

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70

LIBERTYVILLE, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Libertyville Elementary School District No. 70
Libertyville, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund, of Libertyville Elementary School District No. 70, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the school district's basic financial statements, as listed in the table of contents. We have also audited the individual fund financial statements presented as audited individual fund financial statements, as of and for the year ended June 30, 2021, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these basic and individual fund 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 of 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.

Opinions

In our opinion, the basic, and individual fund, financial statements referred to above present fairly, in all material respects, the respective financial position-modified cash basis of the governmental activities and each major fund, and each individual fund, of the Libertyville Elementary School District No. 70, as of June 30, 2021, and the respective changes in financial position-modified cash basis, thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

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

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Libertyville Elementary School District No.70's basic financial statements. The supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The supplemental information on pages 7-11 and 59-66, and the schedule of expenditures of federal awards on pages 55-56 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2021, on our consideration of Libertyville Elementary School District No.70's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Libertyville Elementary School District No.70's internal control over financial reporting and compliance.

Evoy, Kamschulte, Jacobs & Co. LLP

EVOY, KAMSCHULTE, JACOBS & CO. LLP

December 27, 2021
Waukegan, Illinois



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

Board of Education
Libertyville Elementary School District No. 70
Libertyville, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Libertyville Elementary School District No. 70 as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Libertyville Elementary School District No. 70's basic financial statements and have issued our report thereon dated December 27, 2021, which was qualified because the financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Libertyville Elementary School District No. 70's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Libertyville Elementary School District No. 70's internal control. Accordingly, we do not express an opinion on the effectiveness of Libertyville Elementary School District No. 70's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Libertyville Elementary School District No. 70's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Libertyville Elementary School District No. 70's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Evoy, Kamschulte, Jacobs & Co. LLP

EVOY, KAMSCHULTE, JACOBS & CO. LLP

December 27, 2021
Waukegan, Illinois



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
Libertyville Elementary School District No. 70
Libertyville, Illinois

Report on Compliance for Each Major Federal Program

We have audited Libertyville Elementary School District No. 70's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Libertyville Elementary School District No. 70's major federal programs for the year ended June 30, 2021. Libertyville Elementary School District No. 70's major federal programs are identified in the Summary of Auditor's Results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Libertyville Elementary School District No. 70's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United State of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Libertyville Elementary School District No. 70's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Libertyville Elementary School District No. 70's compliance.

Opinion on Each Major Federal Program

In our opinion, Libertyville Elementary School District No. 70 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of Libertyville Elementary School District No. 70 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Libertyville Elementary School District No. 70's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Libertyville Elementary School District No. 70's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Evoy, Kamschulte, Jacobs & Co. LLP

EVOY, KAMSCHULTE, JACOBS & CO. LLP

December 27, 2021
Waukegan, Illinois

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70

SUPPLEMENTARY INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021

Our discussion and analysis of the Libertyville Elementary School District No. 70's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the District's financial statements, which begin on page 10, and the notes to the financial statements, which begin on page 17, to further enhance your understanding of the District's financial condition.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at June 30, 2021 by \$57,857,164 (net position).
- The District's total net position increased by \$2,848,142.
- At June 30, 2021, the District's governmental funds reported combined fund balances of \$17,897,693, an increase of \$1,839,500 from the prior year. Approximately 48% of this amount, \$8,558,813, may be used to finance day-to-day operations (unassigned fund balance), which was approximately 18% of General (Education) Fund expenditures.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position – Modified Cash Basis and the Statement of Activities – Modified Cash Basis (on pages 10 and 11) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 12. For the governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as agent for the benefit of those outside the government.

Reporting the District as a Whole

Our analysis of the District as a whole begins on page 7. One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all of the District's assets and liabilities resulting from the use of the modified cash basis of accounting.

These two statements report the District's net position and changes in them. You can think of the District's net position—the difference between assets and liabilities—as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other financial and non-financial factors, however, such as declining equalized assessed value and State receipts.

In the Statement of Net Position and the Statement of Activities, we report the District's Governmental activities. All of the District's services are reported here, including instructional services, support services, community services, and non-programmed charges. Property taxes, earnings on investments, fees, and state and federal grants finance most of these activities.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021
(Continued)

USING THIS ANNUAL REPORT (continued)

Reporting the District's Most Significant Funds

Our analysis of the District's major funds begins on page 8. The fund financial statements begin on page 12 and provide detailed information about the most significant funds—not the District as a whole. Some funds are required to be established by State law and by bond covenants.

- Governmental funds--All of the District's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The District maintains its accounting records for all funds on the cash basis of accounting under guidelines prescribed by the Illinois State Board of Education. Accordingly, revenues are recognized and recorded when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation schedule in the financial statements.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements are contained on pages 18 through 43.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplemental information relating to the District's progress in funding its obligation to provide pension benefits to its non-certified employees, and other supplemental information that may be useful to the reader.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021
(Continued)

THE DISTRICT AS A WHOLE

A condensed statement of net position, as of June 30, 2021, and statement of activities, for the year ended June 30, 2020, is presented below.

Net Assets	Governmental Activities	
	2021	2020
Current and Other Assets	\$ 19,377,826	\$ 17,771,133
Capital Assets, Net	54,871,494	55,107,430
Total Assets	74,249,320	72,878,563
Current Liabilities	(1,480,133)	(1,712,940)
Long-Term Debt Outstanding	(14,912,023)	(16,156,601)
Total Liabilities	(16,392,156)	(17,869,541)
	\$ 57,857,164	\$ 55,009,022
Net Position:		
Net Investment in Capital Assets	\$ 39,959,471	\$ 38,950,829
Restricted	9,311,880	8,107,588
Unrestricted	8,585,813	7,950,605
Total Net Position	\$ 57,857,164	\$ 55,009,022
Changes in Net Position	Governmental Activities	
	2021	2020
<u>Receipts</u>		
Program Receipts		
Charges for Services	\$ 610,052	\$ 1,009,157
Operating Grants	21,294,748	16,819,623
Capital Grants	-	50,000
General Receipts		
Property Taxes	34,361,269	29,110,383
Other Taxes	689,550	543,639
Earnings on Investments	27,531	401,729
Evidence Base Funding Formula	1,794,372	1,794,378
Other	1,662,256	1,362,573
Total Receipts	\$ 60,439,778	\$ 51,091,482
<u>Disbursements</u>		
Program Disbursements		
Instruction	\$ 40,263,959	\$ 35,131,695
Support Services	13,787,531	14,788,897
Community Services	59,014	66,560
Nonprogrammed Charges	793,650	627,537
Interest, Fees and Costs	583,031	648,175
Depreciation - Unallocated	2,104,451	2,028,496
Total Disbursements	\$ 57,591,636	\$ 53,291,360
Increase (Decrease) in net position	\$ 2,848,142	\$ (2,199,878)
Net Position- Beginning	55,009,022	57,208,900
Net Position- Ending	\$ 57,857,164	\$ 55,009,022

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021
(Continued)

THE DISTRICT AS A WHOLE (continued)

The net position of the District's governmental activities increased by \$2,848,142. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements — increased by \$635,208 to \$8,585,813.

THE DISTRICT'S FUNDS

At June 30, 2021, the District's governmental funds (as presented in the Statement of Assets, Liabilities, and Fund Balances Arising from Cash Transactions on page 12) reported a combined fund balance of \$17,897,693, which is more than last year's total of \$16,058,193. The increase in fund balance is related primarily to the district not spending its allocated budgeted amounts due to the COVID epidemic. Specifically as it relates to the Operations & Maintenance Fund, the approximately \$800,000 favorable variance is due to project expenses for contracted capital outlay projects not being completed by June 30. The district is working with its contractor to get all the outstanding work completed no later than the summer of 2022.

General Fund Budgetary Highlights

The July 1, 2020 to June 30, 2021 budget, which was not amended, was approved by the Board of Education on September 21, 2020. The budget is a general guide for the financial activity of the District.

General (Education) Fund actual direct receipts were more than the budgeted amounts. This is due mainly to Surplus TIF receipts being higher than the budgeted amount by \$680,156. This is due to property taxes being higher by approximately \$1.484 million and surplus TIF distributions being higher by approximately \$450,000, offset by federal grant receipts being lower by approximately \$480,000 and other local receipts being lower by approximately \$800,000 due to the COVID epidemic.

General (Education) Fund actual direct disbursements were less than the budgeted amounts.

The Operations & Maintenance Fund's portion of the Special Revenue Fund's actual direct receipts were less than the lowered budgeted amounts by approximately \$200,000 due to the district not collecting \$200,000 in surplus TIF distributions..

The Operations & Maintenance Fund's actual capital expenditures were lower than budgeted amounts by approximately \$1.0 million due to delays in the projects being completed in a timely basis.

Collectively, the district's actual expenditures being less than budgeted amounts can be attributed to the unique circumstances it faced due to the COVID epidemic.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2021, the District had \$54,871,494 invested in capital assets, including land, land improvements, buildings and furniture and equipment, as shown below.

Capital Assets at Year End, Net of Depreciation	June 30, 2021	June 30, 2020
Land and Improvements	\$ 1,042,310	\$ 1,105,717
Buildings	51,622,963	51,338,462
Furniture and Equipment	2,206,221	2,663,251
Totals	<u>\$ 54,871,494</u>	<u>\$ 55,107,430</u>

See Notes 1 and 3 to the financial statements for additional information about changes in capital assets and depreciation.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021
(Continued)

CAPITAL ASSETS AND DEBT ADMINISTRATION (continued)

Long-Term Debt

At June 30, 2021, the District had \$14,912,023 in long-term debt outstanding, as shown below.

Outstanding Debt at Year End	Governmental Activities	
	June 30, 2021	June 30, 2020
2011 Limited Tax Debt Certificates	\$ -	\$ 500,000
2016 Working Cash Bonds	5,975,000	5,975,000
2017 Refunding bonds	3,425,000	3,950,000
2019 GO Debt Certificates	5,395,000	5,460,000
Capital Lease Obligations	117,023	271,601
	<u>\$ 14,912,023</u>	<u>\$ 16,156,601</u>

The District's total amount of bonded indebtedness is well within its legal debt limit of \$77,541,396.

See Note 4 to the financial statements for additional information about long-term debt.

OTHER FINANCIAL MATTERS BEARING ON THE DISTRICT'S FUTURE

The continued instability of the Illinois economy and the State budget from previous years has only been exacerbated by the failure of the Fair Tax referendum and the economic impact of COVID-19. This increases the concern of the district that several state-level costs will be shifted to the District in the form of pension cost shifts, property tax freezes, or the reduction in state financial aid.

COVID-19 also had a large impact on the cost of education within the District. Like so many other school districts in the State, the District has had to reimagine education in a virtual, in-person, and hybrid format that has had a large impact on Fiscal Year 2020 and will continue to be felt in Fiscal Year 2021.

In addition to these challenges, there is the potential for new residential development within the District that could prompt the construction of new buildings or additions to existing buildings. Should that occur, the District may require additional funds be raised through a referendum.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with an overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Business Manager at, 1381 W. Lake Street, Libertyville, IL 60048, 847-362-9030.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70

GOVERNMENT-WIDE STATEMENTS

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2021

	Governmental Activities
ASSETS	
Cash and Investments	\$ 19,377,826
Capital Assets	
Land	313,824
Land Improvements	1,802,502
Buildings	71,233,919
Furniture and Equipment	14,692,342
Less: Accumulated Depreciation	(33,171,093)
Total Capital Assets, Net	<u>\$ 54,871,494</u>
Total Assets	<u>\$ 74,249,320</u>
LIABILITIES	
Current Liabilities	
Payroll Deductions Payable	\$ 1,480,133
Long-Term Liabilities	
Portion Due or Payable Within One Year	
Capital Lease Obligations	\$ 117,023
General Obligation Debt	1,125,000
Portion Due or Payable in More Than One Year	
Capital Lease Obligations	-
General Obligation Debt	13,670,000
Total Long-Term Liabilities	<u>\$ 14,912,023</u>
Total Liabilities	<u>\$ 16,392,156</u>
NET POSITION	
Net Investment in Capital Assets	\$ 39,959,471
Restricted	
Operations and Maintenance	890,336
Transportation	1,295,010
Municipal Retirement/Social Security	640,144
Working Cash	5,800,711
Bond and Interest	542,688
Student Activities	142,991
Unrestricted	<u>8,585,813</u>
TOTAL NET POSITION	<u><u>\$ 57,857,164</u></u>

The accompanying Notes are an integral part of these financial statements.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2021

FUNCTION/PROGRAMS	Disbursements	Program Receipts			Net (Disbursements) Receipts and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities Total
Governmental Activities					
Instruction					
Regular Programs	\$ 35,598,318	\$ 416,773	\$ 20,330,639	\$ -	\$ (14,850,906)
Special Education Programs	3,256,428	-	190,053	-	(3,066,375)
Special Education Programs Pre-K	168,572	-	-	-	(168,572)
Remedial and Supplemental Programs K-12	102,584	-	-	-	(102,584)
Interscholastic Programs	275,744	-	-	-	(275,744)
Summer School	138,086	-	-	-	(138,086)
Gifted Programs	548,213	-	-	-	(548,213)
Bilingual Programs	176,014	-	-	-	(176,014)
Support Services					
Pupils	2,753,357	-	-	-	(2,753,357)
Instructional Staff	1,444,112	-	3,337	-	(1,440,775)
General Administration	1,013,822	-	-	-	(1,013,822)
School Administration	1,513,065	-	-	-	(1,513,065)
Business	5,199,607	193,279	770,719	-	(4,235,609)
Central	1,863,568	-	-	-	(1,863,568)
Community Services	59,014	-	-	-	(59,014)
Nonprogrammed Charges	793,650	-	-	-	(793,650)
Interest, Fees and Costs	583,031	-	-	-	(583,031)
Depreciation - Unallocated	2,104,451	-	-	-	(2,104,451)
Total Governmental Activities	<u>\$ 57,591,636</u>	<u>\$ 610,052</u>	<u>\$ 21,294,748</u>	<u>\$ -</u>	<u>\$ (35,686,836)</u>
GENERAL RECEIPTS					
Taxes					
Property Taxes, levied for general purposes					\$ 31,324,303
Property Taxes, levied for debt service					924,273
Property Taxes, levied for other specific purposes					2,112,693
Personal Property Replacement					689,550
Unrestricted Earnings on Investments					27,531
Evidence Based Funding Formula					1,794,372
Other					1,662,256
TOTAL GENERAL RECEIPTS					<u>\$ 38,534,978</u>
CHANGE IN NET POSITION					<u>\$ 2,848,142</u>
NET POSITION - JULY 1, 2020					<u>55,009,022</u>
NET POSITION - JUNE 30, 2021					<u><u>\$ 57,857,164</u></u>

The accompanying Notes are an integral part of these financial statements.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70

FUND FINANCIAL STATEMENTS

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	
	Education Fund	Operations and Maintenance Fund	Transportation Fund	Municipal Retirement/ Social Security Fund	Working Cash Fund	Bond and Interest Fund	Capital Projects Fund	Total Governmental Funds
ASSETS								
Cash and Investments	\$ 10,100,216	\$ 918,742	\$ 1,295,010	\$ 720,459	\$ 5,800,711	\$ 542,688	\$ -	\$ 19,377,826
TOTAL ASSETS	<u>\$ 10,100,216</u>	<u>\$ 918,742</u>	<u>\$ 1,295,010</u>	<u>\$ 720,459</u>	<u>\$ 5,800,711</u>	<u>\$ 542,688</u>	<u>\$ -</u>	<u>\$ 19,377,826</u>
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Payroll Deductions Payable	\$ 1,371,412	\$ 28,406	\$ -	\$ 80,315	\$ -	\$ -	\$ -	\$ 1,480,133
FUND BALANCES								
Reserved								
Operations and Maintenance	\$ -	\$ 890,336	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 890,336
Transportation Services	-	-	1,295,010	-	-	-	-	1,295,010
Employee Benefits Payments	-	-	-	640,144	-	-	-	640,144
Interfund Borrowing	-	-	-	-	5,800,711	-	-	5,800,711
Bond Principal and Interest Payments	-	-	-	-	-	542,688	-	542,688
Student Activities	142,991	-	-	-	-	-	-	142,991
Unassigned	8,585,813	-	-	-	-	-	-	8,585,813
TOTAL FUND BALANCES	<u>\$ 8,728,804</u>	<u>\$ 890,336</u>	<u>\$ 1,295,010</u>	<u>\$ 640,144</u>	<u>\$ 5,800,711</u>	<u>\$ 542,688</u>	<u>\$ -</u>	<u>\$ 17,897,693</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,100,216</u>	<u>\$ 918,742</u>	<u>\$ 1,295,010</u>	<u>\$ 720,459</u>	<u>\$ 5,800,711</u>	<u>\$ 542,688</u>	<u>\$ -</u>	<u>\$ 19,377,826</u>

The accompanying Notes are an integral part of these financial statements.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF ASSETS, LIABILITIES,
AND FUND BALANCES ARISING FROM CASH TRANSACTIONS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total Fund Balances - Governmental Funds	\$	17,897,693
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Amounts reported for governmental activities in the statement
of net position are different because:

Capital assets used in governmental activities
are not financial resources and, therefore, are
not reported as assets in governmental funds.

Cost of Capital Assets	\$	88,042,587	
Accumulated Depreciation		(33,171,093)	54,871,494

Long-Term liabilities, including bonds payable,
are not due and payable in the current period
and therefore are not reported as liabilities in
the funds.

General Obligation Bonds	\$	(14,795,000)	
Capital Leases		(117,023)	(14,912,023)

Total Net Position of Governmental Activities	\$	57,857,164
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The accompanying Notes are an integral part of these financial statements.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021.

	General Fund	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	Total Governmental Funds
	Education Fund	Operations and Maintenance Fund	Transportation Fund	Municipal Retirement/Social Security Fund	Working Cash Fund	Bond and Interest Fund	Capital Projects Fund	
RECEIPTS								
Taxes	\$ 27,565,536	\$ 3,758,767	\$ 1,301,494	\$ 1,431,680	\$ 69,069	\$ 924,273	\$ -	\$ 36,050,819
Tuition	77,473	-	-	-	-	-	-	77,473
Earnings on Investments	14,173	1,887	1,313	324	7,414	208	2,212	27,531
Food Service Fees	30,753	-	-	-	-	-	-	30,753
Transportation Fees	-	-	162,526	-	-	-	-	162,526
Textbook Fees	339,300	-	-	-	-	-	-	339,300
Donations	250	-	-	-	-	-	-	250
Rentals	-	13,047	-	-	-	-	-	13,047
Impact / TIF Fees	1,151,703	55,531	-	-	-	-	-	1,207,234
Other	361,896	39,655	40,174	-	-	-	-	441,725
State Aid	21,973,722	-	770,719	-	-	-	-	22,744,441
Federal Aid	344,679	-	-	-	-	-	-	344,679
TOTAL RECEIPTS	\$ 51,859,485	\$ 3,868,887	\$ 2,276,226	\$ 1,432,004	\$ 76,483	\$ 924,481	\$ 2,212	\$ 60,439,778
DISBURSEMENTS								
Current								
Instruction								
Regular Programs	\$ 35,410,746	\$ -	\$ -	\$ 187,572	\$ -	\$ -	\$ -	\$ 35,598,318
Special Education Programs	3,124,188	-	-	132,240	-	-	-	3,256,428
Special Education Programs Pre-K	166,859	-	-	1,713	-	-	-	168,572
Remedial and Supplemental Programs K-12	101,505	-	-	1,079	-	-	-	102,584
Interscholastic Programs	268,038	-	-	7,706	-	-	-	275,744
Summer School	133,438	-	-	4,648	-	-	-	138,086
Gifted Programs	542,075	-	-	6,138	-	-	-	548,213
Bilingual Programs	173,984	-	-	2,030	-	-	-	176,014
Support Services								
Pupils	2,634,173	-	-	119,184	-	-	-	2,753,357
Instructional Staff	1,397,432	-	-	46,680	-	-	-	1,444,112
General Administration	988,514	-	-	25,308	-	-	-	1,013,822
School Administration	1,453,398	-	-	59,667	-	-	-	1,513,065
Business	1,039,133	2,556,636	1,323,445	280,393	-	-	-	5,199,607
Central	1,764,302	-	-	99,266	-	-	-	1,863,568
Community Service	58,718	-	-	296	-	-	-	59,014
Nonprogrammed Charges								
Payments to Other Governments	649,622	81,225	-	62,803	-	-	-	793,650
Debt Service								
Principal	-	-	-	-	-	1,244,578	-	1,244,578
Interest and Fees	-	-	-	-	-	583,031	-	583,031
Capital Outlay	153,059	1,632,444	-	-	-	-	83,012	1,868,515
TOTAL DISBURSEMENTS	\$ 60,059,184	\$ 4,270,305	\$ 1,323,445	\$ 1,036,723	\$ -	\$ 1,827,609	\$ 83,012	\$ 58,600,278
EXCESS OF RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 1,800,301	\$ (401,418)	\$ 952,781	\$ 395,281	\$ 76,483	\$ (903,128)	\$ (80,800)	\$ 1,839,500
OTHER FINANCING SOURCES (USES)								
Transfers In	\$ -	\$ 913,868	\$ -	\$ -	\$ -	\$ 1,419,902	\$ -	\$ 2,333,770
Transfers Out	(1,022,102)	(1,304,378)	-	-	(7,290)	-	-	(2,333,770)
TOTAL OTHER FINANCING SOURCES (USES)	\$ (1,022,102)	\$ (390,510)	\$ -	\$ -	\$ (7,290)	\$ 1,419,902	\$ -	\$ -
NET CHANGE IN FUND BALANCE	\$ 778,199	\$ (791,928)	\$ 952,781	\$ 395,281	\$ 69,193	\$ 516,774	\$ (80,800)	\$ 1,839,500
FUND BALANCE - JULY 1, 2020	7,950,605	1,682,264	342,229	244,863	5,731,518	25,914	80,800	18,058,193
FUND BALANCE - JUNE 30, 2021	\$ 8,728,804	\$ 890,336	\$ 1,295,010	\$ 640,144	\$ 5,800,711	\$ 542,688	\$ -	\$ 17,897,693

The accompanying Notes are an integral part of these financial statements.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF CASH RECEIPTS,
DISBURSEMENTS AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Net Change in Fund Balance - Governmental Funds	\$	1,839,500
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful life as depreciation expense.

Capital Outlay	\$	1,868,515	
Depreciation Expense		(2,104,451)	(235,936)

Repayment/defeasance of long-term debt principal is an expenditure in the governmental funds, but the repayment/refunding reduces long-term liabilities in the statement of net assets.

Principal Paid on Long-Term Debt		1,244,578
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Change in Net Position of Governmental Activities	\$	2,848,142
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The accompanying Notes are an integral part of these financial statements.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70

NOTES TO FINANCIAL STATEMENTS

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Libertyville Elementary School District No. 70 (the "District") is governed by the District's Board of Education (the "Board"), which has responsibility and control over all activities related to public school education within the District. The District receives funding from local, state, and federal government sources and must comply with all of the requirements of these funding source entities. However, the District is not included in any other governmental reporting entity as defined by generally accepted accounting principles. Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and the primary accountability for fiscal matters. In addition, the District's reporting entity does not contain any component units as defined in Governmental Accounting Standards.

New Accounting Standards

During the fiscal year 2021 the District adopted or considered the following Governmental Accounting Standards Board (GASB) Statements.

- GASBS No. 84, *Fiduciary Activities*
- GASBS No.85, *Omnibus 2017*
- GASB NO. 86 Certain Debt Extinguishment Issues

Basis of Presentation

District-wide Statements: The Statement of Net Position and the Statement of Activities display information about the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities, if appropriate. These statements distinguish between the *governmental* and *business-type* activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The District has no Business-Type activities.

The Statement of Activities presents a comparison between direct expenses and program receipts for each function of the District's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses—expenses of the District related to the administration and support of the District's Programs, such as personnel and accounting—are not allocated to programs.
- Program receipts include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Receipts that are not classified as program receipts, including all taxes and state formula aid, are presented as general receipts.

Governmental Fund Financial Statements: The fund financial statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category—governmental, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The District maintains individual funds as prescribed by the Illinois State Board of Education. The District reports all its funds as major governmental funds.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (continued)

The District reports the following major governmental funds:

- *General Fund.* This fund consists of the Education Fund and is the general operating fund of the District. It is used to account for all financial resources and activities except those that are required to be accounted for in another fund. Tort Immunity and Special Education are included in this fund.
- *Special Revenue Funds.* These funds include the Operations and Maintenance Fund, the Transportation Fund, the Illinois Municipal Retirement/Social Security Fund, and the Working Cash Fund, and is used to account for the proceeds of specific revenue sources (other than those accounted for in the Debt Service Fund, Capital Projects Fund or Fiduciary Funds) that are legally restricted to cash disbursements for specific purposes. In accordance with the Illinois School Code the District maintains a Working Cash Fund that accounts for financial resources held by the District to be used for temporary inter-fund loans to any other governmental fund. Also, by Board resolution, the financial resources of the Working Cash Fund can be permanently transferred to any other governmental fund through abatement or abolishment. The District considers these resources as stabilization amounts, available for use in emergency situations or when a fund revenue shortfall or budgetary imbalance occurs. Thus the District classifies this fund as a special revenue fund due to the specific limitations on the uses of the resources within this fund.
- *Debt Service Fund.* This fund consists of the Bond and Interest Fund and accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.
- *Capital Projects Fund.* This fund consists of the Capital Projects Fund, and accounts for financial resources to be used for the acquisition, construction or improvement of major capital facilities. Construction bond proceeds and subdivider's land cash ordinance payments are accounted for in this fund.

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These funds are custodial in nature and do not involve the measurement of the results of operations. The amounts due to the agency fund organizations are equal to the assets. The District does not maintain any fiduciary funds.

Basis of Accounting

The district-wide financial statements are reported using the modified cash basis of accounting. The cash basis of accounting is modified to account for: recording of depreciation on fixed assets, recognition of the net depreciated value of fixed assets, and, recognition of long-term liabilities. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Revenue from property taxes, grants, entitlements and donations are recognized when received consistent with the cash basis of accounting.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting (continued)

The governmental fund financial statements, and all other individual fund financial statements, are reported using the cash basis of accounting. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants, categorical grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to apply cost-reimbursement grant resources to such programs, followed by categorical grants, and then by general revenues.

Investments

Investments are stated at cost, which approximates market value. Gains or losses, if any, on the sale of investments are recognized upon realization. The District has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

Net Position

Net Position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Restricted Resources

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Capital Assets

Capital assets are reported at actual or estimated historical cost. Contributed assets are reported at estimated fair value at the time received. The District generally capitalizes assets with a cost of \$1,000 or more as purchases occur. Depreciation methods, and estimated useful lives of capital assets reported in the district-wide statements are as follows:

	Depreciation Method	Estimated Useful Life
Land Improvements	Straight Line	20 Years
Buildings	Straight Line	50 Years
Furniture and Equipment	Straight Line	10 Years

Depreciation is used to allocate the actual or estimated historical cost of all capital assets over their estimated useful lives.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets and Budgetary Accounting

The budget for all major Governmental Funds is prepared on the cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 105, Section 5/17-1 of the Illinois Compiled Statutes. The July 1, 2020 to June 30, 2021 budget, which was not amended, was approved by the Board of Education on September 21, 2020. For each fund, total fund disbursements may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

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

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

2. CASH AND INVESTMENTS

The District maintains common checking, savings and investment accounts for all funds combined with the individual fund balances being maintained by the District Treasurer. Cash is held in various accounts and properly allocated to funds. The District is allowed to invest in securities as authorized by the *Illinois Compiled Statutes*, Chapter 30, Sections 235/2 and 235/6, and Chapter 105, Section 5/8-7.

Deposits

Custodial Credit Risk. Custodial credit risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned or the District will not be able to recover collateral securities in the possession of an outside party. The District's policy requires deposits to be 102 percent secured by collateral valued at market or par, whichever is lower, less the amount of Federal Deposit Insurance Corporation (FDIC) insurance. The District's Board of Education approves and designates a list of authorized depository institutions based on evaluation of solicited responses and certificates provided by financial institutions.

At June 30, 2021, the carrying amount of the District's deposits was \$1,195,723. The deposits in the Student Activity Accounts had a carrying amount of \$142,991. At June 30, 2021, the District and Student Activity Accounts bank balances were \$4,523,526 and \$146,922 respectively. As of June 30, 2021, \$57,667 of the combined entity's bank balance was exposed to custodial credit risk as follows:

Collateralized with securities held by the
pledging financial institution

	Bank Balance
\$	579,667

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

2. CASH AND INVESTMENTS (continued)

Investments

At June 30, 2021 the District had the following investments:

	<u>Maturity Date</u>	<u>Balance</u>	<u>% of Total</u>
External Investment Pools			
The Illinois Funds	N/A	697,150	3.9%
Illinois School District Liquid Asset Fund	N/A	17,341,962	96.1%
Total		<u>\$ 18,039,112</u>	<u>100.0%</u>

Credit Risk. The District's investments in Federal Home Loan Discount Notes have an average credit quality rating of AAA by Standard and Poor's and Moody's. Certain external investment pools do not have credit quality ratings as established by nationally recognized statistical rating organizations. The Illinois School District Liquid Asset Fund is rated AAA by Standard and Poor's. The District's investment policy does not require minimum levels of credit quality ratings for such investments.

Concentration of Credit Risk. The District places no limit on the amount the District may invest in any one issuer. Certain of the District's investments are exposed to a concentration of credit risk greater than 5 percent of total investments, as shown in the table above.

Interest Rate Risk. 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 rising interest rates.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

3. CAPITAL ASSETS AND DEPRECIATION

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Capital Assets not Being Depreciated				
Land	\$ 313,824	\$ -	\$ -	\$ 313,824
Construction-in-Progress	-	-	-	-
Total Capital Assets not Being Depreciated	<u>\$ 313,824</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 313,824</u>
Capital Assets Being Depreciated				
Land Improvements	\$ 1,802,502	\$ -	\$ -	\$ 1,802,502
Building and Improvements	69,541,661	1,692,258	-	71,233,919
Furniture and Equipment	14,516,085	176,258	-	14,692,343
Total Capital Assets Being Depreciated	<u>\$ 85,860,248</u>	<u>\$ 1,868,516</u>	<u>\$ -</u>	<u>\$ 87,728,764</u>
Less Accumulated Depreciation for:				
Land Improvements	\$ (1,010,609)	\$ (63,407)	\$ -	\$ (1,074,016)
Building and Improvements	(18,203,199)	(1,407,757)	-	(19,610,956)
Equipment	(11,852,835)	(633,287)	-	(12,486,122)
Total Accumulated Depreciation	<u>\$ (31,066,643)</u>	<u>\$ (2,104,451)</u>	<u>\$ -</u>	<u>\$ (33,171,094)</u>
Total Capital Assets Being Depreciated, net of Accumulated Depreciation	<u>\$ 54,793,605</u>	<u>\$ (235,935)</u>	<u>\$ -</u>	<u>\$ 54,557,670</u>
Capital Assets, net of Accumulated Depreciation	<u>\$ 55,107,429</u>	<u>\$ (235,935)</u>	<u>\$ -</u>	<u>\$ 54,871,494</u>

Depreciation was not charged to any specific function.

4. LONG-TERM DEBT

Debt Defeasance

During Fiscal Year 2017 the District has defeased a part of certain bond issues by creating a separate irrevocable trust fund. New debt was used to purchase U.S. Government Securities that were placed in a trust fund. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the district's government-wide financial statements. As of June 30, 2021, the amount of defeased debt outstanding amounted to \$3,685,000.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

4. LONG-TERM DEBT

Changes in General Long-Term Debt

	Balance July 1, 2020	Proceeds	Retired/ Defeased	Balance June 30, 2021	Amounts Due Within One Year
2016 General Obligation Bonds	\$ 5,975,000	\$ -	\$ -	\$ 5,975,000	\$ -
2017 Refunding Bonds	3,950,000	-	525,000	3,425,000	540,000
2019 General Obligation Debt Certificate	5,480,000	-	65,000	5,395,000	585,000
Capital Lease Obligations	271,601	-	154,578	117,023	117,023
	<u>\$ 15,656,601</u>	<u>\$ -</u>	<u>\$ 744,578</u>	<u>\$ 14,912,023</u>	<u>\$ 1,242,023</u>

At June 30, 2019, the annual cash flow requirements of Bond Principal and Interest were as follows:

	Year Ending June 30,	Principal	Interest	Total
2016 General Obligation Bonds, Original Issue of \$5,975,000, Dated June 16, 2016	2022	\$ -	\$ 188,250	\$ 188,250
	2023	-	188,250	188,250
	2024	-	188,250	188,250
	2025	-	188,250	188,250
	2026	-	188,250	188,250
	2027	130,000	188,250	318,250
	2028	715,000	184,026	899,026
	2029	755,000	160,788	915,788
	2030	795,000	136,250	931,250
	2031	845,000	110,412	955,412
	2032	890,000	82,950	972,950
	2033	895,000	54,026	949,026
	2034	950,000	24,938	974,938
		<u>\$ 5,975,000</u>	<u>\$ 1,882,890</u>	<u>\$ 7,857,890</u>
	Year Ending June 30,	Principal	Interest	Total
2017 Refunding Bonds Original Issue of \$5,495,000, Dated February 9, 2017	2022	\$ 540,000	\$ 126,200	\$ 666,200
	2023	565,000	104,100	669,100
	2024	590,000	81,000	671,000
	2025	610,000	57,000	667,000
	2026	635,000	32,100	667,100
	2027	485,000	9,700	494,700
		<u>\$ 3,425,000</u>	<u>\$ 410,100</u>	<u>\$ 3,835,100</u>

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

4. LONG-TERM DEBT (continued)

Cash Flow Requirements (continued)

	Year Ending June 30,	Principal	Interest	Total
2019 GO Debt Certificates	2022	\$ 585,000	\$ 215,800	\$ 800,800
Original Issue of \$5,460,000,	2023	610,000	192,400	802,400
Dated June 13, 2019	2024	635,000	168,000	803,000
	2025	660,000	142,600	802,600
	2026	685,000	116,200	801,200
	2027	710,000	88,800	798,800
	2028	740,000	60,400	800,400
	2029	770,000	30,800	800,800
		<u>\$ 5,395,000</u>	<u>\$ 1,015,000</u>	<u>\$ 6,410,000</u>

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

4. LONG-TERM DEBT (continued)

Cash Flow Requirements (Continued)

	Year Ending June 30,	Principal	Interest	Total
Total All Issues	2022	\$ 1,125,000	\$ 530,250	\$ 1,655,250
	2023	1,175,000	484,750	1,659,750
	2024	1,225,000	437,250	1,662,250
	2025	1,270,000	387,850	1,657,850
	2026	1,320,000	336,550	1,656,550
	2027	1,325,000	286,750	1,611,750
	2028	1,455,000	244,426	1,699,426
	2029	1,525,000	191,588	1,716,588
	2030	795,000	136,250	931,250
	2031	845,000	110,412	955,412
	2032	890,000	82,950	972,950
	2033	895,000	54,026	949,026
	2034	950,000	24,938	974,938
		<u>\$ 14,795,000</u>	<u>\$ 3,307,990</u>	<u>\$ 18,102,990</u>

The 2016 and 2017 general obligation bonds will be paid from the bond and interest fund with resources provided by specific bond and interest fund tax levies. The 2019 debt obligations will be paid from current operating funds of the operations and maintenance fund.

Capital Lease Agreements

The District has entered into capital lease agreements for the acquisition of new computers and office equipment. Payments on these lease agreements will be made from current operating funds of the general (education) fund. The total amount of assets acquired under these capital lease agreements has been included in capital assets as equipment in the year of acquisition. As of June 30, 2021 the total cost of equipment acquired under these capital lease agreements was \$2,122,615 accumulated depreciation related to these assets was \$1,544,334. At June 30, 2021 the total remaining principal and interest amounts due under capital lease agreements were as follows:

	Principal	Interest	Total
Year Ending June 30, 2022	\$ 117,023	\$ 4,678	\$ 121,701
	<u>\$ 117,023</u>	<u>\$ 4,678</u>	<u>\$ 121,701</u>

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

(Continued)

4. LONG-TERM DEBT (continued)

Debt Limit

The Illinois school Code limits the amount of indebtedness to 6.9 percent of \$ 1,123,788,350 the most recent available assessed valuation of the District. Thus, the District's remaining debt margin at June 30, 2021, is \$62,629,373, which is 80.8 percent of its total legal debt limit.

5. FUND BALANCE REPORTING

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance.

Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories or prepaid amounts. Because the District reports on the cash basis of accounting all such items are expensed at the time of purchase, and therefore there are no amounts that fall into this classification.

Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the District, such as restrictions imposed by creditors, grantors, contributors, and laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special revenue funds are, by definition, restricted for their specific purposes and therefore the fund balances of the special revenue funds are classified as restricted.

Committed Fund Balance

The committed fund balance classification 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 District's Board of Education). Those committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

The District's Board of Education commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. No funds are currently committed.

Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the District's Board of Education itself, or a body (a board committee, for example) or District official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

5. FUND BALANCE REPORTING (continued)

Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund.

Net Position Restrictions

The district-wide statement of net position reports \$9,311,880 of restricted net position, all of which is restricted by enabling legislation for specific purposes.

6. SPECIAL TAX LEVIES - TORT IMMUNITY INSURANCE

The District does not levy the Tort Immunity (liability insurance) special tax levy. Tort Immunity related disbursements have been included in the operations of the general (education) fund. As required by the Illinois State Board of Education the District reports the following disbursements for tort immunity purposes for the year ended June 30, 2021:

Property and Liability Insurance	\$ 103,927
Workers Compensation Insurance	80,908
	<u>\$ 184,835</u>

7. RETIREMENT FUND COMMITMENTS

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Plan Description

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

TRS issues a publicly available financial report that can be obtained at <http://trs.illinois.gov/pubs/cafr>; by writing to TRS at 2815 West Washington Street, PO Box 19253, Springfield, IL 62794-9253; or by calling (888) 678-36750, 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 years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service. Disability and death benefits are also provided.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement account plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2021. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs 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 code. The active member contribution rate for the year ended June 30, 2018 was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-Behalf Contributions to TRS: The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2021, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$19,839,448 in pension contributions from the state of Illinois.

2.2 Formula Contributions: Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This contribution rate is specified by statute. Contributions for the year ended June 30, 2021 were \$114,779.

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

For the year ended June 30, 2021, the employer pension contribution was 10.41 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2021, salaries totaling \$57,070 were paid from federal and special trust funds that required employer contributions of \$5,941.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

7. RETIREMENT FUND COMMITMENTS (continued)

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (continued)

Contributions (continued)

Employer Retirement Cost Contributions: Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The 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, 2021, the district paid \$-0- 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.

Net Pension Liability and Pension Expense

At June 30, 2020, the most recent actuarial valuation date, the District's proportionate share of the net pension liability (first amount shown below) reflects a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The District's 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	\$ 2,378,350
State's proportionate share of the net pension liability associated with the District	<u>186,284,755</u>
	<u>\$ 188,663,105</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to June 30, 2020. 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, 2020, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2020 the District's proportionate share was 0.0027586189 percent, which was an increase (decrease) of 0.0003171014 from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$19,839,448 and revenue of \$19,839,448 for support provided by the state.

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement: the Inflation Rate was assumed to be 2.50%; Salary Increases were expected to be varied by amount of service credit; the Investment Rate of Return, net of pension plan investment expense, and including inflation, was assumed to be 7.00%.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

7. RETIREMENT FUND COMMITMENTS (continued)

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (continued)

Actuarial Assumptions (Continued)

In the June 30, 2020 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are based on a fully-generational basis using projection table MP-2017. In the June 30, 2019 actuarial valuation mortality rates were also based on the RP-2014 White Collar Table with 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:

Actuarial Assumptions (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equities Large Cap	16.5%	6.10%
U.S. Equities Small Cap	2.3%	7.20%
Intl Equities Developed	12.2%	7.00%
Emerging Market Equities	3.0%	9.40%
U.S. Bond Core	7.0%	2.20%
U.S. Bond High Yield	2.5%	4.10%
Intl Debt Developed	3.1%	1.50%
Emerging Intl Debt	3.2%	4.50%
Real Estate	16.0%	5.70%
Private Debt	5.2%	6.30%
Hedge Funds	10.0%	4.30%
Private Equity	15.0%	10.50%
Infrastructure	4.0%	6.20%
	<u>100%</u>	

Discount Rate

At June 30, 2020, the discount rate used to measure the total pension liability was a 7.00 percent, which the same as the June 30, 2019 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.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

7. RETIREMENT FUND COMMITMENTS (continued)

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (continued)

Discount Rate (Continued)

Based on those assumptions, TRS's fiduciary net position at June 30, 2020 was not 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. Despite the subsidy, all projected future payments were not covered, so a slightly lower 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.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ 2,886,884	\$ 2,378,350	\$ 1,959,680

TRS Fiduciary Net Position

Detailed information about TRS's fiduciary net position as of June 30, 2020 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

ILLINOIS MUNICIPAL RETIREMENT FUND

Plan Description

The District participates in a defined benefit pension plan provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund that acts as a common investment and administrative agent for local governments and school districts in Illinois. A summary of IMRF's pension benefits is provided in the *Benefits Provided* section of this note. Details of all benefits are available from IMRF. Benefits 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 may be obtained on-line at www.imrf.org.

Benefits Provided

The District's IMRF members participate in IMRF's "Regular Plan". IMRF's regular plan has 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

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

7. RETIREMENT FUND COMMITMENTS (continued)

ILLINOIS MUNICIPAL RETIREMENT FUND (continued)

Benefits Provided (continued)

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 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 10 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 consecutive 96 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
- ½ of the increase in the Consumer Price Index (CPI) of the original pension amount.

Employees Covered by the Benefit Terms

As of December 31, 2020, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiveing benefits	114
Inactive Plan Members entitled to but not yet receiving benefits	196
Active Plan Members	99
Total	<u>409</u>

Contributions

As set by statute, employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2020 was 11.54 percent. The District's actual contribution for calendar year 2020 was \$406,194. 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. For the fiscal year ended June 30, 2021 the District recognized pension expense of \$423,587 for payments made to IMRF.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

7. RETIREMENT FUND COMMITMENTS (continued)

ILLINOIS MUNICIPAL RETIREMENT FUND (continued)

Net Pension Liability

The District's net pension liability was measured as of December 31, 2020. 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, 2020: 1) The Actuarial Cost Method used was Entry Age Normal. 2) The Asset Valuation Method used was Market Value of Assets. 3) The Inflation Rate was assumed to be 2.25%. 4) Salary Increases were expected to be 2.85% to 13.75%, including inflation. 5) The Investment Rate of Return was assumed to be 7.25%. 6) Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019. 7) For Mortality Rates for non-disabled retirees the Pub-2020 Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. 8) For Disabled Retirees, the Pub-2010 Amount-Weighted, below median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. 9) For Active Members, the Pub-2010 Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. There were no benefit changes during the year. 10) 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 rate 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 weighing the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2020:

Asset Class	Portfolio Target Percentage	Return 12/31/2020	Projected Returns/Risk	
			One Year Arithmetic	Ten Year Geometric
Domestic Equity	37%	22%	6.35%	5.00%
International Equity	18%	14%	7.65%	6.00%
Fixed Income	28%	8%	140.00%	1.30%
Real Estate	9%	4%	7.10%	6.20%
Alternative Investments	7%			
- Private Equity			10.00%	7.00%
- Hedge Funds			N/A	N/A
- Commodities			4.00%	2.85%
Cash Equivalents	1%	3%	0.70%	1.85%
Total	100%	50%		

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021
 (Continued)

7. RETIREMENT FUND COMMITMENTS (continued)

ILLINOIS MUNICIPAL RETIREMENT FUND (continued)

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, 1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and, 2) the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.00% and the resulting single discount rate is 7.25%.

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 17,536,237	\$ 15,832,994	\$ 1,703,243
Changes for the Year:			
Service Cost	362,874	-	362,874
Interest on the Total Pension Liability	1,250,782	-	1,250,782
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual			
Experience of the Total Pension Liability	(41,928)	-	(41,928)
Changes of Assumptions	(161,330)	-	(161,330)
Contributions - Employer	-	406,194	(406,194)
Contributions - Employees	-	161,889	(161,889)
Net Investment Income	-	2,287,816	(2,287,816)
Benefit Payments, including Refunds of			
Employee Contributions	(931,011)	(931,011)	-
Other (Net Transfer)	-	(202,060)	202,060
Net Changes	479,387	1,722,828	(1,243,441)
Balances at December 31, 2020	\$ 18,015,624	\$ 17,555,822	\$ 459,802

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

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

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

(Continued)

7. RETIREMENT FUND COMMITMENTS (continued)

ILLINOIS MUNICIPAL RETIREMENT FUND (continued)

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 20,100,893	\$ 18,015,624	\$ 16,300,558
Plan Fiduciary Net Position	17,555,822	17,555,822	17,555,822
Net Pension Liability (Asset)	<u>\$ 2,545,071</u>	<u>\$ 459,802</u>	<u>\$ (1,255,264)</u>

AGGREGATE PENSION-RELATED INFORMATION

Aggregate pension related information of the District at June 30, 2021 is as follows:

	Net Pension Liability	Amount Recognized As Expense
Teachers' Retirement System (TRS)	\$ 2,378,350	\$ 19,839,448
Illinois Municipal Retirement Fund (IMRF)	459,802	423,587
	<u>\$ 2,838,152</u>	<u>\$ 20,263,035</u>

SOCIAL SECURITY

Employees not qualifying for coverage under the Illinois Downstate Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "non-participating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The District paid \$220,484, the total required contribution for the current fiscal year.

8. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

TEACHER HEALTH INSURANCE SECURITY FUND

Plan Description

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago.

Benefits Provided

The THIS fund provides medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

The 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.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

8. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

TEACHER HEALTH INSURANCE SECURITY FUND (continued)

Contributions

Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active members of TRS, including substitute and part-time non-contractual teachers, who are not employees of a state agency covered by the state employees' health plan, to make a contribution to the THIS Fund. The member contribution rate for the year ended June 30, 2021 was 1.24 percent of earnings.

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

On-Behalf Contributions to the THIS Fund: The state of Illinois makes employer retiree health insurance contributions on behalf of the District. 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, 2021. State of Illinois contributions were \$244,942 and the District recognized revenue and expenditures of this amount during the year.

Employer Contributions to THIS Fund: The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.92 percent during the year ended June 30, 2021. For the year ended June 30, 2021, the District paid \$181,731, which was 100 percent of the required contribution.

Net OPEB Liability

The net OPEB liability was measured as of June 30, 2020. The total net OPEB liability is the Plan's total OPEB liability less the fiduciary net position. The net OPEB liability was determined by an actuarial valuation as of June 30, 2019. At June 30, 2019, the most recent actuarial valuation date, the District's proportionate share of the net OPEB liability was \$19,065,969. 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, 2020, relative to the contributions of all participating THIS employers and the state during that period. At June 30, 2020 the District's proportionate share was 0.071312 percent, which was an increase (decrease) of (0.006212) from its proportion measured as of June 30, 2019.

Actuarial Assumptions and Discount Rate

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: the Inflation Rate was assumed to be 2.50%; Salary Increases were expected to be varied by amount of service credit and ranges from 9.50 at 1 year of service to 4.00% at 20 or more years of service, including a 3.25% wage inflation assumption; the Investment Rate of Return, net of pension plan investment expense, and including inflation, was assumed to be 0.00%; the Healthcare Cost Trend Rates were actual trend used for fiscal year 2020, and for fiscal years 2020, trend starts at 8.25% for non-Medicare costs and Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate adjustment due to the repeal of the Excise Tax.

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. For disabled annuitants mortality rates were based on the RP-Disabled Annuitant Table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017. The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2021
 (Continued)

8. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

TEACHER HEALTH INSURANCE SECURITY FUND (continued)

Actuarial Assumptions and Discount Rate (continued)

Projected benefit payments were discounted to their actual present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with long-term expected rate of return are not met). Since THIS is financed on a pay-as-you-go basis, a discount rate consistent with 20-year general obligation bond index has been selected. The discount rates are 2.45% as of June 30, 2020, and 3.13% as of June 30, 2019. The increase in the single discount rate from 3.13% to 2.45% caused the total OPEB liability to increase by approximately \$3,012 billion from 2019 to 2020.

The actuarial valuation was based on the Entry Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of future salary at entry age. The normal cost at the member's attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability equals the present value of benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age.

During plan year ending June 30, 2020, the trust earned \$193,000 in interest, and due to a significant benefit payable, the market value of assets at June 30, 2020 was a negative \$189 million. Given the low asset value and pay-as-you-go funding policy, the long-term expected rate of return assumption was set to zero.

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 2.45%, 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 (1.45%) or 1-percentage-point higher (3.45%) than the current rate.

	1% Decrease (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
District's Proportionate Share of the Net OPEB Liability	\$ 22,915,388	\$ 19,065,969	\$ 16,017,321

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

The following presents the District's proportionate share of the net OPEB liability calculated using the healthcare cost trend rates as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2021
 (Continued)

8. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

TEACHER HEALTH INSURANCE SECURITY FUND (continued)

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

	1% Decrease (a)	Healthcare Cost Trend Rate Assumption	1% Increase (b)
District's Proportionate Share of the Net OPEB Liability	\$ 15,334,759	\$ 19,065,969	\$ 24,108,918

(a) One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate trend rate of 3.25% in 2037.

(b) One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.

THIS Fiduciary Net Position

Detailed information about THIS's fiduciary net position as of June 30, 2021 is available in the separately issued *THIS Financial Audit*.

DISTRICT POST-EMPLOYMENT HEALTH PLAN

Plan Description:

The District provides pre and post-Medicare postretirement healthcare benefits to all employees who work for the District and receives a pension from the District through Illinois Municipal Retirement Fund (IMRF). There is an additional requirement of 20 years of service to be eligible for retiree healthcare benefits. Non-certified district employees may continue healthcare coverage after retirement through the district's health care plan.

Certified and Administrative employees have an option to elect coverage under the TRS sponsored plan (TRS) and receive reimbursement until age 65. Certified staff receive \$1,000 annually towards the TRS plan premium and Administrative staff receive either \$1,500 or 50% of the TRS plan premium. The employee must have completed 20 years in the District to receive this benefit.

Funding Policy:

Retiree healthcare benefits are funded on a pay as you go basis.

Benefit Provisions:

The District sponsors multiple PPO plans with varying deductibles depending upon "In Network or Out of Network" providers. The deductibles in the PPO plans range from \$350 per person to \$700 per person. The District also carries a HMO 20 Illinois plan with no annual deductible.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2021
 (Continued)

8. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

DISTRICT POST- EMPLOYMENT HEALTH PLAN (continued)

Actuarial Method and Assumptions

Actuarial Valuation Date: July 1, 2019

Measurement Date: June 30, 2021

Actuarial Cost Method: Entry Age Normal

Actuarial Value of Assets: No Assets (Pay-as-you-go)

Amortization Method: Level-Percent Open

Remaining Amortization Period: 30 Year

Wage Inflation 4.00%

Health Care Trend: 5.0% per year graded down to, 4.5% per year ultimate trend in 0.5% increments

Funded Ratio: 0%

Covered Payroll: \$20,799,238

Total OPEB Liability as a percentage of covered payroll: 1.93%

Employees Covered by Benefit Terms:

As of September 1, 2020, the following participants are covered by the plan.

	OPEB
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	302
Total Plan Members	303

Discount Rate:

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year, tax-exempt general obligation municipal bonds with an average AA/Aa or higher (or equivalent quality on another rating scale). A rate of 2.66% is used, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2021.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

8. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

DISTRICT POST- EMPLOYMENT HEALTH PLAN (continued)

Annual OPEB Costs and Net OPEB Obligation

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (Asset) (A)-(B)
Balance of OPEB Liability at July 1, 2019	\$ 201,921	\$ -	\$ 201,921
Changes for the year			
Service Costs	24,565	-	24,565
Interest on Total OPEB Liability	5,620	-	5,620
Changes of Benefit Terms	223,732	-	223,732
Difference between expected & actual experience	(32,353)	-	(32,353)
Changes of assumptions	27,870	-	27,870
Benefit payments & refunds	(1,000)	-	(1,000)
Other Changes	(48,266)	-	(48,266)
Net changes in total OPEB liability	200,168	-	200,168
Balance of OPEB Liability as of June 30, 2020	<u>\$ 402,089</u>	<u>\$ -</u>	<u>\$ 402,089</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate & Healthcare Trends

The following presents the District's proportionate share of the net OPEB liability calculation using the discount rate of 2.66 percent, as well as what the plan's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher.

	1% Decrease 1.66%	Discount Rate Assumption 2.66%	1% Increase 3.66%
District's proportionate share of the Net OPEB Liability	\$ 374,013	\$ 402,089	\$ 431,740

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate & Healthcare Trends (continued)

The following presents the net OPEB liability of the School District would be if it were calculated using healthcare cost trend rates that are using the discount rate of 2.66 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 one percent lower or one percent higher.

	1% Decrease 1.66%	Healthcare Cost Trend Rate 2.66%	1% Increase 3.66%
District's proportionate share of the Net OPEB Liability	\$ 418,626	\$ 402,089	\$ 387,442

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021
(Continued)

9. PROPERTY TAXES

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The 2020 Levy was passed by the Board on December 14, 2020. Property taxes attach as an enforceable lien on property as of January 1, of the Levy year, and are payable in two installments on approximately June 1, and September 1, of the year subsequent to the Levy year. The District receives significant distributions of tax receipts approximately one month after these due dates. Taxes recorded on these financial statements are from the 2020 and 2019 tax levy years.

The following are the tax rate limits permitted by the School Code, and by local referendum, and the actual rates levied per \$100.00 of assessed valuation.

	Legal Limit	Actual	
		2020 Levy	2019 Levy
Educational	3.5000	\$ 2.3872	\$ 2.2734
Operations and Maintenance	0.5500	0.2981	0.3323
Bond and Interest	*	0.0778	0.0781
Transportation	0.1200	0.1157	0.1049
Municipal Retirement	*	0.0374	0.0262
Social Security	*	0.0249	0.0262
SEDOL IMRF	*	0.0058	0.0056
Working Cash	0.0500	0.0022	0.0087
		<u>\$ 2.9491</u>	<u>\$ 2.8554</u>
* As Needed			

10. INTERFUND BALANCES AND TRANSFERS

During the year the District made the following interfund transfers as permitted by the Illinois School Code. The amounts from the Working Cash Fund were considered excess fund balance and interest earnings and were transferred to the funds deemed most in need of such excess. The amounts transferred to the Bond and Interest Fund were for Principal and Interest payments.

	Transferred To	Transferred From
Working Cash Fund		\$ 7,290
Education Fund		1,022,102
Operations & Maintenance Fund	\$ 913,868	1,304,378
Bond and Interest Fund	1,419,902	
	<u>\$ 2,333,770</u>	<u>\$ 2,333,770</u>

11. JOINT AGREEMENTS

The District participates with other Illinois school districts in certain cooperative educational organizations, known as joint agreements. These joint agreements are owned by the participants and are operated for the specific purposes stated in the joint agreement document, e.g., Special Education, Vocational/Technical Education, etc. This district has, in accordance with the generally accepted practice of other Illinois school districts, charged the cost of its investment to current expenditures in the year paid. The investment is not capitalized and it is unclear whether the District would receive any return on its investment should it choose to withdraw from the joint agreement.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

(Continued)

11. JOINT AGREEMENTS (continued)

Special Education District of Lake County

The District is a member of the Special Education District of Lake County (SEDOL), along with other area school districts. SEDOL provides special education programs, and services, which benefit District students, and also provides jointly administered grants and programming, which benefits the District. The District is financially responsible for annual and special assessments as established by the SEDOL governing board, and fees for programs and services based on usage. SEDOL is separately audited and its financial information is not included in these financial statements. Financial information may be obtained directly from SEDOL by contacting its administration at 18160 Gages Lake Road, Gages Lake, Illinois 60030.

12. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters. To protect against such risks the District participates as a member of the following public entity risk pools: the District is a member of the Collective Liability Insurance Cooperative (CLIC), along with other area school districts. The District obtains property, liability, and workers compensation insurance, and claims and loss administration services, through CLIC. The District is financially responsible for annual premiums based on types and levels of coverage; also, the District is a member of the Northern Illinois Health Insurance Pool (NIHIP), along with other area school districts. The District obtains health, dental, and life insurance, and claims administration services through NIHIP. The District is financially responsible for monthly premiums based on the types of coverages selected by employees. The District also carries commercial insurance for certain other risks of loss, including torts and professional liability.

There have been no significant reductions in coverage from the prior year, and settlements, if any, have not exceeded coverage in the past three years.

13. OVER-EXPENDITURE OF BUDGET

For the year ended June 30, 2021, actual direct disbursements in the following funds:

	<u>Actual</u>	<u>Budget</u>	<u>Excess</u>
General Fund			
Bond & Interest fund	\$ 1,827,609	\$ 1,655,900	\$ 171,709

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70

AUDITED INDIVIDUAL FUND FINANCIAL STATEMENTS

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EDUCATION FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual
RECEIPTS		
Receipts from Local Sources		
Taxes	\$ 26,081,000	\$ 27,565,536
Tuition	260,000	77,473
Earnings on Investments	175,000	14,173
Food Service Fees	380,000	30,753
Pupil Activity Fees	275,000	-
Textbook Fees	285,000	339,300
Donations	7,500	250
Surplus Moneys from TIF District	700,000	1,151,703
Other	210,000	361,896
Total Receipts from Local Sources	<u>\$ 28,373,500</u>	<u>\$ 29,541,084</u>
Receipts from State Sources		
Evidence Based Funding Formula	\$ 1,800,000	\$ 1,794,372
Special Education	96,000	91,623
State Library Grant	-	3,337
Total Receipts from State Sources	<u>\$ 1,896,000</u>	<u>\$ 1,889,332</u>
Receipts from Federal Sources		
Title I - Low Income	\$ 75,200	\$ 28,580
Title IV - Enrichment Grant	10,000	116
Federal Special Education	28,225	-
Title II - Teacher Quality	25,100	47,405
Special Education - Pre-School - Flow-Through	611,664	98,430
Medicaid Matching Funds	75,000	48,827
Other Grants-In-Aid	-	121,321
Total Receipts from Federal Sources	<u>\$ 825,189</u>	<u>\$ 344,679</u>
Total Direct Receipts	\$ 31,094,689	\$ 31,775,095
"On-Behalf" Receipt for TRS Benefits	-	20,084,390
TOTAL RECEIPTS	\$ 31,094,689	\$ 51,859,485
TOTAL DISBURSEMENTS	<u>30,965,447</u>	<u>50,059,184</u>
EXCESS OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ 129,242</u>	<u>\$ 1,800,301</u>
OTHER FINANCING SOURCES (USES)		
Transfers Out	\$ (390,600)	\$ (1,022,102)
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (390,600)</u>	<u>\$ (1,022,102)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (261,358)</u>	\$ 778,199
FUND BALANCE - JULY 1, 2020		<u>7,950,605</u>
FUND BALANCE - JUNE 30, 2021		<u>\$ 8,728,804</u>

See accompanying Independent Auditor's Report.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
SCHEDULE OF DISBURSEMENTS
BUDGET AND ACTUAL
EDUCATION FUND
FOR THE YEAR ENDED JUNE 30, 2021

INSTRUCTION	Original and Final Budget	Actual
Regular Programs		
Salaries	\$ 12,736,400	\$ 12,879,004
Employee Benefits	1,872,100	2,091,055
Purchased Services	60,200	7,763
Supplies & Materials	553,800	200,589
Capital Outlay	45,500	8,961
Termination Benefits	200,000	147,945
Total Regular Programs	<u>\$ 15,468,000</u>	<u>\$ 15,335,317</u>
Special Education Programs		
Salaries	\$ 2,252,400	\$ 2,087,750
Employee Benefits	686,300	545,940
Purchased Services	64,600	101,048
Supplies & Materials	40,000	15,513
Capital Outlay	2,000	-
Tuition	-	373,937
Total Special Education Programs	<u>\$ 3,045,300</u>	<u>\$ 3,124,188</u>
Special Education Programs Pre-K		
Salaries	\$ 119,800	\$ 121,526
Employee Benefits	24,300	25,693
Purchased Services	700	-
Supplies & Materials	4,000	19,640
Total Special Education Programs Pre-K	<u>\$ 148,800</u>	<u>\$ 166,859</u>
Remedial and Supplemental Programs K-12		
Salaries	\$ 71,300	\$ 82,312
Employee Benefits	20,400	15,467
Purchased Services	2,400	-
Supplies & Materials	12,500	3,726
Total Remedial and Supplemental Programs K-12	<u>\$ 106,600</u>	<u>\$ 101,505</u>
Interscholastic Programs		
Salaries	\$ 437,800	\$ 261,002
Employee Benefits	7,200	3,562
Purchased Services	9,500	1,177
Supplies & Materials	3,000	2,297
Capital Outlay	5,000	-
Total Interscholastic Programs	<u>\$ 462,500</u>	<u>\$ 268,038</u>
Summer School		
Salaries	\$ 290,500	\$ 131,901
Employee Benefits	3,500	1,537
Purchased Services	2,700	-
Supplies & Materials	12,500	-
Total Summer School	<u>\$ 309,200</u>	<u>\$ 133,438</u>

See accompanying Independent Auditor's Report.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
SCHEDULE OF DISBURSEMENTS (CONTINUED)
BUDGET AND ACTUAL
EDUCATION FUND
FOR THE YEAR ENDED JUNE 30, 2021

INSTRUCTION (CONTINUED)	Original and Final Budget	Actual
Gifted Programs		
Salaries	\$ 471,000	\$ 461,250
Employee Benefits	75,400	77,923
Purchased Services	6,200	289
Supplies & Materials	4,000	2,613
Total Gifted Programs	<u>\$ 556,600</u>	<u>\$ 542,075</u>
Bilingual Programs		
Salaries	\$ 207,700	\$ 141,296
Employee Benefits	21,500	24,249
Purchased Services	3,500	8,439
Supplies & Materials	1,500	-
Total Bilingual Programs	<u>\$ 234,200</u>	<u>\$ 173,984</u>
TOTAL INSTRUCTION	<u>\$ 20,331,200</u>	<u>\$ 19,845,404</u>
 SUPPORT SERVICES		
Pupils		
Salaries	\$ 2,096,500	\$ 2,148,560
Employee Benefits	339,400	381,100
Purchased Services	102,600	92,177
Supplies & Materials	12,700	12,336
Total Pupils	<u>\$ 2,551,200</u>	<u>\$ 2,634,173</u>
Instructional Staff		
Salaries	\$ 946,200	\$ 909,859
Employee Benefits	157,400	160,450
Purchased Services	184,400	92,273
Supplies & Materials	221,100	234,850
Capital Outlay	11,800	9,399
Total Instructional Staff	<u>\$ 1,520,900</u>	<u>\$ 1,406,831</u>
General Administration		
Salaries	\$ 476,700	\$ 480,303
Employee Benefits	69,900	76,412
Purchased Services	343,900	419,818
Supplies & Materials	12,200	11,981
Capital Outlay	-	-
Total General Administration	<u>\$ 902,700</u>	<u>\$ 988,514</u>
School Administration		
Salaries	\$ 1,262,500	\$ 1,224,251
Employee Benefits	165,400	190,038
Purchased Services	32,200	28,533
Supplies & Materials	13,000	10,576
Capital Outlay	13,400	7,288
Total School Administration	<u>\$ 1,486,500</u>	<u>\$ 1,460,686</u>

See accompanying Independent Auditor's Report.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
SCHEDULE OF DISBURSEMENTS (CONTINUED)
BUDGET AND ACTUAL
EDUCATION FUND
FOR THE YEAR ENDED JUNE 30, 2021

SUPPORT SERVICES (CONTINUED)	Original and Final Budget	Actual
Business		
Salaries	\$ 450,200	\$ 466,453
Employee Benefits	40,800	45,824
Purchased Services	598,100	476,035
Supplies & Materials	27,000	50,821
Capital Outlay	10,000	-
Total Business	<u>\$ 1,126,100</u>	<u>\$ 1,039,133</u>
Central		
Salaries	\$ 1,050,400	\$ 982,959
Employee Benefits	183,900	162,116
Purchased Services	243,900	326,582
Supplies & Materials	177,200	292,645
Capital Outlay	175,000	127,411
Total Central	<u>\$ 1,830,400</u>	<u>\$ 1,891,713</u>
TOTAL SUPPORT SERVICES	<u>\$ 9,417,800</u>	<u>\$ 9,421,050</u>
COMMUNITY SERVICES		
Salaries	\$ 22,400	\$ 23,561
Employee Benefits	4,300	4,574
Purchased Services	32,514	8,889
Supplies & Materials	45,583	21,694
TOTAL COMMUNITY SERVICES	<u>\$ 104,797</u>	<u>\$ 58,718</u>
NONPROGRAMMED CHARGES		
Payments for Special Education Programs		
Purchased Services	\$ 192,950	\$ 89,177
Other	568,700	560,445
Tuition	350,000	-
TOTAL NONPROGRAMMED CHARGES	<u>\$ 1,111,650</u>	<u>\$ 649,622</u>
Total Direct Disbursements	\$ 30,965,447	\$ 29,974,794
"On-Behalf" Disbursement for TRS Benefits	<u>-</u>	<u>20,084,390</u>
TOTAL DISBURSEMENTS	<u>\$ 30,965,447</u>	<u>\$ 50,059,184</u>

See accompanying Independent Auditor's Report.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual
RECEIPTS		
Receipts from Local Sources		
Taxes	\$ 3,800,000	\$ 3,758,767
Surplus Moneys from TIF District	200,000	-
Earnings on Investments	10,000	1,887
Rentals	50,000	13,047
Impact Fees	10,000	55,531
Other	-	39,655
Total Receipts from Local Sources	<u>\$ 4,070,000</u>	<u>\$ 3,868,887</u>
Receipts from State Sources		
Infrastructure Improvement Grant	<u>\$ 50,000</u>	<u>\$ -</u>
TOTAL RECEIPTS	<u>\$ 4,120,000</u>	<u>\$ 3,868,887</u>
DISBURSEMENTS		
Support Services		
Operations and Maintenance		
Salaries	\$ 1,199,800	\$ 1,204,697
Employee Benefits	316,700	332,227
Purchased Services	593,700	433,231
Supplies & Materials	605,500	586,481
Capital Outlay	2,500,000	1,632,444
Total Support Services	<u>\$ 5,215,700</u>	<u>\$ 4,189,080</u>
Nonprogrammed Charges		
Payments for Special Education Programs		
Other	<u>\$ 110,300</u>	<u>\$ 81,225</u>
TOTAL DISBURSEMENTS	<u>\$ 5,326,000</u>	<u>\$ 4,270,305</u>
EXCESS OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>\$ (1,206,000)</u>	<u>\$ (401,418)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In	\$ -	\$ 913,868
Transfers Out	(223,600)	(1,304,378)
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (223,600)</u>	<u>\$ (390,510)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,429,600)</u>	<u>\$ (791,928)</u>
FUND BALANCE - JULY 1, 2020		<u>1,682,264</u>
FUND BALANCE - JUNE 30, 2021		<u>\$ 890,336</u>

See accompanying Independent Auditor's Report.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual
RECEIPTS		
Receipts from Local Sources		
Taxes	\$ 1,200,000	\$ 1,301,494
Earnings on Investments	3,000	1,313
Transportation Fees	527,000	162,526
Other	-	40,174
Total Receipts from Local Sources	<u>\$ 1,730,000</u>	<u>\$ 1,505,507</u>
Receipts from State Sources		
State Transportation Aid	<u>764,000</u>	<u>770,719</u>
TOTAL RECEIPTS	<u>\$ 2,494,000</u>	<u>\$ 2,276,226</u>
DISBURSEMENTS		
Support Services		
Pupil Transportation		
Salaries	\$ 18,100	\$ -
Purchased Services	1,794,500	1,157,588
Supplies & Materials	<u>712,000</u>	<u>165,857</u>
TOTAL DISBURSEMENTS	<u>\$ 2,524,600</u>	<u>\$ 1,323,445</u>
NET CHANGE IN FUND BALANCE	<u>\$ (30,600)</u>	\$ 952,781
FUND BALANCE - JULY 1, 2020		<u>342,229</u>
FUND BALANCE - JUNE 30, 2021		<u>\$ 1,295,010</u>

See accompanying Independent Auditor's Report.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual
RECEIPTS		
Receipts from Local Sources		
Taxes	\$ 1,061,200	\$ 1,431,680
Earnings on Investments	3,800	324
TOTAL RECEIPTS	<u>\$ 1,065,000</u>	<u>\$ 1,432,004</u>
DISBURSEMENTS		
Instruction		
Employee Benefits		
Regular Programs	\$ 186,200	\$ 187,572
Special Education Programs	151,100	132,240
Special Education Programs Pre-K	1,700	1,713
Remedial and Supplemental Programs K-12	1,000	1,079
Gifted Programs	9,500	6,138
Interscholastic Programs	9,000	7,706
Summer School Programs	6,800	4,648
Bilingual Programs	3,100	2,030
Total Instruction	<u>\$ 368,400</u>	<u>\$ 343,126</u>
Support Services		
Employee Benefits		
Attendance and Social Work Services	\$ 7,100	\$ 6,441
Health Services	85,000	95,157
Psychological Services	4,900	4,841
Speech Pathology & Audiology Services	11,700	12,745
Improvement of Instruction Services	12,000	12,637
Educational Media Services	35,300	34,043
Executive Administration Services	15,600	15,548
Special Area Administrative Services	9,000	9,760
Office of the Principal Services	62,400	59,667
Direction of Business Support Services	2,200	2,300
Fiscal Services	31,100	34,166
Operations and Maintenance Services	230,200	226,266
Food Services	14,300	17,661
Information Services	15,500	17,515
Staff Services	11,700	10,498
Data Processing Services	84,700	71,253
Total Support Services	<u>\$ 632,700</u>	<u>\$ 630,498</u>
Community Services		
Employee Benefits	<u>\$ 300</u>	<u>\$ 296</u>
Nonprogrammed Charges		
Payments for Special Education Programs	<u>\$ 61,200</u>	<u>\$ 62,803</u>
TOTAL DISBURSEMENTS	<u>\$ 1,062,600</u>	<u>\$ 1,036,723</u>
NET CHANGE IN FUND BALANCE	<u>\$ 2,400</u>	<u>\$ 395,281</u>
FUND BALANCE - JULY 1, 2020		<u>244,863</u>
FUND BALANCE - JUNE 30, 2021		<u><u>\$ 640,144</u></u>

See accompanying Independent Auditor's Report.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
WORKING CASH FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual
RECEIPTS		
Receipts from Local Sources		
Taxes	\$ 100,000	\$ 69,069
Earnings on Investments	110,000	7,414
	<u>210,000</u>	<u>76,483</u>
TOTAL RECEIPTS	\$ 210,000	\$ 76,483
DISBURSEMENTS	<u>-</u>	<u>-</u>
EXCESS OF RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 210,000	\$ 76,483
OTHER FINANCING SOURCES (USES)		
Permanent Transfer of Working Cash Fund	\$ -	\$ (7,290)
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>\$ (7,290)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 210,000</u>	\$ 69,193
FUND BALANCE - JULY 1, 2020		<u>5,731,518</u>
FUND BALANCE - JUNE 30, 2021		<u>\$ 5,800,711</u>

See accompanying Independent Auditor's Report.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
BOND AND INTEREST FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual
RECEIPTS		
Receipts from Local Sources		
Taxes	\$ 878,000	\$ 924,273
Earnings on Investments	1,000	208
Surplus Moneys from TIF District	50,000	-
Total Receipts from Local Sources	<u>\$ 929,000</u>	<u>\$ 924,481</u>
TOTAL RECEIPTS	<u>\$ 929,000</u>	<u>\$ 924,481</u>
DISBURSEMENTS		
Debt Service		
Interest on Bonds	\$ 562,900	\$ 582,359
Bond Principal Retired	1,090,000	1,244,578
Fees on Bonds	<u>3,000</u>	<u>672</u>
TOTAL DISBURSEMENTS	<u>\$ 1,655,900</u>	<u>\$ 1,827,609</u>
EXCESS OF RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (726,900)	\$ (903,128)
OTHER FINANCING SOURCES (USES)		
Transfers In	\$ 614,200	\$ 1,419,902
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 614,200</u>	<u>\$ 1,419,902</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (112,700)</u></u>	\$ 516,774
FUND BALANCE - JULY 1, 2020		<u>25,914</u>
FUND BALANCE - JUNE 30, 2021		<u><u>\$ 542,688</u></u>

See accompanying Independent Auditor's Report.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Original and Final Budget	Actual
RECEIPTS		
Receipts from Local sources		
Earnings on Investments	\$ 200	\$ 2,212
TOTAL RECEIPTS	\$ 200	\$ 2,212
DISBURSEMENTS		
Facilities Acquisition and Construction Services		
Capital Outlay	\$ 420,000	\$ 83,012
TOTAL DISBURSEMENTS	\$ 420,000	\$ 83,012
NET CHANGE IN FUND BALANCE	<u>\$ (419,800)</u>	\$ (80,800)
FUND BALANCE - JULY 1, 2020		<u>80,800</u>
FUND BALANCE - JUNE 30, 2021		<u>\$ -</u>

See accompanying Independent Auditor's Report.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70

ANNUAL FEDERAL FINANCIAL COMPLIANCE SECTION

ANNUAL FEDERAL FINANCIAL COMPLIANCE REPORT (COVER SHEET)
DISTRICT/JOINT AGREEMENT
Year Ending June 30, 2021

DISTRICT/JOINT AGREEMENT NAME Libertyville School District No. 70	RCDT NUMBER 34-049-0700-02	CPA FIRM 9-DIGIT STATE REGISTRATION NUMBER 066-003289	
ADMINISTRATIVE AGENT IF JOINT AGREEMENT (as applicable)		NAME AND ADDRESS OF AUDIT FIRM Evoy, Kamschulte, Jacobs & Co. LLP 2122 Yeoman Street Waukegan, IL 60087	
ADDRESS OF AUDITED ENTITY (Street and/or P.O. Box, City, State, Zip Code) 1381 West Lake Street Libertyville, IL 60048		E-MAIL ADDRESS:	
		NAME OF AUDIT SUPERVISOR John D. Aceto, Jr., CPA	
		CPA FIRM TELEPHONE NUMBER 847-662-8300	FAX NUMBER 847-662-8305

THE FOLLOWING INFORMATION MUST BE INCLUDED IN THE SINGLE AUDIT REPORT:

- ☐ A copy of the CPA firm's most recent peer review report and acceptance letter has been submitted to ISBE (either with the audit or under separate cover).
- ☐ Financial Statements including footnotes (Title 2 CFR §200.510 (a))
- ☐ Schedule of Expenditures of Federal Awards including footnotes (Title 2 CFR §200.510 (b))
- ☐ Independent Auditor's Report on the Financial Statements (Title 2 CFR §200.515 (a))
- ☐ Independent Auditor's Report on Internal Control Over Financial Reporting and Compliance Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* (Title 2 CFR §200.515 (b))
- ☐ Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by Uniform Guidance (Title 2 CFR §200.515 (c))
- ☐ Schedule of Findings and Questioned Costs (Title 2 CFR §200.515 (d))
- ☐ Summary Schedule of Prior Audit Findings (Title 2 CFR §200.511 (b))
- ☐ Corrective Action Plan on LEA letterhead (Title 2 CFR §200.511 (c))

THE FOLLOWING INFORMATION IS HIGHLY RECOMMENDED TO BE INCLUDED:

- ☐ A Copy of the Federal Data Collection Form (Title 2 CFR §200.512 (b))
- ☐ A Copy of each Management Letter

Libertyville School District No. 70
34-049-0700-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2021

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # {1st 8 digits} or Contract # ³ {B}	Receipts/Revenues		Year 7/1/19-6/30/20 (E)	Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/19-6/30/20 (C)	Year 7/1/20-6/30/21 (D)		Year 7/1/19-6/30/20 Pass through to Subrecipients	Year 7/1/20-6/30/21 (F)	Year 7/1/20-6/30/21 Pass through to Subrecipients			
US DEPARTMENT OF EDUCATION										0	
Special Education Cluster Passed Through ISBE										0	
(M) IDEA, Part B - Preschool	84.173A	4600-2021					29,734			29,734	28,225
(M) IDEA, Part B - Flow-Through	84.027A	4620-2021					669,760			669,760	672,224
(M) IDEA, Part B - Flow-Through	84.027A	4620-2020		98,430	98,430					98,430	98,430
Total Special Education Cluster				98,430	98,430		699,494			797,924	
Passed Through ISBE										0	
Title I - Low Income	84.010A	4300-2020	47,743	28,580	76,323					76,323	76,323
Title I - Low Income	84.010A	4300-2021					63,963			63,963	74,737
Title IV - Student Support & Academic Enrich	84.424A	4400-2020	4,781	116	4,897					4,897	16,252
Title IV - Student Support & Academic Enrich	84.424A	4400-2021					3,726			3,726	10,000
Title II - Teacher Quality	84.367A	4932-2020	15,306	28,599	23,512		20,393			43,905	55,277
Title II - Teacher Quality	84.367A	4932-2021		18,806			26,715			26,715	29,638
										0	
ESSER I	84.425D	4998-2021					62,717			62,717	62,717
ESSER I	84.425D	4998-2021		121,321			121,321			121,321	121,321
Total Passed Through ISBE			67,830	295,852	203,162		998,329			1,201,491	

• (M) Program was audited as a major program as defined by §200.518.

*Include the total amount provided to subrecipients from each Federal program. §200.510 (b)(4).

The accompanying notes are an integral part of this schedule.

¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

² When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

³ When awards are received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included in the schedule. §200.510 (b)(2)

⁴ The Uniform Guidance requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in the schedule and suggests to include the amounts in the SEFA notes.

Libertyville School District No. 70
34-049-0700-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2021

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Year 7/1/19-6/30/20 (E)	Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/19-6/30/20 (C)	Year 7/1/20-6/30/21 (D)		Year 7/1/19-6/30/20 Pass through to Subrecipients	Year 7/1/20-6/30/21 (F)	Year 7/1/20-6/30/21 Pass through to Subrecipients			
US DEPARTMENT OF HEALTH & HUMAN SERVICES										0	
Pass-Through (from Illinois Department of Healthcare & Family Services)										0	
Medicaid Matching Funds	93.778	4991-2020		6,575						0	
Medicaid Matching Funds	93.778	4991-2021		13,353			24,791			24,791	N/A
Total Department of Health & Human Services				19,928			24,791			24,791	
										0	
TOTAL FEDERAL FINANCIAL ASSISTANCE			67,830	315,780	203,162		1,023,120			1,226,282	
										0	
										0	
										0	
										0	
										0	
Value of federal Expended in the form of Non-Cash Assistance during the year	N/A	N/A	0	0	0		0			0	
Federal Insurance in effect during the year	N/A	N/A	0	0	0		0			0	
Federal Loans or Loan Guarantees, including interest subsidies, outstanding at year end	N/A	N/A	0	0	0		0			0	
Amounts provided to subrecipients	N/A	N/A	0	0	0		0			0	
										0	

• (M) Program was audited as a major program as defined by §200.518.

*Include the total amount provided to subrecipients from each Federal program. §200.510 (b)(4).

The accompanying notes are an integral part of this schedule.

¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

² When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

³ When awards are received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included in the schedule. §200.510 (b)(2)

⁴ The Uniform Guidance requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in the schedule and suggests to include the amounts in the SEFA notes.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO.70
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

SUMMARY OF AUDITOR'S RESULTS

1. We have audited the financial statements of Libertyville Elementary School District No.70 as of and for the year ended June 30, 2021. The District's policy is to prepare its financial statements on the modified cash basis, which is another comprehensive basis of accounting. The auditor's report expresses an unmodified opinion on the financial statements in conformity with the modified cash basis of accounting.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. Our audit disclosed no instances of noncompliance, which are material to the financial statements of Libertyville Elementary School District No.70.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Independent Auditor's Report on Compliance for Each Major Program and Internal Control Over Compliance Required by Uniform Guidance.
5. We have audited the compliance of Libertyville Elementary School District No.70 with the types of compliance requirements described in the *Office of Management and Budget Compliance Supplement* that are applicable to each of its major programs for the year ended June 30, 2021, and have issued our unmodified opinion thereon dated December 27, 2021.
6. Audit findings relative to the major federal award programs of Libertyville Elementary School District No.70 that are required to be reported in accordance with 2 CFR section 200.516 (a) are reported under the Findings and Questioned Costs - Major Federal Award Programs section of this schedule.
7. The following programs were identified as a major programs:

	<u>CFDA #</u>
IDEA, Part B - Preschool	84.173A
IDEA, Part B - Flow Through	84.027A
8. The threshold used to distinguish between Type A and Type B programs was \$750,000.
9. Libertyville Elementary School District No.70 did not qualify as a "low-risk auditee."

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

There were no financial statements findings or major federal award programs findings or questioned costs in the prior year audit.

FINDINGS – CURRENT YEAR FINANCIAL STATEMENTS AUDIT

None.

FINDINGS AND QUESTIONED COSTS – CURRENT YEAR MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO.70
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of Libertyville Elementary School District No.70. The District's reporting entity is defined in Note 1 to the District's financial statements. Federal awards passed through other government agencies are included on the schedule.

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified cash basis of accounting, which is described in Note 1 to the District's financial statements.

Relationship to Basic Financial Statements

Federal awards received are reflected in the District's financial statements within the Educational Fund as receipts from federal sources.

Relationship to Program Financial Reports

Amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree with amounts reported in the Program Financial Reports for programs, which have filed final reports as of June 30, 2021, with the Illinois State Board of Education.

2. NON-CASH ASSISTANCE, INSURANCE AND LOANS

The fair market value of federal awards expended in the form of non-cash assistance was \$-0- for the year ended June 30, 2021.

The amount of federal insurance in effect during the year ended June 30, 2021 was \$-0-.

The amount of federal loans or loan guarantees, including interest subsidies, outstanding at June 30, 2021 was \$-0-.

3. SUBRECIPIENTS

No amounts were provided to subrecipients during the year ended June 30, 2021.

4. INDIRECT FACILITIES & ADMINISTRATIVE COSTS

The School District did not elect to use a 10% de minimis cost rate.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70

SUPPLEMENTAL INFORMATION

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Balance July 1, 2020	Receipts	Disbursements	Balance June 30, 2021
STUDENT ACTIVITY ACCOUNTS				
Cash in Bank Accounts	\$ 153,923	\$ 38,315	\$ 49,247	\$ 142,991
Student Groups				
Adler School	\$ 3,865	\$ 956	\$ 1,699	\$ 3,122
Adler School - Vending	2,352	391	559	2,184
Butterfield School	25,805	2,526	6,355	21,976
Butterfield School - Vending	2,134	-	1,105	1,029
Copeland School	4,667	3,197	2,672	5,192
Copeland School - Vending	605	-	314	291
HMS - General	14,646	18,518	23,597	9,567
HMS - Band	7,466	1,800	1,760	7,506
HMS - Drama	2,448	1,536	316	3,668
HMS - Library	3,707	169	1,557	2,319
HMS - Locks	6,097	875	-	6,972
HMS - Orchestra	27,157	1,672	1,168	27,661
HMS - Social Fund	1,100	-	369	731
HMS - Strolling Strings	1,868	-	1,868	-
HMS - Vending	33	-	33	-
HMS - Vocal Music	863	440	108	1,195
HMS - Yearbook	12,339	2,000	288	14,051
Rockland School	6,949	2,945	1,385	8,509
Rockland Birthday Books	2,180	80	302	1,958
Rockland Outdoor Classroom	925	-	924	1
Rockland PE	900	-	900	-
Rockland Secret Angel	2,817	-	-	2,817
Rockland School - Vending	2,391	560	1,759	1,192
Computer Academy	-	-	-	-
Custodial	1,954	238	-	2,192
FAD #70	1,347	-	-	1,347
ERC Soda Fund	956	-	209	747
Emergency Fund	10,906	-	-	10,906
Robert Boos Memorial	-	-	-	-
Savings	5,446	412	-	5,858
Total Student Groups	\$ 153,923	\$ 38,315	\$ 49,247	\$ 142,991

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
SUPPLEMENTAL INFORMATION
SCHEDULE OF ASSESSED VALUATIONS, TAX RATES AND TAX EXTENSIONS
FOR THE YEARS 2020, 2019, 2018 AND 2017

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
ASSESSED VALUATIONS	<u><u>\$ 1,123,788,350</u></u>	<u><u>\$ 1,126,881,815</u></u>	<u><u>\$ 1,114,595,919</u></u>	<u><u>\$ 1,084,827,541</u></u>
TAX RATES				
Educational	\$ 2.3873	\$ 2.2734	\$ 2.2461	\$ 2.1982
Operations and Maintenance	0.2981	0.3323	0.3218	0.3879
Bond and Interest	0.0777	0.0781	0.0780	0.0721
Transportation	0.1157	0.1049	0.1073	0.0892
Municipal Retirement/ Social Security	0.0623	0.0525	0.0465	0.0460
SEDOL IMRF	0.0058	0.0056	0.0061	0.0071
Working Cash	<u>0.0022</u>	<u>0.0087</u>	<u>0.0094</u>	<u>0.0098</u>
	<u><u>\$ 2.9491</u></u>	<u><u>\$ 2.8554</u></u>	<u><u>\$ 2.8152</u></u>	<u><u>\$ 2.8103</u></u>
TAX EXTENSIONS				
Educational	\$ 26,827,671	\$ 25,618,216	\$ 25,035,050	\$ 23,846,885
Operations and Maintenance	3,349,991	3,744,200	3,587,115	4,208,079
Bond and Interest	873,903	879,971	869,775	782,801
Transportation	1,299,998	1,182,381	1,195,705	967,927
Municipal Retirement/ Social Security	699,985	591,207	518,131	500,019
SEDOL IMRF	65,708	62,812	67,946	77,164
Working Cash	<u>24,993</u>	<u>98,546</u>	<u>104,627</u>	<u>100,010</u>
	<u><u>\$ 33,142,249</u></u>	<u><u>\$ 32,177,333</u></u>	<u><u>\$ 31,378,349</u></u>	<u><u>\$ 30,482,885</u></u>

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
SUPPLEMENTAL INFORMATION
SCHEDULE OF OPERATING EXPENDITURES PER STUDENT
FOR THE YEAR ENDED JUNE 30, 2021

TOTAL EXPENDITURES			
Educational Fund	\$	50,059,184	
Operations and Maintenance Fund		4,270,305	
Bond and Interest Fund		1,827,609	
Transportation Fund		1,323,445	
Municipal Retirement/Social Security Fund		<u>1,036,723</u>	\$ 58,517,266
Less: Receipts/Expenditures Not Applicable to Operating Expense of Regular Programs			
Educational Fund			
Special Education Programs - Pre-K	\$	166,859	
Summer School Programs		133,438	
Community Services		58,718	
Nonprogrammed Charges		649,622	
Capital Outlay		153,059	
Tuition		373,937	
"On-Behalf" Disbursement for TRS Benefits		20,084,390	
Operations and Maintenance Fund			
Nonprogrammed Charges		81,225	
Capital Outlay		1,632,444	
Bond and Interest Fund			
Bond Principal Paid		1,244,578	
Transportation Fund			
Transportation Fees		162,526	
Municipal Retirement/Social Security Fund			
Special Education Programs - Pre-K		1,713	
Summer School		4,648	
Community Service		296	
Nonprogrammed Charges		<u>62,803</u>	\$ 24,810,256
NET OPERATING EXPENDITURES			\$ 33,707,010
AVERAGE DAILY ATTENDANCE			<u>2,081.90</u>
OPERATING EXPENDITURES PER STUDENT			<u>\$ 16,191</u>

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
SUPPLEMENTAL INFORMATION
SCHEDULE OF PER CAPITA TUITION CHARGE
FOR THE YEAR ENDED JUNE 30, 2021

NET OPERATING EXPENDITURES		\$ 33,707,010
LESS: Offsetting Receipts/Revenues		
Educational Fund		
Special Education	\$ 91,623	
State Library Grant	3,337	
Title II - Teacher Quality	47,405	
Title IV - Safe & Drug-Free Schools	116	
Title I - Low Income	28,580	
Medicaid Matching Funds	48,827	
Other Federal Grants-In-Aid	121,321	
Food Services	30,753	
Textbooks	339,300	
Special Education Contribution to EBF	764,110	
English Learners Contribution to EBF	61	
Operations and Maintenance Fund		
Rentals	13,047	
Transportation Fund		
State Transportation Aid	770,719	2,259,199
NET OPERATING EXPENSE FOR TUITION COMPUTATION		\$ 31,447,811
ADD: Depreciation Allowance		2,104,451
TOTAL ALLOWANCE FOR TUITION COMPUTATION		\$ 33,552,262
AVERAGE DAILY ATTENDANCE		2,081.90
PER CAPITA TUITION CHARGE		\$ 16,116

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
SUPPLEMENTAL INFORMATION
JUNE 30, 2021

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

<u>Fiscal Year Ending June 30</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.2758618900%	0.2441517500%	0.0025689233%	0.0036236800%	0.0037592100%	0.0035730771%	0.0033957352%
District's proportionate share of the net pension liability	\$ 2,378,350	\$ 1,980,270	\$ 2,002,343	\$ 2,768,422	\$ 2,987,373	\$ 2,340,725	\$ 2,066,586
State's proportionate share of the net pension liability associated with the District	186,284,755	140,933,661	137,168,892	131,967,430	138,162,035	108,123,980	96,540,553
Total	<u>\$ 188,663,105</u>	<u>\$ 142,913,931</u>	<u>\$ 139,171,235</u>	<u>\$ 134,735,852</u>	<u>\$ 141,129,408</u>	<u>\$ 110,464,705</u>	<u>\$ 98,607,139</u>
District's covered-employee payroll	\$ 19,753,428	\$ 19,493,535	\$ 18,959,437	\$ 18,407,942	\$ 17,821,250	\$ 1,737,464	\$ 16,725,902
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	12.04%	10.16%	13.62%	15.04%	16.65%	13.47%	12.36%
Plan fiduciary net position as a percentage of the total pension liability	37.8%	39.6%	40.0%	39.20%	36.40%	41.47%	42.95%

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

<u>Fiscal Year Ending June 30</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually-required contribution	\$ 134,480	\$ 110,571	\$ 106,736	\$ 281,435	\$ 171,476	\$ 146,433	\$ 137,993
Contributions in relation to the contractually-required contribution	(134,480)	(110,571)	(106,736)	(221,960)	(145,583)	(125,200)	(121,158)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,475</u>	<u>\$ 25,893</u>	<u>\$ 21,233</u>	<u>\$ 16,835</u>
District's covered-employee payroll	\$ 19,753,428	\$ 19,493,535	\$ 18,959,437	\$ 18,407,942	\$ 17,821,250	\$ 17,374,684	\$ 16,725,902
Contributions as a percentage of covered-employee payroll	0.68%	0.57%	0.05%	1.21%	0.82%	0.72%	0.72%

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

These schedules are presented to illustrate the intention to show information for 10-years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN THE IMRF NET PENSION LIABILITY AND RELATED RATIOS
JUNE 30, 2021

Calendar Year Ending December 31,	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service Costs	\$ 362,874	\$ 344,974	\$ 317,926	\$ 328,972	\$ 324,353	\$ 326,885	\$ 341,791
Interest on the Total Pension Liability	1,250,782	1,169,000	1,118,283	1,096,836	1,053,928	975,556	878,692
Benefit Changes	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	(41,928)	509,821	226,388	163,250	(121,659)	422,052	98,740
Assumption Changes	(161,330)	-	439,700	(488,538)	(34,178)	16,771	585,310
Benefit Payments & Refunds	(931,011)	(878,420)	(925,818)	(692,259)	(688,197)	(661,449)	(514,937)
Net Change in Total Pension Liability	479,387	1,145,375	1,176,479	408,261	534,247	1,079,815	1,389,596
Total Pension Liability - Beginning	17,536,237	16,390,862	15,214,383	14,806,122	14,271,875	13,192,060	11,802,464
Total Pension Liability - Ending (a)	\$18,015,624	\$17,536,237	\$16,390,862	\$15,214,383	\$ 14,806,122	\$ 14,271,875	\$ 13,192,060
Plan Fiduciary Net Position							
Employer Contributions	\$ 406,194	\$ 340,366	\$ 377,969	\$ 346,432	\$ 323,693	\$ 323,502	\$ 312,073
Employee Contributions	161,889	155,940	144,631	136,526	135,115	128,492	129,623
Pension Plan Net Investment Income	2,287,816	2,563,374	(793,071)	2,235,256	839,778	61,194	714,220
Benefit Payments & Refunds	(931,011)	(878,420)	(925,818)	(692,259)	(688,197)	(661,499)	(514,937)
Other	(202,060)	67,727	279,166	(199,857)	(134,536)	3,924	(42,609)
Net Change in Plan Fiduciary Net Position	1,722,828	2,248,987	(917,123)	1,826,098	475,853	(144,387)	598,370
Plan Fiduciary Net Position - Beginning	15,832,994	13,584,007	14,501,130	12,675,032	12,199,179	12,343,516	11,745,146
Plan Fiduciary Net Position - Ending (b)	\$17,555,822	\$15,832,994	\$13,584,007	\$14,501,130	\$ 12,675,032	\$ 12,199,129	\$ 12,343,516
Net Pension Liability/(Asset) -Ending (a-b)	\$ 459,802	\$ 1,703,243	\$ 2,806,855	\$ 713,253	\$ 2,131,090	\$ 2,072,746	\$ 848,544
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	97.45%	90.29%	82.88%	95.31%	85.61%	85.48%	93.57%
Covered Valuation Payroll	\$ 3,519,879	\$ 3,367,711	\$ 3,214,019	\$ 3,007,218	\$ 2,929,348	\$ 2,855,362	\$ 2,880,485
Net Pension Liability as a Percentage of Covered Valuation Payroll	13.06%	50.58%	87.33%	23.72%	72.75%	72.59%	29.46%

These schedules are presented to illustrate the intention to show information for 10-years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER IMRF CONTRIBUTIONS

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution As a % of Covered Valuation Payroll
2014	\$ 297,892	\$ 312,073	\$ (14,181)	\$ 2,805,014	11.13%
2015	306,666	323,502	(16,836)	2,855,362	11.33%
2016	323,693	323,693	-	2,929,348	11.05%
2017	346,432	346,432	-	3,007,218	11.52%
2018	377,969	377,969	-	3,214,019	11.76%
2019	331,383	340,366	(8,983)	3,367,711	10.11%
2020	406,194	406,194	-	3,519,879	11.54%

These schedules are presented to illustrate the intention to show information for 10-years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

* Estimated based on contribution rate of 11.54% and covered valuation payroll of \$3,519,879.

LIBERTYVILLE ELEMENTARY SCHOOL DISTRICT NO. 70
SUPPLEMENTARY INFORMATION
NOTES TO SCHEDULE OF EMPLOYER IMRF CONTRIBUTIONS
JUNE 30, 2021

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.

Methods and Assumptions Used to Determine 2020 Contribution Rates*

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing Bodies (Regular, SLEP and ECO groups): 23-year closed period until Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 19 years for most employers (three employers were financed over 28 years). and four others were financed over 29 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.25%
Price Inflation	2.50% - approximate; No explicit price inflation assumption is used in this valuation
Salary Increases	3.35% to 14.25% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016
Mortality	For non-disabled retirees, and IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same 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.

Other Information

Notes There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2019 actuarial valuation