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**MILLBURN COMMUNITY CONSOLIDATED
SCHOOL DISTRICT NO. 24
LAKE COUNTY, ILLINOIS**

ANNUAL FINANCIAL REPORT

JUNE 30, 2019

eder, casella & co.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Millburn Community Consolidated School District No. 24
Wadsworth, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of

Millburn Community Consolidated School District No. 24

as of and for the year ended June 30, 2019, 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Millburn Community Consolidated School District No. 24 as of June 30, 2019 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Millburn Community Consolidated School District No. 24's basic financial statements. The supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplemental information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information, except for the average daily attendance figure included in the computation of operating expense per pupil and per capita tuition charges, 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 supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2019 on our consideration of Millburn Community Consolidated School District No. 24's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on effectiveness of Millburn Community Consolidated School District No. 24'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 Millburn Community Consolidated School District No. 24's internal control over financial reporting and compliance.

Eder, Casella & Co.
EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
December 11, 2019

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

To the Board of Education
Millburn Community Consolidated School District No. 24
Wadsworth, Illinois

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of

Millburn Community Consolidated School District No. 24

as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Millburn Community Consolidated School District No. 24's basic financial statements, and have issued our report thereon dated December 11, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Millburn Community Consolidated School District No. 24's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Millburn Community Consolidated School District No. 24's internal control. Accordingly, we do not express an opinion on the effectiveness of Millburn Community Consolidated School District No. 24's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Millburn Community Consolidated School District No. 24's financial statements are free from material misstatement, we performed

tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eder, Casella & Co.
EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
December 11, 2019

REQUIRED SUPPLEMENTARY INFORMATION

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2019

The Management's Discussion and Analysis of Millburn Community Consolidated School District No. 24's (District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2019. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

- The liabilities and deferred inflows of resources outflows of resources of the District exceeded its assets and deferred outflows of resources at June 30, 2019 by \$3,359,390 (net position). Of this amount, \$(17,684,695) (unrestricted net position) may be used at the District's discretion and has not been restricted for specific purposes.
- The District's total net position decreased by \$2,678,950.
- A net position adjustment of \$(452,850) was required to correct capital asset and accumulated depreciation balances.
- At June 30, 2019, the District's governmental funds reported combined ending fund balances of \$3,811,644, an increase of \$992,809 in comparison with the prior year. This is due mainly to the District collecting more in property taxes. Of this, \$950,377 is unassigned fund balance.
- At June 30, 2019, the unassigned fund balance for the General Fund was \$1,161,221.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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

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

The Statement of Activities presents information showing how the District's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges.

The District's governmental activities include instructional services (regular education, special education, and other), supporting services, operation and maintenance of facilities, and transportation services. The government-wide financial statements can be found on pages 12 and 13 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General; Operations and Maintenance; Debt Services; Transportation; Illinois Municipal Retirement/Social Security; Capital Projects Funds and Fire Prevention and Safety Fund, all of which are considered to be major funds.

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

The basic governmental fund financial statements can be found on pages 14 through 18 of this report.

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

The basic fiduciary fund financial statement can be found on page 19 of this report.

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

The notes to the financial statements can be found on pages 20 through 47 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in meeting its obligation to provide, as fully adequate as possible, educational services and extracurricular activities to all of its residents' students.

Required supplementary information can be found on pages 48 through 66 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$-3,359,390 at the close of the most recent fiscal year.

The following table presents a summary of the District's net position for the years ended June 30, 2019 and 2018:

Millburn Community Consolidated School District No. 24's Net Position at Year-End		
Governmental Activities		
	FY 2019	FY 2018
Assets		
Current and Other Assets	\$ 20,161,054	\$ 18,818,152
Capital Assets	23,865,347	24,774,639
Total Assets	\$ 44,026,401	\$ 43,592,791
Deferred Outflows of Resources	\$ 1,400,357	\$ 696,713
Liabilities		
Long-Term Liabilities Outstanding	\$ 30,639,221	\$ 32,139,848
Other Liabilities	1,521,962	1,545,490
Total Liabilities	\$ 32,161,183	\$ 33,685,338
Deferred Inflows of Resources	\$ 16,624,965	\$ 16,189,656
Net Position		
Net Investment in Capital Assets	\$ 13,515,107	\$ 11,705,936
Restricted	810,198	841,974
Unrestricted	(17,684,695)	(18,133,400)
Total Net Position	\$ (3,359,390)	\$ (5,585,490)

The net investment in capital assets represents assets such as land, buildings, and equipment, less any related debt used to acquire those assets that is still outstanding. The District uses its assets to provide educational services and extracurricular activities for the students of the local community. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The balance of Net Investment in Capital Assets was \$13,515,107 at June 30, 2019.

An additional portion of the District's net position (negative 24%) represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the District can report positive balances in all categories of net position, except the unrestricted.

The District's net position increased by \$2,678,950 in the current fiscal year mainly due to an increase in property tax revenue.

Governmental Activities. Governmental activities increased the District's net position by \$2,678,950. Key elements of this increase are as follows:

Millburn Community Consolidated School District No. 24's Change in Net Position

	Governmental Activities	
	FY 2019	FY 2018
Revenues:		
Program Revenues		
Charges for Services	\$ 959,153	\$ 1,035,129
Operating Grants and Contributions	6,139,885	6,203,249
Capital Grants and Contributions	136,522	28,014
General Revenues:		
Property Taxes	14,456,620	13,926,077
Other Taxes	19,011	17,084
Other	4,147,957	4,074,795
Total Revenues	<u>\$ 25,859,148</u>	<u>\$ 25,284,348</u>
Expenses:		
Instruction	\$ 9,357,350	\$ 9,323,464
Support Services	7,263,776	7,022,036
Other	6,559,072	6,754,048
Total Expenses	<u>\$ 23,180,198</u>	<u>\$ 23,099,548</u>
Increase in Net Position	\$ 2,678,950	\$ 2,184,800
Net Position - Beginning	(5,585,490)	908,565
Net Position Adjustment	(452,850)	(8,678,855)
Net Position - Ending	<u>\$ (3,359,390)</u>	<u>\$ (5,585,490)</u>

Capital contributions, property taxes, and other revenue increased while charges for services, operating grants and contributions decreased, accounting for the overall net increase in revenue over the prior year.

The majority of the increase in expenses was due to increases in support services costs over the prior year.

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's seven governmental funds reported combined ending fund balances of \$3,811,644, an increase of \$992,809.

The General Fund is the chief operating fund of the District. At June 30, 2019, unassigned fund balance was \$1,161,221. The General Fund's balance decreased by \$211,457 in comparison with the prior year. This decrease is mainly due to interfund transfers to the Capital Projects Fund.

The Operations and Maintenance Fund had minimal changes in fund balance during the current year.

The Debt Services Fund's balance increased by \$68,050 in comparison with the prior year. This increase is resulting from revenues and transfers in exceeding expenditures.

The Transportation Fund's balance increased by \$159,558 in comparison with the prior year. This increase is due mainly to revenues and transfers in exceeding expenditures.

The IMRF/Social Security Fund's balance decreased by \$64,302 in comparison with the prior year. This decrease is due to expenditures exceeding property tax revenue.

The Capital Projects Fund's balance increased by \$965,285 in comparison with the prior year. This increase was due to a transfer from other funds of \$1,325,000.

The Fire Prevention and Safety Fund's balance increased by \$66,555 in comparison with the prior year. This increase is due to revenues and transfers in exceeding expenditures.

General Fund Budgetary Highlights

The District's budget for the year ended June 30, 2019 was approved on September 24, 2018 and amended on June 24, 2019.

Significant differences between budgeted and actual revenues and expenditures are summarized as follows:

- The difference between budgeted revenues and actual revenues was \$1,118,675 (unfavorable) and the difference between budgeted expenditures and actual expenditures was \$799,190 (favorable). The primary reason for the revenue variance was the budgeted amount for the TRS On-Behalf payments being higher than the actual calculated amount.

Capital Asset and Debt Administration

Capital Assets. At June 30, 2019 the District had invested \$23,865,347 (net of accumulated depreciation) in a broad range of capital assets, including land, building and building improvements, site improvements and infrastructure, capitalized equipment, vehicles, and construction in progress. Total depreciation expense for the year was \$877,569.

Millburn Community Consolidated School District No. 24's Capital Assets at Year-End
(net of depreciation)

	Governmental Activities	
	2019	2018
Land	\$ 826,414	\$ 826,414
Construction in Progress	73,704	-
Building and Building Improvements	21,087,683	22,507,062
Site Improvements and Infrastructure	555,993	567,221
Capitalized Equipment	1,279,932	827,214
Vehicles	41,621	46,728
Total	<u>\$ 23,865,347</u>	<u>\$ 24,774,639</u>

Major capital asset events during the current fiscal year included the following:

- Boiler Project - \$127,869
- Playground surface replacement - \$104,975
- Filtration System Project - \$16,568
- Prior period restatement of net fixed assets of \$(452,850)

Additional information on the District's capital assets can be found in notes 3 and 17 of this report.

Long-Term Debt. At June 30, 2019 the District had \$19,295,839 in outstanding debt.

Millburn Community Consolidated School District No. 24's Outstanding Debt

	Governmental Activities	
	2019	2018
Bonds and Notes Payable	\$ 10,350,240	\$ 12,728,112
Accreted Interest	8,945,600	8,712,976
Total	<u>\$ 19,295,840</u>	<u>\$ 21,441,088</u>

The decrease in debt was due to scheduled debt repayment.

Additional information on the District's long-term debt can be found in note 4 on pages 26 and 27 of this report.

Economic Factors and Next Year's Budget

The assessed valuation 2018 is \$229,145,950, an increase of \$3,496,504 or 1.55% over the prior year.

Requests for Information

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

Millburn Community Consolidated School District No. 24
18550 Millburn Rd.
Wadsworth, IL 60083

BASIC FINANCIAL STATEMENTS

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 GOVERNMENT-WIDE FINANCIAL STATEMENTS
 STATEMENT OF NET POSITION
 JUNE 30, 2019

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 12,571,960
Facility Rental Receivable, net of allowance of \$0	6,920
Property Taxes Receivable, net of allowance of \$17,727	7,310,452
Accounts Receivable, net of allowance of \$0	10,696
Due from Other Governments, net of allowance of \$0	205,778
Prepaid Items	55,248
Capital Assets (Note 3):	
Land	826,414
Construction in Progress	73,704
Depreciable Buildings, Property, and Equipment, net of depreciation	22,965,229
Total Assets	\$ 44,026,401
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows Related to OPEB - THIS	\$ 237,964
Deferred Outflows Related to OPEB - Other	12,256
Deferred Outflows Related to Pensions - IMRF	1,048,428
Deferred Outflows Related to Pensions - TRS	101,709
Total Deferred Outflows of Resources	\$ 1,400,357
LIABILITIES	
Accounts Payable and Accrued Expenses	\$ 384,070
Payroll Liabilities	1,108,201
Unearned Revenue - Registration Fees	29,691
Long-Term Liabilities	
Due Within One Year	3,802,437
Due in More Than One Year	26,836,784
Total Liabilities	\$ 32,161,183
DEFERRED INFLOWS OF RESOURCES	
Unavailable Revenue - Property Taxes	\$ 14,827,448
Deferred Inflows Related to OPEB - THIS	1,270,211
Deferred Inflows Related to Pensions - TRS	53,459
Deferred Inflows Related to Pensions - IMRF	473,847
Total Deferred Inflows of Resources	\$ 16,624,965
NET POSITION	
Net Investment in Capital Assets	\$ 13,515,107
Restricted for:	
Tort	2,346
Debt Service	169,750
Transportation	435,035
Fire Prevention/Life Safety	203,067
Unrestricted/(Deficit)	(17,684,695)
Total Net Position	\$ (3,359,390)

The Notes to Financial Statements are an integral part of this statement.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 GOVERNMENT-WIDE FINANCIAL STATEMENTS
 STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue & Changes in Net Position
					Governmental Activities
Governmental Activities					
Instruction					
Regular Programs	\$ 6,007,396	\$ 301,125	\$ 20,000	\$ -	\$ (5,686,271)
Special Education Programs	2,229,702	222,872	362,981	-	(1,643,849)
Other Instructional Programs	1,120,252	-	870	-	(1,119,382)
Support Services					
Pupils	1,034,318	-	43,354	-	(990,964)
Instructional Staff	826,021	-	-	-	(826,021)
General Administration	769,558	-	-	-	(769,558)
School Administration	808,528	-	-	-	(808,528)
Business	353,744	-	-	-	(353,744)
Facilities Acquisition and Construction	57,149	-	-	-	(57,149)
Operations and Maintenance	2,018,137	304,444	-	136,522	(1,577,171)
Transportation	1,012,014	-	501,112	-	(510,902)
Food Services	228,144	130,712	70,741	-	(26,691)
Central	156,163	-	-	-	(156,163)
Community Services	143,290	-	-	-	(143,290)
Payments to Other Districts and Governmental Units	275,608	-	-	-	(275,608)
Interest and Fees on Long-Term Debt	999,347	-	-	-	(999,347)
On-Behalf Retirement Contributions	5,140,827	-	5,140,827	-	-
Total Governmental Activities	<u>\$ 23,180,198</u>	<u>\$ 959,153</u>	<u>\$ 6,139,885</u>	<u>\$ 136,522</u>	<u>\$ (15,944,638)</u>
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes					\$ 10,929,403
Property Taxes, Levied for Debt Service					3,527,217
Personal Property Replacement Taxes					19,011
Grants and Contributions not Restricted to Specific Activities					3,662,216
Unrestricted Investment Earnings					202,507
Miscellaneous Income					283,234
Total General Revenues					<u>\$ 18,623,588</u>
Change in Net Position					\$ 2,678,950
Net Position - July 1, 2018					(5,585,490)
Net Position Adjustment (Note 17)					<u>(452,850)</u>
Net Position - June 30, 2019					<u><u>\$ (3,359,390)</u></u>

The Notes to Financial Statements are an integral part of this statement.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 FUND FINANCIAL STATEMENTS
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2019

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
ASSETS								
Cash and Cash Equivalents	\$ 6,860,825	\$ 565,132	\$ 2,206,860	\$ 854,562	\$ 259,377	\$ 1,558,465	\$ 266,739	\$ 12,571,960
Facility Rental Receivable, net of allowance of \$0	-	6,920	-	-	-	-	-	6,920
Property Taxes Receivable, net of allowance of \$17,727	4,269,942	605,494	1,761,976	319,702	297,632	-	55,706	7,310,452
Accounts Receivable, net of allowance of \$0	10,696	-	-	-	-	-	-	10,696
Due from Other Governments, net of allowance of \$0	78,439	-	-	124,297	3,042	-	-	205,778
Prepaid Items	55,248	-	-	-	-	-	-	55,248
Total Assets	\$ 11,275,150	\$ 1,177,546	\$ 3,968,836	\$ 1,298,561	\$ 560,051	\$ 1,558,465	\$ 322,445	\$ 20,161,054
LIABILITIES AND FUND BALANCE								
LIABILITIES								
Accounts Payable and Accrued Expenses	\$ 295,749	\$ 67,873	\$ -	\$ 18,758	\$ -	\$ 1,690	\$ -	\$ 384,070
Payroll Liabilities	1,040,081	34,955	-	9,494	22,842	-	829	1,108,201
Unearned Revenue - Registration Fees	29,691	-	-	-	-	-	-	29,691
Total Liabilities	\$ 1,365,521	\$ 102,828	\$ -	\$ 28,252	\$ 22,842	\$ 1,690	\$ 829	\$ 1,521,962
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Property Taxes	\$ 8,690,814	\$ 1,222,063	\$ 3,556,180	\$ 645,252	\$ 600,708	\$ -	\$ 112,431	\$ 14,827,448
Total Deferred Inflows of Resources	\$ 8,690,814	\$ 1,222,063	\$ 3,556,180	\$ 645,252	\$ 600,708	\$ -	\$ 112,431	\$ 14,827,448
FUND BALANCE								
Nonspendable								
Prepaid Items	\$ 55,248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,248
Restricted								
Debt Service	-	-	169,750	-	-	-	-	169,750
Transportation	-	-	-	435,035	-	-	-	435,035
Tort	2,346	-	-	-	-	-	-	2,346
Fire Prevention and Safety	-	-	-	-	-	-	203,067	203,067
Assigned								
Debt Service	-	-	242,906	-	-	-	-	242,906
Transportation	-	-	-	190,022	-	-	-	190,022
Capital Projects	-	-	-	-	-	1,556,775	6,118	1,562,893
Unassigned	1,161,221	(147,345)	-	-	(63,499)	-	-	950,377
Total Fund Balance	\$ 1,218,815	\$ (147,345)	\$ 412,656	\$ 625,057	\$ (63,499)	\$ 1,556,775	\$ 209,185	\$ 3,811,644
Total Liabilities and Fund Balance	\$ 11,275,150	\$ 1,177,546	\$ 3,968,836	\$ 1,298,561	\$ 560,051	\$ 1,558,465	\$ 322,445	\$ 20,161,054

The Notes to Financial Statements are an integral part of this statement.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 JUNE 30, 2019

Total Fund Balances - Governmental Funds \$ 3,811,644

Amounts reported for governmental activities in the Statement of Net Position are different because:

Deferred pension and OPEB costs in governmental activities are not financial resources and therefore are not reported in the funds.

Deferred Pension Costs- IMRF	\$ 574,581	
Deferred OPEB Costs - THIS	(1,032,247)	
Deferred OPEB Costs - IMRF & TRS	12,256	
Deferred Pension Costs - TRS	<u>48,250</u>	
		(397,160)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 23,865,347

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

Bonds Payable	\$ (10,121,549)	
Capital Lease Payable	(228,691)	
Accreted and Accrued Interest Payable	(8,945,600)	
Unamortized Bond Premiums	<u>(153,092)</u>	
		(19,448,932)

Some liabilities are not due and payable in the current period and therefore are not reported in the funds.

Net OPEB Obligation-THIS	\$ (8,034,964)	
Net OPEB Obligation	(651,084)	
Net Pension Liability/(Asset) - TRS	(785,771)	
Net Pension Liability/(Asset) - IMRF	<u>(1,718,470)</u>	
		(11,190,289)

Net Position of Governmental Activities \$ (3,359,390)

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2019

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
REVENUES								
Property Taxes	\$ 8,604,607	\$ 1,201,111	\$ 3,527,217	\$ 559,136	\$ 454,804	\$ -	\$ 109,745	\$ 14,456,620
Payments in Lieu of Taxes	-	-	-	-	19,011	-	-	19,011
Tuition	414,104	-	-	-	-	-	-	414,104
Earnings on Investments	128,702	10,214	34,646	11,224	3,729	9,261	4,731	202,507
Food Service	130,712	-	-	-	-	-	-	130,712
District/School Activity Income	109,322	-	-	-	-	-	-	109,322
Textbooks	571	-	-	-	-	-	-	571
Other Local Sources	419,756	304,444	-	-	-	-	-	724,200
State Aid	3,880,329	-	-	501,112	-	-	-	4,381,441
Federal Aid	279,833	-	-	-	-	-	-	279,833
On-Behalf Payments	5,140,827	-	-	-	-	-	-	5,140,827
	<u>\$ 19,108,763</u>	<u>\$ 1,515,769</u>	<u>\$ 3,561,863</u>	<u>\$ 1,071,472</u>	<u>\$ 477,544</u>	<u>\$ 9,261</u>	<u>\$ 114,476</u>	<u>\$ 25,859,148</u>
EXPENDITURES								
Current								
Instruction								
Regular Programs	\$ 5,723,189	\$ -	\$ -	\$ -	\$ 91,196	\$ -	\$ -	\$ 5,814,385
Special Education Programs	2,034,656	-	-	-	95,724	-	-	2,130,380
Other Instructional Programs	1,096,049	-	-	-	8,788	-	-	1,104,837
Support Services								
Pupils	963,790	-	-	-	34,659	-	-	998,449
Instructional Staff	603,998	-	-	-	33,029	-	-	637,027
General Administration	716,661	-	-	-	5,603	-	-	722,264
School Administration	724,920	-	-	-	30,100	-	-	755,020
Business	305,449	-	-	-	19,264	-	19,913	344,626
Facilities Acquisition and Construction	-	1,497	-	-	-	55,652	-	57,149
Operations and Maintenance	-	1,313,979	-	-	89,351	-	-	1,403,330
Transportation	-	-	-	900,610	96,612	-	-	997,222
Food Services	198,371	-	-	-	3,570	-	-	201,941
Central	148,265	-	-	-	-	-	-	148,265
Community Services	120,635	-	-	-	17,142	-	-	137,777
Payments to Other Districts and Governmental Units	227,125	31,675	-	-	16,808	-	-	275,608
Debt Service								
Principal	-	-	2,718,463	-	-	-	-	2,718,463
Interest and Fees	-	-	857,642	-	-	-	-	857,642
Capital Outlay	33,592	46,203	-	-	-	313,324	28,008	421,127
On-Behalf Payments	5,140,827	-	-	-	-	-	-	5,140,827
	<u>\$ 18,037,527</u>	<u>\$ 1,393,354</u>	<u>\$ 3,576,105</u>	<u>\$ 900,610</u>	<u>\$ 541,846</u>	<u>\$ 368,976</u>	<u>\$ 47,921</u>	<u>\$ 24,866,339</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 1,071,236</u>	<u>\$ 122,415</u>	<u>\$ (14,242)</u>	<u>\$ 170,862</u>	<u>\$ (64,302)</u>	<u>\$ (359,715)</u>	<u>\$ 66,555</u>	<u>\$ 992,809</u>

The Notes to Financial Statements are an integral part of this statement.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2019

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
OTHER FINANCING SOURCES (USES)								
Interfund Transfers	\$ (1,166,839)	\$ (275,000)	\$ 116,839	\$ -	\$ -	\$ 1,325,000	\$ -	\$ -
Interest Transfers	(115,854)	161,705	(34,547)	(11,304)	-	-	-	-
	<u>\$ (1,282,693)</u>	<u>\$ (113,295)</u>	<u>\$ 82,292</u>	<u>\$ (11,304)</u>	<u>\$ -</u>	<u>\$ 1,325,000</u>	<u>\$ -</u>	<u>\$ -</u>
NET CHANGE IN FUND BALANCES	\$ (211,457)	\$ 9,120	\$ 68,050	\$ 159,558	\$ (64,302)	\$ 965,285	\$ 66,555	\$ 992,809
FUND BALANCES - JULY 1, 2018	<u>1,430,272</u>	<u>(156,465)</u>	<u>344,606</u>	<u>465,499</u>	<u>803</u>	<u>591,490</u>	<u>142,630</u>	<u>2,818,835</u>
FUND BALANCES - JUNE 30, 2019	<u>\$ 1,218,815</u>	<u>\$ (147,345)</u>	<u>\$ 412,656</u>	<u>\$ 625,057</u>	<u>\$ (63,499)</u>	<u>\$ 1,556,775</u>	<u>\$ 209,185</u>	<u>\$ 3,811,644</u>

The Notes to Financial Statements are an integral part of this statement.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2019

Net Change in Fund Balances - Total Governmental Funds \$ 992,809

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.

Depreciation Expense	\$ (877,569)	
Capital Outlays	<u>421,127</u>	(456,442)

Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 2,718,463

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Pension Expense	\$ (325,884)	
Amortization of Bond Premiums	90,920	
OPEB Expenses	(512,376)	
Accreted Interest	<u>(232,625)</u>	(979,965)

Employer pension/OPEB contributions are expensed in the fund financial statements but treated as a reduction in the Net Pension Liability on the government-wide financial statements.

IMRF Employer Contributions	\$ 246,684	
TRS Employer Contributions	44,626	
OPEB Employer Contributions	<u>112,775</u>	404,085

Change in Net Position of Governmental Activities \$ 2,678,950

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 FUND FINANCIAL STATEMENTS
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUNDS
 JUNE 30, 2019

	PTO/Student Activity Fund/ Band Boosters	Flexible Spending Account Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 137,342	\$ 21,857	\$ 159,199
Total Assets	\$ 137,342	\$ 21,857	\$ 159,199
LIABILITIES			
Due to PTO/Activity Funds/Band Boosters and Flexible Spending Account Plan	\$ 137,342	\$ 21,857	\$ 159,199
Total Liabilities	\$ 137,342	\$ 21,857	\$ 159,199

The Notes to Financial Statements are an integral part of this statement.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Millburn Community Consolidated School District No. 24's (District) accounting policies conform to generally accepted accounting principles as applicable to local education agencies.

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies established in GAAP and used by the District are discussed below.

A. Reporting Entity

The accompanying financial statements comply with the provisions of GASB statements, in that the financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. Using these criteria, the District has no component units. In addition, the District is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

B. Basic Financial Statements – Government-Wide Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund (reporting the District's major funds) financial statements. Both the government-wide and fund financial statements categorize all of the primary activities of the District as governmental activities. The District does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column (a) is presented on a consolidated basis, and (b) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables, as well as long-term debt and obligations. The District's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property taxes, personal property replacement taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function (regular programs, special education programs, payments to other districts and governmental units, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenues (property taxes, personal property replacement taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.).

The District does not allocate indirect costs.

NOTES TO FINANCIAL STATEMENTS (Continued)

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on the major funds. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures of all governmental funds) for the determination of major funds. The District electively made all governmental funds major funds.

The following fund types are used by the District:

1. Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

General Fund – The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The Educational, Tort and Working Cash levies are included in this fund.

Special Revenue Funds – The Special Revenue Funds (Operations and Maintenance Fund, Transportation Fund, and Illinois Municipal Retirement/Social Security Fund) are used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service or capital projects.

Debt Services Fund – The Debt Services Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the periodic payment of principal, interest, and related fees on general long-term debt.

Capital Projects Fund – The Capital Projects Fund (Capital Projects Fund and Fire Prevention and Safety Fund) is used to account for financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of major capital facilities.

2. Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position and is reported using generally accepted accounting principles.

The District's fiduciary fund is presented in the fiduciary fund financial statement by type (agency). Since by definition these assets are being held for the benefit of a third party (student organizations) and cannot be used to address activities or obligations of the District, these funds are not incorporated into the government-wide statements.

The following is a description of the fiduciary fund of the District:

NOTES TO FINANCIAL STATEMENTS (Continued)

Agency Fund – The Agency Fund (PTO/Student Activity Fund, Boosters, and Flexible Spending Account Fund) accounts for assets held by the District as an agent for the student organizations, PTO, and employees. These funds are custodial in nature and do not involve the measurement of the results of operations. The amounts due to student organizations, PTO, Boosters, and employees are equal to the assets.

D. *Basis of Accounting*

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

The governmental activities in the government-wide financial statements and the fiduciary fund financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Other nonexchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses when incurred.

2. Modified Accrual

The governmental funds' financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Property tax revenues are recognized in the period for which levied provided they are available. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

E. *Cash and Cash Equivalents and Investments*

Separate bank accounts are not maintained for all District funds. Instead, the funds maintain their uninvested cash balances in common bank deposit accounts, with accounting records being maintained to show the portion of the common bank account balances attributable to each participating fund.

Occasionally certain of the funds participating in the common bank accounts will incur overdrafts (deficits) in the account. Such overdrafts in effect constitute cash borrowed from other District funds and are, therefore, interfund loans which have not been authorized by School Board action.

No District fund had a cash overdraft at June 30, 2019.

The District has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value. Fair value is determined by quoted market prices. Gains or losses on the sale of investments are recognized as they are incurred. The District has adopted a formal written investment and cash management policy.

F. *Receivables*

All receivables are reported net of estimated uncollectible amounts.

NOTES TO FINANCIAL STATEMENTS (Continued)

G. *Prepaid Items*

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

H. *Inventories*

No inventory accounts are maintained to reflect the values of resale or supply items on hand. Instead, the costs of such items are charged to expense when purchased. The value of the District's inventories is not deemed to be material.

I. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

J. *Capital Assets*

Capital assets purchased or acquired with an original cost of \$2,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and Building Improvements	50 years
Site Improvements and Infrastructure	20 years
Capitalized Equipment	5-10 years
Vehicles	5 years

K. *Deferred Outflows and Inflows of Resources*

In addition to assets and liabilities, the balance sheet(s) and statement(s) of net position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and therefore will not be recognized as an outflow of resource until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resource until that time.

L. *Compensated Absences*

Vacation benefits are granted to employees in varying amounts to specified maximums depending on tenure with the District. Vacations are usually taken within the fiscal year. The entire compensated absences liability is reported on the district-wide financial statements. For the governmental funds, the current portion of the compensated absences is the amount that is normally expected to be paid using expendable available resources. These amounts are recorded in the fund from which the employees who have accumulated vacation leave are paid.

NOTES TO FINANCIAL STATEMENTS (Continued)

M. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds on a straight-line basis. Bond issuance costs are reported as debt service expenditures. Bonds payable are reported net of the applicable bond premium or discount and deferred losses on refunding.

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

N. *Government-Wide Fund Net Position*

Government-wide fund net position is divided into three components:

- Net investment in capital assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted net position – consists of net position that is restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted net position – all other net position is reported in this category.

O. *Governmental Fund Balances*

Governmental fund balances are divided between non-spendable and spendable.

Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact.

The spendable fund balances are arranged in a hierarchy based on spending constraints.

- Restricted – Restricted fund balances are restricted when constraints are placed on the use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
- Committed – Committed fund balances are amounts that can only be used for specific purposes as a result of a resolution of the Board of Education. Committed amounts cannot be used for any other purpose unless the Board of Education removes those constraints by way of resolution. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- Assigned – Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by an appointed body (e.g. a budget or finance committee) or official to which the Board of Education has delegated the authority to assign, modify or rescind amounts to be used for specific purposes.

NOTES TO FINANCIAL STATEMENTS (Continued)

Assigned fund balances also include (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as non-spendable, restricted or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects, or debt services fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the District itself.

- Unassigned – Unassigned fund balance is the residual classification for the General Fund. This classification represents the General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance in the General Fund also includes amounts levied and/or borrowed for working cash. This classification is also used to represent negative fund balances in special revenue funds, the Debt Services Fund, and capital projects funds.

The District permits funds to be expended in the following order: Restricted, Committed, Assigned, and Unassigned.

P. Property Tax Calendar and Revenues

Property taxes are levied each calendar year on all taxable real property located in the District on or before the last Tuesday in December. The 2018 tax levy was passed by the Board on December 17, 2018. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year and are payable in two installments early in June and early in September of the following calendar year. The District receives significant distributions of tax receipts approximately one month after these dates.

Q. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 - DEPOSITS AND INVESTMENTS

Deposits with financial institutions are fully insured or collateralized by securities held in the District's name.

The District is allowed to invest in securities as authorized by the School Code of Illinois, Chapter 30, Section 235/2 and 6; and Chapter 105, Section 5/8-7.

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 was as follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

	Balance July 1, 2018	Adjustments	Increases	Decreases	Balance June 30, 2019
Governmental Activities					
Capital Assets not being depreciated					
Land	\$ 826,414	\$ -	\$ -	\$ -	\$ 826,414
Construction in Progress	-	-	73,704	-	73,704
Total Capital Assets not being depreciated	\$ 826,414	\$ -	\$ 73,704	\$ -	\$ 900,118
Other Capital Assets					
Building and Building Improvements	\$ 33,727,553	\$ (414,705)	\$ 162,653	\$ -	\$ 33,475,501
Site Improvements and Infrastructure	1,059,018	769,233	104,975	-	1,933,226
Capitalized Equipment	4,357,785	(27,973)	79,795	-	4,409,607
Vehicles	111,381	45,487	-	-	156,868
Total Other Capital Assets at historical cost	\$ 39,255,737	\$ 372,042	\$ 347,423	\$ -	\$ 39,975,202
Less Accumulated Depreciation for					
Building and Improvements	\$ 11,220,491	\$ 540,264	\$ 627,063	\$ -	\$ 12,387,818
Site Improvements and Infrastructure	491,797	827,318	58,118	-	1,377,233
Capitalized Equipment	3,530,571	(571,500)	170,604	-	3,129,675
Vehicles	64,653	28,810	21,784	-	115,247
Total Accumulated Depreciation	\$ 15,307,512	\$ 824,892	\$ 877,569	\$ -	\$ 17,009,973
Other Capital Assets, Net	\$ 23,948,225	\$ (452,850)	\$ (530,146)	\$ -	\$ 22,965,229
Governmental Activities Capital Assets, Net	\$ 24,774,639	\$ (452,850)	\$ (456,442)	\$ -	\$ 23,865,347

Depreciation expense was charged to functions as follows:

Governmental Activities	
Regular Programs	\$ 28,458
Other Instructional Programs	5,175
Instructional Staff	161,265
General Administration	34,495
Operations and Maintenance	607,508
Transportation	6,899
Food Services	25,871
Central	7,898
Total Governmental Activities Depreciation Expense	\$ 877,569

NOTE 4 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended June 30, 2019 was as follows:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019	Amounts Due Within One Year
Governmental Activities					
Bonds and Leases Payable					
General Obligation School Bonds, Series 2004B	\$ 7,078,112	\$ -	\$ 586,563	\$ 6,491,549	\$ -
General Obligation School Bonds, Series 2012	5,650,000	-	2,020,000	3,630,000	3,630,000
Capital Lease Apple Ipad	340,591	-	111,900	228,691	113,522
Accreted Interest	8,712,976	896,062	663,438	8,945,600	-
Total Bonds and Leases Payable	\$ 21,781,679	\$ 896,062	\$ 3,381,901	\$ 19,295,840	\$ 3,743,522
Other Long-Term Liabilities					
Net Pension Liability - IMRF	\$ 744,107	\$ 974,363	\$ -	\$ 1,718,470	\$ -
Net Pension Liability - TRS	761,135	24,636	-	785,771	-
OPEB Obligation	625,498	25,586	-	651,084	-
THIS OPEB Obligation	7,983,417	51,547	-	8,034,964	-
Unamortized Bond Premium	244,012	-	90,920	153,092	58,915
Total Other Long-Term Liabilities	\$ 10,358,169	\$ 1,076,132	\$ 90,920	\$ 11,343,381	\$ 58,915
Governmental Activities					
Long-Term Liabilities	\$ 32,139,848	\$ 1,972,194	\$ 3,472,821	\$ 30,639,221	\$ 3,802,437

NOTES TO FINANCIAL STATEMENTS (Continued)

Long-term debt consisted of the following at June 30, 2019:

	Date of Issuance	Maturity Date	Interest Rate	Face Amount	Carrying Amount
General Obligation School Bonds, Series 2004B	5/1/2004	6/1/2024	3.25% - 5.00%	\$ 15,984,547	\$ 6,491,549
General Obligation School Bonds, Series 2012	5/1/2012	1/1/2020	2.00% - 4.00%	5,775,000	3,630,000
Capital Lease-Apple I pads	5/17/2017	7/15/2020	1.45%	457,429	228,691

At June 30, 2019, the annual debt services (excluding accreted interest) requirements to cover all outstanding debt are:

Year Ending June 30	Principal	Interest	Total
2020	\$ 3,743,522	\$ 75,916	\$ 3,819,438
2021	1,809,474	2,417,364	4,226,838
2022	1,711,576	2,728,424	4,440,000
2023	1,716,466	3,078,534	4,795,000
2024	1,369,202	3,805,798	5,175,000
	<u>\$ 10,350,240</u>	<u>\$ 12,106,036</u>	<u>\$ 22,456,276</u>

Various bond issues have been defeased by creating separate irrevocable trust funds. New debt was issued, and the proceeds have been used to purchase U.S. government securities that were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded debt. As a result, the 2004 bond issue is considered to be partially defeased and the liability for the amount refunded on these bond issues has been removed from the District's liabilities. At June 30, 2019, a total of \$3,625,000 of defeased debt is still outstanding.

NOTE 5 - INTERFUND LOANS

There were no interfund loans at June 30, 2019.

NOTE 6 - DEFICIT FUND BALANCES

The Operations and Maintenance Fund had a deficit fund balance of \$147,345 and IMRF/Social Security Fund had a deficit fund balance of \$63,499 at June 30, 2019.

NOTE 7 - PROPERTY TAXES

Property taxes receivable and unavailable revenue recorded in these financial statements are the 2018 tax levy. The unavailable revenue is 100% of the 2018 tax levy net of estimated uncollectible amounts. These taxes are unavailable as only a portion of the taxes are collected near the end of the fiscal year and the District does not consider the amounts to be available and does not budget for their use in fiscal year 2019. The District has determined that 100% of the amounts collected for the 2017 levy are allocable for use in fiscal year 2019. Therefore, 100% of the amounts collected for the 2017 and prior levies (\$14,456,620) are recorded in these financial statements as property tax revenue. A summary of the assessed valuations and extensions for tax years 2018, 2017, and 2016 is as follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

ASSESSED VALUATION	2018		2017		2016	
	Rate	Extension	Rate	Extension	Rate	Extension
	\$229,145,950		\$225,649,446		\$224,408,790	
Educational	3.3255	\$ 7,620,148	3.3440	\$ 7,545,643	3.3399	\$ 7,495,000
Special Education	0.3545	812,426	0.3668	827,587	0.3743	840,000
Operations and Maintenance	0.5340	1,223,532	0.5329	1,202,436	0.5500	1,234,239
Bond and Interest	1.5538	3,560,454	1.5648	3,530,960	1.4429	3,238,062
Transportation	0.2819	646,027	0.2481	559,841	0.2674	600,000
Municipal Retirement	0.1175	269,178	0.0173	38,947	0.0446	100,001
Social Security	0.1388	318,121	0.1769	399,190	0.0697	156,494
SEDOL IMRF	0.0062	14,131	0.0074	16,809	0.0077	17,226
Liability Insurance	0.0641	146,825	0.0653	147,263	0.0602	135,002
Fire Prevention and Safety	0.0491	112,565	0.0488	110,022	0.0357	80,002
Working Cash	0.0214	48,943	0.0410	92,496	0.0201	45,001
	<u>6.4468</u>	<u>\$ 14,772,350</u>	<u>6.4133</u>	<u>\$ 14,471,194</u>	<u>6.2123</u>	<u>\$ 13,941,027</u>

NOTE 8 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended June 30, 2019, the following funds had expenditures that exceeded budget:

Fund	Budget	Actual	Excess of Actual Over Budget
Operations & Maintenance Fund	\$ 1,374,190	\$ 1,393,354	\$ 19,164
IMRF/Social Security Fund	525,153	541,846	16,693

NOTE 9 - OPERATING LEASES, AS LESSEE

The District, as lessee, leases buses. Estimated minimum annual rentals are as follows:

Year Ending June 30	Amount
2020	\$ 270,530
2021	270,530
2022	270,530
2023	270,530
2024	341,929
2025	338,731
	<u>\$ 1,762,780</u>

The rental expense for all operating leases for the year ended June 30, 2019 was \$165,020.

NOTE 10 - RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

General Information About the Pension Plan

Plan Description

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

NOTES TO FINANCIAL STATEMENTS (Continued)

TRS issues a publicly available financial report that can be obtained at <http://www.trsil.org/financial/cafrs/fy2018>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

Essentially all Tier I retirees receive an annual 3% increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of 3% of the original benefit or ½% of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2020. 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 lump-sum 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 will begin in 2019 and will be 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% 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, 2018 was 9.0% 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, 2019, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$5,055,396 in pension contributions from the State of Illinois.

NOTES TO FINANCIAL STATEMENTS (Continued)

2.2 Formula Contributions. Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2019 were \$43,948 and are deferred because they were paid after the June 30, 2018 measurement date.

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

Previously, employer contributions for employees paid from federal and special trust funds were at the same rate as the state contribution rate to TRS and were much higher.

For the year ended June 30, 2019, the District pension contribution was 9.85% of salaries paid from federal and special trust funds. For the year ended June 30, 2019, salaries totaling \$0 were paid from federal and special trust funds that required District contributions of \$0. These contributions are deferred because they were paid after the June 30, 2018 measurement date.

Employer Retirement Cost Contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary. Additionally, beginning with the year ended June 30, 2019, employers will make a similar contribution for salary increases over 3 percent if members are not exempted by current collective bargaining agreements or contracts.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2019, the District paid \$1,265 to TRS for employer contributions due on salary increases in excess of 6%, \$0 for salary increases in excess of 3 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2019, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 785,771
State's proportionate share of the net pension liability associated with the District	53,828,636
Total Net Pension Liability	<u>\$ 54,614,407</u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 and rolled forward to June 30, 2018. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2018, relative to the contributions of all participating TRS employers and the State during that period. At June 30, 2018, the District's proportion was 0.0010081122%, which was a decrease of 0.000011838% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the District recognized pension expense of \$5,055,396 and revenue of \$5,055,396 for support provided by the State. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTES TO FINANCIAL STATEMENTS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows of Resources
Differences between expected and actual experience	\$ 15,792	\$ (171)	\$ 15,621
Net difference between projected and actual earnings on pension plan investments	-	(2,406)	(2,406)
Changes of assumptions	34,464	(22,270)	12,194
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,505	(28,612)	(21,107)
Employer contributions subsequent to the measurement date	43,948	-	43,948
	<u>\$ 101,709</u>	<u>\$ (53,459)</u>	<u>\$ 48,250</u>

\$43,948 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

<u>Year Ending June 30</u>	
2020	\$ 5,490
2021	8,857
2022	(10,957)
2023	(260)
Thereafter	1,171
	<u>\$ 4,301</u>

Actuarial Assumptions

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	varies by amount of service credit
Investment Rate of Return	7.0%, net of pension plan investment expenses, including inflation

In the June 30, 2018 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates are based on a fully generational basis using projection table MP-2017. In the June 30, 2017 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2014.

The long-term (20-year) expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

NOTES TO FINANCIAL STATEMENTS (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	15.0%	6.70%
U.S. equities small/mid cap	2.0%	7.90%
International equities developed	13.6%	7.00%
Emerging market equities	3.4%	9.40%
U.S. bonds core	8.0%	2.20%
U.S bonds high yield	4.2%	4.40%
International debt developed	2.2%	1.30%
Emerging international debt	2.6%	4.50%
Real estate	16.0%	5.40%
Commodities (real return)	4.0%	1.80%
Hedge funds (absolute return)	14.0%	3.90%
Private Equity	15.0%	10.20%
Total	100.0%	

Discount Rate

At June 30, 2018, the discount rate used to measure total pension liability was 7.00%, which was the same as the June 30, 2017 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily required rates.

Based on those assumptions, TRS’s fiduciary net position at June 30, 2018 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier I’s liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point-higher (8.00%) than the current rate.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Employer's proportionate share of the net pension liability	\$ 963,674	\$ 785,771	\$ 642,506

TRS Fiduciary Net Position

Detailed information about the TRS’s fiduciary net position as of June 30, 2018 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

B. Illinois Municipal Retirement Fund

Plan Description

The District’s defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District’s

NOTES TO FINANCIAL STATEMENTS (Continued)

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

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

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

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

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

Employees Covered by Benefit Terms

All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired after 1981) or more of work in a year are required to participate. As of December 31, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	35
Inactive plan members entitled to but not yet receiving benefits	113
Active plan members	<u>92</u>
Total	<u><u>240</u></u>

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual

NOTES TO FINANCIAL STATEMENTS (Continued)

contribution rate for calendar year 2018 was 11.13%. For the fiscal year ended June 30, 2019, the District contributed \$246,684 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The components of the net pension liability of the IMRF actuarial valuation performed as of December 31, 2018, and a measurement date as of December 31, 2018, calculated in accordance with GASB Statement No. 68, were as follows:

Total Pension Liability/(Asset)	\$ 7,722,194
IMRF Fiduciary Net Position	6,003,724
District's Net Pension Liability/(Asset)	1,718,470
IMRF Fiduciary Net Position as a Percentage of the Total Pension Liability	77.75%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the Required Supplementary Information following the notes to the financial statements for additional information related to the funded status of the plan.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2018 using the following actuarial methods and assumptions:

Assumptions	
Inflation	2.50%
Salary Increases	3.39% - 14.25% including inflation
Interest Rate	7.25%
Asset Valuation Method	Market value of assets
Projected Retirement Age	Experience-based Table of Rates specific to the type of eligibility condition, last updated for the 2017 valuation experience to an experience study of the period 2014 to 2016.

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

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class.

NOTES TO FINANCIAL STATEMENTS (Continued)

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2018:

Asset Class	Target Allocation	Projected Return
Equities	37.0%	7.15%
International Equities	18.0%	7.25%
Fixed Income	28.0%	3.75%
Real Estate	9.0%	6.25%
Alternatives	7.0%	
Private Equity		8.50%
Hedge Funds		5.50%
Commodities		3.20%
Cash	1.0%	2.50%
	100.0%	

Single Discount Rate

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

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

For the purpose of this discount rate, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 3.71%; and resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2017	\$ 6,807,902	\$ 6,063,795	\$ 744,107
Changes for the year:			
Service Cost	\$ 219,496	\$ -	\$ 219,496
Interest on the Total Pension Liability	511,227	-	511,227
Differences Between Expected and Actual			
Experience of the Total Pension Liability	157,652	-	157,652
Changes of Assumptions	228,495	-	228,495
Contributions - Employer	-	255,158	(255,158)
Contributions - Employee	-	103,164	(103,164)
Net Investment Income	-	(255,785)	255,785
Benefit Payments, including Refunds			
of Employee Contributions	(202,578)	(202,578)	-
Other (Net Transfer)	-	39,970	(39,970)
Net Changes	\$ 914,292	\$ (60,071)	\$ 974,363
Balances at December 31, 2018	\$ 7,722,194	\$ 6,003,724	\$ 1,718,470

NOTES TO FINANCIAL STATEMENTS (Continued)

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a single Discount Rate that is 1% lower or 1% higher than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability/(Asset)	\$ 2,764,351	\$ 1,718,470	\$ 865,867

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

For the year ended June 30, 2019, the District recognized pension expense/(income) of \$286,657. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
Expense in Future Periods			
Differences between expected and actual experience	\$ 113,886	\$ 94,082	\$ 19,804
Changes of assumptions	161,116	99,477	61,639
Net difference between projected and actual earnings on pension plan investments	651,481	280,288	371,193
Total deferred amounts to be recognized in pension expense in future periods	\$ 926,483	\$ 473,847	\$ 452,636
Pension contributions made subsequent to the measurement date	178,836	-	178,836
Total deferred amounts related to pensions	<u>\$ 1,105,319</u>	<u>\$ 473,847</u>	<u>\$ 631,472</u>

The deferred outflows of resources related to pensions resulting from the District's contributions in fiscal year 2019 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2019	\$ 108,987
2020	107,813
2021	92,255
2022	143,581
	<u>\$ 452,636</u>

C. Social Security

Employees not qualifying for coverage under the Teachers' Retirement System of the State of Illinois or the Illinois Municipal Retirement Fund are considered "non-participating employees." These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The District paid the total required contribution for the current fiscal year.

NOTE 11 - POST EMPLOYMENT BENEFIT COMMITMENTS

A. Teacher Health Insurance Security Fund (THIS)

General Information About the OPEB Plan

Plan Description

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

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General (<http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>). The current reports are listed under "Central Management Services" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>). Prior reports are available under "Healthcare and Family Services" (<http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins-Sec-Fund.asp>).

Benefits Provided

The State of Illinois offers comprehensive health plan options, all of which include prescription drug and behavioral health coverage. The State of Illinois offers TCHP, HMO, and OAP plans.

- Teachers' Choice Health Plan (TCHP) benefit recipients can choose any physician or hospital for medical services; however, benefit recipients receive enhanced benefits, resulting in lower out-of-pocket costs, when receiving services from a TCHP in-network provider. TCHP has a nationwide network and includes CVS/Caremark for prescription drug benefits and Magellan Behavioral Health for behavioral health services.
- Health Maintenance Organizations (HMO) benefit recipients are required to stay within the health plan provider network. No out-of-network services are available. Benefit recipients will need to select a primary care physician (PCP) from a network of participating providers. The PCP will direct all healthcare services and make referrals to specialists and hospitalization.
- Open Access Plan (OAP) benefit recipients will have three tiers of providers from which to choose to obtain services. The benefit level is determined by the tier in which the healthcare provider is contracted.
 - Tier I offers a managed care network which provides enhanced benefits and operates like an HMO.
 - Tier II offers an expanded network of providers and is a hybrid plan operating like an HMO and PPO.
 - Tier III covers all providers which are not in the managed care networks of Tiers I or II (i.e., out-of-network providers). Using Tier III can offer benefit recipients flexibility in selecting healthcare providers but involves higher out-of-pocket costs. Furthermore, benefit recipients who use out-of-network providers will be responsible for any amount that is over and above the charges allowed by the plan for services (i.e., allowable charges), which could result in substantial out-of-pocket costs. Benefit recipients enrolled in an OAP can mix and match providers and tiers.

NOTES TO FINANCIAL STATEMENTS (Continued)

Contributions

For the fiscal year ended June 30, 2019, the State Employees Group Insurance Act of 1971 (5 ILCS 375/6.6) requires that all active contributors of the THIS make contributions to the plan at a rate of 1.24% of salary and for every employer of a teacher to contribute an amount equal to .92% of each teacher's salary. For the fiscal year ended June 30, 2018, the employee contribution was 1.18% of salary and the employer contribution was .88% of each teacher's salary. The Department of Central Management Services determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the Teachers' Health Insurance Security Fund (THISF), an amount equal to the amount certified by the Board of Trustees of THIS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year. The member contribution, which may be paid on behalf of employees by the employer, is submitted to THIS by the employer.

On-Behalf Contributions to THIS. The State of Illinois makes employer benefit contributions on behalf of the District. For the year ended June 30, 2019, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net OPEB liability associated with the District, and the District recognized revenue and expenditures of \$85,431 in benefit contributions from the State of Illinois.

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

At June 30, 2019, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for state benefit support provided to the District. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ 8,034,964
State's proportionate share of the net OPEB liability associated with the District	10,789,224
Total	<u>\$ 18,824,188</u>

The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017 and rolled forward to June 30, 2018. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2018, relative to the contributions of all participating THIS employers and the State during that period. At June 30, 2018, the District's proportion was 0.030498%, which was a decrease of 0.000267% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the District recognized benefit expense of \$455,983 and on-behalf revenue/expense of \$85,431 for support provided by the State. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTES TO FINANCIAL STATEMENTS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows of Resources
Differences between expected and actual experience	\$ -	\$ (28,830)	\$ (28,830)
Net difference between projected and actual earnings on pension plan investments	-	(247)	(247)
Changes of assumptions	-	(1,170,029)	(1,170,029)
Changes in proportion and differences between employee contributions and proportionate share of contributions	168,253	(71,105)	97,148
Employer contributions subsequent to the measurement date	69,711	-	69,711
	<u>\$ 237,964</u>	<u>\$ (1,270,211)</u>	<u>\$ (1,032,247)</u>

\$69,711 reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

Year Ending June 30	
2020	\$ (1,406,591)
2021	(2,269,249)
2022	2,807,290
2023	66,615
2024	(300,023)
	<u>\$ (1,101,958)</u>

Actuarial Assumptions

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

Inflation	2.75%
Salary Increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment Rate of Return	0%, net of OPEB plan investment expense, including inflation
Healthcare Cost Trend Costs	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decrease to an ultimate trend of 4.5%. Additional trend rate of 0.36% is added to non-Medicare costs on and after 2022 to account for the Excise Tax.

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

The actuarial assumptions that were used in the June 30, 2017 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2014.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class.

NOTES TO FINANCIAL STATEMENTS (Continued)

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Illinois Public Treasurers' Investment Pool	100.0%	1.30%
	100.0%	

Discount Rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since TRIP (Teachers' Retirement Insurance Program) is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 3.65% as of June 30, 2017, and 3.62% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily required rates.

Based on those assumptions, THIS's fiduciary net position at June 30, 2018 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on THIS investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

At June 30, 2018, the discount rate used to measure the total OPEB liability was 3.62%.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 3.62%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.62%) or 1 percentage-point higher (4.62%) than the current rate.

	1% Decrease 2.62%	Current Discount Rate 3.62%	1% Increase 4.62%
Employer's proportionate share of the net OPEB liability	\$ 22,633,920	\$ 18,824,188	\$ 15,816,718

Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher. The key trend rates are 8.00% in 2019 decreasing to an ultimate trend rate of 4.86% in 2026, for non-Medicare coverage, and 9.00% in 2019 decreasing to an ultimate trend rate of 4.5% in 2028 for Medicare coverage.

NOTES TO FINANCIAL STATEMENTS (Continued)

	1% Decrease 2.62% (a)	Healthcare Cost Valuation Rate	1% Increase 4.62% (b)
Employer's proportionate share of the net OPEB liability	\$ 15,263,368	\$ 18,824,188	\$ 23,621,467

- (a) One percentage point decrease in healthcare trend rates are 7.00% in 2019 decreasing to an ultimate trend rate of 3.86% in 2026, for non-Medicare coverage, and 8.00% in 2019 decreasing to an ultimate trend rate of 3.50% in 2028 for Medicare coverage.
- (b) One percentage point increase in healthcare trend rates are 9.00% in 2019 decreasing to an ultimate trend rate of 5.86% in 2026, for non-Medicare coverage, and 10.00% in 2019 decreasing to an ultimate trend rate of 5.50% in 2028 for Medicare coverage.

B. Retiree Insurance Plan

Plan Overview

The District provides post-employment benefits other than pensions (“OPEB”) to employees who meet certain criteria. The Plan, a single employer defined benefit plan, provides the following coverage:

Medical Coverage

Retirees - IMRF - Pre-65 Coverage:

Retiree pays the full cost of coverage, including any dependent coverage. Eligible Spouse/Dependent coverage may continue should the Retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs.

Retirees - IMRF - Post-65 Coverage:

Retirees may continue coverage past Medicare eligibility, but District coverage is secondary to Medicare once applicable. Retiree pays the full cost of coverage, including any dependent coverage. Eligible Spouse/Dependent coverage may continue should the Retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs.

Retirees – TRS - Date of Retire Before 12/31/2016 - Pre-65/Post-65 Coverage:

The District will pay for 4 years of single coverage through TRIP/TRAIL. Any dependent coverage is paid for by the Retiree. After the 4-year period, the Retiree may elect to retain TRIP/TRAIL coverage, paying all costs of coverage

Retirees – TRS -Date of Retire After 12/31/2016 - Pre-65/Post-65 Coverage:

The District will pay up to \$300 per month - regardless if the employee elects single or dependent coverage – for 4 years. Should the premiums be less than \$300/month, the District will see the savings. Should the premium be more than \$300/month, the Retiree will pay the additional cost. After the 4-year period, the Retiree may elect to retain TRIP/TRAIL coverage, paying all costs of coverage.

Dental, Vision & Life Insurance

Retirees- IMRF - Pre-65/Post-65 Coverage:

Retirees are not permitted to remain on District Vision or Life Insurance. Retirees may remain on District Dental Insurance with the Retiree paying the full cost of coverage, including any dependent coverage. Coverage may continue past Medicare eligibility. Eligible Spouse/Dependent coverage may continue should the Retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs.

Retirees- TRS - Pre-65/Post-65 Coverage:

Retirees are not permitted to remain on District Dental, Vision or Life Insurance.

The Plan does not issue a stand-alone financial report.

NOTES TO FINANCIAL STATEMENTS (Continued)

Eligibility

Employees of the District are eligible for retiree health benefits as listed below:

Full-Time Employees- IMRF

Tier I IMRF Full-Time District employees:

- * Age 55 with at least 8 years of service (Reduced Pension)
- * Age 55 with at least 30 years of service (Reduced Pension)
- * Age 55 with at least 35 years of service (Full Pension)
- * Age 60 with at least 8 years of service (Full Pension)

Tier II IMRF Full-Time District employees:

- * Age 62 with at least 10 years of service (Reduced Pension)
- * Age 62 with at least 30 years of service (Reduced Pension)
- * Age 62 with at least 35 years of service (Full Pension)
- * Age 67 with at least 10 years of service (Full Pension)

Full-Time Employees- TRS

Tier I TRS Full-Time District employees:

- * Age 55 with at least 20 years of service (Reduced Pension)
- * Age 55 with at least 35 years of service (Full Pension)
- * Age 60 with at least 10 years of service (Full Pension)
- * Age 62 with at least 5 years of service (Full Pension)

Tier II TRS Full-Time District employees:

- * Age 62 with at least 10 years of service (Reduced Pension)
- * Age 67 with at least 10 years of service (Full Pension)

Membership in the plan consisted of the following at June 30, 2018, the date of the latest actuarial valuation:

Total Active Employees	184
Inactive Employees Currently Receiving Benefits	9
Inactive Employees Entitled To But Not Yet Receiving Benefits	0
Total	<u><u>193</u></u>

Contribution

The required contribution is based on projected pay-as-you-go financing requirements. Employees are not required to contribute to the plan.

Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2019, and the total OPEB liability was determined by an actuarial valuation as of July 1, 2018.

Actuarial Assumptions

The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

NOTES TO FINANCIAL STATEMENTS (Continued)

Discount rate used for the Total OPEB Liability

Beginning of Year	3.87%
End of Year	3.50%

Long-Term Expected rate of return on Plan Assets N/A

High Quality 20 year Tax Exempt G.O. Bond Rate

Beginning of Year	3.87%
End of Year	3.50%

Total Payroll Increases 2.25%

Retiree Contribution Rates Same as Health Care Trend Rates

Blended Premium Rates

	Annual Blended Premiums			
	Under Age 65		Age 65 & Over	
	Retiree	Spouse	Retiree	Spouse
HMO	\$ 7,786	\$ 7,264	\$ 4,671	\$ 4,671
PPO	\$ 8,674	\$ 15,061	\$ 8,674	\$ 8,674

Health Care Trend Rates

Period	Health Care Trend			
	HMO	PPO	TRS	Stipend
FY19-FY20	6.50%	6.50%	5.00%	0.00%
FY20-FY21	6.00%	6.00%	5.00%	0.00%
FY21-FY22	6.00%	6.00%	5.00%	0.00%
FY22-FY23	5.50%	5.50%	5.00%	0.00%
FY23-FY24	5.50%	5.50%	5.00%	0.00%
FY24-FY25	5.00%	5.00%	5.00%	0.00%
Ultimate	5.00%	5.00%	5.00%	0.00%

Election at Retirement

Coverage election at retirement is assumed at the following rates:

IMRF	30%
IMRF-Currently Waiving	10%
TRS-District Insurance	N/A
TRS District Stipend	100%

If an employee has waived active medical coverage it is assumed they will elect coverage in the retiree medical plan at 1/3 the rate of active employees currently with coverage.

Plan Participation Rate

Of the employees that will elect coverage at retirement, as noted above, it is assumed they will elect coverage in the available medical plans at the following rates:

	IMRF	TRS
HMO	100%	100%
PPO	0%	0%

Retiree Lapse Rates

Retirees receiving medical coverage are expected to lapse all coverages at age 65 at the following rates:

IMRF	100%
TRS	N/A

Disability, Retirement, and Termination Rates

IMRF 2017 for IMRF Employees
 TRS 2017 for TRS Employees

Mortality Rates

IMRF Mortality follows the Sex Distinct Raw Rates as Developed in the Rp-2014 Study, with Blue Collar Adjustment. These Rates are Improved Generationally using MP-2016 Improvement Rates.

TRS Mortality follows the Sex Distinct Raw Rates as Developed in the Rp-2014 Study, with White Collar Adjustment. These Rates are Improved Generationally using MP-2016 Improvement Rates and Weighted Based on the TRS June 30, 2017 Actuarial Valuation.

Spouse Mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 Study. These rates are improved generationally using MP-2016 Improved Rates.

NOTES TO FINANCIAL STATEMENTS (Continued)

The actuarial assumptions used in the June 30, 2019 limited-year report are based on the baseline calculations for the fiscal year ending June 30, 2018, with the exception of the assumed end of year discount rate.

There is no long-term expected rate of return on OPEB plan investments because the District does not have a trust dedicated exclusively to the payment of OPEB benefits.

Discount Rate

The District does not have a dedicated trust to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

A rate of 3.50% is used, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 27, 2019.

Changes in the Total OPEB Liability

	Increase/(Decrease)		
	Total OPEB Liability	OPEB Plan Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balances at July 1, 2018	\$ 625,499	\$ -	\$ 625,499
Changes for the year:			
Service Cost	\$ 31,561	\$ -	\$ 31,561
Interest on Total OPEB Liability	23,374	-	\$ 23,374
Assumption Changes	13,714	-	\$ 13,714
Contributions - Employer	-	43,064	(43,064)
Benefit Payments	(43,064)	(43,064)	-
Net Changes	\$ 25,585	\$ -	\$ 25,585
Balances at June 30, 2019	\$ 651,084	\$ -	\$ 651,084

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

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

Plan's Total OPEB Liability/(Asset)		
1% Decrease	Valuation Rate	1% Increase
\$ 689,889	\$ 651,084	\$ 614,805

Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

Plan's Total OPEB Liability/(Asset)		
Healthcare Cost		
1% Decrease	Valuation Rate	1% Increase
\$ 642,491	\$ 651,084	\$ 672,448

NOTES TO FINANCIAL STATEMENTS (Continued)

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

For the fiscal year ended June 30, 2019, the District recognized OPEB expense of \$56,393. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Inflows of Resources
Changes of Assumptions	\$ 12,256	\$ -	\$ 12,256
Total	\$ 12,256	\$ -	\$ 12,256

Changes in total OPEB liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in OPEB expense over the expected remaining service life of all employees (active and retired) in the postretirement plan.

Amounts reported as deferred outflows of resources related to OPEB will be recognized as future OPEB expense as follows:

Year ending June 30	Net Inflows of Resources
2020	\$ 1,458
2021	1,458
2022	1,458
2023	1,458
2024	1,458
Thereafter	4,966
	<u>\$ 12,256</u>

NOTE 12 - INTERFUND TRANSFERS

The following funds were transferred for the year ended June 30, 2019:

Transfer from	Transfer To	Amount
General Fund	Capital Projects Fund	\$ 1,050,000
General Fund	Operations and Maintenance Fund	115,854
General Fund	Debt Services Fund	116,839
Operations and Maintenance Fund	Capital Projects Fund	275,000
Debt Services Fund	Operations and Maintenance Fund	34,547
Transportation Fund	Operations and Maintenance Fund	11,304

The transfers from the General Fund, Debt Services Fund, and Transportation Fund to the Operations and Maintenance Fund are transfers of interest. The transfer from the General Fund to the Debt Service Fund is for payments on a capital lease. The transfers from the General Fund and Operations and Maintenance Fund to the Capital Projects Fund are to help cover capital expenditures.

NOTE 13 - JOINT VENTURE – SPECIAL EDUCATION DISTRICT OF LAKE COUNTY (SEDOL)

The District and thirty other districts within Lake County have entered into a joint agreement to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the management council.

A summary of the Statement of Net Position of SEDOL at June 30, 2018 (most recent information available) is as follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

Assets	\$ 65,045,051
Deferred Outflows of Resources	4,258,875
	<u>\$ 69,303,926</u>
Liabilities	\$ 37,805,745
Deferred Inflows of Resources	11,187,262
Net Position	20,310,919
	<u>\$ 69,303,926</u>
Revenues	\$ 78,448,350
Expenses	77,456,502
Net Increase/(Decrease) in Net Position	<u>\$ 991,848</u>

Complete financial statements for SEDOL can be obtained from the Administrative Offices at 18160 Gages Lake Road, Gages Lake, Illinois 60030-1819.

NOTE 14 - RISK MANAGEMENT

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

The District is a member of the Collective Liability Insurance Cooperative (CLIC), a joint risk management pool of school districts through which property, general liability, automobile liability, crime, excess property, excess liability, and boiler and machinery coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

The relationship between the District and CLIC is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The District is contractually obligated to make all annual and supplementary contributions for CLIC, to report claims on a timely basis, cooperate with CLIC, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by CLIC. Members have a contractual obligation to fund any deficit of CLIC attributable to a membership year during which they were a member.

CLIC is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Board of Directors. CLIC also provides its members with risk management services, including the defense of and settlement of claims, and establishes reasonable and necessary loss of reduction and prevention procedures to be followed by the members.

The District is insured under a retrospectively rated policy for workers' compensation coverage. Whereas, the initial premium may be adjusted based on actual experiences. Adjustments in premiums are recorded when paid or received.

During the year ended June 30, 2019, there were no significant reductions in insurance coverage. Also, there have been no settlement amounts that have exceeded insurance coverage for each of the past three years, including the current year. During the year ended June 30, 2019, there were no significant adjustments in premiums based on actual experience.

NOTE 15 - CONTINGENCIES

The District is not aware of any litigation which might have a material adverse effect on the District's financial position.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 16 - LEGAL DEBT LIMITATION

The Illinois School Code limits the amount of indebtedness to 6.9% of the most recent available equalized assessed valuation (EAV) of the District. The District's legal debt limitation is as follows:

2018 EAV	\$ 229,145,950
Rate	<u>6.90%</u>
Debt Margin	\$ 15,811,071
Current Debt	<u>10,350,240</u>
Remaining Debt Margin	<u>\$ 5,460,831</u>

NOTE 17 - NET POSITION ADJUSTMENT

A prior period adjustment was required to align the financial statements with the District's updated fixed asset inventory and depreciation records. The adjustment changed cost and accumulated depreciation totals and reclassified amounts between fixed asset categories, resulting in a decrease to net position of \$452,850.

REQUIRED SUPPLEMENTARY INFORMATION

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION
LIABILITY AND RELATED RATIOS
JUNE 30, 2019

	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
TOTAL PENSION LIABILITY					
Service Cost	\$ 219,496	\$ 236,076	\$ 245,646	\$ 230,920	\$ 229,710
Interest on the Total Pension Liability	511,227	491,193	467,170	421,385	364,946
Differences Between Expected and Actual Experience	157,652	(78,634)	(216,745)	106,283	39,209
Changes of Assumptions	228,495	(185,258)	(34,168)	16,846	257,103
Benefit Payments, Including Refunds of Member Contributions	(202,578)	(173,367)	(167,043)	(140,856)	(120,194)
Net Change in Total Pension Liability	<u>\$ 914,292</u>	<u>\$ 290,010</u>	<u>\$ 294,860</u>	<u>\$ 634,578</u>	<u>\$ 770,774</u>
Total Pension Liability - Beginning	<u>6,807,902</u>	<u>6,517,892</u>	<u>6,223,032</u>	<u>5,588,454</u>	<u>4,817,680</u>
Total Pension Liability - Ending	<u>\$ 7,722,194</u>	<u>\$ 6,807,902</u>	<u>\$ 6,517,892</u>	<u>\$ 6,223,032</u>	<u>\$ 5,588,454</u>
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 255,158	\$ 243,576	\$ 252,228	\$ 248,313	\$ 219,930
Contributions - Member	103,164	95,280	96,681	102,456	90,297
Net Investment Income	(255,785)	854,220	317,440	22,735	250,138
Benefit Payments, Including Refunds of Member Contributions	(202,578)	(173,367)	(167,043)	(140,856)	(120,194)
Other (Net Transfers)	39,970	(68,262)	8,310	(70,049)	(3,638)
Net Change in Plan Fiduciary Net Position	<u>\$ (60,071)</u>	<u>\$ 951,447</u>	<u>\$ 507,616</u>	<u>\$ 162,599</u>	<u>\$ 436,533</u>
Plan Net Position - Beginning	<u>6,063,795</u>	<u>5,112,348</u>	<u>4,604,732</u>	<u>4,442,133</u>	<u>4,005,600</u>
Plan Net Position - Ending	<u>\$ 6,003,724</u>	<u>\$ 6,063,795</u>	<u>\$ 5,112,348</u>	<u>\$ 4,604,732</u>	<u>\$ 4,442,133</u>
District's Net Pension Liability	<u>\$ 1,718,470</u>	<u>\$ 744,107</u>	<u>\$ 1,405,544</u>	<u>\$ 1,618,300</u>	<u>\$ 1,146,321</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	77.75%	89.07%	78.44%	73.99%	79.49%
Covered-Valuation Payroll	\$ 2,252,218	\$ 2,100,321	\$ 2,148,452	\$ 2,127,786	\$ 1,996,751
Employer's Net Pension Liability as a percentage of Covered-Valuation Payroll	76.30%	35.43%	65.42%	76.06%	57.41%

* This information presented is based on the actuarial valuation performed as of the December 31 year end prior to the fiscal year end listed above.

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTION
JUNE 30, 2019

	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
Actuarially-Determined Contribution	\$ 255,157	\$ 243,575	\$ 252,228	\$ 248,313	\$ 220,441
Contributions in relation to Actuarially-Determined Contribution	255,158	243,576	252,228	248,313	219,930
Contribution deficiency/(excess)	\$ (1)	\$ (1)	\$ -	\$ -	\$ 511
Covered-Valuation Payroll	\$ 2,320,974	\$ 2,351,737	\$ 2,148,452	\$ 2,127,786	\$ 1,996,751
Contributions as a percentage of Covered-Valuation Payroll	10.99%	10.36%	11.74%	11.67%	11.01%

Notes to Schedule:

Actuarial Method and Assumptions Used on the Calculation of the 2018 Contribution Rate *

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

Actuarial Cost Method: Aggregate Entry Age Normal

Amortization Method: Level percentage of payroll, closed

Remaining Amortization Period: 25-year closed period

Asset Valuation Method: 5-year smoothed market; 20% corridor

Wage Growth: 3.5%

Price Inflation: 2.75%, approximate; No explicit price inflation assumption is used in this valuation.

Salary Increases: 3.75% to 14.50%, including inflation

Investment Rate of Return: 7.50%

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013.

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

*Based on Valuation Assumptions used in the December 31, 2016 actuarial valuation; note two year lag between valuation and rate setting.

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
 SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE
 OF THE NET PENSION LIABILITY
 JUNE 30, 2019

	<u>6/30/2019 *</u>	<u>6/30/2018 *</u>	<u>6/30/2017 *</u>	<u>6/30/2016 *</u>	<u>6/30/2015 *</u>
Employer's proportion of the Net Pension Liability	0.0010081%	0.0009963%	0.0010434%	0.0010417%	0.0010934%
Employer's proportionate share of the Net Pension Liability	\$ 785,771	\$ 761,135	\$ 823,613	\$ 682,398	\$ 665,447
State's proportionate share of the Net Pension Liability associated with the employer	<u>53,828,636</u>	<u>52,398,094</u>	<u>55,298,874</u>	<u>40,748,081</u>	<u>41,497,929</u>
Total	<u>\$ 54,614,407</u>	<u>\$ 53,159,229</u>	<u>\$ 56,122,487</u>	<u>\$ 41,430,479</u>	<u>\$ 42,163,376</u>
Employer's Covered-Employee Payroll	\$ 7,208,882	\$ 7,076,920	\$ 6,970,454	\$ 6,300,222	\$ 6,300,172
Employer's proportionate share of the Net Pension Liability as a percentage of Covered-Employee Payroll	10.90%	10.76%	11.82%	10.83%	10.56%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	40.00%	39.30%	36.40%	41.50%	43.00%

* - The amounts presented were determined as of the prior fiscal-year end

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

Changes of Assumptions:

For the 2018, 2017 and 2016 measurement years, the assumed investment rate of return was of 7.0%, including an inflation rate of 2.5% and a real return of 4.5%. Salary increases were assumed to vary by service credit, but the rates of increase in the 2018 measurement year were slightly higher.

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

For the 2014 measurement year, the assumed investment rate of return was also 7.5%, including an inflation rate of 3.0% and a real return of 4.5%. However, salary increases were assumed to vary by age.

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
 SCHEDULE OF EMPLOYER CONTRIBUTION
 JUNE 30, 2019

	<u>6/30/2019 *</u>	<u>6/30/2018 *</u>	<u>6/30/2017 *</u>	<u>6/30/2016 *</u>	<u>6/30/2015 *</u>
Statutorily-Required Contribution	\$ 41,812	\$ 41,046	\$ 40,428	\$ 38,630	\$ 36,541
Contributions in relation to the Statutorily-Required Contribution	<u>41,812</u>	<u>41,046</u>	<u>40,428</u>	<u>38,613</u>	<u>36,541</u>
Contribution deficiency/(excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ -</u>
Employer's Covered-Employee Payroll	\$ 7,577,291	\$ 7,208,882	\$ 6,970,454	\$ 6,300,222	\$ 6,300,172
Contributions as a percentage of Covered-Employee Payroll	0.55%	0.57%	0.58%	0.61%	0.58%

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

* - This information presented is based on the actuarial valuation performed as of the prior June 30 year end.

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 TEACHER HEALTH INSURANCE SECURITY FUND OF THE STATE OF ILLINOIS
 SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE
 OF THE NET OPEB LIABILITY
 JUNE 30, 2019

	6/30/2019 *	6/30/2018 *
Employer's proportion of the Net OPEB Liability	0.0304980%	0.0307650%
Employer's proportionate share of the Net OPEB Liability	\$ 8,034,964	\$ 7,983,417
State's proportionate share of the Net OPEB Liability associated with the employer	10,789,224	10,484,168
Total	\$ 18,824,188	\$ 18,467,585
Employer's Covered Payroll	\$ 7,208,882	\$ 7,076,920
Employer's proportionate share of the Net OPEB Liability as a percentage of Covered Payroll	111.46%	112.81%
OPEB Plan Net Position as a percentage of the Total OPEB Liability	-0.07%	-0.17%

* - The amounts presented were determined as of the prior fiscal-year end

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

Changes of Assumptions:

For the 2018 measurement year, the assumed investment rate of return was 0%, including an inflation rate of 2.75%, and the healthcare cost trend rates used the actual trend. Salary increases include a 3.25% wage inflation.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 TEACHER HEALTH INSURANCE SECURITY FUND OF THE STATE OF ILLINOIS
 SCHEDULE OF EMPLOYER CONTRIBUTION
 JUNE 30, 2019

	6/30/2019 *	6/30/2018 *
Statutorily-Required Contribution	\$ 63,622	\$ 59,450
Contributions in relation to the Statutorily-Required Contribution	63,438	59,446
Contribution deficiency/(excess)	\$ 184	\$ 4
Employer's Covered Payroll	\$ 7,577,291	\$ 7,208,882
Contributions as a percentage of Covered Payroll	0.84%	0.82%

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

* - This information presented is based on the actuarial valuation performed as of the prior June 30 year end.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
OTHER POST-EMPLOYMENT BENEFIT
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET OPEB
LIABILITY AND RELATED RATIOS
JUNE 30, 2019

	<u>6/30/2019</u>	<u>6/30/2018</u>
TOTAL OPEB LIABILITY		
Service Cost	\$ 31,561	\$ 30,385
Interest	23,374	22,869
Benefit Payments	(43,064)	(37,366)
Changes in Assumptions	13,714	-
Net Change in Total OPEB Liability	<u>\$ 25,585</u>	<u>\$ 15,888</u>
 Total OPEB Liability - Beginning	 <u>625,499</u>	 <u>609,611</u>
 Total OPEB Liability - Ending	 <u>\$ 651,084</u>	 <u>\$ 625,499</u>
 OPEB PLAN FIDUCIARY NET POSITION		
Net Change in OPEB Plan Net Position	\$ -	\$ -
 OPEB Plan Net Position - Beginning	 <u>-</u>	 <u>-</u>
 OPEB Net Position - Ending	 <u>\$ -</u>	 <u>\$ -</u>
 District's Net OPEB Plan Liability	 <u>\$ 651,084</u>	 <u>\$ 625,499</u>
 OPEB Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	 0.00%	 0.00%
 Covered-Employee Payroll	 \$ 9,894,172	 \$ 9,177,241
 Employer's Net OPEB Liability as a Percentage of Covered-Valuation Payroll	 6.58%	 6.82%

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 OTHER POST-EMPLOYMENT BENEFIT
 SCHEDULE OF EMPLOYER CONTRIBUTION
 JUNE 30, 2019

	6/30/2019	6/30/2018
Actuarially-Determined Contribution	N/A	N/A
Contributions in Relation to Actuarially-Determined Contribution	-	-
Contribution Deficiency/(Excess)	N/A	N/A
Covered-Employee Payroll	\$ 9,894,172	\$ 9,560,619
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%

Notes to Schedule:

There is no ADC or employer contribution in relation to the ADC, as the total OPEB liabilities are currently an unfunded obligation.

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 8,698,197	\$ 8,678,664	\$ 8,604,607
Tuition	561,577	443,402	414,104
Earnings on Investments	56,100	128,600	128,702
Food Service	146,145	128,984	130,712
District/School Activity Income	113,060	107,350	109,322
Textbooks	785	380	571
Other Local Sources	382,160	418,704	419,756
State Aid			
Evidence Based Funding	3,622,269	3,662,215	3,662,216
Special Education	254,587	216,400	216,400
Career and Technical Education	887	887	-
State Free Lunch and Breakfast	250	575	843
Other Restricted Revenue from State Sources	-	-	870
Federal Aid			
Flow-Through Revenue	-	2,202	-
Food Service	71,500	66,068	70,741
Federal Special Education	174,947	161,213	146,581
Title II - Teacher Quality	27,671	20,000	20,000
Medicaid Matching Funds - Administrative Outreach	22,000	3,106	12,717
Medicaid Matching Funds - Fee-for-Service Program	-	188,688	29,794
On-Behalf Payments	6,000,000	6,000,000	5,140,827
Total Revenues	\$ 20,132,135	\$ 20,227,438	\$ 19,108,763
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	\$ 4,696,509	\$ 4,654,600	\$ 4,696,595
Employee Benefits	795,360	817,150	767,955
Purchased Services	129,526	58,600	66,172
Supplies and Materials	218,275	171,050	166,303
Other Objects	1,450	1,135	1,135
Non-Capitalized Equipment	3,250	2,650	-
Termination Benefits	30,031	25,555	26,229
	<u>\$ 5,874,401</u>	<u>\$ 5,730,740</u>	<u>\$ 5,724,389</u>
Special Education Programs			
Salaries	\$ 1,306,520	\$ 1,252,255	\$ 1,251,775
Employee Benefits	374,968	362,850	366,249
Purchased Services	32,472	9,050	9,044
Supplies and Materials	60,747	30,925	31,072
Other Objects	-	740	756
Non-Capitalized Equipment	2,000	19,450	19,435
	<u>\$ 1,776,707</u>	<u>\$ 1,675,270</u>	<u>\$ 1,678,331</u>
Special Education Programs Pre-K			
Salaries	\$ 285,654	\$ 266,500	\$ 268,307
Employee Benefits	81,468	80,600	79,175
Purchased Services	1,200	660	658
Supplies and Materials	6,840	6,700	6,886
Non-Capitalized Equipment	-	1,300	1,299
	<u>\$ 375,162</u>	<u>\$ 355,760</u>	<u>\$ 356,325</u>
Interscholastic Programs			
Salaries	\$ 200,594	\$ 109,429	\$ 109,289
Employee Benefits	3,009	1,520	-
Purchased Services	14,184	11,500	11,417
Supplies and Materials	8,940	7,725	5,955
Other Objects	2,850	2,375	2,825
Non-Capitalized Equipment	3,000	4,000	3,916
	<u>\$ 232,577</u>	<u>\$ 136,549</u>	<u>\$ 133,402</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Instruction (Continued)			
Gifted Programs			
Salaries	\$ 185,495	\$ 187,295	\$ 188,793
Employee Benefits	45,684	43,250	44,041
Supplies and Materials	450	50	2,533
Other Objects	400	2,550	-
	<u>\$ 232,029</u>	<u>\$ 233,145</u>	<u>\$ 235,367</u>
Bilingual Programs			
Salaries	\$ 81,290	\$ 82,750	\$ 83,199
Employee Benefits	2,744	2,900	2,356
Purchased Services	146	-	-
Supplies and Materials	3,992	3,050	3,036
	<u>\$ 88,172</u>	<u>\$ 88,700</u>	<u>\$ 88,591</u>
Private Tuition - Other Objects			
Special Education Programs K-12	\$ 579,998	\$ 616,100	\$ 637,489
	<u>\$ 579,998</u>	<u>\$ 616,100</u>	<u>\$ 637,489</u>
Total Instruction	<u>\$ 9,159,046</u>	<u>\$ 8,836,264</u>	<u>\$ 8,853,894</u>
Support Services			
Pupils			
Attendance and Social Work Services			
Salaries	\$ 188,189	\$ 188,100	\$ 189,673
Employee Benefits	49,631	49,150	50,620
Supplies and Materials	3,300	-	1,599
Other Objects	100	1,600	-
	<u>\$ 241,220</u>	<u>\$ 238,850</u>	<u>\$ 241,892</u>
Health Services			
Salaries	\$ 166,450	\$ 162,850	\$ 164,701
Employee Benefits	17,373	15,150	16,692
Purchased Services	24,125	17,500	17,426
Supplies and Materials	5,650	4,125	4,107
Non-Capitalized Equipment	1,500	-	-
	<u>\$ 215,098</u>	<u>\$ 199,625</u>	<u>\$ 202,926</u>
Psychological Services			
Salaries	\$ 142,497	\$ 142,087	\$ 143,042
Employee Benefits	30,956	32,061	30,836
Purchased Services	1,500	10,100	10,096
Supplies and Materials	2,700	4,500	2,251
	<u>\$ 177,653</u>	<u>\$ 188,748</u>	<u>\$ 186,225</u>
Speech Pathology and Audiology Services			
Salaries	\$ 239,119	\$ 229,200	\$ 226,900
Employee Benefits	65,133	64,500	62,533
Purchased Services	22,000	14,000	14,607
Supplies and Materials	2,900	4,250	4,232
	<u>\$ 329,152</u>	<u>\$ 311,950</u>	<u>\$ 308,272</u>
Other Support Services - Pupils			
Salaries	\$ 22,898	\$ 20,000	\$ 19,909
Employee Benefits	145	300	283
Purchased Services	600	55	-
Supplies and Materials	4,600	4,210	4,283
	<u>\$ 28,243</u>	<u>\$ 24,565</u>	<u>\$ 24,475</u>
Total Support Services - Pupils	<u>\$ 991,366</u>	<u>\$ 963,738</u>	<u>\$ 963,790</u>
Instructional Staff			
Improvement of Instruction Services			
Salaries	\$ 223,956	\$ 225,650	\$ 230,886
Employee Benefits	166,827	75,250	80,258
Purchased Services	132,264	70,000	70,244
Supplies and Materials	1,575	875	1,502
	<u>\$ 524,622</u>	<u>\$ 371,775</u>	<u>\$ 382,890</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Instructional Staff (Continued)			
Educational Media Services			
Salaries	\$ 129,312	\$ 127,500	\$ 127,978
Employee Benefits	48,350	47,750	41,702
Purchased Services	34,413	25,000	22,839
Supplies and Materials	14,088	11,500	11,951
Other Objects	175	85	105
Non-Capitalized Equipment	2,500	-	-
	<u>\$ 228,838</u>	<u>\$ 211,835</u>	<u>\$ 204,575</u>
Assessment and Testing			
Purchased Services	\$ 16,775	\$ 325	\$ 15,556
Supplies and Materials	6,100	1,000	977
	<u>\$ 22,875</u>	<u>\$ 1,325</u>	<u>\$ 16,533</u>
Total Support Services - Instructional Staff	<u>\$ 776,335</u>	<u>\$ 584,935</u>	<u>\$ 603,998</u>
General Administration			
Board of Education Services			
Salaries	\$ 2,425	\$ 2,550	\$ 2,749
Employee Benefits	-	11,400	10,453
Purchased Services	198,000	191,960	186,458
Supplies and Materials	3,650	5,925	7,090
Other Objects	5,500	6,000	5,688
	<u>\$ 209,575</u>	<u>\$ 217,835</u>	<u>\$ 212,438</u>
Executive Administration Services			
Salaries	\$ 384,235	\$ 360,000	\$ 360,727
Employee Benefits	24,715	50,200	49,681
Purchased Services	1,350	1,675	1,629
Supplies and Materials	450	-	-
Other Objects	3,100	6,000	4,117
	<u>\$ 413,850</u>	<u>\$ 417,875</u>	<u>\$ 416,154</u>
Special Area Administration Services			
Supplies and Materials	\$ 250	\$ 1,200	\$ 1,172
Other Objects	200	3,000	2,642
	<u>\$ 450</u>	<u>\$ 4,200</u>	<u>\$ 3,814</u>
Tort Immunity Services			
Purchased Services	\$ 70,630	\$ 72,500	\$ 84,255
	<u>\$ 70,630</u>	<u>\$ 72,500</u>	<u>\$ 84,255</u>
Total Support Services - General Administration	<u>\$ 694,505</u>	<u>\$ 712,410</u>	<u>\$ 716,661</u>
School Administration			
Office of the Principal Services			
Salaries	\$ 463,180	\$ 458,630	\$ 463,480
Employee Benefits	248,387	235,000	248,723
Purchased Services	5,350	4,750	4,776
Supplies and Materials	4,250	3,500	3,673
Other Objects	900	900	842
Non-Capitalized Equipment	1,600	3,500	3,426
	<u>\$ 723,667</u>	<u>\$ 706,280</u>	<u>\$ 724,920</u>
Total Support Services - School Administration	<u>\$ 723,667</u>	<u>\$ 706,280</u>	<u>\$ 724,920</u>
Business			
Direction of Business Support Services			
Salaries	\$ 70,300	\$ 72,000	\$ 71,445
Employee Benefits	7,000	8,550	8,089
	<u>\$ 77,300</u>	<u>\$ 80,550</u>	<u>\$ 79,534</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Business (Continued)			
Fiscal Services			
Salaries	\$ 161,200	\$ 160,065	\$ 162,827
Employee Benefits	30,373	27,100	28,676
Purchased Services	41,450	30,000	30,159
Supplies and Materials	3,000	2,000	1,892
Other Objects	1,600	2,000	540
Non-Capitalized Equipment	1,000	-	1,821
	<u>\$ 238,623</u>	<u>\$ 221,165</u>	<u>\$ 225,915</u>
Operations and Maintenance			
Supplies and Materials	\$ 150	\$ 150	\$ -
Non-Capitalized Equipment	1,500	1,500	-
	<u>\$ 1,650</u>	<u>\$ 1,650</u>	<u>\$ -</u>
Total Support Services - Business	<u>\$ 317,573</u>	<u>\$ 303,365</u>	<u>\$ 305,449</u>
Food Services			
Salaries	\$ 30,493	\$ 28,550	\$ 28,547
Employee Benefits	279	200	197
Purchased Services	202,600	156,650	159,154
Supplies and Materials	7,350	10,000	9,701
Other Objects	750	800	772
Non-Capitalized Equipment	18,500	-	-
	<u>\$ 259,972</u>	<u>\$ 196,200</u>	<u>\$ 198,371</u>
Total Support Services - Food Services	<u>\$ 259,972</u>	<u>\$ 196,200</u>	<u>\$ 198,371</u>
Central			
Other Objects	\$ -	\$ 75	\$ 75
	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 75</u>
Data Processing Services			
Purchased Services	\$ 121,000	\$ 96,000	\$ 95,149
Supplies and Materials	38,000	16,000	14,845
Non-Capitalized Equipment	25,000	38,200	38,196
	<u>\$ 184,000</u>	<u>\$ 150,200</u>	<u>\$ 148,190</u>
Total Support Services - Central	<u>\$ 184,000</u>	<u>\$ 150,275</u>	<u>\$ 148,265</u>
Total Support Services	<u>\$ 3,947,418</u>	<u>\$ 3,617,203</u>	<u>\$ 3,661,454</u>
Community Services			
Salaries	\$ 96,986	\$ 95,500	\$ 95,718
Employee Benefits	18,914	20,300	18,896
Purchased Services	60,925	2,750	2,536
Supplies and Materials	5,350	2,000	1,777
Other Objects	65,800	-	1,708
Non-Capitalized Equipment	1,750	1,750	-
Total Community Services	<u>\$ 249,725</u>	<u>\$ 122,300</u>	<u>\$ 120,635</u>
Payments to Other Districts and Governmental Units			
Payments to Other Districts and Governmental Units (In-State)			
Payments for Special Education Programs			
Purchased Services	\$ -	\$ 50,200	\$ -
Other Objects	180,000	177,000	227,125
	<u>\$ 180,000</u>	<u>\$ 227,200</u>	<u>\$ 227,125</u>
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 180,000</u>	<u>\$ 227,200</u>	<u>\$ 227,125</u>
Total Payments to Other Districts and Governmental Units	<u>\$ 180,000</u>	<u>\$ 227,200</u>	<u>\$ 227,125</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Capital Outlay			
Instruction			
Regular Programs	\$ -	\$ 29,000	\$ 28,977
Support Services			
Food Services	7,000	4,750	4,615
Central	10,000	-	-
	<u>\$ 17,000</u>	<u>\$ 33,750</u>	<u>\$ 33,592</u>
On-Behalf Payments	\$ 6,000,000	\$ 6,000,000	\$ 5,140,827
Total Expenditures	<u>\$ 19,553,189</u>	<u>\$ 18,836,717</u>	<u>\$ 18,037,527</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 578,946</u>	<u>\$ 1,390,721</u>	<u>\$ 1,071,236</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	\$ (216,840)	\$ (1,166,840)	\$ (1,166,839)
Interest Transfers	(50,600)	(116,000)	(115,854)
	<u>\$ (267,440)</u>	<u>\$ (1,282,840)</u>	<u>\$ (1,282,693)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 311,506</u>	<u>\$ 107,881</u>	\$ (211,457)
FUND BALANCE - JULY 1, 2018			<u>1,430,272</u>
FUND BALANCE - JUNE 30, 2019			<u>\$ 1,218,815</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - OPERATIONS AND MAINTENANCE FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 1,214,468	\$ 1,212,300	\$ 1,201,111
Earnings on Investments	4,560	9,700	10,214
Other Local Sources	280,500	296,700	304,444
Total Revenues	\$ 1,499,528	\$ 1,518,700	\$ 1,515,769
EXPENDITURES			
Support Services			
Pupils			
Purchased Services	\$ 2,350	\$ -	\$ -
Total Support Services - Pupils	\$ 2,350	\$ -	\$ -
Facilities Acquisition and Construction			
Non-Capitalized Equipment	\$ -	\$ 1,500	\$ 1,497
Total Support Services - Facilities Acquisition and Construction	\$ -	\$ 1,500	\$ 1,497
Operations and Maintenance			
Salaries	\$ 575,817	\$ 506,587	\$ 516,566
Employee Benefits	114,203	114,203	116,669
Purchased Services	321,050	317,000	322,171
Supplies and Materials	390,425	330,425	339,251
Other Objects	600	300	228
Non-Capitalized Equipment	26,500	20,000	19,094
Total Support Services - Operations and Maintenance	\$ 1,428,595	\$ 1,288,515	\$ 1,313,979
Total Support Services	\$ 1,430,945	\$ 1,290,015	\$ 1,315,476
Payments to Other Districts and Governmental Units			
Payments to Other Districts and Governmental Units (In-State)			
Payments for Special Education Programs	\$ 33,657	\$ 31,675	\$ 31,675
Other Objects	\$ 33,657	\$ 31,675	\$ 31,675
Total Payments to Other Districts and Governmental Units (In-State)	\$ 33,657	\$ 31,675	\$ 31,675
Total Payments to Other Districts and Governmental Units	\$ 33,657	\$ 31,675	\$ 31,675
Capital Outlay			
Support Services			
Facilities Acquisition and Construction	\$ 5,000	\$ 5,000	\$ -
Operations and Maintenance	62,000	47,500	46,203
	\$ 67,000	\$ 52,500	\$ 46,203
Total Expenditures	\$ 1,531,602	\$ 1,374,190	\$ 1,393,354
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (32,074)	\$ 144,510	\$ 122,415
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	\$ -	\$ (275,000)	\$ (275,000)
Interest Transfers	64,875	160,815	161,705
	\$ 64,875	\$ (114,185)	\$ (113,295)
NET CHANGE IN FUND BALANCE	\$ 32,801	\$ 30,325	\$ 9,120
FUND BALANCE - JULY 1, 2018			(156,465)
FUND BALANCE - JUNE 30, 2019			\$ (147,345)

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - TRANSPORTATION FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 565,438	\$ 564,800	\$ 559,136
Earnings on Investments	4,025	10,815	11,224
State Aid			
Transportation	740,000	501,420	501,112
Total Revenues	\$ 1,309,463	\$ 1,077,035	\$ 1,071,472
EXPENDITURES			
Support Services			
Pupils			
Other Support Services - Pupils			
Purchased Services	\$ 20,500	\$ -	\$ -
Total Support Services - Pupils	\$ 20,500	\$ -	\$ -
Transportation			
Salaries	\$ 626,370	\$ 567,000	\$ 563,595
Employee Benefits	90,250	86,000	88,617
Purchased Services	95,725	85,600	87,274
Supplies and Materials	83,100	77,950	77,828
Other Objects	300	247,262	82,559
Non-Capitalized Equipment	3,000	800	737
Total Support Services - Transportation	\$ 898,745	\$ 1,064,612	\$ 900,610
Total Support Services	\$ 919,245	\$ 1,064,612	\$ 900,610
Capital Outlay			
Support Services			
Transportation	\$ 165,000	\$ -	\$ -
	\$ 165,000	\$ -	\$ -
Total Expenditures	\$ 1,084,245	\$ 1,064,612	\$ 900,610
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 225,218	\$ 12,423	\$ 170,862
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	\$ (400,000)	\$ -	\$ -
Interest Transfers	(4,025)	(10,815)	(11,304)
	\$ (404,025)	\$ (10,815)	\$ (11,304)
NET CHANGE IN FUND BALANCE	\$ (178,807)	\$ 1,608	\$ 159,558
FUND BALANCE - JULY 1, 2018			465,499
FUND BALANCE - JUNE 30, 2019			\$ 625,057

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 39,338	\$ 39,922	\$ 39,217
Special Education Purposes Levy	16,808	17,496	16,792
FICA/Medicare Only Purposes Levies	403,095	400,392	398,795
Payments in Lieu of Taxes	25,000	18,880	19,011
Earnings on Investments	2,250	3,785	3,729
Total Revenues	\$ 486,491	\$ 480,475	\$ 477,544
EXPENDITURES			
Instruction			
Regular Programs			
Employee Benefits	\$ 97,170	\$ 91,203	\$ 91,196
Special Education Programs			
Employee Benefits	83,806	81,812	81,762
Special Education Programs - Pre-K			
Employee Benefits	17,547	13,965	13,962
Interscholastic Programs			
Employee Benefits	2,909	2,160	2,156
Summer School Programs			
Employee Benefits	-	7	-
Gifted Programs			
Employee Benefits	2,690	2,600	2,583
Bilingual Programs			
Employee Benefits	4,081	4,050	4,049
Total Instruction	\$ 208,203	\$ 195,797	\$ 195,708
Support Services			
Pupils			
Attendance and Social Work Services			
Employee Benefits	\$ 2,729	\$ 2,449	\$ 2,449
Health Services			
Employee Benefits	30,210	26,815	26,811
Psychological Services			
Employee Benefits	2,066	1,904	1,903
Speech Pathology and Audiology Services			
Employee Benefits	3,467	3,034	3,034
Other Support Services - Pupils			
Employee Benefits	2,520	464	462
Total Supports Services - Pupils	\$ 40,992	\$ 34,666	\$ 34,659
Instructional Staff			
Improvement of Instruction Services			
Employee Benefits	\$ 19,055	\$ 23,435	\$ 23,433
Educational Media Services			
Employee Benefits	10,700	9,597	9,596
Total Support Services - Instructional Staff	\$ 29,755	\$ 33,032	\$ 33,029

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
General Administration			
Board of Education Services			
Employee Benefits	\$ 441	\$ 438	\$ 438
Executive Administration Services			
Employee Benefits	9,399	5,165	5,165
Total Support Services - General Administration	<u>\$ 9,840</u>	<u>\$ 5,603</u>	<u>\$ 5,603</u>
School Administration			
Office of the Principal Services			
Employee Benefits	\$ 33,159	\$ 30,101	\$ 30,100
Total Support Services - School Administration	<u>\$ 33,159</u>	<u>\$ 30,101</u>	<u>\$ 30,100</u>
Business			
Direction of Business Support Services			
Employee Benefits	\$ 1,022	\$ 1,019	\$ 1,019
Fiscal Services			
Employee Benefits	19,345	18,246	18,245
Operations and Maintenance			
Employee Benefits	104,510	89,357	89,351
Pupil Transportation Services			
Employee Benefits	113,695	96,618	96,612
Food Services			
Employee Benefits	3,489	3,571	3,570
Total Support Services - Business	<u>\$ 242,061</u>	<u>\$ 208,811</u>	<u>\$ 208,797</u>
Total Support Services	<u>\$ 355,807</u>	<u>\$ 312,213</u>	<u>\$ 312,188</u>
Community Services			
Employee Benefits	\$ 17,604	\$ 17,143	\$ 17,142
Total Community Services	<u>\$ 17,604</u>	<u>\$ 17,143</u>	<u>\$ 17,142</u>
Payments to Other Districts and Governmental Units			
Payments for Special Education Programs			
Employee Benefits	\$ -	\$ -	\$ 16,808
Total Payments to Other Districts and Governmental Units	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,808</u>
Total Expenditures	<u>\$ 581,614</u>	<u>\$ 525,153</u>	<u>\$ 541,846</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
 YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
NET CHANGE IN FUND BALANCE	\$ (95,123)	\$ (44,678)	\$ (64,302)
FUND BALANCE - JULY 1, 2018			803
FUND BALANCE - JUNE 30, 2019			\$ (63,499)

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 JUNE 30, 2019

NOTE 1 - BUDGETARY PROCESS

The District follows procedures mandated by Illinois State law and District Board policy to establish the budgetary data reflected in its financial statements. The budget was passed on September 24, 2018 and was amended on June 24, 2019. The cash basis budgeted amounts in this report are the result of full compliance with the following procedures:

For each fund, total fund expenditures may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.
5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

NOTE 2 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended June 30, 2019, two funds presented as Required Supplementary Information had expenditures that exceeded budget.

Fund	Budget	Actual	Excess of Actual Over Budget
Operations & Maintenance Fund	\$ 1,374,190	\$ 1,393,354	\$ 19,164
IMRF/Social Security Fund	525,153	541,846	16,693

SUPPLEMENTAL FINANCIAL INFORMATION

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 COMBINING BALANCE SHEET
 GENERAL FUND
 JUNE 30, 2019

	Educational Fund	Working Cash Fund	Tort Immunity Fund	Total General Fund
ASSETS				
Cash and Cash Equivalents	\$ 6,084,274	\$ 518,809	\$ 257,742	\$ 6,860,825
Property Taxes Receivable, net of allowance of \$10,354	4,173,062	24,220	72,660	4,269,942
Accounts Receivable, net of allowance of \$0	10,696	-	-	10,696
Due from Other Governments, net of allowance of \$0	78,439	-	-	78,439
Prepaid Items	55,248	-	-	55,248
Total Assets	<u>\$ 10,401,719</u>	<u>\$ 543,029</u>	<u>\$ 330,402</u>	<u>\$ 11,275,150</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable and Accrued Expenses	\$ 287,054	\$ -	\$ 8,695	\$ 295,749
Payroll Liabilities	1,040,081	-	-	1,040,081
Unearned Revenue - Registration Fees	29,691	-	-	29,691
Total Liabilities	<u>\$ 1,356,826</u>	<u>\$ -</u>	<u>\$ 8,695</u>	<u>\$ 1,365,521</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	\$ 8,495,281	\$ 48,884	\$ 146,649	\$ 8,690,814
Total Deferred Inflows of Resources	<u>\$ 8,495,281</u>	<u>\$ 48,884</u>	<u>\$ 146,649</u>	<u>\$ 8,690,814</u>
FUND BALANCE				
Nonspendable				
Prepaid Items	\$ 55,248	\$ -	\$ -	\$ 55,248
Restricted				
Tort	-	-	2,346	2,346
Unassigned	494,364	494,145	172,712	1,161,221
Total Fund Balance	<u>\$ 549,612</u>	<u>\$ 494,145</u>	<u>\$ 175,058</u>	<u>\$ 1,218,815</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 10,401,719</u>	<u>\$ 543,029</u>	<u>\$ 330,402</u>	<u>\$ 11,275,150</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GENERAL FUND
 YEAR ENDED JUNE 30, 2019

	Educational Fund	Working Cash Fund	Tort Immunity Fund	Total General Fund
REVENUES				
Property Taxes	\$ 8,365,265	\$ 92,360	\$ 146,982	\$ 8,604,607
Tuition	414,104	-	-	414,104
Earnings on Investments	115,855	9,509	3,338	128,702
Food Service	130,712	-	-	130,712
District/School Activity Income	109,322	-	-	109,322
Textbooks	571	-	-	571
Other Local Sources	419,756	-	-	419,756
State Aid	3,880,329	-	-	3,880,329
Federal Aid	279,833	-	-	279,833
On-Behalf Payments	5,140,827	-	-	5,140,827
	<u>\$ 18,856,574</u>	<u>\$ 101,869</u>	<u>\$ 150,320</u>	<u>\$ 19,108,763</u>
EXPENDITURES				
Current				
Instruction				
Regular Programs	\$ 5,723,189	\$ -	\$ -	\$ 5,723,189
Special Education Programs	2,034,656	-	-	2,034,656
Other Instructional Programs	1,096,049	-	-	1,096,049
Support Services				
Pupils	963,790	-	-	963,790
Instructional Staff	603,998	-	-	603,998
General Administration	572,025	-	144,636	716,661
School Administration	724,920	-	-	724,920
Business	305,449	-	-	305,449
Food Services	198,371	-	-	198,371
Central	148,265	-	-	148,265
Community Services	120,635	-	-	120,635
Payments to Other Districts and Governmental Units	227,125	-	-	227,125
Capital Outlay	33,592	-	-	33,592
On-Behalf Payments	5,140,827	-	-	5,140,827
	<u>\$ 17,892,891</u>	<u>\$ -</u>	<u>\$ 144,636</u>	<u>\$ 18,037,527</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>\$ 963,683</u>	<u>\$ 101,869</u>	<u>\$ 5,684</u>	<u>\$ 1,071,236</u>
OTHER FINANCING SOURCES (USES)				
Interfund Transfers	\$ (1,166,839)	\$ -	\$ -	\$ (1,166,839)
Interest Transfers	(115,854)	-	-	(115,854)
	<u>\$ (1,282,693)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,282,693)</u>
NET CHANGE IN FUND BALANCES				
	\$ (319,010)	\$ 101,869	\$ 5,684	\$ (211,457)
FUND BALANCE - JULY 1, 2018				
	<u>868,622</u>	<u>392,276</u>	<u>169,374</u>	<u>1,430,272</u>
FUND BALANCE - JUNE 30, 2019				
	<u>\$ 549,612</u>	<u>\$ 494,145</u>	<u>\$ 175,058</u>	<u>\$ 1,218,815</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 8,456,964	\$ 8,437,084	\$ 8,365,265
Tuition	561,577	443,402	414,104
Earnings on Investments	50,600	116,000	115,855
Food Service	146,145	128,984	130,712
District/School Activity Income	113,060	107,350	109,322
Textbooks	785	380	571
Other Local Sources	382,160	418,704	419,756
State Aid			
Evidence Based Funding	3,622,269	3,662,215	3,662,216
Special Education	254,587	216,400	216,400
Career and Technical Education	887	887	-
State Free Lunch and Breakfast	250	575	843
Other Restricted Revenue from State Sources	-	-	870
Federal Aid			
Flow-Through Revenue	-	2,202	-
Food Service	71,500	66,068	70,741
Federal Special Education	174,947	161,213	146,581
Title II - Teacher Quality	27,671	20,000	20,000
Medicaid Matching Funds - Administrative Outreach	22,000	3,106	12,717
Medicaid Matching Funds - Fee-for-Service Program	-	188,688	29,794
On-Behalf Payments	6,000,000	6,000,000	5,140,827
Total Revenues	\$ 19,885,402	\$ 19,973,258	\$ 18,856,574
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	\$ 4,696,509	\$ 4,654,600	\$ 4,696,595
Employee Benefits	795,360	817,150	767,955
Purchased Services	129,526	58,600	64,972
Supplies and Materials	218,275	171,050	166,303
Other Objects	1,450	1,135	1,135
Non-Capitalized Equipment	3,250	2,650	-
Termination Benefits	30,031	25,555	26,229
	<u>\$ 5,874,401</u>	<u>\$ 5,730,740</u>	<u>\$ 5,723,189</u>
Special Education Programs			
Salaries	\$ 1,306,520	\$ 1,252,255	\$ 1,251,775
Employee Benefits	374,968	362,850	366,249
Purchased Services	32,472	9,050	9,044
Supplies and Materials	60,747	30,925	31,072
Other Objects	-	740	756
Non-Capitalized Equipment	2,000	19,450	19,435
	<u>\$ 1,776,707</u>	<u>\$ 1,675,270</u>	<u>\$ 1,678,331</u>
Special Education Programs Pre-K			
Salaries	\$ 285,654	\$ 266,500	\$ 268,307
Employee Benefits	81,468	80,600	79,175
Purchased Services	1,200	660	658
Supplies and Materials	6,840	6,700	6,886
Non-Capitalized Equipment	-	1,300	1,299
	<u>\$ 375,162</u>	<u>\$ 355,760</u>	<u>\$ 356,325</u>
Interscholastic Programs			
Salaries	\$ 200,594	\$ 109,429	\$ 109,289
Employee Benefits	3,009	1,520	-
Purchased Services	14,184	11,500	11,417
Supplies and Materials	8,940	7,725	5,955
Other Objects	2,850	2,375	2,825
Non-Capitalized Equipment	3,000	4,000	3,916
	<u>\$ 232,577</u>	<u>\$ 136,549</u>	<u>\$ 133,402</u>

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MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Instruction (Continued)			
Gifted Programs			
Salaries	\$ 185,495	\$ 187,295	\$ 188,793
Employee Benefits	45,684	43,250	44,041
Supplies and Materials	450	50	2,533
Other Objects	400	2,550	-
	<u>\$ 232,029</u>	<u>\$ 233,145</u>	<u>\$ 235,367</u>
Bilingual Programs			
Salaries	\$ 81,290	\$ 82,750	\$ 83,199
Employee Benefits	2,744	2,900	2,356
Purchased Services	146	-	-
Supplies and Materials	3,992	3,050	3,036
	<u>\$ 88,172</u>	<u>\$ 88,700</u>	<u>\$ 88,591</u>
Private Tuition - Other Objects			
Special Education Programs K-12	\$ 579,998	\$ 616,100	\$ 638,689
	<u>\$ 579,998</u>	<u>\$ 616,100</u>	<u>\$ 638,689</u>
Total Instruction	<u>\$ 9,159,046</u>	<u>\$ 8,836,264</u>	<u>\$ 8,853,894</u>
Support Services			
Pupils			
Attendance and Social Work Services			
Salaries	\$ 188,189	\$ 188,100	\$ 189,673
Employee Benefits	49,631	49,150	50,620
Supplies and Materials	3,300	-	1,599
Other Objects	100	1,600	-
	<u>\$ 241,220</u>	<u>\$ 238,850</u>	<u>\$ 241,892</u>
Health Services			
Salaries	\$ 166,450	\$ 162,850	\$ 164,701
Employee Benefits	17,373	15,150	16,692
Purchased Services	24,125	17,500	17,426
Supplies and Materials	5,650	4,125	4,107
Non-Capitalized Equipment	1,500	-	-
	<u>\$ 215,098</u>	<u>\$ 199,625</u>	<u>\$ 202,926</u>
Psychological Services			
Salaries	\$ 142,497	\$ 142,087	\$ 143,042
Employee Benefits	30,956	32,061	30,836
Purchased Services	1,500	10,100	10,096
Supplies and Materials	2,700	4,500	2,251
	<u>\$ 177,653</u>	<u>\$ 188,748</u>	<u>\$ 186,225</u>
Speech Pathology and Audiology Services			
Salaries	\$ 239,119	\$ 229,200	\$ 226,900
Employee Benefits	65,133	64,500	62,533
Purchased Services	22,000	14,000	14,607
Supplies and Materials	2,900	4,250	4,232
	<u>\$ 329,152</u>	<u>\$ 311,950</u>	<u>\$ 308,272</u>
Other Support Services - Pupils			
Salaries	\$ 22,898	\$ 20,000	\$ 19,909
Employee Benefits	145	300	283
Purchased Services	600	55	-
Supplies and Materials	4,600	4,210	4,283
	<u>\$ 28,243</u>	<u>\$ 24,565</u>	<u>\$ 24,475</u>
Total Support Services - Pupils	<u>\$ 991,366</u>	<u>\$ 963,738</u>	<u>\$ 963,790</u>
Instructional Staff			
Improvement of Instruction Services			
Salaries	\$ 223,956	\$ 225,650	\$ 230,886
Employee Benefits	166,827	75,250	80,258
Purchased Services	132,264	70,000	70,244
Supplies and Materials	1,575	875	1,502
	<u>\$ 524,622</u>	<u>\$ 371,775</u>	<u>\$ 382,890</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Instructional Staff			
Educational Media Services			
Salaries	\$ 129,312	\$ 127,500	\$ 127,978
Employee Benefits	48,350	47,750	41,702
Purchased Services	34,413	25,000	22,839
Supplies and Materials	14,088	11,500	11,951
Other Objects	175	85	105
Non-Capitalized Equipment	2,500	-	-
	<u>\$ 228,838</u>	<u>\$ 211,835</u>	<u>\$ 204,575</u>
Assessment and Testing			
Purchased Services	\$ 16,775	\$ 325	\$ 15,556
Supplies and Materials	6,100	1,000	977
	<u>\$ 22,875</u>	<u>\$ 1,325</u>	<u>\$ 16,533</u>
Total Support Services - Instructional Staff	<u>\$ 776,335</u>	<u>\$ 584,935</u>	<u>\$ 603,998</u>
General Administration			
Board of Education Services			
Salaries	\$ 2,425	\$ 2,550	\$ 2,749
Employee Benefits	-	11,400	10,453
Purchased Services	48,000	40,650	41,822
Supplies and Materials	3,650	5,925	7,090
Other Objects	5,500	6,000	5,688
	<u>\$ 59,575</u>	<u>\$ 66,525</u>	<u>\$ 67,802</u>
Executive Administration Services			
Salaries	\$ 384,235	\$ 360,000	\$ 360,727
Employee Benefits	24,715	50,200	49,681
Purchased Services	1,350	1,675	1,629
Supplies and Materials	450	-	-
Other Objects	3,100	6,000	4,117
	<u>\$ 413,850</u>	<u>\$ 417,875</u>	<u>\$ 416,154</u>
Special Area Administration Services			
Supplies and Materials	\$ 250	\$ 1,200	\$ 1,172
Other Objects	200	3,000	2,642
	<u>\$ 450</u>	<u>\$ 4,200</u>	<u>\$ 3,814</u>
Tort Immunity Services			
Purchased Services	\$ 70,630	\$ 72,500	\$ 84,255
	<u>\$ 70,630</u>	<u>\$ 72,500</u>	<u>\$ 84,255</u>
Total Support Services - General Administration	<u>\$ 544,505</u>	<u>\$ 561,100</u>	<u>\$ 572,025</u>
School Administration			
Office of the Principal Services			
Salaries	\$ 463,180	\$ 458,630	\$ 463,480
Employee Benefits	248,387	235,000	248,723
Purchased Services	5,350	4,750	4,776
Supplies and Materials	4,250	3,500	3,673
Other Objects	900	900	842
Non-Capitalized Equipment	1,600	3,500	3,426
	<u>\$ 723,667</u>	<u>\$ 706,280</u>	<u>\$ 724,920</u>
Total Support Services - School Administration	<u>\$ 723,667</u>	<u>\$ 706,280</u>	<u>\$ 724,920</u>
Business			
Direction of Business Support Services			
Salaries	\$ 70,300	\$ 72,000	\$ 71,445
Employee Benefits	7,000	8,550	8,089
	<u>\$ 77,300</u>	<u>\$ 80,550</u>	<u>\$ 79,534</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Business (Continued)			
Fiscal Services			
Salaries	\$ 161,200	\$ 160,065	\$ 162,827
Employee Benefits	30,373	27,100	28,676
Purchased Services	41,450	30,000	30,159
Supplies and Materials	3,000	2,000	1,892
Other Objects	1,600	2,000	540
Non-Capitalized Equipment	1,000	-	1,821
	<u>\$ 238,623</u>	<u>\$ 221,165</u>	<u>\$ 225,915</u>
Operations and Maintenance			
Supplies and Materials	\$ 150	\$ 150	\$ -
Non-Capitalized Equipment	1,500	1,500	-
	<u>\$ 1,650</u>	<u>\$ 1,650</u>	<u>\$ -</u>
Total Support Services - Business	<u>\$ 317,573</u>	<u>\$ 303,365</u>	<u>\$ 305,449</u>
Food Services			
Salaries	\$ 30,493	\$ 28,550	\$ 28,547
Employee Benefits	279	200	197
Purchased Services	202,600	156,650	159,154
Supplies and Materials	7,350	10,000	9,701
Other Objects	750	800	772
Non-Capitalized Equipment	18,500	-	-
	<u>\$ 259,972</u>	<u>\$ 196,200</u>	<u>\$ 198,371</u>
Total Support Services - Food Services	<u>\$ 259,972</u>	<u>\$ 196,200</u>	<u>\$ 198,371</u>
Central			
Staff Services			
Other Objects	\$ -	\$ 75	\$ 75
	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 75</u>
Data Processing Services			
Purchased Services	\$ 121,000	\$ 96,000	\$ 95,149
Supplies and Materials	38,000	16,000	14,845
Non-Capitalized Equipment	25,000	38,200	38,196
	<u>\$ 184,000</u>	<u>\$ 150,200</u>	<u>\$ 148,190</u>
Total Support Services - Central	<u>\$ 184,000</u>	<u>\$ 150,275</u>	<u>\$ 148,265</u>
Total Support Services	<u>\$ 3,797,418</u>	<u>\$ 3,465,893</u>	<u>\$ 3,516,818</u>
Community Services			
Salaries	\$ 96,986	\$ 95,500	\$ 95,718
Employee Benefits	18,914	20,300	18,896
Purchased Services	60,925	2,750	2,536
Supplies and Materials	5,350	2,000	1,777
Other Objects	65,800	-	1,708
Non-Capitalized Equipment	1,750	1,750	-
Total Community Services	<u>\$ 249,725</u>	<u>\$ 122,300</u>	<u>\$ 120,635</u>
Payments to Other Districts and Governmental Units			
Payments to Other Districts and Governmental Units (In-State)			
Payments for Special Education Programs			
Purchased Services	\$ -	\$ 50,200	\$ -
Other Objects	180,000	177,000	227,125
	<u>\$ 180,000</u>	<u>\$ 227,200</u>	<u>\$ 227,125</u>
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 180,000</u>	<u>\$ 227,200</u>	<u>\$ 227,125</u>
Total Payments to Other Districts and Governmental Units	<u>\$ 180,000</u>	<u>\$ 227,200</u>	<u>\$ 227,125</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Capital Outlay			
Instruction			
Regular Programs	\$ -	\$ 29,000	\$ 28,977
Food Services	7,000	4,750	4,615
Central	10,000	-	-
	<u>\$ 17,000</u>	<u>\$ 33,750</u>	<u>\$ 33,592</u>
On-Behalf Payments	<u>\$ 6,000,000</u>	<u>\$ 6,000,000</u>	<u>\$ 5,140,827</u>
Total Expenditures	<u>\$ 19,403,189</u>	<u>\$ 18,685,407</u>	<u>\$ 17,892,891</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 482,213</u>	<u>\$ 1,287,851</u>	<u>\$ 963,683</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	\$ (216,840)	\$ (1,166,840)	\$ (1,166,839)
Interest Transfers	(50,600)	(116,000)	(115,854)
	<u>\$ (267,440)</u>	<u>\$ (1,282,840)</u>	<u>\$ (1,282,693)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 214,773</u>	<u>\$ 5,011</u>	<u>\$ (319,010)</u>
FUND BALANCE - JULY 1, 2018			<u>868,622</u>
FUND BALANCE - JUNE 30, 2019			<u>\$ 549,612</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 GENERAL FUND - WORKING CASH FUND
 YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 92,496	\$ 92,920	\$ 92,360
Earnings on Investments	4,000	9,350	9,509
Total Revenues	<u>\$ 96,496</u>	<u>\$ 102,270</u>	<u>\$ 101,869</u>
EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET CHANGE IN FUND BALANCE	<u>\$ 96,496</u>	<u>\$ 102,270</u>	\$ 101,869
FUND BALANCE - JULY 1, 2018			<u>392,276</u>
FUND BALANCE - JUNE 30, 2019			<u>\$ 494,145</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
TORT FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 148,737	\$ 148,660	\$ 146,982
Earnings on Investments	1,500	3,250	3,338
Total Revenues	<u>\$ 150,237</u>	<u>\$ 151,910</u>	<u>\$ 150,320</u>
EXPENDITURES			
Support Services			
General Administration			
Workers' Compensation or Worker's Occupational Disease Act			
Purchased Services	\$ 88,000	\$ 85,000	\$ 144,636
Insurance Payments			
Purchased Services	\$ 5,000	\$ 5,000	\$ -
	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ -</u>
Legal Services			
Purchased Services	\$ 57,000	\$ 61,310	\$ -
	<u>\$ 57,000</u>	<u>\$ 61,310</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 150,000</u>	<u>\$ 151,310</u>	<u>\$ 144,636</u>
NET CHANGE IN FUND BALANCE	<u>\$ 237</u>	<u>\$ 600</u>	\$ 5,684
FUND BALANCE - JULY 1, 2018			<u>169,374</u>
FUND BALANCE - JUNE 30, 2019			<u><u>\$ 175,058</u></u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICES FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 3,266,270	\$ 3,556,139	\$ 3,527,217
Earnings on Investments	10,250	34,000	34,646
Total Revenues	<u>\$ 3,276,520</u>	<u>\$ 3,590,139</u>	<u>\$ 3,561,863</u>
EXPENDITURES			
Debt Service			
Interest			
Other Interest on Long-Term Debt			
Other Objects	\$ 185,600	\$ 188,100	\$ 853,975
Total Debt Service - Interest	<u>\$ 185,600</u>	<u>\$ 188,100</u>	<u>\$ 853,975</u>
Debt Service - Payment of Principal on Long-Term Debt			
Other Objects	\$ 3,386,839	\$ 3,386,839	\$ 2,718,463
Total Debt Service - Payment of Principal on Long-Term Debt	<u>\$ 3,386,839</u>	<u>\$ 3,386,839</u>	<u>\$ 2,718,463</u>
Debt Services - Other			
Other Objects	\$ 1,500	\$ 3,700	\$ 3,667
Total Debt Services - Other	<u>\$ 1,500</u>	<u>\$ 3,700</u>	<u>\$ 3,667</u>
Total Debt Service	<u>\$ 3,573,939</u>	<u>\$ 3,578,639</u>	<u>\$ 3,576,105</u>
Total Expenditures	<u>\$ 3,573,939</u>	<u>\$ 3,578,639</u>	<u>\$ 3,576,105</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (297,419)</u>	<u>\$ 11,500</u>	<u>\$ (14,242)</u>
OTHER FINANCING SOURCES (USES)			
Transfers	\$ 106,590	\$ 82,840	\$ (34,547)
Principal on Bonds Sold	300,000	-	-
Interfund Transfers	-	-	116,839
	<u>\$ 406,590</u>	<u>\$ 82,840</u>	<u>\$ 82,292</u>
NET CHANGE IN FUND BALANCE	<u>\$ 109,171</u>	<u>\$ 94,340</u>	\$ 68,050
FUND BALANCE - JULY 1, 2018			<u>344,606</u>
FUND BALANCE - JUNE 30, 2019			<u>\$ 412,656</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Earnings on Investments	\$ 4,550	\$ 9,000	\$ 9,261
Other Local Sources	34,500	-	-
Total Revenues	\$ 39,050	\$ 9,000	\$ 9,261
EXPENDITURES			
Support Services			
Facilities Acquisition and Construction			
Purchased Services	\$ 70,000	\$ 70,000	\$ 44,359
Supplies and Materials	-	25	16
Non-Capitalized Equipment	-	12,000	11,277
Total Support Services - Facilities Acquisition and Construction	\$ 70,000	\$ 82,025	\$ 55,652
Total Support Services	\$ 70,000	\$ 82,025	\$ 55,652
Capital Outlay			
Support Services			
Facilities Acquisition and Construction	\$ 704,000	\$ 691,975	\$ 313,324
	\$ 704,000	\$ 691,975	\$ 313,324
Total Expenditures	\$ 774,000	\$ 774,000	\$ 368,976
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (734,950)	\$ (765,000)	\$ (359,715)
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	200,000	1,325,000	1,325,000
NET CHANGE IN FUND BALANCE	\$ (534,950)	\$ 560,000	\$ 965,285
FUND BALANCE - JULY 1, 2018			591,490
FUND BALANCE - JUNE 30, 2019			\$ 1,556,775

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND - FIRE PREVENTION AND SAFETY FUND
YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 111,122	\$ 110,576	\$ 109,745
Earnings on Investments	1,350	4,625	4,731
Total Revenues	\$ 112,472	\$ 115,201	\$ 114,476
EXPENDITURES			
Support Services			
Business			
Facilities Acquisition and Construction			
Purchased Services	\$ 26,400	\$ 26,400	\$ 19,913
Supplies and Materials	-	5	-
	<u>\$ 26,400</u>	<u>\$ 26,405</u>	<u>\$ 19,913</u>
Total Support Services - Business	\$ 26,400	\$ 26,405	\$ 19,913
Total Support Services	\$ 26,400	\$ 26,405	\$ 19,913
Capital Outlay			
Business	\$ 275,000	\$ 275,000	\$ 28,008
	<u>\$ 275,000</u>	<u>\$ 275,000</u>	<u>\$ 28,008</u>
Total Expenditures	\$ 301,400	\$ 301,405	\$ 47,921
NET CHANGE IN FUND BALANCE	\$ (188,928)	\$ (186,204)	\$ 66,555
FUND BALANCE - JULY 1, 2018			<u>142,630</u>
FUND BALANCE - JUNE 30, 2019			<u><u>\$ 209,185</u></u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 ACTIVITY FUNDS
 YEAR ENDED JUNE 30, 2019

	<u>BALANCE</u> <u>JULY 1, 2018</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2019</u>
ASSETS				
Cash and Cash Equivalents	\$ 176,009	\$ 283,852	\$ 300,662	\$ 159,199
Total Assets	<u>\$ 176,009</u>	<u>\$ 283,852</u>	<u>\$ 300,662</u>	<u>\$ 159,199</u>
LIABILITIES				
Due to Activity Funds	\$ 77,683	\$ 114,867	\$ 112,656	\$ 79,894
Due to PTO	58,935	41,176	46,392	53,719
Due Band Boosters	5,038	8,512	9,821	3,729
Due to Employees (Flexible Spending Account Plan)	<u>34,353</u>	<u>119,297</u>	<u>131,793</u>	<u>21,857</u>
Total Liabilities	<u>\$ 176,009</u>	<u>\$ 283,852</u>	<u>\$ 300,662</u>	<u>\$ 159,199</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
 COMPUTATION OF OPERATING EXPENSE PER PUPIL
 AND PER CAPITA TUITION CHARGE
 YEAR ENDED JUNE 30, 2019

OPERATING EXPENSE PER PUPIL

EXPENDITURES:		
ED	Total Expenditures	\$ 12,752,064
O&M	Total Expenditures	1,393,354
DS	Total Expenditures	3,576,105
TR	Total Expenditures	900,610
MR/SS	Total Expenditures	541,846
TORT	Total Expenditures	144,636
	Total Expenditures	\$ 19,308,615

LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:

ED	Special Education Programs Pre-K	\$ 355,026
ED	Special Education Programs K-12 - Private Tuition	638,689
ED	Community Services	120,635
ED	Total Payments to Other Govt Units	227,125
ED	Capital Outlay	33,592
ED	Non-Capitalized Equipment	68,093
O&M	Total Payments to Other Govt Units	31,675
O&M	Capital Outlay	46,203
O&M	Non-Capitalized Equipment	20,591
DS	Debt Service - Payments of Principal on Long-Term Debt	2,718,463
TR	Non-Capitalized Equipment	737
MR/SS	Special Education Programs - Pre-K	13,962
MR/SS	Community Services	17,142
MR/SS	Total Payments to Other Govt Units	16,808
	Total Deductions for OEPP Computation (Sum of Lines 18 - 74)	\$ 4,308,741
	Total Operating Expenses Regular K-12 (Line 14 minus Line 76)	14,999,874
	9 Month ADA from District Average Daily Attendance/Prior General State Aid Inquiry 2018-2019	1,059.60
	Estimated OEPP (Line 77 divided by Line 78)	\$ 14,170

PER CAPITA TUITION CHARGE

LESS OFFSETTING RECEIPTS/REVENUES:

ED	Total Food Service	\$ 130,712
ED-O&M	Total District/School Activity Income	109,322
ED	Sales - Regular Textbooks	571
ED-O&M	Rentals	268,699
ED	Other Local Fees (Describe & Itemize)	236,528
ED-O&M-TR	Total Special Education	216,400
ED	State Free Lunch & Breakfast	843
ED-O&M-TR-MR/SS	Total Transportation	501,112
ED-O&M-DS-TR-MR/SS-Tort	Other Restricted Revenue from State Sources	870
ED-MR/SS	Total Food Service	70,741
ED-O&M-TR-MR/SS	Fed - Spec Education - IDEA - Flow Through	130,844
ED-O&M-TR-MR/SS	Title II - Teacher Quality	20,000
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Administrative Outreach	12,717
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Fee-for-Service Program	29,794
ED-TR-MR/SS	Special Education Contributions from EBF Funds **	535,047
ED-MR/SS	English Learning (Bilingual) Contributions from EBF Funds ***	19,799
	Total Deductions for PCTC Computation Line 84 through Line 172	\$ 2,283,999
	Net Operating Expense for Tuition Computation (Line 77 minus Line 174)	12,715,875
	Total Depreciation Allowance (from page 26, Line 18, Col I)	887,639
	Total Allowance for PCTC Computation (Line 175 plus Line 176)	13,603,514
	9 Month ADA from District Average Daily Attendance/Prior General State Aid Inquiry 2018-2019	1,058.60
	Total Estimated PCTC (Line 177 divided by Line 178)	\$ 12,850