## Alsip, Hazelgreen and Oak Lawn School District 126 Alsip, Illinois

Annual Financial Report June 30, 2020



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## **Independent Auditor's Report**

RSM US LLP

Members of the Board of Education Alsip, Hazelgreen and Oak Lawn School District 126 Alsip, Illinois

#### **Report on the Financial Statements**

We have audited the accompanying modified-cash basis financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Alsip, Hazelgreen and Oak Lawn School District 126, Illinois (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified-cash basis of accounting described in Note 1; this includes determining that the modified-cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

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

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

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

#### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified-cash basis financial position of the governmental activities, the major fund, and the aggregate remaining fund information of Alsip, Hazelgreen and Oak Lawn School District 126, Illinois, as of June 30, 2020, and the respective changes in the modified-cash basis financial position thereof for the year then ended in accordance with the modified-cash basis of accounting described in Note 1.

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## **Basis of Accounting**

We draw attention to Note 1 of the financial statements which describes the basis of accounting. The financial statements are prepared on a modified-cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

#### **Other Matters**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, such as the budgetary comparison information, combining and individual fund financial statements, schedule of assessed valuations, tax rates, extensions and collections, and the other information, such as the schedules of District contributions and the schedules of the District's proportionate share of the net pension liability and the collective total OPEB liability are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

The other information as listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Chicago, Illinois November 20, 2020

RSM US LLP



Government-Wide Financial Statements (GWFS)

## Statement of Net Position - Modified Cash Basis June 30, 2020

	Governmental Activities
Assets	
Cash and investments	\$ 44,711,274
Capital assets not being depreciated	11,523,417
Capital assets being depreciated, net	40,877,853
Total assets	\$ 97,112,544
Liabilities and Net Position	
Liabilities	\$ -
Net position:	
Net investment in capital assets	52,401,270
Restricted for:	
Tort immunity	693,991
Transportation	1,068,449
Debt service	9,653
Retirement benefits	912,145
Capital improvements and maintenance	5,595,402
Unrestricted	36,431,634
Total net position	97,112,544
Total liabilities and net position	\$ 97,112,544

## Statement of Activities - Modified Cash Basis Year Ended June 30, 2020

							Net	(Expense),
							Rev	venue and
							Ch	nanges in
			Program Revenues			enues	Ne	t Position
						Operating		
			Ch	arges for	(	Grants and	Gov	/ernmental
Functions/Programs		Expenses	5	Services	C	ontributions	Α	ctivities
Governmental activities:								
Instruction:								
Regular programs	\$	8,977,114	\$	48,723	\$	-	\$ (	8,928,391)
Special programs		2,219,037		-		704,594	(	1,514,443)
Other instructional programs		916,551		-		383,819		(532,732)
Support services:								
Pupils		1,063,127		-		-	(	1,063,127)
Instructional staff		567,192		-		31,027		(536,165)
General administration		721,087		-		-		(721,087)
School administration		1,460,747		-		-	(	1,460,747)
Business		1,385,737		62,311		391,088		(932,338)
Central office		1,154,513		-		-	(	1,154,513)
Transportation		1,002,261		-		391,920		(610,341)
Operations and maintenance		1,887,879		-		-	(	1,887,879)
Community services		-		-		34,206		34,206
Payments to other governments		1,210,870		-		-	(	1,210,870)
Interest and charges		12,443		-		-		(12,443)
Total governmental activities	\$	22,578,558	\$	111,034	\$	1,936,654	(2	0,530,870)
Conord revenue.								
General revenues: Taxes:								
Real estate taxes							2	2,582,756
Corporate property replacement taxes								1,113,462
State aid-formula grants								2,493,937
Investment earnings								1,091,970
Other								72,269
								7,354,394
Total general revenues	C	hanga in nat	aasitia	. n				
Net position:	C	hange in net	positio	711				6,823,524
July 1, 2019							0	0,289,020
July 1, 2019							9	0,203,020
June 30, 2020							\$ 9	7,112,544



Alsip, Hazelgreen and Oak Lawn School District 126

Balance Sheet - Modified Cash Basis Governmental Funds June 30, 2020

	Major Fund		Nonmajor		Total	
		General	Governmental		Governmental	
-		Fund		Funds	Funds	
Assets						
Cash and investments	\$	42,421,411	\$	2,289,863	\$	44,711,274
Liabilities and Fund Balances						
Liabilities	\$	-	\$	-	\$	-
Fund balances:						
Restricted for:						
Tort immunity		693,991		-		693,991
Transportation		-		1,068,449		1,068,449
Debt service		-		9,653		9,653
Retirement benefits		-		912,145		912,145
Capital improvements and maintenance		5,295,786		299,616		5,595,402
Unassigned		36,431,634		-		36,431,634
Total fund balances		42,421,411		2,289,863		44,711,274
Total liabilities and fund balances	\$	42,421,411	\$	2,289,863	\$	44,711,274

# Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position - Modified Cash Basis June 30, 2020

Total fund balances - governmental funds	\$ 44,711,274
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	 52,401,270
Net position of governmental activities	\$ 97,112,544

Alsip, Hazelgreen and Oak Lawn School District 126

## Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis Governmental Funds Year Ended June 30, 2020

	Major Fund Nonmajor General Governmental Fund Funds		G	Total Governmental Funds		
		i unu		i uiius		1 unus
Revenues:						
Property taxes	\$	22,188,656	\$	394,100	\$	22,582,756
Corporate property replacement taxes	•	1,010,801	•	102,661	•	1,113,462
Charges for services		111,034		-		111,034
Unrestricted state aid		2,493,937		-		2,493,937
Restricted state aid		368,434		391,920		760,354
Restricted federal aid		1,176,300		-		1,176,300
Other		72,269		-		72,269
Interest		1,031,171		60,799		1,091,970
Total revenues		28,452,602		949,480		29,402,082
Expenditures:						
Current:						
Instruction:						
Regular programs		8,203,644		155,728		8,359,372
Special programs		2,031,612		58,753		2,090,365
Other instructional programs		892,010		13,127		905,137
Support services:						
Pupils		971,603		29,878		1,001,481
Instructional staff		534,044		-		534,044
General administration		595,716		9,727		605,443
School administration		1,331,593		44,452		1,376,045
Business		778,628		110,770		889,398
Transportation		-		1,002,261		1,002,261
Operations and maintenance		1,371,886		-		1,371,886
Central office		741,963		29,291		771,254
Payments to other governments		1,210,870		-		1,210,870
Debt service:						
Interest and charges		-		12,443		12,443
Capital outlay		5,298,801		-		5,298,801
Total expenditures		23,962,370		1,466,430		25,428,800
(Deficiency) of revenues						
(under) expenditures		4,490,232		(516,950)		3,973,282
Other financing sources (uses):						
Transfers in		3,000,000		_		3,000,000
Transfers (out)		(3,000,000)		_		(3,000,000)
Total other financing sources (uses)		-		-		-
Change in fund balances		4,490,232		(516,950)		3,973,282
Fund balances:						
July 1, 2019		37,931,179		2,806,813		40,737,992
June 30, 2020	\$	42,421,411	\$	2,289,863	\$	44,711,274
		•		•		·

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Modified Cash Basis Year Ended June 30, 2020

Net change in fund balances - total governmental funds	\$ 3,973,282
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures paid while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which capital outlay exceeded depreciation expense for the current period:	

Capital outlay
Depreciation expense

4,377,386
(1,527,144)

Change in net position of governmental activities

\$ 6,823,524

# Statement of Fiduciary Assets and Liabilities - Modified Cash Basis Agency Fund June 30, 2020

	_	Agency Student
		Activity Fund
Assets, cash	<u>\$</u>	64,115
Liabilities, due to activity fund organizations	<u>\$</u>	64,115

## Note 1. Summary of Significant Accounting Policies

#### **Nature of Operations**

Alsip, Hazelgreen and Oak Lawn School District 126 (the District) operates as a public school system governed by an elected seven-member board. The District is organized under The School Code of the State of Illinois, as amended. The District serves the communities of Alsip and Oak Lawn, Illinois.

The accounting policies of the District conform to the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the more significant accounting policies:

## **Financial Reporting Entity**

As defined by generally accepted accounting principles established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government and the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Financial benefit or financial burden is created if any one of the following relationships exists:

- 1) The primary government is legally entitled to or has access to the component unit's resources.
- 2) The primary government is legally required or has assumed the obligation to finance the deficits of, and/or provide support to, the component unit.
- 3) The primary government is obligated in some manner for the other component unit's debt.

Based upon the application criteria, no component units have been included within the reporting entity.

#### **Basis of Presentation**

**Government-Wide Financial Statements (GWFS):** The government-wide Statement of Net Position – modified cash basis and Statement of Activities – modified cash basis report the overall financial activity of the District. Eliminations have been made to minimize the double counting of internal activities of the District. The financial activities of the District consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues.

The Statement of Net Position – modified cash basis presents the District's non-fiduciary assets and liabilities arising out of cash transactions with the difference reported as net position.

## Note 1. Summary of Significant Accounting Policies (Continued)

## **Basis of Presentation (Continued)**

The Statement of Activities – modified cash basis demonstrates the degree to which the direct expenses of a given function (i.e., instruction, support services, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

**Fund Financial Statements:** Separate financial statements are provided for governmental funds and fiduciary (agency) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The remaining governmental funds are aggregated and reported as nonmajor governmental funds. Additionally, the District administers an agency fund that is used to account for assets held by the District in an agency capacity. These funds are held on behalf of the students of the District.

The District administers the following major governmental fund:

**General Fund** – This is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

## **Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

## Measurement Focus

In the government-wide Statement of Net Position – modified cash basis and the Statement of Activities – modified cash basis, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent, financial, or nonfinancial) are reported within the limitations of the modified cash basis of accounting. Equity is classified as net position.

In the fund financial statements, the "current financial resources" measurement focus, as applied to the modified cash basis of accounting, is used. Under a "current financial resources" measurement focus, only current financial assets and liabilities are generally included on the balance sheet. The operating statement presents sources and uses of available spendable financial resources during a given period. The funds use fund balance as their measure of available spendable financial resources at the end of the period.

#### **Notes to Basic Financial Statements**

# Note 1. Summary of Significant Accounting Policies (Continued) Measurement Focus and Basis of Accounting (Continued)

## Basis of Accounting

In the government-wide and the fund financial statements, governmental activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, deferred outflows and inflows of resources, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for capital assets and depreciation and debt related activity, including any bond premiums and discounts in the government-wide statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of a modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting and all government-wide financials would be presented on the accrual basis of accounting.

## **Significant Accounting Policies**

#### Cash and Investments

Cash and investments consist of pooled cash and investments held by the Worth Township Trustees which are reported at cost.

## Interfund Receivables, Payables, and Activity

The District, at times, has the following types of transactions between funds:

**Loans –** amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are eliminated in the government-wide statement of net position.

**Reimbursements –** repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

**Transfers** – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

#### **Notes to Basic Financial Statements**

# Note 1. Summary of Significant Accounting Policies (Continued) Significant Accounting Policies (Continued)

## Capital Assets

Capital assets which include land, land improvements, buildings and improvements, and equipment, are reported in the Statement of Net Position – modified cash basis. Capital assets are defined as assets with an initial individual cost of more than \$5,000, and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

These assets have been valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement, if applicable, are recorded at acquisition value.

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

Depreciation of capital assets is recorded in the Statement of Activities – modified cash basis with accumulated depreciation reflected in the Statement of Net Position – modified cash basis and is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements 40 years Equipment 3-5 years

## **Compensated Absences**

Certified employees working less than 12 months a year do not earn vacation days, however, noncertified, full-time employees earn 5 to 30 vacation days depending on years of service which are accumulated.

All full-time employees receive 12 sick days per year with unlimited accumulation. These accumulated sick days do not vest; however, full-time employees may receive \$30 or \$50 per day of unused sick days upon resignation or retirement, respectively.

## Long-Term Obligations

In the government-wide financial statements, long-term debt is reported as a liability. Bond premiums and discounts are capitalized and amortized over the life of the respective bonds using a method that approximates the effective interest method. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures when incurred.

In the fund financial statements, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds, payments to refunded bond escrow agents, and bond premiums or discounts are reported as another financing source or use. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

# Note 1. Summary of Significant Accounting Policies (Continued) Significant Accounting Policies (Continued)

## **Net Position**

The Statement of Net Position – modified cash basis presents the District's non-fiduciary assets and liabilities with the difference reported in three categories:

**Net investment in capital assets** consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and deferred outflows of resources that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted net position** results when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

**Unrestricted net position** consists of net position that does not meet the criteria of the two preceding categories.

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

#### **Fund Balances**

Within the governmental fund types, the District's fund balances are reported in one of the following classifications:

**Nonspendable** – includes amounts that cannot be spent because they are either: a) not in spendable form; or b) legally or contractually required to be maintained intact. At June 30, 2020, the District has no nonspendable fund balances.

**Restricted** – includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

**Committed** – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The District's highest level of decision-making authority rests with the District's Board of Education. The District passes formal resolutions to commit their fund balances. As of June 30, 2020, the District has no committed fund balances.

# Note 1. Summary of Significant Accounting Policies (Continued) Significant Accounting Policies (Continued)

Assigned – includes amounts that are constrained by the District's intent to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the District's Board of Education itself; or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District's Board of Education has not authorized any other body or official to assign amounts for a specific purpose within the General Fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned. Within these same funds, a residual deficit, if any, is reported as unassigned. At June 30, 2020, the District has no assigned fund balances.

**Unassigned** – includes the residual fund balance that has not been restricted, committed, or assigned to specific purposes.

It is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

The General Fund includes the Working Cash Stabilization Account. Under the State of Illinois School Code (School Code), the District is authorized to incur indebtedness and issue bonds and to levy a tax annually on all taxable property of the District in order to enable the District to have in its treasury at all times sufficient money to meet demands thereon. These funds may be lent to other District governmental funds in need, but may only be expended for other purposes upon the passage of a resolution by the Board of Education to abolish the funds to the General Fund Educational Account or abate the fund to any fund of the District in need. At June 30, 2020, the District had working cash stabilization fund balances of \$6,652,235 that have been classified as unassigned fund balances in the General Fund.

## **Property Taxes**

Property taxes are levied each year on all taxable real property in the District on or before the last Tuesday in December. The 2019 tax levy was passed by the Board of Education on October 10, 2019, and attached as an enforceable lien on the property as of the preceding January 1. The taxes become due and collectible in March and September 2020 and are collected by the county treasurer, who in turn remits to the District its respective share. The District receives the remittances from the county treasurer approximately one month after collection. Property taxes are recorded upon receipt.

The Property Tax Extension Limitation Law imposes mandatory property tax limitations on the ability of taxing districts in Illinois to raise revenues through unlimited property tax increases. The increase in property tax extensions is limited to the lesser of 5 percent or the percentage increase in the Consumer Price Index for all Urban Consumers. The limitation includes taxes levied for purposes without a statutory maximum rate. The amount of the limitation may be adjusted for new property added or annexed to the tax base or due to voter approved increases.

## Note 1. Summary of Significant Accounting Policies (Continued)

**Significant Accounting Policies (Continued)** 

#### Eliminations and Reclassifications

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

#### Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

## Note 2. Budgets and Budgetary Information

Annual budgets are adopted for all governmental fund types. The annual budgets are adopted on a basis consistent with the modified cash basis of accounting at the fund level. All budgets lapse at fiscal yearend.

On or before July 1 of each year, the Superintendent is to submit for review by the Board of Education a proposed budget for the school year commencing on that date. After reviewing the proposed budget, the Board of Education holds public hearings and a final budget must be prepared and adopted no later than September 30.

The appropriated budget is prepared by fund and by function. The General Fund is further detailed by account (Education, Operations and Maintenance, and Working Cash). The Board of Education may make transfers between functions within a fund not exceeding in the aggregate 10 percent of the total of such fund, and may amend the total budget following the same procedures required to adopt the original budget. The legal level of budgetary control is at the fund level.

#### Note 3. Cash and Investments

Substantially all cash and investments are deposits and investments maintained in pooled accounts held in the name of the Worth Township Trustees.

#### **Deposits**

State statutes authorize the District to make deposits directly or through its Township Trustees in interest-bearing depository accounts in federally insured and/or state chartered banks, savings and loan associations and credit unions. As of June 30, 2020, the District had petty cash of \$157. Additionally, the Activity Fund Organizations, presented in the financial statements as an agency fund, had deposits with federally insured financial institutions of \$64,115 with bank balances totaling \$69,980.

Custodial Credit Risk – Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Trustees' deposits may not be returned to it. As of June 30, 2020, none of the District's bank balances were exposed to custodial credit risk because they were uninsured or uncollateralized.

#### **Notes to Basic Financial Statements**

## Note 3. Cash and Investments (Continued)

#### Investments

As of June 30, 2020, the District had the following investments:

Investment Type

Cost

Pooled cash and investments held by the Worth Township Trustees

\$ 44,711,117

Of the total pooled cash and investments held by the Worth Township Trustees, maturities are approximately as follows: less than one year (15.63 percent), one to five years (30.43 percent), 6 to 10 years (33.33 percent), and greater than 10 years (20.61 percent). The pooled accounts hold the following types of investments: U.S. Treasury Securities, Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Municipal Bonds, Commercial Paper, Money Market Mutual Funds and Money Market Accounts.

Interest Rate Risk - The District's investment policy states the investment portfolio shall provide sufficient liquidity to pay District obligations as they become due. In this regard, maturity and marketability of investments shall be considered.

*Credit Risk* - State statutes authorize the District to invest directly or through its Township Trustees in direct obligations of, or obligations guaranteed by, the United States Treasury or agencies of the United States and short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000.

The District is also authorized to invest directly or through its Township Trustees in the Illinois School District Liquid Asset Fund Plus and the Illinois Funds, which invests member deposits, on a pooled basis, primarily in short-term certificates of deposit and in high-rated, short-term obligations of major United States corporations and banks.

Concentration of Credit Risk - The District investment policy requires that the investment portfolio is diversified as to materials and investments, as appropriate to the nature, purpose, and amounts of the funds. The policy does not limit the investments in any single issuer.

Custodial Credit Risk – Investments - For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Information related to the interest rate risk, credit risk, concentration of credit risk and custodial credit risk of the other cash and investments held by the Worth Township Trustees can be obtained from the Worth Township Trustees at 10720 South Kenton, Oak Lawn, Illinois 60453, which issues a financial report that includes financial statements and supplementary information. This report can also be obtained online at <a href="https://www.worthtst.org/Public Documents.html">www.worthtst.org/Public Documents.html</a>.

## **Notes to Basic Financial Statements**

## Note 3. Cash and Investments (Continued)

The above deposits and investments are presented in the basic financial statements as cash and investments as follows:

Statement of Net Position (GWFS) \$ 44,711,274
Statement of Fiduciary Assets and Liabilities (FFS) 64,115
\$ 44,775,389

## Note 4. Capital Assets

Capital asset balances and activity for the year ended June 30, 2020, are as follows:

	Balance July 1, 2019	Additions	Decreases/ Retirements	Balance June 30, 2020
Governmental activities: Capital assets, not being depreciated:		/ taditionio	T COLIT CHILD INC.	Gaile 60, 2020
Land	\$ 243,000	\$ -	\$ -	\$ 243,000
Construction in progress	13,786,828	2,708,749	5,215,160	11,280,417
Total capital assets not being depreciated	14,029,828	2,708,749	5,215,160	11,523,417
Capital assets, being depreciated:				
Buildings and improvements	46,708,206	6,857,866	-	53,566,072
Equipment	2,691,082	25,931	-	2,717,013
Total capital assets being depreciated	49,399,288	6,883,797	-	56,283,085
Less accumulated depreciation:				
Buildings and improvements	11,906,343	1,214,351	-	13,120,694
Equipment  Total accumulated	1,971,745	312,793	-	2,284,538
depreciation	13,878,088	1,527,144	-	15,405,232
Total capital assets being				
depreciated, net	35,521,200	5,356,653	-	40,877,853
Governmental activities				
Capital assets, net	\$ 49,551,028	\$ 8,065,402	\$ 5,215,160	\$ 52,401,270

#### **Notes to Basic Financial Statements**

## Note 4. Capital Assets (Continued)

Depreciation expense was charged to governmental activities as follows:

Instruction:	
Regular programs	\$ 520,286
Special programs	128,672
Support services:	
Pupils	61,646
Instructional staff	33,148
General administration	41,813
School administration	84,702
Business	496,339
Central	66,945
Operations and maintenance	 93,593
	\$ 1,527,144

## Note 5. Legal Debt Margin

The District's estimated legal debt limitation of \$34,443,123 as of June 30, 2020, is based on 6.9 percent of the 2019 equalized assessed valuation of \$499,175,689 less no outstanding debt.

## Note 6. Retirement Fund Commitments

#### **Teachers' Retirement System**

## Plan Description

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

TRS issues a publicly available financial report that can be obtained at <a href="http://trsil.org/financial/cafrs/fy2019">http://trsil.org/financial/cafrs/fy2019</a>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

## Note 6. Retirement Fund Commitments (Continued)

## **Teachers' Retirement System (Continued)**

#### Benefits Provided

TRS provides retirement, disability, and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with 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 2 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 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from Tier 1.

Essentially all Tier 1 retirees receive an annual 3 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 2 annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2021. One program allows retiring Tier 1 members to receive a partial lumpsum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the State of Illinois.

#### 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, 2020, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2020, State of Illinois contributions in the amount of \$4,491,705 were paid directly to TRS based on the state's proportionate share of the collective net pension liability associated with the District.

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, 2020, were \$58,300.

#### **Notes to Basic Financial Statements**

## Note 6. Retirement Fund Commitments (Continued)

## **Teachers' Retirement System (Continued)**

## Contributions (Continued)

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

For the year ended June 30, 2020, the employer pension contribution was 10.66 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2020, salaries totaling \$300,251 were paid from federal and special trust funds that required District contributions of \$32,007.

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 employer is 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. Additionally PA 100-0023 requires school districts to pay for a portion of the cost of a member's pension if that member's salary, determined on a full-time equivalent basis, is greater that the governor's statutory salary (currently \$177,412). The amount charged to the employer is the employer normal cost, or 10.66 percent.

For the year ended June 30, 2020, the District was not required to make any 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. The District paid \$10,952 for member salaries in excess of the governor's statutory salary.

## Net Pension Liability, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. The employer'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, 2019, relative to the projected contributions of all participating TRS employers and the state during that period.

Since the net pension liability, deferred outflows of resources, and deferred inflows of resources related to the pension are not the result of cash transactions, the modified cash basis of accounting does not allow for these to be recorded on the government-wide financial statements.

The schedule of the employer's proportionate share of the net pension liability and the schedule of employer contributions are presented as other information following the notes to the financial statements.

## Note 6. Retirement Fund Commitments (Continued)

#### **Illinois Municipal Retirement**

## Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The district plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a 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**

The District participates in the Regular Plan (RP). 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 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent 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 percent 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 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent 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 percent of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount.

#### **Employees Covered by Benefit Terms**

As of December 31, 2019, the following employees were covered by the benefit terms:

	11411.71
Retirees and Beneficiaries currently receiving benefits	263
Inactive Plan Members entitled to but not yet received benefits	140
Active Plan Members	88
Total	491

IMPE

## Contributions

As set by statute, the District's regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's required and actual contribution rates for the calendar years ended December 31, 2020 and 2019, were 5.49 percent and 2.82 percent, respectively. For fiscal year 2020, the District contributed \$113,318 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefit rate is set by statute.

## Note 6. Retirement Fund Commitments (Continued)

## **Illinois Municipal Retirement (Continued)**

Net Pension Liability, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

The District's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Since the net pension liability, deferred outflows of resources, and deferred inflows of resources related to the pension are not the result of cash transactions, the modified cash basis of accounting does not allow for these to be recorded on the government-wide financial statements.

The schedule of changes in net pension liability and related ratios and the schedule of employer contributions are presented as other information following the notes to the financial statements.

## Note 7. Post Employment Healthcare Plans

The District participates in two postemployment insurance plans: Teachers' Health Insurance Security Fund and a District provided postemployment healthcare plan.

## **Teachers' Health Insurance Security Fund**

Plan Description. The District participates in the Teachers' Health Insurance Security Fund (THIS) of the State of Illinois. THIS is a cost-sharing multiple-employer defined benefit post-employment healthcare plan (OPEB) established by the Illinois legislature for the benefit of eligible retired Illinois public school teachers employed outside the City of Chicago (members). All District employees receiving monthly benefits from the Teachers' Retirement System (TRS) who have at least eight years of creditable service with TRS, the survivor of an annuitant or benefit recipient who had at least eight years of creditable service or a recipient of a monthly disability benefit are eligible to enroll in THIS.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Plan and amendments to the Plan can be made only by legislative action with the Governor's approval. The Plan is administered by the Illinois Department of Central Management Services. The publicly available financial report of the Plan may be found on the website of the Illinois Auditor General. The current reports are listed under "Central Management Services" (http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp).

Benefits Provided. THIS provides medical, prescription, and behavioral health benefits for eligible retirees and their dependents, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan. The premiums charged reflect approximately a 75 percent subsidy for members that elect a managed care plan or elect the Teachers' Choice Health Plan (TCHP) plan if a managed care plan is either not available or only partially available. Members receive approximately a 50 percent subsidy if they elect the TCHP when a managed care plan is available. Medicare primary dependent beneficiaries enrolled in a managed care plan or in the TCHP when no managed care plan is available receive a premium subsidy.

## Note 7. Post Employment Healthcare Plans (Continued)

## **Teachers' Health Insurance Security Fund (Continued)**

Contributions. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6) specifies the contribution requirements of the participating school districts and covered employees. For the year ended June 30, 2020, required contributions are as follows:

- Active members contribute 1.24 percent of covered payroll.
- Employers contribute 0.92 percent of covered payroll. 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. For the year ended June 30, 2020, the District paid \$92,459 to the THIS Fund, which was 100 percent of the required contribution.
- The State of Illinois makes contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members. The State contributed 1.24 percent of covered payroll. For the year ended June 30, 2020, State of Illinois contributions on behalf of the District's employees were \$124,619.
- Retired members contribute through premium payments based on the coverage elected, Medicare eligibility, and the age of the member and dependents. The premium for retired members is not permitted to increase by more than 5.0 percent per year by statute. The Federal Government provides a Medicare Part D subsidy.

OPEB Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources. The collective total OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the collective total OPEB liability was determined by an actuarial valuation of June 30, 2018, and rolled forward to June 30, 2019. The District's proportionate share of the total OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2019, relative to the contributions of all participating employers and the State during that period.

Since the collective total OPEB liability, deferred outflows of resources, and deferred inflows of resources related to the OPEB plan are not the result of cash transactions, the modified cash basis of accounting does not allow for these to be recorded on the government-wide financial statements.

The schedule of employer's proportionate share of the collective total pension liability and the schedule of employer contributions are presented as other information following the notes to the financial statements.

#### **District Provided OPEB Plan**

Plan Description. As required by state law, the District provides postemployment health care benefits in the form of medical (including prescription drug coverage) to eligible retired employees and their dependents during the life of the retiree. Providing this coverage creates a single employer defined benefit other postemployment benefit plan (OPEB). The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

The current eligibility criteria for retirees is as follows: employees must be enrolled in the active medical plan immediately prior to retiring. Illinois Municipal Retirement Fund employees must be eligible for benefits upon meeting the qualifications necessary to receive an IMRF annuity upon the completion of 8 years of service credit, and be at least age 55. The Certified staff upon retirement have a choice either to remain in the District plan or cease coverage with the District and enroll in the Illinois Teachers Retirement Insurance Program plan. Teachers' Retirement System employees need 10 years of service credit and be at least age 60, 20 years of service credit and be at least age 62. This plan is a single employer defined benefit plan.

## Note 7. Post Employment Healthcare Plans (Continued)

## **District Provided OPEB Plan (Continued)**

Benefits Provided. The state has set a minimum standard for benefits which is that all IMRF employees who retire before Medicare eligibility are allowed to stay on the District's health insurance plan. Additional benefits, such as benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual.

Retirees pay 100 percent of the premium, which is an amount provided by the insurance provider. The plan is funded on a pay-as-you-go basis. For fiscal year 2019, the District did not make any contributions to the plan. However, as a result of having older participants (retirees) on the health plan, the District's premiums are higher than they would be without those participants creating an implicit cost. At June 30, 2019, the plan was unfunded.

OPEB Liabilities, Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. The District has not engaged an actuary to determine the net OPEB obligation as it does not arise out of a cash transaction. Since the District's financial statements have been prepared using a modified cash basis of accounting as discussed in Note 1, only contributions, if any are made, to the OPEB plan are recorded as an expense in the accompanying financial statements.

#### Note 8. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction to assets; errors and omissions; injuries to employees; and natural disasters.

The District participates in the School Employees Loss Fund (SELF) for its workers' compensation coverages, the Suburban School Cooperative Insurance Pool (SSCIP) for its general liability and property insurance, and the Educational Benefits Cooperative (EBC) for its health insurance. SELF, SSCIP and EBC are organizations of school districts in Illinois which have formed associations under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs.

The participation agreement provides that SSCIP and EBC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 per occurrence and \$3,000,000 in aggregate for general liability and property insurance and \$100,000 per occurrence and approximately \$7,200,000 in aggregate for health insurance. The SELF pool purchases commercial insurance for its workers' compensation coverage through member premiums. The District, along with other members of SELF, has a contractual obligation to fund any premium deficiency of SELF attributable to a membership year during which it was a member. SELF, SSCIP or EBC can assess supplemental premiums to fund these premium deficiencies. In the past three years, the District has not made any supplemental payments to the SELF, SSCIP or EBC.

Each District appoints one delegate to represent the District on the Board of Directors of SSCIP and EBC. The District also has a member on the executive board of SELF. The District does not exercise any control over the activities of the pool beyond its representation on the Board of Directors. The amount of coverage has not decreased nor have the settlements exceeded coverage in any of the past 3 fiscal years.

#### **Notes to Basic Financial Statements**

## Note 9. Contingencies

The District received financial awards from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements, and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2020.

#### Note 10. Commitments

As of June 30, 2020, the District has certain construction commitments totaling approximately \$338,000.

## **Cook County Economic Incentives**

The Cook County Assessor's Office, in conjunction with municipalities located within Cook County and within the District's boundaries, encourage certain industrial and commercial development by offering real estate tax incentive programs (such as Class 6a, 6b, 7 and 8) for the development of new industrial facilities, the rehabilitation of existing industrial structures, and industrial utilization of abandoned buildings or areas experiencing severe stagnation. These programs offer qualified properties a reduced equalized assessed valuation for up to 12 years. The District estimates its portion of annual abatement of property taxes to various local companies under this development incentive approximates \$1.7 million.

## Note 11. Other Financial Disclosures (FFS Level Only)

Other information related to individual funds includes the following:

#### Interfund transfers

Transfers for the year ended June 30, 2020, were as follows:

<u>Fund</u>	Transfers In			Transfers Out	
Major Fund:					
General					
Educational Account	\$	-	\$	(3,000,000)	
Operations and Maintenance Account		3,000,000		-	
	\$	3,000,000	\$	(3,000,000)	

Interfund transfers are to assist with construction costs.

## **Budget overexpenditures**

	Final Budg	jet	Actual
Nonmajor Funds:	·		_
Debt Service	\$	-	\$ 12,443

## Note 12. Pronouncements Issued But Not Yet Adopted

In May 2020, GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance,* that provides temporary relief in light of the COVID-19 pandemic. The effective dates of various pronouncements are postponed. The pronouncements below have been updated for the applicable implementation dates. The statements that might impact the District are as follows:

GASB Statement No. 84, *Fiduciary Activities*, will be effective for the District beginning with its year ended June 30, 2021. This statement provides guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

GASB Statement No. 87, *Leases*, will be effective for the District beginning with its year ending June 30, 2022. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period, will be effective for the District beginning with its year ended June 30, 2022. The objectives of this statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements 14 and 61*, will be effective for the District beginning with its year ended June 30, 2021. This statement improves financial reporting by providing users of financial statements with essential information related to presentation of majority equity interests in legally separate organizations that previously were reported inconsistently. In addition, it requires reporting of information about component units if the government acquires 100 percent equity interest in the component unit.

GASB Statement No. 91, *Conduit Debt Obligations*, will be effective for the District beginning with its year ending June 30, 2023. This statement establishes a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice. Under Statement 91, a government entity no longer reports a liability for any conduit debt that it has issued; however, the issuer should recognize a liability for any additional commitments or voluntary commitments to support the debt service.

GASB Statement No. 92, *Omnibus 2020*, addresses practice issues that have been identified during implementation and application of certain GASB statements and other technical pronouncements. The statement addresses a variety of topics. The statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. The statement will be effective for the District with its year ending June 30, 2022.

GASB No. 93, *Replacement of Interbank Offered Rates*, establishes how the District will report the change of any of its variable payment debt that are tied to the London Interbank Offered Rate (LIBOR) when the LIBOR standard is no longer used after December 31, 2021. This statement will be effective for the District with its year ending June 30, 2022.

#### **Notes to Basic Financial Statements**

## Note 12. Pronouncements Issued But Not Yet Adopted (Continued)

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, will improve financial reporting by addressing issues related to public-private and public-public partnerships and provides guidance for accounting and reporting for availability payment arrangements. This statement will be effective for the District with its year ending June 30, 2023.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA), will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The statement will be effective for the District with its year ending June 30, 2023.

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans. The statement will be effective for the District with its year ending June 30, 2022.

Management has not yet completed its evaluation of the impact, if any, of the provisions of these standards on its financial statements.

## Note 13. Subsequent Event

On January 30, 2020, the World Health Organization declared the coronavirus disease 2019 ("Covid19") outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. It is unknown how long the adverse conditions associated with the coronavirus will last and what the complete financial effect will be to the District. To date, the District, as with most local governments in the State and Country, is experiencing declining revenue, and significant changes in the fair value of assets.

Additionally, it is reasonably possible that estimates made in the financial statements have been, or will be, materially and adversely impacted in the near term as a result of these conditions, including expected losses on investments.



## Schedule of Employer Contributions Illinois Municipal Retirement Fund

Calendar Year					Actual Contribution as
Ending	Actuarially		Contribution	Covered	a % of Covered
December	Determined	Actual	Deficiency	Valuation	Valuation
31	Contribution	Contribution	(Excess)	Payroll	Payroll
2019	\$ 66,641	\$ 66,641	\$ -	\$ 2,363,151	2.82%
2018	140,054	140,054	-	2,212,542	6.33%
2017	247,227	261,145	(13,918)	2,272,309	11.49%
2016	262,660	1,762,661	(1,500,001)	2,246,879	78.45%
2015	272,183	272,182	1	2,240,192	12.15%
2014	276,704	253,324	27,960	2,066,746	12.26%

**Note to schedule:** Detailed information and the summary of actuarial methods and assumptions used in the calculation of the contribution rate are available at the District's administrative offices and at http://www.imrf.org/en/employers/employer-resources/reports-for-employers.

Alsip, Hazelgreen and Oak Lawn School District 126

# Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Illinois Municipal Retirement Fund

Calendar Year Ended December 31,		2019		2018		2017
						_
Total pension liability						
Service cost	\$	235,485	\$	238,042	\$	262,282
Interest on the Total Pension Liability		1,177,730		1,166,783		1,170,875
Changes of benefit terms		-		-		-
Difference between expected and actual						
experience of the Total Pension Liability		278,716		94,610		196,809
Changes of assumptions		-		393,775		(524,082)
Benefit payments, including refunds						
of employee contributions		(1,199,517)		(1,209,456)		(1,087,184)
Net change in total pension liability		492,414		683,754		18,700
Total pension liability - beginning		16,726,565		16,042,811		16,024,111
Total pension liability - ending	\$	17,218,979	\$	16,726,565	\$	16,042,811
<b>-</b>						
Plan fiduciary net position	_		_		_	
Contributions - employer	\$	66,641	\$	140,054	\$	261,145
Contributions - employee		106,342		107,274		107,627
Net investment income		3,293,759		(1,223,638)		2,984,542
Benefit payments, including refunds						
of employee contributions		(1,199,517)		(1,209,456)		(1,087,184)
Other (net transfer)		56,387		359,607		(347,952)
Net change in plan fiduciary net position		2,323,612		(1,826,159)		1,918,178
Plan fiduciary net position - beginning		16,346,508		18,172,667		16,254,489
Plan fiduciary net position - ending	\$	18,670,120	\$	16,346,508	\$	18,172,667
Net pension liability (asset)	\$	(1,451,141)	\$	380,057	\$	(2,129,856)
Plan fiduciary net position as a percentage						
of total pension liability		108.43%		97.73%		113.28%
Covered valuation payroll	\$	2,363,151	\$	2,212,542	\$	2,272,309
Net pension liability as a percentage						
of covered valuation payroll		-61.41%		17.18%		-93.73%

Note to schedule: Detailed information and actuarial assumptions used in the preparation of this schedule are available at the District's administrative offices and at

https://www.imrf.org/en/employers/employer-resources/reports-for-employers

	2016		2015		2014
\$	265,102	Ф	242 747	\$	245 612
Φ	1,150,341	\$	243,747 1,117,228	Φ	245,612 1,048,075
	1,130,341		1,117,220		1,040,073
	_		-		-
	(100,251)		75,801		(9,337)
	(49,397)		32,898		619,422
	(1,017,226)		(977,052)		(944,746)
	248,569		492,622		959,026
	15,775,542		15,282,920		14,323,894
\$	16,024,111	\$	15,775,542	\$	15,282,920
\$	1,762,661	\$	272,182	\$	253,324
	101,156		101,091		91,631
	989,570		71,843		853,732
	(1,017,226)		(977,052)		(944,746)
	125,546		154,278		121,005
	1,961,707		(377,658)		374,946
	14,292,782		14,670,440		14,295,494
\$	16,254,489	\$	14,292,782	\$	14,670,440
¢	(220.270)	ф	1 400 760	φ	612 490
\$	(230,378)	\$	1,482,760	\$	612,480
	101.44%		90.60%		95.99%
	101.4470		50.0070		33.3370
\$	2,246,879	\$	2,240,192	\$	2,033,097
•		•		•	
	-10.25%		66.19%		30.13%

#### Schedule of Employer Contributions Teachers' Retirement System of the State of Illinois

For the fiscal year ending	2020	2019	2018		
Contractually-required contribution Contributions in relation to the contractually-	\$ 90,296	\$ 85,013	\$	83,925	
required contribution	90,606	83,992		103,640	
Contribution deficiency (excess)	\$ (310)	\$ 1,021	\$	(19,715)	
Employer's covered payroll  Contributions as a percentage of covered-	\$ 10,049,942	\$ 9,757,818	\$	9,594,230	
payroll	0.90%	0.86%	)	1.08%	

# Schedule of the Employer's Proportionate Share of the Net Pension Liability Teachers' Retirement System of the State of Illinois

For the fiscal year ending		2020 2019			2018		
Employer's proportion of the net pension liability	0.0012% 0.0013%					0.0044%	
Employer's proportionate share of the net pension liability State's proportionate share of the net	\$	1,013,595	\$	1,043,971	\$	3,362,283	
pension liability associated the employer		72,136,475		71,516,414		69,673,603	
Total	\$	73,150,070	\$	72,560,385	\$	73,035,886	
Employer's covered payroll Employer's proportionate share of the net	\$	9,757,818	\$	9,594,230	\$	9,410,162	
pension liability as a percentage of its covered payroll  Plan fiduciary net position as a percentage		13.34%		13.22%		12.88%	
of the total pension liability		39.60%		40.00%		39.30%	

**Note to schedule:** Detailed information and actuarial methods and assumptions used in the preparation of this schedule can be obtained at

http://www.trsil.org/default/files/documents/GASB2019.pdf

 2017		2016		2015		
\$ 181,320	\$	122,656	\$	91,697		
 181,320		122,656		91,697		
\$ -	\$	-	\$	-		
\$ 9,410,162	\$	9,200,500	\$	9,034,319		
1.93%	)	1.33%	)	0.99%		

2017		2016	2016			
0.0033%		0.0023%	0.0026%			
\$ 2,572,573	\$	1,525,365	\$	1,564,071		
73,028,344		59,966,400		55,733,734		
\$ 75,600,917	\$	61,491,765	\$	57,297,805		
\$ 9,200,500	\$	9,034,319	\$	9,252,371		
12.17%	14.69%	14.69%				
36.40%		41.47%		43.00%		

#### Schedule of Employer Contributions Teachers' Health Insurance Security Fund

For the fiscal year ending	2020	2019	2018
Contractually-required contribution Contributions in relation to the statutorily-required contribution	\$ 92,459 92,459	\$ 210,769 210,773	\$ 197,641 197,652
Contribution (excess) deficiency	\$ -	\$ (4)	\$ (11)
Employer's covered payroll  Contributions as a percentage of covered payroll	\$ 10,049,942 0.92%	9,757,818 2,16%	\$ 9,594,230 2.06%
Continuations as a percentage of covered payroll	0.9270	2.1070	2.0070

# Schedule of the Employer's Proportionate Share of the Collective Total OPEB Liability Teachers' Health Insurance Security Fund

For the fiscal year ending*	2020	2019	2018
Employer's proportion of the collective total OPEB liability Employer's proportionate share of the collective total OPEB liability The portion of the State's proportionate share amount of the collective total OPEB liability associated with the employer	0.039696% \$ 10,986,760 14,877,585	\$ 10,663,678 14,319,108	0.040908% \$ 10,615,528 13,940,707
Total	\$ 25,864,345	\$ 24,982,786	\$ 24,556,235
Employer's covered payroll Collective total OPEB liability as a percentage of the covered payroll	\$ 9,757,818 112.6%	\$ 9,594,230 111.1%	\$ 9,410,162 112.8%
Plan fiduciary net position as a percentage of the total pension liability	0.0%	0.0%	0.0%

<sup>\*</sup> The amounts presented for each fiscal year were determined as of the prior fiscal-year-end.

#### **Notes to Schedules**

Detailed information and actuarial methods and assumptions used in the preparation of this schedule can be obtained at http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp



# Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis General Fund - Budgetary Basis Year Ended June 30, 2020

		Original and Final Budget		Actual	Variar		
Revenues:							
Property taxes	\$	21,830,053	\$	22,188,656	\$	358,603	
Corporate property replacement taxes	•	800,000	•	1,010,801	*	210,801	
Charges for services		88,500		111,034		22,534	
Unrestricted state aid		2,400,000		2,493,937		93,937	
Restricted state aid		424,000		368,434		(55,566)	
Restricted federal aid		1,127,638		1,176,300		48,662	
Other		80,000		72,269		(7,731)	
Interest		580,000		1,031,171		451,171 <sup>°</sup>	
Total revenues		27,330,191		28,452,602		1,122,411	
Expenditures:							
Current:							
Instruction:							
Regular programs		8,879,489		8,203,644		675,845	
Special programs		2,614,885		2,031,612		583,273	
Other instructional programs		907,887		892,010		15,877	
Support services:		,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		-,-	
Pupils		1,321,500		971,603		349,897	
Instructional staff		682,860		534,044		148,816	
General administration		703,350		595,716		107,634	
School administration		1,349,836		1,331,593		18,243	
Central office		1,102,271		741,963		360,308	
Business		1,031,638		778,628		253,010	
Operations and maintenance		1,745,348		1,371,886		373,462	
Community services		15,000		-		15,000	
Payments to other governments		1,055,126		1,210,870		(155,744)	
Capital outlay		9,368,000		5,298,801		4,069,199	
Total expenditures		30,777,190		23,962,370		6,814,820	
(Deficiency) of revenues							
(under) expenditures		(3,446,999)		4,490,232		(5,692,409)	
Other financing sources (uses):							
Transfers in		3,000,000		3,000,000		3,000,000	
Transfers (out)		(3,000,000)		(3,000,000)		(3,000,000)	
Total other financing sources (uses)		-		-		-	
Change in fund balance	\$	(3,446,999)	=	4,490,232	\$	(5,692,409)	
Fund balance:							
July 1, 2019				37,931,179	_		
June 30, 2020			\$	42,421,411	=		

### Combining Balance Sheet - Modified Cash Basis General Fund, By Accounts June 30, 2020

	Educational Account	Operations and Maintenance Account	Tort Account	Working Cash Account	Total
Assets					
Cash and investments	\$ 29,779,399	\$ 5,295,786	\$ 693,991	\$ 6,652,235	\$ 42,421,411
Liabilities and Fund Balance					
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance:					
Restricted	-	5,295,786	693,991	-	5,989,777
Unassigned	29,779,399	-	-	6,652,235	36,431,634
Total fund balance	29,779,399	5,295,786	693,991	6,652,235	42,421,411
Total liabilities and fund balance	\$ 29,779,399	\$ 5,295,786	\$ 693,991	\$ 6,652,235	\$ 42,421,411

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Modified Cash Basis General Fund, By Accounts Year Ended June 30, 2020

		Operations and					
	Educational Account	Maintenance Account		Tort Account		Working ish Account	Total
Revenues:	¢ 10 010 00E	¢ 2645.002	\$	204 222	\$	240 227	¢ 22 400 656
Property taxes	\$ 18,918,905	\$ 2,645,082	Ф	384,332	Φ	240,337	\$ 22,188,656
Corporate property replacement taxes	1,010,801	9.001		-		-	1,010,801
Charges for services Unrestricted state aid	102,053	8,981		-		-	111,034 2,493,937
	2,493,937	-		-		-	
Restricted state aid	368,434	-		-		-	368,434
Restricted federal aid	1,176,300	-		-		-	1,176,300
Other	72,269	-		-		-	72,269
Interest	712,284	141,585		20,064		157,238	1,031,171
Total revenues	24,854,983	2,795,648		404,396		397,575	28,452,602
Expenditures:							
Current:							
Instruction:							
Regular programs	8,203,644	-		-		-	8,203,644
Special programs	2,031,612	-		-		-	2,031,612
Other instructional programs	892,010	-		_		_	892,010
Support services:	•						
Pupils	971,603	-		-		-	971,603
Instructional staff	534,044	_		_		_	534,044
General administration	415,608	-		180,108		_	595,716
School administration	1,331,593	_		-		_	1,331,593
Central office	741,963	_		_		_	741,963
Business	778,628	_		_		_	778,628
Operations and maintenance		1,371,886		_		_	1,371,886
Payments to other governments	1,210,870	1,07 1,000		_		_	1,210,870
Capital outlay	425,184	4,799,786		73,831		-	5,298,801
Total expenditures	17,536,759	6,171,672		253,939		-	23,962,370
Excess (deficiency) of revenues							
over (under) expenditures	7,318,224	(3,376,024)		150,457		397,575	4,490,232
Other financing sources (uses):							
Transfers in	-	3,000,000		-		-	3,000,000
Transfers (out)	(3,000,000)	-		-		-	(3,000,000)
Total other financing sources (uses)	(3,000,000)	3,000,000		-		-	-
Change in fund balance	4,318,224	(376,024)		150,457		397,575	4,490,232
Fund balance: July 1, 2019	25,461,175	5,671,810		543,534		6,254,660	37,931,179
June 30, 2020	\$ 29,779,399	\$ 5,295,786	\$	693,991		6,652,235	\$ 42,421,411
•		. ,	_	1	_		

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Modified Cash Basis Budget and Actual General Fund, By Accounts Year Ended June 30, 2020

		nal Account	Operatio Maintenand			Account	Worki Cash Ac	0	To	tal
	Original and Final Budget	Actual	Original and Final Budget	Actual	Original and Final Budget	Actual	Original and Final Budget	Actual	Original Budget	Actual
_	<u> </u>		<u> </u>		<u> </u>		ŭ		Ŭ U	
Revenues:	<b>*</b> 40.040.400	<b>A</b> 10.010.005	A 0.004.005		<b>*</b> 050.700			040.007	<b>A</b> 04 000 050	A 00 100 050
Property taxes	\$ 18,616,109	\$ 18,918,905	\$ 2,621,025	\$ 2,645,082	\$ 352,798	\$ 384,332	\$ 240,121	240,337	\$ 21,830,053	\$ 22,188,656
Corporate property	900 000	1 010 901							900 000	1 010 901
replacement taxes	800,000	1,010,801	40.000	- 0.004	-	-	-	-	800,000	1,010,801
Charges for services	78,500	102,053	10,000	8,981	-	-	-	-	88,500	111,034
Unrestricted state aid	2,400,000	2,493,937	-	-	-	-	-	-	2,400,000	2,493,937
Restricted state aid	424,000	368,434	-	-	-	-	-	-	424,000	368,434
Restricted federal aid	1,127,638	1,176,300	-	-	-	-	-	-	1,127,638	1,176,300
Other	80,000	72,269				<del>-</del> .	-		80,000	72,269
Interest	400,000	712,284	50,000	141,585	5,000	20,064	125,000	157,238	580,000	1,031,171
Total revenues	23,926,247	24,854,983	2,681,025	2,795,648	357,798	404,396	365,121	397,575	27,330,191	28,452,602
Expenditures:										
Current:										
Instruction:										
Regular programs	8,879,489	8,203,644	-	-	-	-	-	-	8,879,489	8,203,644
Special programs	2,614,885	2,031,612	-	-	-	-	-	-	2,614,885	2,031,612
Other instructional programs	907,887	892,010	-	-	-	-	-	-	907,887	892,010
Support services:										
Pupils	1,321,500	971,603	-	-	-	-	-	-	1,321,500	971,603
Instructional staff	682,860	534,044	-	-	-	-	-	-	682,860	534,044
General administration	453,350	415,608	-	-	250,000	180,108	-	-	703,350	595,716
School administration	1,349,836	1,331,593	-	-	-	-	-	-	1,349,836	1,331,593
Central office	1,102,271	741,963	-	_	_	-	-	_	1,102,271	741,963
Business	1,031,638	778,628	-	_	_	-	-	_	1,031,638	778,628
Operations and maintenance	-	-	1,745,348	1,371,886	_	-	_	_	1,745,348	1,371,886
Community services	15,000	_	-	-	_	_	_	_	15,000	-
Payments to other governments	1,055,126	1,210,870	_	_	_	_	_	_	1,055,126	1,210,870
Capital outlay	568,000	425,184	8,650,000	4,799,786	150,000	73,831	_	_	9,368,000	5,298,801
Total expenditures	19,981,842	17,536,759	10,395,348	6,171,672	400,000	253,939	_	-	30,777,190	23,962,370
		,,.	,,	-,,	,				,,	
Excess (deficiency) of revenues										
over (under) expenditures	3,944,405	7,318,224	(7,714,323)	(3,376,024)	(42,202)	150,457	365,121	397,575	(3,446,999)	4,490,232
Other financing sources:										
Transfers in	_	_	3,000,000	3,000,000	_	_	_	_	3,000,000	3,000,000
Transfers (out)	(3,000,000)	(3,000,000)	-	-	_	_	_	_	(3,000,000)	(3,000,000)
Total other financing		(=,===,===,							(=,===,===,	(0,000,000)
sources (uses)	(3,000,000)	(3,000,000)	3,000,000	3,000,000	-	-	-	-	-	-
Change in fund balance	\$ 944,405	4,318,224	\$ (4,714,323)	(376,024)	\$ (42,202)	150,457	\$ 365,121	397,575	\$ (3,446,999)	4,490,232
Fund balance: July 1, 2019		25,461,175	_	5,671,810	_	543,534		6,254,660	_	37,931,179
June 30, 2020		\$ 29,779,399	<u>-</u>	\$ 5,295,786	=	\$ 693,991		6,652,235	_	\$ 42,421,411

Combining Balance Sheet - By Fund Type - Modified Cash Basis Nonmajor Governmental Funds June 30, 2020

	Special	Revenue	Debt Service	Capital Projects	_
	Transportation Fund	Municipal Retirement / Social Security Fund	Debt Service Fund	Fire Prevention and Safety Fund	Nonmajor Governmental Funds
Assets					
Cash and investments	\$ 1,068,449	\$ 912,145	\$ 9,653	\$ 299,616	\$ 2,289,863
Liabilities and Fund Balances					
Fund Balances: Restricted	\$ 1,068,449	\$ 912,145	\$ 9,653	\$ 299,616	\$ 2,289,863
Total liabilities and fund balances	\$ 1,068,449	\$ 912,145	\$ 9,653	\$ 299,616	\$ 2,289,863

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -By Fund Type - Modified Cash Basis Nonmajor Governmental Funds Year Ended June 30, 2020

		Special Revenue			D	ebt Service	Capital Projects			
	Tr	ansportation Fund		Municipal Retirement / ocial Security Fund	Debt Service Fund		Fire Prevention and Safety Fund		•	Total Nonmajor overnmental Funds
Revenues:										
Property taxes	\$	396,086	\$	(2,910)	\$	-	\$	924	\$	394,100
Corporate property replacement taxes		-		102,661		-		-		102,661
Restricted state aid		391,920		-		-		-		391,920
Interest		25,980		27,095		513		7,211		60,799
Total revenues		813,986		126,846		513		8,135		949,480
Expenditures:										
Current:										
Instruction:										
Regular programs		-		155,728		-		-		155,728
Special programs		-		58,753		-		-		58,753
Other instructional programs		-		13,127		-		-		13,127
Support services:										
Pupils		-		29,878		-		-		29,878
General administration		-		9,727		-		-		9,727
School administration		-		44,452		-		-		44,452
Transportation		1,002,261		-		-		-		1,002,261
Central office		-		29,291		-		-		29,291
Business		-		110,770		-		-		110,770
Debt service:										
Interest and charges		-		-		12,443		-		12,443
Total expenditures		1,002,261		451,726		12,443		-		1,466,430
Change in fund balance		(188,275)		(324,880)		(11,930)		8,135		(516,950)
Fund balances:										
July 1, 2019		1,256,724		1,237,025		21,583		291,481		2,806,813
June 30, 2020	\$	1,068,449	\$	912,145	\$	9,653	\$	299,616	\$	2,289,863

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis Transportation Fund Year Ended June 30, 2020

	Original and Final					
	Budget			Actual		Variance
Revenues:						
Property taxes	\$	430,980	\$	396,086	\$	(34,894)
Restricted state aid		403,558		391,920		(11,638)
Interest		20,000		25,980		5,980
Total revenues		854,538		813,986		(40,552)
Expenditures:						
Current:						
Support services:						
Transportation		1,297,000		1,002,261		294,739
Total expenditures		1,297,000		1,002,261		294,739
Change in fund balance	\$	(442,462)	=	(188,275)	\$	254,187
Fund balance:						
July 1, 2019				1,256,724	_	
June 30, 2020			\$	1,068,449	<b>=</b>	

# Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis Municipal Retirement / Social Security Fund

Year Ended June 30, 2020

Original

		and Final				
		Budget		Actual	,	Variance
Revenues:						
Property taxes	\$	1,956	\$	(2,910)	\$	(4,866)
Corporate property replacement taxes	*	75,000	•	102,661	•	27,661
Interest		20,000		27,095		7,095
Total revenues		96,956		126,846		29,890
Expenditures:						
Current:						
Instruction:						
Regular programs		181,500		155,728		25,772
Special programs		67,000		58,753		8,247
Other instructional programs		17,250		13,127		4,123
Support services:						
Pupils		45,000		29,878		15,122
General administration		11,000		9,727		1,273
School administration		46,000		44,452		1,548
Central office		40,000		29,291		10,709
Business		144,900		110,770		34,130
Total expenditures		552,650		451,726		100,924
Change in fund balance	_\$	(455,694)	_	(324,880)	\$	130,814
			=	, ,		
Fund balance:				4 007 005		
July 1, 2019				1,237,025	-	
June 30, 2020			\$	912,145	_	

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis
Debt Service Fund
Year Ended June 30, 2020

	and	ginal Final dget	Actual	Variance	
Revenues: Interest	\$	- \$	513 \$	513	
Expenditures: Debt service: Interest and charges		-	12,443	(12,443)	
Change in fund balance	\$	-	(11,930)\$	(11,930)	
Fund balance: July 1, 2019			21,583		
June 30, 2020		_\$	9,653		

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis Fire Prevention and Safety Fund Year Ended June 30, 2020

	Original and Final Budget Actual					
-		Duuget		Actual		Variance
Revenues:						
Property taxes	\$	978	\$	924	\$	(54)
Interest		5,000		7,211		2,211
Total revenues		5,978		8,135		2,157
Expenditures: Current: Capital outlay Total expenditures		<u>-</u> -		<u>-</u> -		<u>-</u> -
Change in fund balance	\$	5,978	=	8,135	\$	2,157
Fund balance: July 1, 2019				291,481	_	
June 30, 2020			\$	299,616	=	

Alsip, Hazelgreen and Oak Lawn School District 126

Schodulo of Assassed Valuations Tay Pates Tay Extensions and Collections

# Schedule of Assessed Valuations, Tax Rates, Tax Extensions and Collections Last Five Years

	Tax Year							
		2019		2018		2017	2016	2015
Assessed Valuations	æ	400 17E 690	φ	40E 2E4 620	φ	E44 074 460	¢ 442 274 756	Ф 426 200 E77
Assessed Valuations Tax Rates:	<u> </u>	499,175,689	Ф	495,354,638	Ф	511,274,100	\$ 443,271,756	\$ 426,398,577
General Fund:								
Educational Accounts:								
Standard		3.8659		3.8904		3.3264	3.2531	3.5000
Special Education		0.1032				0.2216	0.3485	
•		0.1032		0.0002		0.2210	0.3463	0.3623
Operations and Main- tenance Accounts:								
		0.5405		0.5500		0.4700	0.5000	0.5500
Standard		0.5485		0.5500		0.4789	0.5228	0.5500
Tort Immunity Fund		0.0002		0.1663		0.1007	0.0058	0.0002
Working Cash Fund		0.0499		0.0500		0.0435	0.0481	0.0500
Transportation Fund		0.1651		0.0002		0.2015	0.6595	0.3690
Municipal Retirement Fund:								
Illinois Municipal		0.0000		0.0000		0.0004	0.0504	0.0000
Retirement Fund		0.0002		0.0002		0.0201	0.0581	0.0966
Debt Service Fund		0.0000		0.0000		0.0000	0.0000	0.2022
Fire Prevention		0.0000		0.0000		0.0000	0.0000	0.0000
and Safety Fund		0.0002		0.0002		0.0002	0.0002	0.0002
Social Security	_	0.0002		0.0002		0.0201	0.0697	0.1932
Total	=	4.7332		4.6578		4.4131	4.9659	5.3238
Extended Tax Rate	_	4.733		4.658		4.413	4.966	5.324
Tax Extensions:								
General Fund:								
Educational Accounts:								
Standard	\$	19,297,396	\$	19,271,235	\$	17,006,894	\$ 14,420,000	\$ 14,923,950
Special Education	Ψ	515,000	Ψ	1,030	Ψ	1,133,000	1,545,000	1,545,000
Operations and Main-		010,000		1,000		1,100,000	1,040,000	1,040,000
tenance Accounts:								
Standard		2,737,815		2,724,451		2,448,299	2,317,500	2,345,192
Tort Immunity Fund		1,030		824,000		515,000	25,750	1,030
Working Cash Fund		248,892		247,677		222,573	213,399	213,199
Transportation Fund		824,000		1,030		1,030,000	2,923,273	1,573,353
Municipal Retirement Fund:		024,000		1,030		1,030,000	2,923,213	1,373,333
•								
Illinois Municipal Retirement Fund		1 020		1 020		102.000	257,500	442.000
		1,030		1,030		103,000	257,500	412,000
Debt Service Fund		-		-		-	-	862,050
Fire Prevention		4.000		4.000		4.000	4.000	4.020
and Safety Fund		1,030		1,030		1,030	1,030	1,030
Social Security  Totals	\$	1,030 23,627,223	\$	1,030 23,072,513	\$	103,000 22,562,796	309,000 \$ 22,012,452	\$24,000 \$ 22,700,804
		-,,	_	-,,,-		_,,-	,,·· <b>-</b> ,· <b>-</b>	,,,
Tax collections	\$	11,927,023	\$	21,844,557	\$	21,398,823	\$ 21,114,354	\$ 21,553,334
Percentage Collected		50.48%		94.68%		94.84%	95.92%	94.95%
-	_							