978
1,029,435	1,487,913	1,221,086	1,113,753	1,271,293	1,086,613
3,603,893	3,786,441	3,570,920	3,437,730	3,003,290	2,943,552
2,016,617	2,043,137	1,600,202	4,072,179	1,845,272	4,958,599
4,035,686	4,422,846	3,639,755	3,389,704	3,246,337	3,209,196
7,850,476	7,336,201	6,596,796	5,638,659	5,563,010	6,429,567
3,713,540	3,014,189	2,856,545	2,669,350	1,991,223	1,732,152
35,085	19,892	184,097	237,851	271,724	331,804
-	-	-	-	128,243	121,648
-	-	-	256,092	290,162	392,000
3,959,979	4,719,260	4,855,516	3,839,905	5,134,590	5,485,570
587,743	864,364	862,417	848,869	601,987	217,768
94,103,323	95,229,547	90,815,095	89,453,455	84,603,567	81,428,503
2,204,303	2,698,470	1,712,561	1,587,467	1,185,978	1,168,593
-	-	-	35,960	39,380	75,600
782,668	729,021	832,074	769,938	737,298	733,456
76,715	37,902	19,376	33,369	40,013	35,375
226,747	141,528	167,997	15,619	9,732	23,473
71,253	8,320	50,000	-	-	-
21,210,588	16,754,592	16,082,075	15,602,002	17,004,587	12,106,460
24,572,274	20,369,833	18,864,083	18,044,355	19,016,988	14,142,957
(69,531,049)	(74,859,714)	(71,951,012)	(71,409,100)	(65,586,579)	(67,285,546)
54,629,090	50,766,746	49,567,543	42,979,018	41,623,714	40,319,724
3,944,598	3,623,212	3,417,896	8,886,732	9,100,114	8,923,102
10,208,471	10,838,942	8,570,780	6,263,833	7,124,098	7,713,311
2,705,848	2,599,683	2,665,059	2,765,707	2,910,755	3,130,187
13,943	19,443	(389,364)	427,835	961,898	1,374,039
628,666	1,117,752	2,186,930	1,052,650	1,381,388	2,153,222
72,130,616	68,965,778	66,018,844	62,375,775	63,101,967	63,613,585
\$ 2,599,567	\$ (5,893,936)	\$ (5,932,168)	\$ (9,033,325)	\$ (2,484,612)	\$ (3,671,961)

BATAVIA PUBLIC SCHOOL DISTRICT 101

Fund Balances, Governmental Funds

Last Ten Fiscal Years

	2018	2017	2016	2015
General Fund				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Restricted	-	-	-	-
Unassigned	21,786,566	19,529,092	16,393,415	16,298,984
Total general fund	<u>\$ 21,786,566</u>	<u>\$ 19,529,092</u>	<u>\$ 16,393,415</u>	<u>\$ 16,298,984</u>
All other Governmental Funds				
Restricted, reported in:				
Special revenue funds	\$ 1,771,987	\$ 774,947	\$ 1,325,419	\$ 1,400,800
Debt service funds	3,727,001	3,378,195	3,667,751	3,355,824
Capital project funds	451,257	898,159	637,183	15,749
Total all other governmental funds	<u>\$ 5,950,245</u>	<u>\$ 5,051,301</u>	<u>\$ 5,630,353</u>	<u>\$ 4,772,373</u>

GASB 54 was implemented in fiscal year 2011, which also required the restatement of 2010. With this implementation, the Working Cash Fund was combined with the General Fund and governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

For comparison purposes, the General Fund includes the Educational Fund and the Operations and Maintenance Fund. Beginning with 2010, the Working Cash Fund is also included. Special revenue funds include the Transportation Fund, the Municipal Retirement/Social Security Fund, and the Working Cash Fund until 2010 when it moved to the General Fund.

Source of information: District records.

2014	2013	2012	2011	2010	2009
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	12,634,356
-	-	-	2,797,780	2,127,953	-
15,883,760	15,979,129	17,678,651	15,368,976	15,765,947	-
\$ 15,883,760	\$ 15,979,129	\$ 17,678,651	\$ 18,166,756	\$ 17,893,900	\$ 12,634,356
<hr/>					
\$ 2,045,822	\$ 1,253,860	\$ 1,674,106	\$ 1,735,856	\$ 1,515,228	\$ 5,124,969
3,317,916	2,973,342	3,082,554	390,562	1,141,297	3,652,683
17,360	215,617	409,080	6,102,843	19,188,376	41,701,418
\$ 5,381,098	\$ 4,442,819	\$ 5,165,740	\$ 8,229,261	\$ 21,844,901	\$ 50,479,070

BATAVIA PUBLIC SCHOOL DISTRICT 101
Governmental Funds Revenues
Last Ten Fiscal Years

	2018	2017	2016	2015
Local sources				
Property taxes	\$ 76,242,604	\$ 72,885,361	\$ 72,541,673	\$ 72,400,666
Replacement taxes	520,521	622,074	560,007	608,291
Tuition	8,412	2,826,379	9,177	29,608
Earnings on investments	304,328	123,618	29,129	15,421
Other local sources	4,828,816	954,175	4,041,694	4,072,427
Total local sources	81,904,681	77,411,607	77,181,680	77,126,413
State sources				
Evidence based funding formula (General State Aid prior to 2018)	4,980,716	3,098,194	2,803,921	3,004,703
Other state aid	21,699,418	19,865,627	20,011,551	22,994,025
Total state sources	26,680,134	22,963,821	22,815,472	25,998,728
Federal sources	3,172,894	2,794,824	2,624,452	2,965,126
Total	\$ 111,757,709	\$ 103,170,252	\$ 102,621,604	\$ 106,090,267

Source of information: District records.

2014	2013	2012	2011	2010	2009
\$ 68,782,159	\$ 65,228,900	\$ 61,556,219	\$ 58,129,583	\$ 57,847,926	\$ 56,956,137
581,160	454,085	550,690	598,624	461,608	570,597
34,249	31,630	37,465	35,960	39,380	39,160
13,943	19,443	(389,364)	232,089	658,711	1,374,039
3,374,943	4,252,058	4,428,736	2,856,649	3,150,707	3,543,522
72,786,454	69,986,116	66,183,746	61,852,905	62,158,332	62,483,455
2,705,848	2,599,683	2,665,059	2,765,707	2,412,722	2,514,620
18,568,240	14,671,794	13,250,854	12,694,531	13,618,575	10,073,621
21,274,088	17,271,477	15,915,913	15,460,238	16,031,297	12,588,241
2,642,348	2,078,018	2,783,268	2,911,241	3,887,817	2,684,846
\$ 96,702,890	\$ 89,335,611	\$ 84,882,927	\$ 80,224,384	\$ 82,077,446	\$ 77,756,542

BATAVIA PUBLIC SCHOOL DISTRICT 101

Governmental Funds Expenditures and Debt Service Ratio

Last Ten Fiscal Years

	2018	2017	2016	2015
Current				
Instruction				
Regular programs	\$ 32,944,195	\$ 34,358,266	\$ 34,595,982	\$ 36,493,323
Special programs	10,361,028	10,333,195	9,471,195	10,586,824
Other instructional programs	3,442,546	-	-	-
State retirement contributions	17,592,747	15,253,709	14,435,889	13,312,809
Total instruction	64,340,516	59,945,170	58,503,066	60,392,956
Supporting services				
Pupils	4,981,668	4,796,913	4,543,892	4,352,687
Instructional staff	2,526,895	2,319,984	2,343,482	2,457,511
General administration	1,053,407	987,403	3,175,680	1,204,101
School administration	4,248,988	3,708,253	3,635,077	3,534,578
Business	2,713,853	3,308,100	1,550,588	2,542,014
Transportation	4,320,770	4,477,326	4,056,395	4,183,637
Operations and maintenance	4,733,329	4,103,178	4,240,325	4,303,800
Central	4,370,509	3,476,122	4,000,226	3,525,655
Other supporting services	448,935	444,924	282,891	305,563
Total supporting services	29,398,354	27,622,203	27,828,556	26,409,546
Community services	103,309	114,930	65,259	88,712
Nonprogrammed charges	2,545,737	1,651,778	1,905,045	1,967,266
Total current	96,387,916	89,334,081	88,301,926	88,858,480
Other				
Debt service				
Principal	7,039,177	7,502,193	7,211,099	7,199,391
Interest	2,299,176	2,426,409	2,981,742	3,584,314
Capital outlay	3,171,961	2,682,880	3,374,456	2,376,099
Total other	12,510,314	12,611,482	13,567,297	13,159,804
Total	\$ 108,898,230	\$ 101,945,563	\$ 101,869,223	\$ 102,018,284
Debt service as a percentage of noncapital expenditures	8.83%	10.00%	10.35%	10.82%

Source of information: District records.

2014	2013	2012	2011	2010	2009
\$ 32,917,622	\$ 29,676,239	\$ 30,645,088	\$ 30,222,082	\$ 29,913,939	\$ 28,855,943
9,469,678	10,787,214	9,852,643	6,834,733	7,211,983	6,268,207
-	-	-	2,334,575	2,759,826	2,882,252
13,390,079	10,187,749	8,850,551	8,437,667	8,189,154	6,931,813
55,777,379	50,651,202	49,348,282	47,829,057	48,074,902	44,938,215
4,046,273	3,700,952	3,480,772	3,571,977	3,462,700	3,423,739
2,310,774	1,947,991	1,540,497	1,332,084	927,835	1,435,088
1,018,546	1,445,917	1,174,552	1,084,272	1,250,386	1,079,050
3,363,495	2,981,665	2,801,159	2,796,705	2,548,699	2,779,105
2,191,950	2,179,375	2,023,540	3,275,055	4,894,814	7,303,916
4,035,686	4,418,357	3,635,673	3,389,704	3,246,337	3,209,196
7,276,155	6,483,839	5,799,493	5,423,270	4,697,043	5,358,176
3,710,608	3,270,161	2,878,327	2,522,283	1,985,998	1,730,262
-	983,022	1,258,837	230,483	266,499	329,914
27,953,487	27,411,279	24,592,850	23,625,833	23,280,311	26,648,446
32,153	61	-	-	128,243	121,648
2,013,994	2,373,433	2,422,106	2,757,082	2,892,713	2,919,341
85,777,013	80,435,975	76,363,238	74,211,972	74,376,169	74,627,650
6,195,000	6,550,000	4,395,000	2,198,313	5,071,577	4,911,246
3,959,979	4,798,936	5,051,262	5,228,325	5,449,052	7,093,064
200,322	347,829	2,625,053	11,928,558	20,615,430	31,232,179
10,355,301	11,696,765	12,071,315	19,355,196	31,136,059	43,236,489
\$ 96,132,314	\$ 92,132,740	\$ 88,434,553	\$ 93,567,168	\$ 105,512,228	\$ 117,864,139
10.59%	12.36%	11.01%	9.10%	12.39%	13.86%

BATAVIA PUBLIC SCHOOL DISTRICT 101

Other Financing Sources And Uses and Net Changes in Fund Balances

Last Ten Fiscal Years

	2018	2017	2016	2015
Excess of revenues over (under) expenditures	\$ 2,859,479	\$ 1,224,689	\$ 752,381	\$ 4,071,983
Other financing sources (uses)				
Principal on bonds sold	-	-	16,165,000	9,965,000
Premium on bonds sold	-	-	733,225	12,063
Deposits to escrow agent	-	-	(16,698,195)	(9,816,287)
Proceeds from debt issuance	-	1,044,000	-	-
Capital lease proceeds	296,939	287,936	-	1,060,325
Transfers in	1,943,916	1,887,226	1,493,544	531,412
Transfers out	(1,943,916)	(1,887,226)	(1,493,544)	(531,412)
Total other financing sources	296,939	1,331,936	200,030	1,221,101
Net change in fund balances	<u>\$ 3,156,418</u>	<u>\$ 2,556,625</u>	<u>\$ 952,411</u>	<u>\$ 5,293,084</u>

Source of information: District records.

2014	2013	2012	2011	2010	2009
\$ 570,576	\$ (2,797,129)	\$ (3,551,626)	\$ (13,342,784)	\$ (23,434,782)	\$ (40,107,597)
26,470,000	19,995,000	-	-	2,870,000	-
4,329,706	69,953	-	-	23,099	-
(30,527,372)	(19,690,267)	-	-	(2,832,942)	-
-	-	-	-	-	-
-	-	-	-	-	6,559
-	-	3,567,225	411,084	(816,849)	(10,437)
-	-	(3,567,225)	(411,084)	816,849	10,437
272,334	374,686	-	-	60,157	6,559
\$ 842,910	\$ (2,422,443)	\$ (3,551,626)	\$ (13,342,784)	\$ (23,374,625)	\$ (40,101,038)

BATAVIA PUBLIC SCHOOL DISTRICT 101
 Equalized Assessed Valuation And
 Estimated Actual Value of Taxable Property
 Last Ten Tax Levy Years

Tax Levy Year	Assessed Valuation				
	Residential	Farms	Commercial	Industrial	Railroad
2017	\$ 870,034,629	\$ 8,871,566	\$ 208,259,090	\$ 150,101,724	\$ 649,640
2016	839,979,612	9,169,155	200,380,036	148,265,135	583,450
2015	809,225,755	9,086,835	187,595,150	137,839,256	514,337
2014	779,177,094	9,360,906	180,764,915	136,264,945	491,868
2013	797,483,485	9,697,652	181,765,549	137,023,287	485,282
2012	832,513,508	10,030,450	136,673,259	102,833,055	445,631
2011	875,019,055	10,172,972	139,872,705	99,710,235	416,484
2010	922,476,494	10,047,339	152,512,658	105,304,393	349,236
2009	964,512,588	9,122,309	153,291,644	105,832,183	318,206
2008	970,988,889	7,506,920	156,963,389	106,816,962	263,162

Source: Kane County Clerk.

Note: The county assesses property at approximately 33.3% of actual value for all types of real property. Estimated actual value is calculated by multiplying assessed value by that percentage. Tax rates are per \$100 of assessed value.

	Total Assessed Value	Total Direct Rate		Actual Estimated Value
\$	1,237,916,649	6.119842	\$	3,717,467,414
	1,198,377,388	6.172804		3,598,730,895
	1,144,261,333	6.404197		3,436,220,219
	1,106,059,728	6.570553		3,321,500,685
	1,126,455,255	6.372536		3,382,748,514
	1,082,495,903	6.085956		3,250,738,447
	1,125,191,451	5.783324		3,378,953,306
	1,190,690,120	4.903350		3,575,646,006
	1,233,076,930	4.698640		3,702,933,724
	1,242,539,322	4.698640		3,731,349,315

BATAVIA PUBLIC SCHOOL DISTRICT 101

Property Tax Rates - Direct and Overlapping Governments

Last Ten Tax Levy Years

	2017	2016	2015	2014
District direct rates				
Educational	3.8474	3.8891	3.9764	3.9528
Operations and maintenance	0.6333	0.5926	0.6737	0.6329
Transportation	0.2375	0.2503	0.1573	0.1808
Illinois municipal retirement	0.0554	0.0584	0.0350	0.0687
Tort immunity	-	-	-	-
Special education	0.5304	0.5633	0.6554	0.7414
Social security	0.0792	0.0584	0.0568	0.0949
Lease/purchase	-	-	-	-
Working cash	-	-	-	-
Bond and interest	0.7366	0.7607	0.8496	0.8991
Total direct rate	6.1198	6.1728	6.4042	6.5706
Overlapping rates				
Batavia Public Library	0.370060	0.368874	0.385370	0.392650
Batavia Public Library 98 Bond District	0.070449	0.072687	0.076443	0.076910
Batavia Public Library 99 Bond District	0.000000	0.000000	0.000000	0.000000
Batavia Park District	0.555991	0.554019	0.570712	0.576525
Batavia Township	0.095038	0.095234	0.098751	0.102366
Batavia Township Road District	0.047580	0.047516	0.049505	0.051317
City of Batavia	0.742796	0.697011	0.695527	0.715334
Batavia Fire District	0.308020	0.312600	0.320355	0.306170
Community College District #516 - Waubensee	0.553304	0.560691	0.587468	0.595432
Fox Metro Water Reclamation District	0.000000	0.000000	0.000000	0.000000
Kane County	0.402498	0.420062	0.447884	0.468360
Kane County Forest Preserve District	0.165841	0.225322	0.294354	0.312630
Total overlapping rate	3.3116	3.3540	3.5264	3.5977
Total direct and overlapping rate	9.4314	9.5268	9.9306	10.1682

Source: Kane Country Clerk.

Note: Tax rates are per \$100 of assessed value.

2013	2012	2011	2010	2009	2008
3.9061	3.6952	3.8791	3.6575	3.3596	3.2510
0.6125	0.5344	0.4977	0.4535	0.4967	0.4769
0.1437	0.1940	0.1822	0.1579	0.1300	0.1300
0.0657	0.0508	0.0578	0.0504	0.0487	0.0446
-	-	-	-	-	0.0295
0.6481	0.5545	0.0693	0.0378	0.0467	0.0420
0.0888	0.0924	0.0755	0.0693	0.0608	0.0575
-	-	-	-	-	0.0295
-	-	-	-	-	0.0158
0.9078	0.9647	1.0218	0.4769	0.5561	0.6219
6.3725	6.0860	5.7833	4.9033	4.6986	4.6987
0.3762	0.3530	0.3289	0.3069	0.2882	0.2833
0.0754	0.0026	0.0137	0.0089	0.0125	0.0124
0.0000	0.0488	0.0459	0.0421	0.0498	0.0487
0.5528	0.5092	0.4875	0.4529	0.4521	0.4425
0.2517	0.0961	0.0886	0.0828	0.0782	0.0772
0.0494	0.0473	0.0447	0.0418	0.0393	0.0387
0.7319	0.6959	0.6720	0.5925	0.5595	0.5490
0.3129	0.3235	0.3075	0.2929	0.2801	-
0.5807	0.5312	0.5810	0.4070	0.4043	0.3995
0.0000	0.0000	-	-	0.0249	-
0.4623	0.4336	0.3990	0.3730	0.3398	0.3336
0.3039	0.2710	0.2609	0.2201	0.1997	0.1932
3.6972	3.3121	3.2297	2.8209	2.7284	2.3781
10.0697	9.3981	9.0130	7.7242	7.4270	7.0768

BATAVIA PUBLIC SCHOOL DISTRICT 101

Principal Taxpayers in the District

Current Tax Year and Nine Years Ago

Rank	Name	Type of Business or Property	2017 Equalized Assessed Valuation	Percent of District's Total EAV
1	Simon/Chelsea Chicago Development LLC	Shopping Center - Premium Outlet Mall	\$ 66,785,228	5.39%
2	Liberty Illinois LP	Industrial Properties	30,623,477	2.47%
3	Chicago Premium Outlets Expansion LLC	Commercial	19,952,167	1.61%
4	Kirkland Crossing, LLC	Commercial	10,346,276	0.84%
5	DPIF IL 2 Batavia LLC	Industrial Properties	9,018,549	0.73%
6	Aldi, Inc.	Industrial Building and Store	7,154,121	0.58%
7	KIR Batavia 051 LLC	Shopping Center	6,992,737	0.56%
8	601-605 Kingsland LLC	Industrial Properties	6,179,382	0.50%
9	Kirk Road LLC	Industrial Properties	6,172,264	0.50%
10	Windmill Place Station LLC	Shopping Center	6,054,783	0.49%
Total			<u>\$ 169,278,984</u>	<u>13.67%</u>

Rank	Name	Type of Business or Property	2008 Equalized Assessed Valuation	Percent of District's Total EAV
1	Ridge Batavia Industrial Partners II, LLC	Industrial Properties	\$ 6,746,119	0.96%
2	Candle Corporation of America/PartyLite Worldwide, Inc.	Industrial Properties	5,990,556	0.85%
3	American National Bank & Trust Company of Chicago Trust #61149	Industrial Properties	4,312,306	0.62%
4	Aldi, Inc.	Industrial Building and Store	4,142,537	0.59%
5	Cosmopolitan Bank & Trust Company, Trust #31222	Apartments	3,345,898	0.48%
6	Pechiney Plastic Packaging, Inc.	Industrial Properties	3,134,182	0.45%
7	Cabot Acquisition, LLC	Industrial Properties	2,713,600	0.42%
8	Windmill Place, LLC	Commercial Building	2,946,761	0.39%
9	Menards, Inc.	Home Center	2,666,011	0.38%
10	Assisi Homes - Batavia Apartments, Inc.	Apartments	2,355,200	0.34%
Total			<u>\$ 38,353,170</u>	<u>5.48%</u>

Source of information: Offices of the Kane County Clerk, Assessor, and Batavia and Geneva Township Assessors.

Note: Since a taxpayer may own numerous parcels in the District, such a taxpayer maybe overlooked. Thus the valuations presented herewith are noted as approximations.

BATAVIA PUBLIC SCHOOL DISTRICT 101
Schedule of Property Tax Rates and Collections
Last Ten Tax Levy Years

Tax Levy Year	Taxes Extended For the Levy Year	Current Year Collections	Percentage of Levy Collected	Subsequent Collections	Total Collections	Total Percentage of Extensions Collected
2017	\$ 75,758,543	\$ 37,879,272	50.0%	\$ 918,390	\$ 38,797,662	51.21%
2016	73,973,487	36,328,948	49.1%	37,444,942	73,773,890	99.73%
2015	73,280,750	36,632,724	50.0%	36,556,413	73,189,137	99.87%
2014	72,674,241	36,676,862	50.5%	35,908,874	72,585,736	99.88%
2013	71,783,767	35,917,173	50.0%	35,723,804	71,640,977	99.80%
2012	65,880,224	33,132,546	50.3%	33,131,995	66,264,541	100.58%
2011	65,073,467	32,365,262	49.7%	32,458,865	64,824,127	99.62%
2010	58,383,704	29,150,816	49.9%	29,019,486	58,170,302	99.63%
2009	57,937,846	24,670,721	42.6%	33,232,769	57,903,490	99.94%
2008	58,382,449	27,316,132	46.8%	30,746,282	58,062,414	99.45%

Source: Kane County Clerk.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Obligation Bonds	Capital Leases	Total	Estimated Population	Percentage of Personal Income	Outstanding Debt Per Capita
2018	\$ 59,810,000	\$ 1,047,340	\$ 60,857,340	26,413	5.47%	2,304
2017	66,510,000	1,089,578	67,599,578	26,391	6.05%	2,561
2016	73,725,000	44,835	73,769,835	26,495	6.70%	2,784
2015	80,995,000	535,934	81,530,934	26,424	7.80%	3,085
2014	86,935,000	-	86,935,000	26,394	8.54%	3,294
2013	94,240,000	-	94,240,000	26,074	12.54%	3,614
2012	98,200,000	-	98,200,000	26,089	9.83%	3,764
2011	102,595,000	-	102,595,000	26,298	10.97%	3,901
2010	104,590,000	338,756	104,928,756	26,042	10.99%	4,029
2009	109,125,000	760,333	109,885,333	27,700	13.69%	3,967

Source: District Financial Statements, City of Batavia

Note: See Demographic and Economic Statistics table for personal income data.

Percentage of personal income is based on Kane County figures for personal income.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Ratio of General Bonded Debt to Equalized Assessed Valuation

And Net Bonded Debt Per Capita

Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt	Amounts Available to Repay Principal	Net General Bonded Debt	Percentage of Net General Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
2018	\$ 59,810,000	\$ 3,727,001	\$ 56,082,999	1.51%	\$ 2,123
2017	66,510,000	3,378,195	63,131,805	1.75%	2,392
2016	73,725,000	3,667,751	70,057,249	2.04%	2,644
2015	80,995,000	3,355,824	77,639,176	2.34%	2,938
2014	86,935,000	3,317,916	83,617,084	2.47%	3,168
2013	94,240,000	3,082,554	91,157,446	2.80%	3,496
2012	102,595,000	390,562	102,204,438	2.83%	3,608
2011	102,595,000	390,562	102,204,438	2.83%	3,608
2010	104,590,000	1,141,297	103,448,703	2.79%	3,675
2009	109,125,000	3,652,683	105,472,317	2.83%	3,767

Source of information: Annual Financial Statements 2009 to 2018.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Computation of Direct and Overlapping Bonded Debt

As of June 30, 2018

Jurisdiction Overlapping	Bonded Indebtedness	Overlapping Percent *	Net Direct and Overlapping Debt
Kane County Forest Preserve District	\$ 149,300,000	9.23%	\$ 13,778,926
City of Aurora (includes Library)	139,365,000	6.41%	8,934,146
City of Batavia	37,595,000	89.53%	33,658,593
Village of North Aurora	1,385,000	1.50%	20,714
Fox Valley Park District	34,385,000	4.11%	1,412,983
Geneva Park District	792,535	8.08%	64,065
Batavia Library District	705,000	92.97%	655,432
Geneva Public Library District	9,415,000	8.50%	799,887
Waubensee Community College District No. 516	58,005,000	13.60%	7,888,280
Total overlapping bonded debt			67,213,026
Direct Debt			
Batavia Public School District 101	59,810,000	100.000%	59,810,000
Total direct and overlapping bonded debt			<u>\$ 127,023,026</u>

* Overlapping percent calculated based on Equalized Assessed Valuation

Source: Office of the County Clerk of Kane County.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Legal Debt Margin Information
Last Ten Fiscal Years

	2018	2017	2016	2015
Debt limit	\$ 175,827,487	\$ 165,376,080	\$ 157,908,064	\$ 152,636,242
Total net debt applicable to limit	60,171,739	64,221,383	70,057,249	77,639,176
Legal debt margin	<u>\$ 115,655,748</u>	<u>\$ 101,154,697</u>	<u>\$ 87,850,815</u>	<u>\$ 74,997,066</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>34%</u>	<u>39%</u>	<u>44%</u>	<u>51%</u>

Legal debt margin calculation for fiscal year June 30, 2018

Assessed valuation of taxable properties for the tax year 2017	\$ 1,274,112,225
Rate	<u>13.8%</u>
Bonded debt limit	<u>175,827,487</u>
Debt subject to limitation:	<u>63,898,740</u>
Total debt subject to limitation	63,898,740
Less debt service fund balance	<u>(3,727,001)</u>
Net debt outstanding subject to limitation	<u>60,171,739</u>
Legal bonded debt margin at June 30, 2018	<u>\$ 115,655,748</u>

Source of information: District records.

Assessed valuation obtained from Kane County tax reports.

2014	2013	2012	2011	2010	2009
\$ 155,450,825	\$ 149,384,435	\$ 155,276,420	\$ 164,315,237	\$ 170,164,616	\$ 171,470,426
83,617,084	91,266,658	95,117,446	102,204,438	103,787,459	106,232,650
\$ 71,833,741	\$ 58,117,777	\$ 60,158,974	\$ 62,110,799	\$ 66,377,157	\$ 65,237,776
<hr/>					
54%	61%	61%	62%	61%	62%
<hr/>					

BATAVIA PUBLIC SCHOOL DISTRICT 101

Demographic and Miscellaneous Statistics

Last Ten Calendar Years

Calendar Year	Population (1)	Personal Income (<i>thousands of dollars</i>)	Per Capita Personal Income	Unemployment Rate
2017	26,413	1,112,251	42,110	3.5%
2016	26,495	1,101,476	41,573	5.0%
2015	26,424	1,044,831	39,541	6.1%
2014	26,394	1,017,884	38,565	8.7%
2013	26,074	751,478	28,821	8.7%
2012	26,089	999,304	38,304	8.7%
2011	26,298	925,358	35,187	9.5%
2010	26,042	954,918	36,668	9.5%
2009	27,700	802,746	28,980	9.6%
2008	507,579	15,804,487	31,137	5.6%

Source:

City of Batavia website.

US Bureau of Labor and Statistics

Illinois Department of Labor Security

Data USA

(1) Information for 2008 is from Kane County, 2009 uses the population from the City of Batavia but Per Capita income from Kane County. Fiscal years 2010 - 2015 (Calendar years 2010 - 2014) are specific to the city of Batavia.

BATAVIA PUBLIC SCHOOL DISTRICT 101

Principal Employers

Current Year and Nine Years Ago

		2018	
		Percentage of Total City	
Employer		Employees	Employment
Fermi Research Alliance LLC	Physics Research Laboratory	1,500	9.00%
Agco Parts Div	Farm Equipment	750	4.50%
Suncast Corporation	Plastics & Plastic Products	750	4.50%
Batavia Public School District 101	School District	649	3.89%
VWR International LLC	Laboratory Equipment & Supplies	275	1.65%
Aldi, Inc.	Grocery Store & Corporate Office	175	1.05%
Amcor Rigid Plastics	Plastics & Plastic Products	175	1.05%
Batavia Concrete	Concrete	175	1.05%
Batavia Park District	Recreation	175	1.05%
Bfc	Commercial Printing	175	1.05%
DS Containers Inc	Packaging Materials	175	1.05%
Dukane Contract Svc Inc	Janitorial Services	175	1.05%
Kohl's	Department Stores	175	1.05%
Lineage Logistics	Warehouses - Cold Storage	175	1.05%
Menards	Home Improvement	175	1.05%
Power Packaging, Inc.	Packaging Service	175	1.05%
Denny's	Restaurant	112	0.67%
Total		5,961	35.76%

		2009	
		Percentage of Total City	
Employer		Employees	Employment
Fermi National Accelerator Lab	Physics Research Laboratory	2,000	12.27%
Batavia Public School District 101	School District	634	3.89%
Suncast Corporation	Plastic Lawn & Garden Products	450	2.76%
Agco Corporation	Farm Equipment	425	2.61%
Power Packaging, Inc.	Contract Packaging & Assembling	250	1.53%
Sealy Mattress Company	Bedding	250	1.53%
VWR International, Inc.	Scientific Supplies & Equipment Distribution	225	1.38%
Aldi, Inc.	Grocery Store & Corporate Office	200	1.23%
Waste Management	Garbage Disposal Service	200	1.23%
Dukane Contract Services	Janitorial Services	160	0.98%
Flinn Scientific	Scientific Equipment	150	0.92%
Proex, Inc.	Thermoformed Plastic Products	150	0.92%
Total		5,094	31.25%

Source: Batavia Chamber of Commerce

The estimated total number of persons employed in 2018 is 16,664

BATAVIA PUBLIC SCHOOL DISTRICT 101

Full-Time Equivalent Employees by Type
Last Ten Fiscal Years

	2018	2017	2016	2015
Teachers				
Teacher - Core	207.5	206.3	211.4	209.3
Teacher - Special Ed	53.5	53.2	54.5	54.0
Teacher - Elective	81.3	80.8	82.8	82.0
Teacher - Related services	40.6	40.4	41.4	41.0
Teacher Instructional support	26.8	26.6	27.3	27.0
Teacher - Other	9.4	9.3	9.6	9.5
Total teachers	419.1	416.6	427.0	422.8
Support Staff				
Paraprofessionals	86.8	84.0	90.0	105.5
Secretaries	26.2	24.5	27.2	28.1
Maintenance / custodians	25.0	23.0	24.0	25.6
Campus monitors	10.0	9.0	9.0	8.0
Total Support Staff	148.0	140.5	150.2	167.2
Exempt Support Staff				
Administrators	35.0	36.0	38.0	39.0
Therapists (occupational and physical)	2.0	3.0	3.0	2.0
Clerical *	11.5	11.5	12.0	11.0
Nurse / health assistants	10.0	9.0	8.0	7.0
Technologists	10.4	10.4	9.8	10.4
Lunchroom aide *	8.0	7.3	7.1	6.8
Manager / coordinator	4.5	4.5	4.5	4.0
Total Exempt Support Staff	81.4	81.7	82.4	80.2
Total staff†	648.5	638.8	659.6	670.2

Source: District Personnel Records

Note: Years 2018-2015 are shown in full time equivalency (FTE) to improve reporting accuracy; prior years show employee head count. Proportion of teacher types estimated for all years except 2018 to align with implementation of position control. See prior CAFRs for more accurate historical details.

* Not reported prior to fiscal year 2015

2014	2013	2012	2011	2010	2009
214	208	203	212	209	209
55	54	52	55	54	54
84	82	80	83	82	82
42	41	40	41	41	41
28	27	26	27	27	27
10	9	9	10	9	9
433	421	410	428	422	422
113	105	99	90	92	92
42	42	44	45	45	45
31	29	23	25	28	28
9	9	6	6	0	0
195	185	172	166	165	165
39	37	27	27	23	27
0	0	0	0	0	0
0	0	0	0	0	0
9	8	8	8	9	9
15	14	13	9	6	6
0	0	0	0	0	0
3	0	0	0	0	0
66	59	48	44	38	42
694	665	630	638	625	629

BATAVIA PUBLIC SCHOOL DISTRICT 101

Operating Indicators
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Net Operating Expenditures
2018	5,898	\$ 76,580,457	\$ 13,922	4.62%	\$ 69,820,310
2017	5,968	74,030,299	13,308	-0.01%	68,754,359
2016	6,008	74,546,616	13,309	-0.94%	67,502,788
2015	6,152	76,365,431	13,435	14.83%	70,558,560
2014	6,205	72,600,266	11,700	3.92%	82,742,235
2013	6,227	70,109,238	11,259	4.86%	81,445,818
2012	6,306	67,708,667	10,737	-7.97%	89,453,454
2011	6,182	72,122,486	11,667	-1.49%	89,453,455
2010	6,292	74,521,545	11,844	-4.22%	84,603,567
2009	6,209	76,778,842	12,366	24.13%	81,428,503

N/A = not available

Source: Fall housing report and District personnel records.

Note: Cost per pupil is based on enrollment of the District. Operating Expenditures and Net Operating Expenditures are computed on the Illinois Annual Financial Report

	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil- Teaching Ratio	Percentage of Students Receiving Free or Reduced Price-Meal
\$	12,693	2.71%	419	14.1	17.30%
	12,359	2.55%	372	16.0	15.68%
	12,052	-2.92%	434	13.8	19.61%
	12,414	-6.91%	446	13.8	18.91%
	13,335	1.96%	432	14.4	13.60%
	13,079	-7.80%	420	14.8	11.52%
	14,185	-1.97%	413	15.3	10.49%
	14,470	7.62%	397	15.6	10.49%
	13,446	2.52%	393	16.0	6.97%
	13,115	27.21%	393	15.8	6.97%

BATAVIA PUBLIC SCHOOL DISTRICT 101

School Building Information

Last Ten Fiscal Years

	2018	2017	2016	2015
Alice Gustafson School (1957)				
Square feet	83,067	83,067	83,067	83,067
Capacity (students)	775	775	775	775
Enrollment	442	433	487	505
Acres on site	14.4	14.4	14.4	14.4
Grace McWayne School (2001)*				
Square feet	59,018	59,018	59,018	59,018
Capacity (students)	600	600	600	600
Enrollment	349	364	373	409
Acres on site	17.5	17.5	17.5	17.5
J.B. Nelson School (1955)				
Square feet	54,000	54,000	54,000	54,000
Capacity (students)	600	600	600	600
Enrollment	450	486	465	500
Acres on site	10.1	10.1	10.1	10.1
Louise White School (1978)				
Square feet	57,200	57,200	57,200	57,200
Capacity (students)	600	600	600	600
Enrollment	392	435	386	398
Acres on site	9.4	9.4	9.4	9.4
H.C. Storm School (1978)				
Square feet	57,245	57,245	57,245	57,245
Capacity (students)	600	600	600	600
Enrollment	416	394	406	453
Acres on site	11.0	11.0	11.0	11.0
Hoover Wood School (2001)				
Square feet	59,018	59,018	59,018	59,018
Capacity (students)	625	625	625	625
Enrollment	383	355	371	399
Acres on site	7.6	7.6	7.6	7.6
Rotolo Middle School (1992)				
Square feet	188,491	188,491	188,491	188,491
Capacity (students)	1,500	1,500	1,500	1,500
Enrollment	1,516	1,515	1,450	1,429
Acres on site	24.3	24.3	24.3	24.3
Batavia High School (1965)**				
Square feet	527,687	527,687	527,687	527,687
Capacity (students)	2,000	2,000	2,000	2,000
Enrollment	1,950	1,986	1,932	1,990
Acres on site	50.0	50.0	50.0	50.0

*Original school closed in 2001 and a new school was built to replace it.

**In 2009-2010, construction of the addition to Batavia High School was ongoing. Additional square footage as of June 30, 2010 is estimated.

Source: Fall Housing Report and District Architects.

2014	2013	2012	2011	2010	2009
83,067	83,067	83,067	83,067	82,154	82,154
775	775	775	775	775	775
520	486	469	504	506	521
14.4	14.4	14.4	14.4	14.4	14.4
59,018	59,018	59,018	59,018	59,018	59,018
600	600	600	600	600	600
440	495	523	490	481	585
17.5	17.5	17.5	17.5	17.5	17.5
54,000	54,000	54,000	54,000	54,000	54,000
600	600	600	600	600	600
492	460	474	455	463	437
10.1	10.1	10.1	10.1	10.1	10.1
57,200	57,200	57,200	57,200	55,860	55,860
600	600	600	600	600	600
429	431	517	484	487	519
9.4	9.4	9.4	9.4	9.4	9.4
57,245	57,245	57,245	57,245	55,860	55,860
600	600	600	600	600	600
459	470	462	464	485	461
11.0	11.0	11.0	11.0	11.0	11.0
59,018	59,018	59,018	59,018	58,072	58,072
625	625	625	625	625	625
416	439	467	459	476	558
7.6	7.6	7.6	7.6	7.6	7.6
188,491	188,491	188,491	188,491	195,291	195,291
1,500	1,500	1,500	1,500	1,500	1,500
1,476	1,482	1,480	1,490	1,521	1,483
24.3	24.3	24.3	24.3	24.3	24.3
527,687	527,687	527,687	527,687	250,000	231,000
2,000	2,000	2,000	2,000	2,000	1,800
1,973	1,964	1,914	1,836	1,873	1,858
50.0	50.0	50.0	50.0	50.0	50.0

BATAVIA PUBLIC SCHOOL DISTRICT 101

Miscellaneous Statistics

June 30, 2018

Location	Batavia is located 35 miles due west of Chicago
Geographic Area	Batavia is situated along the banks of the Fox River
Date of Organization	1911
Estimated Population	26,413
Number of Schools	8
Median Home Value	\$278,600
Median Household Income	\$89,932
Student Enrollment	5,898
Licensed Teaching Staff (FTE)	419.1
Faculty Holding Master's Degree or Higher	81.5%
Teacher/Pupil Ratio	1 to 13

**Licensed Teaching Staff in this table consists of classroom teachers only. It does not include psychologists, social workers, counselors, instructional support, and district nurse; all of whom are licensed and working directly with students.

Source of information: Data USA

BATAVIA PUBLIC SCHOOL DISTRICT 101

Operating Costs and Tuition Charge

June 30, 2018 and 2017

	2018	2017
Operating costs per pupil		
Average daily attendance (ADA)	5,501	5,563
Operating costs		
Educational	\$ 67,827,709	\$ 62,900,203
Operations and maintenance	6,152,554	6,399,588
Debt service	9,301,400	9,906,456
Transportation	4,355,236	4,462,529
Municipal retirement/social security	1,611,606	1,618,069
Subtotal	89,248,505	85,286,845
Less revenues/expenditures of nonregular programs		
Transportation fees from other districts	9,251	3,728
Tuition	645,525	579,184
Summer school	12,770	7,406
Community service	103,309	114,930
Bond principal retired	7,039,177	7,502,193
Non-capitalized equipment	1,137,490	119,456
Capital outlay	1,174,789	1,277,871
Payments to the districts and governmental units	2,545,737	1,651,778
Subtotal	12,668,048	11,256,546
Operating costs	76,580,457	74,030,299
Operating costs per pupil - based on ADA	\$ 13,922	\$ 13,308
Tuition charge		
Operating costs	76,580,457	74,030,299
Less - revenues from specific programs, such as special education or lunch programs	11,370,948	10,616,026
Net operating costs	65,209,509	63,414,273
Depreciation allowance	4,610,801	5,340,086
Allowance tuition costs	69,820,310	68,754,359
Tuition charge per pupil - based on ADA	\$ 12,693	\$ 12,359

Source: Illinois State Board of Education (Annual Financial Report Form)