

COMPREHENSIVE ANNUAL FINANCIAL
REPORT

OF

QUEEN BEE SCHOOL DISTRICT 16
GLENDALE HEIGHTS, ILLINOIS

As of and for the Year Ended June 30, 2014

Official Issuing Report

Ms. Victoria Tabbert, Superintendent

Department Issuing Report

Business Office

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Victoria L. Tabbert, Ed.S.
Superintendent of Schools
Queen Bee School District 16

1560 Bloomingdale Road
Glendale Heights, IL 60139
Phone: 630/260-6100 Fax: 630/260-6103
www.queenbee16.org

October 23, 2014

President and Members of the
Board of Education and Residents
Queen Bee School District 16
Glendale Heights, Illinois 60139

The Comprehensive Annual Financial Report of Queen Bee School District 16, Glendale Heights, Illinois, for the fiscal year ended June 30, 2014 is submitted herewith. Baker Tilly Virchow Krause, LLP, have issued an unmodified ("clean") opinion on the District's financial statements for the year ended June 30, 2014. The independent auditor's report is located at the front of the financial section of this report. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data as presented is: (1) accurate in all material aspects; (2) presented in a manner designed to fairly set forth the financial activity of its various funds; and (3) that all disclosures necessary for maximum public understanding of the District's financial status have been incorporated in the report.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The Introductory section includes the table of contents, the transmittal letter, the District's organizational chart, and a list of principal officials. The Financial section begins with the Independent Auditors' Report and includes Management's Discussion and Analysis (the MD&A complements this letter and should be read in conjunction with it), the Basic Financial Statements and Notes that provide an overview of the District's financial position and operating results, the Combining and Individual Fund Statements for non-major funds and other schedules that provide detailed information relative to the Basic Financial Statements. The Statistical Section includes a number of tables of unaudited data depicting the financial history of the District, demographics, and the fiscal capacity of the District.

GENERAL DISTRICT INFORMATION

The District was founded in 1860 and provides educational programs for grades pre-kindergarten through eighth grade and operates three elementary schools and one middle school. The District leases a portion of one school building to a special education cooperative, which serves, in part, students from District 16. Enrollment in the District for fiscal year 2014 increased from 1,983 to 2,002 students. There is little opportunity for housing development within the District boundaries. Therefore, enrollment changes would most likely be attributable to generational movement within the community and enrollment is projected to decrease during the foreseeable future. The majority of the District is located in Glendale Heights in DuPage County, Illinois with small portions of the District in unincorporated Glen Ellyn Countryside and Carol Stream. The District is located in the northern portion of DuPage County approximately 25 miles west of Chicago. The District is in Bloomingdale Township. The District contains approximately 3.5 square miles of land. The community served is approximately 34,000 residents.

The mission of Queen Bee Schools is to set high standards to ensure that all students learn, grow, and achieve.

The District is served by the Metra/Union Pacific West train line to the south and Metra/Milwaukee District West line to the north. Located just two miles to the east of the District is the North - South Tollway that links DuPage County with all the major highways in northern Illinois.

ECONOMIC OUTLOOK

A successful educational tax rate referendum in April 2003 resulted in increased revenue for the struggling Education Fund. The District does not anticipate pursuing a tax rate referendum in the foreseeable future. Budget reductions were done in 2009-2010 that reduced expenditures by approximately \$.7. This resulted in the Education Fund ending 2010 with a positive fund balance. The Board of Education approved \$1.5 million in Education Fund budget cuts for 2010-2011, the majority of which were staff reductions. The District continues to practice sound financial management principles which has resulted in a growth in the fund balance of the Education Fund. The District adopted a "Fiscal Philosophy" during FY2012 to address balanced budget, solvency/liquidity, fund balance targets, borrowing, and transparency among other fiscal objectives. The increase in the extension this year and all future extensions will be limited to the Consumer Price Index (CPI) because the District is under the Illinois Property Tax Limitation Act. The CPI for the upcoming tax levy is 1.5%.

The District is subject to the state foundation level formula for general state aid. This formula is directly affected by local revenue. The increase in local revenue from property taxes is continuing to have a negative effect on revenue from general state aid. General State Aid has remained constant in fiscal year 2013, since for the fifth year the formula resulted in fewer dollars than the hold harmless level set in fiscal year 1998. Without a significant increase in the foundation level or a decrease in the proration level, revenue from General State Aid will remain at the current level for the foreseeable future. In 2014, the State of Illinois did not send the full General State Aid Entitlement which resulted in a shortfall of \$.481.

The District began to address the need to continue to maintain its aging facilities by completing its ten year Life Safety Survey in 2012. The District will continue to make improvements in its facilities to meet the needs of its diverse population, and has developed a long term facilities strategic plan.

As the increases in local revenue are not expected to improve, and there remains no indication that funding from state or federal sources will increase to the level required, the annual goal of balancing the district budget will continue to be increasingly difficult to accomplish. Projections indicate that without limiting the increase in expenditures, the fund balance in the education fund could begin to decrease. However, for the 2015 fiscal year, a balanced budget with a minimal surplus has been adopted.

REPORTING ENTITY

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

FINANCIAL MANAGEMENT AND CONTROL

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is properly recorded to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. Internal control practices are also integrated into the budgetary management of the District's funds. A budget is prepared for each fund, control is provided by verification of appropriation amounts prior to expenditures, as well as a monthly review of actual account totals compared to budget. Additional control is established through published policies and procedures for all aspects of accounting practices of the District, which includes the recording of receipts and disbursements of funds entrusted to the District.

To ensure sound financial management, proper accounting practices, internal controls, and budgetary planning are affirmed by the continual review of the Board of Education.

The basis of accounting and the various funds utilized by the District are fully described in Note 1 of the financial statements. Additional information on the District's budgetary accounting can also be found in Note 1.

This is the twelfth year the District has prepared financial statements following GASB 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments." GASB 34 created basic financial statements for reporting on the District's financial activities as follows:

Government-wide financial statements. These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements include the Statement of Net Position and the Statement of Activities.

Fund financial statements. These statements present information for individual major funds rather than by fund type. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the government-wide financial statements.

As part of this model, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion is located in the basic financial statements, providing an assessment of District finances for fiscal year 2014, with comparisons to 2013.

FUTURE INITIATIVES

The Board of Education has recognized the need for increased revenues and/or decreased expenditures to continue to increase the fund balance in the Education Fund. The District has historically effected budgetary reductions when necessary and gone to the community for increased revenues. Educational fund tax rate referendums were passed in 1987, 1993 and 2003. Construction bonds were passed by referendum in 1998 for additions to three of the four schools. General Obligation debt was also issued in 2006 and in 2010 to fund several projects on the 2001 life safety survey. In 2013 the District issued General Obligation debt to fund projects identified in its 2012 life safety survey. Our community highly regards our educational programs and facilities and supports the District when called upon. The possibility exists for either another tax rate referendum or bond sale referendum within the next few years; however the uncertainty of the current economy makes the District reluctant to approach the public with such a request.

A new negotiated agreement was reached in June 2012. The four-year negotiated agreement, which expires in August 2016, provided increases to the base of all salary schedules of 4.0% for the first year. Subsequent year's salary increases have been negotiated. A retirement provision within the agreement has given the District the ability to analyze upcoming retirements. There are currently 2 teachers retiring in 2015. Additional teachers had until May 31, 2014 to notify the District that they intend to retire by the end of the 2017-2018 school year. This information will be helpful as the District makes staffing decisions. Staffing levels will be reevaluated every year as enrollment shifts, retirements occur, and budgetary requirements become evident.

The change in legislation for tax levies has had a positive impact on upcoming property tax extensions distributed to the District. The elimination of referendum imposed maximum rates for the different funds made it possible to shift the request for tax dollars from funds that have sufficient balances to the Education Fund. The need to investigate other options to improve the District fund balances is imminent. Possibilities include the transfer or abatement of dollars currently in other funds. If no option for an increase in revenue proves fruitful in the upcoming year, it may become necessary to drastically change existing programs and the staff required to provide them to our students.

RELEVANT FINANCIAL POLICIES

Budget planning begins no later than September by adopting a proposed budget calendar. The proposed budget shall be available for public inspection and comment at least 30 days before the budget hearing. The adopted budget shall be posted on the District's website and filed with the Cook County Clerk's office within 30 days of adoption. The Board of Education may amend the budget by following the same procedures as provided for in the original adoption.

The Board of Education shall act on all expenditures, interfund loans and transfers, transfers within funds in excess of 10 percent of the total fund and all contingency fund expenditures.

The certificate of property tax levy is to be filed with the Cook County Clerk's office by the last Tuesday in December. The District annually publishes a statement of affairs regarding its financial position by December 15th.

INDEPENDENT AUDIT

The School Code of Illinois and the District's adopted policy require an annual audit of the books of accounts, financial records and transactions of all funds of the District. The audit is performed by independent certified public accountants selected by the District's Board of Education. The independent auditors' report has been included in the financial section of this report.

CERTIFICATE OF ACHIEVEMENT

The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. This was the seventeenth consecutive year that the District has received this prestigious award.

In order to be awarded a Certificate of Excellence, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Excellence is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to conform to the Certificate requirements and we are submitting it to ASBO to determine its eligibility for another certificate.

CLOSING STATEMENT

It is our belief that this Comprehensive Annual Financial Report will provide the District's management, outside investors, and local citizens with a most meaningful financial presentation. We hope that all readers of this Report will obtain a clear and concise understanding of the District's financial condition as of June 30, 2014. We extend our appreciation to the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a professional and fiscally responsible manner.

Respectfully submitted,

A handwritten signature in cursive script, reading "Victoria Tabbert". The signature is written in dark ink and is positioned above the printed name and title.

Victoria Tabbert
Superintendent

Association of School Business Officials International



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

Queen Bee School District 16

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013*

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



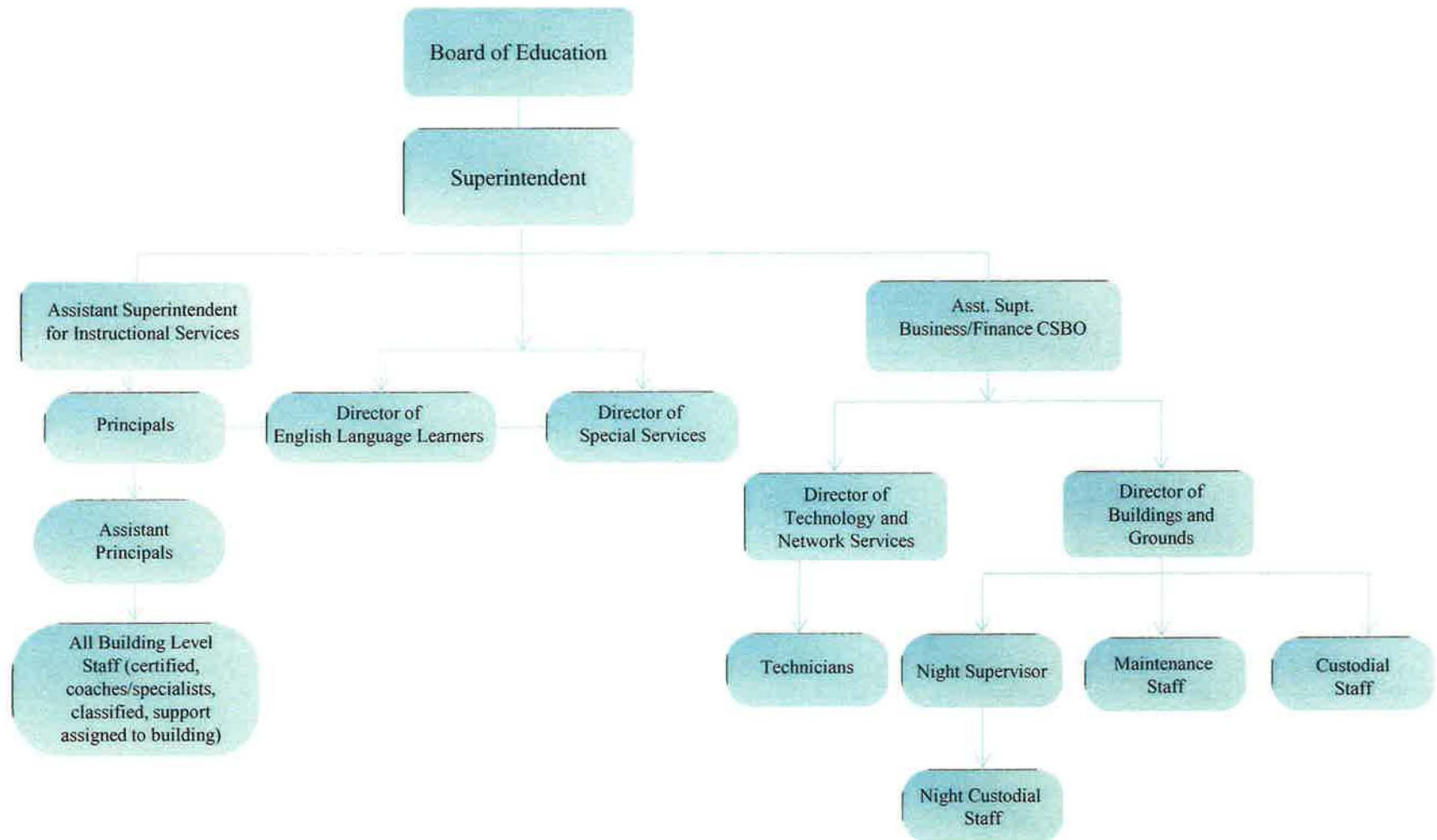
Terrie S. Simmons, RSBA, CSBO
President

John D. Musso, CAE, RSBA
Executive Director

General School Administration

Exhibit – Line and Staff

The following diagram illustrates the structure of the School District in terms of personnel and responsibilities. It is intended to aid the school community in locating the proper staff member regarding specific relations between school and community. The proper procedure is to contact the person closest to the situation.



**QUEEN BEE SCHOOLS, DISTRICT 16
DUPAGE COUNTY
1560 BLOOMINGDALE ROAD
GLENDALE HEIGHTS, ILLINOIS**

**Comprehensive Annual Financial Report
As of and for the Year Ended June 30, 2014**

Principal Officers and Advisors

Board of Education

President:

Mr. Mike Summerville

Term Expires

4/2017

Vice President:

Mr. Michael Reich

4/2017

Members:

Mrs. Nancy DiCanio

4/2015

Mrs. Susan Jensen

4/2017

Mr. Richard McDonald

4/2015

Mrs. Kathleen Marron

4/2015

Mr. Christopher Epstein

4/2017

District Administration

Ms. Victoria Tabbert

Superintendent

Mr. Michael Cushion

Assistant Superintendent for Business and Finance

Dr. Michael Jankiewicz

Assistant Superintendent for Instructional Services

Officials Issuing Report

Ms. Victoria Tabbert

Superintendent

Department Issuing Report

Business Office



Baker Tilly Virchow Krause, LLP
1301 W 22nd St, Ste 400
Oak Brook, IL 60523-3389
tel 630 990 3131
fax 630 990 0039
bakertilly.com

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Queen Bee School District 16
Glendale Heights, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Queen Bee School District 16, Illinois, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Queen Bee School District 16's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to Queen Bee School District 16'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 Queen Bee School District 16's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Board of Education
Queen Bee School District 16

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 Queen Bee School District 16, Illinois, as of June 30, 2014 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3, Queen Bee School District 16 adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective July 1, 2013. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended June 30, 2014 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Queen Bee School District 16's basic financial statements. The supplementary information for the year ended June 30, 2014 as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2014, 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 for the year ended June 30, 2014.

To the Board of Education
Queen Bee School District 16

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Queen Bee School District 16 as of and for the year ended June 30, 2013 (not presented herein), and have issued our report thereon dated October 24, 2013, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The supplementary information for the year ended June 30, 2013 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2013.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Queen Bee School District 16's basic financial statements. The introductory, statistical section, as well as the other information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Prior-Year Comparative Information

We have previously audited Queen Bee School District 16's 2013 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated October 24, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2014 on our consideration of Queen Bee School District 16's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Queen Bee School District 16's internal control over financial reporting and compliance.

Oak Brook, Illinois
October 23, 2014

Robert Tilly Underkhan, LLP

Queen Bee School District 16

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2014

The discussion and analysis of Queen Bee School District 16's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2014. The management of the District encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- > In total, net position increased by \$0.6. This represents a 10% increase from 2013 as a result of construction in progress that will renovate and modernize District facilities during the Summer of 2014.
- > General revenues accounted for \$22.7 in revenue or 74% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$7.8 or 26% of total revenues of \$30.5.
- > The District had \$29.9 in expenses related to government activities. However, only \$7.8 of these expenses were offset by program specific charges and grants.

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.

Government-wide financial statements

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

The statement of net position presents information on all of the District's assets/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference between them 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.

Queen Bee School District 16

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2014

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The District's governmental activities include instructional services (regular education, special education and other), supporting services, operation and maintenance of facilities and transportation services.

Fund financial statements

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

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

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

The District maintains eight 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, Tort Immunity and Judgment Fund, Operations and Maintenance Fund, Transportation Fund, IMRF/Social Security Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Life Safety Fund, all of which are considered to be major funds.

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

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

Notes to basic financial statements

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

Queen Bee School District 16

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2014

Other information

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

Government-Wide Financial Analysis

The District's combined net position was higher on June 30, 2014, than it was the year before, increasing 10% to \$6.8.

Table 1 Condensed Statements of Net Position (in millions of dollars)		
	<u>2013*</u>	<u>2014</u>
Assets:		
Current and other assets	\$ 25.3	\$ 25.1
Capital Assets	<u>13.2</u>	<u>15.0</u>
Total assets	<u>38.5</u>	<u>40.1</u>
Total deferred outflows of resources	<u>-</u>	<u>0.2</u>
Liabilities:		
Current liabilities	10.7	3.2
Long-term debt outstanding	<u>21.6</u>	<u>21.3</u>
Total liabilities	<u>32.3</u>	<u>24.5</u>
Total deferred inflows of resources	<u>-</u>	<u>9.0</u>
Net position:		
Net investment in capital assets	2.1	2.1
Restricted	2.1	2.1
Unrestricted	<u>2.0</u>	<u>2.6</u>
Total net position	<u>\$ 6.2</u>	<u>\$ 6.8</u>

* Prior year information has not been updated for the District's implementation of GASB Statement No. 65 in fiscal year 2014.

Revenues in the governmental activities of the District of \$30.5 exceeded expenses by \$0.6. This was attributable primarily to the increase in General State Aid received by the District in FY 2014.

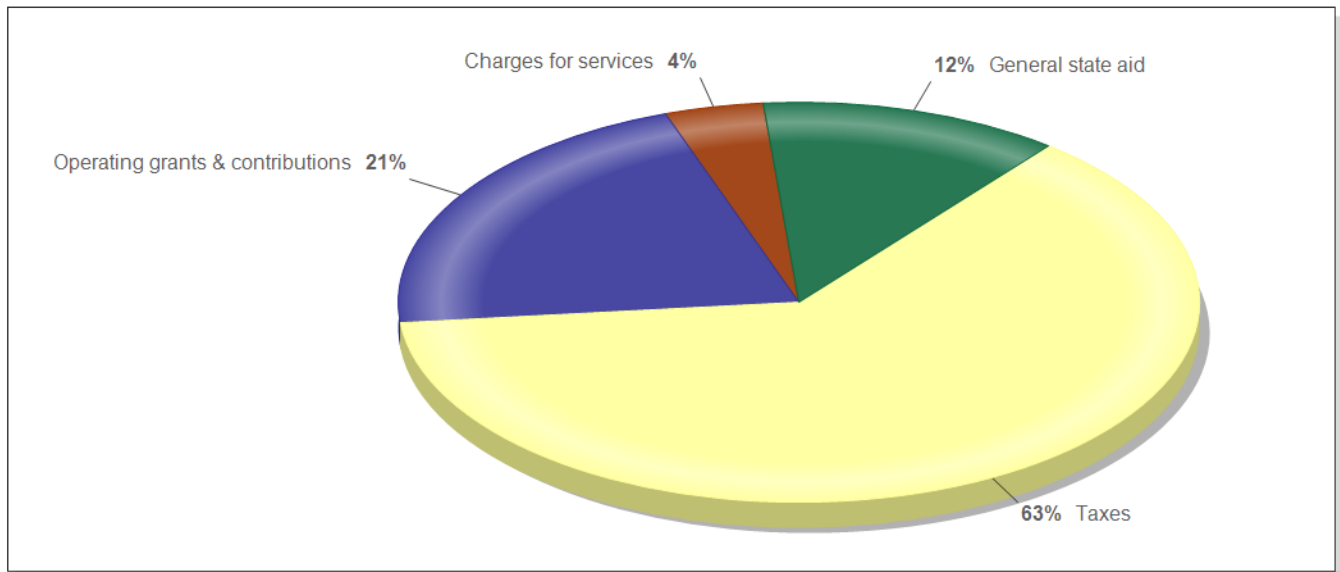
Queen Bee School District 16
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2014

Table 2 Changes in Net Position (in millions of dollars)		
	<u>2013</u>	<u>2014</u>
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 1.1	\$ 1.2
Operating grants & contributions	5.6	6.5
Capital grants & contributions	-	0.1
<i>General revenues:</i>		
Taxes	18.4	18.8
General state aid	2.8	3.8
Other	-	0.1
Total revenues	<u>27.9</u>	<u>30.5</u>
Expenses:		
Instruction	17.8	18.7
Pupil & instructional staff services	1.7	1.7
Administration & business	3.9	4.4
Transportation	0.7	0.6
Operations & maintenance	3.1	3.1
Other	0.8	1.4
Total expenses	<u>28.0</u>	<u>29.9</u>
Excess (deficiency) of revenues over expenses before special items	<u>(0.1)</u>	<u>0.6</u>
Increase (decrease) in net position	<u>\$ (0.1)</u>	<u>\$ 0.6</u>

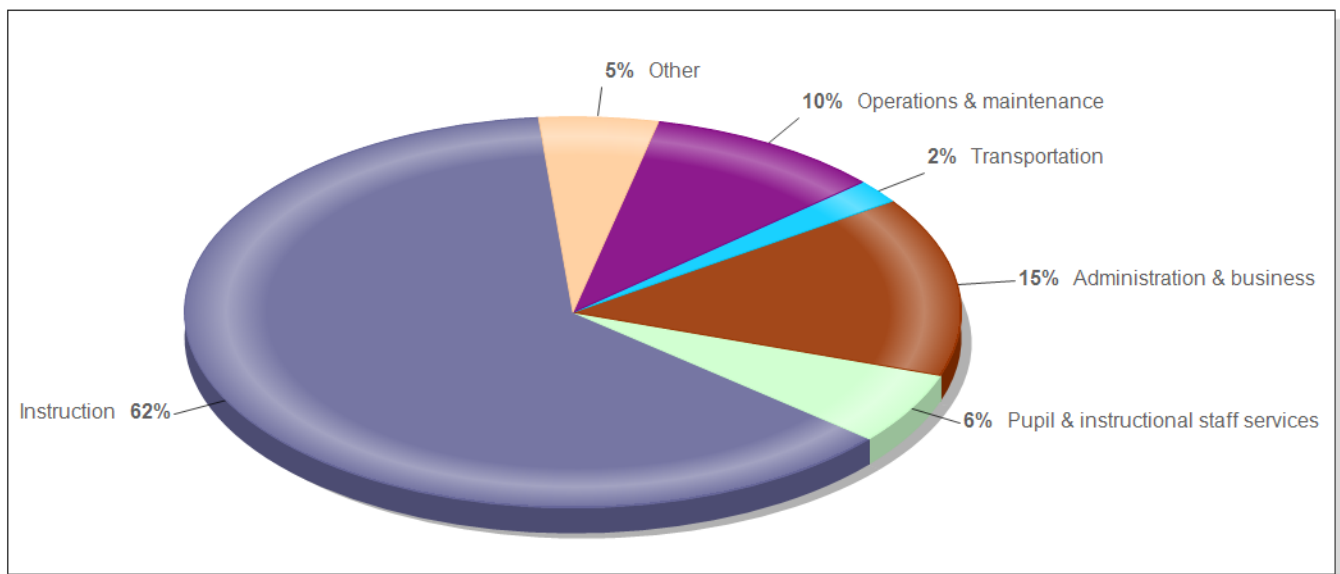
Property taxes accounted for the largest portion of the District's revenues, contributing 62%. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$29.9.

Queen Bee School District 16
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2014

District-Wide Revenues by Source



District-Wide Expenses by Function



Financial Analysis of the District's Funds

The District's Governmental Funds balance decreased from \$14.2 to \$13.0. This decrease was almost entirely attributable to the increase in capital projects of approximately \$2 million in FY2014.

Queen Bee School District 16

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2014

General Fund Budgetary Highlights

The District budget is prepared in accordance with Illinois law and is based on the modified accrual basis of accounting (except for the exclusion of the on-behalf payments from other governments discussed in the notes to required supplementary information), utilizing revenues, expenditures and encumbrances. The District did not amend the budget during the year.

Capital Assets and Debt Administration

Capital assets

By the end of 2014, the District had compiled a total investment of \$25.7 (\$15.0 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$0.7. More detailed information about capital assets can be found in Note 6 of the basic financial statements.

Table 3 Capital Assets (net of depreciation) (in millions of dollars)		
	<u>2013</u>	<u>2014</u>
Construction in progress	\$ -	\$ 2.3
Land improvement	0.3	0.3
Buildings and improvement	12.3	11.8
Equipment	<u>0.6</u>	<u>0.6</u>
Total	<u><u>\$ 13.2</u></u>	<u><u>\$ 15.0</u></u>

Long-term debt

The District paid off \$0.7 in bonds and had accretion of \$0.2 in 2014. Debt certificates and other were reduced by \$0.3. At the end of fiscal 2014, the District had a debt margin of \$2.2. More detailed information on long-term debt can be found in Note 7 of the basic financial statements.

Table 4 Outstanding Long-Term Debt (in millions of dollars)		
	<u>2013*</u>	<u>2014</u>
General Obligation Bonds	\$ 20.3	\$ 19.7
Debt certificates and other	<u>1.6</u>	<u>1.6</u>
Total	<u><u>\$ 21.9</u></u>	<u><u>\$ 21.3</u></u>

*Prior year information has not been updated for the District's implementation of GASB Statement No. 65 in fiscal year 2014.

Factors Bearing on the District's Future

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

Senate Bill 16 which is currently under consideration. Early estimates place the negative financial impact on Queen Bee School District 16 at approximately \$200,000.

Queen Bee School District 16
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2014

Pension Reform is currently on hold, but any form of “cost shift” in the future could seriously impact the District, especially in light of shrinking revenue sources.

General State Aid Proration will continue to impact the District in a negative manner. For FY2015 the District will only receive 89% of its entitlement which represents a loss of \$481,000.

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:

Michael Cushion, Assistant Superintendent of Business and Finance
Queen Bee School District 16
1560 Bloomingdale Road
Glendale Heights, Illinois 60139

QUEEN BEE SCHOOL DISTRICT 16

STATEMENT OF NET POSITION

AS OF JUNE 30, 2014

	GOVERNMENTAL ACTIVITIES
Assets	
Cash	\$ 14,836,021
Receivables (net of allowance for uncollectibles):	
Property taxes	9,442,727
Replacement taxes	14,707
Intergovernmental	169,574
Other	21,279
Prepaid items	559,744
Capital assets:	
Land	1,628
Construction in progress	2,284,320
Depreciable buildings, property and equipment, net	<u>12,734,546</u>
Total assets	<u>40,064,546</u>
Deferred outflows of resources	
Deferred charge on refunding	<u>232,891</u>
Total deferred outflows of resources	<u>232,891</u>
Liabilities	
Accounts payable	1,687,590
Salaries and wages payable	1,396,682
Interest payable	107,622
Unearned student fees	30,985
Long-term liabilities:	
Other long-term liabilities - due within one year	965,513
Other long-term liabilities - due after one year	<u>20,357,480</u>
Total liabilities	<u>24,545,872</u>
Deferred inflows of resources	
Property taxes levied for a future period	<u>8,978,585</u>
Total deferred inflows of resources	<u>8,978,585</u>
Net position	
Net investment in capital assets	2,138,219
Restricted for:	
Tort immunity	108,276
Operations and maintenance	62,841
Student transportation	351,931
Retirement benefits	447,829
Debt service	510,760
Capital projects	530,424
Unrestricted	<u>2,622,700</u>
Total net position	<u>\$ 6,772,980</u>

See Notes to Basic Financial Statements

QUEEN BEE SCHOOL DISTRICT 16

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2014

					NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION
FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE			GOVERNMENTAL ACTIVITIES
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
Governmental activities					
Instruction:					
Regular programs	\$ 7,878,288	\$ 106,055	\$ 51,487	\$ -	\$ (7,720,746)
Special programs	5,103,664	638,364	1,076,427	-	(3,388,873)
Other instructional programs	1,784,553	-	432,521	-	(1,352,032)
State retirement contributions	3,919,469	-	3,919,469	-	-
Support Services:					
Pupils	356,725	-	-	-	(356,725)
Instructional staff	1,374,588	-	56,307	-	(1,318,281)
General administration	1,541,267	-	-	-	(1,541,267)
School administration	1,415,637	-	-	-	(1,415,637)
Business	1,401,200	147,719	582,851	-	(670,630)
Transportation	614,949	1,047	333,055	-	(280,847)
Operations and maintenance	3,097,012	269,528	-	95,010	(2,732,474)
Central	77,804	-	-	-	(77,804)
Interest on long-term debt	1,305,229	-	-	-	(1,305,229)
Total governmental activities	\$ 29,870,385	\$ 1,162,713	\$ 6,452,117	\$ 95,010	(22,160,545)

General revenues:

Taxes:

Real estate taxes, levied for general purposes	12,232,087
Real estate taxes, levied for specific purposes	5,210,620
Real estate taxes, levied for debt service	1,364,080
Personal property replacement taxes	90,712
State aid-formula grants	3,781,861
Investment income	3,342
Miscellaneous	<u>72,095</u>
Total general revenues	<u>22,754,797</u>

Change in net position	594,252
Net position, beginning of year	<u>6,178,728</u>
Net position, end of year	<u>\$ 6,772,980</u>

See Notes to Basic Financial Statements

QUEEN BEE SCHOOL DISTRICT 16

GOVERNMENTAL FUNDS

BALANCE SHEET

AS OF JUNE 30, 2014

WITH COMPARATIVE TOTALS AS OF JUNE 30, 2013

	GENERAL FUND	TORT IMMUNITY AND JUDGMENT FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND
Assets				
Cash	\$ 6,359,101	\$ -	\$ 708,311	\$ 361,017
Investments	-	-	-	-
Receivables (net allowance for uncollectibles):				
Property taxes	5,932,742	134,844	825,150	1,279,431
Replacement taxes	14,707	-	-	-
Intergovernmental	169,574	-	-	-
Other	-	21,279	-	-
Prepaid items	156,956	188,792	41,045	-
Total assets	<u>\$ 12,633,080</u>	<u>\$ 344,915</u>	<u>\$ 1,574,506</u>	<u>\$ 1,640,448</u>
Liabilities, deferred inflows of resources, and fund balance				
Liabilities				
Cash deficit	\$ -	\$ 73,843	\$ -	\$ -
Accounts payable	164,385	34,522	133,726	966
Salaries and wages payable	1,396,682	-	-	-
Deferred revenue	-	-	-	-
Unearned student fees	30,985	-	-	-
Total liabilities	<u>1,592,052</u>	<u>108,365</u>	<u>133,726</u>	<u>966</u>
Deferred inflows of resources				
Property taxes levied for a future period	<u>5,641,164</u>	<u>128,274</u>	<u>784,550</u>	<u>1,216,479</u>
Total deferred inflows of resources	<u>5,641,164</u>	<u>128,274</u>	<u>784,550</u>	<u>1,216,479</u>
Fund balance				
Nonspendable	156,956	188,792	41,045	-
Restricted	-	-	115,185	351,931
Assigned	-	-	500,000	71,072
Unassigned (deficit)	<u>5,242,908</u>	<u>(80,516)</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>5,399,864</u>	<u>108,276</u>	<u>656,230</u>	<u>423,003</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 12,633,080</u>	<u>\$ 344,915</u>	<u>\$ 1,574,506</u>	<u>\$ 1,640,448</u>

See Notes to Basic Financial Statements

MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	FIRE PREVENTION AND LIFE SAFETY FUND	TOTAL	
				2014	2013
\$ 470,381	\$ 411,609	\$ -	\$ 6,599,445	\$ 14,909,864	\$ 11,847,984
-	-	-	-	-	3,099,600
427,576	691,475	-	151,509	9,442,727	9,435,870
-	-	-	-	14,707	12,454
-	-	-	-	169,574	359,737
-	-	-	-	21,279	53,900
-	172,951	-	-	559,744	134,190
<u>\$ 897,957</u>	<u>\$ 1,276,035</u>	<u>\$ -</u>	<u>\$ 6,750,954</u>	<u>\$ 25,117,895</u>	<u>\$ 24,943,735</u>

\$ -	\$ -	\$ -	\$ -	\$ 73,843	\$ 99,477
-	200	-	1,353,791	1,687,590	347,211
-	-	-	-	1,396,682	1,382,816
-	-	-	-	-	8,942,928
-	-	-	-	30,985	-
-	200	-	1,353,791	3,189,100	10,772,432
<u>406,538</u>	<u>657,453</u>	<u>-</u>	<u>144,127</u>	<u>8,978,585</u>	<u>-</u>
<u>406,538</u>	<u>657,453</u>	<u>-</u>	<u>144,127</u>	<u>8,978,585</u>	<u>-</u>
-	172,951	-	-	559,744	134,190
447,829	445,431	-	5,253,036	6,613,412	9,114,351
43,590	-	-	-	614,662	113,573
-	-	-	-	5,162,392	4,809,189
<u>491,419</u>	<u>618,382</u>	<u>-</u>	<u>5,253,036</u>	<u>12,950,210</u>	<u>14,171,303</u>
<u>\$ 897,957</u>	<u>\$ 1,276,035</u>	<u>\$ -</u>	<u>\$ 6,750,954</u>	<u>\$ 25,117,895</u>	<u>\$ 24,943,735</u>

QUEEN BEE SCHOOL DISTRICT 16
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2014

Total fund balances - governmental funds		\$ 12,950,210
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.		
		15,020,494
Deferred charge on refunding included in the Statement of Net Position is not available to pay for current period expenditures and, therefore, is not included in the Governmental Funds Balance Sheet.		
		232,891
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.		
Balances at June 30, 2014 are:		
Bonds payable	\$ (17,416,112)	
Accretion on capital appreciation bonds	(1,685,665)	
Unamortized bond premium	(606,037)	
Net other post employment obligation	(130,968)	
Debt certificates	(1,130,000)	
Compensated absences	<u>(354,211)</u>	
		(21,322,993)
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.		
		<u>(107,622)</u>
Net position of governmental activities		<u>\$ 6,772,980</u>

See Notes to Basic Financial Statements

QUEEN BEE SCHOOL DISTRICT 16

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013

	GENERAL FUND	TORT IMMUNITY AND JUDGMENT FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND
Revenues				
Property taxes	\$ 12,388,903	\$ 261,142	\$ 1,725,130	\$ 1,942,613
Corporate personal property replacement taxes	62,625	-	-	-
State aid	8,677,825	-	-	333,055
Federal aid	1,223,098	-	-	-
Investment income	(858)	5	35	26
Other	909,929	21,279	302,553	1,047
Total revenues	<u>23,261,522</u>	<u>282,426</u>	<u>2,027,718</u>	<u>2,276,741</u>
Expenditures				
Current:				
Instruction:				
Regular programs	7,345,499	-	-	-
Special programs	2,400,023	-	-	-
Other instructional programs	1,761,205	-	-	-
State retirement contributions	3,919,469	-	-	-
Support Services:				
Pupils	346,852	-	-	-
Instructional staff	1,158,324	-	-	-
General administration	1,245,787	228,920	-	-
School administration	1,291,209	-	-	-
Business	1,352,189	-	879	-
Transportation	15,492	-	-	596,319
Operations and maintenance	23,914	-	2,630,751	-
Central	59,547	-	-	-
Payments to other districts and gov't units	2,501,425	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	<u>46,833</u>	<u>-</u>	<u>204,824</u>	<u>-</u>
Total expenditures	<u>23,467,768</u>	<u>228,920</u>	<u>2,836,454</u>	<u>596,319</u>
Excess (deficiency) of revenues over expenditures	<u>(206,246)</u>	<u>53,506</u>	<u>(808,736)</u>	<u>1,680,422</u>
Other financing sources (uses)				
Transfers in	1,000,000	-	1,000,000	-
Transfers (out)	(340,577)	-	(99,477)	(2,000,000)
General obligation bonds issued	-	-	-	-
Principal on refunding bonds sold	-	-	-	-
Premium on bonds sold	-	-	-	-
Payments to refunded bonds escrow agent	-	-	-	-
Total other financing sources (uses)	<u>659,423</u>	<u>-</u>	<u>900,523</u>	<u>(2,000,000)</u>
Net change in fund balance	453,177	53,506	91,787	(319,578)
Fund balance (deficit), beginning of year	<u>4,946,687</u>	<u>54,770</u>	<u>564,443</u>	<u>742,581</u>
Fund balance, end of year	<u>\$ 5,399,864</u>	<u>\$ 108,276</u>	<u>\$ 656,230</u>	<u>\$ 423,003</u>

See Notes to Basic Financial Statements

MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	FIRE PREVENTION AND LIFE SAFETY FUND	TOTAL	
				2014	2013
\$ 811,446	\$ 1,364,080	\$ -	\$ 313,473	\$ 18,806,787	\$ 18,277,693
28,087	-	-	-	90,712	85,643
-	-	-	95,010	9,105,890	7,395,292
-	-	-	-	1,223,098	1,000,001
16	29	-	4,089	3,342	(558)
-	-	-	-	1,234,808	1,164,279
<u>839,549</u>	<u>1,364,109</u>	<u>-</u>	<u>412,572</u>	<u>30,464,637</u>	<u>27,922,350</u>
149,205	-	-	-	7,494,704	7,141,514
155,638	-	-	-	2,555,661	2,377,162
20,433	-	-	-	1,781,638	2,031,429
-	-	-	-	3,919,469	3,083,892
9,873	-	-	-	356,725	348,357
32,176	-	-	-	1,190,500	1,047,160
36,734	-	-	-	1,511,441	1,391,092
61,914	-	-	-	1,353,123	1,235,496
41,413	-	-	-	1,394,481	1,267,077
3,138	-	-	-	614,949	683,071
243,561	-	-	1,353,791	4,252,017	3,225,316
9,060	-	-	-	68,607	95,200
-	-	-	-	2,501,425	2,451,698
-	775,000	-	-	775,000	937,182
-	640,433	-	-	640,433	427,138
-	-	-	1,023,900	1,275,557	337,552
<u>763,145</u>	<u>1,415,433</u>	<u>-</u>	<u>2,377,691</u>	<u>31,685,730</u>	<u>28,080,336</u>
<u>76,404</u>	<u>(51,324)</u>	<u>-</u>	<u>(1,965,119)</u>	<u>(1,221,093)</u>	<u>(157,986)</u>
-	340,577	99,477	-	2,440,054	514,472
-	-	-	-	(2,440,054)	(514,472)
-	-	-	-	-	7,033,396
-	-	-	-	-	1,531,604
-	-	-	-	-	329,869
-	-	-	-	-	(1,531,604)
<u>-</u>	<u>340,577</u>	<u>99,477</u>	<u>-</u>	<u>-</u>	<u>7,363,265</u>
76,404	289,253	99,477	(1,965,119)	(1,221,093)	7,205,279
<u>415,015</u>	<u>329,129</u>	<u>(99,477)</u>	<u>7,218,155</u>	<u>14,171,303</u>	<u>6,966,024</u>
<u>\$ 491,419</u>	<u>\$ 618,382</u>	<u>\$ -</u>	<u>\$ 5,253,036</u>	<u>\$ 12,950,210</u>	<u>\$ 14,171,303</u>

QUEEN BEE SCHOOL DISTRICT 16
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, 2014

Net change in fund balances - total governmental funds	\$ (1,221,093)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which current year net capital outlay exceeds depreciation expense in the current period.	1,835,805
The issuance of long-term debt (bonds, capital leases, etc.) provides current financial resources to the governmental funds, while its principal repayment consumes current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This is the amount of current year principal repayments.	775,000
Governmental funds report the effects of premiums, discounts and similar items when the debt is issued. However, these amounts are deferred and amortized in the Statement of Activities. This is the amount of the current year, net effect of these differences.	(432,402)
In the Statement of Activities, operating expenses are measured by the amounts incurred during the 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	\$ (47,215)
Compensated absences	(58,201)
Accretion on capital appreciation bonds	(185,179)
Other post-employment benefit obligation	<u>(72,463)</u>
	<u>(363,058)</u>
Change in net position of governmental activities	<u>\$ 594,252</u>

See Notes to Basic Financial Statements

QUEEN BEE SCHOOL DISTRICT 16
AGENCY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AS OF JUNE 30, 2014

	<u>AGENCY STUDENT ACTIVITY FUND</u>
<hr/>	
Assets	
Cash	\$ <u>47,439</u>
Total assets	<u>\$ 47,439</u>
Liabilities	
Liabilities, Due to student groups	\$ <u>47,439</u>
Total liabilities	<u>\$ 47,439</u>

See Notes to Basic Financial Statements

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Queen Bee School District 16 (the "District") operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to 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:

Reporting Entity

This report includes all of the funds of the District. The reporting entity for the District consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The District has not identified any organizations that meet this criteria.

Basis of Presentation

Government-wide Financial Statements

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

The statement of activities demonstrates the degree to which the direct 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 offered by the program and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Governmental Funds Financial Statements

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

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

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported 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 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. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues available if they are collected within 60 days after year-end. 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; and certain compensated absences, claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Major Governmental Funds

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

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

Tort Immunity and Judgment Fund - accounts for all revenue and expenditures related to the prevention of tort liability. Revenue is derived primarily from local property tax collections and investment income.

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

Transportation Fund - accounts for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

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

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

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

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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

Capital Projects Fund - accounts for construction projects and renovations financed through serial bond issuance.

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

Other Fund Types

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

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

On-behalf payments (payments made by a third party for the benefit of the district, such as payments made by the state to the Teachers' Retirement System) have been recognized in the financial statements.

Property taxes, replacement taxes, certain 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 revenues until earned.

All Financial Statements

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Deposits and Investments

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

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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

Receivables and Payables

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

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2013 levy resolution was approved during the December 9, 2013 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

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

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation. The CPI rates applicable to the 2013 and 2012 tax levies were 1.7% and 3.0%, respectively.

Property taxes are collected by the County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become 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 2013 property tax levy is recognized as a receivable in fiscal 2014, net of estimated uncollectible amounts approximating 1% and less amounts already received. The District considers that the first installment of the 2013 levy is to be used to finance operations in fiscal 2014. The District has determined that the second installment of the 2013 levy is to be used to finance operations in fiscal 2015 and has included the corresponding receivable as a deferred inflow of resources.

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.

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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

Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include land, land improvements, buildings, building improvements, vehicles, equipment, and construction in progress are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$1,000 and an estimated useful life of more than 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

<i>Assets</i>	<i>Years</i>
Buildings and building improvements	40
Land improvement	20
Equipment and vehicles	5-10

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

Deferred Outflows of Resources

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

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

Compensated Absences

Non-certified employees earn vacation days which vest after the completion of one year of service. Employees accrue vacation days at varying levels depending on job title and years of service. Only benefits considered to be vested are disclosed in these statements.

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

Payments for vacation will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2014 are determined on the basis of current salary rates and include salary related payments.

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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

Long-Term Obligations

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

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

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

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

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

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

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

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

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

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

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

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

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

Committed - includes amounts constrained for a specific purpose by a government using its highest level of decision making authority, the Board of Education. This formal action (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 constraints imposed require the same formal action of the Board of Education board 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, committed or assigned for those specific purposes.

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

Governmental fund balances reported on the fund financial statements at June 30, 2014 are as follows:

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

Comparative Data

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2013, from which such summarized information was derived.

Eliminations and Reclassifications

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of Expenditures over Budget

For the year ended June 30, 2014, expenditures exceeded budget in the General Fund (Educational Accounts), Municipal Retirement/Social Security Fund, and the Debt Service Fund by \$251,431, \$23,145, and \$90,433 respectively. These excesses were funded by available fund balances.

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES

In March 2012, the GASB issued statement No. 65 - *Items Previously Reported as Assets and Liabilities*. This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This standard was implemented effective July 1, 2013.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

	Government- wide	Fiduciary	Total
Cash	\$ 14,836,021	\$ 47,439	\$ 14,883,460
Total	<u>\$ 14,836,021</u>	<u>\$ 47,439</u>	<u>\$ 14,883,460</u>

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

	Cash	Investments	Total
Cash on hand	\$ 1,700	\$ -	\$ 1,700
Deposits with financial institutions	14,832,067	-	14,832,067
Other investments - ISDLAF +	<u>49,693</u>	<u>-</u>	<u>49,693</u>
Total	<u>\$ 14,883,460</u>	<u>\$ -</u>	<u>\$ 14,883,460</u>

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District's investment policy seeks to ensure preservation of capital in the District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the policy requires that District investment portfolio to be sufficiently liquid to enable the District to meet all operating requirements as they come due. A portion of the portfolio is required to be invested in readily available funds to ensure appropriate liquidity.

Credit Risk. 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 and corporate bonds to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The District's investment policy authorizes investments in any type of security as permitted by Sections 2 through 6 of the Illinois Public Funds Investment Act.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. It is registered with the SEC as an investment company. Investments are rated AAAM and are valued at share price, which is the price for which the investment could be sold.

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 4 - DEPOSITS AND INVESTMENTS - (CONTINUED)

Custodial Credit Risk - Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2014, the bank balance of the District's deposit with financial institutions totaled \$15,366,504, of which the entire amount was collateralized and insured.

Custodial Credit Risk - Investments. With respect to investments, custodial credit risk 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 limits the exposure to investment custodial credit risk by requiring all investments be secured by private insurance or collateral.

Separate cash and investment accounts are not maintained for all District funds; instead, the individual funds 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.

NOTE 5 - INTERFUND TRANSFERS

During the year, the Board transferred \$1,000,000 from the Transportation Fund to Operations and Maintenance Fund and \$1,000,000 from the Transportation Fund to the General Fund (Educational Accounts). These transfers were made to support operations as the funds have met their levy rate ceilings. In addition, the Board transferred \$340,577 from the General Fund (Educational Accounts) to meet debt service requirements on the District's debt certificates. The Board also transferred \$99,477 from the Operations and Maintenance Fund to the Capital Projects Fund to close out the fund.

State law allows for the above transfers.

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the District for the year ended June 30, 2014 was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
<u>Capital assets not being depreciated:</u>				
Land	\$ 1,628	\$ -	\$ -	\$ 1,628
Construction in progress	<u>-</u>	<u>2,377,051</u>	<u>92,731</u>	<u>2,284,320</u>
Total capital assets not being depreciated	<u>1,628</u>	<u>2,377,051</u>	<u>92,731</u>	<u>2,285,948</u>
<u>Capital assets being depreciated:</u>				
Land improvements	561,040	92,731	-	653,771
Building improvements	19,867,494	-	-	19,867,494
Equipment	2,573,428	141,203	-	2,714,631
Vehicles	<u>185,310</u>	<u>32,269</u>	<u>-</u>	<u>217,579</u>
Total capital assets being depreciated	<u>23,187,272</u>	<u>266,203</u>	<u>-</u>	<u>23,453,475</u>
<u>Less Accumulated Depreciation for:</u>				
Land improvements	337,739	28,604	-	366,343
Building improvements	7,542,354	479,880	-	8,022,234
Equipment	2,003,400	178,960	-	2,182,360
Vehicles	<u>120,718</u>	<u>27,274</u>	<u>-</u>	<u>147,992</u>
Total accumulated depreciation	<u>10,004,211</u>	<u>714,718</u>	<u>-</u>	<u>10,718,929</u>
Net capital assets being depreciated	<u>13,183,061</u>	<u>(448,515)</u>	<u>-</u>	<u>12,734,546</u>
Net governmental activities capital assets	<u>\$ 13,184,689</u>	<u>\$ 1,928,536</u>	<u>\$ 92,731</u>	<u>\$ 15,020,494</u>

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

<i>Governmental Activities</i>	<i>Depreciation</i>
Regular programs	\$ 344,125
Special Programs	40,962
Instructional staff	177,781
General administration	21,026
School administration	29,169
Operations and maintenance	92,712
Central	<u>8,943</u>
Total depreciation expense - governmental activities	<u>\$ 714,718</u>

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 7 - LONG TERM LIABILITIES

Changes in General Long-term Liabilities. The following is the long-term liability activity for the District for the year ended June 30, 2014:

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Deletions</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
General obligation bonds	\$ 19,621,598	\$ 185,179	\$ 705,000	\$ 19,101,777	\$ 720,000
Unamortized premium	<u>648,063</u>	<u>-</u>	<u>42,026</u>	<u>606,037</u>	<u>-</u>
Total bonds payable	<u>20,269,661</u>	<u>185,179</u>	<u>747,026</u>	<u>19,707,814</u>	<u>720,000</u>
Debt certificates	1,200,000	-	70,000	1,130,000	70,000
Net OPEB Obligation	58,505	192,242	119,779	130,968	-
Compensated absences	<u>296,010</u>	<u>233,714</u>	<u>175,513</u>	<u>354,211</u>	<u>175,513</u>
Total long-term liabilities - governmental activities	<u>\$ 21,824,176</u>	<u>\$ 611,135</u>	<u>\$ 1,112,318</u>	<u>\$ 21,322,993</u>	<u>\$ 965,513</u>

Additions to general obligation bonds includes accretion on capital appreciation bonds. The obligations for the compensated absences and net OPEB obligation will be repaid from the General Fund.

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

<i>Purpose</i>	<i>Interest Rates</i>	<i>Original Indebtedness</i>	<i>Face Amount</i>	<i>Carrying Amount</i>
Series 1996 Capital Appreciation Bonds dated March 6, 1996 are due in annual installments through January 1, 2016	4.8% to 5.90%	\$ 9,590,000	\$ 925,000	\$ 860,652
Series 2001A Capital Appreciation Refunding Bonds dated November 15, 2001 are due in annual installments through November 1, 2021	4.75% to 5.00%	4,105,000	3,145,000	2,461,125
Series 2006 School Building Bonds dated May 1, 2006 are due in annual installments through November 1, 2025	3.70% to 4.30%	7,950,000	7,215,000	7,215,000
Series 2013A Taxable General Obligation Refunding School Bonds dated March 4, 2013 are due in annual installments through June 30, 2024	3.50% to 3.63%	1,000,000	1,000,000	1,000,000
Series 2013B Taxable General Obligation Limited Tax School Bonds dated March 4, 2013 are due in annual installments through June 30, 2033	3.25% to 3.75%	<u>7,565,000</u>	<u>7,565,000</u>	<u>7,565,000</u>
Total		<u>\$ 30,210,000</u>	<u>\$ 19,850,000</u>	<u>\$ 19,101,777</u>

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2014, \$1,405,000 of bonds outstanding are considered defeased.

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 7 - LONG TERM LIABILITIES - (CONTINUED)

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

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2015	\$ 720,000	\$ 657,530	\$ 1,377,530
2016	790,000	637,168	1,427,168
2017	880,000	604,993	1,484,993
2018	975,000	565,843	1,540,843
2019	1,065,000	533,193	1,598,193
2020 - 2024	6,800,000	2,212,831	9,012,831
2025 - 2028	4,960,000	1,097,441	6,057,441
2030 - 2033	<u>3,660,000</u>	<u>338,150</u>	<u>3,998,150</u>
Total	<u>\$ 19,850,000</u>	<u>\$ 6,647,149</u>	<u>\$ 26,497,149</u>

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2014, the statutory debt limit for the District was \$20,792,067, providing a debt margin of \$2,245,955.

Debt Certificates. During the year ended June 30, 2010, the District issued Series 2009 Debt Certificates in the amount of \$1,265,000 for the partial refunding of lease certificates and for roof repair at Queen Bee School. The Debt Certificates require annual repayments which begin January 1, 2013 and extend through January 1, 2027. The obligations for the Debt Certificates will be repaid from the Debt Service Fund.

Annual debt service requirements to maturity for debt certificates are as follows:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2015	\$ 70,000	\$ 44,853	\$ 114,853
2016	70,000	42,753	112,753
2017	75,000	40,476	115,476
2018	75,000	37,853	112,853
2019	80,000	35,040	115,040
2020 - 2024	445,000	126,200	571,200
2025 - 2027	<u>315,000</u>	<u>28,160</u>	<u>343,160</u>
Total	<u>\$ 1,130,000</u>	<u>\$ 355,335</u>	<u>\$ 1,485,335</u>

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 8 - RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the following public entity risk pools: Educational Benefit Cooperative (EBC) for some or all of the employees' benefits and Collective Liability Insurance Cooperative to administer workers' compensation claims, casualty, property, and liability protection, and all insurance other than health, life and accident coverages procured the member districts. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 9 - JOINT AGREEMENTS

The District is a member of the Cooperative Association for Special Education (CASE), a joint agreement that provides certain special education programs and services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

Complete financial statements for CASE can be obtained from the administrative office at 22W600 Butterfield Road, Glen Ellyn, Illinois 60137.

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS

Teachers' Health Insurance Security

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Beginning February 1, 2014, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

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

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

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

On Behalf Contributions to THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.97 percent of pay during the year ended June 30, 2014. State of Illinois contributions were \$106,100, and the District recognized revenues and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2013 and June 30, 2012 were 0.92 and 0.88 percent of pay, respectively. For these years, state contributions on behalf of District employees were \$99,453 and \$90,830, respectively.

Employer Contributions to THIS Fund. The District also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.72 percent during the year ended June 30, 2014 and 0.66 and 0.69 percent during the years ended June 30, 2013 and 2012, respectively. For the years ended June 30, 2014, 2013 and 2012 the District paid \$78,754, \$74,590 and \$68,123 to the THIS Fund, respectively, which was 100 percent of the required contribution for those years.

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The 2014 and 2013 reports are listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

Medical Insurance Retirement Program

The District administers a single-employer defined benefit healthcare plan ("the Medical Insurance Retirement Program"). The plan provides for eligible retirees and their spouses through the District's which covers both active and retired members. Benefit provisions are established through personnel policy guidelines and state that eligible retirees and their spouses receive benefits for healthcare insurance at established contribution rates. The Medical Insurance Retirement Program does not issue a publicly available financial report.

Contribution requirements are established through personnel policy guidelines and may be amended by the action of the governing body. IMRF employees may choose to continue on the District's medical plan until age 65. The District will continue to pay the amount of the single HMO medical premium in the year that the employee retires. The retiree is responsible for any rate increases and dependent coverage is not subsidized. If an IMRF employee chooses not to continue on the District's medical plan upon retirement, they may elect a one-time payment based on years of service at retirement. Years of service groups are 12-15 years, 16-19 years, 20-24 years, and 25+ years with cash payments of \$3,000, \$3,800, \$4,500, and \$5,000, respectively. TRS retirees are not eligible to continue on the District's medical coverage upon retirement. Instead, the District offers an annual stipend for three years which is determined based on years of service at retirement. Years of service groups are 10-14 years, 15-19 years, and 20+ years with annual stipends of \$1,500, \$2,000, and \$2,500, respectively. The District will cover 100% of medical expenses for eligible retired administrators and their spouses until the earliest of age 65 or the completion of ten years.

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

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

Annual required contribution	\$ 192,335
Interest on net OPEB obligation	(558)
Adjustment to annual required contribution	<u>465</u>
Annual OPEB cost	192,242
Contributions made	<u>(119,779)</u>
Increase in net OPEB obligation (asset)	72,463
Net OPEB Obligation (Asset) - Beginning of Year	<u>58,505</u>
Net OPEB Obligation (Asset) - End of Year	<u><u>\$ 130,968</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the Medical Insurance Retirement Program, and the net OPEB obligation for June 30, 2014 and the previous two years is as follows:

<i>Fiscal Year Ended</i>	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
June 30, 2014	\$ 192,242	62.31 %	\$ 130,968
June 30, 2013	192,242	62.31 %	58,505
June 30, 2012	118,800	100.82 %	(13,958)

The funded status of the Medical Insurance Retirement Program as of June 30, 2013, the most recent actuarial valuation date, is as follows:

Actuarial accrued liability (AAL)	\$ 2,422,216
Actuarial value of plan assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u><u>\$ 2,422,216</u></u>
Funded ratio (actuarial value of plan assets/AAL)	-%
Covered payroll (active plan members)	\$ 12,327,133
UAAL as a percentage of covered payroll	19.65%

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

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

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

In the June 30, 2013 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 4 percent investment rate of return and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 6 percent after 4 years. Both rates include a 5 percent inflation assumption. The actuarial value of the Medical Insurance Retirement Program assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three-year period. The Medical Insurance Retirement Program's unfunded actuarial accrued liability is being amortized as a level of percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2014 is 30 years.

NOTE 11 - RETIREMENT SYSTEMS

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

Teachers' Retirement System

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

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 State of Illinois maintains primary responsibility for the funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the System's administration.

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

TRS members include all active nonannuitants that are employed by a TRS-covered employer to provide services for which teacher licensure is required. The active member contribution rate for the year ended June 30, 2014 was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after January 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. These contributions, which may be paid on behalf of the employees by the employer, are submitted to TRS by the District. The active member contribution rate was also 9.4 percent for the years ended June 30, 2013 and 2012.

On Behalf Contributions. The State of Illinois also makes contributions directly to TRS on behalf of the District's TRS-covered employees. For the year ended June 30, 2014, State of Illinois contributions were based on 35.41 percent of creditable earnings not paid from federal funds, and the District recognized revenue and expenditures of \$3,813,369 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2013 and 2012, the State of Illinois contributions rates as percentages of creditable earnings not paid from federal funds were 28.05 percent (\$2,984,438) and 24.91 percent (\$2,544,573), respectively.

The District makes other types of employer contributions directly to TRS:

2.2 Formula Contributions. For the years ended June 30, 2014, 2013 and 2012, the District contributed 0.58 percent of creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for those years were \$63,441, \$62,699 and \$59,865, respectively.

Federal and Trust Fund Contributions. When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an additional TRS contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective in 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.

For the year ended June 30, 2014, the employer pension contribution was 35.41 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2013 and 2012, the employer pension contribution was 28.05 and 24.91 percent of salaries paid from those funds, respectively. For the year ended June 30, 2014, salaries totaling \$168,909 were paid from federal and special trust funds that required employer contributions of \$59,811, which was equal to the District's actual contribution. For the years ended June 30, 2013 and 2012, required District contributions were \$47,810 and \$26,537, respectively.

Early Retirement Option. The District is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member. The maximum employer ERO contribution is 146.5 percent and applies when the member is age 55 at retirement. For the years ending June 30, 2014 and 2013 the District paid no amounts to TRS for District contributions under the ERO program. For the year ended June 30, 2012, the District paid \$35 in ERO contributions.

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Salary increases over 6 percent and excess sick leave. If an employer grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the employer makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent. For the year ended June 30, 2014, the District paid \$13,415 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2013 and 2012, the District did not make any payments to TRS for salary increases granted in excess of 6 percent.

If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary rate reported by the granting employer during the four-year sick leave review period, and the TRS total normal cost rate (17.29 percent of salary during the year ended June 30, 2014). For the years ended June 30, 2014 and 2013 the District did not make any payments to TRS for sick leave days granted in excess of the normal annual allotment. For the year ended June 30, 2012, the District paid \$460 to TRS for sick leave days granted in excess of the normal annual allotment.

Further Information on TRS. TRS financial information, an explanation of TRS's benefits; and descriptions of member, employer and state funding requirements, can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2013. The report for the year ended June 30, 2014, is expected to be available in late 2014.

The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, P.O. Box 19253, 2815 West Washington Street, Springfield, IL 62794-9253. The most current report is also available on the TRS website at <http://trs.illinois.gov>.

Illinois Municipal Retirement Fund

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

Funding Policy. As set by statute, District employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's contribution rate for calendar year 2013 was 12.45 percent of annual covered payroll. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Annual Pension Cost and Net Pension Obligation. The District's annual pension cost and net pension obligation are as follows:

Annual required contribution	\$ 359,111
Interest on net pension obligation	-
Adjustment to annual pension contribution	-
Annual pension cost	359,111
Contributions made	(359,111)
Change in net pension obligation	-
Net Pension Obligation - Beginning of Year	82,126
Net Pension Obligation - End of Year	<u>\$ 82,126</u>

The liability for the IMRF net pension obligation is considered immaterial to the government-wide financial statements, and therefore, has not been recorded. The interest on the beginning net pension obligation and adjustment to the annual required contribution are considered immaterial and have not been included in the annual pension cost calculation.

The District's annual pension cost, percentage of annual pension cost contributed, and net pension obligation for for the current year and each of the two preceding years were as follows:

<i>Fiscal Year Ended</i>	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
June 30, 2014	\$ 359,111	100 %	\$ 82,126
June 30, 2013	344,117	100 %	82,126
June 30, 2012	334,249	87 %	82,126

The required contribution for fiscal year 2014 was determined as part of the December 31, 2011, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.50% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of District plan assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The District's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the Regular plan was 70.18 percent funded. The actuarial accrued liability for benefits was \$7,453,409 and the actuarial value of assets was \$5,230,930, resulting in an underfunded actuarial accrued liability (UAAL) of \$2,222,479. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$2,884,429 and the ratio of the UAAL to the covered payroll was 77.05 percent.

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

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

NOTE 12 - CONSTRUCTION COMMITMENTS

As of June 30, 2014, the District is committed to approximately \$3,566,712 in expenditures in the upcoming years for various construction projects. These expenditures will be paid through the available fund balances and life safety bonds already issued.

NOTE 13 - STATE AND FEDERAL AID CONTINGENCIES

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

**NOTE 14 - EFFECT OF NEW ACCOUNTING STANDARDS ON
CURRENT-PERIOD FINANCIAL STATEMENTS**

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, Statement No. 69, *Government Combinations and Disposals of Government Operations*, and Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. Application of these standards may restate portions of these financial statements.

QUEEN BEE SCHOOL DISTRICT 16
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS AND ANALYSIS OF FUNDING PROGRESS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

Actuarial Valuation Date	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Net Pension Obligation
12/31/13	\$ 359,111	100%	\$ 82,126
12/31/12	344,117	100%	82,126
12/31/11	334,249	87%	82,126
12/31/10	300,480	88%	37,053
12/31/09	241,692	100%	-
12/31/08	234,608	100%	-

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/13	\$ 5,230,930	\$ 7,453,409	\$ 2,222,479	70.18%	\$ 2,884,429	77.05%
12/31/12	4,908,936	7,023,435	2,114,499	69.89%	2,692,619	78.53%
12/31/11	4,751,616	6,681,417	1,929,801	71.12%	2,532,187	76.21%
12/31/10	4,571,859	6,726,726	2,154,867	67.97%	2,537,834	84.91%
12/31/09	4,269,699	6,447,008	2,177,309	66.23%	2,560,296	85.04%
12/31/08	4,555,529	6,177,759	1,622,230	73.74%	2,528,100	64.17%

See Auditors' Report and Notes to Required Supplementary Information

QUEEN BEE SCHOOL DISTRICT 16**SCHEDULE OF FUNDING PROGRESS FOR MEDICAL INSURANCE RETIREMENT PROGRAM
AS OF JUNE 30, 2014**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/13	\$ -	\$ 2,422,216	\$ 2,422,216	N/A	\$ 12,327,133	19.65%
6/30/11	-	2,090,035	2,090,035	N/A	10,035,702	19.65%
6/30/09	-	1,074,000	1,074,000	N/A	12,456,473	8.62%

See Auditors' Report and Notes to Required Supplementary Information

QUEEN BEE SCHOOL DISTRICT 16
GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 11,542,000	\$ 11,134,537	\$ (407,463)	\$ 12,268,031
Special education levy	764,000	1,254,366	490,366	838,560
Corporate personal property replacement taxes	49,000	62,625	13,625	57,865
Special education - tuition from other LEA's (in state)	625,000	638,364	13,364	610,661
Investment income	2,000	(858)	(2,858)	(1,370)
Sales to pupils - lunch	173,000	147,719	(25,281)	161,244
Fees	13,000	9,877	(3,123)	11,943
Rentals - regular textbook	50,000	53,033	3,033	54,299
Contributions and donations from private sources	-	50,816	50,816	9,466
Other local fees	13,000	-	(13,000)	-
Other	30,000	10,120	(19,880)	34,671
Total local sources	<u>13,261,000</u>	<u>13,360,599</u>	<u>99,599</u>	<u>14,045,370</u>
State sources				
General state aid	3,499,000	3,781,861	282,861	2,148,275
Special education - private facility tuition	100,000	51,642	(48,358)	78,271
Special education - extraordinary	325,000	262,648	(62,352)	273,361
Special education - personnel	269,000	270,740	1,740	256,692
Special education - orphanage - individual	40,000	2,956	(37,044)	34,617
Special education - orphanage - summer	3,000	-	(3,000)	-
Special education - summer school	-	3,334	3,334	3,541
Bilingual education - downstate - TPI	353,500	264,032	(89,468)	253,415
State free lunch & breakfast	15,000	10,379	(4,621)	10,120
Early childhood - block grant	109,000	109,043	43	109,043
Other restricted revenue from state sources	6,500	1,721	(4,779)	6,153
Total state sources	<u>4,720,000</u>	<u>4,758,356</u>	<u>38,356</u>	<u>3,173,488</u>
Federal sources				
National school lunch program	400,000	447,901	47,901	384,074
School breakfast program	120,000	124,571	4,571	118,599
Title I - Low income	267,000	306,384	39,384	250,061
Federal - special education - IDEA - room & board	-	-	-	109
Title III - English language acquisition	98,000	168,489	70,489	63,608
Title II - Teacher quality	51,000	56,307	5,307	46,331
Medicaid matching funds - administrative outreach	18,000	27,976	9,976	13,321
Medicaid matching funds - fee-for-service program	25,000	41,704	16,704	23,348

See Auditors' Report and Notes to Required Supplementary Information

(Continued)

QUEEN BEE SCHOOL DISTRICT 16

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Other restricted revenue from federal sources	\$ -	\$ 49,766	\$ 49,766	\$ 100,550
Total federal sources	979,000	1,223,098	244,098	1,000,001
Total revenues	18,960,000	19,342,053	382,053	18,218,859
Expenditures				
Instruction				
Regular programs				
Salaries	5,901,004	6,169,886	(268,882)	5,886,481
Employee benefits	955,300	1,041,455	(86,155)	1,033,746
Purchased services	4,000	-	4,000	3,385
Supplies and materials	117,479	102,896	14,583	69,419
Capital outlay	-	-	-	48,955
Other objects	-	1,628	(1,628)	167
Non-capitalized equipment	26,403	29,634	(3,231)	-
Total	7,004,186	7,345,499	(341,313)	7,042,153
Pre-K programs				
Salaries	136,152	208,474	(72,322)	154,235
Purchased services	-	45,133	(45,133)	229
Supplies and materials	5,500	6,892	(1,392)	3,683
Capital outlay	-	3,352	(3,352)	-
Total	141,652	263,851	(122,199)	158,147
Special education programs				
Salaries	1,537,902	1,523,809	14,093	1,467,541
Employee benefits	166,000	190,055	(24,055)	191,773
Purchased services	76,000	98,603	(22,603)	74,932
Supplies and materials	9,000	8,204	796	6,265
Total	1,788,902	1,820,671	(31,769)	1,740,511
Special education programs Pre-K				
Salaries	-	186,515	(186,515)	175,013
Total	-	186,515	(186,515)	175,013

See Auditors' Report and Notes to Required Supplementary Information

(Continued)

QUEEN BEE SCHOOL DISTRICT 16

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Remedial and supplemental programs K-12				
Salaries	\$ 244,910	\$ 281,168	\$ (36,258)	\$ 209,361
Employee benefits	72,320	25,943	46,377	42,221
Purchased services	101,132	70,926	30,206	54,115
Supplies and materials	2,851	14,800	(11,949)	27,109
Capital outlay	-	-	-	38,018
Total	<u>421,213</u>	<u>392,837</u>	<u>28,376</u>	<u>370,824</u>
Remedial and supplemental programs Pre-K				
Supplies and materials	<u>600</u>	<u>437</u>	<u>163</u>	<u>356</u>
Total	<u>600</u>	<u>437</u>	<u>163</u>	<u>356</u>
Interscholastic programs				
Salaries	120,000	110,018	9,982	109,473
Purchased services	16,000	12,588	3,412	14,868
Supplies and materials	<u>5,000</u>	<u>7,006</u>	<u>(2,006)</u>	<u>5,137</u>
Total	<u>141,000</u>	<u>129,612</u>	<u>11,388</u>	<u>129,478</u>
Summer school programs				
Salaries	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,050</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,050</u>
Bilingual programs				
Salaries	1,614,660	1,132,014	482,646	1,537,394
Employee benefits	97,061	127,290	(30,229)	121,801
Purchased services	24,479	36,915	(12,436)	15,084
Supplies and materials	7,761	59,372	(51,611)	40,674
Non-capitalized equipment	<u>-</u>	<u>15,066</u>	<u>(15,066)</u>	<u>-</u>
Total	<u>1,743,961</u>	<u>1,370,657</u>	<u>373,304</u>	<u>1,714,953</u>
Total instruction	<u>11,241,514</u>	<u>11,510,079</u>	<u>(268,565)</u>	<u>11,332,485</u>
Support services				
Pupils				
Attendance and social work services				
Salaries	92,928	92,928	-	90,867
Employee benefits	650	5,075	(4,425)	627
Supplies and materials	<u>2,000</u>	<u>2,374</u>	<u>(374)</u>	<u>997</u>
Total	<u>95,578</u>	<u>100,377</u>	<u>(4,799)</u>	<u>92,491</u>
Guidance services				
Salaries	92,928	80,205	12,723	79,269
Employee benefits	<u>8,550</u>	<u>9,766</u>	<u>(1,216)</u>	<u>9,487</u>
Total	<u>101,478</u>	<u>89,971</u>	<u>11,507</u>	<u>88,756</u>

See Auditors' Report and Notes to Required Supplementary Information

(Continued)

QUEEN BEE SCHOOL DISTRICT 16

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Health services				
Salaries	\$ 92,928	\$ 143,613	\$ (50,685)	\$ 147,116
Employee benefits	8,500	9,722	(1,222)	9,446
Purchased services	-	1,059	(1,059)	-
Supplies and materials	1,475	1,732	(257)	1,311
Total	102,903	156,126	(53,223)	157,873
Psychological services				
Supplies and materials	1,000	378	622	909
Total	1,000	378	622	909
Total pupils	300,959	346,852	(45,893)	340,029
Instructional staff				
Improvement of instructional services				
Salaries	244,881	310,916	(66,035)	273,489
Employee benefits	49,847	72,752	(22,905)	53,595
Purchased services	227,634	169,226	58,408	161,003
Supplies and materials	206,750	118,955	87,795	83,514
Capital outlay	40,000	22,855	17,145	29,783
Total	769,112	694,704	74,408	601,384
Educational media services				
Salaries	461,349	406,543	54,806	384,520
Employee benefits	51,250	69,160	(17,910)	56,936
Supplies and materials	28,500	7,397	21,103	2,194
Total	541,099	483,100	57,999	443,650
Assessment and testing				
Supplies and materials	-	3,375	(3,375)	-
Total	-	3,375	(3,375)	-
Total instructional staff	1,310,211	1,181,179	129,032	1,045,034
General administration				
Board of education services				
Salaries	60,000	47,678	12,322	68,145
Employee benefits	145,000	119,940	25,060	115,716
Purchased services	272,000	234,243	37,757	222,223
Other objects	58,000	59,302	(1,302)	56,723
Total	535,000	461,163	73,837	462,807

See Auditors' Report and Notes to Required Supplementary Information

(Continued)

QUEEN BEE SCHOOL DISTRICT 16

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Executive administration services				
Salaries	\$ 280,432	\$ 320,665	\$ (40,233)	\$ 308,561
Employee benefits	93,100	96,575	(3,475)	91,312
Purchased services	89,700	108,582	(18,882)	112,801
Supplies and materials	54,000	35,052	18,948	41,240
Capital outlay	5,000	-	5,000	-
Other objects	7,500	2,178	5,322	5,113
Non-capitalized equipment	2,000	-	2,000	586
Total	<u>531,732</u>	<u>563,052</u>	<u>(31,320)</u>	<u>559,613</u>
Special area administration services				
Salaries	178,259	178,259	-	167,998
Employee benefits	35,850	40,107	(4,257)	39,020
Purchased services	7,400	3,206	4,194	4,608
Total	<u>221,509</u>	<u>221,572</u>	<u>(63)</u>	<u>211,626</u>
Total general administration	<u>1,288,241</u>	<u>1,245,787</u>	<u>42,454</u>	<u>1,234,046</u>
School administration				
Office of the principal services				
Salaries	1,038,110	1,035,587	2,523	936,989
Employee benefits	219,900	225,635	(5,735)	215,729
Purchased services	6,000	3,408	2,592	2,796
Supplies and materials	16,850	20,484	(3,634)	21,064
Other objects	-	6,095	(6,095)	510
Total	<u>1,280,860</u>	<u>1,291,209</u>	<u>(10,349)</u>	<u>1,177,088</u>
Total school administration	<u>1,280,860</u>	<u>1,291,209</u>	<u>(10,349)</u>	<u>1,177,088</u>
Business				
Direction of business support services				
Salaries	187,028	247,834	(60,806)	234,564
Employee benefits	58,890	71,423	(12,533)	60,187
Purchased services	17,400	18,360	(960)	12,420
Supplies and materials	2,000	-	2,000	-
Other objects	-	2,044	(2,044)	1,474
Total	<u>265,318</u>	<u>339,661</u>	<u>(74,343)</u>	<u>308,645</u>
Fiscal services				
Salaries	101,132	40,326	60,806	39,151
Employee benefits	8,725	-	8,725	9,736
Purchased services	6,000	-	6,000	11,114
Total	<u>115,857</u>	<u>40,326</u>	<u>75,531</u>	<u>60,001</u>

See Auditors' Report and Notes to Required Supplementary Information

(Continued)

QUEEN BEE SCHOOL DISTRICT 16

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Operation and maintenance of plant services				
Purchased services	\$ 7,000	\$ 1,991	\$ 5,009	\$ 5,177
Capital outlay	50,000	18,989	31,011	34,589
Other objects	10,000	-	10,000	-
Non-capitalized equipment	-	21,923	(21,923)	6,712
Total	67,000	42,903	24,097	46,478
Pupil transportation services				
Salaries	14,000	15,492	(1,492)	14,492
Total	14,000	15,492	(1,492)	14,492
Food services				
Salaries	100,000	122,933	(22,933)	116,744
Purchased services	725,000	838,813	(113,813)	741,574
Supplies and materials	-	2,992	(2,992)	435
Capital outlay	15,000	1,637	13,363	13,672
Other objects	2,000	1,541	459	4,642
Non-capitalized equipment	1,000	5,923	(4,923)	-
Total	843,000	973,839	(130,839)	877,067
Total business	1,305,175	1,412,221	(107,046)	1,306,683
Central				
Information services				
Salaries	35,000	-	35,000	-
Employee benefits	8,775	-	8,775	9,767
Purchased services	12,000	-	12,000	-
Total	55,775	-	55,775	9,767
Data processing services				
Salaries	50,133	54,162	(4,029)	45,547
Purchased services	25,000	5,385	19,615	23,099
Total	75,133	59,547	15,586	68,646
Total central	130,908	59,547	71,361	78,413
Total support services	5,616,354	5,536,795	79,559	5,181,293
Payments to other districts and governmental units				
Payments for special education programs				
Purchased services	2,400,000	1,503,154	896,846	1,357,663
Total	2,400,000	1,503,154	896,846	1,357,663

See Auditors' Report and Notes to Required Supplementary Information

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QUEEN BEE SCHOOL DISTRICT 16

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Payments for special education programs - tuition				
Other objects	\$ -	\$ 998,271	\$ (998,271)	\$ 1,094,035
Total	-	998,271	(998,271)	1,094,035
Total payments to other districts and governmental units	2,400,000	2,501,425	(101,425)	2,451,698
Debt services				
Interest on short term debt				
Other interest on short term debt	39,000	-	39,000	-
Total	39,000	-	39,000	-
Total debt services	39,000	-	39,000	-
Total expenditures	19,296,868	19,548,299	(251,431)	18,965,476
Excess (deficiency) of revenues over expenditures	(336,868)	(206,246)	130,622	(746,617)
Other financing sources (uses)				
Transfer among funds	700,000	1,000,000	300,000	500,000
Transfer to debt service fund to pay principal on capital leases	-	-	-	(12,182)
Transfer to debt service fund to pay interest on capital leases	-	-	-	(2,290)
Transfer to debt service fund to pay principal on debt certificates	-	(135,000)	(135,000)	-
Transfer to debt service fund to pay interest on debt certificates	-	(205,577)	(205,577)	-
Total other financing sources (uses)	700,000	659,423	(40,577)	485,528
Net change in fund balance	\$ 363,132	453,177	\$ 90,045	(261,089)
Fund balance, beginning of year		4,946,687		5,207,776
Fund balance, end of year		\$ 5,399,864		\$ 4,946,687

See Auditors' Report and Notes to Required Supplementary Information

(Concluded)

QUEEN BEE SCHOOL DISTRICT 16**TORT IMMUNITY AND JUDGMENT FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
Tort immunity levy	\$ 252,000	\$ 261,142	\$ 9,142	\$ 154,021
Investment income	-	5	5	1
Refund of prior years' expenditures	-	21,279	21,279	-
Total local sources	252,000	282,426	30,426	154,022
Total revenues	252,000	282,426	30,426	154,022
Expenditures				
Support Services				
General administration				
Workers' compensation or workers' occupational disease act payments				
Purchased services	120,000	154,204	(34,204)	104,474
Total	120,000	154,204	(34,204)	104,474
Unemployment insurance payments				
Purchased services	55,000	1,485	53,515	20,198
Total	55,000	1,485	53,515	20,198
Property insurance (buildings and grounds)				
Purchased services	75,000	73,231	1,769	-
Total	75,000	73,231	1,769	-
Total general administration	250,000	228,920	21,080	124,672
Total support services	250,000	228,920	21,080	124,672
Total expenditures	250,000	228,920	21,080	124,672
Net change in fund balance	\$ 2,000	53,506	\$ 51,506	29,350
Fund balance, beginning of year		54,770		25,420
Fund balance, end of year		\$ 108,276		\$ 54,770

See Auditors' Report and Notes to Required Supplementary Information

QUEEN BEE SCHOOL DISTRICT 16
OPERATIONS AND MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 1,778,000	\$ 1,725,130	\$ (52,870)	\$ 1,908,810
Investment income	-	35	35	14
Rentals	210,000	269,528	59,528	247,571
Other local fees	72,000	-	(72,000)	-
Other	-	33,025	33,025	33,423
Total local sources	<u>2,060,000</u>	<u>2,027,718</u>	<u>(32,282)</u>	<u>2,189,818</u>
State sources				
General state aid	-	-	-	700,000
Other restricted revenue from state sources	-	-	-	50,000
Total state sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>750,000</u>
Federal sources				
Total revenues	<u>2,060,000</u>	<u>2,027,718</u>	<u>(32,282)</u>	<u>2,939,818</u>
Expenditures				
Support services				
Business				
Direction of business support services				
Purchased services	-	879	(879)	-
Total	<u>-</u>	<u>879</u>	<u>(879)</u>	<u>-</u>
Facilities acquisition and construction service				
Purchased services	180,000	159,016	20,984	124,576
Supplies and materials	20,000	6,754	13,246	20,189
Capital outlay	<u>150,000</u>	<u>121,547</u>	<u>28,453</u>	<u>126,046</u>
Total	<u>350,000</u>	<u>287,317</u>	<u>62,683</u>	<u>270,811</u>
Operation and maintenance of plant services				
Salaries	1,240,000	1,233,708	6,292	1,142,041
Employee benefits	180,000	250,249	(70,249)	219,262
Purchased services	860,000	483,233	376,767	736,532
Supplies and materials	454,000	497,791	(43,791)	381,969
Capital outlay	<u>40,000</u>	<u>83,277</u>	<u>(43,277)</u>	<u>46,489</u>
Total	<u>2,774,000</u>	<u>2,548,258</u>	<u>225,742</u>	<u>2,526,293</u>
Total business	<u>3,124,000</u>	<u>2,836,454</u>	<u>287,546</u>	<u>2,797,104</u>
Total support services	<u>3,124,000</u>	<u>2,836,454</u>	<u>287,546</u>	<u>2,797,104</u>

See Auditors' Report and Notes to Required Supplementary Information

QUEEN BEE SCHOOL DISTRICT 16
OPERATIONS AND MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Total expenditures	<u>\$ 3,124,000</u>	<u>\$ 2,836,454</u>	<u>\$ 287,546</u>	<u>\$ 2,797,104</u>
Excess (deficiency) of revenues over expenditures	<u>(1,064,000)</u>	<u>(808,736)</u>	<u>255,264</u>	<u>142,714</u>
Other financing sources (uses)				
Transfer among funds	1,100,000	1,000,000	(100,000)	-
Transfer to capital projects fund	<u>-</u>	<u>(99,477)</u>	<u>(99,477)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,100,000</u>	<u>900,523</u>	<u>(199,477)</u>	<u>-</u>
Net change in fund balance	<u>\$ 36,000</u>	91,787	<u>\$ 55,787</u>	142,714
Fund balance, beginning of year		<u>564,443</u>		<u>421,729</u>
Fund balance, end of year		<u>\$ 656,230</u>		<u>\$ 564,443</u>

See Auditors' Report and Notes to Required Supplementary Information

QUEEN BEE SCHOOL DISTRICT 16
TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 2,283,000	\$ 1,942,613	\$ (340,387)	\$ 894,787
Regular transportation fees from pupils or parents (in state)	3,000	1,047	(1,953)	1,001
Investment income	<u>-</u>	<u>26</u>	<u>26</u>	<u>3</u>
Total local sources	<u>2,286,000</u>	<u>1,943,686</u>	<u>(342,314)</u>	<u>895,791</u>
State sources				
Transportation - regular/vocational	-	4,567	4,567	4,875
Transportation - special education	<u>325,000</u>	<u>328,488</u>	<u>3,488</u>	<u>383,037</u>
Total state sources	<u>325,000</u>	<u>333,055</u>	<u>8,055</u>	<u>387,912</u>
Total revenues	<u>2,611,000</u>	<u>2,276,741</u>	<u>(334,259)</u>	<u>1,283,703</u>
Expenditures				
Support Services				
Business				
Pupil transportation services				
Salaries	13,000	-	13,000	-
Purchased services	<u>685,000</u>	<u>596,319</u>	<u>88,681</u>	<u>668,007</u>
Total	<u>698,000</u>	<u>596,319</u>	<u>101,681</u>	<u>668,007</u>
Total business	<u>698,000</u>	<u>596,319</u>	<u>101,681</u>	<u>668,007</u>
Total support services	<u>698,000</u>	<u>596,319</u>	<u>101,681</u>	<u>668,007</u>
Total expenditures	<u>698,000</u>	<u>596,319</u>	<u>101,681</u>	<u>668,007</u>
Excess (deficiency) of revenues over expenditures	<u>1,913,000</u>	<u>1,680,422</u>	<u>(232,578)</u>	<u>615,696</u>
Other financing sources (uses)				
Transfer among funds	<u>(1,800,000)</u>	<u>(2,000,000)</u>	<u>(200,000)</u>	<u>(500,000)</u>
Total other financing sources (uses)	<u>(1,800,000)</u>	<u>(2,000,000)</u>	<u>(200,000)</u>	<u>(500,000)</u>
Net change in fund balance	<u>\$ 113,000</u>	<u>(319,578)</u>	<u>\$ (432,578)</u>	<u>115,696</u>
Fund balance, beginning of year		<u>742,581</u>		<u>626,885</u>
Fund balance, end of year		<u>\$ 423,003</u>		<u>\$ 742,581</u>

See Auditors' Report and Notes to Required Supplementary Information

QUEEN BEE SCHOOL DISTRICT 16
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 752,000	\$ 469,300	\$ (282,700)	\$ 416,638
Social security/medicare only levy	-	342,146	342,146	315,695
Corporate personal property replacement taxes	16,000	28,087	12,087	27,778
Investment income	-	16	16	2
Total local sources	<u>768,000</u>	<u>839,549</u>	<u>71,549</u>	<u>760,113</u>
Total revenues	<u>768,000</u>	<u>839,549</u>	<u>71,549</u>	<u>760,113</u>
Expenditures				
Instruction				
Regular programs	150,456	149,205	1,251	148,316
Pre-K programs	7,200	-	7,200	6,909
Special education programs	130,712	155,638	(24,926)	125,425
Educationally deprived/remedial programs	3,551	-	3,551	3,407
Interscholastic programs	1,136	1,435	(299)	1,089
Bilingual programs	<u>20,266</u>	<u>18,998</u>	<u>1,268</u>	<u>19,447</u>
Total instruction	<u>313,321</u>	<u>325,276</u>	<u>(11,955)</u>	<u>304,593</u>
Support services				
Pupils				
Health services	<u>8,679</u>	<u>9,873</u>	<u>(1,194)</u>	<u>8,328</u>
Total pupils	<u>8,679</u>	<u>9,873</u>	<u>(1,194)</u>	<u>8,328</u>
Instructional staff				
Improvement of instructional staff	13,147	10,148	2,999	12,616
Educational media services	<u>20,105</u>	<u>22,028</u>	<u>(1,923)</u>	<u>19,293</u>
Total instructional staff	<u>33,252</u>	<u>32,176</u>	<u>1,076</u>	<u>31,909</u>
General administration				
Board of education services	10,017	6,715	3,302	9,612
Executive administration services	15,788	21,965	(6,177)	15,149
Special area administration services	<u>7,933</u>	<u>8,054</u>	<u>(121)</u>	<u>7,613</u>
Total general administration	<u>33,738</u>	<u>36,734</u>	<u>(2,996)</u>	<u>32,374</u>
School administration				
Office of the principal services	<u>60,869</u>	<u>61,914</u>	<u>(1,045)</u>	<u>58,408</u>
Total school administration	<u>60,869</u>	<u>61,914</u>	<u>(1,045)</u>	<u>58,408</u>

See Auditors' Report and Notes to Required Supplementary Information

QUEEN BEE SCHOOL DISTRICT 16
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Business				
Direction of business support services	\$ 10,649	\$ 12,798	\$ (2,149)	\$ 10,219
Fiscal services	20,225	17,606	2,619	19,408
Operations and maintenance of plant services	235,538	243,561	(8,023)	226,014
Pupil transportation services	596	3,138	(2,542)	572
Food services	5,637	5,705	(68)	5,409
Internal services	-	5,304	(5,304)	-
Total business	<u>272,645</u>	<u>288,112</u>	<u>(15,467)</u>	<u>261,622</u>
Central				
Information services	7,879	-	7,879	7,559
Data processing services	<u>9,617</u>	<u>9,060</u>	<u>557</u>	<u>9,228</u>
Total central	<u>17,496</u>	<u>9,060</u>	<u>8,436</u>	<u>16,787</u>
Total support services	<u>426,679</u>	<u>437,869</u>	<u>(11,190)</u>	<u>409,428</u>
Total expenditures	<u>740,000</u>	<u>763,145</u>	<u>(23,145)</u>	<u>714,021</u>
Net change in fund balance	<u>\$ 28,000</u>	76,404	<u>\$ 48,404</u>	46,092
Fund balance, beginning of year		<u>415,015</u>		<u>368,923</u>
Fund balance, end of year		<u>\$ 491,419</u>		<u>\$ 415,015</u>

See Auditors' Report and Notes to Required Supplementary Information

QUEEN BEE SCHOOL DISTRICT 16
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

Except for the exclusion of on-behalf payments from other governments, discussed below, 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:

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

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

Budget Reconciliations

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

	<i>Revenues</i>	<i>Expenditures</i>
General Fund Budgetary Basis	\$ 19,342,053	\$ 19,548,299
To adjust for on-behalf payments received	3,919,469	-
To adjust for on-behalf payments made	<u>-</u>	<u>3,919,469</u>
General Fund GAAP Basis	<u><u>\$ 23,261,522</u></u>	<u><u>\$ 23,467,768</u></u>

Excess of Expenditures over Budget

For the year ended June 30, 2014, expenditures exceeded budget in the General Fund (Educational Accounts) and the Municipal Retirement/Social Security Fund by \$251,431 and \$23,145 respectively. These excesses were funded by available fund balances.

See Auditors' Report

QUEEN BEE SCHOOL DISTRICT 16
DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 1,332,000	\$ 1,364,080	\$ 32,080	\$ 1,289,995
Investment income	-	29	29	9
Total local sources	<u>1,332,000</u>	<u>1,364,109</u>	<u>32,109</u>	<u>1,290,004</u>
Total revenues	<u>1,332,000</u>	<u>1,364,109</u>	<u>32,109</u>	<u>1,290,004</u>
Expenditures				
Debt services				
Payments on long term debt				
Interest on long term debt	931,000	637,363	293,637	425,498
Principal payments on long term debt	<u>391,000</u>	<u>775,000</u>	<u>(384,000)</u>	<u>937,182</u>
Total	<u>1,322,000</u>	<u>1,412,363</u>	<u>(90,363)</u>	<u>1,362,680</u>
Other debt service				
Other objects	<u>3,000</u>	<u>3,070</u>	<u>(70)</u>	<u>1,640</u>
Total	<u>3,000</u>	<u>3,070</u>	<u>(70)</u>	<u>1,640</u>
Total debt services	<u>1,325,000</u>	<u>1,415,433</u>	<u>(90,433)</u>	<u>1,364,320</u>
Total expenditures	<u>1,325,000</u>	<u>1,415,433</u>	<u>(90,433)</u>	<u>1,364,320</u>
Excess (deficiency) of revenues over expenditures	<u>7,000</u>	<u>(51,324)</u>	<u>(58,324)</u>	<u>(74,316)</u>
Other financing sources (uses)				
Transfer to debt service to pay principal on capital leases	-	-	-	12,182
Transfer to debt service to pay interest on capital leases	-	-	-	2,290
Transfer to debt service to pay principal on debt certificates	-	135,000	135,000	-
Transfer to debt service to pay interest on debt certificates	-	205,577	205,577	-
Refunding bonds issued	-	-	-	1,531,604
Payments to refunding bonds escrow agent	-	-	-	(1,531,604)
Total other financing sources (uses)	<u>-</u>	<u>340,577</u>	<u>340,577</u>	<u>14,472</u>
Net change in fund balance	<u>\$ 7,000</u>	<u>289,253</u>	<u>\$ 282,253</u>	<u>(59,844)</u>
Fund balance, beginning of year		<u>329,129</u>		<u>388,973</u>
Fund balance, end of year		<u>\$ 618,382</u>		<u>\$ 329,129</u>

QUEEN BEE SCHOOL DISTRICT 16**CAPITAL PROJECTS FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	2014		VARIANCE WITH FINAL BUDGET	2013 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources (uses)				
Transfer to capital projects fund	-	99,477	99,477	-
Total other financing sources (uses)	-	99,477	99,477	-
Net change in fund balance	<u>\$ -</u>	99,477	<u>\$ 99,477</u>	-
Fund balance (deficit), beginning of year		(99,477)		(99,477)
Fund balance (deficit), end of year		<u>\$ -</u>		<u>\$ (99,477)</u>

QUEEN BEE SCHOOL DISTRICT 16
FIRE PREVENTION AND LIFE SAFETY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 313,000	\$ 313,473	\$ 473	\$ 191,156
Investment income	-	4,089	4,089	783
Total local sources	<u>313,000</u>	<u>317,562</u>	<u>4,562</u>	<u>191,939</u>
State sources				
School infrastructure - maintenance projects	<u>50,000</u>	<u>95,010</u>	<u>45,010</u>	<u>-</u>
Total state sources	<u>50,000</u>	<u>95,010</u>	<u>45,010</u>	<u>-</u>
Total revenues	<u>363,000</u>	<u>412,572</u>	<u>49,572</u>	<u>191,939</u>
Expenditures				
Support services				
Business				
Facilities acquisition and construction service				
Purchased services	3,225,000	1,353,791	1,871,209	8,879
Capital outlay	-	1,023,900	(1,023,900)	-
Other objects	<u>-</u>	<u>-</u>	<u>-</u>	<u>353,965</u>
Total	<u>3,225,000</u>	<u>2,377,691</u>	<u>847,309</u>	<u>362,844</u>
Total business	<u>3,225,000</u>	<u>2,377,691</u>	<u>847,309</u>	<u>362,844</u>
Total support services	<u>3,225,000</u>	<u>2,377,691</u>	<u>847,309</u>	<u>362,844</u>
Total expenditures	<u>3,225,000</u>	<u>2,377,691</u>	<u>847,309</u>	<u>362,844</u>
Excess (deficiency) of revenues over expenditures	<u>(2,862,000)</u>	<u>(1,965,119)</u>	<u>896,881</u>	<u>(170,905)</u>
Other financing sources (uses)				
Principal on bonds sold	-	-	-	7,033,396
Premium on bonds sold	<u>-</u>	<u>-</u>	<u>-</u>	<u>329,869</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,363,265</u>
Net change in fund balance	<u>\$ (2,862,000)</u>	<u>(1,965,119)</u>	<u>\$ 896,881</u>	<u>7,192,360</u>
Fund balance, beginning of year		<u>7,218,155</u>		<u>25,795</u>
Fund balance, end of year		<u>\$ 5,253,036</u>		<u>\$ 7,218,155</u>

QUEEN BEE SCHOOL DISTRICT 16**GENERAL FUND**

COMBINING BALANCE SHEET

AS OF JUNE 30, 2014

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
Assets			
Cash	\$ 4,005,234	\$ 2,353,867	\$ 6,359,101
Receivables (net allowance for uncollectibles):			
Property taxes	5,856,987	75,755	5,932,742
Replacement taxes	14,707	-	14,707
Intergovernmental	169,574	-	169,574
Prepaid items	<u>156,956</u>	<u>-</u>	<u>156,956</u>
Total assets	<u>\$ 10,203,458</u>	<u>\$ 2,429,622</u>	<u>\$ 12,633,080</u>
Liabilities, deferred inflows of resources, and fund balance			
Liabilities			
Accounts payable	\$ 164,385	\$ -	\$ 164,385
Salaries and wages payable	1,396,682	-	1,396,682
Unearned student fees	<u>30,985</u>	<u>-</u>	<u>30,985</u>
Total liabilities	<u>1,592,052</u>	<u>-</u>	<u>1,592,052</u>
Deferred inflows of resources			
Property taxes levied for a future period	<u>5,569,100</u>	<u>72,064</u>	<u>5,641,164</u>
Total deferred inflows of resources	<u>5,569,100</u>	<u>72,064</u>	<u>5,641,164</u>
Fund balance			
Nonspendable	156,956	-	156,956
Unassigned	<u>2,885,350</u>	<u>2,357,558</u>	<u>5,242,908</u>
Total fund balance	<u>3,042,306</u>	<u>2,357,558</u>	<u>5,399,864</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 10,203,458</u>	<u>\$ 2,429,622</u>	<u>\$ 12,633,080</u>

QUEEN BEE SCHOOL DISTRICT 16

GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2014

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
Revenues			
Property taxes	\$ 12,232,087	\$ 156,816	\$ 12,388,903
Corporate personal property replacement taxes	62,625	-	62,625
State aid	8,677,825	-	8,677,825
Federal aid	1,223,098	-	1,223,098
Investment income	(861)	3	(858)
Other	909,929	-	909,929
Total revenues	<u>23,104,703</u>	<u>156,819</u>	<u>23,261,522</u>
Expenditures			
Current:			
Instruction:			
Regular programs	7,345,499	-	7,345,499
Special programs	2,400,023	-	2,400,023
Other instructional programs	1,761,205	-	1,761,205
State retirement contributions	3,919,469	-	3,919,469
Support Services:			
Pupils	346,852	-	346,852
Instructional staff	1,158,324	-	1,158,324
General administration	1,245,787	-	1,245,787
School administration	1,291,209	-	1,291,209
Business	1,352,189	-	1,352,189
Transportation	15,492	-	15,492
Operations and maintenance	23,914	-	23,914
Central	59,547	-	59,547
Payments to other districts and gov't units	2,501,425	-	2,501,425
Capital outlay	46,833	-	46,833
Total expenditures	<u>23,467,768</u>	<u>-</u>	<u>23,467,768</u>
Excess (deficiency) of revenues over expenditures	<u>(363,065)</u>	<u>156,819</u>	<u>(206,246)</u>
Other financing sources (uses)			
Transfers in	1,000,000	-	1,000,000
Transfers (out)	(340,577)	-	(340,577)
Total other financing sources (uses)	<u>659,423</u>	<u>-</u>	<u>659,423</u>
Net change in fund balance	296,358	156,819	453,177
Fund balance, beginning of year	<u>2,745,948</u>	<u>2,200,739</u>	<u>4,946,687</u>
Fund balance, end of year	<u>\$ 3,042,306</u>	<u>\$ 2,357,558</u>	<u>\$ 5,399,864</u>

QUEEN BEE SCHOOL DISTRICT 16

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 11,383,000	\$ 10,977,721	\$ (405,279)	\$ 12,147,742
Special education levy	764,000	1,254,366	490,366	838,560
Corporate personal property replacement taxes	49,000	62,625	13,625	57,865
Special education - tuition from other LEA's (in state)	625,000	638,364	13,364	610,661
Investment income	2,000	(861)	(2,861)	(1,371)
Sales to pupils - lunch	173,000	147,719	(25,281)	161,244
Fees	13,000	9,877	(3,123)	11,943
Rentals - regular textbook	50,000	53,033	3,033	54,299
Contributions and donations from private sources	-	50,816	50,816	9,466
Other local fees	13,000	-	(13,000)	-
Other	30,000	10,120	(19,880)	34,671
Total local sources	13,102,000	13,203,780	101,780	13,925,080
State sources				
General state aid	3,499,000	3,781,861	282,861	2,148,275
Special education - private facility tuition	100,000	51,642	(48,358)	78,271
Special education - extraordinary	325,000	262,648	(62,352)	273,361
Special education - personnel	269,000	270,740	1,740	256,692
Special education - orphanage - individual	40,000	2,956	(37,044)	34,617
Special education - orphanage - summer	3,000	-	(3,000)	-
Special education - summer school	-	3,334	3,334	3,541
Bilingual education - downstate - TPI	353,500	264,032	(89,468)	253,415
State free lunch & breakfast	15,000	10,379	(4,621)	10,120
Early childhood - block grant	109,000	109,043	43	109,043
Other restricted revenue from state sources	6,500	1,721	(4,779)	6,153
Total state sources	4,720,000	4,758,356	38,356	3,173,488
Federal sources				
National school lunch program	400,000	447,901	47,901	384,074
School breakfast program	120,000	124,571	4,571	118,599
Title I - Low income	267,000	306,384	39,384	250,061
Federal - special education - IDEA - room & board	-	-	-	109
Title III - English language acquisition	98,000	168,489	70,489	63,608
Title II - Teacher quality	51,000	56,307	5,307	46,331
Medicaid matching funds - administrative outreach	18,000	27,976	9,976	13,321
Medicaid matching funds - fee-for-service program	25,000	41,704	16,704	23,348

(Continued)

QUEEN BEE SCHOOL DISTRICT 16**EDUCATIONAL ACCOUNTS****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS****FOR THE YEAR ENDED JUNE 30, 2014****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	2014			2013 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Other restricted revenue from federal sources	\$ -	\$ 49,766	\$ 49,766	\$ 100,550
Total federal sources	979,000	1,223,098	244,098	1,000,001
Total revenues	18,801,000	19,185,234	384,234	18,098,569
Expenditures				
Instruction				
Regular programs				
Salaries	5,901,004	6,169,886	(268,882)	5,886,481
Employee benefits	955,300	1,041,455	(86,155)	1,033,746
Purchased services	4,000	-	4,000	3,385
Supplies and materials	117,479	102,896	14,583	69,419
Capital outlay	-	-	-	48,955
Other objects	-	1,628	(1,628)	167
Non-capitalized equipment	26,403	29,634	(3,231)	-
Total	7,004,186	7,345,499	(341,313)	7,042,153
Pre-K programs				
Salaries	136,152	208,474	(72,322)	154,235
Purchased services	-	45,133	(45,133)	229
Supplies and materials	5,500	6,892	(1,392)	3,683
Capital outlay	-	3,352	(3,352)	-
Total	141,652	263,851	(122,199)	158,147
Special education programs				
Salaries	1,537,902	1,523,809	14,093	1,467,541
Employee benefits	166,000	190,055	(24,055)	191,773
Purchased services	76,000	98,603	(22,603)	74,932
Supplies and materials	9,000	8,204	796	6,265
Total	1,788,902	1,820,671	(31,769)	1,740,511
Special education programs Pre-K				
Salaries	-	186,515	(186,515)	175,013
Total	-	186,515	(186,515)	175,013

(Continued)

QUEEN BEE SCHOOL DISTRICT 16

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Remedial and supplemental programs K - 12				
Salaries	\$ 244,910	\$ 281,168	\$ (36,258)	\$ 209,361
Employee benefits	72,320	25,943	46,377	42,221
Purchased services	101,132	70,926	30,206	54,115
Supplies and materials	2,851	14,800	(11,949)	27,109
Capital outlay	-	-	-	38,018
Total	421,213	392,837	28,376	370,824
Remedial and supplemental programs Pre - K				
Supplies and materials	600	437	163	356
Total	600	437	163	356
Interscholastic programs				
Salaries	120,000	110,018	9,982	109,473
Purchased services	16,000	12,588	3,412	14,868
Supplies and materials	5,000	7,006	(2,006)	5,137
Total	141,000	129,612	11,388	129,478
Summer school programs				
Salaries	-	-	-	1,050
Total	-	-	-	1,050
Bilingual programs				
Salaries	1,614,660	1,132,014	482,646	1,537,394
Employee benefits	97,061	127,290	(30,229)	121,801
Purchased services	24,479	36,915	(12,436)	15,084
Supplies and materials	7,761	59,372	(51,611)	40,674
Non-capitalized equipment	-	15,066	(15,066)	-
Total	1,743,961	1,370,657	373,304	1,714,953
Total instruction	11,241,514	11,510,079	(268,565)	11,332,485
Support services				
Pupils				
Attendance and social work services				
Salaries	92,928	92,928	-	90,867
Employee benefits	650	5,075	(4,425)	627
Supplies and materials	2,000	2,374	(374)	997
Total	95,578	100,377	(4,799)	92,491

(Continued)

QUEEN BEE SCHOOL DISTRICT 16
EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-
GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Guidance services				
Salaries	\$ 92,928	\$ 80,205	\$ 12,723	\$ 79,269
Employee benefits	8,550	9,766	(1,216)	9,487
Total	101,478	89,971	11,507	88,756
Health services				
Salaries	92,928	143,613	(50,685)	147,116
Employee benefits	8,500	9,722	(1,222)	9,446
Purchased services	-	1,059	(1,059)	-
Supplies and materials	1,475	1,732	(257)	1,311
Total	102,903	156,126	(53,223)	157,873
Psychological services				
Supplies and materials	1,000	378	622	909
Total	1,000	378	622	909
Total pupils	300,959	346,852	(45,893)	340,029
Instructional staff				
Improvement of instructional services				
Salaries	244,881	310,916	(66,035)	273,489
Employee benefits	49,847	72,752	(22,905)	53,595
Purchased services	227,634	169,226	58,408	161,003
Supplies and materials	206,750	118,955	87,795	83,514
Capital outlay	40,000	22,855	17,145	29,783
Total	769,112	694,704	74,408	601,384
Educational media services				
Salaries	461,349	406,543	54,806	384,520
Employee benefits	51,250	69,160	(17,910)	56,936
Supplies and materials	28,500	7,397	21,103	2,194
Total	541,099	483,100	57,999	443,650
Assessment and testing				
Supplies and materials	-	3,375	(3,375)	-
Total	-	3,375	(3,375)	-
Total instructional staff	1,310,211	1,181,179	129,032	1,045,034

(Continued)

QUEEN BEE SCHOOL DISTRICT 16

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
General administration				
Board of education services				
Salaries	\$ 60,000	\$ 47,678	\$ 12,322	\$ 68,145
Employee benefits	145,000	119,940	25,060	115,716
Purchased services	272,000	234,243	37,757	222,223
Other objects	58,000	59,302	(1,302)	56,723
Total	535,000	461,163	73,837	462,807
Executive administration services				
Salaries	280,432	320,665	(40,233)	308,561
Employee benefits	93,100	96,575	(3,475)	91,312
Purchased services	89,700	108,582	(18,882)	112,801
Supplies and materials	54,000	35,052	18,948	41,240
Capital outlay	5,000	-	5,000	-
Other objects	7,500	2,178	5,322	5,113
Non-capitalized equipment	2,000	-	2,000	586
Total	531,732	563,052	(31,320)	559,613
Special area administration services				
Salaries	178,259	178,259	-	167,998
Employee benefits	35,850	40,107	(4,257)	39,020
Purchased services	7,400	3,206	4,194	4,608
Total	221,509	221,572	(63)	211,626
Total general administration	1,288,241	1,245,787	42,454	1,234,046
School administration				
Office of the principal services				
Salaries	1,038,110	1,035,587	2,523	936,989
Employee benefits	219,900	225,635	(5,735)	215,729
Purchased services	6,000	3,408	2,592	2,796
Supplies and materials	16,850	20,484	(3,634)	21,064
Other objects	-	6,095	(6,095)	510
Total	1,280,860	1,291,209	(10,349)	1,177,088
Total school administration	1,280,860	1,291,209	(10,349)	1,177,088

(Continued)

QUEEN BEE SCHOOL DISTRICT 16
EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-
GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Business				
Direction of business support services				
Salaries	\$ 187,028	\$ 247,834	\$ (60,806)	\$ 234,564
Employee benefits	58,890	71,423	(12,533)	60,187
Purchased services	17,400	18,360	(960)	12,420
Supplies and materials	2,000	-	2,000	-
Other objects	-	2,044	(2,044)	1,474
Total	265,318	339,661	(74,343)	308,645
Fiscal services				
Salaries	101,132	40,326	60,806	39,151
Employee benefits	8,725	-	8,725	9,736
Purchased services	6,000	-	6,000	11,114
Total	115,857	40,326	75,531	60,001
Operation and maintenance of plant services				
Purchased services	7,000	1,991	5,009	5,177
Capital outlay	50,000	18,989	31,011	34,589
Other objects	10,000	-	10,000	-
Non-capitalized equipment	-	21,923	(21,923)	6,712
Total	67,000	42,903	24,097	46,478
Pupil transportation services				
Salaries	14,000	15,492	(1,492)	14,492
Total	14,000	15,492	(1,492)	14,492
Food services				
Salaries	100,000	122,933	(22,933)	116,744
Purchased services	725,000	838,813	(113,813)	741,574
Supplies and materials	-	2,992	(2,992)	435
Capital outlay	15,000	1,637	13,363	13,672
Other objects	2,000	1,541	459	4,642
Non-capitalized equipment	1,000	5,923	(4,923)	-
Total	843,000	973,839	(130,839)	877,067
Total business	1,305,175	1,412,221	(107,046)	1,306,683
Central				
Information services				
Salaries	35,000	-	35,000	-
Employee benefits	8,775	-	8,775	9,767
Purchased services	12,000	-	12,000	-
Total	55,775	-	55,775	9,767

(Continued)

QUEEN BEE SCHOOL DISTRICT 16
EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Data processing services				
Salaries	\$ 50,133	\$ 54,162	\$ (4,029)	\$ 45,547
Purchased services	<u>25,000</u>	<u>5,385</u>	<u>19,615</u>	<u>23,099</u>
Total	<u>75,133</u>	<u>59,547</u>	<u>15,586</u>	<u>68,646</u>
Total central	<u>130,908</u>	<u>59,547</u>	<u>71,361</u>	<u>78,413</u>
Total support services	<u>5,616,354</u>	<u>5,536,795</u>	<u>79,559</u>	<u>5,181,293</u>
Payments to other districts and governmental units				
Payments for special education programs				
Purchased services	<u>2,400,000</u>	<u>1,503,154</u>	<u>896,846</u>	<u>1,357,663</u>
Total	<u>2,400,000</u>	<u>1,503,154</u>	<u>896,846</u>	<u>1,357,663</u>
Payments for special education programs - tuition				
Other objects	<u>-</u>	<u>998,271</u>	<u>(998,271)</u>	<u>1,094,035</u>
Total	<u>-</u>	<u>998,271</u>	<u>(998,271)</u>	<u>1,094,035</u>
Total payments to other districts and governmental units	<u>2,400,000</u>	<u>2,501,425</u>	<u>(101,425)</u>	<u>2,451,698</u>
Debt services				
Interest on short term debt				
Other interest on short term debt	<u>39,000</u>	<u>-</u>	<u>39,000</u>	<u>-</u>
Total	<u>39,000</u>	<u>-</u>	<u>39,000</u>	<u>-</u>
Total debt services	<u>39,000</u>	<u>-</u>	<u>39,000</u>	<u>-</u>
Total expenditures	<u>19,296,868</u>	<u>19,548,299</u>	<u>(251,431)</u>	<u>18,965,476</u>
Excess (deficiency) of revenues over expenditures	<u>(495,868)</u>	<u>(363,065)</u>	<u>132,803</u>	<u>(866,907)</u>

(Continued)

QUEEN BEE SCHOOL DISTRICT 16

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014		VARIANCE WITH FINAL BUDGET	2013 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Other financing sources (uses)				
Transfer among funds	\$ 700,000	\$ 1,000,000	\$ 300,000	\$ 500,000
Transfer to debt service fund to pay principal on capital leases	-	-	-	(12,182)
Transfer to debt service fund to pay interest on capital leases	-	-	-	(2,290)
Transfer to debt service fund to pay principal on debt certificates	-	(135,000)	(135,000)	-
Transfer to debt service fund to pay interest on debt certificates	-	(205,577)	(205,577)	-
Total other financing sources (uses)	700,000	659,423	(40,577)	485,528
Net change in fund balance	<u>\$ 204,132</u>	296,358	<u>\$ 92,226</u>	(381,379)
Fund balance, beginning of year		2,745,948		3,127,327
Fund balance, end of year		<u>\$ 3,042,306</u>		<u>\$ 2,745,948</u>

(Concluded)

QUEEN BEE SCHOOL DISTRICT 16**WORKING CASH ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

WWW.COMPTONWEAVERACCOUNTS.CO.UK FOR THE YEAR ENDED JUNE 30, 2015

	2014			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2013 ACTUAL
Revenues				
Local sources				
General levy	\$ 159,000	\$ 156,816	\$ (2,184)	\$ 120,289
Investment income	<u>-</u>	<u>3</u>	<u>3</u>	<u>1</u>
Total local sources	<u>159,000</u>	<u>156,819</u>	<u>(2,181)</u>	<u>120,290</u>
Total revenues	<u>159,000</u>	<u>156,819</u>	<u>(2,181)</u>	<u>120,290</u>
Expenditures				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>159,000</u>	<u>156,819</u>	<u>(2,181)</u>	<u>120,290</u>
Net change in fund balance	<u>\$ 159,000</u>	156,819	<u>\$ (2,181)</u>	120,290
Fund balance, beginning of year		<u>2,200,739</u>		<u>2,080,449</u>
Fund balance, end of year		<u>\$ 2,357,558</u>		<u>\$ 2,200,739</u>

QUEEN BEE SCHOOL DISTRICT NO. 16
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2014

	BALANCE JUNE 30, 2013	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2014
Assets				
Cash and investments	\$ 49,616	\$ 159,961	\$ 162,138	\$ 47,439
Total assets	<u>\$ 49,616</u>	<u>\$ 159,961</u>	<u>\$ 162,138</u>	<u>\$ 47,439</u>
Liabilities				
Due to Activity Fund Organizations:				
Glenside	\$ 31,334	\$ 108,997	\$ 109,723	\$ 30,608
Americana	8,096	23,651	22,031	9,716
Pheasant Ridge	4,867	11,133	13,947	2,053
Glen Hill	<u>5,319</u>	<u>16,180</u>	<u>16,437</u>	<u>5,062</u>
Total Due to Activity Fund Organizations	<u>49,616</u>	<u>159,961</u>	<u>162,138</u>	<u>47,439</u>
Total liabilities	<u>\$ 49,616</u>	<u>\$ 159,961</u>	<u>\$ 162,138</u>	<u>\$ 47,439</u>

QUEEN BEE SCHOOL DISTRICT 16
OPERATING COST AND TUITION CHARGE
FOR THE YEARS ENDED JUNE 30, 2014 AND JUNE 30, 2013

	2014	2013
Operating Cost Per Pupil		
Average Daily Attendance (ADA):	<u>1,859</u>	<u>1,759</u>
Operating Costs:		
Educational	\$ 19,548,299	\$ 18,965,476
Operations and maintenance	2,836,454	2,797,104
Debt service	1,415,433	1,364,320
Transportation	596,319	668,007
Municipal retirement/social security	763,145	714,021
Tort	<u>228,920</u>	<u>124,672</u>
Subtotal	<u>25,388,570</u>	<u>24,633,600</u>
Less Revenues/Expenditures of Nonregular Programs:		
Pre-K programs	447,451	340,425
Summer school	-	1,050
Capital outlay	251,657	337,552
Non-capitalized equipment	72,546	7,298
Debt principal retired	775,000	937,182
Payments to other districts & governmental units	<u>2,501,425</u>	<u>2,451,698</u>
Subtotal	<u>4,048,079</u>	<u>4,075,205</u>
Operating costs	<u>\$ 21,340,491</u>	<u>\$ 20,558,395</u>
Operating Cost Per Pupil - Based on ADA	<u>\$ 11,478</u>	<u>\$ 11,688</u>
Tuition Charge		
Operating Costs	\$ 21,340,491	\$ 20,558,395
Less - revenues from specific programs, such as special education or lunch programs	<u>2,904,809</u>	<u>2,830,141</u>
Net operating costs	18,435,682	17,728,254
Depreciation allowance	<u>730,515</u>	<u>702,006</u>
Allowable Tuition Costs	<u>\$ 19,166,197</u>	<u>\$ 18,430,260</u>
Tuition Charge Per Pupil - based on ADA	<u>\$ 10,308</u>	<u>\$ 10,478</u>

QUEEN BEE SCHOOL DISTRICT 16

1996 CAPITAL APPRECIATION BONDS

AS OF JUNE 30, 2014

YEAR ENDED JUNE 30,	PRINCIPAL
2015	\$ 455,000
2016	<u>470,000</u>
Total	<u>\$ 925,000</u>

Paying Agent:	Bank of New York
Principal payment date:	July 1
Interest payment dates:	January 1 and July 1
Interest rates:	4.80% - 5.90%

QUEEN BEE SCHOOL DISTRICT 16

2001A CAPITAL APPRECIATION BONDS

AS OF JUNE 30, 2014

YEAR ENDED JUNE 30,	PRINCIPAL
2017	\$ 485,000
2018	500,000
2019	515,000
2020	530,000
2021	550,000
2022	<u>565,000</u>
Total	<u>\$ 3,145,000</u>

Paying Agent: Cole Taylor Bank

Principal payment date: November 1

Interest payment dates: November 1

Interest rates: 4.75% - 5.00%

QUEEN BEE SCHOOL DISTRICT 16

2006 SCHOOL BUILDING BONDS

AS OF JUNE 30, 2014

YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2015	\$ 265,000	\$ 356,480	\$ 621,480
2016	320,000	336,118	656,118
2017	395,000	303,943	698,943
2018	475,000	264,793	739,793
2019	550,000	232,143	782,143
2020	620,000	208,158	828,158
2021	700,000	180,748	880,748
2022	785,000	149,563	934,563
2023	875,000	114,484	989,484
2024	975,000	74,928	1,049,928
2025	1,080,000	30,746	1,110,746
2026	<u>175,000</u>	<u>3,757</u>	<u>178,757</u>
Total	<u>\$ 7,215,000</u>	<u>\$ 2,255,861</u>	<u>\$ 9,470,861</u>

Paying Agent: JP Morgan Chase

Principal payment date: November 1

Interest payment dates: May 1 and November 1

Interest rates: 3.70% - 4.30%

QUEEN BEE SCHOOL DISTRICT 16
2013A GENERAL OBLIGATION REFUNDING SCHOOL BONDS
AS OF JUNE 30, 2014

YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2015	\$ -	\$ 35,525	\$ 35,525
2016	-	35,525	35,525
2017	-	35,525	35,525
2018	-	35,525	35,525
2019	-	35,525	35,525
2020	-	35,525	35,525
2021	-	35,525	35,525
2022	-	35,525	35,525
2023	580,000	35,525	615,525
2024	<u>420,000</u>	<u>15,225</u>	<u>435,225</u>
Total	<u>\$ 1,000,000</u>	<u>\$ 334,950</u>	<u>\$ 1,334,950</u>

Paying Agent: Amalgamated Bank of Chicago

Principal payment date: January 1

Interest payment dates: January 1 and June 1

Interest rates: 3.50% to 3.63%

QUEEN BEE SCHOOL DISTRICT 16
2013B TAXABLE GENERAL OBLIGATION LIMITED TAX SCHOOL BONDS
AS OF JUNE 30, 2014

YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2015	\$ -	\$ 265,525	\$ 265,525
2016	-	265,525	265,525
2017	-	265,525	265,525
2018	-	265,525	265,525
2019	-	265,525	265,525
2020	-	265,525	265,525
2021	-	265,525	265,525
2022	-	265,525	265,525
2023	-	265,525	265,525
2024	200,000	265,525	465,525
2025	655,000	259,025	914,025
2026	695,000	237,738	932,738
2027	740,000	215,150	955,150
2028	785,000	189,250	974,250
2029	830,000	161,775	991,775
2030	880,000	132,725	1,012,725
2031	930,000	101,925	1,031,925
2032	940,000	69,375	1,009,375
2033	<u>910,000</u>	<u>34,125</u>	<u>944,125</u>
Total	<u>\$ 7,565,000</u>	<u>\$ 4,056,338</u>	<u>\$ 11,621,338</u>

Paying Agent: Amalgamated Bank of Chicago

Principal payment date: January 1

Interest payment dates: January 1 and June 1

Interest rates: 3.25% to 3.75%

OTHER INFORMATION

QUEEN BEE SCHOOL DISTRICT 16
BUDGETED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR FISCAL YEAR 2014
AS OF JUNE 30, 2014

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUND	CAPITAL PROJECTS FUNDS	TOTAL
Fund Balance, July 1, 2014	\$ 5,399,864	\$ 1,678,928	\$ 618,382	\$ 5,253,036	\$ 12,950,210
Add Revenues	19,870,732	6,242,000	1,388,850	295,000	27,796,582
Less Expenditures	(20,492,708)	(4,676,753)	(1,497,000)	(5,482,000)	(32,148,461)
Transfers	<u>1,000,000</u>	<u>(1,000,000)</u>	<u>114,853</u>	<u>-</u>	<u>114,853</u>
Fund Balance, June 30, 2015	<u>\$ 5,777,888</u>	<u>\$ 2,244,175</u>	<u>\$ 625,085</u>	<u>\$ 66,036</u>	<u>\$ 8,713,184</u>

Note: The General Fund includes the District's Educational Accounts and Working Cash Accounts. The Special Revenue Funds include the District's Operations and Maintenance Fund, Transportation Fund, Municipal Retirement/ Social Security Fund and Tort Immunity and Judgment Fund. The Capital Projects Funds include the District's Capital Projects Fund and Fire Prevention and Life Safety Fund.

Source: The District's 2014 Comprehensive Annual Financial Report and 2015 Budget.

Statistical Section

This part of the District'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 says about the District's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	78
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	90
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	
Debt Capacity	96
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	101
These schedules offer demographic and economic indicators to help the reader understand the environment within the District's financial activities take place.	
Operating Information	105
These schedules contain information about the District's service and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	

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

QUEEN BEE SCHOOL DISTRICT 16**NET POSITION BY COMPONENT**

LAST TEN FISCAL YEARS

	2014	2013	2012	2011	2010
Governmental activities					
Net investments in					
capital assets	\$ 2,138,219	\$ 2,084,606	\$ 3,217,821	\$ 1,646,426	\$ 1,781,978
Restricted	2,012,061	2,052,720	1,683,138	1,915,339	748,303
Unrestricted	<u>2,622,700</u>	<u>2,041,402</u>	<u>1,485,363</u>	<u>1,851,842</u>	<u>381,998</u>
Total governmental activities					
net position	<u>\$ 6,772,980</u>	<u>\$ 6,178,728</u>	<u>\$ 6,386,322</u>	<u>\$ 5,413,607</u>	<u>\$ 2,912,279</u>

2009	2008	2007	2006	2005
\$ 1,503,789	\$ 1,337,567	\$ 980,913	\$ 1,929,078	\$ 2,530,025
747,993	719,195	639,923	619,198	469,034
<u>(1,749,592)</u>	<u>(2,193,412)</u>	<u>(2,985,020)</u>	<u>(4,501,105)</u>	<u>(3,653,662)</u>
<u>\$ 502,190</u>	<u>\$ (136,650)</u>	<u>\$ (1,364,184)</u>	<u>\$ (1,952,829)</u>	<u>\$ (654,603)</u>

QUEEN BEE SCHOOL DISTRICT 16

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

	2014	2013	2012	2011
Expenses				
Instruction:				
Regular programs	\$ 7,878,288	\$ 7,734,367	\$ 7,407,528	\$ 7,097,493
Special programs	5,103,664	4,924,567	4,028,861	3,378,130
Other instructional programs	1,784,553	2,031,073	1,875,547	1,550,280
State retirement contributions	3,919,469	3,083,892	2,635,403	2,277,948
Support services:				
Pupils	356,725	348,357	346,371	404,725
Instructional staff	1,374,588	1,320,754	1,181,569	1,086,500
General administration	1,541,267	1,381,672	1,267,995	1,250,012
School administration	1,415,637	1,278,822	1,264,012	1,156,240
Business	1,401,200	1,282,661	1,166,701	811,357
Transportation	614,949	683,071	647,722	665,135
Operations and maintenance	3,097,012	3,139,083	3,011,830	2,697,759
Central	77,804	149,055	100,994	90,629
Other supporting services	-	-	-	-
Interest and fees	1,305,229	647,202	717,960	793,636
Total expenses	\$ 29,870,385	\$ 28,004,576	\$ 25,652,493	\$ 23,259,844
Program Revenues				
Charges for services:				
Instruction:				
Regular programs	\$ 106,055	\$ 134,336	\$ 118,956	\$ 150,249
Special programs	638,364	610,661	551,616	534,589
Support services:				
Business	147,719	161,244	174,686	66,067
Transportation	1,047	1,001	2,371	3,668
Operations and maintenance	269,528	247,571	255,804	246,778
Operating grants and contributions	6,452,117	5,556,484	5,002,821	4,703,871
Capital grants and contributions	95,010	-	-	-
Total program revenues	\$ 7,709,840	\$ 6,711,297	\$ 6,106,254	\$ 5,705,222
Net (expense)/revenue	\$ (22,160,545)	\$ (21,293,279)	\$ (19,546,239)	\$ (17,554,622)
General revenues				
Taxes:				
Real estate taxes, levied for general purposes	\$ 12,232,087	\$ 12,986,302	\$ 13,306,474	\$ 13,110,355
Real estate taxes, levied for specific purposes	5,210,620	4,001,396	3,428,754	3,435,607
Real estate taxes, levied for debt service	1,364,080	1,289,995	1,232,947	1,206,955
Personal property replacement taxes	90,712	85,643	83,821	91,117
State aid-formula grants	3,781,861	2,848,275	2,466,367	2,195,620
Investment earnings	3,342	(558)	591	4,116
Miscellaneous	72,095	-	-	12,180
Total general revenues	\$ 22,754,797	\$ 21,211,053	\$ 20,518,954	\$ 20,055,950
Change in net position	\$ 594,252	\$ (82,226)	\$ 972,715	\$ 2,501,328

2010	2009	2008	2007	2006	2005
\$ 7,798,101	\$ 7,364,397	\$ 7,625,751	\$ 7,870,145	\$ 8,309,104	\$ 8,308,227
3,446,198	3,188,590	2,783,707	2,741,392	2,694,319	1,974,774
1,511,787	1,649,906	1,116,305	641,797	117,997	113,910
2,564,245	1,876,554	1,461,577	991,575	699,788	1,115,344
388,130	371,823	344,645	357,210	323,018	307,181
1,205,731	1,225,047	1,153,067	1,253,441	1,165,643	1,169,590
1,272,079	1,187,912	1,296,076	994,143	997,272	955,756
1,326,410	1,471,011	1,222,605	1,288,637	1,280,536	1,182,773
796,046	629,301	568,251	551,709	188,510	219,650
604,172	599,387	502,942	431,795	421,965	383,594
2,594,563	2,581,322	2,709,943	2,725,074	2,180,645	2,188,833
82,332	117,782	127,232	104,541	103,315	100,921
1,000	-	-	-	227,905	231,436
825,390	859,166	908,175	1,027,211	646,864	336,367
<u>\$ 24,416,184</u>	<u>\$ 23,122,198</u>	<u>\$ 21,820,276</u>	<u>\$ 20,978,670</u>	<u>\$ 19,356,881</u>	<u>\$ 18,588,356</u>
\$ 645,247	\$ 147,032	\$ 111,522	\$ 109,515	\$ 98,761	\$ 93,987
557,626	374,666	396,149	389,437	406,292	382,007
49,305	31,336	31,702	71,128	27,656	30,451
1,486	3,420	4,287	4,378	4,591	5,745
242,556	234,937	277,210	215,585	-	-
5,783,781	4,101,960	3,170,951	2,521,565	2,004,215	2,399,069
130,000	-	-	-	-	-
<u>\$ 7,410,001</u>	<u>\$ 4,893,351</u>	<u>\$ 3,991,821</u>	<u>\$ 3,311,608</u>	<u>\$ 2,541,515</u>	<u>\$ 2,911,259</u>
<u>\$ (17,006,183)</u>	<u>\$ (18,228,847)</u>	<u>\$ (17,828,455)</u>	<u>\$ (17,667,062)</u>	<u>\$ (16,815,366)</u>	<u>\$ (15,677,097)</u>
\$ 12,917,598	\$ 12,599,146	\$ 12,175,430	\$ 11,146,592	\$ 12,298,199	\$ 11,269,271
3,400,449	3,319,804	3,246,492	3,353,633	955,795	724,492
1,179,491	1,138,020	1,104,233	1,038,343	1,153,460	1,294,541
70,261	86,851	99,285	92,842	97,090	64,016
1,815,256	1,571,171	2,003,262	2,006,727	2,410,095	2,962,740
9,217	152,695	427,287	549,628	194,942	49,977
24,000	-	-	67,942	324,664	263,258
<u>\$ 19,416,272</u>	<u>\$ 18,867,687</u>	<u>\$ 19,055,989</u>	<u>\$ 18,255,707</u>	<u>\$ 17,434,245</u>	<u>\$ 16,628,295</u>
<u>\$ 2,410,089</u>	<u>\$ 638,840</u>	<u>\$ 1,227,534</u>	<u>\$ 588,645</u>	<u>\$ 618,879</u>	<u>\$ 951,198</u>

QUEEN BEE SCHOOL DISTRICT 16
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2014	2013	2012	2011	2010
General Fund					
Nonspendable	\$ 156,956	\$ 38,021	\$ -	\$ -	\$ -
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	12,580
Unassigned	<u>5,242,908</u>	<u>4,908,666</u>	<u>5,207,776</u>	<u>4,240,815</u>	<u>-</u>
Total general fund	<u>\$ 5,399,864</u>	<u>\$ 4,946,687</u>	<u>\$ 5,207,776</u>	<u>\$ 4,240,815</u>	<u>\$ 12,580</u>
All other governmental funds					
Nonspendable	\$ 402,788	\$ 96,169	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	3,483,025
Debt service fund	-	-	-	-	433,586
Capital projects fund	-	-	-	-	(53,886)
Restricted	6,613,412	9,114,351	1,745,158	1,978,525	-
Assigned	614,662	113,573	112,567	110,194	-
Unassigned (deficit)	<u>(80,516)</u>	<u>(99,477)</u>	<u>(99,477)</u>	<u>(99,477)</u>	<u>-</u>
Total all other governmental funds	<u>\$ 7,550,346</u>	<u>\$ 9,224,616</u>	<u>\$ 1,758,248</u>	<u>\$ 1,989,242</u>	<u>\$ 3,862,725</u>

The District began reporting using the GASB 54 format in the 2011 fiscal year.

2009	2008	2007	2006	2005
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	26,831	21,359
(1,434,760)	(1,593,584)	(2,280,688)	(2,047,046)	(1,801,715)
-	-	-	-	-
<u>\$ (1,434,760)</u>	<u>\$ (1,593,584)</u>	<u>\$ (2,280,688)</u>	<u>\$ (2,020,215)</u>	<u>\$ (1,780,356)</u>
\$ -	\$ -	\$ -	\$ -	\$ -
3,096,198	3,307,716	3,214,517	2,483,081	2,121,379
407,316	362,994	319,050	642,628	385,931
(210,535)	2,704,706	5,804,390	7,626,412	61,744
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 3,292,979</u>	<u>\$ 6,375,416</u>	<u>\$ 9,337,957</u>	<u>\$ 10,752,121</u>	<u>\$ 2,569,054</u>

QUEEN BEE SCHOOL DISTRICT 16**GOVERNMENTAL FUNDS REVENUES**

LAST TEN FISCAL YEARS

	2014	2013	2012	2011	2010
Local Sources					
Property taxes	\$ 18,806,787	\$ 18,277,693	\$ 17,968,175	\$ 17,752,917	\$ 17,497,538
Replacement taxes	90,712	85,643	83,821	91,117	70,261
Earnings on investments	3,342	(558)	591	4,116	9,217
Other local sources	<u>1,236,292</u>	<u>1,164,279</u>	<u>1,166,922</u>	<u>1,026,372</u>	<u>1,539,141</u>
Total local sources	<u>20,137,133</u>	<u>19,527,057</u>	<u>19,219,509</u>	<u>18,874,522</u>	<u>19,116,157</u>
State sources	<u>9,105,890</u>	<u>7,395,292</u>	<u>6,308,296</u>	<u>5,719,910</u>	<u>5,812,168</u>
Federal sources	<u>1,221,614</u>	<u>1,000,001</u>	<u>972,035</u>	<u>1,166,740</u>	<u>1,897,948</u>
Total	<u>\$ 30,464,637</u>	<u>\$ 27,922,350</u>	<u>\$ 26,499,840</u>	<u>\$ 25,761,172</u>	<u>\$ 26,826,273</u>

2009	2008	2007	2006	2005
\$ 17,056,970	\$ 16,526,155	\$ 15,538,568	\$ 14,407,454	\$ 13,288,304
86,851	99,285	92,842	97,090	64,016
157,786	527,993	443,831	194,942	49,977
<u>871,143</u>	<u>845,385</u>	<u>893,550</u>	<u>861,964</u>	<u>775,448</u>
<u>18,172,750</u>	<u>17,998,818</u>	<u>16,968,791</u>	<u>15,561,450</u>	<u>14,177,745</u>
<u>4,648,215</u>	<u>4,667,996</u>	<u>4,055,363</u>	<u>4,021,016</u>	<u>4,944,233</u>
<u>945,164</u>	<u>481,702</u>	<u>437,364</u>	<u>393,294</u>	<u>417,576</u>
<u>\$ 23,766,129</u>	<u>\$ 23,148,516</u>	<u>\$ 21,461,518</u>	<u>\$ 19,975,760</u>	<u>\$ 19,539,554</u>

QUEEN BEE SCHOOL DISTRICT 16
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS

	2014	2012	2011	2010	2009
Current:					
Instruction					
Regular programs	\$ 7,494,704	\$ 7,141,514	\$ 7,005,663	\$ 6,684,744	\$ 7,512,826
Special programs	2,574,029	2,377,162	2,157,766	1,853,237	1,943,711
Other instructional programs	1,763,270	2,031,429	1,868,575	1,550,280	1,512,256
State retirement contributions	3,919,469	3,083,892	2,635,403	2,277,948	2,564,245
Total instruction	<u>15,751,472</u>	<u>14,633,997</u>	<u>13,667,407</u>	<u>12,366,209</u>	<u>13,533,038</u>
Supporting Services					
Pupils	356,725	348,357	344,076	404,725	388,130
Instructional staff	1,190,500	1,047,160	975,483	912,473	1,072,094
General administration	1,511,441	1,391,092	1,260,964	1,234,616	1,248,437
School administration	1,353,123	1,235,496	1,238,824	1,232,596	1,280,788
Business	1,394,481	1,267,077	1,137,412	808,973	778,503
Transportation	614,949	683,071	647,722	665,135	604,172
Operations and maintenance	4,252,017	3,225,316	2,831,770	2,554,247	2,503,424
Central	68,607	95,200	93,024	81,922	73,635
Total supporting services	<u>10,741,843</u>	<u>9,292,769</u>	<u>8,529,275</u>	<u>7,894,687</u>	<u>7,949,183</u>
Community services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
Nonprogrammed charges	<u>2,501,425</u>	<u>2,451,698</u>	<u>1,786,199</u>	<u>1,504,744</u>	<u>1,462,990</u>
Total current	<u>28,994,740</u>	<u>26,378,464</u>	<u>23,982,881</u>	<u>21,765,640</u>	<u>22,946,211</u>
Other:					
Debt service:					
Principal	775,000	514,030	499,010	481,773	532,704
Interest	640,433	850,290	842,634	874,920	867,525
Capital outlay	1,275,557	337,552	439,348	284,087	1,612,148
Total Other	<u>2,690,990</u>	<u>1,701,872</u>	<u>1,780,992</u>	<u>1,640,780</u>	<u>3,012,377</u>
Total	<u>\$ 31,685,730</u>	<u>\$ 28,080,336</u>	<u>\$ 25,763,873</u>	<u>\$ 23,406,420</u>	<u>\$ 25,958,588</u>
Debt service as a percentage of noncapital expenditures	4.65%	4.92%	5.30%	5.87%	5.75%

2008	2007	2006	2005	2004
\$ 7,119,590	\$ 7,431,159	\$ 7,479,275	\$ 7,416,507	\$ 7,003,641
1,617,991	1,556,115	1,451,048	1,543,871	1,489,065
1,649,906	1,113,381	631,913	593,641	710,021
1,876,554	1,461,577	991,575	699,788	1,115,344
<u>12,264,041</u>	<u>11,562,232</u>	<u>10,553,811</u>	<u>10,253,807</u>	<u>10,318,071</u>
371,823	342,452	324,955	323,017	297,474
1,095,895	1,075,706	1,028,157	1,066,916	984,109
1,211,885	1,163,735	1,043,685	988,220	907,026
1,429,538	1,239,813	1,224,275	1,234,859	1,062,709
640,673	558,546	508,663	632,083	735,539
599,387	502,942	431,795	421,965	376,405
2,841,905	2,894,184	2,781,242	1,883,773	1,805,324
110,551	117,634	104,780	63,327	49,310
<u>8,301,657</u>	<u>7,895,012</u>	<u>7,447,552</u>	<u>6,614,160</u>	<u>6,217,896</u>
-	-	-	-	-
<u>1,546,751</u>	<u>1,182,552</u>	<u>1,266,976</u>	<u>1,365,940</u>	<u>1,024,208</u>
<u>22,112,449</u>	<u>20,639,796</u>	<u>19,268,339</u>	<u>18,233,907</u>	<u>17,560,175</u>
601,086	575,091	896,431	1,102,754	1,265,526
864,132	873,899	941,433	557,747	159,379
3,112,075	3,408,262	2,391,795	628,329	325,821
<u>4,577,293</u>	<u>4,857,252</u>	<u>4,229,659</u>	<u>2,288,830</u>	<u>1,750,726</u>
<u>\$ 26,689,742</u>	<u>\$ 25,497,048</u>	<u>\$ 23,497,998</u>	<u>\$ 20,522,737</u>	<u>\$ 19,310,901</u>
6.21%	6.56%	8.71%	8.35%	7.51%

QUEEN BEE SCHOOL DISTRICT 16
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES
LAST TEN FISCAL YEARS

	2014	2013	2012	2011	2010
Excess of revenues over (under) expenditures	\$ (1,221,093)	\$ (157,986)	\$ 735,967	\$ 2,354,752	\$ 867,685
Other financing sources (uses)					
Principal on bonds sold	-	7,033,396	-	-	1,139,888
Principal on refunding bonds sold	-	1,531,604	-	-	125,112
Premium on bonds sold	-	329,869	-	-	9,513
Payments to escrow agent	-	(1,531,604)	-	-	(125,112)
Capital lease proceeds	-	-	-	-	-
Transfers in	2,440,054	514,472	85,103	83,978	184,774
Transfers out	<u>(2,440,054)</u>	<u>(514,472)</u>	<u>(85,103)</u>	<u>(83,978)</u>	<u>(184,774)</u>
Total	<u>-</u>	<u>7,363,265</u>	<u>-</u>	<u>-</u>	<u>1,149,401</u>
Net change in fund balances	<u>\$ (1,221,093)</u>	<u>\$ 7,205,279</u>	<u>\$ 735,967</u>	<u>\$ 2,354,752</u>	<u>\$ 2,017,086</u>

2009	2008	2007	2006	2005
\$ (2,923,613)	\$ (2,348,532)	\$ (2,036,480)	\$ (546,977)	\$ 228,653
-	-	-	8,490,185	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	73,095	361,843	-	-
256,985	-	-	-	-
(256,985)	-	-	-	-
-	73,095	361,843	8,490,185	-
<u>\$ (2,923,613)</u>	<u>\$ (2,275,437)</u>	<u>\$ (1,674,637)</u>	<u>\$ 7,943,208</u>	<u>\$ 228,653</u>

QUEEN BEE SCHOOL DISTRICT 16
ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN LEVY YEARS

LEVY YEAR	ASSESSED VALUATION				
	RESIDENTIAL	FARMS	COMMERCIAL	INDUSTRIAL	RAILROAD
2013	\$ 233,788,210	\$ 4,250	\$ 19,136,120	\$ 48,319,020	\$ 86,711
2012	255,481,785	3,860	19,138,060	52,167,160	79,581
2011	292,013,746	3,510	19,882,710	58,507,360	65,352
2010	344,893,541	3,200	19,027,100	59,674,700	71,951
2009	371,960,997	2,910	20,431,310	64,230,920	69,053
2008	374,747,016	2,640	20,486,530	66,663,520	56,432
2007	357,787,899	2,390	19,535,630	64,851,530	43,568
2006	333,221,813	2,636	17,658,620	66,373,810	31,171
2005	311,490,905	522	16,320,890	63,122,110	21,416
2004	290,614,489	562	17,884,110	59,866,350	21,860

Source: DuPage County Clerk

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

LESS: EXEMPTIONS		TOTAL ASSESSED VALUE	TOTAL DIRECT RATE	ESTIMATED ACTUAL VALUE
\$	-	\$ 301,334,311	6.2877	\$ 904,002,933
	-	326,870,446	5.6866	980,611,338
	-	370,472,678	4.8577	1,111,418,034
	-	423,670,492	4.2369	1,271,011,476
	-	456,695,190	3.8252	1,370,085,570
	-	461,956,138	3.7688	1,385,868,414
	-	442,221,017	3.7764	1,326,663,051
	-	417,288,050	3.8964	1,251,864,150
	-	390,955,843	3.8603	1,172,867,529
	-	368,387,371	3.7862	1,105,162,113

QUEEN BEE SCHOOL DISTRICT 16
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN TAX LEVY YEARS

	2013	2012	2011	2010	2009	2008	2007
District direct rates							
Educational	\$3.5000	\$3.4864	\$3.5000	\$3.1379	\$2.8163	\$2.7900	\$2.7630
Tort immunity	0.0890	0.0773	0.0137	-	-	-	-
Operations and maintenance	0.5500	0.5479	0.5500	0.5500	0.5314	0.5255	0.5252
Special education	0.4000	0.3983	0.0955	-	-	-	-
Bond and interest	0.4609	0.4077	0.3370	0.2878	0.2603	0.2516	0.2518
Transportation	0.8528	0.3878	0.1364	0.1121	0.0905	0.0895	0.0891
Life safety	0.1000	0.0995	0.0137	-	-	-	-
Working cash	0.0500	0.0498	0.0205	-	-	-	-
Illinois municipal retirement	0.1676	0.1314	0.1091	0.0835	0.0692	0.0535	0.0549
Social security	<u>0.1174</u>	<u>0.1005</u>	<u>0.0818</u>	<u>0.0656</u>	<u>0.0575</u>	<u>0.0587</u>	<u>0.0724</u>
Total direct	<u>6.2877</u>	<u>5.6866</u>	<u>4.8577</u>	<u>4.2369</u>	<u>3.8252</u>	<u>3.7688</u>	<u>3.7564</u>
Representative (Direct and Overlapping) Tax Rates							
County of DuPage	0.2040	0.1929	0.1773	0.1659	0.1554	0.1557	0.1651
Forest Preserve District	0.1657	0.1542	0.1414	0.1321	0.1217	0.1206	0.1187
Bloomington Township	0.1060	0.0952	0.0846	0.0773	0.0695	0.0684	0.0685
Village of Glendale Heights	1.2675	1.1368	0.9918	0.8950	0.8637	0.8639	0.8749
Bloomington Fire Protection District	-	-	-	-	-	-	-
Bloomington Township Road District	0.1147	0.1031	0.0886	0.0809	0.0727	0.0715	0.0719
Glenside Fire Protection District	1.0817	0.9722	0.8442	0.7297	0.6615	0.6841	0.6828
Glenside Library District	0.6070	0.4908	0.4183	0.3626	0.3281	0.3218	0.3219
Township High School District No. 87	2.4877	2.2868	2.0199	1.8378	1.6749	1.6507	1.6612
DuPage Airport Authority	0.0178	0.0168	0.0169	0.0158	0.0148	0.0160	0.0170
Community College District No. 502	<u>0.2956</u>	<u>0.2681</u>	<u>0.2495</u>	<u>0.2349</u>	<u>0.2127</u>	<u>0.1858</u>	<u>0.1888</u>
Total Representative Tax Rate (Direct and Overlapping)	<u>12.6354</u>	<u>11.5365</u>	<u>10.0075</u>	<u>8.8663</u>	<u>8.0878</u>	<u>7.9944</u>	<u>8.0148</u>

Source: DuPage County Clerk

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

Note: The District's ability to raise its direct rate is restricted by the tax rate ceiling and the PTELA limitation. The tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the approval of the voters of the District. The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lessor of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation.

2006	2005	2004
\$2.8698	\$2.6719	\$2.5400
-	0.0500	0.0549
0.5500	0.5500	0.5484
-	0.0200	0.0200
0.2609	0.2574	0.3590
0.0928	0.0900	0.0900
-	0.0210	0.0494
-	-	0.0216
0.0533	0.0900	0.0480
<u>0.0696</u>	<u>0.1100</u>	<u>0.0549</u>
<u>3.8964</u>	<u>3.8603</u>	<u>3.7862</u>
0.1713	0.1797	0.1850
0.1303	0.1271	0.1358
0.0697	0.0713	0.0679
0.8768	0.8836	0.8765
-	-	0.4654
0.0731	0.0747	0.0766
0.7143	0.7379	0.7636
0.3356	0.3440	0.3536
1.7210	1.7200	1.7716
0.0183	0.0198	0.0213
<u>0.1929</u>	<u>0.1874</u>	<u>0.1972</u>
<u>8.2918</u>	<u>8.3003</u>	<u>8.7987</u>

QUEEN BEE SCHOOL DISTRICT 16
PRINCIPAL PROPERTY TAXPAYERS IN THE DISTRICT
CURRENT YEAR AND NINE YEARS AGO

<u>TAXPAYER</u>	2013 EQUALIZED ASSESSED VALUATION	PERCENTAGE OF TOTAL 2013 EQUALIZED ASSESSED VALUATION
Thompson Pts	\$ 7,685,100	2.55%
Crane and Norcross	6,591,720	2.19%
Fordham Glen Apartments	6,452,560	2.14%
AMB Property Corp	3,382,820	1.12%
CB Richard Ellis and CBRE Inc	3,291,550	1.09%
Spraying Systems Co.	2,938,380	0.98%
National Tax Search	2,347,530	0.78%
KTR Chicago LLC	1,711,100	0.57%
Exeter 180 Exchange LLC	1,540,190	0.51%
Welsh Glendale LP	<u>1,454,440</u>	<u>0.48%</u>
	<u>\$ 29,710,290</u>	<u>12.41%</u>

<u>Taxpayer</u>	2004 EQUALIZED ASSESSED VALUATION	PERCENTAGE OF TOTAL 2004 EQUALIZED ASSESSED VALUATION
Crane and Norcross	\$ 9,787,816	2.66%
Laynie Miller	6,726,380	1.83%
EQR - RE Tax Dept	6,473,250	1.76%
Teacher Inc & Ann Assoc.	4,260,240	1.16%
First American Properties	3,972,280	1.08%
Spraying Systems Co.	3,514,140	0.95%
Estate of James Campbell	2,808,050	0.76%
NR Realty Associates Ltd.	2,077,150	0.56%
Judy LLC	1,862,550	0.51%
Van Der Molen Properties	<u>1,793,060</u>	<u>0.49%</u>
Total	<u>\$ 43,274,916</u>	<u>11.76%</u>

Source: Offices of the DuPage County Clerk, Assessor and Bloomingdale Township Assessor.

QUEEN BEE SCHOOL DISTRICT 16
PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN LEVY YEARS

LEVY YEAR	TAXES LEVIED FOR THE		COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
	LEVY YEAR		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2013	\$ 18,946,997	\$	9,324,277	49.2%	\$ -	\$ 9,324,277	49.21%
2012	18,587,815		8,975,930	48.3%	9,554,731	18,530,661	99.69%
2011	17,996,453		8,846,048	49.2%	9,064,509	17,910,557	99.52%
2010	17,950,495		8,875,033	49.4%	9,053,456	17,928,489	99.88%
2009	17,469,504		8,383,384	48.0%	9,071,007	17,454,391	99.91%
2008	17,410,203		8,220,024	47.2%	9,146,682	17,366,706	99.75%
2007	16,700,034		7,867,044	47.1%	8,800,077	16,667,121	99.80%
2006	16,259,211		7,775,615	47.8%	8,458,802	16,234,417	99.85%
2005	15,092,068		7,292,596	48.3%	7,778,320	15,070,916	99.86%
2004	13,947,883		6,802,810	48.8%	7,129,776	13,932,586	99.89%

Source of information : DuPage County Levy, Rate, and Extension Reports for 2004-2013

QUEEN BEE SCHOOL DISTRICT 16

RATIO OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

YEAR	GENERAL OBLIGATION BONDS	CAPITAL LEASES	INSTALLMENT AGREEMENTS	TOTAL	PERCENTAGE OF PERSONAL INCOME	OUTSTANDING DEBT PER CAPITA
2014	\$ 17,416,112	\$ -	\$ 1,130,000	\$ 18,546,112	2.22%	\$ 536
2013	17,806,483	-	1,200,000	19,006,483	2.65%	551
2012	10,307,312	12,182	1,265,000	11,584,494	1.63%	339
2011	10,726,703	26,801	1,330,000	12,083,504	1.70%	353
2010	11,133,857	41,420	1,390,000	12,565,277	1.77%	387
2009	11,532,485	85,496	330,000	11,947,981	1.68%	368
2008	11,903,451	215,616	430,000	12,549,067	1.76%	368
2007	12,815,360	253,486	525,000	13,593,846	1.91%	432
2006	13,404,219	-	615,000	14,019,219	1.97%	223
2005	6,367,972	-	700,000	7,067,972	1.02%	260

Note: General obligation bonds do not include accretion related to capital appreciation bonds.

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

QUEEN BEE SCHOOL DISTRICT 16
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

FISCAL YEAR	GENERAL BONDED DEBT	LESS: AMOUNTS AVAILABLE TO REPAY PRINCIPAL	NET GENERAL BONDED DEBT	PERCENTAGE OF NET GENERAL BONDED DEBT TO ESTIMATED ACTUAL VALUATION	NET GENERAL BONDED DEBT PER CAPITA
2014	\$ 17,416,112	\$ 510,760	\$ 16,905,352	1.87%	\$ 488.31
2013	17,806,483	232,960	17,573,523	1.79%	509.32
2012	10,307,312	388,973	9,918,339	0.89%	289.94
2011	10,726,703	412,560	10,314,143	0.81%	301.51
2010	11,133,857	433,586	10,700,271	0.78%	329.59
2009	11,532,485	407,316	11,125,169	0.80%	342.68
2008	11,903,451	362,994	11,540,457	0.87%	355.47
2007	12,272,577	319,050	11,953,527	0.95%	368.20
2006	13,404,219	642,628	12,761,591	1.09%	393.09
2005	6,367,972	385,931	5,982,041	0.54%	188.32

QUEEN BEE SCHOOL DISTRICT 16
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AS OF JUNE 30, 2014

GOVERNMENTAL JURISDICTION	GENERAL OBLIGATION BONDED DEBT OUTSTANDING	OVERLAPPING PERCENT	NET DIRECT AND OVERLAPPING DEBT
Overlapping debt:			
County			
DuPage County	\$45,085,000 (1)(3)	0.920%	\$ 414,599
DuPage County Forest Preserve	174,143,156 (1)(2)	0.920%	1,601,410
School Districts			
High School District #87	30,060,000 (1)	6.362%	1,912,400
College of DuPage #502*	223,940,000 (1)	0.952%	2,132,702
Fire Protection Districts:			
Bloomington Fire Protection District	1,745,000	2.774%	48,398
Glenside Fire Protection District	1,000,000 (3)	60.608%	606,078
Library District:			
Glenside Library District	0 (1)	49.505%	0
Municipalities			
Village of Glendale Heights	43,785,000	47.912%	20,978,238
Total overlapping debt			27,693,826
Direct debt:			
School District #16	17,416,112 (2)	100.000%	<u>17,416,112</u>
Total Direct and Overlapping Debt			<u>\$ 45,109,938</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 Certificates of Indebtedness and/or notes.

NOTE: Percent applicable to School District calculated using assessed valuation of the School District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

Overlapping governments with no outstanding debt are not reflected.

QUEEN BEE SCHOOL DISTRICT 16

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed Valuation	\$ 301,334,311	
Debt Limit - 6.9% of Assessed Valuation	20,792,067	\$ 20,792,067
Total Debt Outstanding	18,546,112	
Less: Exempted Debt	-	
Net Subject to 6.9% Limit		<u>\$ 18,546,112</u>
Total Debt Margin		<u>\$ 2,245,955</u>

	2014	2013	2012	2011
Debt Limit	\$ 20,792,067	\$ 22,554,061	\$ 25,562,615	\$ 29,233,264
Total Net Debt Applicable to Limit	<u>18,546,112</u>	<u>19,006,483</u>	<u>11,584,494</u>	<u>12,083,504</u>
Legal Debt Margin	<u>\$ 2,245,955</u>	<u>\$ 3,547,578</u>	<u>\$ 13,978,121</u>	<u>\$ 17,149,760</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	89.20%	84.27%	41.33%	41.33%

Fiscal Year					
2010	2009	2008	2007	2006	2005
\$ 31,511,968	\$ 31,874,974	\$ 30,513,250	\$ 28,792,875	\$ 26,975,953	\$ 25,418,729
<u>12,565,277</u>	<u>11,947,981</u>	<u>12,549,067</u>	<u>18,301,063</u>	<u>13,376,591</u>	<u>6,682,041</u>
<u>\$ 18,946,691</u>	<u>\$ 19,926,993</u>	<u>\$ 17,964,183</u>	<u>\$ 10,491,812</u>	<u>\$ 13,599,362</u>	<u>\$ 18,736,688</u>
39.87%	37.48%	41.13%	63.56%	49.59%	26.29%

QUEEN BEE SCHOOL DISTRICT 16
DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN YEARS

YEAR	POPULATION	PERSONAL INCOME	PER CAPITA INCOME*	UNEMPLOYMENT RATE
2013*	34,620	\$ 836,384,580	\$ 24,159	8.5%
2012	34,504	717,510,680	20,795	8.2%
2011	34,208	711,340,615	20,795	8.6%
2010	34,208	711,340,615	20,795	8.3%
2009	32,465	711,340,615	21,911	10.3%
2008	32,465	711,340,615	21,911	6.0%
2007	32,465	711,340,615	21,911	4.8%
2006	32,465	711,340,615	21,911	4.3%
2005	32,465	711,340,615	21,911	5.5%
2004	31,765	696,002,615	21,911	6.3%

SOURCE OF INFORMATION:

2013 Information obtained from US Census Bureau Quickfacts and Illinois Department of Employment Security .Information is for the Village of Glendale Heights, Illinois in which the District is located.

*Per Capita Income in past 12 months (2012 dollars) 2008-2012

Population: 2003 - 2004 is based on the 2000 U.S. Census, 2005 - 2009 is based on the census estimates and 2010- 2012 is based on the 2010 U.S. Census.

Per capita income and Personal Income: 1999 Economic Census

Unemployment rate: Illinois Department of Employment Security, Village of Glendale Heights.
 Local Area Unemployment Statistics (LAUS).

QUEEN BEE SCHOOL DISTRICT 16

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

2014		
EMPLOYER	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
IMI Cornelius, Inc. (Cornelius IMI, Inc.)	380-500	2.65%
Kronos Foods Inc	250-400	2.12%
Glen Oaks Hospital	300	1.59%
ETS - Lindgren (Div of ESCO Technologies, Inc.) also listed as RF Lindgren Enclosures, Inc.	150-215	1.14%
Super Target	207	1.10%
North Star Metal Products	200	1.06%
Chicago Blower Corp.	200	1.06%
Menards	200	1.06%
Jewel	200	1.06%
Home Depot	180	0.96%
Nestle DSD, Div. of Dreyer's Grand Ice Cream, Inc.	150	0.80%
Graybar Electrict	150	0.80%
	<u>2,902</u>	<u>17.24%</u>

2005		
EMPLOYER	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
IMI Cornelius, Inc.	300	1.88%
Vallis Champion Inc.	290	1.82%
Chicago Blower Corp.	250	1.57%
US Food Service	246	1.54%
D & R Technology	168	1.05%
Edy's Grand Ice Cream	150	0.94%
Xpedx (International Paper)	150	0.94%
Mid America Taping & Reeling Inc.	130	0.81%
Graybar Electric Co.	122	0.76%
Screws Industries	120	0.75%
	<u>1,926</u>	<u>12.07%</u>

SOURCE OF INFORMATION:

Industrial Directory and Reference USA.

Illinois Department of Employment Security for number employed in the

Village of Glendale Heights in 2013; 18,842.

Where two employment numbers are shown, the larger was used for calculating the percentage.

QUEEN BEE SCHOOL DISTRICT 16

NUMBER OF EMPLOYEES BY TYPE

LAST TEN FISCAL YEARS

	2013- 2014	2012- 2013	2011- 2012	2010- 2011	2009- 2010
Administration:					
Superintendent	1	1	1	1	1
Associate Superintendent	-	-	-	-	-
Assistant Superintendent	3	2	1	1	1
District Administrators	1	2	3	3	3
Principals and assistants	8	8	8	8	8
Total administration	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>
Teachers:					
Elementary	53	49	47	51	67
Middle school	38	39	34	34	42
Instrumental music	2	2	2	2	2
Special education and bilingual	33	36	35	30	26
Psychologists	-	-	-	1	1
Social workers and counselors	2	2	2	2	2
Learning center	1	1	1	1	4
Total teachers	<u>129</u>	<u>129</u>	<u>121</u>	<u>121</u>	<u>144</u>
Other supporting staff:					
Learning center assistants	4	4	4	4	4
Clerical 10/12 Month	16	16	16	15	14
Teacher assistants	37	36	32	28	29
Maintenance, custodians and warehouse	25	24	24	23	24
Nurses	3	4	4	4	4
Total support staff	<u>85</u>	<u>84</u>	<u>80</u>	<u>74</u>	<u>75</u>
Total staff	<u>227</u>	<u>226</u>	<u>214</u>	<u>208</u>	<u>232</u>

Source: District administrative records.

2008- 2009	2007- 2008	2006 - 2007	2005 - 2006	2004 - 2005
1	1	1	1	1
-	1	-	-	-
1	1	1	1	2
3	1	2	2	2
9	8	8	8	8
<u>14</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>13</u>
63	70	71	79	77
44	44	45	44	45
2	2	2	2	2
31	23	23	22	21
1	1	1	1	1
2	2	2	2	2
4	4	4	4	4
<u>147</u>	<u>146</u>	<u>148</u>	<u>154</u>	<u>152</u>
4	4	4	4	4
16	16	16	15	15
28	23	21	21	19
28	29	29	27	26
4	4	4	4	4
<u>80</u>	<u>76</u>	<u>74</u>	<u>71</u>	<u>68</u>
<u>241</u>	<u>234</u>	<u>234</u>	<u>237</u>	<u>233</u>

QUEEN BEE SCHOOL DISTRICT 16
OPERATING INDICATORS BY FUNCTION
 LAST TEN FISCAL YEARS

FISCAL YEAR	AVERAGE DAILY ATTENDANCE	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	ALLOWABLE TUITION COSTS	PER CAPITA TUITION CHARGE
2014	1,859	\$ 21,358,859	\$ 11,488	1.71%	\$ 19,184,565	\$ 10,318
2013	1,759	20,558,395	11,688	-3.01%	18,430,260	10,478
2012	1,767	20,050,612	11,346	-8.82%	17,934,922	10,149
2011	1,777	18,521,995	10,426	-1.23%	16,480,768	9,277
2010	1,860	19,156,005	10,299	-0.13%	16,585,967	8,918
2009	1,867	19,206,326	10,286	-4.07%	17,843,609	9,556
2008	1,868	18,463,965	9,884	-6.26%	17,078,537	9,143
2007	1,882	17,506,709	9,302	-3.39%	16,311,347	8,667
2006	1,821	16,384,279	8,997	-10.95%	15,157,235	8,324
2005	1,882	15,259,125	8,109	-4.66%	14,012,047	7,446

Source: District annual financial reports.

PERCENTAGE CHANGE	TEACHING STAFF	PUPIL - TEACHER RATIO
1.53%	129	14.4
-3.24%	129	13.6
-9.40%	129	13.7
-4.03%	121	14.7
6.68%	144	12.9
-4.52%	147	12.7
-5.49%	146	12.8
-4.12%	148	12.7
-11.79%	154	11.8
-4.95%	152	12.4

QUEEN BEE SCHOOL DISTRICT 16
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	2014	2013	2012	2011	2010
Glenside Middle School					
Square Feet	84,501	84,501	84,501	84,501	84,501
Capacity (Students)	926	926	926	926	926
Enrollment	685	636	645	664	726
Americana Elementary School					
Square Feet	39,129	39,129	39,129	39,129	39,129
Capacity (Students)	498	498	498	498	498
Enrollment	425	466	469	474	424
Glen Hill Elementary School					
Square Feet	40,784	40,784	40,784	40,784	40,784
Capacity (Students)	544	544	544	544	544
Enrollment	466	450	522	559	554
Pheasant Ridge Elementary School					
Square Feet	44,875	44,875	44,875	44,875	44,875
Capacity (Students)	598	598	598	598	598
Enrollment	426	431	459	496	492

Source: District administrative records.

2009	2008	2007	2006	2005
84,501	84,501	84,501	84,501	84,501
926	926	926	926	926
712	734	705	685	713
39,129	39,129	39,129	39,129	39,129
498	498	498	498	498
441	450	479	460	474
40,784	40,784	40,784	40,784	40,784
544	544	544	544	544
480	470	470	468	458
44,875	44,875	44,875	44,875	44,875
598	598	598	598	598
488	483	491	481	484