

Crete-Monee School
District 201-U
Crete, Illinois

Annual Financial Report
Year Ended June 30, 2020

Crete-Monee School District 201-U
 ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2020

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MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
Crete-Monee School District 201-U
Crete, 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 Crete-Monee School District 201-U ("the District"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Crete-Monee School District 201-U's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

(Continued)

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 Crete-Monee School District 201-U, as of June 30, 2020, and the respective changes in financial position 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 on pages 5 through 14, the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois pension data on pages 75 through 81, the other postemployment benefits data on pages 82 through 84, budgetary comparison schedules and notes to the required supplementary information on pages 85 through 109 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 for the year ended June 30, 2020 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Crete-Monee School District 201-U's basic financial statements. The other schedules listed in the table of contents in the supplementary financial information and other supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Information (Continued)

The supplementary financial 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 for the year ended June 30, 2020 has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2020, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information for the year ended June 30, 2020 is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2020.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Crete-Monee School District 201-U, as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated February 28, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Crete-Monee School District 201-U's basic financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund with comparative actual amounts for the year ended June 30, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund have been subjected to the auditing procedures applied in the audit of the 2019 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 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2019.

(Continued)

Other Information (Continued)

The Other Supplemental Information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2020 on our consideration of Crete-Monee School District 201-U's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Crete-Monee School District 201-U's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.

Miller, Cooper & Co., Ltd.

Certified Public Accountants

Deerfield, Illinois
December 15, 2020

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

The discussion and analysis of Crete-Monee School District 201-U's (the District's) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2020. 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. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights – Government-Wide Financial Statements

- The District's total assets which include but are not limited to cash, investments, receivables, and capital assets such as buildings, equipment and land, total \$144.3M.
- The District's total liabilities, which include but are not limited to accounts payable, wages payable, postretirement benefit and pension liabilities and long-term liabilities, total \$131.9M.
- Expenses from all governmental activities during FY20 total \$102.4M. This includes state contributions totaling \$24.2M for TRS and THIS "on behalf" payments.
- The total change in net deficit for governmental activities during FY20 is a \$5.2M decrease.

Financial Highlights – Fund Financial Statements

- The District's total assets in its governmental funds which include but are not limited to cash, investments and receivables total \$64.5M.
- The District's total liabilities and in its governmental funds which include but are not limited to accounts payable, wages payable and unearned revenue total \$7.3M.
- The District's total revenue in its governmental funds which include but are not limited to property taxes and state and federal aid total \$97.7M. This includes state retirement contributions totaling \$14.3M.
- The District's total expenditures in its governmental funds which include but are not limited to instruction, support services and debt payments total \$97.7M. This also includes state retirement contributions totaling \$14.3M.
- The total fund balance of the District as of June 30, 2020 is \$31.0M.
- The District's total surplus of revenues over expenditures for all funds during FY20 is an increase in fund balance of \$40,720.

Overview of Financial Statements

The Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information, supplementary financial information, and other supplemental information, in addition to the basic financial statements.

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Overview of Financial Statements (Continued)

Table 1 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

| Table 1- Major Features of the Government-Wide and Fund Financial Statements | | | |
|--|--|--|--|
| | Government-Wide Statements | Fund Financial Statements | |
| | | Governmental Funds | Fiduciary Funds |
| Scope | Entire District (except fiduciary funds) | The activities of the District which are not proprietary or fiduciary, including the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds. | Instances in which the District administers resources on behalf of someone else, such as student activities monies. |
| Required financial statements | Statements of net position Statement of activities | Balance sheet and Statement of revenues, expenditures, and changes in fund balance | Statement of fiduciary assets and liabilities. |
| Accounting basis and measurement focus | Accrual accounting and economic resources focus. | Modified accrual accounting and current financial resources focus. | Accrual accounting and economic resources focus. |
| Type of asset and deferred outflows of resources/liability and deferred inflows of resources information | All assets, deferred outflows of resources, liabilities and deferred inflows of resources, both financial and capital, short-term and long-term. | Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included. | All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can. |
| Type of inflow/outflow information | All revenues and expenses during year, regardless of when cash is received or paid. | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable. | All additions and deductions during the year, regardless of when cash is received or paid. |

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader of the District's Annual Financial Report a broad overview of the financial activities in a manner similar to a private sector business.

The statement of net deficit presents information about all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, as reported using the accrual basis of accounting. The difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources is reported as net position (deficit). Over time, changes in net position (deficit) 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 net deficit of the District changed during the current fiscal year. Changes in net deficit are recorded in the statement of activities using the accrual basis of accounting.

The accrual basis of accounting is described in the notes to the financial statements.

Both of the government-wide financial statements distinguish functions of the District that are supported from taxes and intergovernmental revenues (governmental activities). Governmental activities consolidate governmental funds including general, special revenue, debt service, and capital projects funds.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. Fund financial statements for the District include governmental funds and fiduciary funds.

Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020

Fund Financial Statements (Continued)

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide statements, the governmental funds financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the immediate future.

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

The District considers all governmental funds to be major. The District adopts an annual budget for each of the governmental funds. Budgetary comparison schedules for each of the funds is included in the required supplementary information and the supplementary financial information sections of this report. Fiduciary (agency) 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.

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 basic financial statements. The notes to the financial statements are included in this report following the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements, which include the notes to the financial statements, this report also presents certain required supplementary information concerning the District's liabilities for the other postemployment benefits data related to the District's retiree health plan and THIS, and pension data related to the Illinois Municipal Retirement Fund (IMRF) and the Teachers' Retirement System (TRS).

Government-Wide Financial Analysis

Net Deficit: The District's total assets and deferred outflows are \$153.4 million, total liabilities and deferred inflows are \$170.8 million and the total net deficit for the year ending 2020 is \$17.4 million. Tables 2 and 3, below, provide condensed statement of net position (deficit) and statement of activities (changes in net deficit) information.

Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020

Government-Wide Financial Analysis (Continued)

Table 2
Condensed Statement of Net Position
(Deficit)

| | <u>2020</u> | <u>2019</u> |
|---|-------------------------------|-------------------------------|
| Assets: | | |
| Current assets | \$ 64,496,291 | \$ 64,429,426 |
| Capital assets | <u>79,756,959</u> | <u>81,072,973</u> |
| Total assets | 144,253,250 | 145,502,399 |
| Deferred Outflows: | | |
| Deferred loss on refunding | 3,260,320 | 3,485,169 |
| Deferred outflows related to pensions | 4,098,746 | 6,473,818 |
| Deferred outflows related to OPEB | <u>1,799,023</u> | <u>2,039,262</u> |
| Total deferred outflows | 9,158,089 | 12,052,249 |
| Liabilities: | | |
| Current liabilities | 7,350,571 | 8,249,351 |
| Long-term liabilities | <u>124,543,723</u> | <u>134,956,157</u> |
| Total liabilities | 131,894,294 | 143,205,508 |
| Deferred inflows: | | |
| Deferred inflows related to pensions | 7,369,182 | 6,024,616 |
| Deferred inflows related to OPEB | 5,381,878 | 5,173,615 |
| Property taxes levied for a future period | <u>26,131,204</u> | <u>25,726,279</u> |
| Total deferred inflows | 38,882,264 | 36,924,510 |
| Net Position (Deficit): | | |
| Net investment in capital assets | 33,575,131 | 31,304,006 |
| Restricted | 24,148,556 | 21,480,002 |
| Unrestricted (deficit) | <u>(75,088,906)</u> | <u>(75,359,378)</u> |
| Total Net Position (Deficit) | <u>\$ (17,365,219)</u> | <u>\$ (22,575,370)</u> |

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Government-Wide Financial Analysis (Continued)

Table 3
Condensed Statement of Changes in Net
Position (Deficit)

| | <u>2020</u> | <u>2019</u> |
|---|------------------------|------------------------|
| Revenues: | | |
| Program revenues | | |
| Charges for services | \$ 791,860 | \$ 1,104,600 |
| Operating grants and contributions | 34,922,117 | 32,399,467 |
| General Revenues: | | |
| Property taxes | 52,561,679 | 51,028,766 |
| Personal property replacement taxes | 1,086,509 | 1,004,829 |
| State aid formula grants | 17,410,104 | 16,511,350 |
| Miscellaneous | <u>886,730</u> | <u>1,142,787</u> |
| Total Revenues | 107,658,999 | 103,191,799 |
| Expenses | <u>102,448,848</u> | <u>102,462,595</u> |
| Change in net position (deficit) | 5,210,151 | 729,204 |
| Net position (deficit), beginning of year | <u>(22,575,370)</u> | <u>(23,304,574)</u> |
| Net position (deficit), end of year | <u>\$ (17,365,219)</u> | <u>\$ (22,575,370)</u> |

Property taxes accounted for approximately half of the District's revenue (see Figure 1: Government-Wide Revenue by Source), contributing about 50 cents of every dollar raised. The remainder comes from restricted and unrestricted state and federal revenues, fees charged for services, and miscellaneous sources. The District's expenses (see Figure 2: Government-Wide Expenses by Function) are predominantly (72%) related to instruction, pupil services and transportation of students.

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Government-Wide Financial Analysis (Continued)

FIGURE 1: GOVERNMENT-WIDE REVENUE BY SOURCE

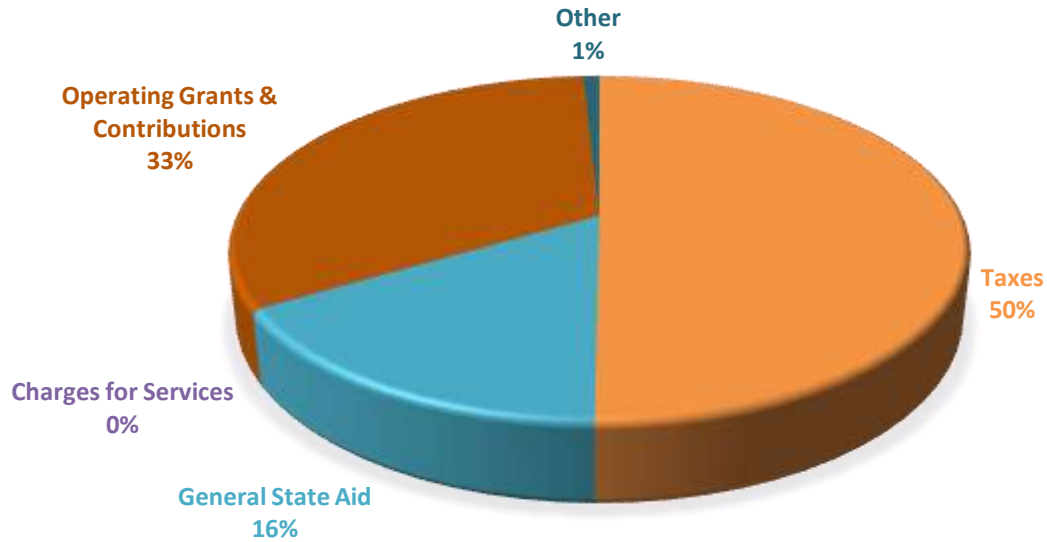
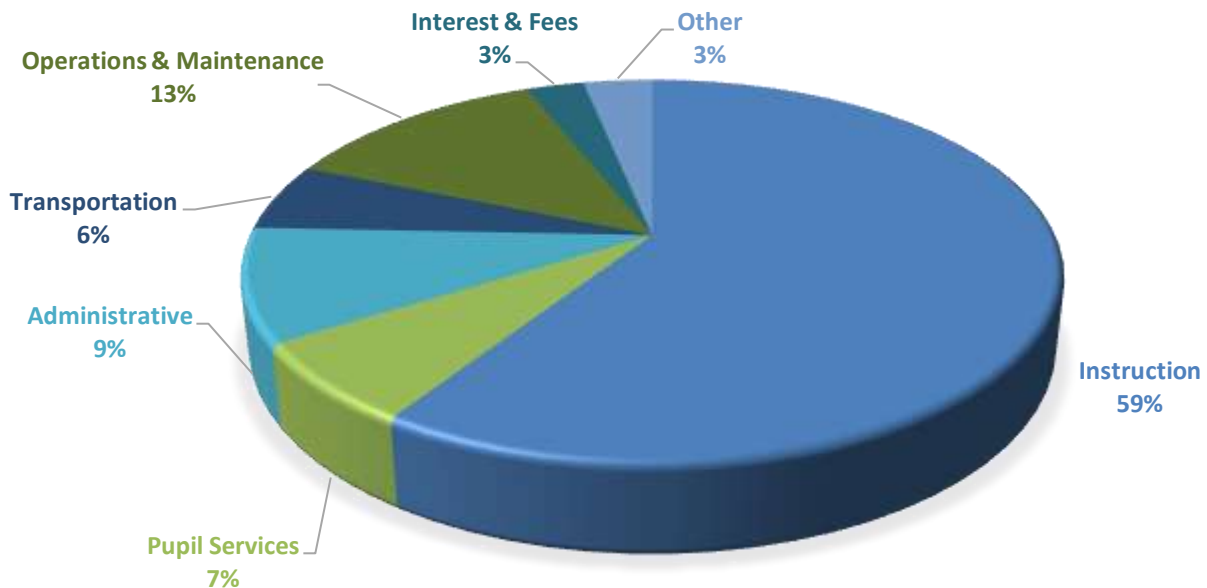


FIGURE 2: GOVERNMENT-WIDE EXPENSES BY FUNCTION



**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Financial Analysis of the District's Funds

The statement of net deficit includes capital assets and long-term liabilities and therefore presents a financial picture that is different from the traditional modified accrual fund financial statements. Total long-term liabilities were \$124.5 million at June 30, 2020 of which \$79.5 million were bonds payable, which will not be paid off with operating funds, but are supported by the specific ability to levy property taxes to meet the payment commitments. The modified accrual financial statements reflect the financial performance of the District as a whole during the fiscal year. As the District completed the year, the ending fund balance in all funds was \$31.0 million.

General Fund:

- The General Fund had a deficiency of revenues over expenditures of \$2,340,645 million with a net decrease in its fund balance of \$2,107,834 after transfers out and capital lease proceeds are considered.

•

Operations and Maintenance Fund:

- The Operations and Maintenance Fund supports the ongoing needs of District facilities and had a deficiency of revenues over expenditures of \$741,672 and an ending fund balance of \$2,763,684.

Transportation Fund:

- The Transportation Fund had an excess of revenues over expenditures of \$3,883,151 for the year ended June 30, 2020 as a result of reduced service needs during the pandemic. The Transportation Fund had an ending fund balance of \$14,076,949.

Debt Service Fund:

- The Debt Service Fund had a deficiency of revenues over expenditures of \$307,930 for the year ended June 30, 2020. The Debt Service Fund had an ending fund balance of \$4,312,730.

General Fund Budgetary Highlights:

- Total actual revenues in the General Fund were \$1.7M more than budgeted due to the inconsistencies in the receipt of revenue from the state of Illinois (budgetary basis).
- Total actual expenditures in the General Fund were \$200,000 more than budget (budgetary basis).

Capital Asset and Debt Administration

Capital Assets

The District's capital assets (historical cost, before accumulated depreciation) increased from \$122.3M in 2019 to \$123.5M in 2020. Total accumulated depreciation as of June 30, 2020 was \$43.8M. More detailed information about capital assets can be found in Note D – Capital Assets.

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Table 4
Capital Assets
(original cost before accumulated depreciation)

| | 2020 | 2019 |
|----------------------|-----------------------|-----------------------|
| Land | \$ 2,641,235 | \$ 2,491,235 |
| Land improvements | 4,197,318 | 4,197,318 |
| Buildings | 112,663,131 | 111,883,131 |
| Equipment | 4,026,981 | 3,765,225 |
| Total Capital Assets | <u>\$ 123,528,665</u> | <u>\$ 122,336,609</u> |

Long-term Liabilities

At the end of fiscal year 2020, the District reduced its long-term liabilities from \$134.9 million to \$124.5 million. More detailed information can be found in Note E of the basic financial statements.

Table 5
Long-Term Liabilities

| | 2020 | 2019 |
|--|-----------------------|-----------------------|
| Bonds payable and unamortized premiums | \$ 84,709,296 | \$ 92,663,141 |
| Other postemployment benefits | 33,473,711 | 32,742,135 |
| Net pension liabilities | 4,692,593 | 8,454,080 |
| School technology loan | - | 47,315 |
| Capital Lease | 558,753 | 261,805 |
| Compensated absences | 265,615 | 137,172 |
| Early retirement incentives | 843,755 | 650,509 |
| Total long-term liabilities | <u>\$ 124,543,723</u> | <u>\$ 134,956,157</u> |

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Factors Bearing on the District's Future

At the time these financial statements were prepared, the District was aware of the following circumstances that may significantly affect its financial health in the future:

- Mandates and guidelines due to COVID-19 have unexpected expenditures (i.e., personal protective equipment, disinfecting and sanitizing of facilities, etc.) as the District prepares to reopen their schools.
- The District continues to be inadequately funded through the state of Illinois' Evidence-Based Funding Formula with an Adequacy Target of 64%. For the 2020-21 school year, the state has frozen funding at 2019-20 levels with no additional new funding.
- The State of Illinois continues to underfund education and its financial forecast is bleak due to COVID-19.
- Local revenue continues to be stable. However, the District continues to predict a deficit in its operations and it is critical that this is addressed in the next year.
- TIF IV within the Village of University Park has been dissolved and will provide the District with additional property value that will generate additional revenue for the District. Preliminary estimates will provide an additional \$550,000 per year to the District beginning with the 2020 levy.
- Facilities continue to deteriorate due to the age of the facilities and lack of maintenance. It is imperative that the District address this area during the next fiscal year as the District is required to make approximately \$10 million in life/safety improvements to its facilities.

Requests for Information

This financial report is designed to provide the District's citizens and creditors with a general overview of the District's finances and demonstrate the District's accountability for the money it receives. Questions about this report and requests for additional financial information can be directed to the Business Office, at the following address:

Crete-Monee School District 201-U
1500 Sangamon Street
Crete, IL 60417
708.367.8300

BASIC FINANCIAL STATEMENTS

Crete-Monee School District 201-U
STATEMENT OF NET DEFICIT - GOVERNMENTAL ACTIVITIES
June 30, 2020

ASSETS

| | | |
|---|----|--------------------|
| Cash and investments | \$ | 34,955,547 |
| Receivables (net of allowance for uncollectibles): | | |
| Property taxes | | 27,125,201 |
| Replacement taxes | | 154,923 |
| Intergovernmental | | 2,233,735 |
| Other current assets | | 26,885 |
| Capital assets: | | |
| Land | | 2,641,235 |
| Depreciable buildings, property, and equipment, net | | <u>77,115,724</u> |
| Total assets | | <u>144,253,250</u> |

DEFERRED OUTFLOW OF RESOURCES

| | | |
|--|--|------------------|
| Deferred loss on refunding of bonds | | 3,260,320 |
| Deferred outflows related to pensions | | 4,098,746 |
| Deferred outflows related to other postemployment benefits | | <u>1,799,023</u> |
| Total deferred outflows | | <u>9,158,089</u> |

LIABILITIES

| | | |
|----------------------------|--|--------------------|
| Accounts payable | | 1,182,402 |
| Salaries and wages payable | | 4,969,467 |
| Payroll deductions payable | | 871,579 |
| Unearned revenue | | 123 |
| Claims payable | | 327,000 |
| Long-term liabilities: | | |
| Due within one year | | 11,510,099 |
| Due after one year | | <u>113,033,624</u> |
| Total liabilities | | <u>131,894,294</u> |

DEFERRED INFLOW OF RESOURCES

| | | |
|---|--|-------------------|
| Deferred inflows related to pensions | | 7,369,182 |
| Deferred inflows related to other postemployment benefits | | 5,381,878 |
| Property taxes levied for a future period | | <u>26,131,204</u> |
| Total deferred inflows | | <u>38,882,264</u> |

NET POSITION

| | | |
|----------------------------------|----|---------------------|
| Net investment in capital assets | | 33,575,131 |
| Restricted for: | | |
| Operations and maintenance | | 2,763,684 |
| Debt service | | 4,312,730 |
| Student transportation | | 14,076,949 |
| Capital projects | | 855,800 |
| Retirement benefits | | 2,139,393 |
| Unrestricted (deficit) | | <u>(75,088,906)</u> |
| Total net deficit | \$ | <u>(17,365,219)</u> |

The accompanying notes are an integral part of this statement.

Crete-Monee School District 201-U

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2020

| Functions / Programs | Expenses | PROGRAM REVENUES | | | Net (Expenses) Revenue and Changes in Net Deficit |
|---|-----------------------|-------------------------|--|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Governmental activities | | | | | |
| Instruction: | | | | | |
| Regular programs | \$ 23,728,423 | \$ 375,613 | \$ 1,906,617 | \$ - | \$ (21,446,193) |
| Special programs | 12,746,512 | - | 2,264,306 | - | (10,482,206) |
| Other instructional programs | 3,124,593 | 613 | 97,410 | - | (3,026,570) |
| State retirement contributions | 24,233,779 | - | 24,233,779 | - | - |
| Support services: | | | | | |
| Pupils | 4,280,629 | - | - | - | (4,280,629) |
| Instructional staff | 2,092,445 | - | 240,248 | - | (1,852,197) |
| General administration | 1,757,742 | - | - | - | (1,757,742) |
| School administration | 3,782,650 | - | - | - | (3,782,650) |
| Business | 3,515,052 | 348,836 | 1,428,438 | 50,000 | (1,687,778) |
| Transportation | 5,258,087 | 62,223 | 4,701,319 | - | (494,545) |
| Operations and maintenance | 6,529,653 | 4,575 | - | - | (6,525,078) |
| Central | 4,071,667 | - | - | - | (4,071,667) |
| Other supporting services | 126,166 | - | - | - | (126,166) |
| Community services | 1,000,466 | - | - | - | (1,000,466) |
| Nonprogrammed charges, excluding special education | 1,915,008 | - | - | - | (1,915,008) |
| Interest and fees | 4,285,976 | - | - | - | (4,285,976) |
| Total governmental activities | \$ 102,448,848 | \$ 791,860 | \$ 34,872,117 | \$ 50,000 | (66,734,871) |
| General revenues: | | | | | |
| Taxes: | | | | | |
| Real estate taxes, levied for general purposes | | | | | 29,882,500 |
| Real estate taxes, levied for specific purposes | | | | | 10,761,107 |
| Real estate taxes, levied for debt service | | | | | 11,918,072 |
| Personal property replacement taxes | | | | | 1,086,509 |
| State aid-formula grants | | | | | 17,410,104 |
| Miscellaneous | | | | | 886,730 |
| Total general revenues | | | | | 71,945,022 |
| Change in net deficit | | | | | 5,210,151 |
| Net deficit, beginning of year | | | | | (22,575,370) |
| Net deficit, end of year | | | | | \$ (17,365,219) |

The accompanying notes are an integral part of this statement.

Crete-Monee School District 201-U

Governmental Funds

BALANCE SHEET

June 30, 2020

| | General | Operations and Maintenance | Transportation | Municipal Retirement / Soc. Sec. |
|---|-----------------------------|-------------------------------|-----------------------------|--|
| ASSETS | | | | |
| Cash and investments | \$ 12,079,338 | \$ 3,059,798 | \$ 12,809,090 | \$ 2,062,583 |
| Receivables (net of allowance for uncollectibles): | | | | |
| Property taxes | 15,215,492 | 2,170,353 | 2,269,889 | 1,362,390 |
| Replacement taxes | 154,923 | - | - | - |
| Intergovernmental | 1,049,051 | - | 1,184,684 | - |
| Other current assets | - | - | - | 26,885 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total assets | <u>\$ 28,498,804</u> | <u>\$ 5,230,151</u> | <u>\$ 16,263,663</u> | <u>\$ 3,451,858</u> |
| LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 828,985 | \$ 353,417 | \$ - | \$ - |
| Salaries and wages payable | 4,967,507 | 1,960 | - | - |
| Payroll deductions payable | 871,579 | - | - | - |
| Claims payable | 306,726 | 20,270 | 4 | - |
| Unearned revenue | 123 | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities | <u>6,974,920</u> | <u>375,647</u> | <u>4</u> | <u>-</u> |
| DEFERRED INFLOWS | | | | |
| Property taxes levied for a future period | <u>14,657,924</u> | <u>2,090,820</u> | <u>2,186,710</u> | <u>1,312,465</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total deferred inflows | <u>14,657,924</u> | <u>2,090,820</u> | <u>2,186,710</u> | <u>1,312,465</u> |
| FUND BALANCES | | | | |
| Restricted | - | 2,763,684 | 14,076,949 | 2,139,393 |
| Unassigned | <u>6,865,960</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total fund balance | <u>6,865,960</u> | <u>2,763,684</u> | <u>14,076,949</u> | <u>2,139,393</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities, deferred inflows, and fund balances | <u>\$ 28,498,804</u> | <u>\$ 5,230,151</u> | <u>\$ 16,263,663</u> | <u>\$ 3,451,858</u> |

The accompanying notes are an integral part of this statement.

| Debt Service | Capital Projects | Fire Prevention and Safety | Total |
|----------------------|-------------------|----------------------------|----------------------|
| \$ 4,089,104 | \$ 820,164 | \$ 35,470 | \$ 34,955,547 |
| 6,102,538 | - | 4,539 | 27,125,201 |
| - | - | - | 154,923 |
| - | - | - | 2,233,735 |
| - | - | - | 26,885 |
| <u>\$ 10,191,642</u> | <u>\$ 820,164</u> | <u>\$ 40,009</u> | <u>\$ 64,496,291</u> |
| \$ - | \$ - | \$ - | \$ 1,182,402 |
| - | - | - | 4,969,467 |
| - | - | - | 871,579 |
| - | - | - | 327,000 |
| - | - | - | 123 |
| - | - | - | 7,350,571 |
| <u>5,878,912</u> | <u>-</u> | <u>4,373</u> | <u>26,131,204</u> |
| <u>5,878,912</u> | <u>-</u> | <u>4,373</u> | <u>26,131,204</u> |
| 4,312,730 | 820,164 | 35,636 | 24,148,556 |
| - | - | - | 6,865,960 |
| <u>4,312,730</u> | <u>820,164</u> | <u>35,636</u> | <u>31,014,516</u> |
| <u>\$ 10,191,642</u> | <u>\$ 820,164</u> | <u>\$ 40,009</u> | <u>\$ 64,496,291</u> |

Crete-Monee School District 201-U
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET DEFICIT
June 30, 2020

| | | |
|---|--------------------|----------------------------|
| Total fund balances - governmental funds | \$ | 31,014,516 |
| Amounts reported for governmental activities in the statement of net deficit are different because: | | |
| Net capital assets used in governmental activities and included in the statement of net deficit do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet. | | |
| | | 79,756,959 |
| Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds: | | |
| Deferred outflows of resources related to pensions | \$ 4,098,746 | |
| Deferred inflows of resources related to pensions | <u>(7,369,182)</u> | (3,270,436) |
| Deferred outflows and inflows of resources related to other postemployment benefit are applicable to future periods and, therefore, are not reported in the governmental funds: | | |
| Deferred outflows of resources related to other postemployment benefits | 1,799,023 | |
| Deferred inflows of resources related to other postemployment benefits | <u>(5,381,878)</u> | (3,582,855) |
| Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not included in the governmental funds. | | |
| General obligation bonds | (25,985,000) | |
| Capital appreciation bonds | (53,497,174) | |
| Capital leases | (558,753) | |
| Unamortized bond premiums | (5,227,122) | |
| Compensated absences | (265,615) | |
| IMRF net pension liability | (1,829,710) | |
| TRS net pension liability | (2,862,883) | |
| RHP total other postemployment benefit liability | (946,735) | |
| THIS net other postemployment benefit liability | (32,526,976) | |
| Early retirement incentives | <u>(843,755)</u> | (124,543,723) |
| Deferred loss on refunding of bonds, included in the statement of net deficit, is not available to pay for current period expenditures and, accordingly, is not included in the governmental funds balance sheet. | | |
| | | <u>3,260,320</u> |
| Net deficit of governmental activities | \$ | <u><u>(17,365,219)</u></u> |

The accompanying notes are an integral part of this statement.

Crete-Monee School District 201-U

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2020

| | General | Operations and Maintenance | Transportation | Municipal Retirement / Soc. Sec. |
|--|---------------------|-------------------------------|----------------------|--|
| Revenues | | | | |
| Property taxes | \$ 29,882,500 | \$ 4,264,776 | \$ 4,053,093 | \$ 2,435,111 |
| Replacement taxes | 1,036,509 | - | - | 50,000 |
| State aid | 33,299,759 | 50,000 | 4,701,319 | - |
| Federal aid | 4,326,532 | - | - | - |
| Investment income | 73,321 | 25,344 | 141,563 | 52,700 |
| Other | 1,210,340 | 66,184 | 29,420 | - |
| Total revenues | <u>69,828,961</u> | <u>4,406,304</u> | <u>8,925,395</u> | <u>2,537,811</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular programs | 22,081,393 | - | - | 437,032 |
| Special programs | 11,861,561 | - | 1,212 | 379,316 |
| Other instructional programs | 2,872,037 | - | - | 65,147 |
| State retirement contributions | 14,279,168 | - | - | - |
| Support services: | | | | |
| Pupils | 3,915,894 | (98) | - | 102,302 |
| Instructional staff | 1,910,086 | - | - | 75,572 |
| General administration | 1,673,081 | - | - | 17,046 |
| School administration | 3,544,863 | - | - | 34,131 |
| Business | 2,850,228 | - | - | 196,278 |
| Transportation | 13,514 | - | 4,970,444 | 1,796 |
| Operations and maintenance | 767,456 | 5,059,908 | - | 410,408 |
| Central | 3,499,788 | - | - | 198,586 |
| Other supporting services | 1,885 | - | - | 73 |
| Community services | 885,243 | - | - | 58,341 |
| Nonprogrammed charges | 1,915,008 | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest and other | - | - | - | - |
| Capital outlay | 98,401 | 88,166 | 70,588 | - |
| Total expenditures | <u>72,169,606</u> | <u>5,147,976</u> | <u>5,042,244</u> | <u>1,976,028</u> |
| Excess (deficiency) of revenues over expenditures | (2,340,645) | (741,672) | 3,883,151 | 561,783 |
| Other financing sources (uses) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (287,189) | - | - | - |
| Capital lease proceeds | 520,000 | - | - | - |
| Total other financing sources (uses) | <u>232,811</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | (2,107,834) | (741,672) | 3,883,151 | 561,783 |
| Fund balance, beginning of year | 8,973,794 | 3,505,356 | 10,193,798 | 1,577,610 |
| Fund balance, end of year | <u>\$ 6,865,960</u> | <u>\$ 2,763,684</u> | <u>\$ 14,076,949</u> | <u>\$ 2,139,393</u> |

The accompanying notes are an integral part of this statement.

| Debt Service | Capital Projects | Fire Prevention and Safety | Total |
|---------------------|-------------------|----------------------------|----------------------|
| \$ 11,918,072 | \$ - | \$ 8,127 | \$ 52,561,679 |
| - | - | - | 1,086,509 |
| - | - | - | 38,051,078 |
| - | - | - | 4,326,532 |
| 59,337 | 19,976 | 405 | 372,646 |
| - | - | - | 1,305,944 |
| <u>11,977,409</u> | <u>19,976</u> | <u>8,532</u> | <u>97,704,388</u> |
| - | - | - | 22,518,425 |
| - | - | - | 12,242,089 |
| - | - | - | 2,937,184 |
| - | - | - | 14,279,168 |
| - | - | - | 4,018,098 |
| - | - | - | 1,985,658 |
| - | - | - | 1,690,127 |
| - | - | - | 3,578,994 |
| - | 92,475 | - | 3,138,981 |
| - | - | - | 4,985,754 |
| - | - | - | 6,237,772 |
| - | - | - | 3,698,374 |
| - | - | - | 1,958 |
| - | - | - | 943,584 |
| - | - | - | 1,915,008 |
| 11,075,367 | - | - | 11,075,367 |
| 1,209,972 | - | - | 1,209,972 |
| - | 950,000 | - | 1,207,155 |
| <u>12,285,339</u> | <u>1,042,475</u> | <u>-</u> | <u>97,663,668</u> |
| (307,930) | (1,022,499) | 8,532 | 40,720 |
| 287,189 | - | - | 287,189 |
| - | - | - | (287,189) |
| - | - | - | 520,000 |
| <u>287,189</u> | <u>-</u> | <u>-</u> | <u>520,000</u> |
| (20,741) | (1,022,499) | 8,532 | 560,720 |
| <u>4,333,471</u> | <u>1,842,663</u> | <u>27,104</u> | <u>30,453,796</u> |
| <u>\$ 4,312,730</u> | <u>\$ 820,164</u> | <u>\$ 35,636</u> | <u>\$ 31,014,516</u> |

Crete-Monee School District 201-U

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

For the Year Ended June 30, 2020

| | | |
|--|----|---------|
| Net change in fund balances - total governmental funds | \$ | 560,720 |
|--|----|---------|

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 depreciation exceeds capital outlay in the current period.

| | | | |
|----------------------|----|--------------------|-------------|
| Capital outlay | \$ | 1,191,756 | |
| Depreciation expense | | <u>(2,507,770)</u> | (1,316,014) |

| | |
|---|-----------|
| Governmental funds report the loss on refundings when the debt is issued. However, these amounts are deferred and amortized in the statement of activities. | (224,849) |
|---|-----------|

Changes in deferred outflows and inflows of resources related to pensions are reported only in the statement of activities:

| | | |
|---|----------------|-------------|
| Deferred outflow and inflows of resources related to IMRF pension | (4,400,654) | |
| Deferred outflow and inflows of resources related to TRS pension | <u>681,016</u> | (3,719,638) |

Changes in deferred outflows and inflows of resources related to other postemployment benefits are reported only in the statement of activities:

| | | |
|---|------------------|-----------|
| Deferred outflow and inflows of resources related to RHP | 118,017 | |
| Deferred outflow and inflows of resources related to THIS | <u>(620,519)</u> | (502,502) |

| | |
|--|---------|
| Governmental funds report the effect of premiums and discounts when the debt is issued. However, these amounts are deferred and amortized in the statement of activities. This is the amount of the current year, net effect of these differences. | 992,334 |
|--|---------|

Crete-Monee School District 201-U

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES (Continued)
For the Year Ended June 30, 2020

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources:

| | | |
|--|----|---------------------|
| Principal repayments | | |
| Capital appreciation bonds | \$ | 10,805,000 |
| School technology loan | | 47,315 |
| Capital leases | | 223,052 |
| Accretion on capital appreciation bonds | | (3,843,489) |
| Capital lease proceeds | | (520,000) |
| Compensated absences, net | | (128,443) |
| IMRF pension liability, net | | 3,515,602 |
| TRS pension liability, | | 245,885 |
| RHP other postemployment benefit liability, net | | 39,968 |
| THIS other postemployment benefit liability, net | | (771,544) |
| Retirement incentive program, net | | (193,246) |
| | | <u>\$ 9,420,100</u> |
| Change in net deficit - governmental activities | | <u>\$ 5,210,151</u> |

(Concluded)

The accompanying notes are an integral part of this statement.

Crete-Monee School District 201-U
Fiduciary Funds
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2020

| | Student Activity Fund |
|-----------------------|-----------------------------|
| <hr/> | |
| ASSETS | |
| Cash and investments | \$ 271,387 |
| LIABILITIES | |
| Due to student groups | \$ 271,387 |

The accompanying notes are an integral part of this statement.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Crete-Monee School District 201-U (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

1. Reporting Entity

The District is located in Will County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all budgetary, taxing, and debt matters.

The District includes all funds of its operations that are controlled by or dependent upon the District as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will, and fiscal dependency. The accompanying financial statements include only those funds of the District, as there are no organizations for which it has financial accountability.

Also, the District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

2. Fund Accounting

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related and contractual provisions. The minimum number of funds maintained are consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental and fiduciary.

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (debt service fund), and the acquisition or construction of major capital facilities (capital projects funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund. The District considers all governmental funds to be major.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Fund Accounting (Continued)

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District.

3. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net deficit and the statement of activities) report information on all the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by property taxes, intergovernmental revenues, and local fees.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

a. General Fund

The *General Fund* includes the Educational Account and the Working Cash Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources held by the District to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid upon the collection of property taxes in the fund(s) loaned to. As allowed by the School Code of Illinois, this Account may be permanently abolished and become part of the Educational Account, or it may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Account of at least 0.05% of the District's current equalized assessed valuation.

b. Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than those accounted for in the Debt Service, capital projects, or fiduciary funds) that are legally restricted to expenditures for specified purposes.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements (Continued)

b. Special Revenue Funds (Continued)

Each of the District's special revenue funds has been established as a separate fund in accordance with the fund structure required by the state of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's special revenue funds are as follows:

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

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

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

c. Debt Service Fund

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

d. Capital Projects Fund

Capital Projects Fund - accounts for financial resources to be used for the acquisition or construction of major capital facilities. Revenues are derived from bond proceeds, impact fees, or transfers from other funds.

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements (Continued)

e. Fiduciary Fund

The fiduciary fund accounts for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

Student Activity Funds (Agency Fund) - includes Student Activity Funds. The funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. Although the Board of Education has the ultimate responsibility for activity funds, they are not local education agency funds. The Student Activity Funds account for assets held by the District which are owned, operated, and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational, or cultural purposes. They account for activities such as student yearbook and student clubs and council.

4. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and additions are recorded when earned, and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered to be available when they are collectible within the current period and soon enough thereafter to pay liabilities of the current period. The District considers most revenues available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if they are vouchered by year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest, on general long-term debt, which is recognized when due, and certain compensated absences, claims, and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Property taxes, personal property replacement taxes, interest, and intergovernmental revenues associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports unearned and unavailable revenue on its financial statements. Unearned and unavailable revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability or deferred inflow of resources for unearned or unavailable revenue is removed from the balance sheet and revenue is recognized. Governmental Funds also defer revenue recognition in connection with resources received, but not yet earned.

The fiduciary fund statements are reported using the accrual basis of accounting.

5. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net deficit and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position / fund balance that applies to a future period. At June 30, 2020, the District has deferred outflows of resources related to pensions, other postemployment benefits, and loss on the refunding of bonds. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting period. At June 30, 2020, the District reported deferred inflows related to property taxes levied for a future period, pension liabilities, and other postemployment benefits.

6. Fund Balance

The governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items or inventories.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Fund Balance (Continued)

- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds as well as debt service and capital projects funds are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. The District had no committed fund balances at June 30, 2020.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegated the authority to assign amounts to be used for specific purposes. The Board of Education has declared that the Assistant Superintendent for Business Services/CSBO may assign amounts for a specific purpose. The District had no assigned fund balances at June 30, 2020.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the general fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally they act to reduced unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

The restricted fund balances are for the purpose of the restricted funds as described in Note A-3.

7. Deposits and Investments

Investments are stated at fair value. Changes in fair value are included in investment income.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the Municipal Retirement/Social Security Fund, with the balance allocated at the discretion of the District.

9. Capital Assets

Capital assets, which include land, buildings and improvements, site improvements, and equipment are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual or group cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|----------------------------|--------------|
| Site improvements | 20 |
| Buildings and improvements | 15 - 50 |
| Equipment | 5 - 15 |

10. 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 deficit. Bond premiums and discounts and losses on refunding of bonds, are deferred and amortized over the life of the applicable bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, losses on refunding, and 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 cost, whether or not withheld from actual proceeds, are reported as debt service expenditures.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Accumulated Unpaid Vacation and Sick Pay

Administrators, support staff and maintenance employees who work a twelve-month year are entitled to compensation for vacation time. Annual compensation ranges between 10 and 25 days, depending on the employee's position and years of service with the District. An employee may carry up to 10 days of unused vacation time, and balances in excess of 10 days will permanently expire if not used on or before June 30th.

Certified employees receive specified sick days depending on their years of service with the District, in accordance with the agreement between the District's Board of Education and the Crete-Monee Education Association. Unused sick days accumulate to the maximum permitted to be exchanged for service credit by TRS (currently 340 days). Upon retirement, a certified employee may apply up to 340 days of unused sick time toward service credit for TRS. Unused sick leave days not used for TRS creditable service are paid at the current daily substitute rate of \$94 per day.

Educational support personnel receive a specified number of sick days per year depending on years of service with the District. Unused sick days accumulate to a maximum of 230 and are paid at a rate of \$50 per day.

Due to the nature of the policies on sick leave and the fact that any liability is contingent upon future events and cannot be reasonably estimated, no liability is provided in the financial statements for accumulated unpaid sick time.

12. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements, and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

13. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles, except that the District does not budget for "on-behalf" contributions from the State for the employer's share of the Teachers' Retirement System pension and the Teachers' Health Insurance Security fund (see the budgetary reconciliation in the notes to the required supplementary information). Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Pensions and Other Postemployment Benefits

For purposes of measuring the net pension liability and other postemployment benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plan and additions to/deductions from the pension/OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are stated at fair value.

15. Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position are either: (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, (2) imposed by law through constitutional provisions, or (3) imposed by enabling legislation. The District's restricted net position was restricted as a result of enabling legislation.

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

NOTE B - DEPOSITS AND INVESTMENTS

The District's investment policy is in line with State Statutes. The investments that the District may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) interest-bearing savings accounts, interest-bearing certificates of deposit or time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; (4) short-term discount obligations of corporations organized in the United States with assets exceeding \$500,000,000; (5) interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation or school district; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

At June 30, 2020, the District's cash and investments consisted of the following:

| | <u>Government-wide</u> | <u>Fiduciary</u> | <u>Total</u> |
|----------------------|------------------------|------------------|---------------|
| Cash and investments | \$ 34,955,547 | \$ 271,387 | \$ 35,226,934 |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

For disclosure purposes, this amount is classified into the following components:

| | Total |
|---|---------------|
| Deposits with financial institutions* | \$ 1,694,148 |
| Illinois Funds | 4,625,750 |
| Illinois School District Liquid Asset Fund Plus (ISDLAF+) | 28,907,036 |
| | \$ 35,226,934 |

* Includes accounts held in demand, savings accounts, and money market savings accounts, which are valued at cost.

1. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, a periodic review of the investment portfolio is performed to ensure performance is consistent with the safety, liquidity, rate of return, diversification and overall performance the District needs.

Investments measured at net asset value (NAV):

| | | | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |
|----------------|----|------------|-------------------------|-------------------------|--------------------------------|
| ISDLAF+ | \$ | 28,907,036 | N/A | Daily | 1 day |
| Illinois Funds | \$ | 4,625,750 | N/A | Daily | 1 day |

2. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs).

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are rated AAAM and are valued at Illinois Funds' share price, which is the price for which the investment can be sold.

3. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District's Investment Officer to meet the District's ongoing need for safety, liquidity, and rate of return.

4. Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2020, the bank balances of the District's deposits with financial institutions totaled \$3,379,165, all of which was fully insured or collateralized.

With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring that all investments be in high quality investment pools and/or secured by private insurance or collateral.

NOTE C - PROPERTY TAXES RECEIVABLE

The District's property tax is levied each calendar year on all taxable real property located in the District's jurisdiction.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE C - PROPERTY TAXES RECEIVABLE (Continued)

The School Board must adopt the tax levy and file a certified copy of the levy with the County Clerk's Office on or before the last Tuesday in December of each year. The District adopted its 2019 levy on December 19, 2019. Property taxes attach retroactively as an enforceable lien as of January 1 of the levy year and are payable in two installments in June and September of the current calendar year. The District receives significant distributions approximately one month after the collection dates. Taxes recorded in these financial statements are from the 2019 and prior tax levies. For all funds, the District recognizes no more than approximately one-half of the levy in the current fiscal year as revenue with the remaining portion to be recognized in the following fiscal year. Accordingly, the remaining portion is reflected as deferred inflows of resources-property taxes levied for a future period. This methodology conforms to the measurable and available criteria for revenue recognition.

An allowance of 1% for the estimated uncollectible taxes has been provided based on prior year collection experiences. Due to property tax collection through 60 days being sufficient to meet the availability criteria, the District was able to recognize approximately one-half of the levy as revenue in the current fiscal year on the fund financial statements.

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

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE D - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

| | <u>Balance July 1, 2019</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance June 30, 2020</u> |
|---|---------------------------------|-----------------------|------------------|----------------------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 2,491,235 | \$ 150,000 | \$ - | \$ 2,641,235 |
| Total capital assets not being depreciated | <u>2,491,235</u> | <u>150,000</u> | <u>-</u> | <u>2,641,235</u> |
| Capital assets, being depreciated | | | | |
| Site improvements | 4,197,318 | - | - | 4,197,318 |
| Buildings and improvements | 111,883,131 | 780,000 | - | 112,663,131 |
| Equipment | 3,765,225 | 261,756 | - | 4,026,981 |
| Total capital assets being depreciated | <u>119,845,674</u> | <u>1,041,756</u> | <u>-</u> | <u>120,887,430</u> |
| Less accumulated depreciation for: | | | | |
| Site improvements | 3,179,000 | 113,187 | - | 3,292,187 |
| Buildings and improvements | 35,185,440 | 2,166,606 | - | 37,352,046 |
| Equipment | 2,899,496 | 227,977 | - | 3,127,473 |
| Total accumulated depreciation | <u>41,263,936</u> | <u>2,507,770</u> | <u>-</u> | <u>43,771,706</u> |
| Total capital assets being depreciated, net | <u>78,581,738</u> | <u>(1,466,014)</u> | <u>-</u> | <u>77,115,724</u> |
| Governmental activities capital assets, net | <u>\$ 81,072,973</u> | <u>\$ (1,316,014)</u> | <u>\$ -</u> | <u>\$ 79,756,959</u> |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE D - CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

| | |
|------------------------------|---------------------|
| Instruction: | |
| Regular programs | \$ 703,175 |
| Pre-K programs | 5,070 |
| Special programs | 392,314 |
| Remedial programs | 45,524 |
| Other instructional programs | 165,763 |
| Support services: | |
| Pupils | 178,587 |
| Instructional staff | 75,023 |
| General administration | 64,860 |
| School administration | 175,508 |
| Business | 147,138 |
| Transportation | 248,081 |
| Central | 169,813 |
| Other support services | 124,208 |
| Community services | 8,493 |
| Operations and maintenance | <u>4,213</u> |
| | <u>\$ 2,507,770</u> |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE E - LONG-TERM LIABILITIES

The following is the long-term liability activity for the District for the year ended June 30, 2020:

| | <u>Balance</u> <u>July 1, 2019</u> | <u>Additions /</u> <u>Accretion</u> | <u>Reductions</u> | <u>Balance</u> <u>June 30, 2020</u> |
|--|---------------------------------------|--|----------------------|--|
| General obligation bonds: | | | | |
| School refunding bond - 2016B | \$ 11,580,000 | \$ - | \$ - | \$ 11,580,000 |
| Limited school bond - 2016C | 14,405,000 | - | - | 14,405,000 |
| Capital appreciation bonds: | | | | |
| Capital appreciation bond - 2004 | 38,963,957 | 2,783,795 | 9,885,000 | 31,862,752 |
| Capital appreciation bond - 2005 | 9,575,461 | 478,159 | - | 10,053,620 |
| Capital appreciation bond - 2006 | 11,919,267 | 581,535 | 920,000 | 11,580,802 |
| Unamortized premium | 6,219,456 | - | 992,334 | 5,227,122 |
| Total bonds payable | <u>92,663,141</u> | <u>3,843,489</u> | <u>11,797,334</u> | <u>84,709,296</u> |
| School technology loan | 47,315 | - | 47,315 | - |
| Capital leases | 261,805 | 520,000 | 223,052 | 558,753 |
| Compensated absences | 137,172 | 351,060 | 222,617 | 265,615 |
| Early retirement incentives | 650,509 | 427,775 | 234,529 | 843,755 |
| IMRF net pension liability | 5,345,312 | 4,062,422 | 7,578,024 | 1,829,710 |
| TRS net pension liability | 3,108,768 | 917,834 | 1,163,719 | 2,862,883 |
| RHP other postemployment benefit liability | 986,703 | 92,095 | 132,063 | 946,735 |
| THIS other postemployment benefit liability | 31,755,432 | 2,570,535 | 1,798,991 | 32,526,976 |
| Total long-term liabilities - governmental activities | <u>\$ 134,956,157</u> | <u>\$ 12,785,210</u> | <u>\$ 23,197,644</u> | <u>\$ 124,543,723</u> |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE E - LONG-TERM LIABILITIES (Continued)

| | Due Within One Year |
|-----------------------------|------------------------|
| Early retirement incentives | \$ 231,786 |
| Capital appreciation bonds | 10,805,000 |
| Capital leases | 207,698 |
| Compensated absences | 265,615 |
| | \$ 11,510,099 |

1. General Obligation Bonds

The summary of activity in general obligation and capital appreciation bonds for the year ended June 30, 2020 is as follows:

| | Bonds Payable July 1, 2019 | Debt Accretion | Debt Retired | Bonds Payable June 30, 2020 |
|---|-------------------------------|-------------------|-----------------|--------------------------------|
| School Refunding Bond, Series 2016B, interest at 5.00% | \$ 11,580,000 | \$ - | \$ - | \$ 11,580,000 |
| Limited Tax School Bonds, Series 2016C, interest at 4.00% to 5.00% | 14,405,000 | - | - | 14,405,000 |
| Capital Appreciation School Bond, Series 2004, interest at 8.00% | 38,963,957 | 2,783,795 | 9,885,000 | 31,862,752 |
| Capital Appreciation School Bond, Series 2005, interest at 4.90% to 4.95% | 9,575,461 | 478,159 | - | 10,053,620 |
| Capital Appreciation School Bond, Series 2006, interest at 4.80% to 5.25% | 11,919,267 | 581,535 | 920,000 | 11,580,802 |
| Total | \$ 86,443,685 | \$ 3,843,489 | \$ 10,805,000 | \$ 79,482,174 |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE E - LONG-TERM LIABILITIES (Continued)

1. General Obligation Bonds (Continued)

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

| <u>Purpose</u> | <u>Interest Rates</u> | <u>Face Amount</u> | <u>Carrying Amount</u> |
|--|-----------------------|----------------------|------------------------|
| School Refunding Bonds - 2016B | 5.00% | \$ 11,580,000 | \$ 11,580,000 |
| Limited Tax School Bonds - 2016C | 4.00%-5.00% | 14,405,000 | 14,405,000 |
| Capital Appreciation School Bonds - 2004 | 8.00% | 37,060,000 | 31,862,752 |
| Capital Appreciation School Bonds - 2005 | 4.90%-4.95% | 12,925,000 | 10,053,620 |
| Capital Appreciation School Bonds - 2006 | 4.80%-5.25% | 13,795,000 | 11,580,802 |
| | | <u>\$ 89,765,000</u> | <u>\$ 79,482,174</u> |

At June 30, 2020, the District's future cash flow requirements for retirement of bond principal and interest was as follows:

| <u>Year Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------------------------|----------------------|----------------------|-----------------------|
| 2021 | \$ 10,805,000 | \$ 1,192,200 | \$ 11,997,200 |
| 2022 | 10,805,000 | 1,192,200 | 11,997,200 |
| 2023 | 10,805,000 | 1,192,200 | 11,997,200 |
| 2024 | 10,805,000 | 1,192,200 | 11,997,200 |
| 2025 | 10,805,000 | 1,192,200 | 11,997,200 |
| 2025 - 2029 | 26,390,000 | 3,857,500 | 30,247,500 |
| 2030 - 2034 | 7,640,000 | 1,282,600 | 8,922,600 |
| 2035 - 2036 | 1,710,000 | 68,400 | 1,778,400 |
| Total | <u>\$ 89,765,000</u> | <u>\$ 11,169,500</u> | <u>\$ 100,934,500</u> |

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$4,312,730 in the Debt Service Fund to service the outstanding bonds payable.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 13.8% of the most recent available equalized assessed valuation of the District. As of June 30, 2020, the statutory debt limit for the District was \$87,965,871, of which \$37,246,667 is fully available.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE E - LONG-TERM LIABILITIES (Continued)

2. School Technology Loan

The District entered into a loan agreement with the Illinois State Board of Education in the amount of \$279,250 to be used towards the purchase of technology equipment, in accordance with the terms of the agreement. Principal and interest payments were due bi-annually from June 1, 2017 through December 1, 2019, at a rate of 2.00%. The loan was paid in full during the fiscal year ended June 30, 2020.

3. Early Retirement Incentives

The District implemented an early retirement incentive plan in which an employee can notify the District of his/her intent to retire at the end of four upcoming school years. The employee shall receive a 6% increase in salary for each year up to retirement. This increase is paid to the employee over the course of the next four fiscal school years. As of June 30, 2020, the liability amounted to \$843,755.

4. Capital Lease

The District leases copier equipment with a gross asset cost of \$343,237 under a capital lease which expires in June 2022. The lease requires annual payments of \$93,000, including interest at 4.175%. The District also leases laptops with a gross asset cost of \$520,000 under a capital lease which expires in June 2023. The lease requires annual payments of \$139,395 for the first three years and a final payment of \$140,300 in the fourth year, including interest at 4.86%. The obligations are to be repaid from the Debt Service Fund, with funding provided by transfers from the Educational Fund. At June 30, 2020, the District's future cash flow requirement for retirement of the lease payable principal and interest are as follows:

| Year Ending June 30 | Principal | Interest | Total |
|------------------------|------------|-----------|------------|
| 2021 | \$ 207,698 | \$ 24,697 | \$ 232,395 |
| 2022 | 217,397 | 14,997 | 232,394 |
| 2023 | 133,658 | 6,642 | 140,300 |
| | \$ 558,753 | \$ 46,336 | \$ 605,089 |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES

1. 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 nonannuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at www.trsil.org/financial/cafrs/fy2019; 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 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

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

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

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

General Information about the Pension Plan (Continued)

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

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2019, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf Contributions to TRS

The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2020, 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 expenses of \$22,121,984 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$13,893,911 in the General Fund based on the current financial resources measurement basis.

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2020, were \$180,201, and are deferred because they were paid after the June 30, 2019 measurement date.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

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

General Information about the Pension Plan (Continued)

Contributions (Continued)

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, 2020, the employer pension contribution was 10.66 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2020, salaries totaling \$349,944 were paid from federal and special trust funds that required employer contributions of \$37,304.

Early Retirement Cost Contributions

Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The District is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2020, the District paid \$4,832 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

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

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

At June 30, 2020, 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 | \$ | 2,862,883 |
| State's proportionate share of the net pension liability associated with the District | | <u>203,748,289</u> |
| Total | | <u><u>\$ 206,611,172</u></u> |

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018, and rolled forward to June 30, 2019. 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, 2019, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2019, the District's proportion was 0.0035297105 percent, which was a decrease of 0.00045871 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized the following pension expense/expenditures and revenue pertaining to the District's employees:

| | <u>Governmental Activities</u> | <u>General Fund</u> |
|---|------------------------------------|-----------------------------|
| State on-behalf contributions - revenue and expense/expenditure | \$ 22,121,984 | \$ 13,893,911 |
| District TRS pension expense (benefit) | <u>(763,939)</u> | <u>180,201</u> |
| Total TRS expense/expenditure | <u><u>\$ 21,358,045</u></u> | <u><u>\$ 14,074,112</u></u> |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

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

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

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Differences between expected and actual experience | \$ 46,944 | \$ - |
| Change of assumptions | 64,148 | 54,953 |
| Net difference between projected and actual earnings on pension plan investments | 4,535 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | <u>120,207</u> | <u>2,717,510</u> |
| Total deferred amounts to be recognized in pension expense in future periods | <u>235,834</u> | <u>2,772,463</u> |
| District contributions subsequent to the measurement date | <u>180,201</u> | <u>-</u> |
| Total deferred amounts related to pensions | <u><u>\$ 416,035</u></u> | <u><u>\$ 2,772,463</u></u> |

The District reported \$180,201 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2021. 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:

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

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

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

| Year ending June 30, | Net Deferred Inflows of Resources |
|-------------------------|---|
| 2021 | \$ 1,024,095 |
| 2022 | 1,171,350 |
| 2023 | 245,093 |
| 2024 | 69,633 |
| 2025 | 26,458 |
| | \$ 2,536,629 |

Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 2.50 percent |
| Salary increases | Varies by amount of service credit |
| Investment rate of return | 7.00 percent, net of pension plan investment expense, including inflation |

In the June 30, 2019 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, 2018 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:

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

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

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

Actuarial Assumptions (Continued)

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------------|------------------------------|---|
| U.S. equities large cap | 15.0 % | 6.3 % |
| U.S. equities small/mid cap | 2.0 | 7.7 |
| International equities developed | 13.6 | 7 |
| Emerging market equities | 3.4 | 9.5 |
| U.S. bonds core | 8.0 | 2.2 |
| U.S. bonds high yield | 4.2 | 4.00 |
| International debt developed | 2.2 | 1.10 |
| Emerging international debt | 2.6 | 4.4 |
| Real estate | 16.0 | 5.2 |
| Real return | 4.0 | 1.8 |
| Absolute return | 14.0 | 4.1 |
| Private equity | 15.0 | 9.7 |
| Total | <u>100.0 %</u> | |

Discount Rate

At June 30, 2019, the discount rate used to measure the total pension liability was 7.00 percent, which was the same as the June 30, 2018 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.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

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

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

Discount Rate (Continued)

Based on those assumptions, TRS's fiduciary net position at June 30, 2019 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. 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 percent, 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 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

| | <u>1% Decrease</u> | <u>Current Discount Rate</u> | <u>1% Increase</u> |
|---|--------------------|------------------------------|--------------------|
| | 6.00% | 7.00% | 8.00% |
| District's proportionate share of the net pension liability | \$ 3,496,761 | \$ 2,862,883 | \$ 2,341,710 |

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2019 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed with the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the Benefits Provided section below. 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. That 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).

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

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

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

Employees Covered by Benefit Terms

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

| | |
|--|-------|
| Retirees and beneficiaries currently receiving benefits | 410 |
| Inactive plan members entitled to but not yet receiving benefits | 439 |
| Active plan members | 277 |
| Total | 1,126 |

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 contribution rate for calendar year 2019 was 7.95%. For the fiscal year ended June 30, 2020 the District contributed \$806,454 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 District’s net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2019:

| | |
|---------------------------|--|
| Actuarial Cost Method | Entry Age Normal |
| Asset Valuation Method | Market Value of Assets |
| Price Inflation | 2.50% |
| Salary Increases | 3.35% to 14.25% |
| Investment Rate of Return | 7.25% |
| Retirement Age | Experience-based table of rates, specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016. |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Mortality

For non-disabled retirees, the 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 projections scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustment 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. 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:

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

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

Actuarial Assumptions (Continued)

| Long-term Expected Rate of Return (Continued) | Asset Class | Portfolio Target Percentage | Long-Term Expected Real Rate of Return |
|---|-------------------------|-----------------------------|--|
| | Domestic equity | 37% | 5.75% |
| | International equity | 18% | 6.50% |
| | Fixed income | 28% | 3.25% |
| | Real estate | 9% | 5.20% |
| | Alternative investments | 7% | 3.60% - 7.60% |
| | Cash equivalents | 1% | 1.85% |
| | Total | <u>100%</u> | |

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

- a. 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
- b. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 2.75% (based on the daily rate closest to but not later than the measurement date of the "20-Year Municipal GO AA index"), and the resulting single discount rate is 7.25%.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

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

Changes in Net Pension Liability

The following table shows the components of the change in the District's net pension liability for the calendar year ended December 31, 2019:

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension Liability (A) - (B) |
|---|-----------------------------------|---------------------------------------|---------------------------------------|
| | <u>(A)</u> | <u>(B)</u> | <u>(A) - (B)</u> |
| Balances at December 31, 2018 | \$ 39,155,820 | \$ 33,810,508 | \$ 5,345,312 |
| Changes for the year: | | | |
| Service cost | 960,982 | - | 960,982 |
| Interest on the total pension liability | 2,795,565 | - | 2,795,565 |
| Difference between expected and actual experience of the total pension liability | 130,995 | - | 130,995 |
| Changes of assumptions | - | - | - |
| Contributions - employer | - | 727,791 | (727,791) |
| Contributions - employees | - | 412,613 | (412,613) |
| Net investment income | - | 6,437,620 | (6,437,620) |
| Benefit payments, including refunds of employee contributions | (2,153,585) | (2,153,585) | - |
| Other (net transfer) | - | (174,880) | 174,880 |
| Net changes | <u>1,733,957</u> | <u>5,249,559</u> | <u>(3,515,602)</u> |
| Balances at December 31, 2019 | <u>\$ 40,889,777</u> | <u>\$ 39,060,067</u> | <u>\$ 1,829,710</u> |

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

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

| | 1% Lower (6.25%) | Current Discount Rate (7.25%) | 1% Higher (8.25%) |
|-------------------------------|---------------------|-------------------------------------|-----------------------|
| | <u>(6.25%)</u> | <u>(7.25%)</u> | <u>(8.25%)</u> |
| Net pension liability (asset) | \$ <u>6,875,556</u> | \$ <u>1,829,710</u> | \$ <u>(2,430,220)</u> |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

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

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

For the year ended June 30, 2020 the District recognized pension expense of \$1,688,414. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Deferred Amounts to be Recognized in Pension Expense in Future Periods | | |
| Differences between expected and actual experience | \$ 81,996 | \$ - |
| Change of assumptions | 236,814 | - |
| Net difference between projected and actual earnings on pension plan investments | <u>2,914,737</u> | <u>4,596,719</u> |
| Total deferred amounts to be recognized in pension expense in the future periods | <u>3,233,547</u> | <u>4,596,719</u> |
| Pension contributions made subsequent to the measurement date | <u>449,164</u> | <u>-</u> |
| Total deferred amounts related to pensions | <u><u>\$ 3,682,711</u></u> | <u><u>\$ 4,596,719</u></u> |

The District reported \$449,164 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2021.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

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:

| Year ending June 30, | Net Deferred Inflows of Resources |
|-------------------------|---|
| 2021 | \$ 206,005 |
| 2022 | 504,782 |
| 2023 | (153,500) |
| 2024 | 805,885 |
| 2025 | - |
| Thereafter | - |
| Total | \$ 1,363,172 |

3. Summary of Pension Items

Below is a summary of the various pension items:

| | TRS | IMRF | Total |
|---------------------------------|------------|--------------|--------------|
| Deferred outflows of resources: | | | |
| Employer contributions | \$ 180,201 | \$ 449,164 | \$ 629,365 |
| Experience | 46,944 | 81,996 | 128,940 |
| Assumptions | 64,148 | 236,814 | 300,962 |
| Proportionate share | 120,207 | - | 120,207 |
| Investments | 4,535 | 2,914,737 | 2,919,272 |
| | \$ 416,035 | \$ 3,682,711 | \$ 4,098,746 |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PENSION LIABILITIES (Continued)

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

3. Summary of Pension Items (Continued)

| | TRS | IMRF | Total |
|--------------------------------|---------------|--------------|---------------|
| Net pension liability | \$ 2,862,883 | \$ 1,829,710 | \$ 4,692,593 |
| Pension expense | \$ 21,358,045 | \$ 1,688,414 | \$ 23,046,459 |
| Deferred inflows of resources: | | | |
| Assumptions | \$ 54,953 | \$ - | \$ 54,953 |
| Proportionate share | 2,717,510 | - | 2,717,510 |
| Investments | - | 4,596,719 | 4,596,719 |
| | \$ 2,772,463 | \$ 4,596,719 | \$ 7,369,182 |

4. Social Security/Medicare

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

NOTE G - OTHER POSTEMPLOYMENT BENEFITS

1. Teachers' Health Insurance Security (THIS)

General Information about the Other Postemployment Plan

Plan Description

The District participates in the Teacher Health Insurance Security Fund (THIS), 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.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

The 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 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.

Contributions

On behalf contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. In the fund financial statements, the State contributions are intended to match contributions to the THIS Fund from active members, which were 1.24 percent of pay during the year ended June 30, 2020. In the government-wide financial statements, State of Illinois contributions also include a proportional allocation of the State's OPEB expense (based on the portion of the District's share of the expense compared to all School Districts in aggregate). For the year ended June 30, 2020, the District recognized revenue and expenses of \$2,111,795 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$385,257 in the General Fund based on the current financial resources measurement basis for State of Illinois contributions on behalf of the District's employees.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

General Information about the Other Postemployment Plan (Continued)

Contributions (Continued)

District contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.92 percent during the year ended June 30, 2020. For the year ended June 30, 2020, the District paid \$285,836 to the THIS Fund, which was 100 percent of the required contribution. These amounts are deferred because they were paid after the June 30, 2019 measurement date.

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

Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for state OPEB 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 | \$ 32,526,976 |
| State's estimated proportionate share of the net OPEB liability associated with the District* | <u>44,045,675</u> |
| Total | <u><u>\$ 76,572,651</u></u> |

* The State's proportionate share of the net OPEB liability (NOL) associated with the District is not available in the actuarial report and therefore the amount reported above is an estimate calculated by allocating the State's total NOL for the entire plan (per the actuary) based on the District's proportionate share of the NOL to all the school districts participating in the Plan. Additionally, the amounts included below related to sensitivity of the healthcare rate, discount rate and amortization of deferred inflows and outflows are based on a similar allocation methodology.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

net OPEB liability was determined by an actuarial valuation as of June 30, 2018, and rolled forward to June 30, 2019. 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, 2019, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2019, the District's proportion was 0.117522 percent, which was a decrease of 0.003011 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized the following for OPEB expense/expenditure and revenue pertaining to the District's employees:

| | Governmental Activities | General Fund |
|---|----------------------------|-----------------|
| State on-behalf contributions - OPEB revenue and expense/expenditure | \$ 2,111,795 | \$ 385,257 |
| District OPEB pension expense | 1,662,731 | 285,836 |
| Total OPEB expense/expenditure | \$ 3,774,526 | \$ 671,093 |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Differences between expected and actual experience | \$ - | \$ 539,759 |
| Change of assumptions | 12,331 | 3,728,651 |
| Net difference between projected and actual earnings on OPEB plan investments | - | 1,065 |
| Changes in proportion and differences between District contributions and proportionate share of contributions | <u>1,494,414</u> | <u>813,944</u> |
| Total deferred amounts to be recognized in OPEB expense in future periods | <u>1,506,745</u> | <u>5,083,419</u> |
| District contributions subsequent to the measurement date | <u>285,836</u> | <u>-</u> |
| Total deferred amounts related to OPEB | <u><u>\$ 1,792,581</u></u> | <u><u>\$ 5,083,419</u></u> |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

The District reported \$285,836 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2021. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year ending June 30: | Net Deferred Inflows of Resources |
|----------------------|---|
| 2021 | \$ 661,778 |
| 2022 | 661,778 |
| 2023 | 661,694 |
| 2024 | 661,519 |
| 2025 | 482,983 |
| Thereafter | 446,922 |
| Total | \$ 3,576,674 |

Actuarial Assumptions

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|------------------------|---|
| Actuarial Cost Method | Entry Age Normal, used to measure the Total OPEB Liability |
| Contribution Policy | Benefits are financed on a pay-as-you basis. Contribution rates are defined by statute. For fiscal year end June 30, 2019, contribution rates are 1.24% of pay for active members, 0.92% of pay for school districts, and 1.24% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs. |
| Asset Valuation Method | Market value |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Actuarial Assumptions (Continued)

| | |
|---------------------------|--|
| Investment rate of return | 0.00%, net of OPEB plan investment expense, including inflation, for all plan years. |
| Inflation | 2.50% |
| Salary increases | Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption. |
| Retirement Age | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018, actuarial valuation. |
| Mortality | Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017. |
| Healthcare Trend Rate | Actual trend used for fiscal year 2019. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare cost and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.31% is added to non-Medicare cost on and after 2022 to account for the Excise Tax. |
| Aging Factors | Based on the 2013 SOA Study "Health Care Costs - From Birth to Death". |
| Expenses | Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense. |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Discount Rate

The State, the District and active members contribute 1.24 percent, 0.92 percent, 1.24 percent of pay, respectively for fiscal year 2019. Retirees contribute a percentage of the premium rate. The State also contributes an additional amount to cover plan costs in excess of contributions and investment income. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.62 percent at June 30, 2018, and 3.13 percent at June 30, 2019, was used to measure the total OPEB liability. The decrease in the single discount rate, from 3.62 percent to 3.13 percent, caused the total OPEB liability for the entire plan to increase by approximately \$2,296 million as of June 30, 2019.

Investment Return

During plan year end June 30, 2019, the trust earned \$397,000 in interest, and the market value of assets at June 30, 2019, is \$68 million. Given the low asset value and pay-as-you-go funding policy, the investment return assumption was set to zero.

Money-Weighted Rate of Return

The annual money-weighted rate of return was estimated based on monthly investment performance, net of investment expenses, adjusted for changing amounts actually invested. The annual money-weighted rate of return was 2.038% for plan year end June 30, 2019, and 1.301% for plan year end June 30, 2018.

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 3.13 percent, 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 (2.13 percent) or 1-percentage-point higher (4.13 percent) than the current rate:

Crete-Monee School District 201-U
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

| | <u>1% Decrease</u> <u>(2.13%)</u> | <u>Current</u> <u>Discount Rate</u> <u>(3.13%)</u> | <u>1% Increase</u> <u>(4.13%)</u> |
|--|--------------------------------------|--|--------------------------------------|
| District's proportionate share of the net OPEB liability | \$ 39,109,230 | \$ 32,526,976 | \$ 27,328,407 |

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

The following table shows the District's net OPEB liability as of June 30, 2019, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower. The key trend rates are 8.00% in 2020 decreasing to an ultimate trend rate of 4.81% in 2027, for non-Medicare coverage, and 9.00% in 2020 decreasing to an ultimate trend rate of 4.50% in 2027 for Medicare coverage.

| | <u>1% Decrease*</u> | <u>Current</u> <u>Healthcare</u> <u>Trend Rate</u> | <u>1%</u> <u>Increase **</u> |
|--|---------------------|--|---------------------------------|
| District's proportionate share of the net OPEB liability | \$ 26,279,143 | \$ 32,526,976 | \$ 40,965,463 |

* One percentage point decrease in healthcare trend rates are 7.00% in 2020 decreasing to an ultimate trend rate of 3.81% in 2027, for non-Medicare coverage, and 8.00% in 2020 decreasing to an ultimate trend rate of 3.50% in 2027 for Medicare coverage.

** One percentage point increase in healthcare trend rates are 9.00% in 2020 decreasing to an ultimate trend rate of 5.81% in 2027, for non-Medicare coverage, and 10.00% in 2020 decreasing to an ultimate trend rate of 5.50% in 2027 for Medicare coverage.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP)

Plan Description

The District administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The benefits, benefit levels, employee contributions and employer contributions are governed by the District and may be amended by the District through its employment contracts. The plan does not issue a separate financial report.

Benefits Provided

The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement until age 65, provided they are on the group health insurance plan at the time of retirement. Retirees are responsible to contribute a premium toward the cost of their insurance, which is determined by the Board. Retirees may also access dental and life insurance benefits on a "direct pay" basis.

TRS employees are only eligible who are retired as of June 30, 2014 or who have submitted their notice to retire by August 31, 2013. IMRF Tier I (date of hire is prior to January 1, 2011) participants are eligible upon attaining age 55 with at least 8 years of service. IMRF Tier II (date of hire is on or after January 1, 2011) participants are eligible to retire upon attaining age 62 with 10 years of service.

Employees Covered by Benefit Terms

As of June 30, 2019 the following employees were covered by the benefit terms:

| | |
|--|-------------------|
| Actives fully eligible to retire | 190 |
| Actives not yet fully eligible to retire | - |
| Retirees | <u>17</u> |
| Total | <u><u>207</u></u> |

Contributions

Retirees have the option of choosing from an HMO or PPO plan through the District. Premiums for the plan are set by the Board of Education. Currently, the District contributes 0 percent to 100 percent to postemployment benefits, which varies for different employee groups. For fiscal year 2020, the District contributed \$122,728 toward the cost of the postemployment benefits for retirees, which was 1.37% of covered payroll.

Crete-Monee School District 201-U
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

Total OPEB Liability

The total OPEB liability was determined by an actuarial valuation performed as of July 1, 2018, rolled forward to July 1, 2019, using the following actuarial methods and assumptions:

| | |
|----------------------------|---|
| Actuarial valuation date | July 1, 2018 |
| Measurement date | June 30, 2019 |
| Actuarial cost method | Entry Age Normal |
| Actuarial assumptions: | |
| Inflation | 2.50% |
| Discount rate | 3.50% |
| Projected salary increases | 3.50% |
| Healthcare inflation rate | 7.50% initial 4.50% ultimate |
| Mortality rates | Pub-2010 Public Retirement Plans General mortality table projected generationally with Scale MP-2019 |
| Election at retirement | 40% of active employees will continue coverage upon retirement. It is assumed that active employees will elect the same coverage upon retirement as they have when they are active. |
| Marital status | 40% of participants will be married and elect to cover a spouse upon retirement. Husbands are assumed to be three years older than wives. |

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). The discount rate was updated from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2020.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. **Retiree Health Plan (RHP) (Continued)**

Changes in the Total OPEB Liability

| | Total OPEB Liability (A) | Plan Fiduciary Net Position (B) | Net OPEB Liability (A) - (B) |
|--|--------------------------------|---------------------------------------|------------------------------------|
| Balances at July 1, 2018 | \$ 986,703 | \$ - | \$ 986,703 |
| Changes for the year: | | | |
| Service cost | 54,188 | - | 54,188 |
| Interest on the total OPEB liability | 37,907 | - | 37,907 |
| Difference between expected and actual experience of the total OPEB liability | - | - | - |
| Changes of assumptions | (9,335) | - | (9,335) |
| Contributions - employer | - | 122,728 | (122,728) |
| Benefit payments, including the implicit rate subsidy | (122,728) | (122,728) | - |
| Net changes | <u>(39,968)</u> | <u>-</u> | <u>(39,968)</u> |
| Balances at June 30, 2019 | <u>\$ 946,735</u> | <u>\$ -</u> | <u>\$ 946,735</u> |

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

The following presents the plan's total OPEB liability, calculated using a Single Discount Rate of 3.50%, as well as what the plan's total OPEB liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

| | 1% Lower (2.50%) | Current Discount Rate (3.50%) | 1% Higher (4.50%) |
|----------------------|---------------------|-------------------------------------|----------------------|
| Total OPEB liability | \$ <u>1,003,346</u> | \$ <u>946,735</u> | \$ <u>893,889</u> |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the plan's total OPEB liability, calculated using a Healthcare Trend Rate range of 4.50%-7.50%, as well as what the plan's total OPEB liability would be if it were calculated using a Healthcare Trend Rate range that is 1% lower or 1% higher than the current range:

| | <u>1% Lower</u> <u>(3.50%-6.50%)</u> | <u>Current</u> <u>Healthcare Rate</u> <u>(4.50%-7.50%)</u> | <u>1% Higher</u> <u>(5.50%-8.50%)</u> |
|----------------------|---|--|--|
| Total OPEB liability | \$ <u>866,619</u> | \$ <u>946,735</u> | \$ <u>1,040,931</u> |

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

For the year ended June 30, 2020 the District recognized OPEB income of \$35,257. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | <u>Deferred</u> <u>Outflows of</u> <u>Resources</u> | <u>Deferred</u> <u>Inflows of</u> <u>Resources</u> |
|---|---|--|
| Deferred Amounts to be Recognized in OPEB Expense in Future Periods | | |
| Differences between expected and actual experience | \$ - | \$ 241,364 |
| Change of assumptions | <u>6,442</u> | <u>57,095</u> |
| Total deferred amounts to be recognized in OPEB expense in the future periods | <u>\$ 6,442</u> | <u>\$ 298,459</u> |

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

| Year Ended June 30, | Net Deferred Inflows of Resources |
|------------------------|---|
| 2021 | \$ 127,352 |
| 2022 | 127,350 |
| 2023 | 9,889 |
| 2024 | 7,556 |
| 2025 | 7,556 |
| Thereafter | 12,314 |
| Total | \$ 292,017 |

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

3. Summary of OPEB Items

Below is a summary of the various OPEB items at June 30, 2019:

| | <u>THIS</u> | <u>RHP</u> | <u>Total</u> |
|------------------------------------|--------------------------|------------------------|--------------------------|
| Deferred outflows of resources: | | | |
| Employer contributions | \$ 285,836 | \$ - | \$ 285,836 |
| Assumptions | 12,331 | 6,442 | 18,773 |
| Proportionate share | <u>1,494,414</u> | <u>-</u> | <u>1,494,414</u> |
| | <u>\$ 1,792,581</u> | <u>\$ 6,442</u> | <u>\$ 1,799,023</u> |
| OPEB liability | <u>\$ 32,526,976</u> | <u>\$ 946,735</u> | <u>\$ 33,473,711</u> |
| OPEB expense (income) | <u>\$ 3,774,526</u> | <u>\$ (35,257)</u> | <u>\$ 3,739,269</u> |
| Deferred inflows of resources: | | | |
| Assumptions | \$ 3,728,651 | \$ 57,095 | \$ 3,785,746 |
| Experience | 539,759 | 241,364 | 781,123 |
| Proportionate share | 813,944 | - | 813,944 |
| Investments | <u>1,065</u> | <u>-</u> | <u>1,065</u> |
| | <u>\$ 5,083,419</u> | <u>\$ 298,459</u> | <u>\$ 5,381,878</u> |

NOTE H - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction to assets; errors and omissions; injuries to employees; and natural disasters. The District participates in the Collective Liability Insurance Cooperative (CLIC) for general liability, property and worker's compensation coverage. CLIC is an organization of school cooperatives and districts in Illinois which has formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs. The CLIC agreement provides coverage of up to \$1,000,000 per individual and \$3,000,000 in aggregate for general liability, property and worker's compensation. In the past three years, the District has not made any supplemental payments to CLIC.

Each member of CLIC appoints one representative to the Board of Directors. The District does not exercise any control over the activities of the pool beyond its representation on the Board of Directors.

A complete set of financial statements for CLIC can be obtained from its Treasurer at 634 Kenilworth Street Grayslake, Illinois 60030.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE H - RISK MANAGEMENT (Continued)

The District is self-insured for health and dental coverage for eligible employees and dependents. Plan participants are full-time employees who have completed the enrollment form and authorized the necessary employee contributions, if any. Participation begins the first day of the month following date of employment. Coverage can be continued during an approved leave of absence or as a retiree. The District utilizes a third-party administrator to process the plan claims.

For the two years ended June 30, 2020 and 2019, changes in the liability for unpaid claims are summarized as follows:

| | 2020 | 2019 |
|---|-------------|-------------|
| Health and dental claims payable, July 1 | \$ 348,860 | \$ 508,508 |
| Current year claims and changes in estimate | 5,270,059 | 4,293,250 |
| Claims paid | (5,291,919) | (4,452,898) |
| Health and dental claims payable, June 30 | \$ 327,000 | \$ 348,860 |

NOTE I - INTERFUND TRANSFERS

The District transferred \$54,794 from the General (Educational Account) Fund to the Debt Service Fund for payment of principal and interest on the school technology loan.

The District transferred \$232,395 from the General (Educational Account) Fund to the Debt Service Fund for payment of principal and interest on the capital lease.

NOTE J - JOINT AGREEMENT

The District is a member of the Special Education Co-op of South Cook County (SPEED) Joint Agreement No. 802, along with other area school districts. The District's pupils benefit from programs administered under this joint agreement, and the District benefits from jointly administered grants and programming. The District does not have an equity interest in this joint agreement. The joint agreement is separately audited and is not included in these financial statements. Financial information may be obtained directly from SPEED at 1125 Division Street, Chicago Heights, Illinois 60411.

The District pays tuition to the joint agreement to cover the operating costs of the services. The District believes that because it does not control the selection of the significant governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationship exercised by the joint agreement governing board, this is not included as a component unit of the District.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE K - CONTINGENCIES

1. Litigation

The District is a defendant in various lawsuits. With regard to these matters, the eventual outcome and related liability, if any, are not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs.

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

3. COVID-19

The direct and indirect impacts of the COVID-19 pandemic on the District's enrollment, vendors, operations, and financing arrangements are currently unknown, except as mentioned, as is the duration and severity of any impacts that the District may experience. Additionally, certain counties have elected to waive late fees and interest for taxpayers that can demonstrate financial hardship due to the COVID-19 crisis, which will affect the timing of the District receiving those property taxes. While the District's evaluation is ongoing, management is currently unable to quantify the full effects that the pandemic will have on its operations, cash flows, and financial position; however, they may be significant. No adjustments have been made to these financial statements as a result of this uncertainty.

NOTE L - SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 15, 2020, the date that these financial statements were available to be issued. No events or transactions have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Crete-Monee School District 201-U

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

MOST RECENT CALENDAR YEARS

Illinois Municipal Retirement Fund

Six Most Recent Fiscal Years

| | 2020 | 2019 |
|--|-----------------------------|-----------------------------|
| Total pension liability | | |
| Service cost | \$ 960,982 | \$ 914,290 |
| Interest on the total pension liability | 2,795,565 | 2,694,572 |
| Difference between expected and actual experience of the total pension liability | 130,995 | 10,551 |
| Assumption changes | - | 1,065,706 |
| Benefit payments and refunds | <u>(2,153,585)</u> | <u>(1,999,566)</u> |
| Net change in total pension liability | 1,733,957 | 2,685,553 |
| Total pension liability, beginning | 39,155,820 | 36,470,267 |
| Total pension liability, ending | <u><u>\$ 40,889,777</u></u> | <u><u>\$ 39,155,820</u></u> |
| | | |
| Plan fiduciary net position | | |
| Contributions, employer | \$ 727,791 | \$ 831,926 |
| Contributions, employee | 412,613 | 411,157 |
| Net investment income | 6,437,620 | (2,096,428) |
| Benefit payments, including refunds of employee contributions | (2,153,585) | (1,999,566) |
| Other (net transfer) | <u>(174,880)</u> | <u>557,115</u> |
| Net change in plan fiduciary net position | 5,249,559 | (2,295,796) |
| Plan fiduciary net position, beginning | 33,810,508 | 36,106,304 |
| Plan fiduciary net position, ending | <u><u>\$ 39,060,067</u></u> | <u><u>\$ 33,810,508</u></u> |
| | | |
| Net pension liability | <u><u>\$ 1,829,710</u></u> | <u><u>\$ 5,345,312</u></u> |
| | | |
| Plan fiduciary net position as a percentage of the total pension liability | 95.53 | 86.35 |
| | | |
| Covered valuation payroll | \$ 9,154,974 | \$ 9,114,999 |
| | | |
| Net pension liability as a percentage of covered valuation payroll | 19.99 % | 58.64 % |

Note 1: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015; therefore, 10 years of information is not available.

Note 2: Actuarial valuations are as of December 31, which is six months prior to the end of the fiscal year.

| | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|----|--------------------------|--------------------------|--------------------------|--------------------------|
| \$ | 823,636 | \$ 859,957 | \$ 910,765 | \$ 985,205 |
| | 2,535,439 | 2,420,795 | 2,380,144 | 2,191,480 |
| | 1,929,041 | 208,253 | (859,480) | (171,361) |
| | (1,195,471) | (39,331) | 37,711 | 1,317,703 |
| | <u>(2,032,837)</u> | <u>(1,859,205)</u> | <u>(1,858,047)</u> | <u>(1,682,511)</u> |
| | 2,059,808 | 1,590,469 | 611,093 | 2,640,516 |
| | 34,410,459 | 32,819,990 | 32,208,897 | 29,568,381 |
| \$ | <u><u>36,470,267</u></u> | <u><u>34,410,459</u></u> | <u><u>32,819,990</u></u> | <u><u>32,208,897</u></u> |
| \$ | 791,940 | \$ 702,041 | \$ 771,694 | \$ 840,780 |
| | 406,582 | 335,840 | 371,435 | 372,613 |
| | 5,769,722 | 2,083,457 | 155,825 | 1,815,754 |
| | (2,032,837) | (1,859,205) | (1,858,047) | (1,682,511) |
| | <u>(806,471)</u> | <u>172,473</u> | <u>(420,524)</u> | <u>174,730</u> |
| | 4,128,936 | 1,434,606 | (979,617) | 1,521,366 |
| | <u>31,977,368</u> | <u>30,542,762</u> | <u>31,522,379</u> | <u>30,001,013</u> |
| \$ | <u><u>36,106,304</u></u> | <u><u>31,977,368</u></u> | <u><u>30,542,762</u></u> | <u><u>31,522,379</u></u> |
| \$ | <u><u>363,963</u></u> | <u><u>2,433,091</u></u> | <u><u>2,277,228</u></u> | <u><u>686,518</u></u> |
| | 99.00 % | 92.93 % | 93.06 % | 97.87 % |
| \$ | 9,011,633 | \$ 7,460,578 | \$ 7,843,653 | \$ 8,122,849 |
| | 4.04 % | 32.61 % | 29.03 % | 8.45 % |

Crete-Monee School District 201-U
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
 Illinois Municipal Retirement Fund
Six Most Recent Fiscal Years

| Year | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Valuation Payroll | Actual Contribution as a % of Covered Valuation Payroll |
|------|---|------------------------|--|---------------------------------|---|
| 2020 | \$ 727,820 | * \$ 727,791 | \$ 29 | \$ 9,154,974 | 7.95 % |
| 2019 | 815,792 | 831,926 | (16,134) | 9,114,999 | 9.13 |
| 2018 | 785,814 | 791,940 | (6,126) | 9,011,633 | 8.79 |
| 2017 | 702,040 | 702,041 | (1) | 7,460,578 | 9.41 |
| 2016 | 771,815 | 771,694 | 121 | 7,843,653 | 9.84 |
| 2015 | 793,397 | 840,780 | (47,383) | 7,878,822 | 10.67 |

* Estimated based on contribution rate of 7.95% and covered valuation payroll of \$9,154,974.

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015; therefore, 10 years of information is not available.

Crete-Monee School District 201-U
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
Teachers' Retirement System of the State of Illinois
Six Most Recent Fiscal Years

| | <u>2020</u> | <u>2019</u> |
|---|-----------------------|-----------------------|
| District's proportion of the net pension liability | 0.0035297105 % | 0.0039884206 % |
| District's proportionate share of the net pension liability | \$ 2,862,833 | \$ 3,108,768 |
| State's proportionate share of the net pension liability associated with the District | <u>203,748,289</u> | <u>212,963,635</u> |
| Total | <u>\$ 206,611,122</u> | <u>\$ 216,072,403</u> |
| District's covered-employee payroll | \$ 30,533,342 | \$ 28,616,496 |
| District's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 9.38 % | 10.86 % |
| Plan fiduciary net position as a percentage of the total pension liability | 39.60 % | 40.00 % |

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pension liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015; therefore, 10 years of information is not available.

| <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|-----------------------|-----------------------|-----------------------|-----------------------|
| 0.0042586129 % | 0.0122566959 % | 0.0114682738 % | 0.0110000000 % |
| \$ 3,253,501 | \$ 9,674,951 | \$ 7,512,875 | \$ 6,712,534 |
| <u>200,335,464</u> | <u>207,538,257</u> | <u>173,889,137</u> | <u>163,781,819</u> |
| <u>\$ 203,588,965</u> | <u>\$ 217,213,208</u> | <u>\$ 181,402,012</u> | <u>\$ 170,494,353</u> |
| \$ 27,080,259 | \$ 26,124,556 | \$ 26,857,638 | \$ 26,612,539 |
| 12.01 % | 37.03 % | 27.97 % | 25.22 % |
| 39.30 % | 36.40 % | 41.50 % | 43.00 % |

Crete-Monee School District 201-U
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Retirement System of the State of Illinois
Six Most Recent Fiscal Years

| | 2020 | 2019 |
|---|---------------|---------------|
| Contractually required contribution | \$ 177,093 | \$ 165,976 |
| Contributions in relation to the contractually required contribution | 159,853 | 165,715 |
| Contribution deficiency | \$ 17,240 | \$ 261 |
| District's covered-employee payroll | \$ 31,069,113 | \$ 30,533,342 |
| Contributions as a percentage of covered-employee payroll | 0.51% | 0.54% |

Note: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the pension liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015; therefore, 10 years of information is not available.

| <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|--------------------------|------------------------|--------------------|--------------------|
| \$ 170,676 | \$ 474,539 | \$ 401,848 | \$ 401,851 |
| <u>175,453</u> | <u>474,666</u> | <u>401,848</u> | <u>401,851</u> |
| <u><u>\$ (4,777)</u></u> | <u><u>\$ (127)</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |
| \$ 28,616,496 | \$ 27,080,259 | \$ 26,124,556 | \$ 26,857,638 |
| 0.61% | 1.75% | 1.54% | 1.50% |

Crete-Monee School District 201-U
MULTIYEAR SCHEDULE OF CHANGES IN TOTAL OTHER
POSTRETIREMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS
Retiree Health Plan
Three Most Recent Fiscal Years

| | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|---|-------------------|-------------------|---------------------|
| Total OPEB liability | | | |
| Service cost | \$ 54,188 | \$ 73,940 | \$ 80,239 |
| Interest on the total OPEB liability | 37,907 | 47,029 | 42,167 |
| Difference between expected and actual experience of the total OPEB liability | - | (482,730) | - |
| Changes of assumptions | (9,335) | 12,884 | (72,762) |
| Benefit payments, including the implicit rate subsidy | <u>(122,728)</u> | <u>(186,048)</u> | <u>(168,000)</u> |
| Net change in total OPEB liability | (39,968) | (534,925) | (118,356) |
| Total OPEB liability, beginning | 986,703 | 1,521,628 | 1,639,984 |
| Total OPEB liability, ending | <u>\$ 946,735</u> | <u>\$ 986,703</u> | <u>\$ 1,521,628</u> |
| District's Total OPEB liability | <u>\$ 946,735</u> | <u>\$ 986,703</u> | <u>\$ 1,521,628</u> |
| Covered valuation payroll | \$ 8,987,819 | \$ 8,993,611 | \$ N/A |
| Total OPEB liability as a percentage of covered valuation payroll | 10.53 % | 10.97 % | N/A % |

Note: The District implemented GASB 75 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

N/A Information not available

Crete-Monee School District 201-U
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY
Teachers' Health Insurance Security Fund
Three Most Recent Fiscal Years

| | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|----------------------|----------------------|----------------------|
| District's proportion of the net OPEB liability | 0.117522 % | 0.120533 % | 0.117726 % |
| District's proportionate share of the net OPEB liability | \$ 32,526,976 | \$ 31,755,432 | \$ 30,549,435 |
| State's proportionate share of the net OPEB liability associated with the District | <u>44,045,675</u> | <u>42,640,697</u> | <u>40,118,999</u> |
| Total | <u>\$ 76,572,651</u> | <u>\$ 74,396,129</u> | <u>\$ 70,668,434</u> |
| District's covered-employee payroll | \$ 30,533,342 | \$ 28,616,946 | \$ 27,080,259 |
| District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll | 106.53% | 110.97% | 112.81% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 0.28% | -0.07% | -0.17% |

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2018; therefore, 10 years of information is not available.

Crete-Monee School District 201-U
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Health Insurance Security Fund
Three Most Recent Fiscal Years

| | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|--------------------|-----------------|----------------|
| Contractually required contribution | \$ 280,907 | \$ 251,825 | \$ 227,474 |
| Contributions in relation to the contractually required contribution | <u>265,740</u> | <u>251,445</u> | <u>227,492</u> |
| Contribution excess (deficiency) | <u>\$ (15,167)</u> | <u>\$ (380)</u> | <u>\$ 18</u> |
| District's covered-employee payroll | \$ 31,069,113 | \$ 30,533,342 | \$ 28,616,496 |
| Contributions as a percentage of covered-employee payroll | 0.86% | 0.82% | 0.79% |

Note: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|--|---------------------------------|-------------------|----------------------------------|-------------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Local sources | | | | |
| General levy | \$ 24,984,956 | \$ 25,333,328 | \$ 348,372 | \$ 24,756,570 |
| Special education levy | 4,367,271 | 4,549,172 | 181,901 | 4,389,132 |
| Corporate personal property replacement taxes | 911,800 | 1,036,509 | 124,709 | 954,829 |
| Regular tuition from pupils or parents | 2,500 | - | (2,500) | - |
| Summer school tuition from pupils or parents | 5,000 | 613 | (4,387) | 200 |
| Interest on investments | 113,000 | 73,321 | (39,679) | 255,294 |
| Sales to pupils - lunch | 509,300 | 338,028 | (171,272) | 452,082 |
| Sales to adults | 15,000 | - | (15,000) | - |
| Other food service | 25,000 | 10,808 | (14,192) | 7,450 |
| Admissions - athletic | 33,000 | 21,310 | (11,690) | 38,734 |
| Admissions - other | 10,000 | 910 | (9,090) | 11 |
| Fees | 149,706 | 146,563 | (3,143) | 197,750 |
| Other district/school activity revenue | - | - | - | 72,229 |
| Rentals - regular textbook | 330,000 | 236,627 | (93,373) | 270,944 |
| Rentals - other | - | - | - | 890 |
| Sales - other | 5,000 | 3,006 | (1,994) | 6,435 |
| Contributions and donations from private sources | - | 6,773 | 6,773 | 14,958 |
| Refund of prior years' expenditures | 460,000 | 401,704 | (58,296) | 152,575 |
| Drivers' education fees | 20,000 | 18,525 | (1,475) | 16,150 |
| Other | 3,000 | 25,473 | 22,473 | 212,291 |
| Total local sources | <u>31,944,533</u> | <u>32,202,670</u> | <u>258,137</u> | <u>31,798,524</u> |
| State sources | | | | |
| Evidence Based Funding Formula | 15,613,236 | 17,410,104 | 1,796,868 | 16,511,350 |
| Special Education - Private Facility Tuition | 450,000 | 370,346 | (79,654) | 430,420 |
| Special Education - Orphanage - Individual | 260,000 | 590,976 | 330,976 | 736,162 |
| Special Education - Orphanage - Summer Individual | - | 14,337 | 14,337 | 28,311 |
| CTE - Secondary Program Improvement (CTEI) | 32,302 | 34,896 | 2,594 | 45,996 |

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|---|---------------------------------|-------------------|----------------------------------|-------------------|
| | Original and Final Budget | Actual | | |
| State sources (Continued) | | | | |
| CTE - Student Organizations | \$ 3,000 | \$ - | \$ (3,000) | \$ - |
| State Free Lunch & Breakfast | 20,000 | 18,523 | (1,477) | 31,630 |
| Driver Education | 22,000 | 44,850 | 22,850 | 54,129 |
| Early Childhood - Block Grant | 452,277 | 466,483 | 14,206 | 467,252 |
| Technology - Technology for Success | 3,100 | - | (3,100) | - |
| Other restricted revenue from state sources | <u>-</u> | <u>70,076</u> | <u>70,076</u> | <u>7,513</u> |
| Total state sources | <u>16,855,915</u> | <u>19,020,591</u> | <u>2,164,676</u> | <u>18,312,763</u> |
| Federal sources | | | | |
| National School Lunch Program | 1,400,000 | 943,747 | (456,253) | 1,375,117 |
| School Breakfast Program | 400,000 | 305,445 | (94,555) | 394,349 |
| Summer Food Service Program | - | 160,723 | 160,723 | - |
| Title I - Low Income | 1,156,050 | 1,310,084 | 154,034 | 884,457 |
| Title I - Other | - | 85,200 | 85,200 | 31,746 |
| Title IV - Student Support & Academic Enrichment Grant | 179,949 | - | (179,949) | 19,888 |
| Federal Special Education - Preschool Flow-Through | 48,658 | 5,013 | (43,645) | 36,766 |
| Federal Special Education - IDEA Flow Through | 1,267,331 | 677,248 | (590,083) | 546,369 |
| Federal Special Education - IDEA Room & Board | 80,000 | 57,385 | (22,615) | 49,115 |
| CTE - Perkins-Title IIIIE Tech Prep | 58,859 | - | (58,859) | - |
| CTE - Other | - | 52,618 | 52,618 | 78,294 |
| Title III - English Language Acquisition | 11,908 | 9,896 | (2,012) | 17,030 |
| Title II - Teacher Quality | 66,735 | 170,172 | 103,437 | 211,383 |
| Medicaid Matching Funds - Administrative Outreach | 120,000 | 27,660 | (92,340) | 30,035 |
| Medicaid Matching Funds - Fee-For-Service Program | <u>230,000</u> | <u>521,341</u> | <u>291,341</u> | <u>205,215</u> |
| Total federal sources | <u>5,019,490</u> | <u>4,326,532</u> | <u>(692,958)</u> | <u>3,879,764</u> |
| Total revenues | <u>53,819,938</u> | <u>55,549,793</u> | <u>1,729,855</u> | <u>53,991,051</u> |

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|---|---------------------------------|-------------------|----------------------------------|-------------------|
| | Original and Final Budget | Actual | | |
| Expenditures | | | | |
| Instruction | | | | |
| Regular programs | | | | |
| Salaries | \$ 18,546,865 | \$ 18,652,793 | \$ (105,928) | \$ 18,379,494 |
| Employee benefits | 6,669,808 | 1,828,761 | 4,841,047 | 2,601,819 |
| Purchased services | 255,490 | 267,344 | (11,854) | 274,990 |
| Supplies and materials | 1,096,066 | 727,333 | 368,733 | 1,255,074 |
| Capital outlay | 34,358 | 10,409 | 23,949 | 67,049 |
| Other objects | 57,065 | 737 | 56,328 | 6,986 |
| Non-capitalized equipment | 108,757 | 593,726 | (484,969) | 53,799 |
| Termination benefits | - | 10,699 | 10,699 | - |
| Total | <u>26,768,409</u> | <u>22,091,802</u> | <u>4,698,005</u> | <u>22,639,211</u> |
| Pre-K programs | | | | |
| Purchased services | - | 42 | (42) | 30 |
| Supplies and materials | - | 8,485 | (8,485) | - |
| Total | <u>-</u> | <u>8,527</u> | <u>(8,527)</u> | <u>30</u> |
| Special education programs | | | | |
| Salaries | 5,411,773 | 6,001,064 | (589,291) | 5,179,975 |
| Employee benefits | 218,238 | 2,082,122 | (1,863,884) | 1,563,700 |
| Purchased services | 168,938 | 820,127 | (651,189) | 770,960 |
| Supplies and materials | 71,788 | 64,846 | 6,942 | 44,452 |
| Non-capitalized equipment | 6,875 | 43,515 | (36,640) | 23,582 |
| Total | <u>5,877,612</u> | <u>9,011,674</u> | <u>(3,134,062)</u> | <u>7,582,669</u> |
| Special education programs pre-K | | | | |
| Salaries | 1,258,785 | 877,457 | 381,328 | 1,160,565 |
| Employee benefits | 47,205 | 192,649 | (145,444) | 226,273 |
| Purchased services | 32,382 | 19,847 | 12,535 | 42,739 |
| Supplies and materials | 30,466 | 17,891 | 12,575 | 46,370 |
| Non-capitalized equipment | 650 | 36 | 614 | 609 |
| Total | <u>1,369,488</u> | <u>1,107,880</u> | <u>261,608</u> | <u>1,476,556</u> |

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | | 2019 Actual |
|--|---------------------------------|-----------|----------------------------------|----------------|
| | Original and Final Budget | Actual | Variance From Final Budget | |
| Remedial and Supplemental programs K-12 | | | | |
| Salaries | \$ - | \$ 1,480 | \$ (1,480) | \$ - |
| Employee benefits | - | 172 | (172) | - |
| Purchased services | - | 160,548 | (160,548) | 145,677 |
| Supplies and materials | - | 83,483 | (83,483) | 192,561 |
| Total | - | 245,683 | (245,683) | 338,238 |
| CTE programs | | | | |
| Salaries | - | 14,893 | (14,893) | 13,666 |
| Total | - | 14,893 | (14,893) | 13,666 |
| Interscholastic programs | | | | |
| Salaries | 1,284,725 | 1,789,151 | (504,426) | 1,780,909 |
| Employee benefits | 50,631 | 27,330 | 23,301 | 28,458 |
| Purchased services | 710,550 | 245,735 | 464,815 | 319,416 |
| Supplies and materials | 325,075 | 177,261 | 147,814 | 264,979 |
| Capital outlay | 95,700 | 55,205 | 40,495 | 10,724 |
| Other objects | 93,650 | 33,515 | 60,135 | 46,583 |
| Non-capitalized equipment | 62,930 | 10,829 | 52,101 | 17,668 |
| Total | 2,623,261 | 2,339,026 | 284,235 | 2,468,737 |
| Summer school programs | | | | |
| Salaries | 87,285 | 180,527 | (93,242) | 121,462 |
| Employee benefits | 6,983 | 17,423 | (10,440) | 7,176 |
| Supplies and materials | 16,700 | - | 16,700 | 2,807 |
| Total | 110,968 | 197,950 | (86,982) | 131,445 |
| Drivers education programs | | | | |
| Salaries | 22,000 | 57,303 | (35,303) | 60,847 |
| Employee benefits | 788 | 793 | (5) | 198 |
| Purchased services | - | - | - | 823 |
| Total | 22,788 | 58,096 | (35,308) | 61,868 |

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|---|---------------------------------|-------------------|----------------------------------|-------------------|
| | Original and Final Budget | Actual | | |
| Bilingual programs | | | | |
| Salaries | \$ 266,576 | \$ 264,682 | \$ 1,894 | \$ 169,347 |
| Employee benefits | 15,047 | 29,180 | (14,133) | 22,411 |
| Purchased services | 2,500 | - | 2,500 | 1,778 |
| Supplies and materials | <u>26,851</u> | <u>14,888</u> | <u>11,963</u> | <u>18,709</u> |
| Total | <u>310,974</u> | <u>308,750</u> | <u>2,224</u> | <u>212,245</u> |
| Truant's alternative and optional programs | | | | |
| Salaries | - | - | - | 49,598 |
| Employee benefits | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,321</u> |
| Total | <u>-</u> | <u>-</u> | <u>-</u> | <u>50,919</u> |
| Pre-K Programs - Private Tuition | - | - | - | 61,765 |
| Special Education K-12 Programs | | | | |
| Private Tuition | <u>2,437,700</u> | <u>1,496,324</u> | <u>941,376</u> | <u>1,300,782</u> |
| Total instruction | <u>39,521,200</u> | <u>36,880,605</u> | <u>2,661,993</u> | <u>36,338,131</u> |
| Support services | | | | |
| Pupils | | | | |
| Attendance and social work services | | | | |
| Salaries | 698,899 | 797,716 | (98,817) | 707,332 |
| Employee benefits | 25,021 | 100,274 | (75,253) | 75,219 |
| Purchased services | - | 129 | (129) | 32 |
| Supplies and materials | <u>296,339</u> | <u>9,358</u> | <u>286,981</u> | <u>8,871</u> |
| Total | <u>1,020,259</u> | <u>907,477</u> | <u>112,782</u> | <u>791,454</u> |
| Guidance services | | | | |
| Salaries | 577,534 | 582,572 | (5,038) | 588,303 |
| Employee benefits | 12,565 | 82,495 | (69,930) | 87,967 |
| Purchased services | 29,566 | 13,161 | 16,405 | 1,520 |
| Supplies and materials | <u>13,100</u> | <u>1,653</u> | <u>11,447</u> | <u>5,558</u> |
| Total | <u>632,765</u> | <u>679,881</u> | <u>(47,116)</u> | <u>683,348</u> |

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | | |
|--|---------------------------------|------------------|----------------------------------|------------------|
| | Original and Final Budget | Actual | Variance From Final Budget | 2019 Actual |
| Health services | | | | |
| Salaries | \$ 405,047 | \$ 394,423 | \$ 10,624 | \$ 405,867 |
| Employee benefits | 7,215 | 74,781 | (67,566) | 76,205 |
| Purchased services | - | 1,676 | (1,676) | 169 |
| Supplies and materials | 31,500 | 7,431 | 24,069 | 10,589 |
| Non-capitalized equipment | <u>7,500</u> | <u>2,970</u> | <u>4,530</u> | <u>3,512</u> |
| Total | <u>451,262</u> | <u>481,281</u> | <u>(30,019)</u> | <u>496,342</u> |
| Psychological services | | | | |
| Salaries | 520,541 | 630,542 | (110,001) | 604,038 |
| Employee benefits | 18,635 | 46,949 | (28,314) | 47,808 |
| Purchased services | - | 760 | (760) | 1,696 |
| Supplies and materials | <u>30,000</u> | <u>7,852</u> | <u>22,148</u> | <u>17,817</u> |
| Total | <u>569,176</u> | <u>686,103</u> | <u>(116,927)</u> | <u>671,359</u> |
| Speech pathology and audiology services | | | | |
| Salaries | 972,992 | 1,020,830 | (47,838) | 980,217 |
| Employee benefits | 34,833 | 101,941 | (67,108) | 98,828 |
| Purchased services | - | 21 | (21) | 340 |
| Supplies and materials | <u>-</u> | <u>3,111</u> | <u>(3,111)</u> | <u>-</u> |
| Total | <u>1,007,825</u> | <u>1,125,903</u> | <u>(118,078)</u> | <u>1,079,385</u> |
| Other support services - pupils | | | | |
| Salaries | <u>-</u> | <u>35,249</u> | <u>(35,249)</u> | <u>43,963</u> |
| Total | <u>-</u> | <u>35,249</u> | <u>(35,249)</u> | <u>43,963</u> |
| Total pupils | <u>3,681,287</u> | <u>3,915,894</u> | <u>(234,607)</u> | <u>3,765,851</u> |

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|-------------------------------------|---------------------------------|------------------|----------------------------------|------------------|
| | Original and Final Budget | Actual | | |
| Instructional staff | | | | |
| Improvement of instruction services | | | | |
| Salaries | \$ 512,880 | \$ 776,960 | \$ (264,080) | \$ 528,105 |
| Employee benefits | 25,811 | 125,710 | (99,899) | 68,445 |
| Purchased services | 376,062 | 389,592 | (13,530) | 416,198 |
| Supplies and materials | 117,105 | 9,675 | 107,430 | 51,402 |
| Other objects | <u>1,833</u> | <u>845</u> | <u>988</u> | <u>2,475</u> |
| Total | <u>1,033,691</u> | <u>1,302,782</u> | <u>(269,091)</u> | <u>1,066,625</u> |
| Educational media services | | | | |
| Salaries | 191,720 | 156,140 | 35,580 | 193,188 |
| Employee benefits | 489,419 | 193,206 | 296,213 | 208,079 |
| Purchased services | 3,000 | 17,006 | (14,006) | 7,421 |
| Supplies and materials | 20,700 | 1,688 | 19,012 | 3,702 |
| Non-capitalized equipment | <u>-</u> | <u>106,608</u> | <u>(106,608)</u> | <u>2,882</u> |
| Total | <u>704,839</u> | <u>474,648</u> | <u>230,191</u> | <u>415,272</u> |
| Assessment and testing | | | | |
| Purchased services | 171,794 | 119,624 | 52,170 | 188,078 |
| Supplies and materials | <u>14,387</u> | <u>13,032</u> | <u>1,355</u> | <u>19,479</u> |
| Total | <u>186,181</u> | <u>132,656</u> | <u>53,525</u> | <u>207,557</u> |
| Total instructional staff | <u>1,924,711</u> | <u>1,910,086</u> | <u>14,625</u> | <u>1,689,454</u> |
| General administration | | | | |
| Board of education services | | | | |
| Employee benefits | - | 35,199 | (35,199) | 31,226 |
| Purchased services | 968,264 | 1,049,365 | (81,101) | 1,030,496 |
| Supplies and materials | 23,500 | 2,682 | 20,818 | 28,622 |
| Other objects | 21,000 | 27,621 | (6,621) | 247 |
| Non-capitalized equipment | <u>-</u> | <u>25,496</u> | <u>(25,496)</u> | <u>6,831</u> |
| Total | <u>1,012,764</u> | <u>1,140,363</u> | <u>(127,599)</u> | <u>1,097,422</u> |

(Continued)

Crete-Monee School District 201-U

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2020

With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | | |
|---|---------------------------------|------------|----------------------------------|----------------|
| | Original and Final Budget | Actual | Variance From Final Budget | 2019 Actual |
| Executive administration services | | | | |
| Salaries | \$ 275,964 | \$ 303,979 | \$ (28,015) | \$ 291,858 |
| Employee benefits | 25,076 | 47,556 | (22,480) | 44,710 |
| Purchased services | 41,200 | 51,214 | (10,014) | 7,657 |
| Supplies and materials | 29,500 | 6,577 | 22,923 | 8,219 |
| Other objects | 18,000 | 13,530 | 4,470 | 13,335 |
| Non-capitalized equipment | 5,000 | 343 | 4,657 | - |
| Total | 394,740 | 423,199 | (28,459) | 365,779 |
| Tort immunity services | | | | |
| Employee benefits | - | 76,730 | (76,730) | 100,945 |
| Purchased services | - | 32,789 | (32,789) | 86,961 |
| Total | - | 109,519 | (109,519) | 187,906 |
| Total general administration | 1,407,504 | 1,673,081 | (265,577) | 1,651,107 |
| School administration | | | | |
| Office of the principal services | | | | |
| Salaries | 2,819,876 | 2,868,180 | (48,304) | 2,801,328 |
| Employee benefits | - | 642,682 | (642,682) | 570,276 |
| Purchased services | 21,000 | 547 | 20,453 | 13,169 |
| Supplies and materials | - | 10,660 | (10,660) | 245 |
| Other objects | 2,500 | 385 | 2,115 | 510 |
| Total | 2,843,376 | 3,522,454 | (679,078) | 3,385,528 |
| Other support services - school administration | | | | |
| Salaries | - | 16,298 | (16,298) | 10,255 |
| Employee benefits | - | 1,386 | (1,386) | 746 |
| Supplies and materials | - | 4,725 | (4,725) | 4,955 |
| Other objects | - | - | - | 150 |
| Total | - | 22,409 | (22,409) | 16,106 |
| Total school administration | 2,843,376 | 3,544,863 | (701,487) | 3,401,634 |

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | | 2019 Actual |
|--|---------------------------------|------------------|----------------------------------|------------------|
| | Original and Final Budget | Actual | Variance From Final Budget | |
| Business | | | | |
| Direction of business support services | | | | |
| Salaries | \$ 567,406 | \$ 609,995 | \$ (42,589) | \$ 592,521 |
| Employee benefits | 25,928 | 83,500 | (57,572) | 40,927 |
| Purchased services | 258,200 | 231,696 | 26,504 | 151,548 |
| Supplies and materials | 137,000 | 151,503 | (14,503) | 189,309 |
| Capital outlay | - | - | - | 343,237 |
| Other objects | 2,000 | 4,085 | (2,085) | 2,399 |
| Non-capitalized equipment | 96,100 | 9,688 | 86,412 | 21,167 |
| Total | <u>1,086,634</u> | <u>1,090,467</u> | <u>(3,833)</u> | <u>1,341,108</u> |
| Fiscal services | | | | |
| Salaries | - | 1,883 | (1,883) | 5,290 |
| Employee benefits | - | 1,142 | (1,142) | - |
| Purchased services | - | 19,943 | (19,943) | 23,855 |
| Supplies and materials | - | - | - | 60,470 |
| Termination benefits | - | - | - | 4,084 |
| Total | <u>-</u> | <u>22,968</u> | <u>(22,968)</u> | <u>93,699</u> |
| Operation and maintenance of plant services | | | | |
| Salaries | 316,805 | 598,776 | (281,971) | 464,671 |
| Employee benefits | 4,594 | 143,601 | (139,007) | 112,801 |
| Purchased services | 178,500 | 25,079 | 153,421 | 10,019 |
| Supplies and materials | 5,000 | - | 5,000 | 7,561 |
| Non-capitalized equipment | 6,000 | - | 6,000 | - |
| Total | <u>510,899</u> | <u>767,456</u> | <u>(256,557)</u> | <u>595,052</u> |
| Pupil transportation services | | | | |
| Purchased services | - | 13,514 | (13,514) | 1,646 |
| Total | <u>-</u> | <u>13,514</u> | <u>(13,514)</u> | <u>1,646</u> |

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | | 2019 Actual |
|-----------------------------|---------------------------------|------------------|----------------------------------|------------------|
| | Original and Final Budget | Actual | Variance From Final Budget | |
| Food services | | | | |
| Salaries | \$ 763,001 | \$ 806,378 | \$ (43,377) | \$ 875,861 |
| Employee benefits | 11,011 | 188,950 | (177,939) | 209,339 |
| Purchased services | 9,500 | 712 | 8,788 | 9,134 |
| Supplies and materials | 1,445,000 | 734,215 | 710,785 | 938,695 |
| Capital outlay | 9,000 | - | 9,000 | 23,075 |
| Other objects | 14,000 | 6,158 | 7,842 | 3,417 |
| Non-capitalized equipment | <u>13,000</u> | <u>380</u> | <u>12,620</u> | <u>13,133</u> |
| Total | <u>2,264,512</u> | <u>1,736,793</u> | <u>527,719</u> | <u>2,072,654</u> |
| Total business | <u>3,862,045</u> | <u>3,631,198</u> | <u>230,847</u> | <u>4,104,159</u> |
| Central | | | | |
| Information services | | | | |
| Salaries | 108,420 | 29,881 | 78,539 | 191,243 |
| Employee benefits | 13,337 | - | 13,337 | 18,838 |
| Purchased services | 43,500 | 31,670 | 11,830 | 57,879 |
| Supplies and materials | 60,750 | 17,746 | 43,004 | 19,984 |
| Other objects | 600 | - | 600 | - |
| Non-capitalized equipment | <u>-</u> | <u>-</u> | <u>-</u> | <u>11,595</u> |
| Total | <u>226,607</u> | <u>79,297</u> | <u>147,310</u> | <u>299,539</u> |
| Staff services | | | | |
| Salaries | 507,560 | 485,811 | 21,749 | 471,631 |
| Employee benefits | 23,478 | 69,431 | (45,953) | 66,731 |
| Purchased services | 67,950 | 19,298 | 48,652 | 306,210 |
| Supplies and materials | 86,900 | 77,079 | 9,821 | 59,203 |
| Other objects | 2,500 | - | 2,500 | 4,175 |
| Non-capitalized equipment | <u>-</u> | <u>-</u> | <u>-</u> | <u>975</u> |
| Total | <u>688,388</u> | <u>651,619</u> | <u>36,769</u> | <u>908,925</u> |

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | | 2019 Actual |
|--|---------------------------------|-------------------|----------------------------------|-------------------|
| | Original and Final Budget | Actual | Variance From Final Budget | |
| Data processing services | | | | |
| Salaries | \$ 848,100 | \$ 875,362 | \$ (27,262) | \$ 781,846 |
| Employee benefits | - | 127,984 | (127,984) | 110,779 |
| Purchased services | 1,052,696 | 725,950 | 326,746 | 859,698 |
| Supplies and materials | 423,750 | 395,926 | 27,824 | 450,020 |
| Capital outlay | - | 32,787 | (32,787) | - |
| Other objects | 1,300 | - | 1,300 | 300 |
| Non-capitalized equipment | <u>70,180</u> | <u>643,650</u> | <u>(573,470)</u> | <u>110,383</u> |
| Total | <u>2,396,026</u> | <u>2,801,659</u> | <u>(405,633)</u> | <u>2,313,026</u> |
| Total central | <u>3,311,021</u> | <u>3,532,575</u> | <u>(221,554)</u> | <u>3,521,490</u> |
| Other supporting services | | | | |
| Salaries | - | 468 | (468) | 1,738 |
| Supplies and materials | <u>-</u> | <u>1,417</u> | <u>(1,417)</u> | <u>2,605</u> |
| Total | <u>-</u> | <u>1,885</u> | <u>(1,885)</u> | <u>4,343</u> |
| Total support services | <u>17,029,944</u> | <u>18,209,582</u> | <u>(1,179,638)</u> | <u>18,138,038</u> |
| Community services | | | | |
| Salaries | 348,163 | 518,295 | (170,132) | 218,422 |
| Employee benefits | 44,832 | 81,419 | (36,587) | 28,741 |
| Purchased services | 148,100 | 191,433 | (43,333) | 288,532 |
| Supplies and materials | 175,765 | 93,565 | 82,200 | 73,158 |
| Other objects | 1,250 | 531 | 719 | 1,684 |
| Non-capitalized equipment | <u>2,500</u> | <u>-</u> | <u>2,500</u> | <u>730</u> |
| Total | <u>720,610</u> | <u>885,243</u> | <u>(164,633)</u> | <u>611,267</u> |
| Payments to other districts and government units | | | | |
| Payments for regular programs | | | | |
| Purchased services | <u>-</u> | <u>105,933</u> | <u>(105,933)</u> | <u>7,893</u> |
| Total | <u>-</u> | <u>105,933</u> | <u>(105,933)</u> | <u>7,893</u> |

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|---|---------------------------------|--------------------|----------------------------------|--------------------|
| | Original and Final Budget | Actual | | |
| Payments for CTE education programs | | | | |
| Purchased services | \$ 400,000 | \$ 84,067 | \$ 315,933 | \$ - |
| Total | <u>400,000</u> | <u>84,067</u> | <u>315,933</u> | <u>-</u> |
| Payments for special education programs - tuition | | | | |
| Other objects | - | 1,491,180 | (1,491,180) | 1,927,980 |
| Payments for CTE programs - tuition | | | | |
| Other objects | - | 121,500 | (121,500) | 155,250 |
| Payments for community college programs - tuition | | | | |
| Other objects | <u>-</u> | <u>112,328</u> | <u>(112,328)</u> | <u>243,132</u> |
| Total payments to other districts and other government units | <u>400,000</u> | <u>1,915,008</u> | <u>(1,515,008)</u> | <u>2,334,255</u> |
| Debt service | | | | |
| Other interest on long term debt | | | | |
| Bonds and other - interest | <u>4,184</u> | <u>-</u> | <u>4,184</u> | <u>-</u> |
| Total debt service | <u>4,184</u> | <u>-</u> | <u>4,184</u> | <u>-</u> |
| Total expenditures | <u>57,675,938</u> | <u>57,890,438</u> | <u>(193,102)</u> | <u>57,421,691</u> |
| Deficiency of revenues over expenditures | <u>(3,856,000)</u> | <u>(2,340,645)</u> | <u>1,536,753</u> | <u>(3,430,640)</u> |
| Other financing sources (uses) | | | | |
| Capital lease proceeds | - | 520,000 | (520,000) | 343,237 |
| Transfer to Debt Service Fund for principal on capital leases | - | (223,052) | (223,052) | (81,432) |
| Transfer to Debt Service Fund for interest on capital leases | - | (9,343) | (9,343) | (11,568) |
| Transfer to debt service fund for principal and interest on ISBE Loans | <u>-</u> | <u>(54,794)</u> | <u>(54,794)</u> | <u>(95,576)</u> |
| Total other financing sources (uses) | <u>-</u> | <u>232,811</u> | <u>(807,189)</u> | <u>154,661</u> |

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|---------------------------------|---------------------------------|---------------------|----------------------------------|---------------------|
| | Original and Final Budget | Actual | | |
| Net change to fund balance | <u>\$ (3,856,000)</u> | \$ (2,107,834) | <u>\$ 1,748,166</u> | \$ (3,275,979) |
| Fund balance, beginning of year | | <u>8,973,794</u> | | <u>12,249,773</u> |
| Fund balance, end of year | | <u>\$ 6,865,960</u> | | <u>\$ 8,973,794</u> |

(Concluded)

Crete-Monee School District 201-U
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|--|---------------------------------|---------------------|----------------------------------|---------------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Local sources | | | | |
| General levy | \$ 4,387,521 | \$ 4,264,776 | \$ (122,745) | \$ 4,254,638 |
| Interest on investments | 20,000 | 25,344 | 5,344 | 67,943 |
| Rentals | 13,000 | 4,575 | (8,425) | 750 |
| Refund of prior years' expenditures | - | 822 | 822 | - |
| Other | 5,000 | 60,787 | 55,787 | 114,733 |
| Total local sources | <u>4,425,521</u> | <u>4,356,304</u> | <u>(69,217)</u> | <u>4,438,064</u> |
| State sources | | | | |
| School Infrastructure - Maintenance Projects | - | 50,000 | 50,000 | - |
| Total state sources | <u>-</u> | <u>50,000</u> | <u>50,000</u> | <u>-</u> |
| Total revenues | <u>4,425,521</u> | <u>4,406,304</u> | <u>(19,217)</u> | <u>4,438,064</u> |
| Expenditures | | | | |
| Support services | | | | |
| Operation and maintenance of plant services | | | | |
| Salaries | 1,959,026 | 1,982,326 | (23,300) | 1,965,580 |
| Employee benefits | 28,354 | 451,670 | (423,316) | 399,001 |
| Purchased services | 1,074,870 | 1,317,061 | (242,191) | 1,015,278 |
| Supplies and materials | 1,712,500 | 1,270,906 | 441,594 | 1,474,632 |
| Capital outlay | 99,720 | 88,166 | 11,554 | 144,493 |
| Other objects | 1,515 | - | 1,515 | 2,002 |
| Non-capitalized equipment | 42,320 | 37,847 | 4,473 | 9,781 |
| Termination benefits | 5,000 | - | 5,000 | 276 |
| Total | <u>4,923,305</u> | <u>5,147,976</u> | <u>(224,671)</u> | <u>5,011,043</u> |
| Total expenditures | <u>4,923,305</u> | <u>5,147,976</u> | <u>(224,671)</u> | <u>5,011,043</u> |
| Deficiency of revenues over expenditures | <u>\$ (497,784)</u> | <u>(741,672)</u> | <u>\$ (243,888)</u> | <u>(572,979)</u> |
| Fund balance, beginning of year | | <u>3,505,356</u> | | <u>4,078,335</u> |
| Fund balance, end of year | | <u>\$ 2,763,684</u> | | <u>\$ 3,505,356</u> |

Crete-Monee School District 201-U
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|--|---------------------------------|------------------|----------------------------------|------------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Local sources | | | | |
| General levy | \$ 4,017,675 | \$ 4,053,093 | \$ 35,418 | \$ 3,764,376 |
| Regular transportation fees from other districts - in state | 25,000 | 29,420 | 4,420 | 57,125 |
| Regular transportation fees from co-curricular activities - in state | 101,800 | - | (101,800) | - |
| Interest on investments | <u>10,000</u> | <u>141,563</u> | <u>131,563</u> | <u>190,683</u> |
| Total local sources | <u>4,154,475</u> | <u>4,224,076</u> | <u>69,601</u> | <u>4,012,184</u> |
| State sources | | | | |
| Transportation - Regular and Vocational | 1,800,000 | 2,954,881 | 1,154,881 | 2,642,964 |
| Transportation - Special Education | <u>1,900,000</u> | <u>1,746,438</u> | <u>(153,562)</u> | <u>1,572,938</u> |
| Total state sources | <u>3,700,000</u> | <u>4,701,319</u> | <u>1,001,319</u> | <u>4,215,902</u> |
| Total revenues | <u>7,854,475</u> | <u>8,925,395</u> | <u>1,070,920</u> | <u>8,228,086</u> |
| Expenditures | | | | |
| Business | | | | |
| Pupil transportation services | | | | |
| Salaries | 174,502 | 179,215 | (4,713) | 189,987 |
| Employee benefits | 25,426 | 40,178 | (14,752) | 22,722 |
| Purchased services | 5,349,299 | 4,752,263 | 597,036 | 6,649,339 |
| Supplies and materials | 18,000 | - | 18,000 | 3,606 |
| Capital outlay | <u>-</u> | <u>70,588</u> | <u>(70,588)</u> | <u>-</u> |
| Total | <u>5,567,227</u> | <u>5,042,244</u> | <u>524,983</u> | <u>6,865,654</u> |

(Continued)

Crete-Monee School District 201-U
 Transportation Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | | 2019 Actual |
|--------------------------------------|---------------------------------|----------------------|----------------------------------|----------------------|
| | Original and Final Budget | Actual | Variance From Final Budget | |
| Total expenditures | <u>\$ 5,567,227</u> | <u>\$ 5,042,244</u> | <u>\$ 524,983</u> | <u>\$ 6,865,654</u> |
| Excess of revenues over expenditures | <u>\$ 2,287,248</u> | <u>3,883,151</u> | <u>\$ 1,595,903</u> | <u>1,362,432</u> |
| Fund balance, beginning of year | | <u>10,193,798</u> | | <u>8,831,366</u> |
| Fund balance, end of year | | <u>\$ 14,076,949</u> | | <u>\$ 10,193,798</u> |

(Concluded)

Crete-Monee School District 201-U
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | | 2019 Actual |
|---|---------------------------------|------------------|----------------------------------|------------------|
| | Original and Final Budget | Actual | Variance From Final Budget | |
| Revenues | | | | |
| Local sources | | | | |
| General levy | \$ 1,953,450 | \$ 1,217,556 | \$ (735,894) | \$ 1,021,608 |
| Social security/Medicare only levy | - | 1,217,555 | 1,217,555 | 1,021,608 |
| Corporate personal property replacement taxes | - | 50,000 | 50,000 | 50,000 |
| Interest on investments | <u>5,000</u> | <u>52,700</u> | <u>47,700</u> | <u>58,488</u> |
| Total local sources | <u>1,958,450</u> | <u>2,537,811</u> | <u>579,361</u> | <u>2,151,704</u> |
| Total revenues | <u>1,958,450</u> | <u>2,537,811</u> | <u>579,361</u> | <u>2,151,704</u> |
| Expenditures | | | | |
| Instruction | | | | |
| Regular programs | 30,600 | 437,032 | (406,432) | 598,522 |
| Special education programs | 161,516 | 313,470 | (151,954) | 145,196 |
| Special education programs pre-K | 53,183 | 65,815 | (12,632) | 71,838 |
| Remedial and supplemental programs K-12 | - | 31 | (31) | - |
| Vocational educational programs | - | 2,434 | (2,434) | 2,203 |
| Interscholastic programs | - | 54,421 | (54,421) | 51,922 |
| Summer school programs | 421 | 5,894 | (5,473) | 4,948 |
| Drivers education programs | - | - | - | 876 |
| Bilingual programs | - | 2,398 | (2,398) | 2,456 |
| Truant's alternative and optional programs | <u>-</u> | <u>-</u> | <u>-</u> | <u>685</u> |
| Total instruction | <u>245,720</u> | <u>881,495</u> | <u>(635,775)</u> | <u>878,646</u> |
| Support services | | | | |
| Pupils | | | | |
| Attendance and social work services | - | 18,598 | (18,598) | 10,840 |
| Guidance services | 58,261 | 13,418 | 44,843 | 15,893 |
| Health services | 61,972 | 45,091 | 16,881 | 59,224 |
| Psychological services | - | 7,233 | (7,233) | 6,880 |

(Continued)

Crete-Monee School District 201-U
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|---|---------------------------------|----------------|----------------------------------|----------------|
| | Original and Final Budget | Actual | | |
| Pupils (Continued) | | | | |
| Speech pathology and audiology services | \$ - | \$ 14,253 | \$ (14,253) | \$ 13,708 |
| Other support services -pupils | - | 3,709 | (3,709) | 4,846 |
| Total pupils | <u>120,233</u> | <u>102,302</u> | <u>17,931</u> | <u>111,391</u> |
| Instructional staff | | | | |
| Improvement of instruction services | 26,637 | 42,972 | (16,335) | 33,827 |
| Educational media services | <u>150,776</u> | <u>32,600</u> | <u>118,176</u> | <u>12,191</u> |
| Total instructional staff | <u>177,413</u> | <u>75,572</u> | <u>101,841</u> | <u>46,018</u> |
| General administration | | | | |
| Executive administration services | <u>12,388</u> | <u>17,046</u> | <u>(4,658)</u> | <u>16,454</u> |
| Total general administration | <u>12,388</u> | <u>17,046</u> | <u>(4,658)</u> | <u>16,454</u> |
| School administration | | | | |
| Employee benefits | - | <u>33,686</u> | <u>(33,686)</u> | <u>34,542</u> |
| Other support services - school administration | - | 445 | (445) | 359 |
| Total school administration | <u>-</u> | <u>34,131</u> | <u>(34,131)</u> | <u>34,901</u> |
| Business | | | | |
| Direction of business support services | 61,859 | 73,099 | (11,240) | 70,284 |
| Fiscal services | - | 294 | (294) | 1,528 |
| Operation and maintenance of plant services | 347,651 | 410,408 | (62,757) | 384,971 |
| Pupil transportation services | - | 1,796 | (1,796) | 16,762 |
| Food services | <u>116,188</u> | <u>122,885</u> | <u>(6,697)</u> | <u>138,039</u> |
| Total business | <u>525,698</u> | <u>608,482</u> | <u>(82,784)</u> | <u>611,584</u> |

(Continued)

Crete-Monee School District 201-U
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|--------------------------------------|---------------------------------|---------------------|----------------------------------|---------------------|
| | Original and Final Budget | Actual | | |
| Central | | | | |
| Information services | \$ - | \$ 2,643 | \$ (2,643) | \$ 27,959 |
| Staff services | 47,959 | 55,513 | (7,554) | 53,246 |
| Data processing services | <u>-</u> | <u>140,430</u> | <u>(140,430)</u> | <u>125,693</u> |
| Total central | <u>47,959</u> | <u>198,586</u> | <u>(150,627)</u> | <u>206,898</u> |
| Other support services | <u>-</u> | <u>73</u> | <u>(73)</u> | <u>289</u> |
| Total support services | <u>883,691</u> | <u>1,036,192</u> | <u>(152,501)</u> | <u>1,027,535</u> |
| Community services | <u>24,082</u> | <u>58,341</u> | <u>(34,259)</u> | <u>20,486</u> |
| Total expenditures | <u>1,153,493</u> | <u>1,976,028</u> | <u>(822,535)</u> | <u>1,926,667</u> |
| Excess of revenues over expenditures | <u>\$ 804,957</u> | <u>561,783</u> | <u>\$ (243,174)</u> | <u>225,037</u> |
| Fund balance, beginning of year | | <u>1,577,610</u> | | <u>1,352,573</u> |
| Fund balance, end of year | | <u>\$ 2,139,393</u> | | <u>\$ 1,577,610</u> |

(Concluded)

Crete-Monee School District 201-U
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2020

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

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

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
- d) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) The budget amounts shown in the financial statements are as originally adopted by the Board of Education, on September 17, 2019.
- g) All budgets lapse at the end of the fiscal year.

2. EXPENDITURES IN EXCESS OF BUDGET

The following funds had expenditures in excess of budget at June 30, 2020:

| <u>Funds</u> | <u>Variance</u> |
|--|-----------------|
| General | \$ 193,102 |
| Operations and Maintenance | 224,671 |
| Debt Service | 164,262 |
| Municipal Retirement / Social Security | 822,535 |
| Capital Projects | 942,475 |

Crete-Monee School District 201-U
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2020

3. BUDGET RECONCILIATION

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

| | <u>Revenues</u> | <u>Expenditures</u> |
|---|----------------------|----------------------|
| General fund - budgetary basis | \$ 55,549,793 | \$ 57,890,438 |
| To adjust for on-behalf payments received | 14,279,168 | - |
| To adjust for on-behalf payments made | - | 14,279,168 |
| | <u>69,828,961</u> | <u>72,169,606</u> |
| General fund - GAAP basis | \$ <u>69,828,961</u> | \$ <u>72,169,606</u> |

4. TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Changes of Assumptions

For the 2019, 2018, 2017, and 2016 measurement years, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.50 percent and a real return of 4.50%. 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 and 2014 measurement years, the assumed investment rate of return was 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 percent. 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.

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 IMRF CONTRIBUTION RATE*

Valuation Date:

Notes 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.

Crete-Monee School District 201-U
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2020

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 IMRF CONTRIBUTION RATE* (Continued)

Change in Assumptions:

For the 2019 and 2018 measurement years, the assumed investment rate of return was 7.25 percent, including an inflation rate of 2.50 percent and a real return of 4.75%.

For the 2017, 2016, 2015 and 2014 measurement years, the assumed investment rate of return was 7.50 percent, including an inflation rate of 2.50 percent and a real return of 5.00%.

6. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 THIS CONTRIBUTION RATE

Valuation Date:

| | |
|------------------|---|
| Notes | Actuarially determined contribution rates are calculated as of June 30 each year, 12 months prior to the fiscal year in which contributions are reported. |
| Valuation Date | June 30, 2018 |
| Measurement Date | June 30, 2019 |
| Fiscal Year End | June 30, 2020 |

Methods and Assumptions Used to Determine the 2019 Contribution Rate:

| | |
|---------------------------------|---|
| Actuarial Cost Method | Aggregate Entry Age Normal |
| Asset Valuation Method | Market value |
| Investment Rate of Return | 0%, net of OPEB plan investment expense, including inflation, for all plan years. |
| Single equivalent discount rate | 3.13% |
| Price Inflation | 2.50% |
| Salary Increases | Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption. |
| Retirement Age | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018, actuarial valuation. |
| Mortality | Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017. |

Crete-Monee School District 201-U
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2020

6. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 THIS CONTRIBUTION RATE (Continued)

| | |
|-----------------------------|--|
| Healthcare Cost Trend Rates | Actual trend used for fiscal year 2019. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare cost and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.31% is added to non-Medicare cost on and after 2022 to account for the Excise Tax. |
| Aging Factors | Based on the 2013 SOA Study "Health Care Costs - From Birth to Death" |
| Expenses | Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense. |

Change in Assumptions:

The Discount Rate was changed from 3.62% used in the Fiscal Year 2019 valuation to 3.13%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index". The Discount Rate was changed from 3.56% used in the Fiscal Year 2018 valuation to 3.62%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

7. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2020 RHP CONTRIBUTION RATE

Valuation Date:

| | |
|------------------|---------------|
| Valuation Date | July 1, 2018 |
| Measurement Date | June 30, 2018 |
| Fiscal Year End | June 30, 2020 |

Methods and Assumptions Used to Determine the 2020 Contribution Rate:

| | |
|-----------------------|---------------------------------|
| Actuarial Cost Method | Entry Age Actuarial Cost Method |
|-----------------------|---------------------------------|

Crete-Monee School District 201-U
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2020

7. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2020 RHP CONTRIBUTION (Continued)

Methods and Assumptions Used to Determine the 2020 Contribution Rate: (Continued)

| | |
|-----------------------------|--|
| Amortization Method | Level dollar amortization for differences between expected and actual experience with regard to economic or demographic factors and for changes in assumptions, the amounts will be amortized over a closed period equal to the average of the expected remaining service lives of all participants (including inactives) determined at the beginning of the measurement period. The differences between projected and actual earnings on OPEB plan investments will be recognized over a closed five-year period. |
| Municipal Bond Index | 3.50% |
| Asset Valuation Method | Market value |
| Investment Rate of Return | Not applicable |
| Price Inflation | 2.50% |
| Salary Increases | 3.50% |
| Retirement Rates | It is assumed that 40% of active employees will continue coverage upon retirement. |
| Election at Retirement | It is assumed that active employees will elect the same coverage upon retirement as they have when they are active. |
| Mortality | Pub-2010 Public Retirement Plans General mortality table projected generationally with Scale MP-2019. |
| Healthcare Cost Trend Rates | 7.50%, Initial 4.50%, Ultimate |

Change in Assumptions:

The discount rate was updated from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019.

In 2020, the mortality table was updated from RP-2014 Combined Healthy mortality table backed off to 2006 and projected generationally with Scale MP-2018 to Pub-2010 Public Retirement Plans General mortality table projected generationally with Scale MP-2019. The medical trend rate table was reset in fiscal 2020. The salary increase rate was updated from 3.85% to 3.50%. The ACA Excise Tax, also known as the "Cadillac tax", has been repealed.

The discount rate was updated from 3.13% as of June 30, 2017 to 3.87% as of June 30, 2018, the medical trend rate table was reset in fiscal 2019, the impact of the ACA Excise Tax was measured and updated, the mortality table projection scale was updated from MP-2017 to MP-2018, the plan election was updated to assume the actual plan election upon retirement, and retirement rates were updated to 100% at age 65.

SUPPLEMENTARY FINANCIAL INFORMATION

Crete-Monee School District 201-U

General Fund

COMBINING BALANCE SHEET

June 30, 2020

| | Educational Account | Working Cash Account | Total |
|---|------------------------|-------------------------|----------------------|
| ASSETS | | | |
| Cash and investments | \$ 10,296,069 | \$ 1,783,269 | \$ 12,079,338 |
| Receivables (net of allowance for uncollectibles): | | | |
| Property taxes | 15,070,889 | 144,603 | 15,215,492 |
| Replacement taxes | 154,923 | - | 154,923 |
| Intergovernmental | <u>1,049,051</u> | <u>-</u> | <u>1,049,051</u> |
| Total assets | <u>\$ 26,570,932</u> | <u>\$ 1,927,872</u> | <u>\$ 28,498,804</u> |
| LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts payable | \$ 828,985 | \$ - | \$ 828,985 |
| Salaries and wages payable | 4,967,507 | - | 4,967,507 |
| Payroll deductions payable | 871,579 | - | 871,579 |
| Claims payable | 306,726 | - | 306,726 |
| Unearned revenue | <u>123</u> | <u>-</u> | <u>123</u> |
| Total liabilities | <u>6,974,920</u> | <u>-</u> | <u>6,974,920</u> |
| DEFERRED INFLOWS | | | |
| Property taxes levied for a future period | <u>14,518,620</u> | <u>139,304</u> | <u>14,657,924</u> |
| Total deferred inflows | <u>14,518,620</u> | <u>139,304</u> | <u>14,657,924</u> |
| FUND BALANCES | | | |
| Unassigned | <u>5,077,392</u> | <u>1,788,568</u> | <u>6,865,960</u> |
| Total fund balance | <u>5,077,392</u> | <u>1,788,568</u> | <u>6,865,960</u> |
| Total liabilities, deferred inflows, and fund balance | <u>\$ 26,570,932</u> | <u>\$ 1,927,872</u> | <u>\$ 28,498,804</u> |

Crete-Monee School District 201-U

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2020

| | Educational Account | Working Cash Account | Total |
|---|------------------------|-------------------------|---------------|
| Revenues | | | |
| Property taxes | \$ 29,598,409 | \$ 284,091 | \$ 29,882,500 |
| Replacement taxes | 1,036,509 | - | 1,036,509 |
| State aid | 33,299,759 | - | 33,299,759 |
| Federal aid | 4,326,532 | - | 4,326,532 |
| Investment income | 50,292 | 23,029 | 73,321 |
| Other | 1,210,340 | - | 1,210,340 |
| Total revenues | 69,521,841 | 307,120 | 69,828,961 |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular programs | 22,081,393 | - | 22,081,393 |
| Special programs | 11,861,561 | - | 11,861,561 |
| Other instructional programs | 2,872,037 | - | 2,872,037 |
| State retirement contributions | 14,279,168 | - | 14,279,168 |
| Support services: | | | |
| Pupils | 3,915,894 | - | 3,915,894 |
| Instructional staff | 1,910,086 | - | 1,910,086 |
| General administration | 1,673,081 | - | 1,673,081 |
| School administration | 3,544,863 | - | 3,544,863 |
| Business | 2,850,228 | - | 2,850,228 |
| Transportation | 13,514 | - | 13,514 |
| Operations and maintenance | 767,456 | - | 767,456 |
| Central | 3,499,788 | - | 3,499,788 |
| Other supporting services | 1,885 | - | 1,885 |
| Community services | 885,243 | - | 885,243 |
| Nonprogrammed charges | 1,915,008 | - | 1,915,008 |
| Capital outlay | 98,401 | - | 98,401 |
| Total expenditures | 72,169,606 | - | 72,169,606 |
| Excess (deficiency) of revenues over expenditures | (2,647,765) | 307,120 | (2,340,645) |

(Continued)

Crete-Monee School District 201-U

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES For the Year Ended June 30, 2020

| | Educational Account | Working Cash Account | Total |
|---|------------------------|-------------------------|---------------------|
| Other financing sources (uses) | | | |
| Capital lease value | \$ 520,000 | \$ - | \$ 520,000 |
| Transfer to Debt Service Fund for principal and interest on capital leases | (232,395) | - | (232,395) |
| Transfer to Debt Service Fund for principal and interest on school technology loan | <u>(54,794)</u> | <u>-</u> | <u>(54,794)</u> |
| Total other financing sources (uses) | <u>232,811</u> | <u>-</u> | <u>232,811</u> |
| Net change in fund balance | (2,414,954) | 307,120 | (2,107,834) |
| Fund balance, beginning of year | <u>7,492,346</u> | <u>1,481,448</u> | <u>8,973,794</u> |
| Fund balance, end of year | <u>\$ 5,077,392</u> | <u>\$ 1,788,568</u> | <u>\$ 6,865,960</u> |

(Concluded)

Crete-Monee School District 201-U
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|--|---------------------------------|-------------------|----------------------------------|-------------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Local sources | | | | |
| General levy | \$ 11,992,450 | \$ 11,918,072 | \$ (74,378) | \$ 11,813,994 |
| Interest on investments | <u>5,000</u> | <u>59,337</u> | <u>54,337</u> | <u>43,624</u> |
| Total local sources | <u>11,997,450</u> | <u>11,977,409</u> | <u>(20,041)</u> | <u>11,857,618</u> |
| Total revenues | <u>11,997,450</u> | <u>11,977,409</u> | <u>(20,041)</u> | <u>11,857,618</u> |
| Expenditures | | | | |
| Debt service | | | | |
| Debt services - interest | | | | |
| Bonds and other - interest | <u>11,992,200</u> | <u>1,209,022</u> | <u>10,783,178</u> | <u>1,206,115</u> |
| Total debt service - interest | <u>11,992,200</u> | <u>1,209,022</u> | <u>10,783,178</u> | <u>1,206,115</u> |
| Principal payments on long-term debt | <u>128,877</u> | <u>11,075,367</u> | <u>10,946,490</u> | <u>10,974,661</u> |
| Other debt service | | | | |
| Purchased services | <u>-</u> | <u>950</u> | <u>(950)</u> | <u>475</u> |
| Total | <u>-</u> | <u>950</u> | <u>(950)</u> | <u>475</u> |
| Total debt service | <u>12,121,077</u> | <u>12,285,339</u> | <u>(164,262)</u> | <u>12,181,251</u> |
| Total expenditures | <u>12,121,077</u> | <u>12,285,339</u> | <u>(164,262)</u> | <u>12,181,251</u> |
| Deficiency of revenues over expenditures | <u>(123,627)</u> | <u>(307,930)</u> | <u>(184,303)</u> | <u>(323,633)</u> |

(Continued)

Crete-Monee School District 201-U
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|--|---------------------------------|---------------------|----------------------------------|---------------------|
| | Original and Final Budget | Actual | | |
| Other financing sources | | | | |
| Transfer to pay principal on capital leases | \$ - | \$ 223,052 | \$ (223,052) | \$ 81,432 |
| Transfer to pay interest on capital leases | - | 9,343 | (9,343) | 11,568 |
| Transfer from General Fund for principal and and interest on school technology loan | <u>-</u> | <u>54,794</u> | <u>(54,794)</u> | <u>95,576</u> |
| Total other financing sources | <u>-</u> | <u>287,189</u> | <u>(287,189)</u> | <u>188,576</u> |
| Net change in fund balance | <u>\$ (123,627)</u> | (20,741) | <u>\$ 102,886</u> | (135,057) |
| Fund balance, beginning of year | | <u>4,333,471</u> | | <u>4,468,528</u> |
| Fund balance, end of year | | <u>\$ 4,312,730</u> | | <u>\$ 4,333,471</u> |

(Concluded)

Crete-Monee School District 201-U
 Capital Projects Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|---|---------------------------------|--------------------|----------------------------------|---------------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Local sources | | | | |
| Interest on investments | \$ 1,000 | \$ 19,976 | \$ 18,976 | \$ 11,937 |
| Impact fees from municipal or county governments | - | - | - | 3,571 |
| Total local sources | <u>1,000</u> | <u>19,976</u> | <u>18,976</u> | <u>15,508</u> |
| Total revenues | <u>1,000</u> | <u>19,976</u> | <u>18,976</u> | <u>15,508</u> |
| Expenditures | | | | |
| Support services | | | | |
| Facilities acquisition and construction services | | | | |
| Purchased services | 100,000 | 92,475 | 7,525 | 596,508 |
| Capital outlay | - | 950,000 | (950,000) | - |
| Total | <u>100,000</u> | <u>1,042,475</u> | <u>(942,475)</u> | <u>596,508</u> |
| Total expenditures | <u>100,000</u> | <u>1,042,475</u> | <u>(942,475)</u> | <u>596,508</u> |
| Deficiency of revenues over expenditures | <u>\$ (99,000)</u> | <u>(1,022,499)</u> | <u>\$ (923,499)</u> | <u>(581,000)</u> |
| Fund balance, beginning of year | | <u>1,842,663</u> | | <u>2,423,663</u> |
| Fund balance (deficit), end of year | | <u>\$ 820,164</u> | | <u>\$ 1,842,663</u> |

Crete-Monee School District 201-U
 Fire Prevention and Safety Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

| | 2020 | | Variance From Final Budget | 2019 Actual |
|---------------------------------|---------------------------------|------------------|----------------------------------|------------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Local sources | | | | |
| General levy | \$ 6,551 | \$ 8,127 | \$ 1,576 | \$ 6,840 |
| Interest on investments | <u>100</u> | <u>405</u> | <u>305</u> | <u>540</u> |
| Total local sources | <u>6,651</u> | <u>8,532</u> | <u>1,881</u> | <u>7,380</u> |
| Total revenues | <u>6,651</u> | <u>8,532</u> | <u>1,881</u> | <u>7,380</u> |
| Fund balance, beginning of year | | <u>27,104</u> | | <u>19,724</u> |
| Fund balance, end of year | | <u>\$ 35,636</u> | | <u>\$ 27,104</u> |

Crete-Monee School District 201-U
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2020

| | Maturity as follows for the Year Ended June 30 | Principal | Interest | Total |
|---------------------------------|--|----------------------|---------------------|----------------------|
| Series 2016B | | | | |
| General Obligation Bonds | 2021 | \$ - | \$ 579,000 | \$ 579,000 |
| Issued on June 29, 2016 | 2022 | - | 579,000 | 579,000 |
| | 2023 | - | 579,000 | 579,000 |
| Principal payable annually on | 2024 | - | 579,000 | 579,000 |
| January 1 starting in 2026 | 2025 | - | 579,000 | 579,000 |
| | 2026 | 1,050,000 | 579,000 | 1,629,000 |
| Interest payable bi-annually on | 2027 | 9,530,000 | 526,500 | 10,056,500 |
| January 1 and July 1 | 2028 | 1,000,000 | 50,000 | 1,050,000 |
| Total | | <u>\$ 11,580,000</u> | <u>\$ 4,050,500</u> | <u>\$ 15,630,500</u> |
| Series 2016C | | | | |
| General Obligation Bonds | 2021 | \$ - | \$ 613,200 | \$ 613,200 |
| Issued on June 29, 2016 | 2022 | - | 613,200 | 613,200 |
| | 2023 | - | 613,200 | 613,200 |
| Principal payable annually on | 2024 | - | 613,200 | 613,200 |
| January 1 starting in 2027 | 2025 | - | 613,200 | 613,200 |
| | 2026 | - | 613,200 | 613,200 |
| Interest payable bi-annually on | 2027 | 1,175,000 | 613,200 | 1,788,200 |
| January 1 and July 1 | 2028 | 1,230,000 | 554,450 | 1,784,450 |
| | 2029 | 1,295,000 | 492,950 | 1,787,950 |
| | 2030 | 1,355,000 | 428,200 | 1,783,200 |
| | 2031 | 1,410,000 | 374,000 | 1,784,000 |
| | 2032 | 1,470,000 | 317,600 | 1,787,600 |
| | 2033 | 1,525,000 | 258,800 | 1,783,800 |
| | 2034 | 1,585,000 | 197,800 | 1,782,800 |
| | 2035 | 1,650,000 | 134,400 | 1,784,400 |
| | 2036 | 1,710,000 | 68,400 | 1,778,400 |
| Total | | <u>\$ 14,405,000</u> | <u>\$ 7,119,000</u> | <u>\$ 21,524,000</u> |

(Continued)

Crete-Monee School District 201-U
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2020

| | Maturity as follows | | | Total |
|---|-------------------------------|----------------------|----------------------|-----------------------|
| | for the Year Ended June 30 | Principal | Interest | |
| Series 2004 | | | | |
| General Obligation Capital | 2021 | \$ 2,657,398 | \$ 6,912,602 | \$ 9,570,000 |
| Issue of June 30, 2004 | 2022 | 2,388,873 | 6,916,127 | 9,305,000 |
| Principal payable Oct 1 | 2023 | 2,179,057 | 7,000,943 | 9,180,000 |
| Interest payable at maturity | 2024 | 1,976,236 | 7,028,764 | 9,005,000 |
| | | <u>9,201,564</u> | <u>27,858,436</u> | <u>37,060,000</u> |
| Accumulated accreted interest | | 22,661,188 | (22,661,188) | - |
| Total | | <u>\$ 31,862,752</u> | <u>\$ 5,197,248</u> | <u>\$ 37,060,000</u> |
| Series 2005 | | | | |
| Capital Appreciation Bond | | | | |
| Issue of December 29, 2005 | | | | |
| Principal payable annually on | | | | |
| October 1 | 2025 | \$ 1,769,577 | \$ 2,635,423 | \$ 4,405,000 |
| Interest payable at maturity | 2026 | 3,229,506 | 5,290,494 | 8,520,000 |
| | | <u>4,999,083</u> | <u>7,925,917</u> | <u>12,925,000</u> |
| Accumulated accreted interest | | 5,054,537 | (5,054,537) | - |
| Total | | <u>\$ 10,053,620</u> | <u>\$ 2,871,380</u> | <u>\$ 12,925,000</u> |
| Series 2006 | | | | |
| Capital Appreciation Bond | 2021 | \$ 623,848 | \$ 611,152 | \$ 1,235,000 |
| Issued on June 8, 2006 | 2022 | 722,610 | 777,390 | 1,500,000 |
| Principal payable annually on | 2023 | 746,558 | 878,442 | 1,625,000 |
| October 1 | 2024 | 775,368 | 1,024,632 | 1,800,000 |
| Interest payable at maturity | 2025 | 2,466,752 | 3,933,248 | 6,400,000 |
| | 2026 | 482,897 | 752,103 | 1,235,000 |
| | | <u>5,818,033</u> | <u>7,976,967</u> | <u>13,795,000</u> |
| Accumulated accreted interest | | 5,762,769 | (5,762,769) | - |
| Total | | <u>\$ 11,580,802</u> | <u>\$ 2,214,198</u> | <u>\$ 13,795,000</u> |
| Total General Obligation Bonds Payable | | <u>\$ 79,482,174</u> | <u>\$ 21,452,326</u> | <u>\$ 100,934,500</u> |

(Concluded)

OTHER SUPPLEMENTAL INFORMATION (UNAUDITED)

Crete-Monee School District 201-U
PROPERTY TAX RATES - LEVIES AND COLLECTIONS*
LAST FIVE TAX LEVY YEARS

| | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Assessed valuations | \$ <u>637,433,848</u> | \$ <u>618,718,672</u> | \$ <u>586,382,720</u> | \$ <u>562,971,694</u> | \$ <u>543,959,046</u> |
| Rates extended | | | | | |
| Educational | 4.6483 | 4.8449 | 4.8998 | 4.7479 | 4.8000 |
| Operations and maintenance | 0.6694 | 0.6982 | 0.7367 | 0.7500 | 0.7500 |
| Transportation | 0.7001 | 0.5968 | 0.6746 | 0.7380 | 0.8545 |
| Municipal retirement/social security | 0.4202 | 0.3590 | 0.3280 | 0.3340 | 0.3458 |
| Working cash | 0.0446 | 0.0465 | 0.0288 | 0.0500 | 0.0500 |
| Debt service | 1.8822 | 1.9391 | 2.0452 | 2.0600 | 1.8247 |
| Fire prevention and safety | <u>0.0014</u> | <u>0.0012</u> | <u>0.0011</u> | <u>0.0011</u> | <u>0.0012</u> |
| Total rates extended | <u>8.3662</u> | <u>8.4857</u> | <u>8.7142</u> | <u>8.6810</u> | <u>8.6262</u> |
| Levies extended | | | | | |
| Educational | \$ 29,629,838 | \$ 29,976,300 | \$ 28,731,581 | \$ 26,729,333 | \$ 26,110,034 |
| Operations and maintenance | 4,266,982 | 4,319,894 | 4,319,881 | 4,222,288 | 4,079,693 |
| Transportation | 4,462,674 | 3,692,513 | 3,955,738 | 4,154,731 | 4,648,130 |
| Municipal retirement/social security | 2,678,497 | 2,221,200 | 1,923,335 | 1,880,325 | 1,881,010 |
| Working cash | 284,295 | 287,704 | 168,878 | 281,486 | 271,980 |
| Debt service | 11,997,780 | 11,997,574 | 11,992,699 | 11,597,217 | 9,925,621 |
| Fire prevention and safety | <u>8,924</u> | <u>7,425</u> | <u>6,450</u> | <u>6,193</u> | <u>6,527</u> |
| Total levies extended | <u>\$ 53,328,990</u> | <u>\$ 52,502,610</u> | <u>\$ 51,098,563</u> | <u>\$ 48,871,573</u> | <u>\$ 46,922,995</u> |
| Collections on levies extended | | | | | |
| Total collections | <u>\$ 25,670,499</u> | <u>\$ 52,154,251</u> | <u>\$ 50,326,745</u> | <u>\$ 48,306,792</u> | <u>\$ 46,493,496</u> |
| Percentage of extensions collected | | | | | |
| Total % of extensions collected | <u>48.14%</u> | <u>99.34%</u> | <u>98.49%</u> | <u>98.84%</u> | <u>99.08%</u> |

*Tax Rates are expressed in dollars per \$100 of assessed valuation.

Source of information: Will County - Tax Rate Calculation Reports and Annual Financial Reports

Crete-Monee School District 201-U
OPERATING COSTS AND TUITION CHARGE
June 30, 2020 and 2019

| | 2020 | 2019 |
|--|---------------|---------------|
| OPERATING COST PER PUPIL | | |
| Average Daily Attendance (ADA): | 3,935.30 | 4,079.40 |
| Operating costs: | | |
| Educational | \$ 57,890,438 | \$ 57,421,691 |
| Operations and maintenance | 5,147,976 | 5,011,043 |
| Debt service | 12,285,339 | 12,181,251 |
| Transportation | 5,042,244 | 6,865,654 |
| Municipal retirement/social security | 1,976,028 | 1,926,667 |
| Subtotal | 82,342,025 | 83,406,306 |
| Less revenues/expenditures of nonregular programs: | | |
| Tuition | 1,496,324 | 1,362,547 |
| Transportation | 29,420 | 57,125 |
| Pre-K | 8,527 | 71,868 |
| Special education | 1,173,659 | 1,475,947 |
| Summer school | 203,844 | 136,393 |
| Capital outlay | 814,735 | 588,578 |
| Debt principal retired | 11,075,367 | 10,974,661 |
| Community services | 943,584 | 631,023 |
| Payments to other government units | 1,915,008 | 2,334,255 |
| Non-capitalized equipment | 917,508 | 276,647 |
| Subtotal | 18,577,976 | 17,909,044 |
| Operating costs | \$ 63,764,049 | \$ 65,497,262 |
| Operating costs per pupil - based on ADA | \$ 16,203 | \$ 16,056 |
| TUITION CHARGE | | |
| Operating costs | \$ 63,764,049 | \$ 65,497,262 |
| Less - revenues from specific programs, such as special education or lunch programs | 13,188,593 | 12,579,146 |
| Net operating costs | 50,575,456 | 52,918,116 |
| Depreciation allowance | 2,655,279 | 2,560,197 |
| Allowance tuition costs | \$ 53,230,735 | \$ 55,478,313 |
| Tuition charge per pupil - based on ADA | \$ 13,526 | \$ 13,600 |