

# COMPREHENSIVE ANNUAL **FINANCIAL** REPORT

as of and for the year ended June 30, 2017

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## OFFICIALS ISSUING REPORT

**Dr. Ehren Jarrett** – Superintendent  
**Nicole Thorn** – Chief Financial Officer

## DEPARTMENT ISSUING REPORT

Finance



District No. 205 | 501 7th Street, Rockford, IL 61104 | 815.966.3000 | [rps205.com](http://rps205.com)



**ROCKFORD PUBLIC SCHOOLS,  
DISTRICT #205  
ROCKFORD, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

For the Fiscal Year Ended  
June 30, 2017

Prepared by:

Dr. Ehren Jarrett, Superintendent  
Nicole Thorn, Chief Financial Officer

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
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**ROCKFORD, ILLINOIS**  
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**ROCKFORD, ILLINOIS**  
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# INTRODUCTORY SECTION

as of and for the year ended June 30, 2017



## **List of Principal Officers**

### ROCKFORD PUBLIC SCHOOLS CABINET MEMBERS AND PRINCIPALS

Superintendent	Dr. Ehren Jarrett
Attorney	Lori Hoadley
Deputy Superintendent	Dr. Matthew Vosberg
Chief Academic Officer	TBD
Chief Human Resource Officer	Matthew Zediker (Interim)/Lori Burke
Chief Financial Officer	Nicole Thorn
Chief Communications and Community Engagement Officer	Earl Dotson, Jr.
Chief Quality and Process Improvement Officer	Dr. Kelly Monson
Chief Operating Officer	Todd Schmidt
Executive Director of Elementary and Special Programs	Diana Alt
Executive Director of Elementary	Joyann Kirschbaum
Executive Director of Student Services and Alternative Learning	Angela Hite-Carter
Executive Director of Academics	Heidi Dettman
Executive Director of Curriculum	Kari Neri
Executive Director of College & Career, ROTC	Heidi Houy
Executive Director of Technical Services	Margaret Ryan
Executive Director of Early Childhood	Kim Nelson
Executive Director of Bilingual	Misael Nascimento
Executive Director of Special Education	Colleen Cyrus
Executive Director of Improvement & Innovation	Dr. Travis Woulfe
Executive Director of Certified Talent Development	Ann Baddoo
Executive Director of Finance	Michelle Jahr, CPA
Executive Director of Budgeting	Pat Chamberlin
Executive Director of Transportation	Gregg Wilson
Executive Director of Nutrition Services	Renee Slotten-Beauchamp
Executive Director of Design and Construction	Kevin Behling
Executive Director of School Improvement	Susan Fumo
Director of Athletics	Mat Parker
Director of Special Programs	Heather Psaltis
Director of Student Support	Alex Brewington
Director of Fine Arts	Bonnie Spurling
Director of Career and Technical Education	Nik Butenhoff
Director of Early Childhood	Cherice Fuller
Director of Special Education	Kathleen Kreller
Director of Standardized Metrics	Randall Jurasek
Grants and Entitlement Director	Monique McClurge
Director of Human Resources	Sarah Abate
Director of Talent Acquisition	Jason Grey
Human Resources Project Director	Charo Chaney
Director of Certified Talent Development (Leadership)	Ashleigh Van Thiel
Director of Purchasing	Rickey Sparks
Director of Payroll	Patricia Rohde
Director of Security Services	Fred Diehl
Welcome Center Director	Kristina Reuber



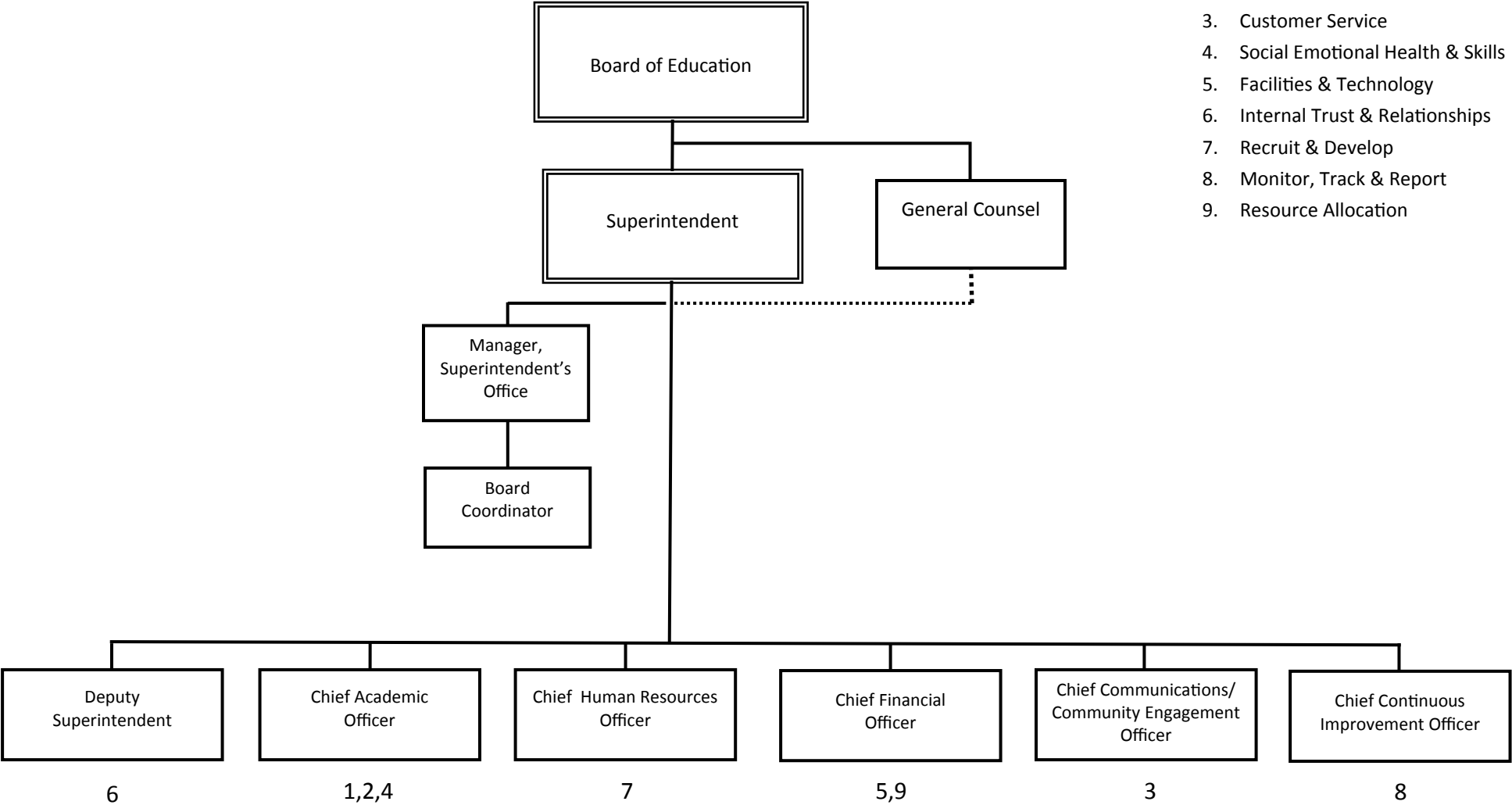
## **Principals**

Auburn High School  
Barbour Elementary School  
Beyer Elementary School  
Bloom Elementary School  
Brookview Elementary School  
Carlson Elementary School  
Cherry Valley  
Conklin Elementary School  
Dennis Early Childhood  
East High School  
Eisenhower Middle School  
Ellis Arts Academy  
Fairview Early Childhood  
Flinn Middle School  
Froberg Elementary School  
Gregory Elementary School  
Guilford High School  
Haskell Elementary School  
Hillman Elementary School  
Jefferson High School  
Johnson Elementary School  
Kennedy Middle School  
King Elementary School  
Kishwaukee Elementary School  
Lathrop Elementary School  
Lewis Lemon Elementary School  
Lincoln Middle School  
Marshall Elementary School  
Marshall Middle School  
McIntosh Elementary School  
Montessori Elementary School  
Nashold Elementary School  
Nelson Elementary School  
RESA Middle School  
Riverdahl Elementary School  
Rolling Green Elementary School  
Roosevelt Alternative High School  
Spring Creek Elementary School  
Summerdale Early Childhood School  
Thompson Elementary School  
Welsh Elementary School  
West Middle School  
West View Elementary School  
White Swan Elementary School  
Whitehead Elementary School  
Wilson ASPIRE

Janice Hawkins  
James Robinette  
Jacob Sayre  
Heather Novak  
Carol Jeschke  
Dave Nold  
Vicki Kested  
Jan Johnson  
Jenny Keffer  
Peter Verona  
Jeffrey Carlson  
Taren Turner  
Darcy Dunn  
Randy Bay  
Christina Ulferts  
Kristine Leider  
Jennifer Lawrence  
Loree Leathers  
Carolyn Kloss  
Don Rundall  
Amber Miller  
Renneth Richardson  
Gregory Midgett  
Aimee Kasper  
Penny El-Azhari  
Steve Francisco  
Jim Parker  
Jessica Powell  
Jill Faber  
Al Gagliano  
Candice Collins  
Erin Salberg  
Rene Mandujano  
Ben Stover  
Teresa Schneider  
Holly Lyman  
Morgan Gallagher  
Ray Owens  
Kristin Martin-Fry  
Emma Gipson  
Matthew Lerner  
Maurice Davis  
Veronica Bazan  
Carolyn Timm  
Pam Miner  
Angela Rieke

Rockford Public Schools District #205

- Strategy Legend:
- 1. Curriculum Alignment
  - 2. Differentiated Instruction
  - 3. Customer Service
  - 4. Social Emotional Health & Skills
  - 5. Facilities & Technology
  - 6. Internal Trust & Relationships
  - 7. Recruit & Develop
  - 8. Monitor, Track & Report
  - 9. Resource Allocation





ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**Rockford Public Schools, District 205**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2016.**

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards.



Anthony N. Dragona, Ed.D., RSBA  
President

John D. Musso, CAE, RSBA  
Executive Director



## Financial Services Department

815.966.3063 Phone  
815.489.2765 FAX  
musav@rps205.com Email

December 8, 2017

President and Members of the Board of Education  
And Citizens of Rockford Public School District No. 205  
Rockford, Illinois

The Comprehensive Annual Financial Report (CAFR) of Rockford Public Schools District No. 205 (the District), Rockford, Illinois, as of and for the year ended June 30, 2017, is submitted herewith. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds; and that all disclosures necessary for public understanding of the District's financial status have been incorporated within this report.

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. MD&A complements this letter of transmittal and should be read in conjunction with it.

### Financial Statements

The CAFR includes all funds and account groups of the District and is presented in three sections: Introductory, Financial, and Statistical. The *Introductory* section includes this transmittal letter, the District's organization chart, and a list of principal officers and elected officials. The *Financial* section includes the independent auditor's report on financial statements and schedules, Management's Discussion and Analysis (MD&A), basic financial statements and required supplemental information such as the combining and individual fund financial statements and schedules. The *Statistical* section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the audit requirements 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 a schedule of federal financial assistance and the independent auditor's reports on the internal control structure and on compliance with applicable laws and regulations, is included under separate cover.

The financial reporting entity of the District is to include the District, as the primary government organization for which the District is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusions would cause the District's financial statements to be misleading or incomplete. Based on these entities there are no other organizations or agencies whose financial statements should be combined with the general purpose financial statements of the District.

### **Reporting Entity and Its Services**

The Rockford Public School District covers about 170 square miles (440 km<sup>2</sup>) and serves over 28,500 students. It is the among the largest school districts in the state of Illinois, with 29 elementary schools, 7 middle schools, 4 high schools (Jefferson, Guilford, Rockford East High School, and Auburn), 2 alternative schools, Roosevelt and Wilson Aspire, 4 early childhood centers (Summerdale, Dennis, Fairview, and Nashold) and 3 charter schools. The District is primarily in Winnebago County with a small section in Boone County.

The District's 3,259 full-time equivalent employees (1,532 teachers, 233 certified support, 1,330 non-certified staff, and 164 administrators) served 28,512 students for the 2017 school year, with expenditures totaling \$508.6 million. Of the \$508.6 million total expenditures, \$53.8 million of expenses were capital projects and bond and interest payments and were paid from Construction and Life Safety Funds and Debt Service Funds.

The governing body consists of a seven-member Board of Education elected from within seven sub District boundaries for four-year overlapping terms. The Superintendent and staff administer day-to-day operations.

### **Board of Education**

<u>OFFICIAL</u>	<u>POSITION</u>	<u>TERM EXPIRES</u>
Kenneth Scrivano	President	April 2021
Jude Makulec	Vice President	April 2019
Michael Connor	Secretary	April 2021
Jaime Escobedo	Member	April 2021
Tim Rollins	Member	April 2019
David Seigel	Member	April 2019
Anthony Dixon	Member (seated April 2017)	April 2021
Lisa Jackson	Member	Resigned April 2017

Based on the legislative authority codified in Illinois School Code, the Board of Education has the following power:

- The corporate power to sue and be sued in all courts.
- The power to levy and collect taxes and to issue bonds.
- The power to contract for appointed administrators, teachers, and other personnel as well as for goods and services.

### **Mission and Strategic Goals**

Rockford Public School District's mission is to "Collaboratively engage all students in a world class education." The RPS205 Strategic Plan was a collaboration of approximately 50 stakeholders, including representation from the school board, the teachers' association, the paraprofessional association, the administrative assistant association, community leaders, administrators, parents, and students. Implementation of this Strategic Plan began in the 2015-2016 school year. The plan identifies five major goal areas for the District and nine key strategies that define and prioritize work for District staff and partners over a five-year period.

- ***Goal One – Growth and Achievement***

The focus of Goal 1 is to ensure students are college and career ready. This goal contains measures on student growth, student experiences and skill development, academic benchmarks and social and emotional learning—all related to the goal of college and career readiness.

- ***Goal Two – Engaging Partnerships***

The focus of Goal 2 is to engage families and the community as vital partners in the education process. This goal contains measures on family engagement and satisfaction, community contributions, and community satisfaction.

- ***Goal Three – Optimal Climate***

The focus of Goal 3 is to ensure a productive and satisfying climate for learning and teaching. This goal contains measures on student behavior and satisfaction, staff engagement and satisfaction, collaborative environment and learning environment.

- ***Goal Four – Quality Staff***

The focus of Goal 4 is to attract, develop, and retain a high quality, diverse, and accountable workforce. This goal contains measures on hiring diverse and high quality staff; the commitment, motivation and quality of staff; and continuous improvement throughout the organization.

- ***Goal Five – Fiscal & Operational Stewardship***

The focus of Goal 5 is to demonstrate effective and efficient business operations and ensure excellent stewardship of public money. This goal contains measures on financial stewardship, sustainable operating practices, streamlining business practices and eliminating waste, and financial recognition from the state of Illinois.

### **Strategic Plan – Strategies**

To support the achievement of Goals One through Five of the RPS 205 Strategic Plan, the following nine *Strategies* were identified:

***Strategy one*** is to align curriculum, instruction, and interventions with unit and course assessments across grade levels and schools to guarantee a rigorous, consistent set of learning expectations for students. Financial resources have been allocated to bring in content experts that will facilitate the framework for this work. Central office FTEs have been adjusted to focus on curriculum and assessment alignment work. The major theme throughout the strategic plan is collaboration and shared work with teachers. Teachers will be involved with much of the work developing and aligning curriculum. As a result, the District has financially committed through the budget development process for significant dollars for guest teachers. This will ensure full time teachers the necessary release opportunities to be actively engaged and involved in the work of strategies one and two.

***Strategy two*** is to differentiate instruction and provide additional time and support for students who are struggling and students who need to be challenged. The key concepts are to use unit or course assessment data to drive instructional decision-making; use specialists in English Language Learning, reading, math, social work, psychology, nursing and counseling; use flexible grouping of students, co-teaching and research-based collaborations; employ problem-solving teams; and establish entrance and exit learning outcomes for all interventions.

**Strategy three** is improving customer service between the District, families and the community to foster confidence, respect, and continuous improvement for the system. Resources will continue to be allocated to the Communications and Community Engagement Department to ensure that parents and community members are partners in the education process. We are committed to the education of parents, increasing community involvement and connecting volunteers to our schools. Our goal is to ensure that parents and the Rockford community are a critical part of contributing to the success of each child.

**Strategy four** is related to curriculum, but deals specifically with social emotional learning and 21<sup>st</sup> Century skills. While much of the work in strategy four will be aligned with that of one and two, it is important to note the voice of the community to support 21<sup>st</sup> Century skills through the District's academy model. Resources will continue to be allocated for students in grades 8-12 to research career clusters, choose career academies, and have courses that align with specific career goals and aspirations. The financial commitment of the career academy model is significant, as it allocates continued District and school staff towards supporting the program, relies on the additional seventh period for high school students, and requires specialized professional learning and external coaching for staff.

**Strategy five** is to maintain facilities and integrate technology into our academic and operating systems to create high-quality and innovative teaching, learning, and working environments. The 2016-2017 Budget allocates significant resources to continued support of the \$250 million capital plan, which the School Board approved in August 2012. The Budget also shows an additional allocation for refreshing technology for students and staff.

**Strategy six** is to build trust and improve relationships between the District office and its schools to foster a climate conducive to continuous improvement. Key concepts include a customer service focus from the district office to the schools and two-way decision-making structures and processes.

**Strategy seven** is to recruit, onboard, mentor, develop, evaluate, and retain employees who comprise a high-quality and diverse workforce.

**Strategy eight** uses key data indicators and measures with all employees that promote a culture of inquiry, reflection and action. That will help individuals, teams, departments, schools and the District set goals and monitor, track, and report performance.

**Strategy nine** is to proactively forecast and allocate resources that balance the needs of taxpayers and the community with the critical needs of fulfilling our mission and vision. The District's process improvement work to prioritize the exploration and improvement of efficiencies will save the District time and money in subsequent years. The District believes allocating resources to finding efficiencies now will provide for exponential savings in the future.

***Rockford Public Schools provides the following services:***

- Core Curriculum – Instruction in core curricular areas, such as math, reading, sciences, social sciences and writing, starting in pre-kindergarten through grade 12.
- Alternative Education Programs – Alternative education is a perspective, not a procedure or a program. There are many ways to become educated, and it is our belief that all students can learn. To accomplish this goal, we will provide a variety of structures and environments so that each student can find a learning venue that is sufficiently comfortable to facilitate success.



- Guidance Counseling – We will work in concert with the community to ensure that all students receive the support of a comprehensive counseling program that inspires and empowers them to make decisions, set future goals and then actively pursue them. We will continue to create and build partnerships such as our College Readiness joint venture with Rock Valley College.
- Special Education – We will provide curriculum aligned to the national standards, make decisions based on performance data and focus on the unique needs of students with disabilities to ensure they leave school well prepared for continued learning and successful employment.
- English Language Learner Education – As a District, we will narrow the achievement gap between native English speakers and English language learners by aligning existing curriculum to ensure that what is written, what is taught and what is tested moves students toward proficiency and success. The Two-Way Language Immersion program at Barbour for grades K-8 is a two-way immersion program comprised of half native, or heritage, English speakers and half native, or heritage, Spanish speakers. Students receive 90% of their instruction in Spanish in K-1, with English instructional time increasing by 10% each year. In 5<sup>th</sup> through 8<sup>th</sup> grades, daily instruction is 50% Spanish and 50% English to ensure students are bilingual and biliterate. It is the only program that focuses on maintaining Spanish while learning English for native Spanish speakers, while maintaining English while learning Spanish for native English speakers.
- Choice Curriculum – The District offers specialized programs of study for students who are gifted or talented or who have interests and/or abilities in creative and performing arts, environmental science and various branches of career education.

Rockford Public Schools will seek to become the schools of first choice in Rockford and do so through a thorough and consistent communication of this plan with staff, students, parents and the community. We will seek partnerships with all levels of community leaders, governmental officials, higher education and career program administrators and District planners to achieve a high level of excellence in educational services. Rockford Public Schools will serve all children and will create an atmosphere in which all children can reach their highest potential.

### **Major Initiatives and Accomplishments**

The Strategic Plan, with its five goals and nine strategies, drives innovation and improvement in RPS 205. Before the School Board approved the plan in February 2015, a committee of teachers, administrators, community leaders, students and parents collected feedback from more than 3,500 stakeholders. The School Board reviews progress on the plan at 90-day intervals.

The district has received national attention for its fidelity to the high school academy concept, which has a goal of College and Career Readiness. The high school academies are now in their fifth year of full implementation. Students select one of four academy pathways: Business, Arts, Modern World Languages and Information Technology (BAMIT), Engineering, Manufacturing and Industrial Trades Technology (EMITT), Human and Public Services (HPS) and Health Sciences (HS). The coursework in the academy selected prepares students for a career in that field. Rockford is one of only three communities in the nation to have earned the title of Ford Next Generation Learning Model Community. The Rockford Public Schools, Alignment Rockford and a wealth of other community partners are committed to collaborate to prepare students for a modern, well-paying workforce.



The district supports diverse and high quality teaching--and growing our own future teachers--through the Education Pathway program. Every year, RPS 205 will award as many as 20 scholarships to assist high school graduates who pursue a teaching degree through Rockford University. These scholarship recipients will receive a four-year degree for as little as \$20,000 (depending on financial need). They will do their student teaching in the district and have the promise of a job in the district when they get their degree. Once hired, they will be able to earn a master's degree in urban education for free from Rockford University.

Preschool for All continues to be a goal for RPS 205. Prekindergarten and comprehensive services are provided to nearly 2,600 students enrolled in Early Childhood education in the district. That represents a 16.9 percent increase from the number of students enrolled in early childhood in 2011. Students are enrolled at four early childhood centers and one child care collaboration site. As part of the year-round Prevention Initiative program, 251 children were enrolled in a home visiting program that completed 2,559 home visits in fiscal year 2017. The early education centers have been recognized with the Award of Excellence for Inclusion of Children with Special Needs from ExceleRate Illinois and the state's Gold Circle of Quality for Early Childhood. All instruction is aligned with the Illinois Early Learning and Development Standards.

The catalyst for all capital improvements in RPS 205 is the 10-Year Facilities Plan. It was developed in 2012 with input from business professionals, administrators, teachers, parents and students. In addition to renovations and upgrades, the plan includes building two schools and 13 additions. Eight schools have been or will be closed to reduce the footprint of the district and make it more efficient. The work is now 69 percent complete. Prior to the capital projects under the facilities plan, district buildings averaged 57 years old.

Given the identified resources available to create 21<sup>st</sup> century learning environments for students, the capital budget is developed with student safety in mind and, where possible, use of the latest state-of-the-art equipment. With a comprehensive study in hand, the capital budget is developed around the priorities of:

- Safety
- Instructional Environment
- Return on Investment
- Savings

In the fall of each year the Operations department and Design and Construction department submits to the Finance department the proposed list of projects, architect budget estimates for each project, and the proposed funding stream as a part of the capital budget development process. The proposed spending plan is submitted to the Operations Committee of the Board of Education and eventually to the full Board of Education.

Upon approval by the Board of Education, the Finance department appropriates the proposed capital spending plan in the fund, function and object to accurately capture the expenditure during budget development.

A summary of the investments by school, as well as a list of capital projects by school for the next 5 years is presented in the Financial Section of the budget document. The 10 Year Facilities Review is the cornerstone for capital budget planning for RPS205 for the next decade.

### **District Organization and History**

Rockford is a mid-sized city located on both banks of the Rock River in far northern Illinois. The District is located in Winnebago and Boone Counties with over 99% of its equalized assessed valuation being located within Winnebago County. The Rockford School District was formed in 1865 and is a legal body created by the statute of the state of Illinois.

The city is home to approximately 148,000 people making it the fourth largest city in Illinois after Chicago, Aurora and Joliet. Rockford is principally an advanced manufacturing, aerospace, and service community. The Rockford Public Schools is the second-largest employer in the Rockford region.

The racial makeup of the student population in FY17 was 31.2% White, 30.6% African American, 27.1% Hispanic, 4.1% Asian/Pacific Islander, 0.2% Native American, and 6.9% multi-racial.

While a high percentage of our students qualify to receive free or reduced-price meals, every student in RPS 205 can receive breakfast and lunch at no cost. The District is enrolled in a federally funded alternative meal program to replace out-of-pocket costs for students and their families. RPS 205 is one of 154 Illinois districts to participate in the program, aimed at having students undistracted by an empty stomach and ready to learn.

Enrollment in the District is projected to decrease, with 25,150 students enrolled K-12 in FY19, and 25,092 through 2021-22.

### **Accounting Systems and Budgetary Control**

In developing and evaluating the District's accounting system, consideration is given to the adequacy of 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. We believe that our internal accounting controls adequately safeguard District assets and provide reasonable assurance of the proper recording of financial data.

Budgetary control is maintained at line-item levels and built up into location, department, and program totals before being combined to create fund totals. All actual activity compared to budget is reported to the District's Administrative team and to the Board of Education monthly. The reports compare year-to-date activity versus budget and prior year actual. Full disclosures are made if extraordinary variances appear during the year. The Board of Education has a balanced budget policy and each year strives to reach this goal.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

### **General Governmental Activities**

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

The District separates the day-to-day activities into Operating funds or Capital funds. Operating funds include the Education, or the General Fund (which includes Food Service, Special Education Fund, Grant Fund and Working Cash Fund), Operations and Maintenance Fund, Transportation Fund, IMRF/Social Security Fund, and Tort Immunity Fund. Capital funds include Debt Service, Construction and Life Safety funds.

During the 2016-2017 school year property taxes represented 30% of the revenue received by the District. State aid accounted for 55%, federal grants 9%, 5% from corporate taxes, and 1% from fees and other revenue. In regard to current fund balances, the District is in very good financial shape with a governmental fund balance of \$195.2 million. However, note that \$64.9 million of the fund balance is restricted in use for specific capital projects, \$19 million of the fund balance is restricted for bond payments and life safety projects, leaving \$111.3 million to be used for day-to-day operational expenses.

### **Relevant Board of Education Policies**

Administration revised several Board of Education Policies that directly affect how the District conducts financial business.

In the fall of 2015 a Board policy, *Use of Purchasing Cards*, was developed and adopted by the Board whereas previously no such Board policy existed. Additionally, Administration developed an Administrative Regulation, *Use of Credit and Procurement Cards*, further tightening control and oversight of employee use of District-issued purchase cards.

The *Accounting and Audits* Board policy was further revised to address capital assets, methods of depreciation of capital assets and how to assign life to capital assets.

Board policy, *Board Fund Balance Policy*, was revised designating the District's Treasurer as the sole designee of how fund balance monies will be expended. Additionally, a clause was added to address the flow of funds: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

Finally, the *Committees* Board policy was revised to establish a Finance Committee of the Board of Education allowing for greater opportunities for Board of Education participation in key aspects of District finances and shifting emphasis from a reactive review of financial matters to proactive involvement in budget planning and reporting.

### **Independent Audit**

The School Code of Illinois and the District require an annual audit of the financial statements of all funds of the District. The audit for the year ended June 30, 2017 was done by Sikich, LLP, independent certified public accountants, selected by the District's Board of Education. The audit report has been included in the financial section of this report.

### **Economic Condition and Outlook**

Due to its location in the Midwest, the Rockford Region enjoys four clearly defined seasons and has advantages to include a big city lifestyle with a small town feel. Rockford is home to award winning parks and recreational opportunities sponsored by the Rockford Park District. The city also is a leading hub for amateur sports tourism featuring Mercy Sportscore 1 and UW Health Sports factory, while boasting the BMO Harris Bank Center home of the Rockford Ice Hogs and a minor league baseball team, the Rockford Riverhawks. There are many opportunities for

arts and culture through community theatres including the Starlight Theatre on the Rock Valley College campus, the renovated Coronado Performing Arts Center downtown, museums, and multiple gardens including the Klehm Arboretum and Botanic Garden, Anderson Japanese Garden, and the Nicholas Conservatory.

The City of Rockford's economy is diversified with manufacturing, aerospace, and health care as its primary base, while call center/office operations, distribution centers and educational institutions have become more important to the economy in recent years. Rockford is home to the operation of several large companies such as: Mercy Health System, Swedish American Health System, UTC Aerospace Systems, United Parcel Service, OSF St. Anthony's Healthcare, Fiat Chrysler, APAC Customer Services Inc., Woodward Inc., Invensys, Quebecor Printing, Lowe's Distribution Center, Mondelez International, and Anderson Packaging. Rockford is proud of its quality of life, skilled workforce and low cost of living. The City and private interests are aggressively pursuing the expansion and diversification of the work force. The City has created tax increment districts, an enterprise zone, and small business loan program, administers the Community Development Block Grant Program and the Home Buyers Property Tax Rebate Program to foster economic development, encourage home ownership in the community and to build the tax base.

One of Rockford's assets is the quality of higher education in and around the community. Rockford is home to: Rock Valley College – a two-year community college with a state-of-the-art Technology Center that is used by area manufacturers and businesses; Rockford University – a fully accredited independent institution that awards bachelor degrees in thirty-one majors in arts and science as well as graduate programs in business and education; Northern Illinois University Rockford Campus – offers courses in business, education, engineering and engineering technology, health and human sciences, and liberal arts and sciences, as well as a cooperative effort with Rock Valley College to award bachelor degrees in Nursing, General Studies, Computer Science, Industrial Technology, Community Health and Elementary Education; University of Illinois College of Medicine at Rockford – provides education to second, third and fourth year medical students in the fields of primary care, family practice, internal medicine, pediatrics and other medical specialties; Rasmussen College Rockford – a two-year community college that works in harmony with Rockford's business community and employer demands.

The local economy has shown signs of improvement albeit slowly over the last few years as the local unemployment rate has improved significantly from its high of 16% during the Great Recession; however, by October 2017 the unemployment rate of 5.4% was still behind both the state average of 4.9% and the national average of 4.1%.

Information from the Rockford Area Convention & Visitors Bureau continues to show signs of economic improvement as reported for Winnebago County Hotel Statistics related to hotel occupancy and average room rates as indicated by September 2017 of 74.3% occupancy compare to 62.1% a year ago and average room rate of \$89.56 in 2017 up from \$84.98 in 2016. Additionally, the median home sales price increased approximately \$8,750 or 9% for August 2017 compared to September 2016 while the median household income increased from \$38,716 in 2015 to \$39,882 in 2016.


### Awards

The District received the Government Finance Officers Association *Certificate of Achievement for Excellence in Financial Reporting* award last fiscal year. In addition, the District was the recipient of Association of School Business Officials (ASBO) International *Certificate of Excellence in Financial Reporting Award* last fiscal year, having been a recipient of this reward for six of the past seven years. These awards reflect the District's commitment to the highest standards of school system financial reporting.

**Acknowledgements**

The preparation of this report could not have been accomplished without the support and cooperation of elected members of the Board, other District departments, the external auditors for the Board, and dedicated efforts of the entire staff of the Finance Department. We truly appreciate the efforts of all the contributors to this report.

Respectfully Submitted,

  
\_\_\_\_\_  
Dr. Ehren Jarrett  
Superintendent of Schools  
\_\_\_\_\_  
Nicole L. Thorn  
Chief Financial Officer  
\_\_\_\_\_  
Michelle R. Jahr, CPA  
Executive Director of Finance

# FINANCIAL SECTION

as of and for the year ended June 30, 2017



401 W. State Street, Suite 509  
Rockford, IL 61101  
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**SIKICH.COM**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Rockford Public Schools, District #205  
Rockford, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Rockford Public Schools, District #205 (the District) as of and for the year ended June 30, 2017, and the related notes to financial statements which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of these 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 of 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 District'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 District'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 Rockford Public Schools, District #205, as of June 30, 2017, and the respective changes in financial position and where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

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



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

In accordance with *Government Auditing Standards*, we also issued a report dated December 8, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Sikich LLP*

Rockford, Illinois  
December 8, 2017

# **Rockford Public Schools, District 205**

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

### **As of and For the Year Ended June 30, 2017**

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The discussion and analysis of Rockford Public Schools, District 205's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2017. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance one's understanding of the District's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (the "MD&A").

#### **Financial Highlights**

- > Total net position of the District remained level in fiscal years 2016 to 2017 at \$173.9 million.
- > Total revenues increased \$59.3 million from \$451.3 million in fiscal year 2016 to \$510.6 million in fiscal year 2017. A higher Teachers' Retirement System on behalf pension revenue and school additions and improvements account for most of the increase.
- > Governmental activities, general revenues accounted for \$300.5 million in revenue or 59% of all governmental revenues. Program-specific revenues in the form of charges for services and fees and grants accounted for \$210.1 million or 41% of total governmental revenues of \$510.6 million.
- > The District had \$508.6 million in expenses related to government activities. Only \$210.1 million of these expenses were offset by program-specific charges and grants.
- > Total expenses increased \$57.3 million from \$451.3 million in fiscal year 2016 to \$508.6 million in fiscal year 2017, or 12.7%. A higher Teachers' Retirement System on behalf pension revenue and school additions and improvements account for most of the increase.
- > Governmental funds ending fund balance decreased from \$218.8 million in fiscal year 2016 (as restated) to \$195.2 million in fiscal year 2017, a decrease of \$23.6 million due to the spend-down of bond proceeds.
- > In the General Fund, the fund balance increased from \$89.4 million (as restated) in fiscal year 2016 to \$93.6 million in fiscal year 2017, an increase of \$4.2 million.
- > Total General Fund net change in fund balance (actual revenues, less expenditures) was greater than budgeted by \$10.8 million, the majority of the increase due to a higher proration in General State Aid.

#### **Overview of the Financial Statements**

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

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

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

# **Rockford Public Schools, District 205**

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

### **As of and For the Year Ended June 30, 2017**

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#### *Government-wide financial statements*

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business, and are reported using the accrual basis of accounting and economic resources measurement focus.

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

The statement of activities presents information showing how the government'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 can be divided into two types of activities: governmental and business-type. Governmental activities represent the functions of the District that are principally supported by taxes and intergovernmental revenues. The District's governmental activities include functions such as instructional services (regular education, special education and other), supporting services, operation and maintenance of facilities and transportation services. The District no longer has business-type activities because of its participation in the Community Eligibility Provision (CEP) program for food service. Because of the District's participation in this program, the majority of revenues come from Federal funds with only a small portion from business-type activities.

#### *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 and fund types of the District can be divided into the following categories: governmental funds, proprietary funds and fiduciary funds.

#### Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

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

# **Rockford Public Schools, District 205**

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

### **As of and For the Year Ended June 30, 2017**

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The District maintains eight major individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Operations and Maintenance Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Bond and Interest Fund, Capital Projects Fund, Fire Prevention and Safety Fund and Tort Immunity 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.

#### Proprietary funds

Proprietary funds are used to account for the District's ongoing operations and activities, which are similar to those found in the private sector. The measurement focus is based upon the determination of net income. The District does not have enterprise funds. The District has one internal service fund which accounts for the District's self-insured health plan.

#### Fiduciary funds

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 statement because the resources of those funds are not available to support District programs. The accounting used for fiduciary funds is much like that for the government-wide financial statements. These activities are excluded from the government-wide financial statements because the District cannot use these funds to finance operations.

#### *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 contributions and funding progress of the Illinois Municipal Retirement Fund and the Retiree Health Plan, as well as budget-to-actual comparisons of the funds.

# Rockford Public Schools, District 205

## Management's Discussion and Analysis (Unaudited)

### As of and For the Year Ended June 30, 2017

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#### Government-Wide Financial Analysis

Net Position: The District's total net position remained level in fiscal years 2016 to 2017 at \$173.9 million. The following provides a summary of the District's net position (in millions of dollars) at June 30, 2017 and 2016.

<b>Table 1</b>			
<b>Condensed Statement of Net Position</b>			
<b>(in millions of dollars)</b>			
	<u>Governmental Activities</u>		
	<u>2017</u>	<u>2016</u>	<u>Change</u>
<b>Assets:</b>			
Current and other assets	\$ 325.7	\$ 361.6	-9.9%
Capital assets	259.4	232.8	11.4%
Total assets	<u>585.1</u>	<u>594.4</u>	-1.6%
<b>Deferred outflows of resources:</b>			
Deferred charge on refunding	0.0	0.0	
Pension items	<u>24.6</u>	<u>24.1</u>	2.1%
Total deferred outflows of resources:	<u>24.6</u>	<u>24.1</u>	2.1%
<b>Liabilities:</b>			
Long-term liabilities	311.5	278.8	11.7%
Other liabilities	<u>39.7</u>	<u>68.3</u>	-41.9%
Total liabilities	<u>351.2</u>	<u>347.1</u>	1.2%
<b>Deferred inflows of resources:</b>			
Property taxes levied for subsequent years	83.0	83.6	-0.7%
Pension Items	<u>1.6</u>	<u>15.6</u>	-89.7%
Total deferred inflows of resources:	<u>84.6</u>	<u>99.2</u>	-14.7%
<b>Net position:</b>			
Net investment in capital assets	91.0	81.9	11.1%
Restricted	46.4	71.5	-35.1%
Unrestricted	<u>36.5</u>	<u>18.8</u>	94.1%
Total net position	<u><u>\$173.9</u></u>	<u><u>\$172.2</u></u>	1.0%

**Rockford Public Schools, District 205**  
**Management's Discussion and Analysis (Unaudited)**  
**As of and For the Year Ended June 30, 2017**

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Changes in Net Position: The District's total revenues were approximately \$510.6 million for governmental activities; expenses matched the increase in revenue. Real estate and other taxes comprise approximately 35% of the District's governmental activities revenue. Another 63% of the governmental activities revenue is received from state and federal aid for specific or general programs, and the remainder of governmental activities revenue is obtained from fees charged for services and miscellaneous sources.

The total cost of all governmental programs and services was approximately \$508.6 million for the year ended June 30, 2017, an increase in costs from fiscal year 2016 of approximately \$57.3 million or 12.7%. The District's expenses are predominantly related to instruction and other pupil services such as transportation (aggregating approximately 69% in total). The District's administrative and business activities account for approximately 15% of total expenses.

**Rockford Public Schools, District 205**  
**Management's Discussion and Analysis (Unaudited)**  
**As of and For the Year Ended June 30, 2017**

The following provides a summary of the District's changes in net position (in millions of dollars) for the years ended June 30, 2017 and June 30, 2016:

<b>Table 2</b>			
<b>Condensed Statement of Activities</b>			
<b>(in millions of dollars)</b>			
	<u>Governmental Activities</u>		
	<u>2017</u>	<u>2016</u>	<u>Change</u>
<b>Revenues:</b>			
<i>Program revenues:</i>			
Charges for services	\$ 6.4	\$ 6.9	-7.2%
Operating grants and contributions	203.6	157.9	28.9%
Capital grants and contributions	0.1	0.1	0.0%
<i>General revenues:</i>			
Taxes	179.6	173.9	3.3%
General state aid	120.1	109.4	9.8%
Other general revenues	0.8	3.1	-74.2%
Total revenues	<u>510.6</u>	<u>451.3</u>	13.1%
<b>Expenses:</b>			
Instruction	295.6	252.2	17.2%
Pupil and Instructional services	55.1	48.9	12.7%
Administration and Business	75.6	62.8	20.4%
Maintenance and Operations	29.7	27.1	9.6%
Transportation	23.1	22.1	4.5%
Other	29.5	38.2	-22.8%
Total expenses	<u>508.6</u>	<u>451.3</u>	12.7%
Change in net position before transfers	2.0	0.0	
Transfers	<u>0.0</u>	<u>0.0</u>	
Change in net position	<u>2.0</u>	<u>0.0</u>	
Net position, beginning of year, as originally stated	172.2	172.2	0.0%
Prior period adjustment	<u>(0.3)</u>	<u>0.0</u>	
Net position, beginning of year, restated	<u>171.9</u>	<u>172.2</u>	-0.2%
Net position, end of year	<u>\$173.9</u>	<u>\$172.2</u>	1.0%

# Rockford Public Schools, District 205

## Management's Discussion and Analysis (Unaudited)

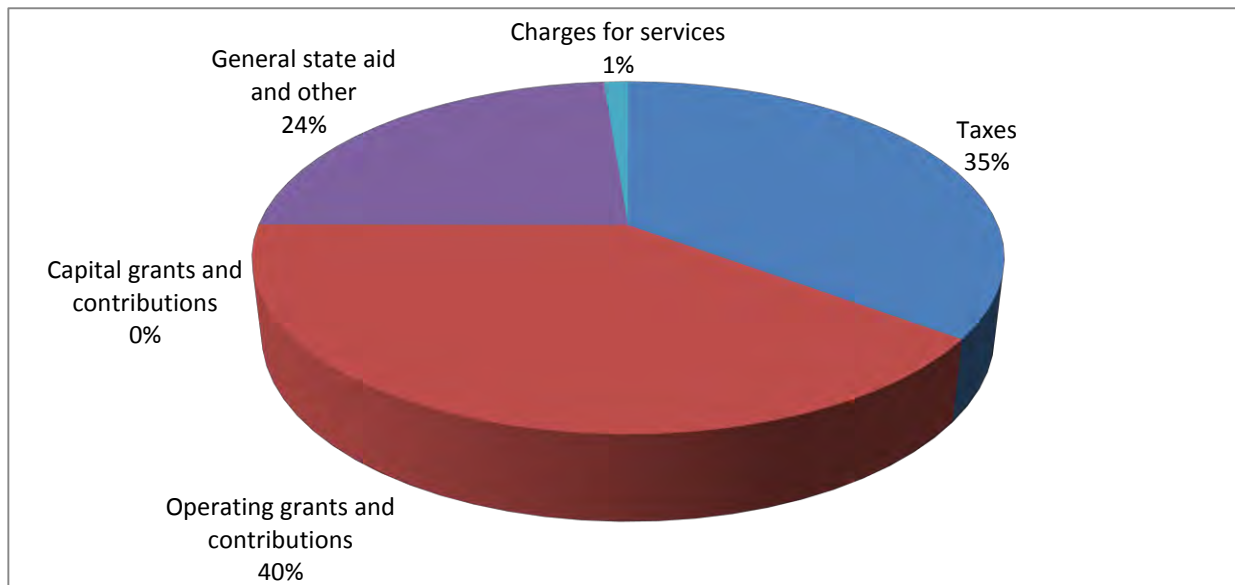
### As of and For the Year Ended June 30, 2017

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Property taxes were approximately \$1.2 million lower in 2017 than in 2016 due to the approach of the District not taking its entitled CPI and an inadvertent error on the 2016 tax levy calculation. Corporate personal property replacement taxes were \$5.7 million higher, and General State Aid and other grants were \$6.8 million higher than 2016. The State determined during the fiscal year that it had overpaid local governments corporate personal property replacement taxes during the past two years. The District reported a Due to other governments of \$2.8 million to reflect the overpayment due to the State at June 30, 2016. The District was notified in September 2017 that the overpayment was forgiven and the District recognized \$1.7 million in revenue in 2017 and will recognize the remaining \$1.1 in 2018. The District experienced an increase in expenses due to the capital investments.

Operating grants and contributions accounted for the largest portion of the District's revenues contributing 40%. Property taxes accounted for 35% of the revenue. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$508.6 million, mainly related to instructing and caring for students, and student transportation.

**Governmental Revenues by Source**



**Governmental Revenues by Source  
(in millions of dollars)**

Taxes	\$179.6
Operating grants and contributions	203.6
Capital grants and contributions	0.1
General state aid and other	120.9
Charges for services	6.4
	<hr/>
	\$510.6



# Rockford Public Schools, District 205

## Management's Discussion and Analysis (Unaudited)

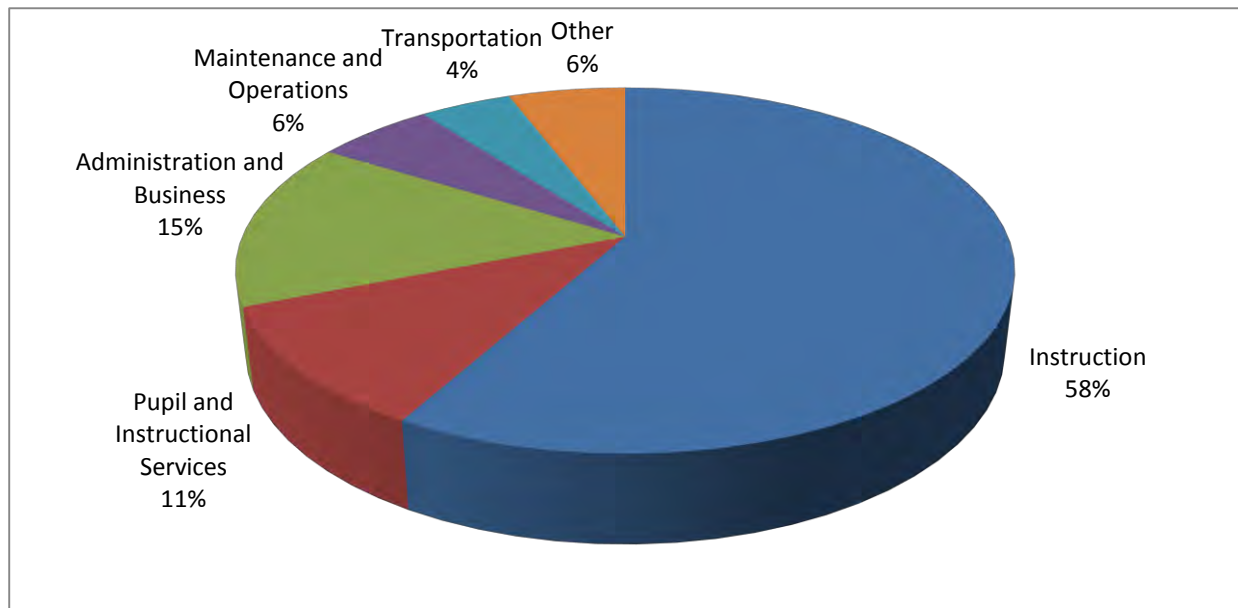
### As of and For the Year Ended June 30, 2017

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#### Governmental Activities

The table below presents the cost (in millions of dollars) of six major District activities: instruction, pupil and instructional services, administration and business, operations and maintenance, transportation, and other for the governmental activities. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

**Governmental Expenses by Function**



**Governmental Expenses by Function**  
(in millions of dollars)

Instruction	\$295.6
Pupil and Instructional Services	55.1
Administration and Business	75.6
Maintenance and Operations	29.7
Transportation	23.1
Other	29.5
	<hr/>
	\$508.6

# **Rockford Public Schools, District 205**

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

### **As of and For the Year Ended June 30, 2017**

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The cost of all governmental activities this year was \$508.6 million. Individuals who directly participated or benefited from a program offering paid for \$6.4 million of the costs. Federal and state governments subsidized certain programs with grants and contributions of \$203.6 million. The net cost of services was primarily financed by District taxpayers through property taxes and Corporate Personal Property Replacement Taxes totaling approximately \$179.6 million and other state contributions which are not restricted to specific programs of approximately \$120.9 million.

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

The financial performance of the District is also reflected in its governmental funds throughout the fund financial statements. The District completed the year with a total governmental fund balance of \$195.2 million, a decrease of \$22 million from the prior year's total governmental restated fund balance of \$218.2 million. The decrease is due to the spend-down of capital funds.

The General Fund, which includes the Educational Fund, Special Education Fund, Grants Fund, Food Service Fund, and Working Cash Fund, is the fund that is unrestricted and available for instruction, transportation and meals for our students, had an increase in the fund balance of \$4.2 million for the year ended June 30, 2017.

The Special Education Fund, a subset of the Educational Fund, continues to be under funded. Expenditures in this fund exceeded revenue by \$29 million. The District breaks special education expenditures out to show that the State does not adequately fund these expenditures.

The Working Cash Fund balance increased from \$31 million at June 30, 2016 to \$32.6 million at June 30, 2017.

The Operations and Maintenance Fund had an increase of \$2.2 million.

The Debt Service Fund balance increased by \$1.8 million to \$3.9 million due to the federal estimated subsidy received from the 2016 QSCB bond issue.

The Transportation Fund balance increased \$8.5 million.

Life Safety Fund balance decreased by \$9.5 million due to the spend-down of bond proceeds.

Municipal Retirement/Social Security Funds decreased by \$.6 million due to lower tax rates.

The Capital Projects Fund decreased by \$25.9 million to \$64.8 million due to the spend-down of bond proceeds.

# **Rockford Public Schools, District 205**

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

### **As of and For the Year Ended June 30, 2017**

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#### **General Fund Budgetary Highlights**

The District approved the 2017 budget in June 2016 with a general fund deficit of \$7.5 million. The actual results show a \$4.2 million increase for a favorable variance of \$10.8 million. Revenues were more than budgeted by \$66.3 million while expenditures were more than budget by \$55 million. Many items contributed to the revenue and expenditure variances, including:

- > Teachers' Retirement System State on behalf payments for revenues and expenditures were greater than budgeted by \$58 million;
- > Corporate personal property replacement tax revenue is \$1.7 million higher than budgeted due to recognition of debt forgiveness by the State;
- > General State Aid was funded by the State higher than budgeted resulting in a \$8.9 million favorable variance; other State grant revenue was lower than budgeted by \$2.3 million;
- > Federal grants increased by \$1.2 million from budget due to the District's participation in the Community Eligibility Provision (CEP) program; other Federal grant revenue was lower than budgeted by \$2.6 million;
- > Instructional salaries and benefits were lower than budgeted by \$4.2 million due to vacancies and hiring new staff at a reduced rate.

#### **Capital Assets and Debt Administration**

##### *Capital assets*

By the end of 2017, the District had compiled total investments of \$421.9 million (\$259.4 million net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$15.9 million. More detailed information about capital assets can be found in Note 7 of the basic financial statements.

**Rockford Public Schools, District 205**  
**Management's Discussion and Analysis (Unaudited)**  
**As of and For the Year Ended June 30, 2017**

<b>Table 3</b>			
<b>Capital Assets (net of depreciation)</b>			
<b>(in millions of dollars)</b>			
	<u>Governmental Activities</u>		
	<u>2017</u>	<u>2016</u>	<u>Change</u>
Land	\$8.6	\$6.7	28.4%
Construction in progress	49.1	57.1	-14.0%
Land improvements	9.4	7.1	32.4%
Buildings and building improvements	175.3	142.5	23.0%
Transportation equipment	7.3	6.5	12.3%
Food service equipment	1	1	0.0%
Furniture, fixtures and other equipment	7.1	10.7	-33.6%
Software	1.6	1.2	33.3%
Total	<u>\$259.4</u>	<u>\$232.8</u>	11.4%

*Debt Administration*

The pension liability increased by \$21.7 million. At the end of fiscal 2017, the District had a debt margin of \$77.7 million. More detailed information about long-term debt can be found in Note 8 of the basic financial statements.

<b>Table 4</b>			
<b>Long-Term Debt</b>			
<b>(in millions of dollars)</b>			
	<u>Governmental Activities</u>		
	<u>2017</u>	<u>2016</u>	<u>Change</u>
General obligation and capital appreciation bonds	\$214.5	\$220.4	-2.7%
Net pension liability – IMRF and TRS	82.8	61.1	35.5%
Compensated absences and other	14.2	14.1	0.7%
Total	<u>\$311.5</u>	<u>\$295.6</u>	5.4%

# **Rockford Public Schools, District 205**

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

### **As of and For the Year Ended June 30, 2017**

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#### **Factors Bearing on the District's Future**

At the time these financial statements were prepared and audited, the District was unaware of any adverse existing circumstances that could significantly affect its financial health in the future.

#### **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:

Nicole Thorn  
Rockford Public Schools, District 205  
501 7th Street  
Rockford, IL 61104

Michelle R. Jahr, CPA  
Rockford Public Schools, District 205  
501 7<sup>th</sup> Street  
Rockford, IL 61104

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

STATEMENT OF NET POSITION

June 30, 2017

	<u><b>Governmental Activities</b></u>
<b>ASSETS</b>	
Cash and investments	\$ 222,552,863
Receivables (net of allowance for uncollectibles)	
Property taxes	71,569,839
Other governmental units	28,956,430
Interest	174,601
Other	852,249
Prepaid items	1,577,775
Capital assets	
Land	8,657,520
Construction in progress	49,114,959
Depreciable building, property and equipment, net	<u>201,639,591</u>
 Total assets	 <u>585,095,827</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension items - IMRF	12,999,058
Pension items - TRS	<u>11,557,353</u>
 Total deferred outflows of resources	 <u>24,556,411</u>
 Total assets and deferred outflows of resources	 <u>609,652,238</u>
<b>CURRENT LIABILITIES</b>	
Accounts payable	18,652,137
Salaries and wages payable	17,583,705
Other current liabilities	442,506
Due to other governments	1,116,776
Interest payable	1,869,066
Unearned revenue	77,849
Long term liabilities	
Due within one year	16,658,820
Due after one year	<u>294,809,043</u>
 Total liabilities	 <u>351,209,902</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property taxes levied for subsequent years	83,038,107
Pension items - IMRF	1,021,563
Pension items - TRS	<u>513,199</u>
 Total deferred inflows of resources	 <u>84,572,869</u>
 Total liabilities and deferred inflows of resources	 <u>435,782,771</u>

(This statement is continued on the following page.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

STATEMENT OF NET POSITION (Continued)

June 30, 2017

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	<b>Governmental Activities</b>
	<hr/>
<b>NET POSITION</b>	
Net investment in capital assets	\$ 91,046,622
Restricted for	
Transportation	18,659,449
Retirement	2,018,794
Debt service	3,969,117
Capital projects	10,697,696
Tort immunity	10,999,667
Unrestricted	<hr/> 36,478,122
<b>TOTAL NET POSITION</b>	<hr/> <b>\$ 173,869,467</b> <hr/>

See accompanying notes to basic financial statements.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2017

FUNCTIONS AND PROGRAMS	Expenses	Program Revenues			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
PRIMARY GOVERNMENT					
Governmental Activities					
Instruction					
Regular programs	\$ 70,472,478	\$ 3,784,237	\$ 834,798	\$ -	
Special programs	54,271,769	1,756,433	50,154,687	-	
Other instructional programs	50,932,296	161,464	282,657	-	
State retirement contributions	119,944,250	-	119,944,250	-	
Support services					
Pupils	37,940,357	-	17,160,994	-	
Instructional staff	17,112,292	-	984,438	-	
General administration	19,066,651	-	-	-	
School administration	22,431,824	-	-	-	
Business	21,125,161	-	130,158	-	
Transportation	23,076,246	44,340	14,131,640	-	
Operations and maintenance	29,667,557	607,579	-	51,235	
Central	13,027,485	-	-	-	
Other	1,312,024	-	-	-	
Community services	4,198,812	-	-	-	
Payments to other governments	15,065,675	-	-	-	
Interest and fees	8,894,205	-	-	-	
TOTAL PRIMARY GOVERNMENT	\$ 508,539,082	\$ 6,354,053	\$ 203,623,622	\$ 51,235	



	<u>Net (Expenses)</u> <u>Revenues and</u> <u>Changes in</u> <u>Net Position</u> <u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
	\$ (65,853,443) (2,360,649) (50,488,175) - (20,779,363) (16,127,854) (19,066,651) (22,431,824) (20,995,003) (8,900,266) (29,008,743) (13,027,485) (1,312,024) (4,198,812) (15,065,675) (8,894,205) (298,510,172)
General Revenues	
Taxes	
Property taxes levied for general purposes	93,671,785
Property taxes levied for specific purposes	46,848,793
Property taxes levied for debt service	13,067,090
Replacement taxes	26,039,815
State aid-formula grants, grants and contributions not restricted to specific programs	115,810,724
Investment earnings	665,850
Other general revenues	4,438,991
Gain on sale of capital assets	-
Total general revenues	300,543,048
CHANGE IN NET POSITION	2,032,876
NET POSITION, JULY 1	172,159,290
Prior period adjustment	(322,699)
NET POSITION, JULY 1, RESTATED	171,836,591
NET POSITION, JUNE 30	\$ 173,869,467

See accompanying notes to basic financial statements.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205  
ROCKFORD, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS

June 30, 2017

	General	Capital Projects	Bond and Interest	Nonmajor Governmental Fund	Total
<b>ASSETS</b>					
Cash and investments	\$ 101,850,140	\$ 68,936,161	\$ 10,920,441	\$ 38,908,028	\$ 220,614,770
Receivables					
Property taxes, net	44,475,789	-	6,110,519	20,983,531	71,569,839
Other governmental units	22,692,223	-	-	6,264,207	28,956,430
Interest	109,890	51,502	-	13,209	174,601
Other	693,665	-	-	158,584	852,249
Prepaid items	1,251,072	5,021	-	178,135	1,434,228
Due from other funds	443,284	-	-	-	443,284
<b>TOTAL ASSETS</b>	<b>\$ 171,516,063</b>	<b>\$ 68,992,684</b>	<b>\$ 17,030,960</b>	<b>\$ 66,505,694</b>	<b>\$ 324,045,401</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 7,783,862	\$ 4,125,381	\$ -	\$ 6,742,894	\$ 18,652,137
Salaries and wages payable	16,631,426	9,886	-	942,393	17,583,705
Unearned revenue	77,849	-	-	-	77,849
Due to other governments	1,116,776	-	-	-	1,116,776
Other current liabilities	408,821	-	-	33,685	442,506
Due to other funds	-	-	-	443,284	443,284
Total liabilities	26,018,734	4,135,267	-	8,162,256	38,316,257
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	47,547,973	-	13,061,843	22,428,291	83,038,107
Unavailable revenue - other	4,335,724	-	-	3,141,347	7,477,071
Total deferred inflows of resources	51,883,697	-	13,061,843	25,569,638	90,515,178
<b>FUND BALANCES</b>					
Nonspendable	1,251,072	5,021	-	178,135	1,434,228
Restricted for					
Transportation	-	-	-	18,659,449	18,659,449
Retirement	-	-	-	2,018,794	2,018,794
Debt service	-	-	3,969,117	-	3,969,117
Capital projects	-	64,852,396	-	5,442,202	70,294,598
Tort immunity	-	-	-	10,999,667	10,999,667
Assigned - working cash	32,645,445	-	-	-	32,645,445
Unassigned	59,717,115	-	-	(4,524,447)	55,192,668
Total fund balances	93,613,632	64,857,417	3,969,117	32,773,800	195,213,966
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 171,516,063</b>	<b>\$ 68,992,684</b>	<b>\$ 17,030,960</b>	<b>\$ 66,505,694</b>	<b>\$ 324,045,401</b>

See accompanying notes to basic financial statements.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

June 30, 2017

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	<b>\$ 195,213,966</b>
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Amounts reported for governmental activities in the statement of net position are different because:

Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet	259,412,070
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Certain revenues receivable by the District and recognized in the statement of net position do not require certain financial resources and are deferred in the governmental funds balance sheet	7,477,071
---	-----------

Net pension liabilities for IMRF and TRS are shown as liabilities on the statement of net position	(82,838,335)
--	--------------

Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for IMRF and TRS are recognized as deferred outflows and inflows of resources on the statement of net position	23,021,649
---	------------

Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, therefore, is not recognized in the governmental funds balance sheet	(1,869,066)
--	-------------

Internal service funds are used by management to account for healthcare-related activities. The assets and liabilities are included in the governmental activities on the statement of net position.	(1,491,130)
--	-------------

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position

General obligation bonds	(138,780,000)
Capital appreciation bonds	(74,000,246)
Unamortized bond premium and discount	(1,716,004)
Net other postemployment benefit liability	(1,222,373)
Claims payable	(3,498,895)
Early retirement incentive payable	(2,003,194)
Compensated absences	(3,836,046)

<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 173,869,467</b>
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See accompanying notes to basic financial statements.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2017

	General	Capital Projects	Bond and Interest	Nonmajor Governmental Fund	Total
<b>REVENUES</b>					
Property taxes	\$ 94,644,958	\$ -	\$ 13,067,090	\$ 45,875,621	\$ 153,587,669
Corporate personal property replacement taxes	14,211,296	-	2,500,000	9,328,519	26,039,815
State aid	260,196,688	-	-	15,296,271	275,492,959
Federal aid	44,541,266	-	1,103,984	-	45,645,250
Investment income	198,377	201,817	54,654	211,002	665,850
Refund of prior year's expenditures	564,394	-	-	2,243	566,637
Payments of surplus monies from TIF districts	-	-	-	13,061	13,061
Other	4,632,551	482,655	-	2,262,248	7,377,454
Total revenues	418,989,530	684,472	16,725,728	72,988,965	509,388,695
<b>EXPENDITURES</b>					
Current					
Instruction					
Regular programs	157,437,665	-	-	874,297	158,311,962
Special programs	75,895,634	-	-	961,756	76,857,390
Other instructional programs	48,608,321	-	-	549,280	49,157,601
Support services					
Pupils	35,121,385	-	-	548,569	35,669,954
Instructional staff	15,928,788	-	-	162,188	16,090,976
General administration	11,873,114	-	-	6,456,336	18,329,450
School administration	20,147,696	-	-	687,964	20,835,660
Business	18,449,065	-	-	5,025,932	23,474,997
Transportation	-	-	-	20,858,445	20,858,445
Operations and maintenance	-	5,230,293	-	23,506,730	28,737,023
Central	10,279,718	-	-	570,637	10,850,355
Other supporting services	504,568	-	-	609,834	1,114,402
Community services	3,848,298	-	-	39,966	3,888,264
Intergovernmental					
Payments to other districts and government units	15,065,675	-	-	-	15,065,675
Capital outlay	1,641,293	21,364,621	-	15,874,631	38,880,545
Debt service					
Principal	-	-	9,290,000	-	9,290,000
Interest	-	-	5,604,929	-	5,604,929
Total expenditures	414,801,220	26,594,914	14,894,929	76,726,565	533,017,628
NET CHANGE IN FUND BALANCES	4,188,310	(25,910,442)	1,830,799	(3,737,600)	(23,628,933)
FUND BALANCES, JULY 1	90,390,084	90,767,859	2,138,318	35,869,337	219,165,598
Prior period adjustment	(964,762)	-	-	642,063	(322,699)
FUND BALANCES, JULY 1, RESTATED	89,425,322	90,767,859	2,138,318	36,511,400	218,842,899
FUND BALANCES, JUNE 30	\$ 93,613,632	\$ 64,857,417	\$ 3,969,117	\$ 32,773,800	\$ 195,213,966

See accompanying notes to basic financial statements.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

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

For the Year Ended June 30, 2017

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<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ (23,628,933)</b>
---	------------------------

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

Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities.	42,481,936
---	------------

Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds.	(15,871,516)
---	--------------

The change in deferred inflows and outflows of resources for IMRF and TRS is reported only in the statement of activities.	14,601,520
--	------------

Certain revenue included in the statement of activities does not provide current financial resources and, therefore, is deferred in the governmental fund statements.	1,183,263
---	-----------

The amortization of the accounting loss on refunding on long-term debt is reported as an increase in interest expense on the statement of activities.	(33,503)
---	----------

The accretion of long-term debt provides current financial resources to the governmental funds, while principal repayment consumes current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This is the amount by which current year principal payments exceeded accretion on bonds payable.	5,809,606
--	-----------

Governmental funds report the effects of premium, discounts and similar items when the debt is issued. However, these amounts are deferred and amortized in the statement of activities. This is the amount of the current year, net of these differences.	101,445
--	---------

In the statement of activities, operating expenses are measured by the amounts incurred during the current year. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources.	
Interest payable	123,176
Net other postemployment benefit liability	122,950
Claims payable	200,172
Early retirement payable	(61,829)
Compensated absences	230,175
Net pension liability - IMRF	1,833,129
Net pension liability - TRS	(23,567,585)

The addition (reduction) in net position of certain activities of internal service funds is included in governmental funds	<u>(1,491,130)</u>
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<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 2,032,876</u></b>
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See accompanying notes to basic financial statements.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS

June 30, 2017

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	<b>Internal Service Fund</b>
	<hr/>
<b>ASSETS</b>	
Cash and investments	\$ 1,938,093
Prepaid items	<hr/> 143,547
Total assets	<hr/> 2,081,640
<b>LIABILITIES</b>	
Claims payable	<hr/> 3,572,770
Total liabilities	<hr/> 3,572,770
<b>NET POSITION</b>	
Unrestricted	<hr/> (1,491,130)
<b>TOTAL NET POSITION</b>	<hr/> <hr/> \$ (1,491,130)

See accompanying notes to basic financial statements.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS**

For the Year Ended June 30, 2017

	<b>Internal Service Fund</b>
<hr/>	
<b>OPERATING REVENUES</b>	
Employer contributions	\$ 44,501,446
Employee contributions	4,099,594
Retiree contributions	1,199,173
Other contributions	86,740
	<hr/>
Total operating revenues	49,886,953
	<hr/>
<b>OPERATING EXPENSES</b>	
Insurance premiums	2,364,775
Stop-loss premiums	1,234,794
Administrative fees and other	3,152,759
Health claims incurred	44,625,755
	<hr/>
Total operating expenses	51,378,083
	<hr/>
CHANGE IN NET POSITION	(1,491,130)
NET POSITION, JULY 1	<hr/> -
NET POSITION, JUNE 30	<hr/> \$ (1,491,130) <hr/>

See accompanying notes to basic financial statements.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended June 30, 2017

	<b>Internal Service Fund</b>
<hr/>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from employer	\$ 44,501,446
Receipts from employees	4,099,594
Receipts from retirees	1,199,173
Receipts from others	86,740
Payments to vendors	<u>(51,043,820)</u>
Net cash from operating activities	<u>(1,156,867)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
None	<u>-</u>
Net cash from noncapital financing activities	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
None	<u>-</u>
Net cash from capital and related financing activities	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
None	<u>-</u>
Net cash from investing activities	<u>-</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,156,867)
CASH AND CASH EQUIVALENTS, JULY 1	<u>3,094,960</u>
CASH AND CASH EQUIVALENTS, JUNE 30	<u><u>\$ 1,938,093</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating income (loss)	\$ (1,491,130)
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Changes in assets and liabilities	
Prepaid items	(143,547)
Claims payable	<u>477,810</u>
NET CASH FROM OPERATING ACTIVITIES	<u><u>\$ (1,156,867)</u></u>

See accompanying notes to basic financial statements.



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUND

June 30, 2017

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	<u>Student Activity Fund</u>
<b>ASSETS</b>	
Cash and investments	<u>\$     1,562,459</u>
<b>TOTAL ASSETS</b>	<u><u>\$     1,562,459</u></u>
<b>LIABILITIES</b>	
Due to students groups	<u>\$     1,562,459</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$     1,562,459</u></u>

See accompanying notes to basic financial statements.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2017

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Rockford Public Schools, District #205 (the District) operates a public school system governed by a seven-member elected board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to the accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District.

a. Reporting Entity

Accounting principles generally accepted in the United States of America require that the financial reporting entity include (1) the primary government, (2) organizations for which the primary district is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by governmental accounting standards have been considered and there are no agencies or entities which should be presented with the District.

b. Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. The District's operating activities related to education are considered "governmental activities," that is, activities normally supported by taxes and intergovernmental revenues. Business-type activities are financed as a whole or in part by fees charged to external parties.

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

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

**b. Basis of Presentation (Continued)**

**Fund Financial Statements**

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

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds), the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds) and the management of funds held in trust where the interest earnings can be used for governmental services (permanent fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The District's fiduciary funds consist of agency funds which are used to account for assets that the District holds on behalf of others as their agent.

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

**c. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are prepared using the economic resources measurement focus, while the fiduciary fund statements do not have a measurement focus. The government-wide financial statements and the fiduciary

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

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

fund financial statements are reported using the accrual basis of accounting. 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 (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the District considers property taxes available if they are collected within 60 days after year end. Property taxes, allotments of state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and recognized as revenue at that time. Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenue until earned. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmatured principal and interest on general long-term debt are recognized when due.

The District reports unearned and unavailable/deferred revenue on its financial statements. Unavailable revenues arise when potential revenue does not meet the available criteria for recognition in the current period for governmental funds. Unearned revenues also arise when resources are received by the District before it has legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the District has a legal claim to the resources by meeting all eligibility requirements, the liability for unearned revenue is removed from the financial statements and revenue is recognized. Unavailable/deferred revenue results from property taxes being levied and reported as a receivable before the period for which the taxes are levied.

The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

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

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

Major Governmental Funds

The District reports the following major governmental funds:

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

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

Bond and Interest Fund - accounts for the resources, the use of which is restricted by the Illinois School Code for the payment of principal and interest on long-term general obligation/capital appreciation debt of the governmental funds. The District elected to report this fund as a major fund.

Proprietary Fund Type

The District reports the following internal service fund:

The Insurance Fund accounts for the District's self-insured health plan for employees and other employee benefits, funded by charges to the various departments of the District and by employee and retiree contributions.

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

Agency Funds - include Student Activity, Convenience Accounts and Other Agency Funds. These funds are custodial in nature and do not present results of operations or have a measurement focus. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational or cultural purposes. Convenience Accounts account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc.

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

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

On-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the Teacher Health Insurance Security) have been recognized in the financial statements.

d. Cash and Cash Equivalents

The District considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

e. Investments

State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly rated commercial paper, repurchase agreements and the State Treasurer's Investment Pool. Investments are stated at fair value. Changes in fair value of investments are included as investment income.

f. Property Taxes

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2016 levy resolution was approved during the October 11, 2016 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

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

The 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 lessor of 5% of the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation. The CPI rates applicable to the 2016 and 2015 tax levies were 2.1% and 0.7%, respectively.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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

f. Property Taxes (Continued)

Property taxes are collected by the County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year became due and payable in two equal installments: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

The 2016 property tax levy is recognized as a receivable in fiscal year 2017, net of estimated uncollectible amounts approximating 1%. The District considers that the first installment of the 2016 levy is used to finance operations in fiscal year 2017. The District has determined that the second installment of the 2016 levy is used to finance operations in fiscal year 2018 and has deferred the corresponding receivable.

The 2017 tax levy, which attached as an enforceable lien on property as of January 1, 2017, has not been recorded as a receivable as of June 30, 2017 as the tax has not yet been levied by the District and will not be levied until December 2017 and, therefore, the levy is not measurable at June 30, 2017.

g. Personal Property Replacement Taxes

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

h. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses and are accounted for using the consumption method.

i. Capital Assets

Capital assets are defined as assets with an initial cost of \$500 for electronic equipment and \$1,000 for all other assets with an estimated useful life greater than one year. Capital assets are recorded at cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at acquisition value at the date of donation. Land and construction in progress are not depreciated by the District.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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

i. Capital Assets (Continued)

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

Assets	Years
Buildings and building improvements	20-50
Transportation equipment	5-20
Food service equipment	3-10
Furniture, fixtures and other equipment	3-10
Software	10-15

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

j. Compensated Absences

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

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

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

Certified employees working less than 12 months a year do not earn vacation days; however, noncertified full-time employees earn vacation days which vest as they accrue.

All full-time employees receive various numbers of sick and personal days per year based on the collective bargaining agreements or policies in place. These days may accumulate to an unlimited number of days. These accumulated sick days may be paid in cash or may be applied to earn additional years of service under the retirement plans. The District has not recognized a fund liability in the governmental funds for the vested amount. However, this liability is recorded in the government-wide financial statements. Sick and personal days are reported as an expense and liability as it accrues in the government-wide financial statements.



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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

k. Long-Term Liabilities

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as deferred amounts on refunding, are deferred and amortized over the life of the bond. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are recognized during the current period.

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

l. Equity Classifications

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

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

*Restricted net position* - Consists of net position with constraints placed on its use either (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

*Unrestricted net position* - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

None of the restricted net position or restricted fund balance results from enabling legislation.

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

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

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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

**1. Equity Classifications (Continued)**

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

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

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

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

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

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

Governmental fund balances reported in the fund financial statements as of June 30, 2017 are as follows:

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

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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

**l. Equity Classifications (Continued)**

The District has adopted a minimum fund balance policy. For purposes of this policy, fund balance has been defined as the total fund balances of the General, Operations and Maintenance and Transportation Funds. The District targets a fund balance percentage of not less than 25% of operating expenses (in those funds) measured on June 30<sup>th</sup> each year.

**m. Interfund Receivables/Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other fund” and are expected to be repaid within one year. These amounts are eliminated in the statement of net position.

**n. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position/balance sheet 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 assets 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 net position/balance sheet 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**o. Use of Estimates**

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

**2. DEPOSITS AND INVESTMENTS**

At year end, the District’s cash and investments was comprised of the following:

	Governmental	Agency	Total
Cash and investments	\$ 222,552,863	\$ 1,562,459	\$ 224,115,322
<b>TOTAL</b>	<b>\$ 225,552,863</b>	<b>\$ 1,562,459</b>	<b>\$ 224,115,322</b>

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**2. DEPOSITS AND INVESTMENTS (Continued)**

For disclosure purposes, this amount is segregated into the following components: (1) cash on hand, (2) deposits with financial institutions, which include amounts, savings accounts and non-negotiable certificates of deposits and (3) other investments, which consist of all investments other than certificates of deposit, as follows:

	Cash and Investments
Deposits with financial institutions	202,007,227
Other investments	22,108,095
<b>TOTAL</b>	<b>\$ 224,115,322</b>

**Deposits**

Custodial credit risk for deposits refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. The District's investment policy indicates the preferred method for safekeeping is to have securities registered in the District's name and held by a third-party custodian and safekeeping practices should qualify for GASB No. 3 category I, the highest recognized safekeeping procedures. This policy does not specifically address the safekeeping of collateral. One of the District's deposits is collateralized by a letter of credit pooled by the District's agent in one letter of credit with the Federal Home Loan Bank for all public entity deposits in that bank for which the District's agent is a counterparty. Additionally, the District's deposits with two financial institutions are collateralized by securities pledged to the District's agent. At June 30, 2017, the District had \$8,018 exposed to custodial credit risk as these deposits are uninsured and uncollateralized.

**Investments**

At year end, the District had the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Negotiable CDs	\$ 3,379,692	\$ 245,001	\$ 2,645,351	\$ 489,340	\$ -
U.S. agencies	19,694,472	-	8,570,616	10,174,786	949,070
U.S. Treasury Notes	2,413,623	-	-	1,363,636	1,049,987
<b>TOTAL</b>	<b>\$ 25,487,787</b>	<b>\$ 245,001</b>	<b>\$ 11,215,967</b>	<b>\$ 12,027,762</b>	<b>\$ 1,999,057</b>

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. DEPOSITS AND INVESTMENTS (Continued)**

Investments (Continued)

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 input; and Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2017: U.S. agency securities, U.S. Treasury notes, and Negotiable certificates of deposit of are valued using significant other observable outputs and are part of a limited secondary market (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District's investment policy limits the maturities on its investment portfolio as follows:

- a. Repurchase agreements must mature in less than 330 days, and
- b. Short-term obligations of corporations must mature not later than 270 days from the date of purchase.

The District's investment policy does not further limit the District's investment portfolio to specific maturities.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy does not address custodial credit risk for investments. The District is exposed to custodial credit risk as its investments in U.S. agency securities and U.S. Treasury notes are held by the counterparties, not in the District's name.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limits the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). As of June 30, 2017, the District's investments in money market accounts and negotiable CDs are not rated. The United States Government agency securities are rated AA+ by Standard & Poor's at June 30, 2017.

The District is authorized to invest in the Illinois School District Liquid Asset Fund Plus and Illinois Funds, which invest member deposits, on a pooled basis, primarily in short-term certificates of deposit and in high rated short-term obligations of the U.S. Treasury and major United States corporations and banks. Illinois Funds were created and are regulated by the Illinois General Assembly and the fair value of the positions in the

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. DEPOSITS AND INVESTMENTS (Continued)**

Investments (Continued)

pools is the same as the value of the pool shares. The credit rating provided by Standard & Poor's of the Illinois School District Liquid Asset Fund Plus and Illinois Funds was AAAM at June 30, 2017.

Cash held in the Illinois Funds Money Market Fund and the Illinois School District Liquid Asset Fund Plus is not subject to custodial credit risk categorization.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's investment policy limits the amount that the District may invest in short-term obligations of corporations to no more than one-third of the District's funds. There are no further limits on the amounts that may be invested in one issuer.

Separate cash and investment accounts are not maintained for all district funds; instead, the individual fund maintain their invested and uninvested balances in the common checking and investment accounts, with accounting records being maintained to show the portion of the common account balance attributable to each participating fund.

Investment income earned is assigned to each of the governmental funds.

Occasionally certain funds participating in the common bank accounts will incur overdrafts (deficits) in the account. The overdrafts result from expenditures that have been approved by the Board of Education.

**3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Deficit Fund Equity

The Operations and Maintenance Fund had a deficit fund balance of \$4,498,585 as of June 30, 2017. District management expects to fund this deficit through future tax levies.

**4. INTERFUND RECEIVABLES AND PAYABLES**

The composition of interfund loan balances as of June 30, 2017 for the District's individual major funds is as follows:

Receivable	Payable	Amount
General Fund	Operations and Maintenance Fund	<u>\$ 443,284</u>

The interfund loan balances exist because of temporary cash deficits will be repaid within one year.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**5. GOVERNMENTAL CLAIMS RECEIVABLE AND UNEARNED REVENUE**

A summary of governmental grants claims receivable and unavailable revenue by fund as of June 30, 2017 is as follows. All significant balances are expected to be collected within one year of the end of the fiscal period.

	Receivables - Other Governmental Funds			Unearned and Unavailable
	General	Nonmajor	Total	Revenues - Other
General				
Special education grants	\$ 8,962,882	\$ -	\$ 8,962,882	\$ 4,071,166
Medicaid fee for service	9,130	-	9,130	-
Title I grants	5,270,502	-	5,270,502	-
Title II grants	330,123	-	330,123	-
Title III grants	123,392	-	123,392	-
Bilingual education grants	836,814	-	836,814	-
Early childhood block grants	4,416,300	-	4,416,300	-
IDEA grant	448,272	-	448,272	-
Other	2,294,808	-	2,557,345	264,558
Total General Fund	22,692,223	-	22,692,223	4,335,724
Transportation Fund	-	6,264,207	6,264,207	3,141,347
TOTAL	\$ 22,692,223	\$ 6,264,207	\$ 28,956,430	\$ 7,477,071

**6. OPERATING LEASES**

The District leases part of the administrative building to a third party under noncancelable operating leases. Assets included in the District's capital assets as of June 30, 2017 applicable to this lease were carried at a cost and accumulated depreciation of \$579,696 and \$75,360, respectively. For the year ended June 30, 2017, the District received \$417,320 in rentals under these leases which is included in rentals revenue in the Operations and Maintenance Fund.

Minimum future rentals to be received under this lease, excluding unknown escalation amounts and un-negotiated renewals are as follows at June 30, 2017:

Year Ending June 30,	Amount
2018	\$ 460,867
2019	195,517
TOTAL	<u>\$ 656,384</u>

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2017 is as follows:

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>					
Capital assets not being depreciated					
Land	\$ 6,660,620	\$ 1,996,900	\$ -	\$ -	\$ 8,657,520
Construction in progress	57,121,444	33,365,349	-	(41,371,834)	49,114,959
Total capital assets not being depreciated	63,782,064	35,362,249	-	(41,371,834)	57,772,479
Capital assets being depreciated					
Land improvements	9,778,125	2,876,507	-	-	12,654,632
Buildings and building improvements	285,241,119	-	-	41,371,834	326,612,953
Furniture, fixtures and other equipment	51,501,020	804,142	-	-	52,305,162
Food service equipment	4,213,721	170,233	-	-	4,383,954
Transportation equipment	22,303,489	2,759,475	1,539,025	-	23,523,939
Software	1,944,240	509,330	-	-	2,453,570
Total capital assets being depreciated	374,981,714	7,119,687	1,539,025	41,371,834	421,934,210
Less accumulated depreciation for					
Land improvements	2,719,377	567,375	-	-	3,286,752
Buildings and building improvements	142,691,934	8,574,361	-	-	151,266,295
Furniture, fixtures and other equipment	40,870,483	4,347,979	-	-	45,218,462
Food service equipment	3,201,334	199,786	-	-	3,401,120
Transportation equipment	15,787,517	1,967,511	1,539,025	-	16,216,003
Software	691,483	214,504	-	-	905,987
Total accumulated depreciation	205,962,128	15,871,516	1,539,025	-	220,294,619
Total capital assets being depreciated, net	169,019,586	(8,751,829)	-	41,371,834	201,639,591
<b>GOVERNMENTAL ACTIVITIES</b>					
<b>CAPITAL ASSETS, NET</b>	<b>\$ 232,801,650</b>	<b>\$ 26,610,420</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 259,412,070</b>



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. CAPITAL ASSETS (Continued)**

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

Governmental Activities	Depreciation
Regular programs	\$ 3,712,361
Special education programs	2,952,634
Other instructional programs	1,279,134
Pupils	814,500
Instructional staff	405,143
General administration	513,906
School administration	571,832
Business	694,398
Transportation	2,342,851
Operations and maintenance	624,611
Central	1,761,013
Other supporting services	83,484
Community services	115,649
<b>TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES</b>	<b>\$ 15,871,516</b>

**8. LONG-TERM DEBT**

**a. Changes in General Long-Term Liabilities**

The following is the long-term liability activity for the District for the year ended June 30, 2017:

	Beginning Balances	Additions	Deletions	Ending Balances	Current Portion
General obligation bonds	\$ 140,680,000	\$ -	\$ 1,900,000	\$ 138,780,000	\$ -
Capital appreciation bonds*	77,909,852	3,480,394	7,390,000	74,000,246	8,865,000
Premiums	1,818,887	-	102,883	1,716,004	102,883
Discounts	(1,438)	-	(1,438)	-	-
<b>Total bonds payable</b>	<b>220,407,301</b>	<b>3,480,394</b>	<b>9,391,445</b>	<b>214,496,250</b>	<b>8,967,883</b>
Claims payable	6,794,028	46,229,143	45,951,506	7,071,665	3,572,770
Early retirement payable	1,941,365	361,716	299,887	2,003,194	282,121
Compensated absences	4,066,221	3,813,601	4,043,776	3,836,046	3,836,046
Net OPEB obligation	1,345,323	-	122,950	1,222,373	-
Net pension liability - TRS	44,835,269	23,567,585	-	68,402,854	-
Net pension liability - IMRF	16,268,610	-	1,833,129	14,435,481	-
<b>TOTAL LONG-TERM LIABILITIES - GOVERNMENTAL ACTIVITIES</b>	<b>\$ 295,658,117</b>	<b>\$ 77,452,439</b>	<b>\$ 61,642,693</b>	<b>\$ 311,467,863</b>	<b>\$ 16,658,820</b>

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**8. LONG-TERM DEBT (Continued)**

a. Changes in General Long-Term Liabilities (Continued)

\*Includes annual accretion of interest in the amount of \$3,480,394 on capital appreciation bonds.

The obligation for claims payable will be repaid from the Internal Service Fund and Tort Immunity Fund.

The obligations for the compensated absences and early retirement benefits will be repaid from the General, Operations and Maintenance and Transportation Funds.

b. General Obligation/Capital Appreciation Bonds

The District issues general obligation/capital appreciation bonds to finance various capital improvements. General obligation bonds are direct obligations and pledge the full faith and credit of the District. As of June 30, 2017, the District's general obligation/capital appreciation bonds consist of the following:

	Interest Rates	Original Indebtedness	Face Amount	Carrying Amount
Series 2000, capital appreciation life safety bonds dated February 1, 2000 are due in annual installments through February 1, 2020.	6.12% to 6.33%	\$ 9,999,934	\$ 29,960,000	\$ 11,990,968
Series 2010, capital appreciation limited school bonds dated September 1, 2010 are due in annual installments through February 1, 2020.	4.25%	9,992,698	13,640,000	7,757,400
Series 2013, capital appreciation limited school bonds dated April 2, 2013 are due in annual installments through February 1, 2027.	3.03% to 4.29%	30,999,876	46,355,000	36,252,141
Series 2013, general obligation bonds dated April 2, 2013 are due in annual installments through February 1, 2033.	3.5% to 4.0%	69,000,000	69,000,000	66,790,000
Series 2015A, capital appreciation limited school bonds dated March 5, 2015 are due in annual installments through February 1, 2027.	5.25%	6,204,788	9,725,000	6,998,598
Series 2015A, general obligation bonds dated March 5, 2015 are due in annual installments through February 1, 2035.	3.5% to 4.0%	13,795,000	12,855,000	13,795,000

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**8. LONG-TERM DEBT (Continued)**

b. General Obligation/Capital Appreciation Bonds (Continued)

	Interest Rates	Original Indebtedness	Face Amount	Carrying Amount
Series 2015B, capital appreciation limited school bonds dated March 5, 2015 are due in annual installments through February 1, 2027.	3.05% to 4.99%	\$ 9,886,576	\$ 25,710,000	\$ 11,001,139
Series 2015B, general obligation serial bonds dated March 5, 2015 are due in annual installments through February 1, 2027.	3.25%	935,000	935,000	935,000
Series 2015B, general obligation term bonds dated March 5, 2015 are due in annual installments on through February 1, 2035.	3.75% to 4.00%	28,175,000	28,175,000	28,175,000
Series 2016, Taxable Obligation School Bonds (Alternate Revenue Source - Qualified School Construction Bonds) dated May 12, 2016 are due in annual installments through December 2027.	3.80% to 3.95%	29,085,000	29,085,000	29,085,000
<b>TOTAL</b>		<b>\$ 208,073,872</b>	<b>\$ 265,440,000</b>	<b>\$ 212,780,246</b>

Above balances include \$17,161,278 of accreted interest on capital appreciation bonds. Capital appreciation bonds are treated like zero-coupon bonds in that no regular interest payments are associated with these bonds until the bonds mature. Accordingly, the accreted value is added to these bonds. The difference between the carrying amount and the face amount is the total accreted value to date.

A summary of the future debt service requirements to amortize the remaining outstanding general obligation bonds as of June 30, 2017 is as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ -	\$ 5,450,483	\$ 5,450,483
2019	-	5,450,483	5,450,483
2020	-	5,450,483	5,450,483
2021	-	5,450,483	5,450,483
2022	-	5,450,483	5,450,483
2023-2027	22,310,000	26,967,414	49,277,414
2028-2032	74,265,000	15,995,591	90,260,591
2033-2035	42,205,000	3,418,338	45,623,388
<b>TOTAL</b>	<b>\$ 138,780,000</b>	<b>\$ 73,633,808</b>	<b>\$ 212,413,808</b>

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**8. LONG-TERM DEBT (Continued)**

b. General Obligation/Capital Appreciation Bonds (Continued)

Debt service to maturity on the capital appreciation bonds is as follows:

Year Ending June 30,	Principal Repayment	Accretion	Net Capital Appreciation Bonds
2018	\$ 8,865,000	\$ 3,170,234	\$ 5,694,766
2019	8,995,000	2,817,024	6,177,976
2020	9,130,000	2,395,383	6,734,617
2021	9,265,000	2,095,182	7,169,818
2022	9,535,000	1,810,855	7,724,145
2023-2027	44,575,000	4,076,076	40,498,924
<b>TOTAL</b>	<b>\$ 90,365,000</b>	<b>\$ 16,364,754</b>	<b>\$ 74,000,246</b>

The District has outstanding bonds with remaining pledges of revenue outstanding. The schedule of pledged revenue is detailed below:

Debt Issue	Pledge Source	Pledge Remaining	Commitment End Date	Pledged Revenue	Principal and Interest Paid	Estimated Percent of Pledged Revenue
2016	Corporate personal property replacement tax	\$ 40,341,754	December 1, 2027	\$ 26,039,815	\$ 1,185,804	4.5%

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 13.8% of the most recent available equalized assessed valuation of the District. As of June 30, 2017, the statutory debt limit for the District was \$273,343,618 providing a debt margin of \$77,724,649.

**9. RETIREMENT PLAN COMMITMENTS**

The retirement plans of the District include the Teachers' Retirement System of the State of Illinois (TRS or the System) 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 (the State) on behalf of the District. IMRF is funded through property taxes, a perpetual lien of the District's corporate personal property replacement tax and through payroll withholdings of qualified staff. Each retirement system is discussed below.

9. RETIREMENT PLAN COMMITMENTS (Continued)

a. Teachers' Retirement System of the State of Illinois

*Plan Description*

The District participates in TRS. TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration. TRS issues a publicly available financial report that can be obtained at <http://trs.illinois.gov/pubs/cafr>; by writing to TRS at 2815 W. Washington, P.O. Box 19253, Springfield, IL 62794; or by calling (888) 877-0890, option 2.

*Benefits Provided*

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

Tier 2 members qualify for retirement benefits at age 67 with ten years of service or a discounted annuity can be paid at age 62 with ten years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from Tier 1.

Essentially all Tier 1 retirees receive an annual 3% increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier 2 annual increases will be the lesser of 3% 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.

9. RETIREMENT PLAN COMMITMENTS (Continued)

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

*Contributions*

The State 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% 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 makes employer pension contributions on behalf of the District. For the year ended June 30, 2017, the State's contributions recognized by the District were based on the State's proportionate share of the collective net pension liability and pension expense associated with the District, and the District recognized revenue and expenses of \$118,223,686 in pension contributions from the State.

*2.2 Formula Contributions*

Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2017 were \$891,006 and are reported as a deferred outflow of resources because they were paid after the June 30, 2016 measurement date.

*Federal and Special Trust Fund Contributions*

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

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*Federal and Special Trust Fund Contributions (Continued)*

For the year ended June 30, 2017, the District pension contribution was 38.54% of salaries paid from federal and Special Trust Funds. For the year ended June 30, 2017, salaries totaling \$6,226,450 were paid from federal and Special Trust Funds that required District contributions of \$2,399,674. These contributions are deferred because they were paid after the June 30, 2016 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, 2017, the District paid \$609,201 to TRS for employer ERO contributions.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2017, the District paid \$337,576 to TRS for employer contributions due on salary increases in excess of 6% and \$22,338 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, 2017, 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 follow:

District's proportionate share of the net pension liability	\$ 68,402,854
State's proportionate share of the net pension liability associated with the District	<u>1,203,832,477</u>
TOTAL	<u>\$ 1,272,235,331</u>

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**9. RETIREMENT PLAN COMMITMENTS (Continued)**

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

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

The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 and rolled forward to June 30, 2016. 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, 2016, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2016, the District's proportion was 0.0866560420%, which was an increase of 0.0182157763% from its proportion measured as of June 30, 2015 (0.0684402657%).

For the year ended June 30, 2017, the District recognized pension expense of \$118,223,686 and revenue of \$118,223,686 for support provided by the State. At June 30, 2017, 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	Net Deferred Outflows of Resources
Differences between expected and actual experience	\$ 505,778	\$ 46,392	\$ 459,386
Net difference between projected and actual earnings on pension plan investments	1,932,502	-	1,932,502
Changes of assumptions	5,874,785	-	5,874,785
Changes in proportion and differences between employee contributions and proportionate share of contributions	9,663,059	10,176,258	(513,199)
District contributions subsequent to the measurement date	3,290,680	-	3,290,680
<b>TOTAL</b>	<b>\$ 21,266,804</b>	<b>\$ 10,222,650</b>	<b>\$ 11,044,154</b>

\$3,290,680 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 reporting year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. RETIREMENT PLAN COMMITMENTS (Continued)**

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

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2018	\$ 267,102
2019	267,102
2020	2,176,861
2021	4,272,041
2022	<u>770,368</u>
 TOTAL	 <u>\$ 7,753,474</u>

*Actuarial Assumptions*

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	Varies by amount of service credit
Investment rate of return	7.00%, net of pension plan investment expenses, 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.

For the June 30, 2016 valuation, the assumed investment rate of return was of 7.0%, including an inflation rate of 2.5% and a real return of 4.5%. Salary increases were assumed to vary by service credit. For the June 30, 2015 valuation, the assumed investment rate of return was 7.5%, including an inflation rate of 3.0% and a real return of 4.5%. 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.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*Actuarial Assumptions* (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap	14.40%	6.94%
U.S. equities small/mid cap	3.60%	8.09%
International equities developed	14.40%	7.46%
Emerging market equities	3.60%	10.15%
U.S. bonds core	10.70%	2.44%
International debt developed	5.30%	1.70%
Real estate	15.00%	5.44%
Commodities (real return)	11.00%	4.28%
Hedge funds (absolute return)	8.00%	4.16%
Private equity	14.00%	10.63%
TOTAL	<u>100.00%</u>	

*Discount Rate*

At June 30, 2016, the discount rate used to measure the total pension liability was a blended rate of 6.83%, which was a change from the June 30, 2015 rate of 7.47%. 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.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*Discount Rate (Continued)*

Based on those assumptions, TRS's fiduciary net position at June 30, 2016 was not projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Despite the subsidy, all projected future payments were not covered, so a slightly lower long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2015, the discount rate used to measure the total pension liability was 7.47%. 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 6.83%, 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 (5.83%) or 1 percentage point higher (7.83%) than the current rate.

	1% Decrease (5.83%)	Current Discount Rate (6.83%)	1% Increase (7.83%)
Employer's proportionate share of the net pension liability	\$ 83,659,467	\$ 68,402,854	\$ 55,942,247

*TRS Fiduciary Net Position*

Detailed information about the TRS' fiduciary net position as of June 30, 2016 is available in the separately issued TRS comprehensive annual financial report.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. RETIREMENT PLAN COMMITMENTS (Continued)**

**b. Illinois Municipal Retirement Fund**

The District's defined benefit pension plan (the Plan), Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the Plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and supplementary information for the Plan as a whole but not by individual employer. That report may be obtained at [www.imrf.org](http://www.imrf.org). The net pension liability for the governmental activities will be liquidated by the Illinois Municipal Retirement/Social Security Fund.

*Plan Administration*

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.

The Plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

*Plan Membership*

At December 31, 2016, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	1,294
Inactive employees entitled to but not yet receiving benefits	1,190
Active employees	<u>1,392</u>
TOTAL	<u><u>3,876</u></u>

9. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

*Benefits Provided*

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 ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten 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. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

*Contributions*

Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year 2017 and 2016 was 9.39% and 9.83%, respectively of annual covered payroll.

*Actuarial Assumptions*

The District's net pension liability was measured as of December 31, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. RETIREMENT PLAN COMMITMENTS (Continued)**

b. Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions (Continued)*

Actuarial valuation date	December 31, 2016
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Asset valuation method	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

*Discount Rate*

The discount rate used to measure the IMRF total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the employer's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**9. RETIREMENT PLAN COMMITMENTS (Continued)**

b. Illinois Municipal Retirement Fund (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2016	\$ 214,580,170	\$ 198,311,560	\$ 16,268,610
Changes for the period			
Service cost	4,112,437	-	4,112,437
Interest	15,761,381	-	15,761,381
Difference between expected and actual experience	(2,417,979)	-	(2,417,979)
Changes in assumptions	(238,612)	-	(238,612)
Employer contributions	-	3,728,265	(3,728,265)
Employee contributions	-	1,744,700	(1,744,700)
Net investment income	-	13,532,519	(13,532,519)
Benefit payments and refunds	(12,408,136)	(12,408,136)	-
Other (net transfer)	-	44,872	(44,872)
Net change for the period	4,809,091	6,642,220	(1,833,129)
BALANCES AT DECEMBER 31, 2016	\$ 219,389,261	\$ 204,953,780	\$ 14,435,481

Changes in assumptions related to investment rate of return were made since the prior measurement date.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. RETIREMENT PLAN COMMITMENTS (Continued)**

**b. Illinois Municipal Retirement Fund (Continued)**

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended June 30, 2017, the District recognized pension expense of \$9,344,612. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflow of Resources
Difference between expected and actual experience	\$ 671,211	\$ 1,692,774	\$ (1,021,563)
Changes in assumption	981,050	167,047	814,003
Net difference between projected and actual earnings on pension plan investments	10,367,887	-	10,367,887
Contributions after measurement date	1,817,168	-	1,817,168
<b>TOTAL</b>	<b>\$ 13,837,316</b>	<b>\$ 1,859,821</b>	<b>\$ 11,977,495</b>

\$1,817,168 reported as deferred outflows of resources related to District contributions subsequent to the measurement date and will be recognized as a reduction to net pension liability in the reporting year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending  
December 31,

2018	\$ 4,249,004
2019	2,939,457
2020	2,755,372
2021	216,494
2022	-
Thereafter	-
<b>TOTAL</b>	<b>\$ 10,160,327</b>



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. RETIREMENT PLAN COMMITMENTS (Continued)**

b. Illinois Municipal Retirement Fund (Continued)

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability of the District calculated using the discount rate of 7.5% as well as what the District's net pension liability (assets) would be if it were calculated using a discount rate that is 1 percentage point lower (6.5%) or 1 percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net pension liability (asset)	\$ 40,131,916	\$ 14,435,481	\$ (6,820,258)

**10. EARLY RETIREMENT BENEFITS**

The District offered two early retirement incentive plans. The first plan began in June 1989 and the District offered an early retirement plan to all employees covered by the collective bargaining agreement with the Rockford Education Association. The plan offered a \$3,000 early retirement bonus and a lifetime retirement supplement, with no right of survivorship, of \$150 per month. The District also offered postretirement health care benefits who elected the above described early retirement plan.

In July 1991, the second retirement plan was offered by the District to all employees covered by the collective bargaining agreement with the Rockford Education Association. The plan offered a lifetime benefit, payable monthly, in the amount of \$60 times credible years of TRS service divided by 12 with the maximum of 30 years of services.

*Actuarial Methods and Assumptions*

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

**10. EARLY RETIREMENT BENEFITS (Continued)**

Actuarial Methods and Assumptions (Continued)

In the June 30, 2017 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions used a rate to discount liabilities of 2.85%, which was determined by a cash flow matching analysis using plan specific expected benefit payments and spot rates from the Citigroup Pension Discount Curve as of June 30, 2017. The mortality rates used are from the RP-2014 Health Mortality Tables with White Collar Adjustments, projected generationally with Scale MP-2014. The benefits apply to a closed group of retired participants.

**11. OTHER POSTEMPLOYMENT BENEFITS**

a. Retiree's Health Plan

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

Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the Board and the union. The District makes the same monthly health insurance contribution on behalf of the retiree as it makes on-behalf of all other active employees during that year. The District has a pay as you go funding policy which means that contributions are made to the plan only to fund the amount of benefits paid each year. For fiscal year 2017, the District contributed \$3,893,606 to the plan.

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer. The ARC represents a level of funding that, if paid on the ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table show the components of the District's annual OPEB cost for the year, the amount actually contributed to the Retiree's Health Plan and changes in the District's net OPEB obligation to the Retiree's Health Plan:

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**11. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

a. Retiree's Health Plan (Continued)

Annual required contribution	\$ 3,788,796
Interest on net OPEB obligation	67,266
Adjustment to annual required contribution	<u>(85,406)</u>
Annual OPEB cost	3,770,656
Contributions made	<u>(3,893,606)</u>
Decrease in net OPEB obligation	(122,950)
Net OPEB obligation, beginning of year	<u>1,345,323</u>
NET OPEB OBLIGATION, END OF YEAR	<u><u>\$ 1,222,373</u></u>

*Membership*

At July 1, 2015 (most recent information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	680
Terminated employees entitled to benefits but not yet receiving them	-
Active employees - vested	357
Active employees - nonvested	<u>2,565</u>
TOTAL	<u><u>3,602</u></u>
Participating employers	<u><u>1</u></u>

*Funding Policy*

The District is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**11. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

a. Retiree's Health Plan (Continued)

*Funding Policy* (Continued)

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the Retiree's Health Plan and the net OPEB obligation (asset) for 2017 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2017	\$ 3,770,656	103.26%	\$ 1,222,373
2016	3,782,803	102.89%	1,345,323
2015	4,006,841	59.87%	1,454,472

The funded status of the Retiree's Health Plan as of July 1, 2015 (most recent information available) was as follows:

Actuarial accrued liability (AAL)	\$ 40,302,987
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	40,302,987
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 147,504,042
UAAL as a percentage of covered payroll	27.32%

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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

**11. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

a. Retiree's Health Plan (Continued)

*Funding Policy* (Continued)

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

In the July 1, 2015 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 5% investment rate of return and an annual healthcare cost trend rate of 6% initially, reduced by decrements to an ultimate rate of 5% after 2017. The Retiree's Health Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at July 1, 2015 was 30 years.

b. Teacher Health Insurance Security of the State of Illinois

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

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

## **11. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

### **b. Teacher Health Insurance Security of the State of Illinois (Continued)**

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

- On-behalf contributions to THIS Fund - The State makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.12% of pay during the year ended June 30, 2017. State contributions were \$1,720,564 and the District recognized revenue and expenditures of this amount during the year. State contributions intended to match active member contributions during the years ended June 30, 2016 and 2015 were 1.07% and 1.02% of pay, respectively. State contributions on behalf of district employees were \$1,612,335 and \$1,514,894 for the years ended June 30, 2016 and 2015, respectively.
- Employer contributions to THIS Fund - The District also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.84% during the year ended June 30, 2017 and 0.80% and 0.76% during the years ended June 30, 2016 and 2015, respectively. For the year ended June 30, 2017, the District paid \$1,290,423 to THIS Fund, which was 100% of the required contribution. For the years ended June 30, 2016 and 2015, the District paid \$1,205,484 and \$1,128,745 to THIS Fund, respectively, which was 100% of the required contribution.

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

## **12. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omission; injuries to employees; and natural disasters. The District is self-insured for medical and dental coverage and workers' compensation.

The District is self-insuring its employee medical and dental benefits up to \$325,000 per plan year for each employee or dependent covered and maintains coverage with an insurance carrier for excess amounts. This plan is administered by outside administrators who process the claims. The District pays the cost of employee coverage, and shares in the cost of their dependents. As of June 30, 2017, a liability has been provided for all known claims plus an estimate for those claims incurred but not reported. The cost related to this plan for the year ended June 30, 2017 were accounted for in the Internal Service Fund.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**12. RISK MANAGEMENT (Continued)**

The District is also self-insured for workers' compensation claims on the first \$625,000 of each occurrence. The District carries excess workers' compensation insurance for statutory amounts not otherwise self-insured.

The District also purchases commercial insurance through a cooperative to provide risks of loss for property, general liability, automotive liability, excess liability, school board legal liability and excess property coverage to which the District is exposed. The cooperative has purchased aggregate excess coverage except for property and casualty losses. The property and casualty loss fund is fully funded by members based on required contributions determined by the cooperative's actuary. The District has not reduced its coverage this past year. The District has not significantly reduced insurance coverage nor had any settlement claims exceeding its insurance coverage the past three years.

An analysis of claims activity consisted of the following:

	2016 to 2017	2015 to 2016
Self-insurance liability, July 1	\$ 6,794,028	\$ 7,004,369
Current year claims and changes in estimate	46,229,143	47,692,043
Claims paid	(45,951,506)	(47,902,384)
SELF-INSURANCE LIABILITY, JUNE 30	<u>\$ 7,071,665</u>	<u>\$ 6,794,028</u>

**13. CONTINGENT**

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

**14. STATE AND FEDERAL AID CONTINGENCIES**

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

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**15. COMMITMENTS**

Construction Projects

The District had active outstanding construction project contracts open at year end. Future completion in the next fiscal year with estimated amount of approximately \$27,104,462 is to be paid to contractors.

**16. CORPORATE PERSONAL PROPERTY REPLACEMENT TAX OVERPAYMENT**

During the fiscal year ended June 30, 2016, the Illinois Department of Revenue discovered it had made incorrect distributions or overpayments of corporate personal property replacement tax to local taxing districts. In September 2017, the Illinois Department of Revenue issued a statement that they would no longer be seeking repayment of these overpayments. The District recognized 60% of this forgiveness during the fiscal year ended June 30, 2017. The remaining 40% of the overpayment totaling \$1,116,776, will be recognized in fiscal year ending June 30, 2018, is reported as Due to Other Governments in the General Fund.

**17. PRIOR PERIOD ADJUSTMENT**

The District has restated fund balances/net position as of July 1, 2016 as follows:

	General Fund	Nonmajor Governmental Funds	Governmental Activities
FUND BALANCES/NET POSITION, JULY 1, AS PREVIOUSLY REPORTED	\$ 90,390,084	\$ 35,869,337	\$ 172,159,290
CORRECTION OF AN ERROR			
To correct overstated revenues in the prior year	(578,246)	-	(578,246)
To correct overstated expenditures in the prior year	-	382,826	382,826
To correct overstated expenditures in the prior year	-	259,237	259,237
To correct understated revenues in the prior year	163,985	-	163,985
To correct understated expenditures in the prior year	(550,501)	-	(550,501)
TOTAL CORRECTION OF AN ERROR	(964,762)	642,063	(322,699)
FUND BALANCES/NET POSITION, JULY 1, AS RESTATED	\$ 89,425,322	\$ 36,511,400	\$ 171,836,591



## **REQUIRED SUPPLEMENTARY INFORMATION**

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

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

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Educational and working cash property taxes	\$ 79,546,285	\$ 79,032,993	\$ (513,292)
Special education property taxes	15,712,846	15,611,965	(100,881)
Replacement taxes	12,483,818	14,211,296	1,727,478
Regular tuition from pupils or parents (in state)	426,495	730,347	303,852
Regular tuition from other LEA's (in state)	331,032	-	(331,032)
Regular tuition from other sources (in state)	-	10,127	10,127
Summer school - tuition from pupils and parents (in state)	58,155	134,317	76,162
Special education - tuition from other LEA's (in state)	1,837,427	1,701,163	(136,264)
Adult - tuition from pupils or parents (in state)	27,875	55,270	27,395
Investment income	320,000	198,377	(121,623)
Sales to pupils - lunch	-	847	847
Sales to pupils - breakfast	49,626	5,735	(43,891)
Sales to pupils - Ala Carte	430,619	568,632	138,013
Sales to pupils - other	100,000	77,353	(22,647)
Sales to adults	17,000	3,959	(13,041)
Other food service	16,500	11,508	(4,992)
Admissions - athletic	41,435	55,187	13,752
Other activity revenue	-	298,455	298,455
Rentals	-	17,513	17,513
Fees	73,370	111,766	38,396
Contributions and donations from private sources	30,000	449,683	419,683
Drivers education fees	30,305	48,948	18,643
Refund of prior year expenditures	-	564,394	564,394
Other	409,389	351,741	(57,648)
Total local sources	111,942,177	114,251,576	2,309,399
Flow-through revenue from one LEA to another LEA			
Flow-through revenue from state sources	15,974	15,496	(478)
Total flow-through	15,974	15,496	(478)
State sources			
General state aid	106,891,716	115,810,724	8,919,008
Special education - private facility tuition	2,894,130	2,761,968	(132,162)
Special education - extraordinary	3,977,060	3,988,817	11,757
Special education - personnel	5,517,676	5,286,944	(230,732)
Special education - orphanage - individual	1,800,000	1,121,499	(678,501)
Special education - orphanage - summer	200,000	-	(200,000)
Special education - summer school	168,443	-	(168,443)
Bilingual education - downstate - TPI	1,644,472	869,578	(774,894)
State free lunch	92,213	66,231	(25,982)
Driver education	223,555	282,657	59,102
Adult education from Illinois Community College Board	738,849	834,840	95,991
Truant alternative/optional education	209,106	208,177	(929)

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES (Continued)</b>			
State sources (Continued)			
Early childhood - block grant	\$ 9,294,273	\$ 9,842,895	\$ 548,622
Advanced placement classes	-	37,481	37,481
Other restricted revenue from state sources	400,000	301,781	(98,219)
On-behalf payments to TRS from the State	60,719,687	118,767,600	58,047,913
Total state sources	194,771,180	260,181,192	65,410,012
Federal sources			
Federal impact aid	15,000	-	(15,000)
Title IV - other	409,766	80,377	(329,389)
National school lunch program	9,338,651	10,587,017	1,248,366
Special breakfast program	2,011,779	2,603,366	591,587
Summer food service program	235,000	202,465	(32,535)
Child care commodity/SFS 13-adult day care	-	4,237	4,237
Fresh fruits and veggies	-	125,921	125,921
Commodity credit	830,000	1,036,443	206,443
Title I - low income	14,846,330	13,761,570	(1,084,760)
Title I - other	70,000	1,254,018	1,184,018
Title IV - 21st century	1,620,000	1,306,666	(313,334)
Federal - special education - preschool flow-through	283,560	244,959	(38,601)
Federal - special education - IDEA - flow-through/low incident	8,203,397	6,661,512	(1,541,885)
Federal - special education - IDEA - room and board	600,000	785,586	185,586
Federal - adult education	108,416	237,440	129,024
Race to the Top - Preschool flow-through	1,348,723	1,355,294	6,571
Title II - Immigrant education program	64,125	38,005	(26,120)
Title III - English language acquisition	636,535	428,612	(207,923)
McKinney education for homeless children	38,706	55,463	16,757
Title II - teacher quality	2,405,638	984,438	(1,421,200)
Medicaid matching funds - administrative outreach	775,000	526,905	(248,095)
Medicaid matching funds - fee-for-service program	2,100,000	2,070,723	(29,277)
Other restricted revenue from federal sources	25,000	190,249	165,249
Total federal sources	45,965,626	44,541,266	(1,424,360)
Total revenues	352,694,957	418,989,530	66,294,573
<b>EXPENDITURES</b>			
Instruction			
Regular programs			
Salaries	66,918,098	64,053,984	(2,864,114)
Employee benefits	24,186,209	23,312,802	(873,407)
Purchased services	1,104,763	1,137,483	32,720
Supplies and materials	5,401,750	5,071,240	(330,510)
Capital outlay	239,739	63,827	(175,912)
Other objects	166,720	128,564	(38,156)
Noncapitalized equipment	-	453,553	453,553

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Regular programs (Continued)			
Termination benefits	\$ 450,000	\$ -	\$ (450,000)
On-behalf payments to TRS from the State	27,187,535	63,280,039	36,092,504
Total regular programs	125,654,814	157,501,492	31,846,678
Pre-K programs			
Salaries	5,220,609	5,133,417	(87,192)
Employee benefits	2,737,593	2,732,710	(4,883)
Purchased services	136,608	133,849	(2,759)
Supplies and materials	132,796	523,701	390,905
Capital outlay	6,443	822	(5,621)
Noncapitalized equipment	-	3,884	3,884
On-behalf payments to TRS from the State	1,769,380	522,501	(1,246,879)
Total Pre-K programs	10,003,429	9,050,884	(952,545)
Special education programs			
Salaries	23,687,327	22,779,966	(907,361)
Employee benefits	11,716,538	9,878,666	(1,837,872)
Purchased services	143,534	658,272	514,738
Supplies and materials	285,451	247,488	(37,963)
Capital outlay	55,500	-	(55,500)
Other objects	6,805,000	7,320,311	515,311
Noncapitalized equipment	-	7,330	7,330
On-behalf payments to TRS from the State	8,122,943	14,854,329	6,731,386
Total special education programs	50,816,293	55,746,362	4,930,069
Special education programs Pre-K			
Salaries	1,489,632	1,451,921	(37,711)
Employee benefits	774,491	647,768	(126,723)
Purchased services	4,506	3,253	(1,253)
Supplies and materials	5,767	4,865	(902)
On-behalf payments to TRS from the State	496,403	605,929	109,526
Total special education programs Pre-K	2,770,799	2,713,736	(57,063)
Remedial and supplemental programs K-12			
Salaries	3,386,677	3,068,260	(318,417)
Employee benefits	1,484,381	1,818,958	334,577
Purchased services	380,906	1,088,342	707,436
Supplies and materials	2,066,037	2,156,703	90,666
Capital outlay	121,027	-	(121,027)
Noncapitalized equipment	-	253,211	253,211
On-behalf payments to TRS from the State	2,121,885	-	(2,121,885)
Total remedial and supplemental programs K-12	9,560,913	8,385,474	(1,175,439)

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Adult/continuing education programs			
Salaries	\$ 221,496	\$ 342,953	\$ 121,457
Employee benefits	76,756	103,736	26,980
Purchased services	1,451	1,153	(298)
On-behalf payments to TRS from the State	78,191	147,530	69,339
	<hr/>	<hr/>	<hr/>
Total adult/continuing education programs	377,894	595,372	217,478
	<hr/>	<hr/>	<hr/>
CTE programs			
Salaries	2,911,594	3,328,178	416,584
Employee benefits	1,141,230	1,095,592	(45,638)
Purchased services	102,995	78,424	(24,571)
Supplies and materials	247,000	214,219	(32,781)
Capital outlay	500,000	314,770	(185,230)
Other objects	235,000	60,090	(174,910)
Noncapitalized equipment	-	85,803	85,803
On-behalf payments to TRS from the State	1,143,515	2,551,123	1,407,608
	<hr/>	<hr/>	<hr/>
Total CTE programs	6,281,334	7,728,199	1,446,865
	<hr/>	<hr/>	<hr/>
Interscholastic programs			
Salaries	1,258,766	1,533,699	274,933
Employee benefits	205,379	280,048	74,669
Purchased services	69,123	277,178	208,055
Supplies and materials	167,384	305,431	138,047
Capital outlay	30,000	-	(30,000)
Other objects	7,000	75,434	68,434
Noncapitalized equipment	-	7,001	7,001
On-behalf payments to TRS from the State	663,922	632,753	(31,169)
	<hr/>	<hr/>	<hr/>
Total interscholastic programs	2,401,574	3,111,544	709,970
	<hr/>	<hr/>	<hr/>
Summer school programs			
Salaries	439,900	876,210	436,310
Employee benefits	191,579	135,786	(55,793)
Purchased services	500	176,390	175,890
Supplies and materials	106,710	80,913	(25,797)
On-behalf payments to TRS from the State	-	369,691	369,691
	<hr/>	<hr/>	<hr/>
Total summer school programs	738,689	1,638,990	900,301
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(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Gifted programs			
Salaries	\$ 4,203,110	\$ 4,193,580	\$ (9,530)
Employee benefits	1,503,254	1,370,504	(132,750)
Purchased services	66,800	30,302	(36,498)
Supplies and materials	57,000	101,385	44,385
Noncapitalized equipment	-	2,098	2,098
On-behalf payments to TRS from the State	1,923,717	3,472,609	1,548,892
Total gifted programs	7,753,881	9,170,478	1,416,597
Driver's education programs			
Salaries	147,448	491,067	343,619
Employee benefits	54,805	149,440	94,635
Purchased services	-	16,727	16,727
Supplies and materials	4,000	12,869	8,869
On-behalf payments to TRS from the State	58,985	392,220	333,235
Total driver's education programs	265,238	1,062,323	797,085
Bilingual programs			
Salaries	9,085,011	9,320,717	235,706
Employee benefits	3,423,459	3,071,418	(352,041)
Purchased services	66,864	12,105	(54,759)
Supplies and materials	486,921	177,211	(309,710)
Capital outlay	56,777	-	(56,777)
Other objects	100	-	(100)
On-behalf payments to TRS from the State	3,407,339	6,721,789	3,314,450
Total bilingual programs	16,526,471	19,303,240	2,776,769
Truant's alternative and optional programs			
Salaries	2,242,724	2,656,666	413,942
Employee benefits	885,480	868,496	(16,984)
Purchased services	705,580	191,976	(513,604)
Supplies and materials	-	10,330	10,330
Other objects	-	1,303,010	1,303,010
On-behalf payments to TRS from the State	809,754	1,282,467	472,713
Total truant's alternative and optional programs	4,643,538	6,312,945	1,669,407
Pre-K programs- private tuition			
Other objects	1,342,000	-	(1,342,000)
Total pre-K programs - private tuition	1,342,000	-	(1,342,000)
Total instruction	239,136,867	282,321,039	43,184,172

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services			
Pupils			
Attendance and social work services			
Salaries	\$ 2,412,336	\$ 2,529,520	\$ 117,184
Employee benefits	853,041	851,399	(1,642)
Purchased services	653,207	1,220,353	567,146
Supplies and materials	29,347	20,474	(8,873)
On-behalf payments to TRS from the State	952,877	1,937,325	984,448
Total attendance and social work services	4,900,808	6,559,071	1,658,263
Guidance services			
Salaries	4,720,145	4,839,740	119,595
Employee benefits	1,664,781	1,549,925	(114,856)
Purchased services	28,900	14,975	(13,925)
Supplies and materials	64,195	11,825	(52,370)
Capital outlay	4,000	-	(4,000)
On-behalf payments to TRS from the State	1,865,036	3,628,679	1,763,643
Total guidance services	8,347,057	10,045,144	1,698,087
Health services			
Salaries	3,338,522	3,306,856	(31,666)
Employee benefits	1,263,739	1,049,448	(214,291)
Purchased services	4,600	346,249	341,649
Supplies and materials	97,287	53,757	(43,530)
Capital outlay	9,800	-	(9,800)
Other objects	3,000	2,833	(167)
Noncapitalized equipment	-	1,189	1,189
On-behalf payments to TRS from the State	962,761	1,910,621	947,860
Total health services	5,679,709	6,670,953	991,244
Psychological services			
Salaries	2,006,800	1,930,407	(76,393)
Employee benefits	656,796	532,258	(124,538)
Purchased services	65,440	150,346	84,906
Supplies and materials	47,000	30,786	(16,214)
On-behalf payments to TRS from the State	900,478	1,493,390	592,912
Total psychological services	3,676,514	4,137,187	460,673

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Pupils (Continued)			
Speech pathology and audiology services			
Salaries	\$ 3,212,745	\$ 3,104,924	\$ (107,821)
Employee benefits	1,196,474	936,926	(259,548)
Purchased services	53,100	1,331,613	1,278,513
Supplies and materials	56,276	29,566	(26,710)
On-behalf payments to TRS from the State	1,518,896	2,149,070	630,174
Total speech pathology and audiology services	6,037,491	7,552,099	1,514,608
Other support services - pupils			
Salaries	104,205	97,064	(7,141)
Employee benefits	42,987	31,564	(11,423)
Purchased services	3,500	22,268	18,768
Supplies and materials	1,500	6,035	4,535
Total other support services - pupils	152,192	156,931	4,739
Total pupils	28,793,771	35,121,385	6,327,614
Instructional staff			
Improvement of instructional services			
Salaries	5,122,192	4,713,041	(409,151)
Employee benefits	2,268,960	2,057,144	(211,816)
Purchased services	2,068,187	1,619,936	(448,251)
Supplies and materials	702,698	250,515	(452,183)
Capital outlay	42,000	9,536	(32,464)
Other objects	15,000	35,338	20,338
Noncapitalized equipment	-	7,656	7,656
On-behalf payments to TRS from the State	718,136	2,116,350	1,398,214
Total improvement of instructional services	10,937,173	10,809,516	(127,657)
Educational media services			
Salaries	2,092,978	1,924,544	(168,434)
Employee benefits	1,113,115	909,750	(203,365)
Purchased services	164,567	170,939	6,372
Supplies and materials	365,055	519,478	154,423
Capital outlay	70,000	-	(70,000)
On-behalf payments to TRS from the State	610,121	1,021,173	411,052
Total educational media services	4,415,836	4,545,884	130,048

(This schedule is continued on the following pages.)



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Instructional staff (Continued)			
Assessment and testing			
Salaries	\$ 228,349	\$ 140,552	\$ (87,797)
Employee benefits	52,290	32,938	(19,352)
Purchased services	95,540	38,610	(56,930)
Supplies and materials	428,786	300,994	(127,792)
Other objects	-	900	900
On-behalf payments to TRS from the State	-	68,930	68,930
Total assessment and testing	804,965	582,924	(222,041)
Total instructional staff	16,157,974	15,938,324	(219,650)
General administration			
Board of Education services			
Salaries	-	199,070	199,070
Employee benefits	-	23,215	23,215
Purchased services	118,050	1,358,860	1,240,810
Supplies and materials	5,050	25,602	20,552
Other objects	211,000	3,951	(207,049)
Total Board of Education services	334,100	1,610,698	1,276,598
Executive administration services			
Salaries	1,470,075	1,828,570	358,495
Employee benefits	404,608	427,880	23,272
Purchased services	392,653	76,394	(316,259)
Supplies and materials	105,550	55,979	(49,571)
Other objects	16,500	13,592	(2,908)
Noncapitalized equipment	-	2,839	2,839
On-behalf payments to TRS from the State	962,693	1,244,686	281,993
Total executive administration services	3,352,079	3,649,940	297,861
Special area administration services			
Salaries	3,872,079	3,608,433	(263,646)
Employee benefits	1,367,676	1,272,838	(94,838)
Purchased services	452,408	95,967	(356,441)
Supplies and materials	145,550	42,813	(102,737)
Capital outlay	11,200	-	(11,200)
Other objects	9,000	5,355	(3,645)
Noncapitalized equipment	-	949	949
On-behalf payments to TRS from the State	271,552	1,525,241	1,253,689
Total special area administration services	6,129,465	6,551,596	422,131

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
General administration (Continued)			
Tort immunity services			
Salaries	\$ 212,440	\$ 53,941	\$ (158,499)
Employee benefits	42,987	6,939	(36,048)
Purchased services	884,750	-	(884,750)
Supplies and materials	14,826	-	(14,826)
Capital outlay	7,000	-	(7,000)
Total tort immunity services	1,162,003	60,880	(1,101,123)
Total general administration	10,977,647	11,873,114	895,467
School administration			
Office of the principal services			
Salaries	10,694,818	10,827,702	132,884
Employee benefits	3,553,407	2,613,904	(939,503)
Purchased services	17,426	28,825	11,399
Supplies and materials	190,961	82,364	(108,597)
Capital outlay	-	23	23
Other objects	-	825	825
Noncapitalized equipment	-	9,891	9,891
On-behalf payments to TRS from the State	3,571,539	5,820,048	2,248,509
Total office of the principal services	18,028,151	19,383,582	1,355,431
Other support services - school administration			
Salaries	161,492	354,232	192,740
Employee benefits	49,444	117,670	68,226
On-behalf payments to TRS from the State	69,708	292,235	222,527
Total other support services - school administration	280,644	764,137	483,493
Total school administration	18,308,795	20,147,719	1,838,924
Business			
Direction of business support services			
Salaries	150,000	-	(150,000)
Employee benefits	20,000	-	(20,000)
Purchased services	-	19,485	19,485
Supplies and materials	-	304	304
Total direction of business support services	170,000	19,789	(150,211)

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Business (Continued)			
Fiscal services			
Salaries	\$ 853,228	\$ 1,037,710	\$ 184,482
Employee benefits	255,082	296,076	40,994
Purchased services	1,491,665	274,395	(1,217,270)
Supplies and materials	70,000	34,712	(35,288)
Capital outlay	-	487,187	487,187
Other objects	73,000	781,661	708,661
Noncapitalized equipment	-	19,794	19,794
On-behalf payments to TRS from the State	56,082	78,636	22,554
Total fiscal services	2,799,057	3,010,171	211,114
Operation and maintenance of plant services			
Salaries	75,090	51,463	(23,627)
Employee benefits	11,464	40,764	29,300
Purchased services	-	85,883	85,883
Supplies and materials	-	269,616	269,616
Capital outlay	-	89,882	89,882
Total operation and maintenance of plant services	86,554	537,608	451,054
Pupil transportation services			
Purchased services	1,829,899	1,535,099	(294,800)
Noncapitalized equipment	-	1,107	1,107
Total pupil transportation services	1,829,899	1,536,206	(293,693)
Food service			
Salaries	2,931,931	3,205,638	273,707
Employee benefits	1,358,310	1,148,723	(209,587)
Purchased services	340,382	151,072	(189,310)
Supplies and materials	7,746,793	8,153,305	406,512
Capital outlay	206,000	267,818	61,818
Other objects	23,700	24,307	607
Noncapitalized equipment	-	137,080	137,080
Total food service	12,607,116	13,087,943	480,827
Internal services			
Salaries	675,293	664,005	(11,288)
Employee benefits	128,961	112,595	(16,366)
Purchased services	214,842	265,313	50,471
Supplies and materials	144,600	57,027	(87,573)
Capital outlay	152,500	227,152	74,652
Other objects	1,000	590	(410)
Noncapitalized equipment	-	2,705	2,705
Total internal service	1,317,196	1,329,387	12,191
Total business	18,809,822	19,521,104	711,282

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Central			
Direction of central support services			
Salaries	\$ 91,569	\$ 104,802	\$ 13,233
Employee benefits	33,242	29,095	(4,147)
Purchased services	293,667	335,839	42,172
Supplies and materials	1,500	2,204	704
On-behalf payments to TRS from the State	34,736	66,252	31,516
	<hr/>	<hr/>	<hr/>
Total direction of central support services	454,714	538,192	83,478
	<hr/>	<hr/>	<hr/>
Planning, research, development and evaluation services			
Salaries	367,290	428,269	60,979
Employee benefits	88,986	89,355	369
Purchased services	62,860	69,612	6,752
Supplies and materials	40,060	34,513	(5,547)
Other objects	100	375	275
On-behalf payments to TRS from the State	58,936	145,647	86,711
	<hr/>	<hr/>	<hr/>
Total planning, research, development and evaluation services	618,232	767,771	149,539
	<hr/>	<hr/>	<hr/>
Information services			
Salaries	471,081	446,610	(24,471)
Employee benefits	100,303	95,079	(5,224)
Purchased services	238,500	120,834	(117,666)
Supplies and materials	28,994	27,002	(1,992)
Capital outlay	4,000	-	(4,000)
Other objects	-	2,445	2,445
	<hr/>	<hr/>	<hr/>
Total information services	842,878	691,970	(150,908)
	<hr/>	<hr/>	<hr/>
Staff services			
Salaries	1,450,811	1,657,468	206,657
Employee benefits	598,823	538,650	(60,173)
Purchased services	701,995	518,018	(183,977)
Supplies and materials	268,337	35,481	(232,856)
Capital outlay	10,000	-	(10,000)
Other objects	35,300	6,770	(28,530)
Noncapitalized equipment	-	1,759	1,759
On-behalf payments to TRS from the State	165,921	252,571	86,650
	<hr/>	<hr/>	<hr/>
Total staff services	3,231,187	3,010,717	(220,470)
	<hr/>	<hr/>	<hr/>

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Central (Continued)			
Data processing services			
Salaries	\$ 2,165,478	\$ 1,905,321	\$ (260,157)
Employee benefits	654,885	565,581	(89,304)
Purchased services	1,432,299	2,613,106	1,180,807
Supplies and materials	1,050,000	103,068	(946,932)
Capital outlay	418,053	180,276	(237,777)
Other objects	200	1,334	1,134
Noncapitalized equipment	-	2,088	2,088
On-behalf payments to TRS from the State	-	80,570	80,570
	<hr/>	<hr/>	<hr/>
Total data processing services	5,720,915	5,451,344	(269,571)
	<hr/>	<hr/>	<hr/>
Total central	10,867,926	10,459,994	(407,932)
	<hr/>	<hr/>	<hr/>
Other supporting services			
Salaries	279,153	237,308	(41,845)
Employee benefits	138,760	122,249	(16,511)
Purchased services	119,592	107,414	(12,178)
Supplies and materials	1,500	28,500	27,000
Capital outlay	-	9,097	9,097
	<hr/>	<hr/>	<hr/>
Total other supporting services	539,005	504,568	(34,437)
	<hr/>	<hr/>	<hr/>
Total support services	104,454,940	113,566,208	9,111,268
	<hr/>	<hr/>	<hr/>
Community services			
Salaries	1,984,262	2,127,575	143,313
Employee benefits	1,104,395	1,144,398	40,003
Purchased services	562,957	278,544	(284,413)
Supplies and materials	316,016	192,162	(123,854)
Capital outlay	3,696	-	(3,696)
Noncapitalized equipment	-	2,423	2,423
On-behalf payments to TRS from the State	216,646	103,196	(113,450)
	<hr/>	<hr/>	<hr/>
Total community services	4,187,972	3,848,298	(339,674)
	<hr/>	<hr/>	<hr/>
Intergovernmental			
Payments for regular programs			
Purchased services	3,471,283	3,726,466	255,183
Other objects	10,625,000	11,339,209	714,209
	<hr/>	<hr/>	<hr/>
Total intergovernmental	14,096,283	15,065,675	969,392
	<hr/>	<hr/>	<hr/>
Total expenditures	361,876,062	414,801,220	52,925,158
	<hr/>	<hr/>	<hr/>

(This schedule is continued on the following page.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended June 30, 2017

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (9,181,105)	\$ 4,188,310	\$ 13,369,415
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	(400,000)	-	400,000
Total other financing sources (uses)	(400,000)	-	400,000
NET CHANGE IN FUND BALANCE	<u>\$ (9,581,105)</u>	<u>4,188,310</u>	<u>\$ 13,769,415</u>
FUND BALANCE, JULY 1		90,390,084	
Prior period adjustment		<u>(964,762)</u>	
FUND BALANCE, JULY 1, RESTATED		<u>89,425,322</u>	
<b>FUND BALANCE, JUNE 30</b>		<u><u>\$ 93,613,632</u></u>	

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT BENEFIT PLAN

June 30, 2017

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Actuarial Valuation Date July 1,	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry-Age (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
2016	N/A	N/A	N/A	N/A	N/A	N/A
2015	\$ -	\$ 40,302,987	\$ 40,302,987	N/A	\$ 147,504,042	27.32%
2014	N/A	N/A	N/A	N/A	N/A	N/A
2013	-	39,497,668	39,497,668	N/A	161,631,430	24.44%
2012	N/A	N/A	N/A	N/A	N/A	N/A
2011	-	43,624,749	43,624,749	N/A	134,806,293	32.36%

N/A - not available

Note: The District did not have actuarial valuations as of July 1, 2012, 2014 and 2016.

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Three Fiscal Years

<b>FISCAL YEAR END JUNE 30,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Actuarially determined contribution	\$ 3,882,559	\$ 3,774,142	\$ 3,522,534
Contributions in relation to the actuarially determined contribution	3,882,559	3,774,142	3,522,534
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered-employee payroll	\$ 37,308,435	\$ 38,167,852	\$ 38,695,219
Contributions as a percentage of covered-employee payroll	10.41%	9.89%	9.10%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuation as of January 1 of the prior year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percentage of payroll, closed; and the amortization period was a 27-year closed period until the remaining period reaches 15 years (then a 15-year rolling period will be applied); the asset valuation method was five-year smoothed market with a 20% corridor; and the significant actuarial assumptions were price inflation of 2.75% annually, salary increases of 3.75% to 14.50% annually and an investment rate of return of 7.50% annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFIT PLAN

June 30, 2017

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<b>Fiscal Year</b>	<b>Annual Required Contribution (ARC)</b>	<b>Employer Contributions</b>	<b>Percentage of ARC Contributed</b>
2017	\$ 3,788,796	\$ 3,893,606	102.77%
2016	3,802,414	3,891,952	102.35%
2015	4,004,774	2,359,563	58.92%
2014	4,002,341	3,952,260	98.75%
2013	4,110,775	4,488,306	109.18%
2012	4,122,882	4,182,296	101.44%

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Last Three Fiscal Years

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Statutorily-required contribution	\$ 2,852,360	\$ 3,066,048	\$ 3,290,680
Contributions in relation to the statutorily-required contribution	2,852,360	3,066,048	3,290,680
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
District's covered-employee payroll	\$ 148,519,026	\$ 150,685,486	\$ 153,621,756
Contributions as a percentage of covered-employee payroll	1.92%	2.03%	2.14%

Notes to Required Supplementary Information

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

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Three Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014*	2015*	2016*
<b>TOTAL PENSION LIABILITY</b>			
Service cost	\$ 4,159,957	\$ 4,368,572	\$ 4,112,437
Interest	13,950,786	15,128,232	15,761,381
Changes of benefit terms	-	-	-
Differences between expected and actual experience	1,028,834	1,373,353	(2,417,979)
Changes of assumptions	7,856,003	236,362	(238,612)
Benefit payments, including refunds of member contributions	(11,083,560)	(11,717,657)	(12,408,136)
Net change in total pension liability	15,912,020	9,388,862	4,809,091
Total pension liability - beginning	189,279,288	205,191,308	214,580,170
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 205,191,308</b>	<b>\$ 214,580,170</b>	<b>\$ 219,389,261</b>
<b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - employer	\$ 4,099,222	\$ 3,133,412	\$ 3,728,265
Contributions - member	1,732,766	1,757,018	1,744,700
Net investment income	11,957,473	1,001,565	13,532,519
Benefit payments, including refunds of member contributions	(11,083,560)	(11,717,657)	(12,408,136)
Other (net transfer)	(157,801)	104,018	44,872
Net change in plan fiduciary net position	6,548,100	(5,721,644)	6,642,220
Plan fiduciary net position - beginning	197,485,104	204,033,204	198,311,560
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 204,033,204</b>	<b>\$ 198,311,560</b>	<b>\$ 204,953,780</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 1,158,104</b>	<b>\$ 16,268,610</b>	<b>\$ 14,435,481</b>
Plan fiduciary net position as a percentage of the total pension liability (asset)	99.44%	92.42%	93.42%
Covered-employee payroll	\$ 37,308,435	\$ 38,167,852	\$ 37,926,298
Employer's net pension liability as a percentage of covered-employee payroll	3.10%	42.62%	38.06%

Notes to Schedule:

\*The actuarial valuations were performed as of December 31.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
 SHARE OF THE NET PENSION LIABILITY  
 TEACHER'S RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Last Three Fiscal Years

MEASUREMENT DATE JUNE 30,	2014	2015	2016
District's proportion of the net pension liability	0.0883560716%	0.0684402657%	0.0866560420%
District's proportionate share of the net pension liability	\$ 53,771,979	\$ 44,835,269	\$ 68,402,854
State's proportionate share of the net pension liability associated with the District	937,532,477	932,876,821	1,203,832,477
<b>TOTAL</b>	<b>\$ 991,304,456</b>	<b>\$ 977,712,090</b>	<b>\$ 1,272,235,331</b>
District's covered-employee payroll	\$ 148,908,671	\$ 148,519,026	\$ 150,685,486
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	36.21%	30.19%	45.39%
Plan fiduciary net position as a percentage of the total pension liability	43.00%	43.00%	43.00%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2017

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**1. BUDGETS AND BUDGETARY ACCOUNTING**

The budgeted amounts for the governmental funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

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

- a. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
- c. Prior to September 30, the budget is legally adopted through passage of resolution. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.
- d. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.
- e. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
- f. All budget appropriations lapse at the end of the fiscal year.

The budget amounts shown in the financial statements are as originally adopted because there were no amendments during the past fiscal year.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**

**ROCKFORD, ILLINOIS**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)**

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**2. EXCESS EXPENDITURES OVER APPROPRIATIONS**

For the year ended June 30, 2017, expenditures exceeded budget in the following funds:

General Fund	\$ 52,925,158
Operations and Maintenance	615,697
Transportation	3,599,542
Municipal Retirement/Social Security Fund	544,301
Fire Prevention and Life Safety Fund	636,049

General Fund expenditure exceed budget due to on-behalf payments recorded in the amount of \$118,767,600. The amounts are provided by TRS after June 30, 2017 and cannot be accurately estimated by the District and was budgeted at \$60,719,687.

## **SUPPLEMENTARY INFORMATION**

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
OPERATING FUNDS

For the Year Ended June 30, 2017

	<b>General</b>	<b>Operations and Maintenance</b>	<b>Transportation</b>
<b>REVENUES</b>			
Property taxes	\$ 94,644,958	\$ 14,636,624	\$ 17,131,374
Corporate personal property replacement taxes	14,211,296	8,357,421	-
State aid	260,196,688	-	14,918,309
Federal aid	44,541,266	-	-
Investment income	198,377	299	49,157
Refund of prior year's expenditures	564,394	1,268	-
Payments of surplus monies from TIF districts	-	13,061	-
Other	4,632,551	1,742,786	54,869
Total revenues	418,989,530	24,751,459	32,153,709
<b>EXPENDITURES</b>			
Current			
Instruction			
Regular programs	157,437,665	-	-
Special programs	75,895,634	-	-
Other instructional programs	48,608,321	-	-
Support services			
Pupils	35,121,385	-	84,618
Instructional staff	15,928,788	-	-
General administration	11,873,114	-	-
School administration	20,147,696	-	-
Business	18,449,065	-	-
Transportation	-	17,081	20,841,364
Operations and maintenance	-	23,506,730	-
Central	10,279,718	-	-
Other supporting services	504,568	523,804	-
Community services	3,848,298	-	-
Intergovernmental			
Payments to other districts and government units	15,065,675	-	-
Capital outlay	1,641,293	2,945,713	2,759,475
Total expenditures	414,801,220	26,993,328	23,685,457
NET CHANGES IN FUND BALANCE	4,188,310	(2,241,869)	8,468,252
FUND BALANCES (DEFICIT), JULY 1	90,390,084	(2,256,716)	10,252,166
Prior period adjustment	(964,762)	-	-
FUND BALANCE (DEFICIT), JULY 1, RESTATED	89,425,322	(2,256,716)	10,252,166
<b>FUND BALANCES (DEFICIT), JUNE 30</b>	<b>\$ 93,613,632</b>	<b>\$ (4,498,585)</b>	<b>\$ 18,720,418</b>



<b>Municipal Retirement/ Social Security</b>	<b>Tort Immunity</b>	<b>Total</b>
\$ 6,258,898	\$ 5,907,035	\$ 138,578,889
971,098	-	23,539,815
-	377,962	275,492,959
-	-	44,541,266
25,413	46,873	320,119
-	-	565,662
-	-	13,061
-	288,333	6,718,539
7,255,409	6,620,203	489,770,310
874,297	-	158,311,962
961,756	-	76,857,390
549,280	-	49,157,601
463,951	-	35,669,954
162,188	-	16,090,976
245,668	6,210,668	18,329,450
687,964	-	20,835,660
3,197,903	-	21,646,968
-	-	20,858,445
-	-	23,506,730
570,637	-	10,850,355
86,030	-	1,114,402
39,966	-	3,888,264
-	-	15,065,675
-	243,997	7,590,478
7,839,640	6,454,665	479,774,310
(584,231)	165,538	9,996,000
2,251,911	10,630,217	111,267,662
382,826	259,237	(322,699)
2,634,737	10,889,454	110,944,963
\$ 2,050,506	\$ 11,054,992	\$ 120,940,963

(See independent auditor's report.)

**MAJOR DEBT SERVICE AND CAPITAL PROJECTS FUNDS**

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
BOND AND INTEREST FUND**

For the Year Ended June 30, 2017

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>			
Local sources			
Debt service property taxes	\$ 13,406,220	\$ 13,067,090	\$ (339,130)
Corporate personal property replacement taxes	2,500,000	2,500,000	-
Investment income	48,000	54,654	6,654
Federal sources			
Build America Bond interest reimbursement	-	1,103,984	1,103,984
Total revenues	15,954,220	16,725,728	771,508
<b>EXPENDITURES</b>			
Debt service			
Payments on long-term debt			
Principal payments on long-term debt	7,627,774	9,290,000	1,662,226
Interest on long-term debt	8,581,351	5,604,929	(2,976,422)
Total expenditures	16,209,125	14,894,929	(1,314,196)
NET CHANGE IN FUND BALANCE	<u>\$ (254,905)</u>	1,830,799	<u>\$ 2,085,704</u>
FUND BALANCE, JULY 1		<u>2,138,318</u>	
FUND BALANCE, JUNE 30		<u>\$ 3,969,117</u>	

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Investment income	\$ 175,000	\$ 201,817	\$ 26,817
Other local revenues	-	482,655	482,655
	<hr/>	<hr/>	<hr/>
Total local sources	175,000	684,472	509,472
	<hr/>	<hr/>	<hr/>
Total revenues	175,000	684,472	509,472
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Support services			
Operations and maintenance			
Facilities acquisition and construction services			
Salaries	734,127	630,838	(103,289)
Employee benefits	169,225	140,669	(28,556)
Purchased services	1,320,957	3,741,971	2,421,014
Supplies and materials	-	539,535	539,535
Capital outlay	26,303,957	21,364,621	(4,939,336)
Other objects	-	4,023	4,023
Noncapitalized equipment	-	173,257	173,257
	<hr/>	<hr/>	<hr/>
Total facilities acquisition and construction services	28,528,266	26,594,914	(1,933,352)
	<hr/>	<hr/>	<hr/>
Total expenditures	28,528,266	26,594,914	(1,933,352)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (28,353,266)</u>	<u>(25,910,442)</u>	<u>\$ 2,442,824</u>
FUND BALANCE, JULY 1		<u>90,767,859</u>	
FUND BALANCE, JUNE 30		<u><u>\$ 64,857,417</u></u>	

(See independent auditor's report.)

**MAJOR GENERAL FUND**

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

COMBINING BALANCE SHEET  
GENERAL FUND - BY ACCOUNT

June 30, 2017

	Educational Accounts	Working Cash Accounts	Total
<b>ASSETS</b>			
Cash and investments	\$ 69,191,707	\$ 32,658,433	\$ 101,850,140
Receivables			
Interest	-	109,890	109,890
Property taxes, net	44,021,847	453,942	44,475,789
Intergovernmental	22,692,223	-	22,692,223
Other	693,665	-	693,665
Prepaid items	1,251,072	-	1,251,072
Due from other funds	443,284	-	443,284
<b>TOTAL ASSETS</b>	<b>\$ 138,293,798</b>	<b>\$ 33,222,265</b>	<b>\$ 171,516,063</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 7,692,375	\$ 91,487	\$ 7,783,862
Salaries and wages payable	16,631,426	-	16,631,426
Unearned revenue	77,849	-	77,849
Due to other governments	1,116,776	-	1,116,776
Other current liabilities	408,821	-	408,821
Total liabilities	25,927,247	91,487	26,018,734
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	47,062,640	485,333	47,547,973
Unavailable revenue	4,335,724	-	4,335,724
Total deferred inflows of resources	51,398,364	485,333	51,883,697
<b>FUND BALANCES</b>			
Nonspendable	1,251,072	-	1,251,072
Assigned for			
Working cash	-	32,645,445	32,645,445
Unassigned	59,717,115	-	59,717,115
Total fund balances	60,968,187	32,645,445	93,613,632
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 138,293,798</b>	<b>\$ 33,222,265</b>	<b>\$ 171,516,063</b>

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
GENERAL FUND - BY ACCOUNT

For the Year Ended June 30, 2017

	Educational Accounts	Working Cash Accounts	Total
<b>REVENUES</b>			
Property taxes	\$ 93,674,113	\$ 970,845	\$ 94,644,958
Corporate personal property replacement taxes	14,211,296	-	14,211,296
State aid	260,196,688	-	260,196,688
Federal aid	44,541,266	-	44,541,266
Investment income	239,625	(41,248)	198,377
Refund of prior year expenditures	564,394	-	564,394
Other	4,632,551	-	4,632,551
Total revenues	418,059,933	929,597	418,989,530
<b>EXPENDITURES</b>			
Current			
Instruction			
Regular programs	157,437,665	-	157,437,665
Special programs	75,895,634	-	75,895,634
Other instructional programs	48,608,321	-	48,608,321
Support services			
Pupils	35,121,385	-	35,121,385
Instructional staff	15,928,788	-	15,928,788
General administration	11,873,114	-	11,873,114
School administration	20,147,696	-	20,147,696
Business	18,449,065	-	18,449,065
Central	10,279,718	-	10,279,718
Other supporting services	504,568	-	504,568
Community services	3,848,298	-	3,848,298
Intergovernmental	15,065,675	-	15,065,675
Capital outlay	1,641,293	-	1,641,293
Total expenditures	414,801,220	-	414,801,220
NET CHANGE IN FUND BALANCE	3,258,713	929,597	4,188,310
FUND BALANCE, JULY 1	58,674,236	31,715,848	90,390,084
Prior period adjustment	(964,762)	-	(964,762)
FUND BALANCE, JULY 1, RESTATED	57,709,474	31,715,848	89,425,322
<b>FUND BALANCE, JUNE 30</b>	<b>\$ 60,968,187</b>	<b>\$ 32,645,445</b>	<b>\$ 93,613,632</b>

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Educational property taxes	\$ 78,564,232	\$ 78,062,148	\$ (502,084)
Special education property taxes	15,712,846	15,611,965	(100,881)
Corporate personal property replacement taxes	12,483,818	14,211,296	1,727,478
Regular tuition from pupils or parents (in state)	426,495	730,347	303,852
Regular tuition from other districts (in state)	331,032	-	(331,032)
Regular tuition from other sources (out of state)	-	10,127	10,127
Summer school - tuition from pupils and parents (in state)	58,155	134,317	76,162
Special education - tuition from other LEA's (in state)	1,837,427	1,701,163	(136,264)
Adult - tuition from pupils or parents (in state)	27,875	55,270	27,395
Investment income	200,000	239,625	39,625
Sales to pupils - lunch	-	847	847
Sales to pupils - breakfast	49,626	5,735	(43,891)
Sales to pupils - Ala Carte	430,619	568,632	138,013
Sales to pupils - other	100,000	77,353	(22,647)
Sales to adults	17,000	3,959	(13,041)
Other food service	16,500	11,508	(4,992)
Admissions - athletic	41,435	55,187	13,752
Other activity revenue	-	298,455	298,455
Rentals	-	17,513	17,513
Fees	73,370	111,766	38,396
Contributions and donations from private sources	30,000	449,683	419,683
Drivers education fees	30,305	48,948	18,643
Refund of prior year expenditures	-	564,394	564,394
Other	409,389	351,741	(57,648)
Total local sources	110,840,124	113,321,979	2,481,855
Flow-through revenue from one LEA to another LEA			
Flow-through revenue from state sources	15,974	15,496	(478)
Total flow-through revenue from one LEA to another LEA	15,974	15,496	(478)
State sources			
General state aid	106,891,716	115,810,724	8,919,008
Special education - private facility tuition	2,894,130	2,761,968	(132,162)
Special education - extraordinary	3,977,060	3,988,817	11,757
Special education - personnel	5,517,676	5,286,944	(230,732)
Special education - orphanage - individual	1,800,000	1,121,499	(678,501)
Special education - orphanage - summer	200,000	-	(200,000)
Special education - summer school	168,443	-	(168,443)
Bilingual education - downstate - TPI	1,644,472	869,578	(774,894)
State free lunch	92,213	66,231	(25,982)
Driver education	223,555	282,657	59,102
Adult education from Illinois Community College Board	738,849	834,840	95,991
Truant alternative/optional education	209,106	208,177	(929)

(This schedule is continued on the following pages.)



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES (Continued)</b>			
State sources (Continued)			
Early childhood - block grant	\$ 9,294,273	\$ 9,842,895	\$ 548,622
Advanced placement classes	-	37,481	37,481
Other restricted revenue from state sources	400,000	301,781	(98,219)
On-behalf payments to TRS from the State	60,719,687	118,767,600	58,047,913
Total state sources	194,771,180	260,181,192	65,410,012
Federal sources			
Federal impact aid	15,000	-	(15,000)
Title VI - other	409,766	80,377	(329,389)
National school lunch program	9,338,651	10,587,017	1,248,366
Special breakfast program	2,011,779	2,603,366	591,587
Summer food service program	235,000	202,465	(32,535)
Child care commodity/SFS 13-adult day care	-	4,237	4,237
Fresh fruits and veggies	-	125,921	125,921
Commodity Credit	830,000	1,036,443	206,443
Title I - low income	14,846,330	13,761,570	(1,084,760)
Title I - other	70,000	1,254,018	1,184,018
Title IV - 21st century	1,620,000	1,306,666	(313,334)
Federal - special education - preschool flow-through	283,560	244,959	(38,601)
Federal - special education - IDEA - flow-through/low incident	8,203,397	6,661,512	(1,541,885)
Federal - special education - IDEA - room and board	600,000	785,586	185,586
Federal - adult education	108,416	237,440	129,024
Race to the Top - Preschool expansion grant	1,348,723	1,355,294	6,571
Title III - Immigrant education program	64,125	38,005	(26,120)
Title III - English language acquisition	636,535	428,612	(207,923)
McKinney education for homeless children	38,706	55,463	16,757
Title II - teacher quality	2,405,638	984,438	(1,421,200)
Medicaid matching funds - administrative outreach	775,000	526,905	(248,095)
Medicaid matching funds - fee-for-service program	2,100,000	2,070,723	(29,277)
Other restricted revenue from federal sources	25,000	190,249	165,249
Total federal sources	45,965,626	44,541,266	(1,424,360)
Total revenues	351,592,904	418,059,933	66,467,029
<b>EXPENDITURES</b>			
Instruction			
Regular programs			
Salaries	66,918,098	64,053,984	(2,864,114)
Employee benefits	24,186,209	23,312,802	(873,407)
Purchased services	1,104,763	1,137,483	32,720
Supplies and materials	5,401,750	5,071,240	(330,510)
Capital outlay	239,739	63,827	(175,912)
Other objects	166,720	128,564	(38,156)

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Regular programs (Continued)			
Noncapitalized equipment	\$ -	\$ 453,553	\$ 453,553
Termination benefits	450,000	-	(450,000)
On-behalf payments to TRS from the State	27,187,535	63,280,039	36,092,504
Total regular programs	125,654,814	157,501,492	31,846,678
Pre-K programs			
Salaries	5,220,609	5,133,417	(87,192)
Employee benefits	2,737,593	2,732,710	(4,883)
Purchased services	136,608	133,849	(2,759)
Supplies and materials	132,796	523,701	390,905
Capital outlay	6,443	822	(5,621)
Noncapitalized equipment	-	3,884	3,884
On-behalf payments to TRS from the State	1,769,380	522,501	(1,246,879)
Total Pre-K programs	10,003,429	9,050,884	(952,545)
Special education programs			
Salaries	23,687,327	22,779,966	(907,361)
Employee benefits	11,716,538	9,878,666	(1,837,872)
Purchased services	143,534	658,272	514,738
Supplies and materials	285,451	247,488	(37,963)
Capital outlay	55,500	-	(55,500)
Other objects	6,805,000	7,320,311	515,311
Noncapitalized equipment	-	7,330	7,330
On-behalf payments to TRS from the State	8,122,943	14,854,329	6,731,386
Total special education programs	50,816,293	55,746,362	4,930,069
Special education programs Pre-K			
Salaries	1,489,632	1,451,921	(37,711)
Employee benefits	774,491	647,768	(126,723)
Purchased services	4,506	3,253	(1,253)
Supplies and materials	5,767	4,865	(902)
On-behalf payments to TRS from the State	496,403	605,929	109,526
Total special education programs Pre-K	2,770,799	2,713,736	(57,063)
Remedial and supplemental programs K-12			
Salaries	3,386,677	3,068,260	(318,417)
Employee benefits	1,484,381	1,818,958	334,577
Purchased services	380,906	1,088,342	707,436
Supplies and materials	2,066,037	2,156,703	90,666
Capital outlay	121,027	-	(121,027)

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Remedial and supplemental programs K-12 (Continued)			
Noncapitalized equipment	\$ -	\$ 253,211	\$ 253,211
On-behalf payments to TRS from the State	2,121,885	-	(2,121,885)
Total remedial and supplemental programs K-12	9,560,913	8,385,474	(1,175,439)
Adult/continuing education programs			
Salaries	221,496	342,953	121,457
Employee benefits	76,756	103,736	26,980
Purchased services	1,451	1,153	(298)
On-behalf payments to TRS from the State	78,191	147,530	69,339
Total adult/continuing education programs	377,894	595,372	217,478
CTE programs			
Salaries	2,911,594	3,328,178	416,584
Employee benefits	1,141,230	1,095,592	(45,638)
Purchased services	102,995	78,424	(24,571)
Supplies and materials	247,000	214,219	(32,781)
Capital outlay	500,000	314,770	(185,230)
Other objects	235,000	60,090	(174,910)
Noncapitalized equipment	-	85,803	85,803
On-behalf payments to TRS from the State	1,143,515	2,551,123	1,407,608
Total CTE programs	6,281,334	7,728,199	1,446,865
Interscholastic programs			
Salaries	1,258,766	1,533,699	274,933
Employee benefits	205,379	280,048	74,669
Purchased services	69,123	277,178	208,055
Supplies and materials	167,384	305,431	138,047
Capital outlay	30,000	-	(30,000)
Other objects	7,000	75,434	68,434
Noncapitalized equipment	-	7,001	7,001
On-behalf payments to TRS from the State	663,922	632,753	(31,169)
Total interscholastic programs	2,401,574	3,111,544	709,970
Summer school programs			
Salaries	439,900	876,210	436,310
Employee benefits	191,579	135,786	(55,793)
Purchased services	500	176,390	175,890
Supplies and materials	106,710	80,913	(25,797)
On-behalf payments to TRS from the State	-	369,691	369,691
Total summer school programs	738,689	1,638,990	900,301

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Gifted programs			
Salaries	\$ 4,203,110	\$ 4,193,580	\$ (9,530)
Employee benefits	1,503,254	1,370,504	(132,750)
Purchased services	66,800	30,302	(36,498)
Supplies and materials	57,000	101,385	44,385
Noncapitalized equipment	-	2,098	2,098
On-behalf payments to TRS from the State	1,923,717	3,472,609	1,548,892
Total gifted programs	7,753,881	9,170,478	1,416,597
Driver's education programs			
Salaries	147,448	491,067	343,619
Employee benefits	54,805	149,440	94,635
Purchased services	-	16,727	16,727
Supplies and materials	4,000	12,869	8,869
On-behalf payments to TRS from the State	58,985	392,220	333,235
Total driver's education program	265,238	1,062,323	797,085
Bilingual programs			
Salaries	9,085,011	9,320,717	235,706
Employee benefits	3,423,459	3,071,418	(352,041)
Purchased services	66,864	12,105	(54,759)
Supplies and materials	486,921	177,211	(309,710)
Capital outlay	56,777	-	(56,777)
Other objects	100	-	(100)
On-behalf payments to TRS from the State	3,407,339	6,721,789	3,314,450
Total bilingual programs	16,526,471	19,303,240	2,776,769
Truant's alternative and optional programs			
Salaries	2,242,724	2,656,666	413,942
Employee benefits	885,480	868,496	(16,984)
Purchased services	705,580	191,976	(513,604)
Supplies and materials	-	10,330	10,330
Other objects	-	1,303,010	1,303,010
On-behalf payments to TRS from the State	809,754	1,282,467	472,713
Total truant's alternative and optional programs	4,643,538	6,312,945	1,669,407
Pre-K programs- private tuition			
Other objects	1,342,000	-	(1,342,000)
Total pre-K programs - private tuition	1,342,000	-	(1,342,000)
Total instruction	239,136,867	282,321,039	43,184,172

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services			
Pupils			
Attendance and social work services			
Salaries	\$ 2,412,336	\$ 2,529,520	\$ 117,184
Employee benefits	853,041	851,399	(1,642)
Purchased services	653,207	1,220,353	567,146
Supplies and materials	29,347	20,474	(8,873)
On-behalf payments to TRS from the State	952,877	1,937,325	984,448
Total attendance and social work services	4,900,808	6,559,071	1,658,263
Guidance services			
Salaries	4,720,145	4,839,740	119,595
Employee benefits	1,664,781	1,549,925	(114,856)
Purchased services	28,900	14,975	(13,925)
Supplies and materials	64,195	11,825	(52,370)
Capital outlay	4,000	-	(4,000)
On-behalf payments to TRS from the State	1,865,036	3,628,679	1,763,643
Total guidance services	8,347,057	10,045,144	1,698,087
Health services			
Salaries	3,338,522	3,306,856	(31,666)
Employee benefits	1,263,739	1,049,448	(214,291)
Purchased services	4,600	346,249	341,649
Supplies and materials	97,287	53,757	(43,530)
Capital outlay	9,800	-	(9,800)
Other objects	3,000	2,833	(167)
Noncapitalized equipment	-	1,189	1,189
On-behalf payments to TRS from the State	962,761	1,910,621	947,860
Total health services	5,679,709	6,670,953	991,244
Psychological services			
Salaries	2,006,800	1,930,407	(76,393)
Employee benefits	656,796	532,258	(124,538)
Purchased services	65,440	150,346	84,906
Supplies and materials	47,000	30,786	(16,214)
On-behalf payments to TRS from the State	900,478	1,493,390	592,912
Total psychological services	3,676,514	4,137,187	460,673

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Pupils (Continued)			
Speech pathology and audiology services			
Salaries	\$ 3,212,745	\$ 3,104,924	\$ (107,821)
Employee benefits	1,196,474	936,926	(259,548)
Purchased services	53,100	1,331,613	1,278,513
Supplies and materials	56,276	29,566	(26,710)
On-behalf payments to TRS from the State	1,518,896	2,149,070	630,174
Total speech pathology and audiology services	6,037,491	7,552,099	1,514,608
Other support services - pupils			
Salaries	104,205	97,064	(7,141)
Employee benefits	42,987	31,564	(11,423)
Purchased services	3,500	22,268	18,768
Supplies and materials	1,500	6,035	4,535
Total other support services - pupils	152,192	156,931	4,739
Total pupils	28,793,771	35,121,385	6,327,614
Instructional staff			
Improvement of instructional services			
Salaries	5,122,192	4,713,041	(409,151)
Employee benefits	2,268,960	2,057,144	(211,816)
Purchased services	2,068,187	1,619,936	(448,251)
Supplies and materials	702,698	250,515	(452,183)
Capital outlay	42,000	9,536	(32,464)
Other objects	15,000	35,338	20,338
Noncapitalized equipment	-	7,656	7,656
On-behalf payments to TRS from the State	718,136	2,116,350	1,398,214
Total improvement of instructional services	10,937,173	10,809,516	(127,657)
Educational media services			
Salaries	2,092,978	1,924,544	(168,434)
Employee benefits	1,113,115	909,750	(203,365)
Purchased services	164,567	170,939	6,372
Supplies and materials	365,055	519,478	154,423
Capital outlay	70,000	-	(70,000)
On-behalf payments to TRS from the State	610,121	1,021,173	411,052
Total educational media services	4,415,836	4,545,884	130,048

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Instructional staff (Continued)			
Assessment and testing			
Salaries	\$ 228,349	\$ 140,552	\$ (87,797)
Employee benefits	52,290	32,938	(19,352)
Purchased services	95,540	38,610	(56,930)
Supplies and materials	428,786	300,994	(127,792)
Other objects	-	900	900
On-behalf payments to TRS from the State	-	68,930	68,930
	<hr/>	<hr/>	<hr/>
Total assessment and testing	804,965	582,924	(222,041)
	<hr/>	<hr/>	<hr/>
Total instructional staff	16,157,974	15,938,324	(219,650)
	<hr/>	<hr/>	<hr/>
General administration			
Board of Education services			
Salaries	-	199,070	199,070
Employee benefits	-	23,215	23,215
Purchased services	118,050	1,358,860	1,240,810
Supplies and materials	5,050	25,602	20,552
Other objects	211,000	3,951	(207,049)
	<hr/>	<hr/>	<hr/>
Total Board of Education services	334,100	1,610,698	1,276,598
	<hr/>	<hr/>	<hr/>
Executive administration services			
Salaries	1,470,075	1,828,570	358,495
Employee benefits	404,608	427,880	23,272
Purchased services	392,653	76,394	(316,259)
Supplies and materials	105,550	55,979	(49,571)
Other objects	16,500	13,592	(2,908)
Noncapitalized equipment	-	2,839	2,839
On-behalf payments to TRS from the State	962,693	1,244,686	281,993
	<hr/>	<hr/>	<hr/>
Total executive administration services	3,352,079	3,649,940	297,861
	<hr/>	<hr/>	<hr/>
Special area administration services			
Salaries	3,872,079	3,608,433	(263,646)
Employee benefits	1,367,676	1,272,838	(94,838)
Purchased services	452,408	95,967	(356,441)
Supplies and materials	145,550	42,813	(102,737)
Capital outlay	11,200	-	(11,200)
Other objects	9,000	5,355	(3,645)
Noncapitalized equipment	-	949	949
On-behalf payments to TRS from the State	271,552	1,525,241	1,253,689
	<hr/>	<hr/>	<hr/>
Total special area administration services	6,129,465	6,551,596	422,131
	<hr/>	<hr/>	<hr/>

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
General administration (Continued)			
Tort immunity services			
Salaries	\$ 212,440	\$ 53,941	\$ (158,499)
Employee benefits	42,987	6,939	(36,048)
Purchased services	884,750	-	(884,750)
Supplies and materials	14,826	-	(14,826)
Capital outlay	7,000	-	(7,000)
Total tort immunity services	1,162,003	60,880	(1,101,123)
Total general administration	10,977,647	11,873,114	895,467
School administration			
Office of the principal services			
Salaries	10,694,818	10,827,702	132,884
Employee benefits	3,553,407	2,613,904	(939,503)
Purchased services	17,426	28,825	11,399
Supplies and materials	190,961	82,364	(108,597)
Capital outlay	-	23	23
Other objects	-	825	825
Noncapitalized equipment	-	9,891	9,891
On-behalf payments to TRS from the State	3,571,539	5,820,048	2,248,509
Total office of the principal services	18,028,151	19,383,582	1,355,431
Other support services - school administration			
Salaries	161,492	354,232	192,740
Employee benefits	49,444	117,670	68,226
On-behalf payments to TRS from the State	69,708	292,235	222,527
Total other support services - school administration	280,644	764,137	483,493
Total school administration	18,308,795	20,147,719	1,838,924
Business			
Direction of business support services			
Salaries	150,000	-	(150,000)
Employee benefits	20,000	-	(20,000)
Purchased services	-	19,485	19,485
Supplies and materials	-	304	304
Total direction of business support services	170,000	19,789	(150,211)

(This schedule is continued on the following pages.)



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Business (Continued)			
Fiscal services			
Salaries	\$ 853,228	\$ 1,037,710	\$ 184,482
Employee benefits	255,082	296,076	40,994
Purchased services	1,491,665	274,395	(1,217,270)
Supplies and materials	70,000	34,712	(35,288)
Capital outlay	-	487,187	487,187
Other objects	73,000	781,661	708,661
Noncapitalized equipment	-	19,794	19,794
On-behalf payments to TRS from the State	56,082	78,636	22,554
Total fiscal services	2,799,057	3,010,171	211,114
Operation and maintenance of plant services			
Salaries	75,090	51,463	(23,627)
Employee benefits	11,464	40,764	29,300
Purchased services	-	85,883	85,883
Supplies and materials	-	269,616	269,616
Capital outlay	-	89,882	89,882
Total operation and maintenance of plant services	86,554	537,608	451,054
Pupil transportation services			
Purchased services	1,829,899	1,535,099	(294,800)
Noncapitalized equipment	-	1,107	1,107
Total pupil transportation services	1,829,899	1,536,206	(293,693)
Food service			
Salaries	2,931,931	3,205,638	273,707
Employee benefits	1,358,310	1,148,723	(209,587)
Purchased services	340,382	151,072	(189,310)
Supplies and materials	7,746,793	8,153,305	406,512
Capital outlay	206,000	267,818	61,818
Other objects	23,700	24,307	607
Noncapitalized equipment	-	137,080	137,080
Total food service	12,607,116	13,087,943	480,827
Internal service			
Salaries	675,293	664,005	(11,288)
Employee benefits	128,961	112,595	(16,366)
Purchased services	214,842	265,313	50,471
Supplies and materials	144,600	57,027	(87,573)

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Business (Continued)			
Internal service (Continued)			
Capital outlay	\$ 152,500	\$ 227,152	\$ 74,652
Other objects	1,000	590	(410)
Noncapitalized equipment	-	2,705	2,705
Total internal service	1,317,196	1,329,387	12,191
Total business	18,809,822	19,521,104	711,282
Central			
Direction of central support services			
Salaries	91,569	104,802	13,233
Employee benefits	33,242	29,095	(4,147)
Purchased services	293,667	335,839	42,172
Supplies and materials	1,500	2,204	704
On-behalf payments to TRS from the State	34,736	66,252	31,516
Total direction of central support services	454,714	538,192	83,478
Planning, research, development and evaluation services			
Salaries	367,290	428,269	60,979
Employee benefits	88,986	89,355	369
Purchased services	62,860	69,612	6,752
Supplies and materials	40,060	34,513	(5,547)
Other objects	100	375	275
On-behalf payments to TRS from the State	58,936	145,647	86,711
Total planning, research, development and evaluation services	618,232	767,771	149,539
Information services			
Salaries	471,081	446,610	(24,471)
Employee benefits	100,303	95,079	(5,224)
Purchased services	238,500	120,834	(117,666)
Supplies and materials	28,994	27,002	(1,992)
Capital outlay	4,000	-	(4,000)
Other objects	-	2,445	2,445
Total information services	842,878	691,970	(150,908)
Staff services			
Salaries	1,450,811	1,657,468	206,657
Employee benefits	598,823	538,650	(60,173)
Purchased services	701,995	518,018	(183,977)

(This schedule is continued on the following pages.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Central (Continued)			
Staff services (Continued)			
Supplies and materials	\$ 268,337	\$ 35,481	\$ (232,856)
Capital outlay	10,000	-	(10,000)
Other objects	35,300	6,770	(28,530)
Noncapitalized equipment	-	1,759	1,759
On-behalf payments to TRS from the State	165,921	252,571	86,650
Total staff services	3,231,187	3,010,717	(220,470)
Data processing services			
Salaries	2,165,478	1,905,321	(260,157)
Employee benefits	654,885	565,581	(89,304)
Purchased services	1,432,299	2,613,106	1,180,807
Supplies and materials	1,050,000	103,068	(946,932)
Capital outlay	418,053	180,276	(237,777)
Other objects	200	1,334	1,134
Noncapitalized equipment	-	2,088	2,088
On-behalf payments to TRS from the State	-	80,570	80,570
Total data processing services	5,720,915	5,451,344	(269,571)
Total central	10,867,926	10,459,994	(407,932)
Other supporting services			
Salaries	279,153	237,308	(41,845)
Employee benefits	138,760	122,249	(16,511)
Purchased services	119,592	107,414	(12,178)
Supplies and materials	1,500	28,500	27,000
Other objects	-	9,097	9,097
Total other supporting services	539,005	504,568	(34,437)
Total support services	104,454,940	113,566,208	9,111,268
Community services			
Salaries	1,984,262	2,127,575	143,313
Employee benefits	1,104,395	1,144,398	40,003
Purchased services	562,957	278,544	(284,413)
Supplies and materials	316,016	192,162	(123,854)
Capital outlay	3,696	-	(3,696)
Noncapitalized equipment	-	2,423	2,423
On-behalf payments to TRS from the State	216,646	103,196	(113,450)
Total community services	4,187,972	3,848,298	(339,674)

(This schedule is continued on the following page.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
<b>EXPENDITURES (Continued)</b>			
Intergovernmental			
Payments for regular programs			
Purchased services	\$ 3,471,283	\$ 3,726,466	\$ 255,183
Other objects	10,625,000	11,339,209	714,209
Total intergovernmental	14,096,283	15,065,675	969,392
Total expenditures	361,876,062	414,801,220	52,925,158
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(10,283,158)	3,258,713	13,541,871
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	100,000	-	(100,000)
Total other financing sources (uses)	100,000	-	(100,000)
NET CHANGE IN FUND BALANCE	\$ (10,183,158)	3,258,713	\$ 13,441,871
FUND BALANCE, JULY 1		58,674,236	
Prior period adjustment		(964,762)	
FUND BALANCE, JULY 1, RESTATED		57,709,474	
<b>FUND BALANCE, JUNE 30</b>		<u>\$ 60,968,187</u>	

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
WORKING CASH ACCOUNTS

For the Year Ended June 30, 2017

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>			
Local sources			
Working cash property taxes	\$ 982,053	\$ 970,845	\$ (11,208)
Investment income	120,000	(41,248)	(161,248)
	<u>1,102,053</u>	<u>929,597</u>	<u>(172,456)</u>
Total revenues			
	<u>1,102,053</u>	<u>929,597</u>	<u>(172,456)</u>
<b>EXPENDITURES</b>			
None	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures			
	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>1,102,053</b>	<b>929,597</b>	<b>(172,456)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Permanent transfer from working cash fund - interest	(500,000)	-	500,000
	<u>(500,000)</u>	<u>-</u>	<u>500,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	<b><u>\$ 602,053</u></b>	<b>929,597</b>	<b><u>\$ 327,544</u></b>
<b>FUND BALANCE, JULY 1</b>		<u>31,715,848</u>	
<b>FUND BALANCE, JUNE 30</b>		<u><u>\$ 32,645,445</u></u>	

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

COMBINING BALANCE SHEET  
EDUCATIONAL ACCOUNTS - BY SUBACCOUNT

June 30, 2017

	General Account	Special Education Account	Grants Account
<b>ASSETS</b>			
Cash and investments	\$ 66,001,083	\$ -	\$ -
Receivables			
Property taxes, net	36,684,794	7,337,053	-
Intergovernmental	70,664	7,286,788	15,044,747
Other	30,499	663,166	-
Prepaid items	931,168	206,730	88,794
Due from other funds	62,235,325	-	-
<b>TOTAL ASSETS</b>	<b>\$ 165,953,533</b>	<b>\$ 15,493,737</b>	<b>\$ 15,133,541</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 4,361,249	\$ 1,112,387	\$ 1,675,356
Salaries and wages payable	11,641,199	3,201,477	1,760,144
Unearned revenue	64,784	-	12,051
Due to other governments	1,116,776	-	-
Other current liabilities	14,582	-	363,680
Due to other funds	-	57,537,990	4,254,051
Total liabilities	17,198,590	61,851,854	8,065,282
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	39,218,867	7,843,773	-
Unavailable revenue	-	4,071,166	150,949
Total deferred inflows of resources	39,218,867	11,914,939	150,949
<b>FUND BALANCES</b>			
Nonspendable	931,168	206,730	88,794
Unassigned (deficit)	108,604,908	(58,479,786)	6,828,516
Total fund balances (deficit)	109,536,076	(58,273,056)	6,917,310
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 165,953,533</b>	<b>\$ 15,493,737</b>	<b>\$ 15,133,541</b>

<b>Food Service</b>		
<b>Account</b>	<b>Eliminations</b>	<b>Total</b>
\$ 3,190,624	\$ -	\$ 69,191,707
-	-	44,021,847
290,024	-	22,692,223
-	-	693,665
24,380	-	1,251,072
-	(61,792,041)	443,284
\$ 3,505,028	\$ (61,792,041)	\$ 138,293,798
\$ 543,383	\$ -	\$ 7,692,375
28,606	-	16,631,426
1,014	-	77,849
-	-	1,116,776
30,559	-	408,821
-	(61,792,041)	-
603,562	(61,792,041)	25,927,247
-	-	47,062,640
113,609	-	4,335,724
113,609	-	51,398,364
24,380	-	1,251,072
2,763,477	-	59,717,115
2,787,857	-	60,968,187
\$ 3,505,028	\$ (61,792,041)	\$ 138,293,798

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
EDUCATIONAL ACCOUNTS - BY SUBACCOUNT

For the Year Ended June 30, 2017

	<b>General Accounts</b>	<b>Special Education Accounts</b>	<b>Grant Accounts</b>
<b>REVENUES</b>			
Property taxes	\$ 78,062,148	\$ 15,611,965	\$ -
Corporate personal property replacement taxes	14,211,296	-	-
State aid	208,842,014	39,369,031	11,868,350
Federal aid	86,481	3,383,214	26,642,280
Investment income	239,625	-	-
Refund of prior year expenditures	543,584	17,484	-
Other local sources	2,226,151	1,701,163	34,234
	<hr/>	<hr/>	<hr/>
Total revenues	304,211,299	60,082,857	38,544,864
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Current			
Instruction			
Regular programs	156,348,968	-	1,088,697
Special programs	823,473	57,304,157	17,768,004
Other instructional programs	43,131,024	2,917,999	2,559,298
Support services			
Pupils	11,224,884	23,443,685	452,816
Instructional staff	10,458,865	26,493	5,443,430
General administration	5,163,274	4,475,152	2,234,688
School administration	19,655,022	54,285	42,938
Business	2,372,316	663,166	2,300,328
Central	9,077,087	-	1,202,631
Other supporting services	9,097	-	495,471
Community services	359,369	245,442	3,243,487
Intergovernmental	11,339,209	185,068	3,541,398
Capital outlay	1,273,235	-	100,240
	<hr/>	<hr/>	<hr/>
Total expenditures	271,235,823	89,315,447	40,473,426
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	32,975,476	(29,232,590)	(1,928,562)
	<hr/>	<hr/>	<hr/>
FUND BALANCE (DEFICIT), JULY 1	77,182,586	(29,040,466)	9,188,648
	<hr/>	<hr/>	<hr/>
Prior period adjustment	(621,986)	-	(342,776)
	<hr/>	<hr/>	<hr/>
FUND BALANCE (DEFICIT), JULY 1, RESTATED	76,560,600	(29,040,466)	8,845,872
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE (DEFICIT), JUNE 30</b>	<b>\$ 109,536,076</b>	<b>\$ (58,273,056)</b>	<b>\$ 6,917,310</b>
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<b>Food Service</b>	
<b>Accounts</b>	<b>Total</b>
\$ -	\$ 93,674,113
-	14,211,296
117,293	260,196,688
14,429,291	44,541,266
-	239,625
3,326	564,394
671,003	4,632,551
15,220,913	418,059,933
-	157,437,665
-	75,895,634
-	48,608,321
-	35,121,385
-	15,928,788
-	11,873,114
395,451	20,147,696
13,113,255	18,449,065
-	10,279,718
-	504,568
-	3,848,298
-	15,065,675
267,818	1,641,293
13,776,524	414,801,220
1,444,389	3,258,713
1,343,468	58,674,236
-	(964,762)
1,343,468	57,709,474
\$ 2,787,857	\$ 60,968,187

(See independent auditor's report.)

**NONMAJOR GOVERNMENTAL FUNDS**

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2017

	<b>Operations and Maintenance</b>	<b>Transportation</b>	<b>Municipal Retirement/ Social Security</b>
<b>ASSETS</b>			
Cash and investments	\$ -	\$ 16,317,967	\$ 3,583,092
Receivables			
Property taxes, net	6,878,450	7,505,194	2,928,466
Other governmental units	-	6,264,207	-
Interest	-	-	-
Other	4,533	154,051	-
Prepaid items	25,862	60,969	31,712
<b>TOTAL ASSETS</b>	<b>\$ 6,908,845</b>	<b>\$ 30,302,388</b>	<b>\$ 6,543,270</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 3,513,708	\$ 295,591	\$ 672,447
Salaries and wages payable	87,638	134,036	689,670
Other current liabilities	-	-	-
Due to other funds	443,284	-	-
Total liabilities	4,044,630	429,627	1,362,117
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	7,353,538	8,020,258	3,130,647
Unavailable revenue - other	9,262	3,132,085	-
Total deferred inflows of resources	7,362,800	11,152,343	3,130,647
<b>FUND BALANCES</b>			
Nonspendable	25,862	60,969	31,712
Restricted for			
Transportation	-	18,659,449	-
Retirement	-	-	2,018,794
Capital projects	-	-	-
Tort immunity	-	-	-
Assigned - working cash	-	-	-
Unassigned (deficit)	(4,524,447)	-	-
Total fund balances (deficit)	(4,498,585)	18,720,418	2,050,506
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 6,908,845</b>	<b>\$ 30,302,388</b>	<b>\$ 6,543,270</b>

<b>Fire Prevention and Life Safety</b>	<b>Tort Immunity</b>	<b>Total</b>
\$ 7,488,513	\$ 11,518,456	\$ 38,908,028
907,966	2,763,455	20,983,531
-	-	6,264,207
13,209	-	13,209
-	-	158,584
4,267	55,325	178,135
\$ 8,413,955	\$ 14,337,236	\$ 66,505,694

\$ 1,988,797	\$ 272,351	\$ 6,742,894
8,022	23,027	942,393
-	33,685	33,685
-	-	443,284

1,996,819	329,063	8,162,256
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970,667	2,953,181	22,428,291
-	-	3,141,347

970,667	2,953,181	25,569,638
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4,267	55,325	178,135
-	-	18,659,449
-	-	2,018,794
5,442,202	-	5,442,202
-	10,999,667	10,999,667
-	-	-
-	-	(4,524,447)

5,446,469	11,054,992	32,773,800
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\$ 8,413,955	\$ 14,337,236	\$ 66,505,694
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(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2017

	<b>Operations and Maintenance</b>	<b>Transportation</b>	<b>Municipal Retirement/ Social Security</b>
<b>REVENUES</b>			
Property taxes	\$ 14,636,624	\$ 17,131,374	\$ 6,258,898
Corporate personal property replacement taxes	8,357,421	-	971,098
State aid	-	14,918,309	-
Investment income	299	49,157	25,413
Refund of prior year's expenditures	1,268	975	-
Payments of surplus monies from TIF districts	13,061	-	-
Other	1,742,786	53,894	-
	<hr/>	<hr/>	<hr/>
Total revenues	24,751,459	32,153,709	7,255,409
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Current			
Instruction			
Regular programs	-	-	874,297
Special programs	-	-	961,756
Other instructional programs	-	-	549,280
Support services			
Pupils	-	84,618	463,951
Instructional staff	-	-	162,188
General administration	-	-	245,668
School administration	-	-	687,964
Business	-	-	3,197,903
Transportation	17,081	20,841,364	-
Operations and maintenance	23,506,730	-	-
Central	-	-	570,637
Other supporting services	523,804	-	86,030
Community services	-	-	39,966
Capital outlay	2,945,713	2,759,475	-
	<hr/>	<hr/>	<hr/>
Total expenditures	26,993,328	23,685,457	7,839,640
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES	(2,241,869)	8,468,252	(584,231)
	<hr/>	<hr/>	<hr/>
FUND BALANCES (DEFICIT), JULY 1	(2,256,716)	10,252,166	2,251,911
	<hr/>	<hr/>	<hr/>
Prior period adjustment	-	-	382,826
	<hr/>	<hr/>	<hr/>
FUND BALANCE, JULY 1, RESTATED	(2,256,716)	10,252,166	2,634,737
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCES (DEFICIT), JUNE 30</b>	<b>\$ (4,498,585)</b>	<b>\$ 18,720,418</b>	<b>\$ 2,050,506</b>
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<b>Fire Prevention and Life Safety</b>	<b>Tort Immunity</b>	<b>Total</b>
\$ 1,941,690	\$ 5,907,035	\$ 45,875,621
-	-	9,328,519
-	377,962	15,296,271
89,260	46,873	211,002
-	-	2,243
-	-	13,061
177,235	288,333	2,262,248
2,208,185	6,620,203	72,988,965
-	-	874,297
-	-	961,756
-	-	549,280
-	-	548,569
-	-	162,188
-	6,210,668	6,456,336
-	-	687,964
1,828,029	-	5,025,932
-	-	20,858,445
-	-	23,506,730
-	-	570,637
-	-	609,834
-	-	39,966
9,925,446	243,997	15,874,631
11,753,475	6,454,665	76,726,565
(9,545,290)	165,538	(3,737,600)
14,991,759	10,630,217	35,869,337
-	259,237	642,063
14,991,759	10,889,454	36,511,400
\$ 5,446,469	\$ 11,054,992	\$ 32,773,800

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
OPERATIONS AND MAINTENANCE FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Operations and maintenance property taxes	\$ 14,730,793	\$ 14,636,624	\$ (94,169)
Corporate personal property replacement taxes	8,322,545	8,357,421	34,876
Investment income	-	299	299
Fees	-	19,445	19,445
Rentals	380,225	590,066	209,841
Other school activity revenue	-	9,915	9,915
Contributions and donations from private sources	-	5,000	5,000
Refund of prior years' expenditures	-	1,268	1,268
Payments of surplus monies from TIF districts	-	13,061	13,061
Other	1,100,000	1,118,360	18,360
Total revenues	24,533,563	24,751,459	217,896
<b>EXPENDITURES</b>			
Support services			
Direction of business support services			
Supplies and materials	-	15	15
Other objects	-	41,515	41,515
Total direction of business support services	-	41,530	41,530
Operations and maintenance			
Facilities acquisition and construction services			
Salaries	10,791	-	(10,791)
Employee benefits	1,290	-	(1,290)
Total facilities acquisition and construction services	12,081	-	(12,081)
Operation and maintenance of plant services			
Salaries	2,824,403	2,869,164	44,761
Employee benefits	623,169	622,509	(660)
Purchased services	12,438,343	12,865,769	427,426
Supplies and materials	7,958,644	6,676,624	(1,282,020)
Capital outlay	2,061,000	2,945,713	884,713
Other objects	37,329	61,449	24,120
Noncapitalized equipment	-	369,685	369,685
Total operation and maintenance of plant services	25,942,888	26,410,913	468,025
Total operations and maintenance	25,954,969	26,452,443	497,474

(This schedule is continued on the following page.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
OPERATIONS AND MAINTENANCE FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Transportation			
Pupil transportation services			
Salaries	\$ -	\$ 14,124	\$ 14,124
Employee benefits	-	2,957	2,957
Total transportation	-	17,081	17,081
Other support services			
Salaries	305,164	418,922	113,758
Employee benefits	117,498	104,882	(12,616)
Other objects	-	-	-
Total other support services	422,662	523,804	101,142
Total expenditures	26,377,631	26,993,328	615,697
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,844,068)	(2,241,869)	(397,801)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	400,000	-	(400,000)
Total other financing sources (uses)	400,000	-	(400,000)
NET CHANGE IN FUND BALANCE	<u>\$ (1,444,068)</u>	(2,241,869)	<u>\$ (797,801)</u>
FUND BALANCE (DEFICIT), JULY 1		<u>(2,256,716)</u>	
FUND BALANCE (DEFICIT), JUNE 30		<u>\$ (4,498,585)</u>	

(See independent auditor's report.)



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

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

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Transportation property taxes	\$ 17,853,660	\$ 17,131,374	\$ (722,286)
Regular transportation fees from other sources (in state)	30,000	44,340	14,340
Investment income	50,000	49,157	(843)
Refunds of prior years' expenditures	-	975	975
Payments of surplus monies from TIF districts	-	-	-
Other	10,000	9,554	(446)
Total local sources	17,943,660	17,235,400	(708,260)
State sources			
Transportation - regular/vocational	10,100,000	10,079,746	(20,254)
Transportation - special education	3,400,000	4,039,875	639,875
On-behalf payments to TRS from the State	384,264	798,688	414,424
Total state sources	13,884,264	14,918,309	1,034,045
Total revenues	31,827,924	32,153,709	325,785
<b>EXPENDITURES</b>			
Support services			
Pupils			
Other support services - pupils			
Salaries	131,322	84,618	(46,704)
Employee benefits	7,779	-	(7,779)
Total other support services - pupils	139,101	84,618	(54,483)
Total pupils	139,101	84,618	(54,483)
Business			
Pupil transportation services			
Salaries	6,655,692	7,339,524	683,832
Employee benefits	4,302,856	3,373,465	(929,391)
Purchased services	4,252,200	5,161,008	908,808
Supplies and materials	3,114,000	2,888,590	(225,410)
Capital outlay	38,000	2,271,547	2,233,547
Other objects	-	533	533
Noncapitalized equipment	-	4,081	4,081
On-behalf payments to TRS from the State	-	9,069	9,069
Total pupil transportation services	18,362,748	21,047,817	2,685,069

(This schedule is continued on the following page.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
TRANSPORTATION FUND (Continued)

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Business (continued)			
Other support services			
Salaries	\$ 922,561	\$ 1,008,652	\$ 86,091
Employee benefits	277,241	266,582	(10,659)
Purchased services	-	241	241
Capital outlay	-	487,928	487,928
On-behalf payments to TRS from the State	384,264	789,619	405,355
Total other support services	1,584,066	2,553,022	968,956
Total business	19,946,814	23,600,839	3,654,025
Total support services	20,085,915	23,685,457	3,599,542
Total expenditures	20,085,915	23,685,457	3,599,542
NET CHANGE IN FUND BALANCE	<u>\$ 11,742,009</u>	8,468,252	<u>\$ (3,273,757)</u>
FUND BALANCE, JULY 1		<u>10,252,166</u>	
FUND BALANCE, JUNE 30		<u>\$ 18,720,418</u>	

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
IMRF property taxes	\$ 3,001,797	\$ 2,837,407	\$ (164,390)
Social Security/Medicare only property taxes	3,662,468	3,421,491	(240,977)
Corporate personal property replacement taxes	971,098	971,098	-
Investment income	21,000	25,413	4,413
Total revenues	7,656,363	7,255,409	(400,954)
<b>EXPENDITURES</b>			
Instruction			
Regular programs	1,283,600	874,297	(409,303)
Pre-K programs	33,505	33,002	(503)
Special education programs	774,080	928,754	154,674
Special education programs Pre-K	67,989	71,863	3,874
Adult/continuing education programs	1,464	2,581	1,117
Vocational programs	63,348	66,477	3,129
Interscholastic programs	27,192	84,679	57,487
Summer school programs	1,680	39,062	37,382
Gifted programs	60,945	59,526	(1,419)
Driver's education programs	2,138	7,839	5,701
Bilingual programs	143,254	134,685	(8,569)
Truant alternative and optional programs	73,491	82,568	9,077
Total instruction	2,532,686	2,385,333	(147,353)
Support services			
Pupils			
Attendance and social work services	37,278	38,575	1,297
Guidance services	126,944	123,448	(3,496)
Health services	212,008	190,083	(21,925)
Psychological services	30,490	27,651	(2,839)
Speech pathology and audiology services	66,852	60,372	(6,480)
Other support services - pupils	25,786	23,822	(1,964)
Total pupils	499,358	463,951	(35,407)
Instructional staff			
Improvement of instructional services	42,758	37,379	(5,379)
Educational media services	137,049	122,956	(14,093)
Assessment and testing	7,769	1,853	(5,916)
Total instructional staff	187,576	162,188	(25,388)
General administration			
Board of education services	-	67,470	67,470
Executive administration services	60,462	69,761	9,299
Special area administration services	71,232	62,858	(8,374)
Tort immunity services	-	9,460	9,460

(This schedule is continued on the following page.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
General administration (Continued)			
Educational, inspectional, supervisory services related to loss prevention or reduction	\$ 47,969	\$ 36,119	\$ (11,850)
Legal service	70,635	-	(70,635)
Total general administration	250,298	245,668	(4,630)
School administration			
Office of the principal services	628,087	682,937	54,850
Other support services - school administration	2,342	5,027	2,685
Total school administration	630,429	687,964	57,535
Business			
Fiscal services	148,211	155,448	7,237
Facilities acquisition and construction service	1,838	103,512	101,674
Operation and maintenance of plant services	701,884	633,279	(68,605)
Pupil transportation services	1,124,739	1,672,384	547,645
Food service	410,712	521,363	110,651
Internal service	103,314	111,917	8,603
Total business	2,490,698	3,197,903	707,205
Central			
Direction of central support services	1,168	1,128	(40)
Planning, research, development and evaluation services	37,560	43,776	6,216
Information services	79,897	75,582	(4,315)
Staff services	176,519	190,248	13,729
Data processing services	303,989	259,903	(44,086)
Total central	599,133	570,637	(28,496)
Other support services	72,504	86,030	13,526
Total support services	4,729,996	5,414,341	684,345
Community services	32,657	39,966	7,309
Total expenditures	7,295,339	7,839,640	544,301
NET CHANGE IN FUND BALANCE	<u>\$ 361,024</u>	(584,231)	<u>\$ (945,255)</u>
FUND BALANCE, JULY 1		<u>2,251,911</u>	
Prior period adjustment		<u>382,826</u>	
FUND BALANCE, JULY 1, RESTATED		<u>2,634,737</u>	
FUND BALANCE, JUNE 30		<u>\$ 2,050,506</u>	

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
TORT IMMUNITY FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Tort immunity property taxes	\$ 6,234,759	\$ 5,907,035	\$ (327,724)
Investment income	55,000	46,873	(8,127)
Other	-	288,333	288,333
Total local sources	6,289,759	6,242,241	(47,518)
State sources			
On-behalf payments to TRS from the State	128,215	377,962	249,747
Total revenues	6,417,974	6,620,203	202,229
<b>EXPENDITURES</b>			
Support services			
General administration			
Claims paid from from self insurance fund			
Salaries	-	225,103	225,103
Employee benefits	-	31,255	31,255
Purchased services	100,000	112,372	12,372
Total claims paid from from self insurance fund	100,000	368,730	268,730
Workers' compensation			
Purchased services	1,800,000	1,341,548	(458,452)
Total workers' compensation	1,800,000	1,341,548	(458,452)
Unemployment insurance payments			
Purchased services	350,000	10,417	(339,583)
Total unemployment insurance payments	350,000	10,417	(339,583)
Risk management and claims services payments			
Purchased services	2,424,656	-	(2,424,656)
Total risk management and claims services payments	2,424,656	-	(2,424,656)
Judgment and settlements			
Other objects	-	47,519	47,519
Total judgment and settlements	-	47,519	47,519

(This schedule is continued on the following page.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
TORT IMMUNITY FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
General administration (Continued)			
Educational, inspectional and supervisory services related to loss prevention or reduction			
Salaries	\$ 536,237	\$ 648,407	\$ 112,170
Employee benefits	155,852	149,363	(6,489)
Purchased services	-	3,266,722	3,266,722
Capital outlay	-	243,997	243,997
On-behalf payments to TRS from the State	128,215	377,962	249,747
Total educational, inspectional and supervisory services related to loss prevention or reduction	820,304	4,686,451	3,866,147
Legal service			
Salaries	223,633	-	(223,633)
Employee benefits	32,241	-	(32,241)
Purchased services	45,000	-	(45,000)
Total legal service	300,874	-	(300,874)
Property insurance			
Purchased services	1,700,000	-	(1,700,000)
Total property insurance	1,700,000	-	(1,700,000)
Total support services - general administration	7,495,834	6,454,665	(1,041,169)
Total expenditures	7,495,834	6,454,665	(1,041,169)
NET CHANGE IN FUND BALANCE	<u>\$ (1,077,860)</u>	165,538	<u>\$ 1,243,398</u>
FUND BALANCE, JULY 1		<u>10,630,217</u>	
Prior period adjustment		<u>259,237</u>	
FUND BALANCE, JULY 1, RESTATED		<u>10,889,454</u>	
FUND BALANCE, JUNE 30		<u><u>\$ 11,054,992</u></u>	

(See independent auditor's report.)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FIRE PREVENTION AND LIFE SAFETY FUND

For the Year Ended June 30, 2017

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Fire prevention and life safety property taxes	\$ 1,964,106	\$ 1,941,690	\$ (22,416)
Investment income	75,000	89,260	14,260
State sources			
Other restricted revenue from state sources	-	51,235	51,235
Other	-	126,000	126,000
	<hr/>		
Total revenues	2,039,106	2,208,185	169,079
	<hr/>		
<b>EXPENDITURES</b>			
Support services			
Business			
Facilities acquisition and construction services			
Salaries	-	5,054	5,054
Purchased services	-	5,523	5,523
Capital outlay	1,800,000	-	(1,800,000)
	<hr/>		
Total facilities acquisition and construction services	1,800,000	10,577	(1,789,423)
	<hr/>		
Operation and maintenance of plant services			
Salaries	553,201	538,865	(14,336)
Employee benefits	131,970	116,948	(15,022)
Purchased services	200,000	911,397	711,397
Supplies and materials	-	187,571	187,571
Capital outlay	8,432,255	9,925,446	1,493,191
Noncapitalized equipment	-	62,671	62,671
	<hr/>		
Total operation and maintenance of plant services	9,317,426	11,742,898	2,425,472
	<hr/>		
Total support services	11,117,426	11,753,475	636,049
	<hr/>		
Total expenditures	11,117,426	11,753,475	636,049
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ (9,078,320)</u>	<u>(9,545,290)</u>	<u>\$ (466,970)</u>
FUND BALANCE, JULY 1		<u>14,991,759</u>	
FUND BALANCE, JUNE 30		<u>\$ 5,446,469</u>	

(See independent auditor's report.)

## **FIDUCIARY FUND**



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND

For the Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,443,085	\$ 2,742,191	\$ 2,622,817	\$ 1,562,459
<b>TOTAL ASSETS</b>	<u>\$ 1,443,085</u>	<u>\$ 2,742,191</u>	<u>\$ 2,622,817</u>	<u>\$ 1,562,459</u>
<b>LIABILITIES</b>				
Due to student organizations				
Auburn	\$ 211,029	\$ 403,753	\$ 427,597	\$ 187,185
Barbour	12,041	62,926	57,177	17,790
Beyer Elementary	1,633	7,585	5,084	4,134
Bloom Elementary	1,079	2,098	1,770	1,407
Brookview Elementary	5,887	11,342	7,209	10,020
Carlson	13,408	13,492	10,941	15,959
Cherry Valley	13,036	6,076	7,907	11,205
Conklin	14,199	8,592	7,566	15,225
Dennis Early Childhood	3,407	5,013	3,758	4,662
East High	161,169	389,557	381,646	169,080
Eisenhower Middle	91,932	102,849	111,609	83,172
Ellis Elementary	1,987	14,638	5,323	11,302
Fairview Early Childhood	462	2,536	2,076	922
Flinn Middle	52,118	105,173	95,316	61,975
Froberg Elementary	11,889	14,895	8,704	18,080
Gregory Elementary	11,501	16,772	18,707	9,566
Guilford High	205,687	454,760	489,001	171,446
Haskell Elementary	7,260	13,730	8,800	12,190
Hillman Elementary	15,018	21,746	11,372	25,392
Jefferson High	154,599	267,112	242,965	178,746
Johnson Elementary	13,619	18,805	14,592	17,832
Kennedy Middle	39,826	79,308	72,072	47,062
King Elementary	7,413	15,176	7,727	14,862
Kishwaukee Elementary	4,943	15,628	10,779	9,792
Lathrop Elementary	12,400	14,828	7,502	19,726
Lewis Lemon Elementary	2,449	18,044	13,313	7,180
Marsh	-	17	17	-
Lincoln Middle	51,755	77,204	92,315	36,644
Marshall Middle	69,616	122,918	111,129	81,405
McIntosh Elementary	10,750	12,325	15,431	7,644
Montessori Elementary	8,240	33,986	27,598	14,628
Nashold Elementary	9,815	22,407	20,604	11,618
Nelson Elementary	5,219	16,345	9,604	11,960
RESA Middle	32,707	67,483	60,485	39,705
Riverdahl Elementary	13,393	17,969	17,400	13,962
Rolling Green	18,132	27,959	25,732	20,359
Roosevelt Alternative HS	6,491	17,733	20,549	3,675
Spring Creek Elementary	3,706	12,054	11,310	4,450
Summerdale Early Childhood	8,336	7,933	7,459	8,810
Thompson Elementary	10,093	12,338	10,256	12,175
Thurgood Marshall	29,436	41,492	32,005	38,923
Walker	-	67	67	-
Welsh Elementary	24,716	13,906	7,815	30,807
West Middle	39,499	94,833	78,685	55,647
West View Elementary	21,306	11,173	11,099	21,380
White Swan Elementary	2,405	10,436	4,936	7,905
Whitehead Elementary	4,888	26,868	27,069	4,687
Wilson Middle	2,591	8,311	739	10,163
<b>TOTAL LIABILITIES</b>	<u>\$ 1,443,085</u>	<u>\$ 2,742,191</u>	<u>\$ 2,622,817</u>	<u>\$ 1,562,459</u>

(See independent auditor's report.)

# STATISTICAL SECTION

as of and for the year ended June 30, 2017



## STATISTICAL SECTION

This part of the Rockford Public Schools, District #205's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information displays about the District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have been changed over time.	114-129
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	130-133
Debt Capacity The 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.	134-137
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.	138-139
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.	140-144

*Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.*

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

NET POSITION BY COMPONENT

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 3,475,835	\$ 13,049,488	\$ 29,819,775	\$ 38,582,624
Restricted	-	-	-	16,645,068
Unrestricted	82,173,317	112,039,497	112,820,846	102,946,539
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 85,649,152</b>	<b>\$ 125,088,985</b>	<b>\$ 142,640,621</b>	<b>\$ 158,174,231</b>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net investment in capital assets	\$ 681,326	\$ 713,998	\$ 607,533	\$ 547,998
Unrestricted	3,609,015	3,799,912	4,189,145	3,789,147
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 4,290,341</b>	<b>\$ 4,513,910</b>	<b>\$ 4,796,678</b>	<b>\$ 4,337,145</b>
<b>PRIMARY GOVERNMENT</b>				
Net investment in capital assets	\$ 4,157,161	\$ 13,763,486	\$ 30,427,308	\$ 39,130,622
Restricted	-	-	-	16,645,068
Unrestricted	85,782,332	115,839,409	117,009,991	106,735,686
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 89,939,493</b>	<b>\$ 129,602,895</b>	<b>\$ 147,437,299</b>	<b>\$ 162,511,376</b>

The decrease in unrestricted net position for the fiscal year ended June 30, 2015 results from the implementation of GASB Statement No. 68.

The Food Services Proprietary Fund was reclassified as a sub-account of the General Fund during the fiscal year ended June 30, 2015 as user fees did not support fund expenditures.

Data Source

District's Audited Annual Financial Statements

2012	2013	2014	2015	2016	2017
\$ 57,150,978	\$ 66,855,384	\$ 76,176,420	\$ 72,484,808	\$ 81,894,316	\$ 91,046,622
31,486,036	41,490,409	86,070,059	91,143,977	71,435,328	46,344,723
122,153,391	133,139,148	749,708	8,553,379	18,829,646	36,478,122
\$ 210,790,405	\$ 241,484,941	\$ 162,996,187	\$ 172,182,164	\$ 172,159,290	\$ 173,869,467
\$ 616,269	\$ 951,683	\$ 1,361,529	\$ -	\$ -	\$ -
2,904,343	1,404,362	84,302	-	-	-
\$ 3,520,612	\$ 2,356,045	\$ 1,445,831	\$ -	\$ -	\$ -
\$ 57,767,247	\$ 67,807,067	\$ 77,537,949	\$ 72,484,808	\$ 81,894,316	\$ 91,046,622
31,486,036	41,490,409	86,070,059	91,143,977	71,435,328	46,344,723
125,057,734	134,543,510	834,010	8,553,379	18,829,646	36,478,122
\$ 214,311,017	\$ 243,840,986	\$ 164,442,018	\$ 172,182,164	\$ 172,159,290	\$ 173,869,467

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

EXPENSES, PROGRAM REVENUES AND NET REVENUE (EXPENSE)

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011*</b>
<b>EXPENSES</b>				
Governmental activities				
Instruction				
Regular programs	\$ 104,517,637	\$ 110,732,663	\$ 123,879,534	\$ 104,845,366
Special programs	46,570,100	39,802,948	50,018,452	48,670,404
Other instructional programs	25,695,373	38,310,803	35,898,263	32,248,049
State retirement contributions	-	-	-	34,872,891
Support services				
Pupils	18,801,197	18,822,512	20,493,289	20,846,389
Instructional staff	11,750,491	12,340,593	17,776,247	12,893,720
General administration	5,950,607	5,576,007	6,190,201	14,753,488
School administration	13,098,138	14,579,947	14,901,527	15,496,294
Business	8,336,745	8,798,484	10,377,350	3,244,152
Transportation	21,330,329	20,173,127	21,333,383	23,542,254
Operations and maintenance	21,456,137	22,708,773	21,883,184	21,946,092
Central	4,391,450	5,022,963	5,879,721	6,918,440
Other support services	1,122,774	1,399,670	1,632,578	2,163,469
Community services	5,359,939	5,108,681	4,499,013	3,116,036
Payments to other governments	122,087	2,135,100	4,903,939	8,320,199
Interest and charges	6,353,793	5,806,709	5,172,942	4,549,296
Total governmental activities expenses	294,856,797	311,318,980	344,839,623	358,426,539
Business-type activities				
Food service	11,748,702	11,990,248	12,411,759	12,805,897
<b>TOTAL PRIMARY GOVERNMENT EXPENSES</b>	<b>\$ 306,605,499</b>	<b>\$ 323,309,228</b>	<b>\$ 357,251,382</b>	<b>\$ 371,232,436</b>
<b>PROGRAM REVENUES</b>				
Governmental activities				
Charges for services				
Regular programs	\$ 424,545	\$ 432,934	\$ 920,467	\$ 2,492,045
Special programs	1,399,881	1,566,071	1,582,562	1,902,919
Other instructional programs	-	-	-	109,006
Transportation	-	-	-	-
Operations and maintenance	-	-	-	-
Support services	-	-	-	34,956
Operating grants and contributions	73,098,137	73,940,807	70,180,697	105,981,337
Capital grants and contributions	695,720	613,108	2,190,343	-
Total governmental activities program revenues	75,618,283	76,552,920	74,874,069	110,520,263
Business-type activities				
Charges for services	2,553,992	2,396,425	2,061,658	1,741,248
Operating grants and contributions	9,118,685	9,767,893	10,580,777	10,594,605
Total business-type activities program revenues	11,672,677	12,164,318	12,642,435	12,335,853
<b>TOTAL PRIMARY GOVERNMENT PROGRAM REVENUE</b>	<b>\$ 87,290,960</b>	<b>\$ 88,717,238</b>	<b>\$ 87,516,504</b>	<b>\$ 122,856,116</b>

	2012	2013	2014	2015	2016	2017
\$	88,612,117	\$ 95,605,168	\$ 99,521,788	\$ 133,481,017	\$ 99,862,730	\$ 70,472,478
	45,444,362	49,330,724	48,024,930	56,877,251	60,081,524	54,271,769
	30,235,538	32,390,781	34,010,329	51,820,849	31,389,861	50,932,296
	34,028,625	39,421,383	51,588,181	-	78,041,471	119,944,250
	19,072,219	20,779,935	21,945,652	29,360,167	25,608,366	37,940,357
	10,907,066	13,701,517	14,343,834	15,506,744	13,235,175	17,112,292
	14,856,394	13,618,859	14,930,351	16,120,083	16,038,814	19,066,651
	13,635,105	14,611,306	15,634,130	21,489,953	17,403,081	22,431,824
	3,101,381	3,243,795	3,395,960	18,655,674	22,403,062	21,125,161
	22,297,675	22,563,421	24,308,678	21,979,414	22,135,435	23,076,246
	22,098,358	22,957,948	28,103,673	28,868,602	27,135,148	29,667,557
	8,856,537	11,077,329	12,657,817	10,846,900	12,063,672	13,027,485
	1,903,305	2,567,681	3,028,627	892,751	1,061,452	1,312,024
	2,633,080	3,077,467	3,237,659	3,051,917	3,808,292	4,198,812
	10,413,930	11,352,014	19,686,522	19,150,367	12,590,587	15,065,675
	4,244,827	3,823,094	6,624,778	7,108,686	8,424,895	8,894,205
	332,340,519	360,122,422	401,042,909	435,210,375	451,283,565	508,539,082
	12,870,519	13,580,069	13,219,015	-	-	-
\$	345,211,038	\$ 373,702,491	\$ 414,261,924	\$ 435,210,375	\$ 451,283,565	\$ 508,539,082
\$	3,720,031	\$ 3,714,337	\$ 3,935,486	\$ 4,729,520	\$ 4,106,169	\$ 3,784,237
	2,570,831	1,884,140	1,865,302	2,186,035	1,823,820	1,756,433
	65,187	90,343	185,631	157,593	203,082	161,464
	-	-	71,914	43,429	42,001	44,340
	-	-	785,785	2,832,408	737,528	607,579
	524,564	683,445	-	-	-	-
	110,434,258	113,894,699	112,224,080	155,959,407	157,928,371	203,623,622
	-	-	747,084	552,008	45,418	51,235
	117,314,871	120,266,964	119,815,282	166,460,400	164,886,389	210,028,910
	1,533,823	1,488,576	1,331,305	-	-	-
	10,508,830	10,920,910	10,972,468	-	-	-
	12,042,653	12,409,486	12,303,773	-	-	-
\$	129,357,524	\$ 132,676,450	\$ 132,119,055	\$ 166,460,400	\$ 166,460,400	\$ 210,028,910

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

EXPENSES, PROGRAM REVENUES AND NET REVENUE (EXPENSE) (Continued)

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011*</b>
<b>NET REVENUE (EXPENSE)</b>				
Governmental activities	\$ (219,238,514)	\$ (234,766,060)	\$ (269,965,554)	\$ (247,906,276)
Business-type activities	(76,025)	174,070	230,676	(470,044)
<b>TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)</b>	<u>\$ (219,314,539)</u>	<u>\$ (234,591,990)</u>	<u>\$ (269,734,878)</u>	<u>\$ (248,376,320)</u>

\* State retirement contribution line item separated beginning in 2011. The state retirement contributions were allocated to functions beginning in fiscal year 2015 due to the implementation of GASB Statement No. 68.

Note: The Food Services Proprietary Fund was reclassified as a sub-account of the General Fund during the fiscal year ended June 30, 2015 as user fees did not support fund expenditures.

Data Source

District's Audited Annual Financial Statements



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2012	2013	2014	2015	2016	2017
\$ (215,025,648)	\$ (239,855,458)	\$ (281,227,627)	\$ (268,479,975)	\$ (286,397,176)	\$ (298,510,172)
(827,866)	(1,170,583)	(915,242)	-	-	-
\$ (215,853,514)	\$ (241,026,041)	\$ (282,142,869)	\$ (268,749,975)	\$ (286,397,176)	\$ (298,510,172)

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**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>NET REVENUE (EXPENSE)</b>				
Governmental activities	\$ (219,238,514)	\$ (234,766,060)	\$ (269,965,554)	\$ (247,906,276)
Business-type activities	(76,025)	174,070	230,676	(470,044)
<b>TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)</b>	<b>\$ (219,314,539)</b>	<b>\$ (234,591,990)</b>	<b>\$ (269,734,878)</b>	<b>\$ (248,376,320)</b>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>				
Governmental activities				
Taxes				
Property taxes, general and specific purposes	\$ 130,636,643	\$ 137,571,414	\$ 142,474,713	\$ 146,929,076
Property taxes, debt service	12,962,633	12,759,301	13,169,384	13,646,700
Corporate property replacement taxes	25,547,820	22,348,477	18,079,739	23,447,497
State aid-formula grants	87,045,848	95,811,421	110,506,976	78,130,244
Investment earnings	3,695,462	2,767,798	1,114,592	777,898
Other	2,846,265	2,974,396	2,180,268	518,982
Gain on sale of capital assets	-	-	-	-
Transfers in (out)	(123,248)	(26,914)	8,482	(10,511)
Total governmental activities	262,611,423	274,205,893	287,534,154	263,439,886
Business-type activities				
Other	27,051	22,585	43,610	-
Transfers in (out)	123,248	26,914	8,482	10,511
Total business-type activities	150,299	49,499	52,092	10,511
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 262,761,722</b>	<b>\$ 274,255,392</b>	<b>\$ 287,586,246</b>	<b>\$ 263,450,397</b>
<b>CHANGE IN NET POSITION</b>				
Governmental activities	\$ 43,372,909	\$ 39,439,833	\$ 17,568,600	\$ 15,533,610
Business-type activities	74,274	223,569	282,768	(459,533)
<b>TOTAL PRIMARY GOVERNMENT CHANGES IN NET POSITION</b>	<b>\$ 43,447,183</b>	<b>\$ 39,663,402</b>	<b>\$ 17,851,368</b>	<b>\$ 15,074,077</b>

Data Source

District's Audited Annual Financial Statements

2012	2013	2014	2015	2016	2017
\$ (215,025,648)	\$ (239,855,458)	\$ (281,227,627)	\$ (268,749,975)	\$ (286,397,176)	\$ (298,510,172)
(827,866)	(1,170,583)	(915,242)	-	-	-
\$ (215,853,514)	\$ (241,026,041)	\$ (282,142,869)	\$ (268,749,975)	\$ (286,397,176)	\$ (298,510,172)
\$ 151,983,603	\$ 147,883,312	\$ 141,461,370	\$ 143,009,227	\$ 141,406,671	\$ 140,520,578
14,070,132	14,584,379	15,099,347	11,283,184	13,388,878	13,067,090
21,568,780	22,037,762	22,762,158	23,824,790	19,141,723	26,039,815
79,061,402	85,015,862	75,355,915	95,623,462	109,373,106	115,810,724
612,912	613,029	751,417	778,438	1,021,857	665,850
356,326	421,666	776,799	1,960,605	1,879,315	4,438,991
-	-	-	10,415	162,752	-
(11,333)	(6,016)	(5,028)	1,445,831	-	-
267,641,822	270,549,994	256,201,978	277,935,952	286,374,302	300,543,048
-	-	-	-	-	-
11,333	6,016	5,028	(1,445,831)	-	-
11,333	6,016	5,028	(1,445,831)	-	-
\$ 267,653,155	\$ 270,556,010	\$ 256,207,006	\$ 276,490,121	\$ 286,374,302	\$ 300,543,048
\$ 52,616,174	\$ 30,694,536	\$ (25,025,649)	\$ 9,185,977	\$ (22,874)	\$ 2,032,876
(816,533)	(1,164,567)	(910,214)	(1,445,831)	-	-
\$ 51,799,641	\$ 29,529,969	\$ (29,935,863)	\$ 7,740,146	\$ (22,874)	\$ 2,032,876

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011*</b>
<b>GENERAL FUND</b>				
Reserved/nonspendable	\$ -	\$ -	\$ 11,008	\$ 15,643
Restricted	-	-	-	3,503,909
Unreserved/unassigned	52,929,632	67,713,728	67,825,386	110,907,460
<b>TOTAL GENERAL FUND</b>	<b>\$ 52,929,632</b>	<b>\$ 67,713,728</b>	<b>\$ 67,836,394</b>	<b>\$ 114,427,012</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Reserved/restricted for				
Debt Service Fund	\$ 6,058,031	\$ 6,075,757	\$ 6,019,560	\$ 5,461,190
Capital Project Funds	1,617,918	1,260,633	2,244	9,198,334
Tort Immunity	-	-	-	-
Special Revenue Funds	-	-	-	8,416,794
Assigned for				
Capital Projects Funds	-	-	-	-
Unreserved/unassigned for				
Special Revenue Funds	32,388,748	36,282,363	33,589,088	(7,589,171)
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 40,064,697</b>	<b>\$ 43,618,753</b>	<b>\$ 39,610,892</b>	<b>\$ 15,487,147</b>

\* GASB Statement No. 54 implemented in 2011.

Data Source

District's Audited Annual Financial Statements

2012	2013	2014	2015	2016	2017
\$ -	\$ -	\$ -	\$ -	\$ 45,567	\$ 1,251,072
6,632,268	8,888,659	29,644,947	30,574,121	31,715,848	32,645,445
128,273,256	120,974,848	60,318,447	61,124,212	58,628,669	59,717,115
\$ 134,905,524	\$ 129,863,507	\$ 89,963,394	\$ 91,698,333	\$ 90,390,084	\$ 93,613,632
\$ 7,148,770	\$ 7,071,799	\$ 4,719,230	\$ 2,258,926	\$ 2,138,318	\$ 3,969,117
5,572,685	101,421,193	104,537,272	122,568,838	105,759,618	70,303,886
-	-	11,945,434	11,645,076	10,630,217	11,054,992
5,537,898	13,802,271	16,043,860	19,410,199	12,504,077	20,770,924
10,229,172	25,576,794	-	-	-	-
(8,763,275)	(8,330,022)	(9,672,691)	(10,549,575)	(2,256,716)	(4,498,585)
\$ 19,725,250	\$ 139,542,035	\$ 127,573,105	\$ 145,333,464	\$ 128,775,514	\$ 101,600,334

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

GOVERNMENTAL FUNDS REVENUES

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>LOCAL SOURCES</b>				
Property taxes	\$ 143,599,276	\$ 150,330,715	\$ 155,644,097	\$ 160,575,776
Corporate personal property replacement taxes	25,547,820	22,348,477	18,079,739	23,447,497
Payments of surplus monies from TIF districts	-	-	-	-
Charges for services	4,670,691	4,973,401	4,683,297	4,878,586
Total local sources	173,817,787	177,652,593	178,407,133	188,901,859
<b>STATE SOURCES</b>				
Unrestricted state aid	67,342,462	54,882,612	59,469,341	78,130,244
Restricted state aid	62,911,778	60,433,880	61,969,274	77,498,978
Total state sources	130,254,240	115,316,492	121,438,615	155,629,222
<b>FEDERAL SOURCES</b>				
Restricted federal aid	29,917,789	45,056,148	57,783,314	34,760,928
Refund of prior year's expenditures	-	-	-	-
Investment income	3,695,462	2,767,798	1,114,592	777,898
Total federal sources	33,613,251	47,823,946	58,897,906	35,538,826
<b>TOTAL REVENUES</b>	<b>\$ 337,685,278</b>	<b>\$ 340,793,031</b>	<b>\$ 358,743,654</b>	<b>\$ 380,069,907</b>

Data Source

District's Audited Annual Financial Statements

2012	2013	2014	2015	2016	2017
\$ 166,053,735	\$ 162,467,691	\$ 156,560,717	\$ 154,292,411	\$ 154,795,549	\$ 153,587,669
21,568,780	22,037,762	22,762,158	23,824,790	19,141,723	26,039,815
-	-	-	-	10,976	13,061
6,937,883	6,400,690	5,518,536	10,825,848	7,907,506	7,377,454
194,560,398	190,906,143	184,841,411	188,943,049	181,855,754	187,017,999
79,061,402	85,015,862	90,293,429	95,623,462	105,966,287	115,810,724
65,522,939	82,862,830	90,856,290	118,232,349	113,633,519	159,682,235
144,584,341	167,878,692	181,149,719	213,855,811	219,599,806	275,492,959
39,073,081	34,732,077	31,203,281	42,302,088	43,360,559	45,645,250
-	-	492,607	308,652	29,175	566,637
612,912	613,029	751,417	778,439	1,021,857	665,850
39,685,993	35,345,106	32,447,305	43,389,179	44,411,591	46,877,737
\$ 378,830,732	\$ 394,129,941	\$ 398,438,435	\$ 446,188,039	\$ 445,867,151	\$ 509,388,695

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010*</b>	<b>2011*</b>
<b>INSTRUCTION</b>				
Regular programs	\$ 103,779,706	\$ 108,765,729	\$ 94,026,728	\$ 101,369,563
Special programs	45,629,296	38,880,913	45,267,959	47,094,560
Other instructional programs	25,341,969	37,951,089	31,169,681	31,847,336
State retirement contribution	-	-	36,060,321	34,872,891
Total instruction	174,750,971	185,597,731	206,524,689	215,184,350
<b>SUPPORTING SERVICES</b>				
Pupils	18,555,256	18,552,073	20,187,058	20,505,697
Instructional staff	11,562,267	12,138,146	17,574,055	12,706,467
General administration	5,646,603	5,684,210	14,571,252	14,368,662
School administration	12,892,663	14,350,551	14,418,271	15,247,491
Business	8,271,437	8,724,950	3,229,880	3,159,800
Operations and maintenance	21,335,604	22,483,141	19,960,489	21,635,968
Transportation	19,664,401	18,834,269	19,607,215	21,620,338
Central	4,225,795	4,887,310	5,761,970	6,678,075
Other	1,110,868	1,389,151	1,997,578	2,158,334
Total supporting services	103,264,894	107,043,801	117,307,768	118,080,832
<b>COMMUNITY SERVICES</b>	5,300,602	5,053,395	4,447,474	3,083,787
<b>CAPITAL OUTLAY</b>	3,266,389	6,278,007	12,706,775	6,146,052
<b>DEBT SERVICE</b>				
Principal	11,204,683	11,609,683	12,679,683	13,729,683
Interest and charges	5,277,792	4,710,248	4,050,039	3,325,263
Total debt service	16,482,475	16,319,931	16,729,722	17,054,946
<b>INTERGOVERNMENTAL</b>				
Payments to other governments	122,087	2,135,100	4,903,939	8,320,199
<b>TOTAL EXPENDITURES</b>	<b>\$ 303,187,418</b>	<b>\$ 322,427,965</b>	<b>\$ 362,620,367</b>	<b>\$ 367,870,166</b>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>				
	5.50%	5.16%	4.78%	4.71%

\* State retirement contribution line item separated.

Data Source

District's Audited Annual Financial Statements



	2012*	2013*	2014*	2015	2016	2017
\$	88,195,295	\$ 93,511,480	\$ 96,340,200	\$ 131,979,197	\$ 134,420,336	\$ 158,311,962
	36,944,577	39,723,219	44,731,560	54,409,388	70,880,440	76,857,390
	29,801,618	31,910,430	33,057,649	51,677,506	41,771,652	49,157,601
	34,028,625	39,421,383	51,588,181	-	-	-
	188,970,115	204,566,512	225,717,590	238,066,091	247,072,428	284,326,953
	18,760,723	20,446,944	21,322,333	28,774,564	30,488,982	35,669,954
	10,722,513	13,361,441	13,983,629	15,284,601	14,601,409	16,090,976
	15,227,953	13,471,776	14,656,800	15,863,485	18,348,750	18,329,450
	13,394,779	14,343,454	15,137,540	21,146,177	19,997,772	20,835,660
	3,014,785	3,138,956	3,223,655	18,479,663	22,301,643	23,474,997
	21,645,802	22,609,044	27,408,233	27,286,765	28,508,797	28,737,023
	20,638,899	20,606,541	22,177,995	21,402,719	19,224,321	20,858,445
	8,332,381	10,313,193	11,181,438	9,116,470	11,481,054	10,850,355
	1,896,821	2,567,681	3,016,359	88,236	1,017,064	1,114,402
	113,634,656	120,859,030	132,107,982	157,442,680	165,969,792	175,961,262
	2,596,970	3,071,479	3,155,905	2,998,927	3,535,858	3,888,264
	14,774,150	16,027,728	55,242,369	55,242,369	47,791,572	38,880,545
	14,878,905	16,000,000	14,200,000	11,300,000	9,190,000	9,290,000
	2,526,728	1,788,895	3,252,248	3,015,000	4,360,527	5,604,929
	17,405,633	17,788,895	17,452,248	14,315,000	13,550,527	14,894,929
	17,020,316	18,554,480	19,686,522	19,150,367	12,590,587	15,065,675
\$	354,401,840	\$ 380,868,124	\$ 453,362,616	\$ 486,728,260	\$ 490,510,764	\$ 533,017,628
	5.12%	4.88%	4.38%	3.32%	3.06%	3.01%

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 34,497,860</u>	<u>\$ 18,365,066</u>	<u>\$ (3,876,713)</u>	<u>\$ 12,199,741</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of general obligation bonds sold	-	-	-	9,992,698
Premium on bonds	-	-	-	105,623
Transfer in	3,688,119	3,074,996	1,135,911	199,900
Transfer (out)	(3,811,367)	(3,101,910)	(1,144,393)	(210,411)
Proceeds from the sale of District assets	-	-	-	179,322
Total other financing sources (uses)	<u>(123,248)</u>	<u>(26,914)</u>	<u>(8,482)</u>	<u>10,267,132</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u><u>\$ 34,374,612</u></u>	<u><u>\$ 18,338,152</u></u>	<u><u>\$ (3,885,195)</u></u>	<u><u>\$ 22,466,873</u></u>

2012	2013	2014	2015	2016	2017
\$ 24,428,892	\$ 13,261,817	\$ (54,924,181)	\$ (40,540,221)	\$ (44,643,613)	\$ (23,628,933)
-	99,999,876	-	58,996,364	29,085,000	-
-	1,125,850	-	931,802	-	-
11,928,201	15,451,082	25,480,347	600,597	10,318,723	-
(11,939,534)	(15,457,098)	(25,485,375)	(516,295)	(10,318,723)	-
299,056	393,241	19,850	47,276	177,329	-
287,723	101,512,951	14,822	60,059,744	29,262,329	-
\$ 24,716,615	\$ 114,774,768	\$ (54,909,359)	\$ 19,519,523	\$ (15,381,284)	\$ (23,628,933)

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205  
ROCKFORD, ILLINOIS**

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

<b>Tax Levy Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Agricultural Property</b>	<b>Railroad Property</b>	<b>Total Taxable Equalized Assessed Valuation</b>	<b>Percent Change</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>
2016	\$ 1,351,100,030	\$ 452,797,601	\$ 155,465,368	\$ 15,482,548	\$ 5,905,307	\$ 1,980,750,854	1.02%	7.803	\$ 5,942,252,562
2015	1,344,370,098	441,846,556	154,355,773	15,070,648	5,136,977	1,960,780,052	(2.63%)	7.938	5,882,340,156
2014	1,401,214,615	434,183,451	159,051,737	14,381,676	4,873,755	2,013,705,234	(6.04%)	7.781	6,041,115,702
2013	1,510,010,484	455,238,300	159,346,606	14,345,559	4,106,006	2,143,046,955	(8.96%)	7.2301	6,429,140,865
2012	1,684,282,678	482,384,445	169,323,054	14,182,138	3,823,787	2,353,996,102	(9.09%)	6.688	7,061,988,306
2011	1,858,864,247	531,650,353	180,493,067	14,856,472	3,364,520	2,589,228,659	(5.47%)	6.559	7,767,685,977
2010	1,960,896,951	569,104,813	190,827,403	14,812,396	3,339,291	2,738,980,854	(3.36%)	6.015	8,216,942,562
2009	2,031,864,602	588,665,267	196,715,830	14,087,236	2,832,420	2,834,165,355	(0.49%)	5.576	8,502,496,065
2008	2,037,701,784	597,626,014	197,070,905	13,083,456	2,764,560	2,848,246,719	3.50%	5.452	8,544,740,157
2007	1,964,272,936	577,395,084	195,641,402	12,625,025	2,104,316	2,752,038,763	5.74%	5.338	8,256,116,289

Note: The county assesses property at approximately 33.3% of actual value. Estimated actual taxable value is calculated by dividing taxable value by percentage. Tax rates are per \$100 of assessed value.

Data Source

Winnebago County Clerk's, Department of Tax Extensions

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

<b>Tax Levy Year</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>DISTRICT DIRECT RATES</b>										
Educational	3.7000	3.7000	3.7000	3.7000	3.7145	3.2945	4.0000	4.0000	4.0000	4.0000
Tort Immunity	0.1687	0.2840	0.3844	0.4169	0.3239	0.2921	0.2794	0.3110	0.3042	0.3012
Operations and Maintenance	0.5000	0.5000	0.5000	0.6922	0.5508	0.7500	0.7500	0.7500	0.7500	0.7500
Transportation	0.2000	0.2000	0.2000	0.2623	0.3600	0.4946	0.4551	0.7732	0.9383	0.8180
Municipal Retirement/Social Security	0.1642	0.1633	0.1339	0.1954	0.2022	0.3087	0.2093	0.3262	0.3224	0.3193
Working Cash	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0495
Special Education	0.0400	0.0400	0.0750	0.1314	0.7384	0.8000	0.8000	0.8000	0.8000	0.8000
Building Safety	0.0500	0.0500	0.0500	0.0500	0.0527	0.0535	0.1000	0.1000	0.1000	0.0990
Bond and Interest	0.4652	0.4647	0.4832	0.5170	0.5670	0.6450	0.5863	0.6706	0.6730	0.6661
Total direct	5.3381	5.4520	5.5765	6.0152	6.5595	6.6884	7.2301	7.7810	7.9379	7.8031
<b>OVERLAPPING RATES</b>										
Rockford School District Number 205	5.3381	5.4520	5.5765	6.0152	6.5595	6.6884	7.2301	7.781	7.9379	7.8031
Winnebago County	0.7704	0.7835	0.7934	0.8299	0.8676	0.9423	1.0329	1.0845	1.0984	1.0826
Winnebago County Forest Preserve District	0.0905	0.0859	0.0859	0.0898	0.0956	0.1072	0.1165	0.1199	0.1203	0.1207
Rockford Township	0.1048	0.1052	0.1070	0.1088	0.1119	0.1200	0.1288	0.1394	0.1452	0.1455
City of Rockford	2.2026	2.2085	2.2297	2.3595	2.5191	2.8178	3.0811	3.4325	3.3595	3.3207
Rockford Park District	0.7198	0.7319	0.7455	0.7869	0.8432	0.9522	1.0577	1.1286	1.1629	1.1544
Rock River Water Reclamation District	0.1221	0.1243	0.1268	0.1362	0.1469	0.1665	0.1856	0.2100	0.2075	0.2082
Rockford Library District	0.3147	0.3233	0.3309	0.3564	0.3860	0.4422	0.4724	0.5042	0.5196	0.5190
Greater Rockford Airport Authority	0.0884	0.0890	0.0901	0.0954	0.0937	0.1024	0.1043	0.1063	0.1073	0.1103
Community College District Number 511	0.4410	0.4578	0.4583	0.4503	0.4541	0.4477	0.4630	0.4823	0.4893	0.4927
Rockford Township Road	0.0918	0.0922	0.0939	0.0955	0.1049	0.1149	0.1299	0.1419	0.1484	0.1487
Total direct and overlapping rate	10.2842	10.4536	10.6380	11.3239	12.1825	12.9016	14.0023	15.1306	15.2963	15.1059

Data Source

Winnebago County Clerk's Office

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205  
ROCKFORD, ILLINOIS**

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2017			2008		
	Equalized Assessed Valuation 2016	Percentage of Equalized Valuation	Rank	Equalized Assessed Valuation 2007	Percentage of Equalized Valuation	Rank
Lowes Home Centers, Inc.	\$ 11,335,913	0.58%	1	\$ 14,776,374	0.54%	1
Woodward Inc.	9,609,484	0.55%	2			
Beloit Memorial Hospital, Inc.	8,775,292	0.42%	3	8,978,713	0.33%	3
CBL Cherryvale	8,273,584	0.39%	4	8,986,125	0.33%	2
Meijer Stores Ltd. Partnership	8,075,635	0.35%	5			
Forest Plaza LLC	6,637,698	0.34%	6			
Greater Rockford Airport Authority	6,016,926	0.30%	7	7,298,780	0.27%	4
Lubrizol Holding Inc.	5,672,631	0.30%	8			
National Retail Properties LP	5,064,613	0.28%	9			
Greater Rockford Airport	4,703,412	0.24%	10	5,583,057	0%	8
Fixed Asset Accounting/Hamilton Sundstrand				7,294,782	0.27%	5
CBL/Cherryvale I LLC				6,186,029	0.22%	6
Two Star Property Co. Inc.				5,889,082	0.21%	7
Menard Inc.				5,413,557	0.20%	9
Petry Family Trust				5,405,961	0.20%	10
<b>TOTAL</b>	<u>\$ 74,165,188</u>	<u>3.75%</u>		<u>\$ 75,812,460</u>	<u>2.77%</u>	
<b>EAV</b>	<u>\$ 1,980,750,854</u>			<u>\$ 2,848,246,719</u>		

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Tax Levy Year	Extended Levied for the Levy Year		Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	Total Percentage of Levy
			Amount	Percentage of Levy			
2016	\$	155,618,090	\$ 73,037,752	46.93%	\$ -	\$ 73,037,752	46.93%
2015		155,435,776	80,879,886	52.03%	72,799,466	153,679,352	98.87%
2014		156,686,404	82,051,106	52.37%	73,263,439	155,314,545	99.12%
2013		154,944,440	78,137,811	50.43%	75,669,535	153,807,346	99.27%
2012		157,444,675	80,536,117	51.15%	75,869,353	156,405,470	99.34%
2011		169,840,442	86,990,557	51.22%	81,703,188	168,693,745	99.32%
2010		164,557,651	70,371,736	42.76%	93,190,642	163,562,378	99.40%
2009		157,864,109	78,503,250	49.73%	78,762,038	157,265,288	99.62%
2008		155,104,050	78,659,071	50.71%	75,622,156	154,281,227	99.47%
2007		146,735,090	72,873,963	49.66%	73,278,244	146,152,207	99.60%

Data Source

Winnebago County Clerk's Office

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Year Ended June 30	Governmental Activities		Tax Anticipation Warrants Cert of Participation	Total Primary Government	Equalized Assessed Valuation	Total Debt Percentage Assessed Valuation	*Percentage Estimated Actual Taxable Valu	Percentage Personal Income	Per Capita
	Gross General Bonded Debt	Notes Payable							
2017	\$ 215,178,082	\$ -	\$ -	\$ 215,178,082	\$ 1,980,750,854	10.86%	3.62%	N/A	N/A
2016	220,407,301	-	-	220,407,301	1,960,780,052	11.24%	3.75%	6.95%	1,493
2015	196,853,840	-	-	196,853,840	2,013,705,234	9.78%	3.26%	6.00%	1,328
2014	144,844,489	-	-	144,844,489	2,143,046,955	6.76%	2.25%	4.31%	944
2013	155,208,485	-	-	155,208,485	2,353,996,102	6.59%	2.20%	4.91%	1,033
2012	67,787,766	-	-	67,787,766	2,589,228,659	2.62%	0.87%	2.11%	449
2011	80,629,376	128,021	-	80,757,397	2,738,980,854	2.95%	0.98%	2.68%	532
2010	82,949,377	367,704	-	83,317,081	2,834,165,355	2.94%	0.98%	2.84%	545
2009	94,331,863	607,387	-	94,939,250	2,848,246,719	3.33%	1.10%	2.96%	618
2008	104,719,349	847,070	-	105,566,419	2,752,038,763	3.84%	1.27%	3.08%	684

\* Estimated Actual Taxable Value is one-third (1/3) of the Total Equalized Assessed Valuation.

Note: Population information and personal income can be found with the Demographic and Economic Statistics.

Data Source

District's Audited Annual Financial Statements



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

June 30, 2017

	Debt Outstanding	See Note Below	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Overlapping Districts				
Winnebago County	\$ 110,315,000	(1)	54.81%	\$ 60,463,652
Winnebago County Forest Preserve	2,879,090	(2)	54.81%	1,578,029
Greater Rockford Airport Authority	27,345,638		75.11%	20,539,309
Village of Cherry Valley	192,000	(1)	100.00%	192,000
City of Loves Park	4,813,795	(1)	33.37%	1,606,363
City of Rockford	104,785,000	(1)(3)	98.57%	103,286,575
Village of Roscoe	2,185,000		1.95%	42,608
Sanitary District	37,420,000		72.30%	27,054,660
Rockford Park District	46,945,000	(1)	86.34%	40,532,313
Northwest Fire	645,000		96.83%	624,554
Community College District No. 511	100,865,000	(2)	70.27%	70,877,836
	<u>438,390,523</u>			<u>326,797,897</u>
Total overlapping debt	<u>438,390,523</u>			<u>326,797,897</u>
District direct debt	<u>\$ 215,178,082</u>		100.00%	<u>215,178,082</u>
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>				<u><u>\$ 541,975,979</u></u>

(1) Excludes principal amounts of outstanding General Obligation (Alternate Revenue Source) Bonds which are expected to be paid from sources other than general taxation.

(2) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.

(3) Excludes self-supporting bonds for which an abatement is filed annually.

Note: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the District's taxable assessed value that is within the government's boundaries and dividing it by the District's total taxable assessed value.

Data Source

Winnebago County Clerks Office

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205  
ROCKFORD, ILLINOIS**

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	\$ 379,781,349	\$ 393,058,047	\$ 391,114,819	\$ 377,979,358	\$ 357,313,555	\$ 324,851,462	\$ 296,077,402	\$ 278,233,677	\$ 270,587,647	\$ 273,343,618
Total net debt applicable to limit	104,781,242	94,542,492	83,308,742	70,342,632	55,592,632	139,592,629	125,392,508	176,873,105	167,683,105	195,618,969
Legal debt margin	\$ 275,000,107	\$ 298,515,555	\$ 307,806,077	\$ 307,636,726	\$ 301,720,923	\$ 185,258,833	\$ 170,684,894	\$ 101,360,572	\$ 102,904,542	\$ 77,724,649
<b>TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT</b>	27.59%	24.05%	21.30%	18.61%	15.56%	42.97%	42.35%	63.57%	61.97%	71.57%

**FUTURE FINANCING:** At the present time the District has no plans to issue additional debt.

**SHORT-TERM BORROWING:** The District has no tax anticipation notes or warrents outstanding.

**DEBT PAYMENT HISTORY:** The District has no record of default and has met its debt repayment obligations promptly.

Legal Debt Margin Calculation for Fiscal 2016

Equalized Assessed Value	\$ 1,980,750,854
Debt limit percentage	13.80%
Debt limit	273,343,618
Debt applicable to limit General obligation bonds	195,618,969
<b>LEGAL DEBT MARGIN</b>	<b>\$ 77,724,649</b>

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

PLEDGED REVENUE COVERAGE - ALTERNATE REVENUE SOURCE -  
QUALIFIED SCHOOL CONSTRUCTION BONDS

June 30, 2017

Allowable Funding Sources						
GO Bonds						
(Alternate Revenue Source -						
Qualified School Construcion)						
Series 2016						
Fiscal Year	Pledged Revenue	Funds Available	Principal	Interest	Total Debt Service	Coverage
2017	Corporate personal property replacement tax	\$ 26,039,815	\$ -	\$ 1,185,804	\$ 1,185,804	4.55%

Note: Details of the District's outstanding debt can be found in the notes to the financial statements.

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Calendar Years

Calendar Year	Estimated Population	Personal Income	Per Capita Personal Income	Unemployment Rate	
				Winnebago County	Boone County
2016	147,651	\$ 3,169,771,668	\$ 21,468 (a)	5.7%	5.3%
2015	148,278	3,283,023,198	22,141	6.4%	5.8%
2014	153,509	3,361,079,555	21,895	11.5%	11.8%
2013	150,251	3,158,426,271	21,021	11.6%	11.5%
2012	150,915	3,207,698,325	21,255	11.6%	11.8%
2011	151,904	3,013,775,360	19,840	12.7%	13.4%
2010	152,943	2,938,035,030	19,210	15.3%	15.9%
2009	153,587	3,211,657,757	20,911	14.8%	15.1%
2008	154,370	3,432,416,950	22,235	8.6%	9.5%
2007	154,206	3,425,994,702	22,217	6.3%	6.9%

Source: (a) U.S. Census Bureau; years 2014-2006 Rockford Region Economic Development District

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205  
ROCKFORD, ILLINOIS**

**PRINCIPAL EMPLOYERS**

Current Year and Nine Years Ago

<u><b>Employer</b></u>	<b>2016</b>			<b>2007</b>		
	<b>Number of Employees (1)</b>	<b>Rank</b>	<b>Percentage of Total</b>	<b>Number of Employees (2)</b>	<b>Rank</b>	<b>Percentage of Total</b>
Fiat Chrysler Automobiles/Daimler Chrysler	4,323	1	17.3%	4,000	1	17.4%
Rockford School District	3,525	2	14.1%	3,500	2	15.2%
Mercyhealth/Rockford Health Systems	3,195	3	12.0%	2,900	3	12.6%
Swedish American Health System	2,988	4	12.0%	2,900	4	12.6%
OSF Healthcare	2,800	5	11.2%	2,000	7	8.7%
UTC Aerospace Systems	2,200	6	8.8%			
Wal-Mart Stores	1,611	7	6.5%			
Woodward	1,540	8	6.2%	1,300	8	5.7%
PCI - Packaging Coordinators, Inc.	1,500	9	6.0%			
Winnebago County	1,449	10	5.8%			
City of Rockford				1,201	9	5.2%
Hamilton Sundstrand Corporation				2,300	5	10.0%
United Parcel Service				2,200	6	9.6%
Cadbury Adams				700	10	3.0%
Total Employment	<u>25,131</u>			<u>23,001</u>		

**Data Source**

- (1) Rockford Area Economic Development Council. 2017 data was not available at the time of publication.
- (2) Based on archived data (February 2007 telephone canvass of employers).

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE

Last Ten Fiscal Years

<b>Function/Program</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Certified administration	131	141	145	157	149	143	151	159	166	168
Noncertified administration	25	23	31	33	30	51	46	41	51	63
Certified support	349	343	347	316	315	354	359	332	342	351
Certified teacher	1,746	1,730	1,731	1,700	1,566	1,688	1,741	1,653	1,710	1,707
Noncertified support	128	149	174	165	188	226	236	213	244	254
Clerical	167	165	168	167	161	155	152	147	145	143
Paraprofessional	532	529	529	476	503	594	613	526	578	581
Hourly support	58	59	60	60	59	68	72	60	58	63
Trades	70	70	70	70	69	75	76	72	86	98
Food service	119	120	120	121	117	126	123	118	123	124
Bus driver	226	226	226	226	229	232	232	204	219	219
<b>TOTAL</b>	<b>3,552</b>	<b>3,554</b>	<b>3,600</b>	<b>3,491</b>	<b>3,387</b>	<b>3,710</b>	<b>3,800</b>	<b>3,525</b>	<b>3,722</b>	<b>3,771</b>

Data Source

District personnel records

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

OPERATING STATISTICS

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Enrollment</b>	<b>Operating Expenditures</b>	<b>Cost Per Pupil</b>	<b>Percentage Change</b>	<b>Total Expenses</b>	<b>Cost Per Pupil</b>	<b>Percentage Change</b>
2017	28,512	\$ 472,183,832	\$ 16,560.88	11.81%	\$ 533,017,628	\$ 18,694.50	8.67%
2016	28,689	422,315,284	14,720.46	2.05%	490,510,765	17,097.52	0.78%
2015	29,325	413,820,788	14,111.54	8.47%	486,728,260	16,597.72	7.36%
2014	29,140	381,509,248	13,092.29	10.58%	453,362,616	15,558.09	21.32%
2013	29,090	345,019,950	11,860.43	7.11%	373,702,491	12,846.42	8.25%
2012	28,131	322,132,070	11,451.14	(6.22%)	345,211,038	12,271.55	(7.01%)
2011	29,485	343,480,436	11,649.33	3.29%	371,232,436	12,590.55	3.91%
2010	29,912	332,526,602	11,116.83	11.17%	357,251,382	11,943.41	10.50%
2009	29,066	299,112,812	10,290.81	5.72%	323,309,228	11,123.28	5.45%
2008	29,407	282,933,739	9,621.31	7.92%	306,605,499	10,426.28	5.88%

Note: Operating expenditures less debt service and capital outlay.

Data Source

District records and audited financial statements

**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205  
ROCKFORD, ILLINOIS**

CAPITAL ASSET INFORMATION

Last Ten Fiscal Years

<b>Fiscal/Program</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>SCHOOLS</b>										
Buildings	52	52	53	52	52	47	47	47	47	46
Buildings - Vacant	N/A	N/A	N/A	-	-	3	3	3	3	4
Square feet - Buildings	4,347,423	4,347,423	4,413,591	4,394,303	4,394,303	4,205,371	4,246,374	4,478,261	4,478,261	4,515,669
Capacity	37,659	37,186	37,336	37,336	37,086	36,836	36,836	36,836	36,836	36,836
Enrollment	29,407	29,066	29,912	29,485	28,131	29,090	29,140	29,325	28,689	28,512
<b>ADMINISTRATIVE</b>										
Buildings	3	3	3	4	4	4	3	3	3	3
Square feet	80,237	80,237	80,237	372,372	372,372	372,372	292,135	292,135	292,135	292,135
<b>ATHLETICS</b>										
Stadiums	2	2	2	2	2	2	2	2	2	2
Running tracks	5	5	5	5	5	5	5	5	5	5
Baseball/softball	19	19	19	19	19	19	19	28	28	28
Swimming pools	12	12	12	12	12	12	12	11	11	11
Playgrounds	35	35	35	35	35	34	34	40	40	39

Data Source

District records. Note that Fiscal Years 2011 through 2017 above reflect corrected Capital Asset data.



**ROCKFORD PUBLIC SCHOOLS, DISTRICT #205**  
**ROCKFORD, ILLINOIS**

STATE OF ILLINOIS STANDARDIZED TEST SUMMARY  
DISTRICT/STATE AVERAGE

Last Ten Fiscal Years

	2008		2009		2010		2011	
	District	State	District	State	District	State	District	State
Reading								
Grade 3	56%	72%	57%	72%	57%	74%	59%	75%
Grade 4	59%	73%	57%	74%	59%	74%	58%	75%
Grade 5	61%	74%	60%	74%	61%	75%	63%	76%
Grade 6	67%	79%	64%	80%	66%	81%	69%	84%
Grade 7	65%	78%	63%	78%	60%	78%	60%	79%
Grade 8	69%	81%	72%	84%	72%	84%	69%	85%
Mathematics								
Grade 3	75%	85%	78%	85%	77%	86%	76%	87%
Grade 4	79%	85%	74%	86%	77%	86%	76%	88%
Grade 5	77%	81%	76%	82%	75%	83%	76%	84%
Grade 6	69%	83%	68%	82%	71%	85%	69%	84%
Grade 7	66%	80%	69%	83%	69%	84%	70%	84%
Grade 8	64%	80%	67%	82%	71%	84%	71%	86%
Writing								
Grade 3	X	X	X	X	X	X	X	X
Grade 5	X	X	X	X	X	X	X	X
Grade 6	X	X	X	X	X	X	X	X
Grade 8	X	X	X	X	X	X	X	X
Science								
Grade 4	61%	76%	61%	77%	61%	77%	62%	79%
Grade 7	69%	79%	69%	80%	68%	82%	66%	82%
Social Studies								
Grade 4	X	X	X	X	X	X	X	X
Grade 7	X	X	X	X	X	X	X	X
Prairie State Achievement Exam								
Grade 11	34%	53%	35%	53%	36%	53%	35%	51%
IMAGE	X	X	X	X	X	X	X	X
Overall ISAT Performance	67%	79%	67%	80%	67%	81%	67%	82%
Overall Performance All State Tests	63%	75%	63%	76%	63%	76%	63%	77%
Overall Performance Partnership for Assessment of Readiness for College and Careers (PARCC)				X	X	X	X	X

X - Testing not administered

\*These charts show the percentage of student scores meeting or exceeding expectations for the grades and subjects tested on Partnership for Assessment of Readiness for College (PARCC) that have demonstrated readiness for the next grade level/course and, ultimately, are on track for college and careers.

Note: These charts present the overall percentages of state test scores categorized as meeting or exceeding the Illinois Learning standards for the District and the state. Illinois State Board of Education did not issue district-wide reports in 2000 and 2001. The 2007-08 school year was the first time that Limited English Proficient (LEP) students took the ISAT or PSAE (with accommodations) instead of the IMAGE test.

Data Source  
Illinois State Board of Education

2012		2013		2014		2015 *		2016 *	
District	State	District	State	District	State	District	State	District	State
60%	76%	43%	59%	37%	55%	29%	35%	24%	36%
61%	76%	42%	59%	41%	56%	29%	40%	23%	37%
64%	78%	43%	59%	42%	58%	32%	38%	23%	35%
65%	82%	38%	59%	38%	57%	29%	35%	26%	35%
60%	78%	37%	58%	39%	59%	30%	40%	24%	37%
69%	96%	38%	60%	34%	56%	25%	40%	22%	39%
75%	88%	39%	55%	36%	56%	21%	35%	21%	40%
77%	88%	47%	60%	48%	64%	16%	28%	19%	31%
73%	84%	47%	59%	56%	64%	18%	27%	19%	32%
72%	85%	40%	60%	42%	60%	15%	27%	16%	29%
68%	85%	39%	59%	36%	58%	15%	28%	16%	27%
67%	85%	37%	59%	42%	60%	18%	32%	17%	32%
X	X	X	X	X	X	X	X	X	X
X	X	X	X	X	X	X	X	X	X
X	X	X	X	X	X	X	X	X	X
X	X	X	X	X	X	X	X	X	X
63%	80%	65%	81%	61%	76%	X	X	X	X
60%	80%	60%	79%	58%	80%	X	X	X	X
X	X	X	X	X	X	X	X	X	X
X	X	X	X	X	X	X	X	X	X
35%	51%	39%	53%	39%	54%	X	X	X	X
X	X	X	X	X	X	X	X	X	X
67%	82%	41%	59%	41%	59%	X	X	X	X
62%	77%	41%	58%	40%	58%	22%	33%	19%	33%
X	X	X	X	X	X	23%	33%	19%	33%