

**STATE OF ILLINOIS
TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**FINANCIAL AUDIT
For the year ended June 30, 2015**

**Performed as Special Assistant Auditors
for the Auditor General, State of Illinois**

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

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REGIONAL OFFICE OF EDUCATION NO. 53**

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REGIONAL OFFICE OF EDUCATION NO. 53**

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**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

OFFICIALS

Regional Superintendent (current and during the audit period).....Ms. Gail Owen

Assistant Regional Superintendent (current and during the audit period) Mr. Patrick Durley

Office is located at:

Tazewell Building
414 Court Street, Suite 100
Pekin, IL 61554

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

FINANCIAL REPORT SUMMARY

The financial audit testing performed in this audit was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

AUDITORS' REPORTS

The auditors' reports do not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	-	-
Repeated audit findings	-	-
Prior recommendations implemented or not repeated	-	5

SUMMARY OF FINDINGS AND RESPONSES

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
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FINDINGS (GOVERNMENT AUDITING STANDARDS)

There were no findings for the year ended June 30, 2015.

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
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PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

There were no findings for the year ended June 30, 2014.

EXIT CONFERENCE

The Tazewell County Regional Office of Education No. 53 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2015. Throughout the audit, numerous meetings were held between auditors and Regional Office officials to discuss matters contained in this audit report.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

FINANCIAL STATEMENT REPORT SUMMARY

The audit of the accompanying basic financial statements of the Tazewell County Regional Office of Education No. 53 was performed by West & Company, LLC.

Based on their audit, the auditors expressed an unmodified opinion on the Tazewell County Regional Office of Education No. 53's basic financial statements.

WEST & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS
&
CONSULTANTS

MEMBERS

RICHARD C. WEST
BRIAN E. DANIELL
JANICE K. ROMACK
DIANA R. SMITH
D. RAIF PERRY
JOHN H. VOGT
JOSHUA D. LOWE

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OFFICES

EDWARDSVILLE
EFFINGHAM
GREENVILLE
MATTOON
SULLIVAN

INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on the Financial Statements

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tazewell County Regional Office of Education No. 53, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Tazewell County Regional Office of Education No. 53'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 relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Tazewell County Regional Office of Education No. 53, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, paragraph F in the notes to the financial statements, the Regional Office of Education No. 53 adopted GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*, and No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB No. 68*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Illinois Municipal Retirement Fund – Schedule of Changes in the Net Pension Liability and Related Ratios, Illinois Municipal Retirement Fund – Schedule of Employer Contributions, Teachers’ Retirement System of the State of Illinois – Schedule of Employer’s Proportionate Share of the Net Pension Liability, and Teachers’ Retirement System of the State of Illinois – Schedule of Employer Contributions on pages 57 - 61 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.

Management has omitted the Management’s Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tazewell County Regional Office of Education No. 53’s basic financial statements. The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Disbursements to School District Treasurers and Other Entities are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Disbursements to School District Treasurers and Other Entities are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements, and the Schedule of Disbursements to School District Treasurers and Other Entities are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 29, 2016 on our consideration of the Tazewell County Regional Office of Education No. 53's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tazewell County Regional Office of Education No. 53's internal control over financial reporting and compliance.

West & Company, LLC

Mattoon, Illinois
February 29, 2016

WEST & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS
&
CONSULTANTS

MEMBERS

RICHARD C. WEST
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OFFICES

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Tazewell County Regional Office of Education No. 53, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Tazewell County Regional Office of Education No. 53's basic financial statements, and have issued our report thereon dated February 29, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Tazewell County Regional Office of Education No. 53's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tazewell County Regional Office of Education No. 53's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tazewell County Regional Office of Education No. 53's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Member of Private Companies Practice Section

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tazewell County Regional Office of Education No. 53's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tazewell County Regional Office of Education No. 53's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tazewell County Regional Office of Education No. 53's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

West & Company, LLC

Mattoon, Illinois
February 29, 2016

SCHEDULE OF FINDINGS AND RESPONSES

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**SCHEDULE OF FINDINGS AND RESPONSES
SECTION I – SUMMARY OF AUDITORS' RESULTS
For the year ended June 30, 2015**

Section I - Summary of Auditors' Results

Financial statements

Type of auditors' report issued:

UNMODIFIED

Internal control over financial reporting:

- Material weakness(es) identified?

 yes X no

- Significant deficiency(ies) identified?

 yes X none reported

Noncompliance material to financial
statements noted?

 yes X no

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**SCHEDULE OF FINDINGS AND RESPONSES
SECTION II – FINANCIAL STATEMENT FINDINGS
For the year ended June 30, 2015**

Section II - Financial Statement Findings

There were no findings for the year ended June 30, 2015.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the year ended June 30, 2015**

Corrective Action Plan

There were no findings for the year ended June 30, 2015.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2015**

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u>
-----------------------	------------------	-----------------------

There were no findings for the year ended June 30, 2014.

BASIC FINANCIAL STATEMENTS

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF NET POSITION
June 30, 2015**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,775,630	\$ 66,139	\$ 1,841,769
Investments	51,333	-	51,333
Accounts receivable	1,268	1,503	2,771
Due from other governments	10,442	1,830	12,272
Total current assets	<u>1,838,673</u>	<u>69,472</u>	<u>1,908,145</u>
Noncurrent assets:			
Capital assets, net	16,615	-	16,615
Net pension asset	35,356	-	35,356
Total noncurrent assets	<u>51,971</u>	<u>-</u>	<u>51,971</u>
Total assets	<u>1,890,644</u>	<u>69,472</u>	<u>1,960,116</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	<u>12,194</u>	<u>-</u>	<u>12,194</u>
LIABILITIES			
Current liabilities:			
Accounts payable	481	-	481
Accrued salaries and benefits	14,208	-	14,208
Due to other governments	40,838	-	40,838
Unearned revenue	23,912	-	23,912
Total current liabilities	<u>79,439</u>	<u>-</u>	<u>79,439</u>
Noncurrent liabilities:			
Net pension liability	<u>14,621</u>	<u>-</u>	<u>14,621</u>
Total noncurrent liabilities	<u>14,621</u>	<u>-</u>	<u>14,621</u>
Total liabilities	<u>94,060</u>	<u>-</u>	<u>94,060</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	<u>13,743</u>	<u>-</u>	<u>13,743</u>
NET POSITION			
Net investment in capital assets	16,615	-	16,615
Restricted - other	352,635	-	352,635
Unrestricted	1,425,785	69,472	1,495,257
Total net position	<u>\$ 1,795,035</u>	<u>\$ 69,472</u>	<u>\$ 1,864,507</u>

The notes to the financial statements are an integral part of this statement.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF ACTIVITIES
For the year ended June 30, 2015**

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities	
Governmental activities:						
Instructional services:						
Salaries and benefits	\$ 260,492	\$ -	\$ 217,847	\$ (42,645)	\$ -	\$ (42,645)
Purchased services	185,534	-	141,051	(44,483)	-	(44,483)
Supplies and materials	7,216	-	6,074	(1,142)	-	(1,142)
Payments to other governments	144,156	-	122,325	(21,831)	-	(21,831)
Other objects	3,632	-	2,863	(769)	-	(769)
Depreciation	11,142	-	-	(11,142)	-	(11,142)
Pension expense	10,930	-	-	(10,930)	-	(10,930)
Administrative:						
On-behalf payments - Local	221,270	-	-	(221,270)	-	(221,270)
On-behalf payments - State	343,223	-	-	(343,223)	-	(343,223)
Total governmental activities	<u>1,187,595</u>	<u>-</u>	<u>490,160</u>	<u>(697,435)</u>	<u>-</u>	<u>(697,435)</u>
Business-type activities:						
Other	111,410	21,243	-	-	(90,167)	(90,167)
Total primary government	<u>\$ 1,299,005</u>	<u>\$ 21,243</u>	<u>\$ 490,160</u>	<u>(697,435)</u>	<u>(90,167)</u>	<u>(787,602)</u>
General revenues:						
Local sources				216,080	-	216,080
On-behalf payments - Local				221,270	-	221,270
On-behalf payments - State				343,223	-	343,223
Miscellaneous income				-	5,003	5,003
Interest				537	200	737
Transfers				133,722	(133,722)	-
Total general revenues				<u>914,832</u>	<u>(128,519)</u>	<u>786,313</u>
Change in net position				217,397	(218,686)	(1,289)
Net position - beginning, restated				<u>1,577,638</u>	<u>288,158</u>	<u>1,865,796</u>
Net position - ending				<u>\$ 1,795,035</u>	<u>\$ 69,472</u>	<u>\$ 1,864,507</u>

The notes to the financial statements are an integral part of this statement.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2015**

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 1,469,733	\$ 56,427	\$ 184,944	\$ 64,526	\$ 1,775,630
Investments	-	-	51,333	-	51,333
Accounts receivable	812	-	-	456	1,268
Due from other funds	9,266	-	-	-	9,266
Due from other governments	60	10,382	-	-	10,442
	<u>1,479,871</u>	<u>66,809</u>	<u>236,277</u>	<u>64,982</u>	<u>1,847,939</u>
Total assets	<u>\$ 1,479,871</u>	<u>\$ 66,809</u>	<u>\$ 236,277</u>	<u>\$ 64,982</u>	<u>\$ 1,847,939</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 481	\$ -	\$ -	\$ -	\$ 481
Accrued salaries and benefits	14,208	-	-	-	14,208
Due to other funds	-	9,266	-	-	9,266
Due to other governments	-	40,838	-	-	40,838
Unearned revenue	23,227	685	-	-	23,912
	<u>37,916</u>	<u>50,789</u>	<u>-</u>	<u>-</u>	<u>88,705</u>
Total liabilities	<u>37,916</u>	<u>50,789</u>	<u>-</u>	<u>-</u>	<u>88,705</u>
FUND BALANCES					
Restricted	-	16,020	236,277	64,982	317,279
Assigned	1,441,993	-	-	-	1,441,993
Unassigned	(38)	-	-	-	(38)
	<u>1,441,955</u>	<u>16,020</u>	<u>236,277</u>	<u>64,982</u>	<u>1,759,234</u>
Total fund balances	<u>1,441,955</u>	<u>16,020</u>	<u>236,277</u>	<u>64,982</u>	<u>1,759,234</u>
Total liabilities and fund balances	<u>\$ 1,479,871</u>	<u>\$ 66,809</u>	<u>\$ 236,277</u>	<u>\$ 64,982</u>	<u>\$ 1,847,939</u>

The notes to the financial statements are an integral part of this statement.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
June 30, 2015**

Total fund balances - governmental funds		\$ 1,759,234
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Noncurrent assets related to pension benefits are collected but not payable in the current period and , therefore, are not reported in the funds.		
Net pension asset		35,356
Pension-related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds as follows:		
Deferred outflows of resources	12,194	
Deferred inflows of resources	<u>(13,743)</u>	(1,549)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Net pension liability		(14,621)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
		<u>16,615</u>
Net position of governmental activities		<u><u>\$ 1,795,035</u></u>

The notes to the financial statements are an integral part of this statement.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended June 30, 2015**

	General Fund	Education Fund	Institute Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues:					
Local sources	\$ 158,632	\$ -	\$ 47,609	\$ 9,839	\$ 216,080
State sources	139,484	316,779	-	1,329	457,592
Federal sources	-	32,568	-	-	32,568
Interest	-	-	537	-	537
On-behalf payments	491,087	-	-	-	491,087
Total revenues	789,203	349,347	48,146	11,168	1,197,864
Expenditures:					
Instructional services:					
Salaries and benefits	88,418	172,074	-	-	260,492
Purchased services	71,987	102,092	9,563	1,892	185,534
Supplies and materials	3,044	4,114	-	58	7,216
Payments to other governments	75,959	68,197	-	-	144,156
Other objects	2,981	138	146	367	3,632
Pension expense	343	3,955	-	-	4,298
On-behalf payments	491,087	-	-	-	491,087
Total expenditures	733,819	350,570	9,709	2,317	1,096,415
Excess (deficiency) of revenues over (under) expenditures	55,384	(1,223)	38,437	8,851	101,449
Other financing sources (uses):					
Transfers in	133,722	11,056	-	-	144,778
Transfers out	(11,056)	-	-	-	(11,056)
Total other financing sources (uses)	122,666	11,056	-	-	133,722
Net changes in fund balances	178,050	9,833	38,437	8,851	235,171
Fund balances, beginning of year	1,263,905	6,187	197,840	56,131	1,524,063
Fund balances, end of year	\$ 1,441,955	\$ 16,020	\$ 236,277	\$ 64,982	\$ 1,759,234

The notes to the financial statements are an integral part of this statement.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the year ended June 30, 2015**

Net changes in fund balances - governmental funds	\$ 235,171
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report pension contributions as expenditures.

However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported a pension expense.

Pension contributions	4,298	
Pension expense	<u>(10,930)</u>	<u>(6,632)</u>

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Depreciation expense	<u>(11,142)</u>
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Changes in net position of governmental activities	<u><u>\$ 217,397</u></u>
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**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2015**

	Business-Type Activities		
	Enterprise Funds		
	Local Fund	Other Nonmajor Fund- Fingerprinting Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,125	\$ 64,014	\$ 66,139
Accounts receivable	-	1,503	1,503
Due from other governments	1,830	-	1,830
	3,955	65,517	69,472
NET POSITION			
Unrestricted	3,955	65,517	69,472
Total net position	\$ 3,955	\$ 65,517	\$ 69,472

The notes to the financial statements are an integral part of this statement.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the year ended June 30, 2015**

	Business-Type Activities		
	Enterprise Funds		
	Local Fund	Other Nonmajor Fund- Fingerprinting Fund	Total
Operating revenues:			
Charges for services	\$ 2,840	\$ 18,403	\$ 21,243
Miscellaneous income	5,003	-	5,003
Total operating revenues	7,843	18,403	26,246
Operating expenses:			
Purchased services	4,761	747	5,508
Supplies and materials	423	288	711
Payments to other governments	99,015	-	99,015
Other objects	4,990	955	5,945
Depreciation	231	-	231
Total operating expenses	109,420	1,990	111,410
Operating income (loss)	(101,577)	16,413	(85,164)
Nonoperating revenues:			
Investment income	200	-	200
Income (loss) before transfers	(101,377)	16,413	(84,964)
Transfers out	133,722	-	133,722
Change in net position	(235,099)	16,413	(218,686)
Net position, beginning of year	239,054	49,104	288,158
Net position, end of year	\$ 3,955	\$ 65,517	\$ 69,472

The notes to the financial statements are an integral part of this statement.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended June 30, 2015**

	Business-Type Activities		
	Enterprise Funds		
	Local Fund	Other Nonmajor Fund- Fingerprinting Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 1,470	\$ 17,719	\$ 19,189
Other operating receipts	5,003	-	5,003
Payments to suppliers and providers of goods and services	(109,189)	(2,079)	(111,268)
Net cash provided by (used for) operating activities	(102,716)	15,640	(87,076)
Cash flows from noncapital financing activities:			
Transfer to other funds	(133,722)	-	(133,722)
Cash flows from investing activities:			
Interest received	200	-	200
Net increase (decrease) in cash and cash equivalents	(236,238)	15,640	(220,598)
Cash and cash equivalents - beginning	238,363	48,374	286,737
Cash and cash equivalents - ending	\$ 2,125	\$ 64,014	\$ 66,139
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (101,577)	\$ 16,413	\$ (85,164)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	231	-	231
Decrease (increase) in accounts receivable	460	(684)	(224)
Increase in due from other governments	(1,830)	-	(1,830)
Decrease in accounts payable	-	(89)	(89)
Net cash provided by (used for) operating activities	\$ (102,716)	\$ 15,640	\$ (87,076)

The notes to the financial statements are an integral part of this statement.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2015**

	Private-Purpose Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ -	\$ 2,949
Investments	39,604	-
Total assets	39,604	\$ 2,949
LIABILITIES		
Due to other governments	-	\$ 2,949
NET POSITION		
Held in trust for other purposes	\$ 39,604	

The notes to the financial statements are an integral part of this statement.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the year ended June 30, 2015**

	<u>Private-Purpose Trust Fund</u>
Additions:	
Investment earnings:	
Interest	<u>\$ 493</u>
Change in net assets	493
Net position - beginning	<u>39,111</u>
Net position - ending	<u><u>\$ 39,604</u></u>

The notes to the financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Regional Office of Education No. 53's accounting policies conform to generally accepted accounting principles which are appropriate to local governmental units of this type.

A. Reporting Entity

The Tazewell County Regional Office of Education No. 53 was created by Illinois Public Act 76-735, as amended, effective August 8, 1995. The region encompasses Tazewell County.

The Regional Superintendent of Schools is the chief administrative officer of the region and is elected to the position for a four-year term. The Regional Superintendent is responsible for the supervision and control of the school districts.

The Regional Superintendent's responsibilities for administering the school educational service region programs include, but are not limited to, providing direction to teachers and school officials on science, art and teaching methods; implementing the State Board of Education's Policy Programs; encouraging camaraderie among teachers through the teachers' institute; making public notice of unfilled teaching positions within the region; and ensuring of the safety, health and welfare of the students in the region by periodically inspecting the school buildings and ensuring that the bus drivers have valid driving licenses and are properly trained to operate the school buses. The Regional Superintendent is also responsible for apportionment and payment of funds received from the State for the districts in the region, or seeing that no payments are made unless the treasurer has filed or renewed appropriate bond and that the district has certified publication of the annual financial report.

The Regional Office of Education No. 53 derives its oversight power and authority over the school districts from the School Code and is responsible for its own fiscal and budgetary matters.

The Regional Office of Education No. 53 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the Regional Office of Education No. 53's geographic responsibility, including joint agreements which serve pupils from numerous school districts, should be included within its financial entity. The criteria include but are not limited to, whether the Regional Office of Education No. 53 exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The Mid-Illini Educational Cooperative, which began operations on August 8, 1995, has been determined to be a component unit of the Regional Office of Education No. 53 for financial reporting purposes after applying the criteria of oversight, scope of public services, and special financing relationships and is therefore blended in the accompanying financial statements. The cooperative was formed by an intergovernmental agreement between Tazewell County Regional Office of Education No. 53, the administrative agent, Logan-Mason-Menard Counties Regional Office of Education No. 38, and the Fulton-Schuyler Counties Regional Office of Education No. 22. The cooperative exists to provide training, staff development and educational programs to school districts and other educational organizations within the counties involved. Separate financial statements are not issued for this component unit.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

No other agencies have met the component unit criteria to be included in the Regional Office of Education No. 53's financial statements. In addition, the Regional Office of Education No. 53 is not aware of any entity that would exercise such oversight as to result in the Regional Office of Education No. 53 being considered a component unit of the entity.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from the business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Position includes all of the Regional Office of Education No. 53's assets, including capital assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

Certain eliminations have been made as prescribed by governmental accounting standards in regards to interfund activities, such as, payables, receivables and transfers. Interfund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the governmental fund Balance Sheet and the proprietary fund Statement of Net Position, and as other resources and other uses on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances and on the proprietary fund Statement of Revenues, Expenses and Changes in Fund Net Position. All interfund transactions between governmental funds are eliminated on the government-wide financial statements. All internal balances in the Statement of Net Position have been eliminated.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements (Continued)

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and nonmajor funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and nonmajor funds aggregated.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Regional Office of Education No. 53 considers revenues to be available if they are collectible within 60 days after year-end. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, if measurable, with the exception of expenditures for prepaid expenses and other long-term obligations, which are recognized as liabilities when due, as well as expenditures related to compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Revenues susceptible to accrual are recognized in the current fiscal period. Those revenues include local sources, State sources, federal sources, and interest. Unearned revenue arises when potential revenue does not meet both the measurable and available criteria or when resources are received prior to the government having legal claim to them. The revenues are subsequently recognized when both recognition criteria are met or when the government has legal claim to the resources. Revenues received after the Regional Office's availability period are reported as deferred inflows of resources in the fund statements and is reported as current revenue in the Statement of Activities.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Regional Office of Education No. 53's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

It is the Regional Office of Education No. 53's policy to first apply restricted resources when an expenditure or expense is incurred for which both restricted and unrestricted resources are available. For unrestricted fund balances, committed fund balances are used first, then assigned fund balances, then unassigned, if any.

1. Governmental Funds

The Regional Office of Education No. 53 reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Regional Office of Education No. 53 and is used to account for all financial resources except those required to be accounted for and reported in another fund. This fund is available to pay general and administrative expenditures of the Regional Office of Education No. 53. Included in this fund are:

Media Cooperative Fund - To account for maintenance of the cooperative media materials library for the benefit of the Regional Office of Education No. 53's various school districts.

Regional Safe Schools General State Aid - To provide General State Aid for the students' needs at the Regional Safe Schools and to account for support from Tazewell County.

Alternative School Program General State Aid - To provide General State Aid funding to the Tazewell Alternative Academy and to account for funds received from Mid-Illini Educational Cooperative that are unrestricted for use.

Western Illinois University Cohort - To account for tuition money sent to the Regional Office of Education for the Superintendent Cohort classes held in the region by WIU.

TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53

NOTES TO FINANCIAL STATEMENTS

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

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

1. **Governmental Funds** (Continued)

General Fund (Continued)

Vision & Hearing Screening - To coordinate vision/hearing screening for school districts that wish to share the costs of these services.

Teacher Leadership Academy - To account for fees from local school districts to assist Mid-Illini Educational Cooperative with costs of providing training to educators.

Education Fund - This special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted by grant agreements or contracts to expenditures for specified purposes supporting education enhancement programs as follows:

ROE/ISC Operations (ROE #53) - To account for funds received from the Illinois State Board of Education transferred to Mid-Illini Educational Cooperative, the administrative agent, to run this program.

ROE/ISC Operations (MIEC) - To account for grant monies received from Regional Offices of Education numbers 53, 38, and 22 that provide funding for general and administrative expenditures.

McKinney Education for Homeless Children - To provide services to all homeless children and youths through a designated Homeless Liaison.

School & Community Assistance Team - A program that trains individuals for crisis management.

Illinois New Principal Mentoring - To provide funds to support mentoring of new principals.

Gifted Education Seminar Pilot - A pilot program to train teachers in gifted education.

Teacher & Administrators Mentoring Program - To provide training, support and assistance to novice teachers as well as provide training, support and assistance to teacher mentors.

Truants Alternative/Optional Education - To account for the salary of the part-time truancy caseworker and to pay for a portion of the Academy's academic needs.

Regional Safe Schools - To account for professional staff salaries at the Regional Safe School.

TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53

NOTES TO FINANCIAL STATEMENTS

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

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

1. **Governmental Funds** (Continued)

Education Fund (Continued)

Title II Leadership Grant - To account for Title II Teacher Quality Leadership grant from the State, which is for the purpose of implementing the purchase of the principal and/or teacher evaluation training.

Statewide System of Support Foundational Services Grant – To provide guidance and support to districts and schools in the implementation of the new Illinois Learning Standards in English/Language Arts (ELA) and Math, engagement in Continuous Improvement Planning, and utilization of Balanced Assessment/Evaluation.

Restricted Funds MIEC – To account for funds received from Mid-Illini Educational Cooperative that are restricted for use.

Institute Fund – This special revenue fund accounts for the Regional Office of Education No. 53’s stewardship of the assets held in trust for the benefit of the Regional Office of Education No. 53’s teachers. Fees are collected from registration of teachers’ certificates of qualification. Monies are expended to conduct teachers’ institutes, conferences, and workshops.

The Regional Office of Education No. 53 reports the following nonmajor governmental funds:

Nonmajor Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are legally restricted or committed for specified purposes other than debt service or capital projects. Included among these funds are:

General Education Development (GED) - To account for the Regional Office of Education No. 53’s administration of the GED Testing Program. Monies are received from testing and diploma fees.

Transportation Fund - To account for the Regional Office of Education No. 53’s stewardship of the assets held in trust in connection with the Bus Driver Training Program.

Supervisory - To account for monies received from the State of Illinois for expenditures incurred providing supervisory services in the county.

TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53

NOTES TO FINANCIAL STATEMENTS

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

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

2. **Proprietary Funds**

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis should be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes.

The Regional Office of Education No. 53 reports the following major proprietary fund:

Local Fund - To account for revenues earned and expenses incurred in connection with conducting educational workshops.

The Regional Office of Education No. 53 reports the following nonmajor proprietary fund:

Fingerprinting Fund - To account for revenues earned and expenses incurred in connection with the fingerprinting of teachers and others.

3. **Fiduciary Funds**

Fiduciary funds are used to account for assets held by the Regional Office of Education No. 53 in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Fiduciary funds include a Private-Purpose Trust Fund and two Agency Funds.

The Regional Office of Education No. 53 reports the following fiduciary funds:

Private-Purpose Trust Fund - The Ogle Fund was established to provide periodic interest distributions to designated school districts.

Agency Funds - Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities) and do not involve measurement of results of operations.

Distributive Fund - An agency fund that accounts for pass-through state aid and other monies from the Regional Office of Education No. 53 to various entities within the region.

Interest on Distributions to Other Governmental Units - The schools within the Regional Office of Education No. 53's geographic responsibility have signed formal agreements which allow the Regional Office of Education No. 53 to retain any interest earned during the year.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

The Regional Office of Education No. 53 considers cash on hand, checking accounts, savings accounts, money market accounts, and investments held with an original maturity date of 90 days or less to be cash and cash equivalents. State regulations require that Regional Office of Education No. 53 deposit funds under its control into accounts insured by the federal government, accounts secured by substantial collateral, or pooled investment trusts. All funds not needed for immediate disbursement are maintained in interest bearing accounts.

Statutes authorize the Regional Office of Education No. 53 to make deposits or invest in obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Money Market Fund.

2. Interfund Transactions

Activities 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” in the fund financial statements. Balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

3. Capital Assets

Capital assets are reported in the applicable columns in the government-wide financial statements. Capital assets, such as equipment, are defined by the government as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of one 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.

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

Capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Equipment	3-7

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

TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53

NOTES TO FINANCIAL STATEMENTS

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

D. **Assets, Liabilities, and Net Position or Equity** (Continued)

4. **Deferred Outflows of Resources and Deferred Inflows of Resources**

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension expense and contributions from the employer after the measurement date but before the end of the employer’s reporting period.

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources are reported in the governmental fund financial statements as unavailable revenue and represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources consist of grant receivables not collected within sixty days after the year end.

Deferred inflows of resources in the Statement of Net Position consist of the unamortized portion of the net difference between projected and actual earnings on pension plan investments.

5. **Equity Classifications**

Government-wide Statements

Equity is classified as net position and displayed in three components:

Net investment in capital assets - Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of these assets.

Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted net position - The net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53

NOTES TO FINANCIAL STATEMENTS

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

D. **Assets, Liabilities, and Net Position or Equity** (Continued)

5. **Equity Classifications** (Continued)

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources in a Governmental Fund. The following types of fund balances may be presented in the Balance Sheet for Governmental Funds and Combining Schedules of Accounts:

Nonspendable Fund Balance – The portion of a Governmental Fund’s fund balance that is not available to be spent, either short term or long term, in either form or through legal restrictions. There are no funds presenting a nonspendable fund balance.

Restricted Fund Balance – The portion of a Governmental Fund’s fund balance that is subject to external enforceable legal restrictions. The following accounts’ fund balances are restricted by grant agreements or contracts: McKinney Education for Homeless Children and Restricted Funds - MIEC. The following funds are restricted by Illinois Statute: Institute Fund, General Education Development, Transportation Fund, and Supervisory.

Committed Fund Balance – The portion of a Governmental Fund’s fund balance with self-imposed constraints or limitations that has been placed at the highest level of decision making. There are no funds presenting a committed fund balance.

Assigned Fund Balance – The portion of a Governmental Fund’s fund balance to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. The following accounts comprise assigned fund balance: Media Cooperative Fund, Regional Safe Schools GSA, Alternative School Program GSA, and Western Illinois University Cohort.

Unassigned Fund Balance – Available expendable financial resources in a Governmental Fund that are not designated for a specific purpose. The following account comprises the unassigned fund balance: Vision & Hearing Screening.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

6. Compensated Absences

Full-time non-certified and certified employees who work 12 calendar months earn up to 20 vacation days. As a matter of general practice, vacation days do not carry over from one year to the next; therefore, no liability is accrued. Certified employees who work less than 12 calendar months per year do not earn vacation days.

Employees receive up to 12 sick days annually and the unused portion is accumulated up to 240 days. Employee sick leave is recorded when paid. Upon termination, employees do not receive any accumulated sick leave pay; therefore, no liability is accrued.

E. Intergovernmental Agreements

On July 1, 2003, the Regional Office of Education No. 53 entered into an Intergovernmental Agreement executed pursuant to the provisions of the Intergovernmental Cooperation Clause of the Illinois Constitution as well as the provisions of the Intergovernmental Cooperation Act of 1973 and the Illinois Admin. Code 525.110.

The name of the Educational Service delivery system formed is known as the Mid-Illini Educational Cooperative. The Regional Office of Education No. 53 was designated as the Administrative Agent and as Director.

The Mid-Illini Educational Cooperative ceased operations on June 30, 2015. The Governing Board adopted an asset distribution plan on May 6, 2015. Each participating Regional Office of Education received their proportionate share of unrestricted fund balances upon dissolution. Restricted fund balances were transferred to the Regional Office of Education No. 53 to be returned to granting agencies.

F. New Accounting Pronouncements

In 2015, the Regional Office of Education No. 53 implemented Governmental Accounting Standards Board (GASB) Statement No. 69 – *Government Combinations and Disposals of Government Operations*. This Statement had no impact on the financial statements of the Regional Office of Education No. 53. The Regional Office of Education also implemented GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. These Statements improve accounting and financial reporting by the Regional Office for pensions by including pension related balances and activity on the Statement of Net Position and the Statement of Activities.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

2. BUDGETS AND BUDGETARY ACCOUNTING

The Regional Office of Education No. 53 was not legally required to adopt annual budgets for all funds under its control, and some annual budgets prepared were not based upon the same operating period. Therefore, budgetary reports comparing budgeted to actual expenditures are not presented.

Budgets relating to programs funded by grants from the Illinois State Board of Education are prepared and submitted to the State Board for approval as part of the grant awards process. The State Board must also approve amendments to these budgets. Grant project budgets are based on the award period. Budgetary Comparison Schedules have been presented for the following grants: ROE/ISC Operations, Truants Alternative/Optional Education, Regional Safe Schools, and Title II-Teacher Quality-Leadership Grant.

3. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

4. INTEREST ON DISTRIBUTIVE FUND ACCOUNTS

Interest on Distributive Fund receipts is retained by the Regional Office of Education No. 53.

5. DEPOSITS AND INVESTMENTS

A. Deposits

At June 30, 2015, the carrying amounts of the Regional Office of Education No. 53's deposits for the governmental activities, business-type activities, and fiduciary funds were \$1,775,630, \$66,139, and \$42,553, respectively. The bank balances for the governmental and business-type activities and the fiduciary funds totaled \$1,950,986. All bank balances were secured by federal depository insurance or collateralized with securities held by the pledging financial institution's trust department in the Regional Office of Education No. 53's name, and were, therefore, not exposed to custodial credit risk.

B. Investments

The Regional Office of Education No. 53's investments consisted of certificates of deposit with original maturity dates of more than three months. Certificates of deposit comprised the \$51,333 shown as investments for governmental activities. Fiduciary funds had certificates of deposit of \$39,604 at June 30, 2015. Certificates of deposit are considered deposits and, as such, are included in the deposits note (5A) above.

At June 30, 2015 the carrying amount of the Regional Office of Education No. 53's deposits in the Illinois Funds Money Market Fund for the governmental activities was \$26,995. The bank balance invested in the Illinois Funds Money Market Fund was \$26,406. These deposits are included in cash and cash equivalents in the Regional Office of Education No. 53's governmental activities.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

5. DEPOSITS AND INVESTMENTS (Continued)

Credit Risk

At June 30, 2015, the Illinois Funds Money Market Fund had a Standard and Poor's AAAM rating. The pool is audited annually by an outside, independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provisions of the Illinois Public Funds Investment Act, 30 ILCS 235. All investments are fully collateralized.

Interest Rate Risk

The Illinois Funds Money Market Fund, created by the Illinois General Assembly, enables custodians of public funds an investment option with a competitive rate of return on fully collateralized investments and immediate access to the funds. The investment policy of the Illinois Funds Money Market Fund states that, unless authorized specifically by the Treasurer, a minimum of 75% of its investments shall have less than one year maturity and no investment shall exceed two years maturity.

Concentration of Credit Risk

Unless specifically authorized by the Treasurer, the Illinois Funds Money Market Fund's investment policy limits investment categories to not exceed 25% of the portfolio, with the exception of cash equivalents and U.S. Treasury securities. Further, certificates of deposit cannot exceed 10% of any single financial institution's total deposits.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

	<u>June 30, 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2015</u>
Governmental activities:				
Capital assets being depreciated:				
Equipment	\$ 159,972	\$ -	\$ (17,695)	\$ 142,277
Less accumulated depreciation for:				
Equipment	<u>(132,215)</u>	<u>(11,142)</u>	<u>17,695</u>	<u>(125,662)</u>
Governmental activities capital assets, net	<u>\$ 27,757</u>	<u>\$(11,142)</u>	<u>\$ -</u>	<u>\$ 16,615</u>
 Business-type activities:				
Capital assets being depreciated:				
Equipment	\$ 1,079	\$ -	\$ -	\$ 1,079
Less accumulated depreciation for:				
Equipment	<u>(848)</u>	<u>(231)</u>	<u>-</u>	<u>(1,079)</u>
Business-type activities capital assets, net	<u>\$ 231</u>	<u>\$ (231)</u>	<u>\$ -</u>	<u>\$ -</u>

Depreciation expense was charged to functions/programs of Regional Office of Education No. 53 as follows:

Governmental activities:	
Instructional services	<u>\$ 11,142</u>
Business-type activities:	
Operating expenses	<u>\$ 231</u>

7. INTERFUND RECEIVABLES AND PAYABLES

At June 30, 2015, interfund receivables and payables were as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 9,266	\$ -
Education Fund	<u>-</u>	<u>9,266</u>
	<u>\$ 9,266</u>	<u>\$ 9,266</u>

All of the interfund balances due to the General Fund from the Education Fund consisted of loans between individual funds. The loans were used to cover cash shortages in these individual funds.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

8. DUE TO/FROM OTHER GOVERNMENTS

The Regional Office of Education No. 53’s General Fund, Education Fund, Local Fund and Fiduciary Fund had funds due to and due from various other governmental units which consisted of the following:

Due From Other Governments:

General Fund:

University of Illinois	\$ 60
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Education Fund:

Illinois State Board of Education	3,000
Regional Office of Education No. 51	5,370
Regional Office of Education No. 26	2,012
	10,382

Local Fund:

Local Governments	1,830
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Total	\$ 12,272
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Due To Other Governments:

Education Fund:

Illinois State Board of Education	\$ 40,838
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Fiduciary Fund:

Local Governments	2,949
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Total	\$ 43,787
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9. RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

Plan Description

The Regional Office of Education No. 53 participates in the Teachers’ Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor’s approval. The TRS Board of Trustees is responsible for the System’s administration.

TRS issues a publicly available financial report that can be obtained at <http://trs.illinois.gov/pubs/cafr>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 877-0890, option 2.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

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

Benefits provided

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

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

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

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2015, was 9.4 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the Regional Office of Education No. 53.

On behalf contributions to TRS - The State of Illinois makes employer pension contributions on behalf of the Regional Office of Education No. 53. For the year ended June 30, 2015, State of Illinois contributions recognized by the Regional Office of Education No. 53 were based on the State's proportionate share of the collective net pension liability associated with the Regional Office of Education No. 53, and the Regional Office of Education No. 53 recognized revenue and expenditures of \$73,406 in pension contributions from the State of Illinois.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

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

2.2 formula contributions - Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2015, were \$897, and are deferred because they were paid after the June 30, 2014 measurement date.

Federal and special trust fund contributions - When TRS members are paid from federal and special trust funds administered by the Regional Office of Education No. 53, there is a statutory requirement for the Regional Office of Education No. 53 to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that has been in effect since the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the State contribution rate to TRS. Public Act 98-0674 now requires the two rates to be the same.

For the year ended June 30, 2015, the employer pension contribution was 33.00 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2015, no salaries were paid from federal and special trust funds; therefore, no employer contributions were required.

Employer retirement cost contributions - Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The Regional Office of Education No. 53 is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2015, the Regional Office of Education No. 53 made no payments to TRS for employer ERO contributions.

The Regional Office of Education No. 53 is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2015, the Regional Office of Education No. 53 made no payments to TRS for employer contributions due on salary increases in excess of 6 percent or for sick leave days granted in excess of the normal annual allotment.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

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

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

At June 30, 2015, the Regional Office of Education No. 53 reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the Regional Office of Education No. 53. The State's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the Regional Office of Education No. 53 were as follows:

Employer's proportionate share of the net pension liability	\$ 14,621
State's proportionate share of the net pension liability associated with the employer	<u>911,750</u>
	<u><u>\$ 926,371</u></u>

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013, and rolled forward to June 30, 2014. The Regional Office of Education No. 53's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2014, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2014, the Regional Office of Education No. 53's proportion was 0.00002 percent.

The net pension liability as of the beginning of this first measurement period under GASB Statement No. 68 was measured as of June 30, 2013, and the total pension liability was based on the June 30, 2013, actuarial valuation without any roll-up. The Regional Office of Education No. 53's proportion of the net pension liability as of June 30, 2013, was based on the Regional Office of Education No. 53's share of contributions to TRS for the measurement year ended June 30, 2013, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2013, the Regional Office of Education No. 53's proportion was 0.00005 percent.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

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

For the year ended June 30, 2015, the Regional Office of Education No. 53 recognized pension expense of \$73,406 and revenue of \$73,406 for support provided by the State. For the year ended June 30, 2015, the Regional Office of Education No. 53 recognized pension benefit of \$1,792. At June 30, 2015, the Regional Office of Education No. 53 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 8	\$ -
Differences between projected and actual investment earnings	-	735
Changes of assumptions	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	12,139
	<hr/>	<hr/>
Total Deferred amounts to be recognized in pension expense in future periods	8	12,874
	<hr/>	<hr/>
Pension contributions made subsequent to the measurement date	897	-
	<hr/>	<hr/>
Total deferred amounts related to pensions	<u>\$ 905</u>	<u>\$ 12,874</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

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

\$897 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,:	Net Deferred Outflows of Resources	Net Deferred Inflows of Resources
2016	\$ 2	\$ 3,130
2017	2	3,130
2018	2	3,130
2019	2	3,130
2020	-	354
Later years	-	-
Total	\$ 8	\$ 12,874

Actuarial assumptions

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary increases	5.75%, average, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 White Collar Table with projections using scale AA that vary by member group.

For GASB disclosure purposes, the actuarial assumptions for the years ended June 30, 2014 and 2013 were assumed to be the same. However, for funding purposes, the actuarial valuations for those two years were different. The actuarial assumptions used in the June 30, 2014 valuation were based on updates to economic assumptions adopted in 2014 which lowered the investment return assumption from 8.0 percent to 7.5 percent. The salary increase and inflation assumptions were also lowered. The actuarial assumptions used in the June 30, 2013 valuation were based on the 2012 actuarial experience analysis and first adopted in the June 30, 2012 valuation. The investment return assumption was lowered from 8.5 percent to 8.0 percent and the salary increase and inflation assumptions were also lowered. Mortality assumptions were adjusted to anticipate continued improvement in mortality.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

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

Actuarial assumptions (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. large cap	18%	8.23%
Global equity excluding U.S.	18%	8.58%
Aggregate bonds	16%	2.27%
U.S. TIPS	2%	3.52%
NCREIF	11%	5.81%
Opportunistic real estate	4%	9.79%
ARS	8%	3.27%
Risk parity	8%	5.57%
Diversified inflation strategy	1%	3.96%
Private equity	14%	13.03%
Total	100%	

Discount rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

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

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

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

Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate

The following presents the Regional Office of Education No. 53's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the Regional Office of Education No. 53's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate.

	1% Lower 6.50%	Current Discount 7.50%	1% Higher 8.50%
Employer's proportionate share of the net pension liability	\$ 18,056	\$ 14,621	\$ 11,776

TRS fiduciary net position

Detailed information about the TRS's fiduciary net position as of June 30, 2014 is available in the separately issued TRS Comprehensive Annual Financial Report.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

B. Illinois Municipal Retirement Fund

IMRF Plan Description

The Regional Office of Education No. 53'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 Regional Office of Education No. 53's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

B. Illinois Municipal Retirement Fund (Continued)

Employees Covered by Benefit Terms

As of December 31, 2014, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	5
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>1</u>
	<u><u>6</u></u>

Contributions

As set by statute, the Regional Office of Education No. 53's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Regional Office of Education No. 53's annual contribution rate for calendar year 2014 was 231.51%. For the calendar year ended December 31, 2014, the Regional Office of Education No. 53 contributed \$25,847 to the plan. The Regional Office of Education No. 53 also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The Regional Office of Education No. 53's net pension liability was measured as of December 31, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2014:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 3.5%.
- Salary Increases were expected to be 3.75% to 14.50%, including inflation.
- The Investment Rate of Return was assumed to be 7.50%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

B. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	38%	7.60%
International equity	17%	7.80%
Fixed income	27%	3.00%
Real estate	8%	6.15%
Alternative investments	9%	5.25 - 8.50%
Cash equivalents	1%	2.25%
Total	<u>100%</u>	

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

B. Illinois Municipal Retirement Fund (Continued)

Single Discount Rate

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.56%, and the resulting single discount rate is 7.50%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2013	\$ 507,300	\$ 539,203	\$ (31,903)
Changes for the year:			
Service Cost	314	-	314
Interest on the total pension liability	36,613	-	36,613
Changes of benefit terms	-	-	-
Differences between expected and actual experience of the total pension liability	2,179	-	2,179
Changes in assumptions	22,765	-	22,765
Contributions - employer	-	25,847	(25,847)
Contributions - employees	-	95	(95)
Net investment income	-	41,089	(41,089)
Benefit payments, including refunds of employee contributions	(38,562)	(38,562)	-
Other (net transfer)	-	(1,707)	1,707
Net changes	<u>23,309</u>	<u>26,762</u>	<u>(3,453)</u>
Balances at December 31, 2014	<u>\$ 530,609</u>	<u>\$ 565,965</u>	<u>\$ (35,356)</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

B. Illinois Municipal Retirement Fund (Continued)

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower 6.50%	Current Discount 7.50%	1% Higher 8.50%
Net Pension Liability/(Asset)	\$ 21,182	\$ (35,356)	\$ (83,030)

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

For the year ended June 30, 2015, the Regional Office of Education No. 53 recognized pension expense of \$12,722. At June 30, 2015, the Regional Office of Education No. 53 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>Deferred Amounts Related to Pensions</u>		
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 922	\$ -
Changes of assumptions	9,633	-
Net difference between projected and actual earnings on pension plan investments	-	869
Total Deferred amounts to be recognized in pension expense in future periods	10,555	869
Pension contributions made subsequent to the measurement date	734	-
Total deferred amounts related to pensions	\$ 11,289	\$ 869

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

9. RETIREMENT FUND COMMITMENTS (Continued)

B. Illinois Municipal Retirement Fund (Continued)

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

\$734 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2016.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending December 31,</u>	<u>Net Deferred Outflows of Resources</u>	<u>Net Deferred Inflows of Resources</u>
2015	\$ 10,555	\$ 218
2016	-	217
2017	-	217
2018	-	217
2019	-	-
Later years	-	-
Total	<u>\$ 10,555</u>	<u>\$ 869</u>

C. Social Security

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees." These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security.

10. OTHER POSTEMPLOYMENT BENEFITS

A. Teacher Health Insurance Security

The Regional Office of Education No. 53 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 Teacher' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the State-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

A. Teacher Health Insurance Security (Continued)

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.

On behalf contributions to the THIS Funds - The State of Illinois makes employer retiree health insurance contributions on behalf of the Regional Office of Education No. 53. State contributions are intended to match contributions to the THIS Fund from active members which were 1.02 percent of pay during the year ended June 30, 2015. State of Illinois contributions were \$1,580, and the employer recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2014 and June 30, 2013 were 0.97 and 0.92 percent of pay, respectively. State contributions on behalf of the Regional Office of Education No. 53 employees were \$1,433 and \$1,984, respectively.

Employer contributions to the THIS Fund - The Regional Office of Education No. 53 also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.76 percent during the year ended June 30, 2015, and 0.72 and 0.69 percent during the years ended June 30, 2014 and June 30, 2013, respectively. For the year ended June 30, 2015, the employer paid \$1,178 to the THIS Fund. For the years ended June 30, 2014 and June 30, 2013, the Regional Office of Education No. 53 paid \$1,064 and \$1,488 to the THIS Fund, respectively, which was 100 percent of the required contribution.

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

B. Other Postemployment Benefits

The Regional Office of Education No. 53 allows employees, who retire through the Regional Office of Education No. 53's plan disclosed in Note 9B, the option to continue in the Regional Office of Education No. 53's health insurance plan as required by the Illinois Compiled Statutes, but the retiree pays the full premium for the health insurance. This has not created an implicit subsidy as defined by GASB Statement No. 45 (GASB S-45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* as the Regional Office of Education No. 53's health insurance plan is considered a community rated plan. In addition, the Regional Office of Education No. 53 has no explicit subsidy as defined in GASB S-45.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

11. BOND

The Illinois School Code (105 ILCS 5/3-2) directs the Regional Office of Education No. 53 to execute a bond of not less than \$100,000 on the Regional Superintendent. The Regional Office of Education No. 53 has secured and maintained such a bond with coverage of \$100,000 on the Regional Superintendent.

12. DEFICIT FUND BALANCES

The following individual funds carried the following deficit balances as of June 30, 2015:

Vision & Hearing Screening	\$	38
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The Regional Office of Education No. 53 intends to reduce these deficits by collecting revenue and reducing expenses in future periods.

13. ON-BEHALF PAYMENTS

The State of Illinois paid the following salaries, benefits, and contributions on-behalf of the Regional Office of Education No. 53:

Tazewell County:		
Office staff salaries and benefits	\$	<u>221,270</u>
State of Illinois:		
THIS contributions		1,580
Regional Superintendent - salary		111,108
Regional Superintendent - benefits (includes State paid insurance)		25,698
Assistant Regional Superintendent - salary		99,996
Assistant Regional Superintendent - benefits (includes State paid insurance)		<u>31,435</u>
		<u>269,817</u>
Total	\$	<u><u>491,087</u></u>

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education (ISBE). The on-behalf payments are reflected as revenues and expenditures of the General Fund.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

13. ON-BEHALF PAYMENTS (Continued)

The Regional Office of Education No. 53 also recorded \$73,406 in revenue and expenses as on-behalf payments from ISBE for the Regional Office’s share of the State’s Teachers’ Retirement System (TRS) pension expense in the Statement of Activities. In addition, the Regional Office of Education No. 53 has not included any on-behalf payments related to the State’s TRS pension expense for the Regional Superintendent or Assistant Regional Superintendent.

State of Illinois on-behalf payments	\$	269,817
ROE 53's share of TRS pension expense		<u>73,406</u>
 Total		 <u><u>\$ 343,223</u></u>

14. SCHEDULE OF TRANSFERS

During the year ended June 30, 2015, the Regional Office of Education No. 53 reported the following transfers:

Transfers From Other Funds (Transfers In)		Transfers To Other Funds (Transfers Out)	
Alternative School Program GSA	\$ 133,722	Local Fund	\$ 133,722
Regional Safe Schools	3,582	Regional Safe School GSA	3,582
Truants Alternative/Optional Education	7,474	Alternative School Program GSA Teacher & Administrators	7,474
Restricted Funds - MIEC	1,974	Mentoring Program	1,974
Restricted Funds - MIEC	7,130	Illinois New Principal Mentoring	7,130
Restricted Funds - MIEC	<u>5,800</u>	Gifted Education Seminar Pilot	<u>5,800</u>
	 <u><u>\$ 159,682</u></u>		 <u><u>\$ 159,682</u></u>

The transfer between Regional Safe Schools and Regional Safe Schools GSA and the transfer between Truants Alternative/Optional Education and Alternative School Program GSA were to cover prior year operating losses. The remaining transfers moved funds from the Mid-Illini Educational Cooperative, upon its closing, to the Regional Office of Education No. 53.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

15. RISK MANAGEMENT - CLAIMS AND JUDGMENTS

The Regional Office of Education No. 53 is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers' compensation; and natural disasters. The Regional Office of Education No. 53 is covered by commercial insurance to cover these risks of loss. No settlements have exceeded insurance coverage in the current or three previous years.

16. CONTINGENCIES

The Regional Office of Education No. 53 has received funding from federal and State grants in the current and prior years which are subject to audits by granting agencies. The Regional Office of Education No. 53 believes any adjustments that may arise will be insignificant to the Regional Office of Education No. 53's operations.

17. OPERATING LEASE

The Tazewell County Regional Office of Education No. 53 has entered into an operating lease through July 31, 2017 for the purpose of conducting the Tazewell County Regional Safe School Program and Tazewell Academy alternative school programs. Rent expense under the terms of the lease is \$30,000 per year. In the event that the State of Illinois does not provide adequate funding to maintain these educational programs, this lease may be terminated at any time during the fiscal year, without penalty, by the Tazewell County Regional Office of Education No. 53 giving the landlord thirty days' notice. For the year ended June 30, 2015 rent expense totaled \$30,000.

The following is a schedule, by year, of minimum future rentals on operating leases as of June 30, 2015:

For the Year Ending:	
June 30, 2016	\$ 30,000
June 30, 2017	30,000
June 30, 2018	<u>2,500</u>
Total	<u><u>\$ 62,500</u></u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

NOTES TO FINANCIAL STATEMENTS

18. SUBSEQUENT EVENTS

On November 22, 2013 the Illinois State Board of Education adopted a motion pursuant to its obligation under 105 ILCS 5/3A-4(a), which recognizes consolidations agreed to via county board resolutions prior to June 30, 2013. Effective July 1, 2015, Mason and Woodford Counties will be included in the Regional Office of Education No. 53.

19. CHANGE IN ACCOUNTING PRINCIPLE

The Regional Office of Education No. 53 has restated net position of the governmental activities as of June 30, 2014. The governmental activities' net position was restated to present a net pension asset, net pension liability, and the related deferred inflows and outflows of resources in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68 and GASB Statement No. 71.

	Governmental Activities
Net position at June 30, 2014	\$ 1,551,820
Recognition of net pension asset	31,903
Recognition of net pension liability	(30,136)
Recognition of deferred outflows related to pensions	24,051
Net position restated at June 30, 2014	\$ 1,577,638

REQUIRED SUPPLEMENTARY INFORMATION

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**ILLINOIS MUNICIPAL RETIREMENT FUND -
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS
UNAUDITED**

For the year ended June 30, 2015

(Amounts presented are for the calendar year ended December 31, 2014)

Total Pension Liability

Service cost	\$ 314
Interest on the total pension liability	36,613
Changes of benefit terms	-
Differences between expected and actual experience of the total pension liability	2,179
Changes of assumptions	22,765
Benefit payments, including refunds of employee contributions	<u>(38,562)</u>

Net change in total pension liability	23,309
Total pension liability - beginning	<u>507,300</u>
Total pension liability - ending (A)	<u>530,609</u>

Plan Fiduciary Net Position

Contributions - employer	25,847
Contributions - employees	95
Net investment income	41,089
Benefit payments, including refunds of employee contributions	(38,562)
Other (net transfer)	<u>(1,707)</u>

Net change in plan fiduciary net position	26,762
Plan fiduciary net position - beginning	<u>539,203</u>
Plan fiduciary net position - ending (B)	<u>565,965</u>
Net pension liability(asset) - ending (A) - (B)	<u><u>\$ (35,356)</u></u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	106.66 %
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Covered Valuation Payroll	\$ 2,112
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Net Pension Liability as a Percentage of Covered Valuation Payroll	(1,674.05) %
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Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

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

For the year ended June 30, 2015

(Amounts presented are for the calendar year ended December 31, 2014)

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2014	\$ 4,876	\$ 25,847	\$ (20,971)	\$ 2,112	1223.82%

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2014 Contribution Rate

Valuation Date:

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

Methods and Assumptions Used to Determine 2014 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age = normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	29-year closed period
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	4%
Price Inflation:	3%, approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases:	4.40% to 16%, including inflation
Investment Rate of Return:	7.50%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.
Mortality:	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92 percent of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

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

For the year ended June 30, 2015

(Amounts presented are for the calendar year ended December 31, 2014)

Notes to Schedule (continued):

Other Information:

There were no benefit changes during the year.

Based on Valuation Assumptions used in the December 31, 2012, actuarial valuation; note two year lag between valuation and rate setting.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**TEACHERS' RETIREMENT SYSTEM
OF THE STATE OF ILLINOIS -
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
UNAUDITED**

**For the year ended June 30, 2015
(Amounts presented are for the year ended June 30, 2014)**

Employer's proportion of the net pension liability	0.000024%
Employer's proportionate share of the net pension liability	\$ 14,621
State's proportionate share of the net pension liability associated with the employer	<u>911,750</u>
Total	<u><u>\$ 926,371</u></u>
Employer's covered-employee payroll	\$ 167,011
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	8.75%
Plan fiduciary net position as a percentage of the total pension liability	43.0%

Notes to Schedule

Changes of assumptions

Amounts reported in 2014 reflect an investment rate of return of 7.5 percent, an inflation rate of 3.0 percent and real return of 4.5 percent, and a salary increase assumption of 5.75 percent. In 2013, assumptions used were an investment rate of return of 8.0 percent, an inflation rate of 3.25 percent and real return of 4.75 percent, and salary increases of 6.00 percent. However, the total pension liability at the beginning and end of the year was calculated using the same assumptions, so the difference due to actuarial assumptions was not calculated or allocated.

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**TEACHERS' RETIREMENT SYSTEM
OF THE STATE OF ILLINOIS -
SCHEDULE OF EMPLOYER CONTRIBUTIONS
UNAUDITED**

For the years ended June 30,

	<u>2014</u>	<u>2015</u>
Contractually-required contribution	\$ 857	\$ 899
Contributions in relation to the contractually-required contribution	<u>863</u>	<u>897</u>
Contribution deficiency (excess)	<u>\$ (6)</u>	<u>\$ 2</u>
Employer's covered-employee payroll	\$ 167,011	\$ 154,950
Contributions as a percentage of covered-employee payroll	0.52%	0.58%

SUPPLEMENTAL INFORMATION

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS
GENERAL FUND
June 30, 2015**

	Media Cooperative Fund	Regional Safe Schools GSA	Alternative School Program GSA	Western Illinois University Cohort
ASSETS				
Cash and cash equivalents	\$ 29,370	\$ 681,828	\$ 755,102	\$ 3,433
Accounts receivable	-	-	812	-
Due from other funds	-	-	9,304	-
Due from other governments	-	-	60	-
Total assets	\$ 29,370	\$ 681,828	\$ 765,278	\$ 3,433
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ 481	\$ -	\$ -
Accrued salaries and benefits	-	14,208	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	23,227	-
Total liabilities	-	14,689	23,227	-
FUND BALANCES (DEFICITS)				
Assigned	29,370	667,139	742,051	3,433
Unassigned	-	-	-	-
Total fund balances (deficits)	29,370	667,139	742,051	3,433
Total liabilities and fund balances	\$ 29,370	\$ 681,828	\$ 765,278	\$ 3,433

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS (Concluded)
GENERAL FUND
June 30, 2015**

	Vision & Hearing Screening	Teacher Leadership Academy	Eliminations	Total
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 1,469,733
Accounts receivable	-	-	-	812
Due from other funds	-	-	(38)	9,266
Due from other governments	-	-	-	60
	<u>-</u>	<u>-</u>	<u>-</u>	<u>60</u>
 Total assets	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ (38)</u>	 <u>\$ 1,479,871</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 481
Accrued salaries and benefits	-	-	-	14,208
Due to other funds	38	-	(38)	-
Unearned revenue	-	-	-	23,227
	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,227</u>
 Total liabilities	 <u>38</u>	 <u>-</u>	 <u>(38)</u>	 <u>37,916</u>
FUND BALANCES (DEFICITS)				
Assigned	-	-	-	1,441,993
Unassigned	(38)	-	-	(38)
	<u>(38)</u>	<u>-</u>	<u>-</u>	<u>(38)</u>
 Total fund balances (deficits)	 <u>(38)</u>	 <u>-</u>	 <u>-</u>	 <u>1,441,955</u>
 Total liabilities and fund balances	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ (38)</u>	 <u>\$ 1,479,871</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GENERAL FUND ACCOUNTS
For the year ended June 30, 2015**

	Media Cooperative Fund	Regional Safe Schools GSA	Alternative School Program GSA
Revenues:			
Local sources	\$ -	\$ 84,250	\$ 36,487
State sources	-	95,639	43,845
On-behalf payments	-	491,087	-
Total revenues	-	670,976	80,332
Expenditures:			
Salaries and benefits	-	86,894	1,524
Purchased services	-	64,798	7,017
Supplies and materials	-	2,911	133
Payments to other governments	-	36,010	-
Other objects	-	-	2,981
Pension expense	-	343	-
On-behalf payments	-	491,087	-
Total expenditures	-	682,043	11,655
Excess (deficiency) of revenues over (under) expenditures	-	(11,067)	68,677
Other financing sources (uses):			
Transfers in	-	-	133,722
Transfers out	-	(3,582)	(7,474)
Total other financing sources (uses)	-	(3,582)	126,248
Net change in fund balances	-	(14,649)	194,925
Fund balances, beginning of year	29,370	681,788	547,126
Fund balances (deficits), end of year	<u>\$ 29,370</u>	<u>\$ 667,139</u>	<u>\$ 742,051</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (Concluded)
GENERAL FUND ACCOUNTS
For the year ended June 30, 2015**

	Western Illinois University Cohort	Vision & Hearing Screening	Teacher Leadership Academy	Total
Revenues:				
Local sources	\$ -	\$ -	\$ 37,895	\$ 158,632
State sources	-	-	-	139,484
On-behalf payments	-	-	-	491,087
Total revenues	-	-	37,895	789,203
Expenditures:				
Salaries and benefits	-	-	-	88,418
Purchased services	-	172	-	71,987
Supplies and materials	-	-	-	3,044
Payments to other governments	-	-	39,949	75,959
Other objects	-	-	-	2,981
Pension expense	-	-	-	343
On-behalf payments	-	-	-	491,087
Total expenditures	-	172	39,949	733,819
Excess (deficiency) of revenues over (under) expenditures	-	(172)	(2,054)	55,384
Other financing sources (uses):				
Transfers in	-	-	-	133,722
Transfers out	-	-	-	(11,056)
Total other financing sources (uses)	-	-	-	122,666
Net change in fund balances	-	(172)	(2,054)	178,050
Fund balances, beginning of year	3,433	134	2,054	1,263,905
Fund balances (deficits), end of year	<u>\$ 3,433</u>	<u>\$ (38)</u>	<u>\$ -</u>	<u>\$ 1,441,955</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS
EDUCATION FUND
June 30, 2015**

	ROE/ISC Operations (ROE #53)	ROE/ISC Operations (MIEC)	McKinney Education for Homeless Children
ASSETS			
Cash and cash equivalents	\$ 40,838	\$ -	\$ -
Due from other governments	-	-	2,012
	<u>\$ 40,838</u>	<u>\$ -</u>	<u>\$ 2,012</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Due to other funds	\$ -	\$ -	\$ 896
Due to other governments	40,838	-	-
Unearned revenue	-	-	-
	<u>40,838</u>	<u>-</u>	<u>896</u>
FUND BALANCES			
Restricted	-	-	1,116
	<u>-</u>	<u>-</u>	<u>1,116</u>
Total liabilities and fund balances	<u>\$ 40,838</u>	<u>\$ -</u>	<u>\$ 2,012</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS (Continued)
EDUCATION FUND
June 30, 2015**

	<u>School & Community Assistance Team</u>	<u>Illinois New Principal Mentoring</u>	<u>Gifted Education Seminar Pilot</u>
ASSETS			
Cash and cash equivalents	\$ 685	\$ -	\$ -
Due from other governments	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 685</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Due to other funds	\$ -	\$ -	\$ -
Due to other governments	-	-	-
Unearned revenue	685	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>685</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Restricted	-	-	-
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 685</u>	<u>\$ -</u>	<u>\$ -</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS (Continued)
EDUCATION FUND
June 30, 2015**

	<u>Teacher & Administrators Mentoring Program</u>	<u>Truants Alternative/ Optional Education</u>	<u>Regional Safe Schools</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Due from other governments	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Due to other funds	\$ -	\$ -	\$ -
Due to other governments	-	-	-
Unearned revenue	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<hr/> -	<hr/> -	<hr/> -
FUND BALANCES			
Restricted	<hr/> -	<hr/> -	<hr/> -
Total fund balances	<hr/> -	<hr/> -	<hr/> -
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF ACCOUNTS (Concluded)
EDUCATION FUND
June 30, 2015**

	Title II Leadership Grant	SSOS Foundational Services Grant	Restricted Funds - MIEC	Total
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 14,904	\$ 56,427
Due from other governments	3,000	5,370	-	10,382
Total assets	\$ 3,000	\$ 5,370	\$ 14,904	\$ 66,809
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ 3,000	\$ 5,370	\$ -	\$ 9,266
Due to other governments	-	-	-	40,838
Unearned revenue	-	-	-	685
Total liabilities	3,000	5,370	-	50,789
FUND BALANCES				
Restricted	-	-	14,904	16,020
Total fund balances	-	-	14,904	16,020
Total liabilities and fund balances	\$ 3,000	\$ 5,370	\$ 14,904	\$ 66,809

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2015**

	ROE/ISC Operations (ROE #53)	ROE/ISC Operations (MIEC)	McKinney Education for Homeless Children
Revenues:			
State sources	\$ 29,630	\$ 137,938	\$ -
Federal sources	-	-	16,123
Total revenues	29,630	137,938	16,123
Expenditures:			
Salaries and benefits	-	64,505	-
Purchased services	-	67,044	2,530
Supplies and materials	-	1,824	1,552
Payments to other governments	29,630	-	12,028
Other objects	-	138	-
Pension expense	-	3,767	-
Total expenditures	29,630	137,278	16,110
Excess (deficiency) of revenues over (under) expenditures	-	660	13
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	660	13
Fund balances (deficits), beginning of year	-	(660)	1,103
Fund balances, end of year	\$ -	\$ -	\$ 1,116

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2015**

	School & Community Assistance Team	Illinois New Principal Mentoring	Gifted Education Seminar Pilot
Revenues:			
State sources	\$ -	\$ -	\$ -
Federal sources	-	-	-
Total revenues	-	-	-
Expenditures:			
Salaries and benefits	-	-	-
Purchased services	-	-	-
Supplies and materials	-	-	-
Payments to other governments	-	1,485	-
Other objects	-	-	-
Pension expense	-	-	-
Total expenditures	-	1,485	-
Excess (deficiency) of revenues over (under) expenditures	-	(1,485)	-
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	-	(7,130)	(5,800)
Total other financing sources (uses)	-	(7,130)	(5,800)
Net change in fund balances	-	(8,615)	(5,800)
Fund balances (deficits), beginning of year	-	8,615	5,800
Fund balances, end of year	\$ -	\$ -	\$ -

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2015**

	Teacher & Administrators Mentoring Program	Truants Alternative/ Optional Education	Regional Safe Schools
Revenues:			
State sources	\$ -	\$ 102,840	\$ 76,001
Federal sources	-	-	-
Total revenues	<u>-</u>	<u>102,840</u>	<u>76,001</u>
Expenditures:			
Salaries and benefits	-	31,568	76,001
Purchased services	-	16,073	-
Supplies and materials	-	738	-
Payments to other governments	411	54,273	-
Other objects	-	-	-
Pension expense	-	188	-
Total expenditures	<u>411</u>	<u>102,840</u>	<u>76,001</u>
Excess (deficiency) of revenues over (under) expenditures	(411)	-	-
Other financing sources (uses):			
Transfers in	-	7,474	3,582
Transfers out	<u>(1,974)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,974)</u>	<u>7,474</u>	<u>3,582</u>
Net change in fund balances	(2,385)	7,474	3,582
Fund balances (deficits), beginning of year	<u>2,385</u>	<u>(7,474)</u>	<u>(3,582)</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (Continued)
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2015**

	Title II Leadership Grant	SSOS Foundational Services Grant	Restricted Funds - MIEC
Revenues:			
State sources	\$ -	\$ -	\$ -
Federal sources	3,500	12,945	-
Total revenues	<u>3,500</u>	<u>12,945</u>	<u>-</u>
Expenditures:			
Salaries and benefits	-	-	-
Purchased services	3,500	12,945	-
Supplies and materials	-	-	-
Payments to other governments	-	-	-
Other objects	-	-	-
Pension expense	-	-	-
Total expenditures	<u>3,500</u>	<u>12,945</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Other financing sources (uses):			
Transfers in	-	-	14,904
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>14,904</u>
Net change in fund balances	-	-	14,904
Fund balances (deficits), beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 14,904</u></u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (Concluded)
EDUCATION FUND ACCOUNTS
For the year ended June 30, 2015**

	<u>Eliminations</u>	<u>Total</u>
Revenues:		
State sources	\$ (29,630)	\$ 316,779
Federal sources	-	32,568
	<u>(29,630)</u>	<u>349,347</u>
Total revenues		
Expenditures:		
Salaries and benefits	-	172,074
Purchased services	-	102,092
Supplies and materials	-	4,114
Payments to other governments	(29,630)	68,197
Other objects	-	138
Pension expense	-	3,955
	<u>(29,630)</u>	<u>350,570</u>
Total expenditures		
Excess (deficiency) of revenues over (under) expenditures	-	(1,223)
Other financing sources (uses):		
Transfers in	(14,904)	11,056
Transfers out	14,904	-
	<u>-</u>	<u>11,056</u>
Total other financing sources (uses)		
Net change in fund balances	-	9,833
Fund balances (deficits), beginning of year	-	6,187
Fund balances, end of year	<u>\$ -</u>	<u>\$ 16,020</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
ROE/ISC OPERATIONS - PROJECT #15-3730-00
For the year ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
State sources	<u>\$ 70,468</u>	<u>\$ 70,468</u>	<u>\$ 29,630</u>
Expenditures:			
Payments to other governments	<u>70,468</u>	<u>70,468</u>	<u>29,630</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	-
Fund balance, beginning of year			<u>-</u>
Fund balance, end of year			<u><u>\$ -</u></u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TRUANTS ALTERNATIVE/OPTIONAL EDUCATION - PROJECT #15-3695-15
For the year ended June 30, 2015**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
State sources	\$ 105,207	\$ 102,840	\$ 102,840
Expenditures:			
Salaries and benefits	26,764	28,297	31,568
Purchased services	17,281	15,748	16,073
Supplies and materials	700	700	738
Payments to other governments	60,462	58,095	54,273
Pension expense	-	-	188
Total expenditures	105,207	102,840	102,840
Excess of revenues over expenditures	\$ -	\$ -	-
Other financing sources:			
Transfers in			7,474
Net change in fund balance			7,474
Fund balance (deficit), beginning of year			(7,474)
Fund balance (deficit), end of year			\$ -

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
REGIONAL SAFE SCHOOLS - PROJECT #15-3696-00
For the year ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues:			
State sources	<u>\$ 77,750</u>	<u>\$ 76,001</u>	<u>\$ 76,001</u>
Expenditures:			
Salaries and benefits	<u>77,750</u>	<u>76,001</u>	<u>76,001</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	-
Other financing sources:			
Transfers in			<u>3,582</u>
Net change in fund balance			3,582
Fund balance (deficit), beginning of year			<u>(3,582)</u>
Fund balance (deficit), end of year			<u>\$ -</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**BUDGETARY COMPARISON SCHEDULE
EDUCATION FUND ACCOUNTS
TITLE II – TEACHER QUALITY LEADERSHIP GRANT - PROJECT #15-4935-02
For the year ended June 30, 2015**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues:			
Federal sources	\$ 4,600	\$ 4,600	\$ 3,500
Expenditures:			
Purchased services	4,600	4,600	3,500
Net change in fund balance	\$ -	\$ -	-
Fund balance, beginning of year			-
Fund balance, end of year			\$ -

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2015**

	General Education Development	Transportation Fund	Supervisory	Total
ASSETS				
Cash and cash equivalents	\$ 47,941	\$ 15,584	\$ 1,001	\$ 64,526
Accounts receivable	456	-	-	456
Total assets	<u>\$ 48,397</u>	<u>\$ 15,584</u>	<u>\$ 1,001</u>	<u>\$ 64,982</u>
FUND BALANCES				
Restricted	<u>\$ 48,397</u>	<u>\$ 15,584</u>	<u>\$ 1,001</u>	<u>\$ 64,982</u>
Total fund balances	<u>\$ 48,397</u>	<u>\$ 15,584</u>	<u>\$ 1,001</u>	<u>\$ 64,982</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the year ended June 30, 2015**

	General Education Development	Transportation Fund	Supervisory Fund	Total
Revenues:				
Local sources	\$ 6,635	\$ 3,204	\$ -	\$ 9,839
State sources	-	1,329	-	1,329
Total revenues	6,635	4,533	-	11,168
Expenditures:				
Purchased services	-	1,879	13	1,892
Supplies and materials	58	-	-	58
Other objects	112	255	-	367
Total expenditures	170	2,134	13	2,317
Net change in fund balances	6,465	2,399	(13)	8,851
Fund balances, beginning of year	41,932	13,185	1,014	56,131
Fund balances, end of year	<u>\$ 48,397</u>	<u>\$ 15,584</u>	<u>\$ 1,001</u>	<u>\$ 64,982</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
June 30, 2015**

	Distributive	Interest on Distributions to Other Governmental Units	Total
ASSETS			
Cash and cash equivalents	\$ -	\$ 2,949	\$ 2,949
Due from other governments	-	-	-
	\$ -	\$ 2,949	\$ 2,949
Total assets	\$ -	\$ 2,949	\$ 2,949
LIABILITIES			
Due to other governments	\$ -	\$ 2,949	\$ 2,949
	\$ -	\$ 2,949	\$ 2,949

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the year ended June 30, 2015**

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
<u>DISTRIBUTIVE</u>				
ASSETS				
Cash and cash equivalents	\$ -	\$ 1,135,859	\$ 1,135,859	\$ -
Due from other governments	68,408	-	68,408	-
Total assets	<u>\$ 68,408</u>	<u>\$ 1,135,859</u>	<u>\$ 1,204,267</u>	<u>\$ -</u>
LIABILITIES				
Due to other governments	<u>\$ 68,408</u>	<u>\$ 1,135,859</u>	<u>\$ 1,204,267</u>	<u>\$ -</u>
<u>INTEREST ON DISTRIBUTIONS TO OTHER GOVERNMENTAL UNITS</u>				
ASSETS				
Cash and cash equivalents	<u>\$ 3,009</u>	<u>\$ -</u>	<u>\$ 60</u>	<u>\$ 2,949</u>
LIABILITIES				
Due to other governments	<u>\$ 3,009</u>	<u>\$ -</u>	<u>\$ 60</u>	<u>\$ 2,949</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and cash equivalents	\$ 3,009	\$ 1,135,859	\$ 1,135,919	\$ 2,949
Due from other governments	68,408	-	68,408	-
Total assets	<u>\$ 71,417</u>	<u>\$ 1,135,859</u>	<u>\$ 1,204,327</u>	<u>\$ 2,949</u>
LIABILITIES				
Due to other governments	<u>\$ 71,417</u>	<u>\$ 1,135,859</u>	<u>\$ 1,204,327</u>	<u>\$ 2,949</u>

**TAZEWELL COUNTY
REGIONAL OFFICE OF EDUCATION NO. 53**

**SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS
AND OTHER ENTITIES
DISTRIBUTIVE FUND
For the year ended June 30, 2015**

	<u>Education for Employment</u>	<u>Regional Office of Education #53</u>	<u>Total</u>
General State Aid	\$ -	\$ 139,484	\$ 139,484
Career and Technical Ed. Improvement	556,661	-	556,661
ROE School Bus Driver Training	-	1,329	1,329
Truants Alternative/Optional Education	-	102,840	102,840
Regional Safe Schools	-	76,001	76,001
ROE/ISC Operations	-	70,468	70,468
CTE - Perkins - Secondary	187,076	-	187,076
Title II - Teacher Quality - Leadership	-	2,000	2,000
TOTAL	<u>\$ 743,737</u>	<u>\$ 392,122</u>	<u>\$ 1,135,859</u>