



Highland Park, Illinois

Comprehensive Annual Financial Report

For the fiscal year
Ended June 30, 2020

"The mission of North Shore School District 112, a community partnership committed to a world-class education, is to nurture every child to become an inspired learner, a well-rounded individual and contributing member of a global community by striving for excellence within an environment that fosters innovation, respect, engagement and intellectual inquiry."

COMPREHENSIVE ANNUAL FINANCIAL
REPORT

OF

**NORTH SHORE SCHOOL DISTRICT
112**

HIGHLAND PARK, ILLINOIS

As of and for the Year Ended June 30, 2020

Officials Issuing Report

Christopher Wildman
Chief Financial Officer/Treasurer/CSBO

Department Issuing Report

Business Office

NORTH SHORE SCHOOL DISTRICT 112

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NORTH SHORE SCHOOL DISTRICT 112

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October 8, 2020

President and Members of the Board of Education
North Shore School District 112
Highland Park, IL 60035

The Comprehensive Annual Financial Report (CAFR) of North Shore School District 112 (District 112), Highland Park, Illinois, for the fiscal year ended June 30, 2020, is attached. The report was prepared by the Chief Financial Officer. The report date on the underlying financial statements in October 2020 and an unmodified auditors' opinion on the financial statement has been issued.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner designed to present the financial position and results of operations of the District fairly. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Financial Statements

The CAFR includes all funds that are controlled by or dependent on the Board of Education of the District and is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the District's organizational chart, a list of principal officials, the Certificate of Excellence, and the Certificate of Achievement for Excellence in Financial Reporting. The financial section includes Management's Discussion and Analysis (MD&A) of the District's financial performance for the year, the basic financial statements, and the fund financial statements and schedules, as well as the auditors' report on the financial statements and schedules and the notes to the financial statements. The statistical section includes selected unaudited financial and demographic information, generally presented on a multiyear basis.

Other information on the District's financial results can be obtained from the Management Discussion & Analysis included with this CAFR.

The District does not have financial accountability over any other entity, and, thus, does not include any other entity as a component unit in this report. Additionally, the District is an independent entity, not includable as a component unit of any other reporting entity.

History of the District

The District was organized on July 1, 1993, and is governed by an elected seven-member Board of Education. The District maintains grades kindergarten through eighth in eight elementary school buildings and three middle school buildings. Pre-kindergarten and certain special education programs are also provided in the District's administrative building.

The District provides educational instruction to children residing in the City of Highland Park, the City of Highwood, Fort Sheridan, and a portion of Deerfield. The District's operations are funded primarily through local

property taxes. The District operates under guidelines and restrictions set forth in the Illinois School Code and various federal statutes.

The District's year over year enrollment is relatively stable, with some fluctuation during the year generated by military housing in the Fort Sheridan Army base. Absent a growth spurt related to the completion of the new military housing in fiscal 2009, typically the District has experienced minor annual or aggregate volatility in enrollment over the previous ten years. Over the next year, the District does not expect significant enrollment fluctuation.

Accounting Systems and Budgetary Control

The District has complete responsibility for the preparation and modification of its annual budget and is solely accountable for its fiscal matters, including surpluses and deficits, assignments of management, and issuance of debt. The District's administration is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America.

The internal control structure is designed to provide a reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and that (2) the valuation of costs and benefits requires estimates and judgments by management.

The District's independent auditors run tests to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the tests for the fiscal year ended June 30, 2020, did not indicate any instances of material weaknesses in the internal control structure. No significant violations of applicable laws and regulations were noted.

The District maintains sound budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the District's Board of Education.

Monthly, the business office provides the Board with a variance report based on changes to the approved budget. The Board is also provided with other monthly financial information including revenue and expenditure detail, check registers and cash, receivable, and investment summaries. Other financial information is routinely provided as needed.

Activities of the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Funds are included in the annual budget. The level of budgetary control is established at the individual fund level. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

General Governmental Activities

The general governmental activities include all services provided by the District. Included are the general, special revenue, debt service, and capital project funds. The activities include all instructional, maintenance, and administrative costs of the district.

Property taxes are the most significant revenue source of the District. The three factors that affect property tax revenues are assessed valuation, the tax multiplier, and the tax rate. The equalized assessed valuation of the District of \$2,423,841,922 represents a decrease in the tax base of 1.92% over the prior year. The tax multiplier is determined

by a state agency which attempts to equalize the assessment on real property to determine the property value for taxing purposes. This value is referred to as the equalized assessed valuation (EAV).

Economic Condition and Outlook

The District is located in the northeastern part of the state in a mature “built out” community. The District’s tax base is primarily made up of residential communities, with some retail businesses and little industry. The economic condition of the Highland Park and Highwood areas is relatively stable. Assessed property values in the District’s community, as with virtually all nationally, have declined. While being an unfavorable trend, the decline has been far less than other Chicago area communities, some of which have been impacted by double-digit annual declines in assessed values. The prospect of continuing the current level and receiving some additional property tax revenue is good.

The recent downturn in the financial and real estate markets has also had a generally negative impact on housing values. However, under current or any proposed modified “tax cap” legislation, this factor does not currently have a significant effect on the property tax revenues allocated to the District. Changes in relative housing values primarily reallocate taxes due to the District among community taxpayers. The District’s community also continues to demonstrate its ability to pay taxes owed. This financial profile is expected to continue. However, if the aggregate property values declined so significantly that tax rates exceeded authorized maximums, revenues could decline; an event not considered probable. Also, compared to other community locations, any related negative financial impacts in relative terms are anticipated to continue to be less.

Like all districts in the state, District 112 has fiscal challenges provided by current global economic conditions that will negatively impact future operations and the ability to maintain balanced budgets. Unlike most other districts, however, District 112 has fund balance reserves to help sustain reasonably reduced operations and overall negative economic impacts.

STRATEGIC PLAN, MISSION, BELIEFS, PARAMETERS, OBJECTIVES, AND STRATEGIES

Mission Statement

The mission statement is a clear and concise expression of the District’s identity, purpose, and means. It is the keystone of the Strategic Plan.

The mission of North Shore School District 112, a community partnership committed to a world-class education, is to nurture every child to become an inspired learner, well-rounded individual, and contributing member of a global community by striving for excellence within an environment that fosters innovation, respect, engagement and intellectual inquiry.

Beliefs

The beliefs are the driving force of the entire Strategic Plan. They can be described as the non-negotiable principles that underlie the entire plan and reflect our most deep and abiding convictions.

We Believe That...

- All individuals have inherent value.
- Hard work, self-confidence, and determination increase the probability of achieving full potential.
- Individuals are responsible for their own decisions and actions.
- Any community benefits when people willingly contribute to the well-being of others.
- Everyone can be a successful learner.
- Effective education enhances the quality of life.

- Understanding diversity is essential for people to thrive in an interdependent world.
- Honesty and integrity build trusting relationships.
- Effective education is a partnership among school, family, and the broader community.
- Change involves risk and is necessary for continuous improvement in a dynamic world.

Parameters

The parameters of the Strategic Plan are absolute pronouncements that establish the boundaries to prevent the overzealous pursuit of the Mission. The parameters are self-imposed limitations that are applied throughout the strategic planning process and the development of the Strategic Plan.

1. We will always provide safe, supportive, and nurturing learning and working environments.
2. We will not tolerate behavior that is disrespectful or demeaning to any individual or group.
3. No new program or service will be accepted unless:
 - It is consistent with the strategic plan
 - Its benefits justify costs, and
 - Provisions are made for professional development and program evaluation.
4. No program or service will be retained unless it makes an optimal contribution to the mission and benefits continue to justify the cost.
5. We practice fiscal responsibility while maintaining an operating fund balance of at least 25%.
6. The scope of our programming will always attend to the social, emotional, and physical well-being of our students.
7. The School Improvement Plans will always be consistent with the District's Strategic Plan.
8. We will always consider the environmental impact of our decisions as we pursue our Mission.

Objectives

The objectives of the Strategic Plan are the School District's commitments to achieve specific and measurable results. The objectives are tied very closely to the mission statement and are derived from and define the mission.

- Every student will achieve personal academic excellence by demonstrating growth as measured by North Shore School District 112 standards and assessments.
- Every child will develop, understand, and consistently demonstrate the character attributes of respect, responsibility, trustworthiness, caring, fairness, and citizenship at school and in the community.

Strategies

The strategies of the Strategic Plan describe the broad statements of how the School District's resources will be deployed to achieve our mission and objectives. The strategies are directly related to the mission and objectives and are designed to close the gap between what is and what could be. These strategies will provide focus and total system concentration of our effort and resources.

1. We will continue to align our curriculum and develop standards and student assessments in all curricular areas.
2. We will ensure our educators have the support necessary to utilize effective instructional strategies and interventions to inspire creativity and intellectual curiosity for each student to grow to academic excellence.
3. We will develop and implement plans to ensure the sustainability of the District's financial and human resources and their equitable distribution.
4. We will develop and implement plans to ensure we have the facilities and technology infrastructure needed to achieve our mission and objectives.

5. We will develop plans to unify our district and community by improving understanding of the benefits of its rich diversity and engaging it as a critical partner in the education of our children.
6. (Combined with Strategy 2, May 2013)
7. We will model, integrate, recognize, reinforce, and develop means to assess the character traits of responsibility, respect, fairness, caring, citizenship, and trustworthiness throughout the District.

Strategy 1

We will continue to align our curriculum, standards, and student assessments in all curricular areas.

- Plan 1: Operationalize a system that collects, stores, and analyzes student information and performance data from multiple sources.
- Plan 2: Communicate the District's adopted curriculum and its development process to all stakeholders.
- Plan 3: We will implement Common Core State Standards with fidelity as part of the established curricular and programmatic review cycles.
- Plan 4: Improve vertical and horizontal content collaboration focused on student learning.
- Plan 5: Identify and implement unit assessments in the Common Core State Standard areas.
- Plan 6: Ensure differentiated staff professional development to address various stages of curriculum development and assessments.
- Plan 7: Develop an elementary standards-based report card on adopted District standards.
- Plan 8: Embed diversity themes and activities District-adopted curricula.

Strategy 2

We will ensure our educators have the support necessary to utilize effective instructional strategies and interventions to inspire creativity and intellectual curiosity for each student to grow to academic excellence.

- Plan 1: Ensure academic excellence for all North Shore School District 112 students by providing interventions and advanced learning opportunities in addition to Tier I/Core instruction when students demonstrate need.
- Plan 2: All District staff will participate in professional development opportunities based on identified needs related to curriculum (Common Core State Standards, Power Standards), instruction (Differentiation, Response to Intervention, English Language Learners, principles of effective, intentional teaching, technology integration), and assessment (formative, summative).
- Plan 3: We will increase awareness and access to all instructional programs, resources, tools, and community partnerships available to the North Shore School District 112 faculty.

Strategy 3

We will develop and implement plans to ensure the sustainability of the District's financial and human resources and their equitable distribution.

Plan 1: The District will maximize the efficient, effective equitable delivery of personnel, programs, and services. (Special Ed Program Realignment, Language Acquisition Programs, Custodial Services) (Diversity)

Plan 2: The District will improve the efficient and equitable use of the facilities and property (physical) assets.

Plan 3: The District will improve upon the statistical reporting so the district can measure the equitable distribution of financial and human resources.

Strategy 4

We will develop and implement plans to ensure we have the facilities and technology infrastructure needed to achieve our Mission and Objectives.

Plan 1: Secure our buildings to make them a safer learning environment.

Plan 2: Decrease power usage and material waste by 20%.

Plan 3: Develop a common model for disposal (removal) of outdated and/or unneeded District equipment.

Plan 4: Study and recommend a district model for facilities PreK-8.

Plan 5: Create technology standards for teachers.

Plan 6: Standardize software applications.

Plan 7: Implement a plan to increase Internet bandwidth to industry best.

Plan 8: Complete Promethean Board deployment.

Plan 9: Improve the computer-to-student ratio.

Strategy 5

We will develop plans to unify our district and community by improving understanding of the benefits of its rich diversity and engaging it as a critical partner in the education of our children.

Plan 1: Newly-hired District 112 employees will examine and broaden their understanding of diversity so they can meet the needs of District 112's diverse community.

Plan 2: The District will increase awareness of existing community events to increase stakeholder participation.

Plan 3: North Shore School District 112 will develop and implement communications plans that highlight the diversity across the District and promote the Community – School partnership.

Strategy 6

Embedded in Strategy 2.

Strategy 7

Model, integrate, recognize, and develop the means to assess the character traits of trustworthiness, respect, responsibility, fairness, caring, and citizenship throughout the District.

Plan 1: Develop a consistent framework for expectations of good character for students, parents, staff, and community members.

Plan 2: Create an organizational culture within each school that supports the District's character framework and nurtures the social-emotional growth of each student.

Plan 3: Create an organizational culture within each school that supports the District's character framework and nurtures the social-emotional growth of each student.

Plan 4: The District will create and implement a communication plan regarding its character programs and activities ("character plan").

Plan 5: The District will develop partnerships with various organizations to strengthen the character strengths of students, parents, staff, and community members.

Plan 6: Develop ways to celebrate good character.

OTHER INFORMATION

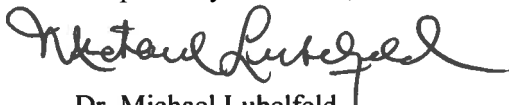
Independent Audit

State statutes require an annual audit of the books of accounts, financial records, and transactions of all funds of the District. The financial statements audit as of June 30, 2020, and the year then ended was performed by the independent certified public accounting firm, Baker Tilly US, LLP. The unmodified auditors' report is included in the financial section of this report.

Awards and Acknowledgments

We wish to thank the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District responsibly and progressively. We also wish to thank the efficient and dedicated business office staff for their assistance in the timely preparation of this report. Their service was instrumental in our receiving of the CAFR awards for both ASBO & GFOA for the year ended June 30, 2019.

Respectfully submitted,



Dr. Michael Lubelfeld
Superintendent of Schools



Christopher Wildman
Chief Financial Officer and Treasurer



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

North Shore School District 112

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz'.

Claire Hertz, SFO
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**North Shore School District 112
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2019

Christopher P. Morrell

Executive Director/CEO

Board of Education



Dr. Michael Lubelfeld
Superintendent of Schools



Dr. Monica Schroeder
Deputy Superintendent

- School Leadership Admin
- Admin Support Staff

Office of the Superintendent

Mr. Nicholas Glenn
Director of Communication

Mr. Kevin Liebe
Director of Operations

Mr. Jeremy Wickham
Coordinator of
Information Technology

Ms. Audrey Beresid
Executive Assistant

Mr. Chris Wildman
Chief Financial Officer,
Treasurer, CSBO

- Director of Fiscal Services
- Accounting Manager
- Payroll Manager
- Admin Support Staff

Dr. Holly Colin
Assistant
Superintendent
Student Services

- Admin Support Staff

Dr. Kevin Ryan
Assistant
Superintendent
Teaching & Learning

- Director of Curriculum & Instruction
- Director of Languages
- Curriculum Learning Coordinators
- Admin Support Staff

NORTH SHORE SCHOOLS DISTRICT 112
1936 Green Bay Road
Highland Park, IL 60035

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020

Officers and Officials

Board of Education

		<u>Term Expires</u> (April)
Bennett Lasko	President	2021
Alexander Brunk	Vice-President	2021
Art Kessler	Secretary	2021
Lisa Hirsh	Member	2023
Melissa Itkin	Member	2023
Dan Jenks	Member	2021
Adam Kornblatt	Member	2023

District Administration

Michael Lubelfeld, Ed.D.
Superintendent

Official Issuing Report

Christopher Wildman, CPA
Chief Financial Officer / Treasurer / CSBO

Department Issuing Report

Business Office

INDEPENDENT AUDITORS' REPORT

To the Board of Education
North Shore School District 112
Highland Park, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of North Shore School District 112, Illinois, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise North Shore School District 112's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to North Shore School District 112'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 North Shore School District 112'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.

To the Board of Education
North Shore School District 112

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of North Shore School District 112, Illinois, as of June 30, 2020 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended June 30, 2020 was conducted for the purpose of forming opinions on the financial statements that collectively comprise North Shore School District 112's basic financial statements. The supplementary information for the year ended June 30, 2020 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2020, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2020.

To the Board of Education
North Shore School District 112

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of North Shore School District 112 as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated October 11, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The supplementary information for the year ended June 30, 2019 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2019.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise North Shore School District 112's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Prior-Year Comparative Information

We have previously audited North Shore School District 112's 2019 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated October 11, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2020 on our consideration of North Shore School District 112's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of North Shore School District 112's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Shore School District 112's internal control over financial reporting and compliance.



Baker Tilly US, LLP (formerly known as Baker Tilly Virchow Krause, LLP)

Oak Brook, Illinois
October 8, 2020

North Shore School District 112

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2020

The discussion and analysis of North Shore School District 112's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2020. The management of the District encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- In total, net position increased by \$11.3 million. This represents a 14% increase from 2019 and due to the timing of construction payments for the renovation of Northwood Middle School, interest income, returned TRS overpayments, and reductions in expenses due to the COVID-19 pandemic.
- General revenues accounted for \$80.0 million in revenue or 70% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$34.9 or 30% of total revenues of \$114.9 million.
- The District had \$103.6 million in expenses related to government activities. However, only \$34.9 of these expenses were offset by program specific charges and grants.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

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

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

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

North Shore School District 112

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2020

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The District's governmental activities include instructional services (regular education, special education and other), supporting services, operation and maintenance of facilities and transportation services.

Fund financial statements

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

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

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

The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Operations and Maintenance Fund, Transportation Fund, IMRF/Social Security Fund, Debt Service Fund, and Capital Projects Fund, all of which are considered to be major funds.

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

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

Notes to basic financial statements

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

North Shore School District 112

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2020

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension and other post-employment benefits to its employees.

Government-Wide Financial Analysis

The District's combined net position was higher on June 30, 2020, than it was the year before, increasing 14% to \$92.0 million.

Table 1 Condensed Statements of Net Position (in millions of dollars)		
	<u>2019</u>	<u>2020</u>
Assets:		
Current and other assets	\$ 187.5	\$ 185.8
Capital assets	<u>82.5</u>	<u>99.5</u>
Total assets	<u>270.0</u>	<u>285.3</u>
Total deferred outflows of resources	<u>5.9</u>	<u>2.4</u>
Liabilities:		
Current liabilities	5.7	8.9
Long-term debt outstanding	<u>105.7</u>	<u>98.4</u>
Total liabilities	<u>111.4</u>	<u>107.3</u>
Total deferred inflows of resources	<u>83.7</u>	<u>88.4</u>
Net position:		
Net investment in capital assets	80.3	82.1
Restricted	6.9	6.4
Unrestricted (deficit)	<u>(6.5)</u>	<u>3.5</u>
Total net position	<u>\$ 80.7</u>	<u>\$ 92.0</u>

Revenues in the governmental activities of the District of \$114.9 million exceeded expenses by \$11.3 million. This was attributable primarily to interest income, returned TRS overpayments, and reductions in expenses due to the COVID-19 pandemic.

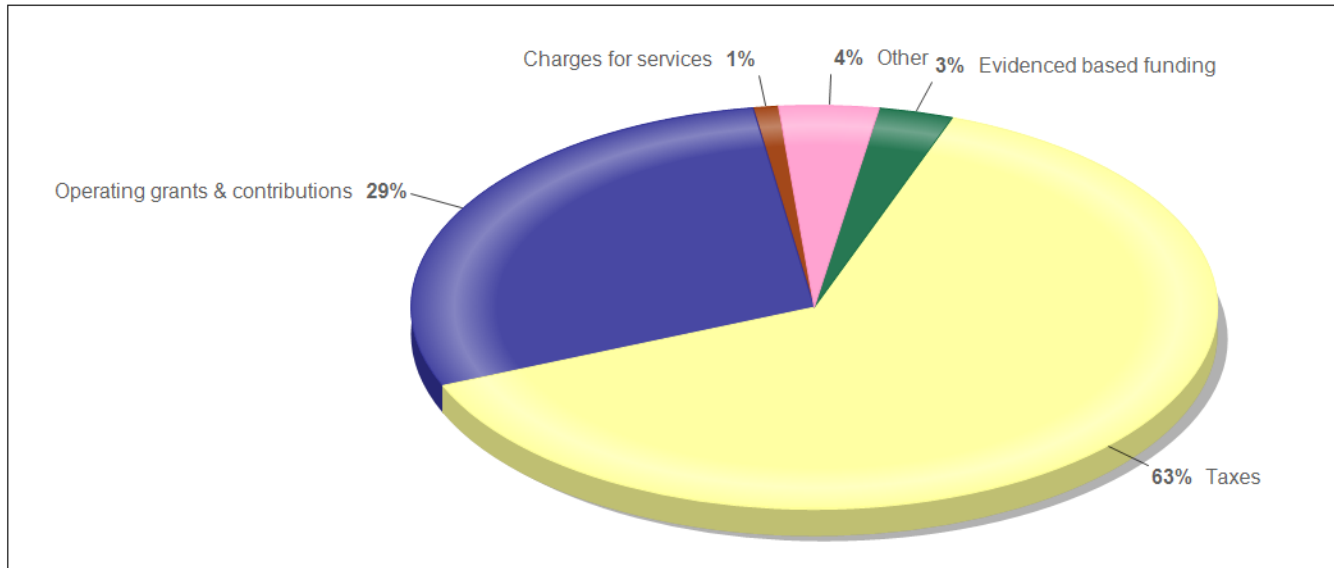
North Shore School District 112
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2020

Table 2 Changes in Net Position (in millions of dollars)		
	<u>2019</u>	<u>2020</u>
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 1.5	\$ 1.5
Operating grants & contributions	32.1	33.3
Capital grants & contributions	-	0.1
<i>General revenues:</i>		
Taxes	70.3	72.3
Evidenced based funding	3.4	3.4
Other	<u>2.9</u>	<u>4.3</u>
Total revenues	<u>110.2</u>	<u>114.9</u>
Expenses:		
Instruction	66.8	69.0
Pupil & instructional staff services	11.7	11.5
Administration & business	7.3	7.1
Transportation	3.6	4.0
Operations & maintenance	10.4	8.9
Interest & fees	1.2	1.9
Other	<u>1.4</u>	<u>1.2</u>
Total expenses	<u>102.4</u>	<u>103.6</u>
Increase in net position	7.8	11.3
Net position, beginning of year	<u>72.9</u>	<u>80.7</u>
Net position, end of year	<u><u>\$ 80.7</u></u>	<u><u>\$ 92.0</u></u>

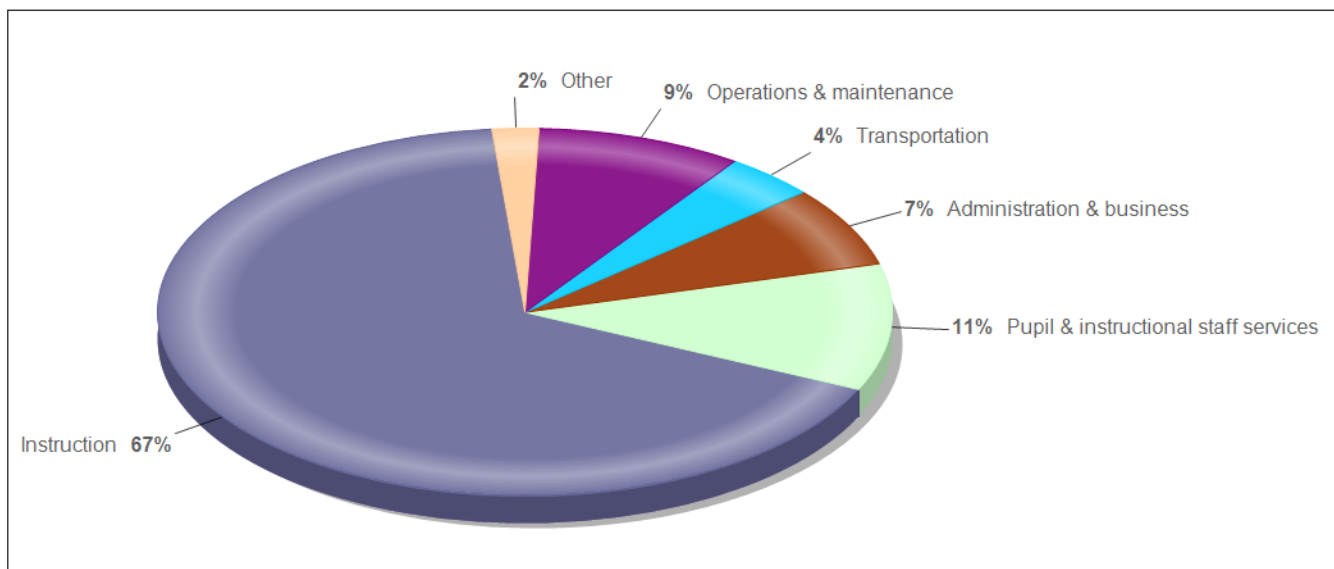
Property taxes accounted for the largest portion of the District's revenues, contributing 63%. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$103.6 million, mainly related to instructing and caring for the students and student transportation at 82%.

North Shore School District 112
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2020

District-Wide Revenues by Source



District-Wide Expenses by Function



Financial Analysis of the District's Funds

The District's Governmental Funds balance decreased from \$109.7 million to \$102.9 million.

The District is engaged in a multi-year capital project to renovate its two middle schools, Northwood Middle School and Edgewood Middle School. The bond proceeds received in 2019 are being drawn down to fund this construction, which is the primary driver of the fund balance decrease.

North Shore School District 112

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2020

General Fund Budgetary Highlights

The General Fund balance has decreased primarily due to ongoing construction and renovation at the District's two middle schools.

Capital Assets and Debt Administration

Capital assets

By the end of 2020, the District had compiled a total investment of \$159.0 million (\$99.5 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$2.9 million. More detailed information about capital assets can be found in Note 4 of the basic financial statements.

Table 3 Capital Assets (net of depreciation) (in millions of dollars)		
	<u>2019</u>	<u>2020</u>
Land	\$ 4.1	\$ 4.1
Construction in progress	0.4	17.4
Buildings and building improvements	75.1	74.6
Furniture, equipment, and vehicles	2.7	3.0
Land improvements	<u>0.2</u>	<u>0.4</u>
Total	<u><u>\$ 82.5</u></u>	<u><u>\$ 99.5</u></u>

Long-term debt

The District retired \$2.0 million in bonds, including premium in 2020. At the end of fiscal 2020, the District had a debt margin of \$118.0 million. More detailed information on long-term debt can be found in Note 5 of the basic financial statements.

Table 4 Outstanding Long-Term Debt (in millions of dollars)		
	<u>2019</u>	<u>2020</u>
Compensated absences and other	\$ 0.1	\$ 0.2
Net pension liabilities	8.9	5.2
Net OPEB liabilities	41.2	39.5
General obligation bonds, including premium	<u>55.5</u>	<u>53.5</u>
Total	<u><u>\$ 105.7</u></u>	<u><u>\$ 98.4</u></u>

North Shore School District 112

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2020

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following circumstances that will significantly affect financial operations in the future:

The COVID-19 pandemic will certainly impact the District's financial operations for at least the coming fiscal year. The District has reopened schools in a hybrid learning environment, requiring additional spending for PPE, cleaning/disinfecting, and transportation. Until the pandemic is contained, these incremental expenditures will continue.

The District also has planned construction, which will continue through 2023, as noted earlier.

Requests for Information

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

Christopher Wildman
North Shore School District 112
1936 Green Bay Road
Highland Park, Illinois 60035

NORTH SHORE SCHOOL DISTRICT 112

STATEMENT OF NET POSITION

AS OF JUNE 30, 2020

	GOVERNMENTAL ACTIVITIES
Assets	
Cash and investments	\$ 141,586,660
Receivables:	
Interest	520,994
Property taxes	42,304,533
Replacement taxes	103,918
Intergovernmental	1,187,221
Accounts	43,475
Prepaid items	47,699
Capital assets:	
Land	4,063,204
Construction in progress	17,411,530
Capital assets being depreciated, net of accumulated depreciation	<u>78,049,686</u>
Total assets	<u>285,318,920</u>
Deferred outflows of resources	
Deferred outflows related to pensions	1,803,621
Deferred outflows related to OPEB	<u>587,275</u>
Total deferred outflows of resources	<u>2,390,896</u>
Liabilities	
Accounts payable	3,085,991
Salaries and wages payable	4,054,828
Payroll deductions payable	18,485
Retainage payable	1,364,518
Other current liabilities	4,246
Interest payable	171,449
Unearned student fees	243,978
Long-term liabilities:	
Other long-term liabilities - due within one year	1,962,973
Other long-term liabilities - due after one year	<u>96,397,930</u>
Total liabilities	<u>107,304,398</u>
Deferred inflows of resources	
Property taxes levied for a future period	73,665,696
Deferred inflows related to pensions	4,548,632
Deferred inflows related to OPEB	<u>10,205,428</u>
Total deferred inflows of resources	<u>88,419,756</u>
Net position	
Net investment in capital assets	82,112,891
Restricted for:	
Operations and maintenance	3,649,258
Student transportation	1,866,272
Retirement benefits	793,175
Debt service	33,708
Unrestricted	<u>3,530,358</u>
Total net position	<u>\$ 91,985,662</u>

See Notes to Basic Financial Statements

NORTH SHORE SCHOOL DISTRICT 112

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2020

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE			NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
Governmental activities					
Instruction:					
Regular programs	\$ 23,337,480	\$ 1,492,122	\$ 620,880	\$ -	\$ (21,224,478)
Special programs	10,229,019	-	1,676,176	-	(8,552,843)
Other instructional programs	6,051,864	-	70,288	-	(5,981,576)
State retirement contributions	29,350,056	-	29,350,056	-	-
Support Services:					
Pupils	5,474,390	-	-	-	(5,474,390)
Instructional staff	6,028,086	-	95,156	-	(5,932,930)
General administration	2,173,984	-	-	-	(2,173,984)
School administration	3,207,865	-	-	-	(3,207,865)
Business	1,698,450	16,228	361,890	-	(1,320,332)
Transportation	4,020,805	24,523	1,121,202	-	(2,875,080)
Operations and maintenance	8,978,220	24,410	-	50,000	(8,903,810)
Central	1,110,769	-	-	-	(1,110,769)
Other supporting services	9,884	-	-	-	(9,884)
Community services	7,526	-	-	-	(7,526)
Payments to other districts and gov't units - excluding special education	37,058	-	-	-	(37,058)
Interest and fees	1,891,095	-	-	-	(1,891,095)
Total governmental activities	\$ 103,606,551	\$ 1,557,283	\$ 33,295,648	\$ 50,000	(68,703,620)

General revenues:

Taxes:

Real estate taxes, levied for general purposes	55,075,640
Real estate taxes, levied for specific purposes	16,518,736
Personal property replacement taxes	728,794
State aid-formula grants	3,365,702
Investment income	3,532,452
Miscellaneous	797,448
Total general revenues	80,018,772

Change in net position	11,315,152
Net position, beginning of year	80,670,510
Net position, end of year	<u>\$ 91,985,662</u>

See Notes to Basic Financial Statements

NORTH SHORE SCHOOL DISTRICT 112
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2020
WITH COMPARATIVE TOTALS AS OF JUNE 30, 2019

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
Assets				
Cash and investments	\$ 71,216,001	\$ 11,974,750	\$ 3,970,345	\$ 3,857,936
Receivables:				
Interest	76,830	-	-	-
Property taxes	33,108,512	7,379,517	1,702,976	113,528
Replacement taxes	-	10,392	16,627	76,899
Intergovernmental	904,524	-	282,697	-
Accounts	26,568	15,682	-	1,225
Prepaid items	47,699	-	-	-
Total assets	<u>\$ 105,380,134</u>	<u>\$ 19,380,341</u>	<u>\$ 5,972,645</u>	<u>\$ 4,049,588</u>
Liabilities				
Accounts payable	\$ 402,072	\$ 454,422	\$ 1,790	\$ 3,298
Salaries and wages payable	4,054,828	-	-	-
Retainage payable	-	-	-	-
Other current liabilities	2,939	-	-	107
Payroll deductions payable	8,816	9,450	-	219
Unearned student fees	229,443	-	14,535	-
Total liabilities	<u>4,698,098</u>	<u>463,872</u>	<u>16,325</u>	<u>3,624</u>
Deferred inflows of resources				
Property taxes levied for a future period	57,652,486	12,850,095	2,965,425	197,690
Unavailable state and federal aid receivable	399	-	-	-
Unavailable interest receivable	12,577	-	-	-
Total deferred inflows of resources	<u>57,665,462</u>	<u>12,850,095</u>	<u>2,965,425</u>	<u>197,690</u>
Fund balance				
Nonspendable	47,699	-	-	-
Restricted	-	3,649,258	1,866,272	3,613,639
Assigned	-	2,417,116	1,124,623	234,635
Unassigned	42,968,875	-	-	-
Total fund balance	<u>43,016,574</u>	<u>6,066,374</u>	<u>2,990,895</u>	<u>3,848,274</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 105,380,134</u>	<u>\$ 19,380,341</u>	<u>\$ 5,972,645</u>	<u>\$ 4,049,588</u>

See Notes to Basic Financial Statements

DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL	
		2020	2019
\$ 61,938	\$ 50,505,690	\$ 141,586,660	\$ 149,539,379
-	444,164	520,994	338,173
-	-	42,304,533	36,444,369
-	-	103,918	107,838
-	-	1,187,221	969,859
-	-	43,475	38,731
-	-	47,699	23,405
<u>\$ 61,938</u>	<u>\$ 50,949,854</u>	<u>\$ 185,794,500</u>	<u>\$ 187,461,754</u>
\$ -	\$ 2,224,409	\$ 3,085,991	\$ 1,394,466
-	-	4,054,828	3,765,919
-	1,364,518	1,364,518	-
-	1,200	4,246	3,046
-	-	18,485	18,485
-	-	243,978	350,646
<u>-</u>	<u>3,590,127</u>	<u>8,772,046</u>	<u>5,532,562</u>
-	-	73,665,696	72,005,978
-	-	399	655
-	444,164	456,741	222,797
<u>-</u>	<u>444,164</u>	<u>74,122,836</u>	<u>72,229,430</u>
-	-	47,699	23,405
33,708	35,312,142	44,475,019	61,654,573
28,230	11,603,421	15,408,025	2,917,128
-	-	42,968,875	45,104,656
<u>61,938</u>	<u>46,915,563</u>	<u>102,899,618</u>	<u>109,699,762</u>
<u>\$ 61,938</u>	<u>\$ 50,949,854</u>	<u>\$ 185,794,500</u>	<u>\$ 187,461,754</u>

NORTH SHORE SCHOOL DISTRICT 112
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2020

Total fund balances - governmental funds		\$ 102,899,618
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Net capital assets used in governmental activities and included in the Statement of Net Position do not require the expenditure of financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet.		99,524,420
Certain revenues receivable by the District and recognized in the Statement of Net Position do not provide current financial resources and are included as deferred inflows of resources in the Governmental Funds Balance Sheet, as follows:		
Interest revenue	\$ 456,741	
State and federal aid	<u>399</u>	
		457,140
Deferred outflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		1,803,621
Deferred outflows of resources related to OPEB do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		587,275
Deferred inflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		(4,548,632)
Deferred inflows of resources related to OPEB do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		(10,205,428)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.		
Balances at June 30, 2020 are:		
Bonds payable	\$ (49,225,000)	
Unamortized bond premium	(4,338,939)	
Net OPEB liability	(39,486,994)	
Net pension liability	(5,156,997)	
Compensated absences	<u>(152,973)</u>	
		(98,360,903)
Interest on long-term liabilities accrued in the Statement of Net Position will not be paid with current financial resources and, therefore, is not recognized in the Governmental Funds Balance Sheet.		<u>(171,449)</u>
Net position of governmental activities		<u>\$ 91,985,662</u>

See Notes to Basic Financial Statements

NORTH SHORE SCHOOL DISTRICT 112

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2019

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
Revenues				
Property taxes	\$ 55,081,587	\$ 11,964,360	\$ 3,164,117	\$ 1,384,312
Corporate personal property replacement taxes	-	72,880	116,607	539,307
State aid	20,230,655	50,000	1,121,202	-
Federal aid	2,777,614	-	-	-
Investment income	1,656,375	217,254	84,160	84,637
Other	1,694,979	635,229	24,523	-
Total revenues	<u>81,441,210</u>	<u>12,939,723</u>	<u>4,510,609</u>	<u>2,008,256</u>
Expenditures				
Current:				
Instruction:				
Regular programs	22,151,234	-	-	291,104
Special programs	7,748,970	-	-	253,657
Other instructional programs	5,939,869	-	-	150,550
State retirement contributions	16,817,921	-	-	-
Support Services:				
Pupils	4,848,886	-	-	120,452
Instructional staff	5,695,394	-	-	107,839
General administration	1,940,151	-	-	24,873
School administration	2,961,837	-	-	126,571
Business	1,459,989	-	-	118,660
Transportation	-	-	3,989,884	14,608
Operations and maintenance	7,953	6,601,524	-	189,842
Central	1,007,618	-	-	51,583
Other supporting services	8,344	-	-	824
Community services	6,264	-	-	315
Payments to other districts and gov't units	1,967,537	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	<u>990,730</u>	<u>2,206,126</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>73,552,697</u>	<u>8,807,650</u>	<u>3,989,884</u>	<u>1,450,878</u>
Excess (deficiency) of revenues over expenditures	<u>7,888,513</u>	<u>4,132,073</u>	<u>520,725</u>	<u>557,378</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers (out)	(10,000,000)	(3,863,388)	-	-
Principal on bonds sold	-	-	-	-
Premium on bonds sold	-	-	-	-
Total other financing sources (uses)	<u>(10,000,000)</u>	<u>(3,863,388)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(2,111,487)	268,685	520,725	557,378
Fund balance, beginning of year	<u>45,128,061</u>	<u>5,797,689</u>	<u>2,470,170</u>	<u>3,290,896</u>
Fund balance, end of year	<u>\$ 43,016,574</u>	<u>\$ 6,066,374</u>	<u>\$ 2,990,895</u>	<u>\$ 3,848,274</u>

See Notes to Basic Financial Statements

DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL	
		2020	2019
\$ -	\$ -	\$ 71,594,376	\$ 69,650,798
-	-	728,794	674,008
-	-	21,401,857	20,880,110
-	-	2,777,614	2,475,990
25,038	1,231,044	3,298,508	2,641,971
-	-	2,354,731	1,555,789
<u>25,038</u>	<u>1,231,044</u>	<u>102,155,880</u>	<u>97,878,666</u>
-	-	22,442,338	21,429,240
-	-	8,002,627	7,302,687
-	-	6,090,419	5,959,324
-	-	16,817,921	15,433,490
-	-	4,969,338	5,032,862
-	-	5,803,233	6,157,252
-	-	1,965,024	1,756,816
-	-	3,088,408	3,069,125
-	-	1,578,649	1,556,540
-	-	4,004,492	3,584,543
-	-	6,799,319	8,411,455
-	-	1,059,201	1,172,275
-	-	9,168	10,631
-	-	6,579	130,583
-	-	1,967,537	1,976,265
1,720,000	-	1,720,000	-
2,143,863	-	2,143,863	1,066,954
-	17,291,052	20,487,908	8,828,354
<u>3,863,863</u>	<u>17,291,052</u>	<u>108,956,024</u>	<u>92,878,396</u>
<u>(3,838,825)</u>	<u>(16,060,008)</u>	<u>(6,800,144)</u>	<u>5,000,270</u>
3,863,388	10,000,000	13,863,388	8,458,447
-	-	(13,863,388)	(8,458,447)
-	-	-	50,945,000
-	-	-	4,666,408
<u>3,863,388</u>	<u>10,000,000</u>	<u>-</u>	<u>55,611,408</u>
24,563	(6,060,008)	(6,800,144)	60,611,678
<u>37,375</u>	<u>52,975,571</u>	<u>109,699,762</u>	<u>49,088,084</u>
<u>\$ 61,938</u>	<u>\$ 46,915,563</u>	<u>\$ 102,899,618</u>	<u>\$ 109,699,762</u>

NORTH SHORE SCHOOL DISTRICT 112
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Net change in fund balances - total governmental funds \$ (6,800,144)

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

Governmental funds report capital outlay as expenditures. However, in the Statement of Net Position, the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	19,999,792
Depreciation is reported in the government-wide financial statements	(2,928,806)
Net book value of assets retired	(49,816)

Certain revenues included in the Statement of Activities do not provide current financial resources and, therefore, are included as deferred inflows of resources in the fund statements:

State and federal aid	\$ (256)	
Interest	<u>233,944</u>	
		233,688

The issuance of long-term debt (bonds, capital leases, etc.) provides current financial resources to the governmental funds, while its principal repayment consumes current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This is the amount of the current year principal repayments. 1,720,000

Governmental funds report the effects of premiums, discounts and similar items when the debt is issued. However, these amounts are deferred and amortized in the Statement of Activities. This is the amount of the current year amortization. 245,601

In the Statement of Activities, operating expenses are measured by the amounts incurred during the year. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources:

Interest payable	\$ 7,167	
Compensated absences	(48,073)	
Net OPEB liability	1,676,362	
Deferred outflows related to OPEB	(10,550)	
Deferred inflows related to OPEB	(2,400,537)	
State on-behalf contribution revenue	12,532,135	
State on-behalf contribution expense	(12,532,135)	
Net pension liability	3,776,912	
Deferred outflows related to pensions	(3,467,415)	
Deferred inflows related to pensions	<u>(639,029)</u>	
		<u>(1,105,163)</u>

Change in net position of governmental activities \$ 11,315,152

See Notes to Basic Financial Statements

NORTH SHORE SCHOOL DISTRICT 112
AGENCY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AS OF JUNE 30, 2020

	<u>AGENCY STUDENT ACTIVITY FUND</u>
<hr/>	
Assets	
Cash and investments	\$ <u>212,213</u>
Total assets	\$ <u><u>212,213</u></u>
 Liabilities	
Due to student groups	\$ <u>212,213</u>
Total liabilities	\$ <u><u>212,213</u></u>

See Notes to Basic Financial Statements

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

North Shore School District 112 (the “District”) operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to the accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District:

Reporting Entity

This report includes all of the funds of the District. The District is located in Lake County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all personnel, budgeting, taxing, and debt matters. The reporting entity for the District consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The District has not identified any organizations that meet this criteria.

Basis of Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District's operating activities are all considered “governmental activities”, that is, activities normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered “business activities”.

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

Governmental Funds Financial Statements

Governmental funds financial statements are organized and operated on the basis of funds and are used to account for the District's general governmental activities. Fund accounting segregates funds according to their intended purpose, and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund balance, revenues and expenditures. The minimum number of funds is maintained consistent with legal and managerial requirements.

Separate financial statements are provided for all governmental funds and fiduciary funds; the fiduciary funds are excluded from the government-wide financial statements.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus, while the fiduciary fund statements do not have a measurement focus. The government-wide financial statements and the fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmatured principal and interest on general long-term debt are recognized when due; and certain compensated absences, claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Major Governmental Funds

General Fund - the general operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state government aid.

Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted or assigned to expenditures for specified purposes, other than those accounted for in the Debt Service Fund, Capital Projects Funds or Fiduciary Funds.

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

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

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

Debt Service Fund - accounts for the accumulation of resources that are restricted, committed, or assigned for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

Capital Project Funds - accounts for the financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Capital Projects Fund - accounts for construction projects and renovations financed through transfers from the Operations and Maintenance Fund and debt issuance.

Other Fund Types

Fiduciary Funds - account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

Agency Funds - include Student Activity Funds, Convenience Accounts and Other Agency Funds. These funds are custodial in nature and do not present results of operations or have a measurement focus. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational or cultural purposes. Convenience Accounts account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc.

On-behalf payments (payments made by a third party for the benefit of the district, such as payments made by the state to the Teachers' Retirement System) have been recognized in the financial statements.

Property taxes, replacement taxes, certain state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and recognized as revenue at that time.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until earned.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Deposits and Investments

State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly-rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments are stated at fair value. Changes in fair value of investments are included as investment income.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". These amounts are eliminated in the governmental activities column in the statement of net position. Receivables are expected to be collected within one year.

Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2019 levy resolution was approved during the November 19, 2019 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

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

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation. The CPI rates applicable to the 2019 and 2018 tax levies were 1.9% and 2.1%, respectively.

Property taxes are collected by the County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

The 2019 property tax levy is recognized as a receivable in fiscal 2020, less amounts already received. The District considers that the 2019 levy is to be used to finance operations in fiscal 2021. Therefore, the entire 2019 levy, including amounts collected in fiscal 2020, has been recognized as a deferred inflow of resources, in the accompanying financial statements.

Personal Property Replacement Taxes

Personal property replacement taxes are first allocated to the Municipal Retirement / Social Security Fund, and the balance is allocated to the remaining funds at the discretion of the District.

Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Capital Assets

Capital assets, which include land, land improvements, buildings and building improvements, and furniture, equipment and vehicles are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$500 for furniture and equipment and \$100,000 for buildings and improvements, with an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

<i>Assets</i>	<i>Years</i>
Buildings and building improvements	40
Land improvements	20
Furniture, equipment, and vehicles	5-10

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

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2020 are determined on the basis of current salary rates and include salary related payments.

Employees who work a twelve-month year are entitled to be compensated for vacation time. Employees have six months to use their vacation time after it is earned or allotted.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the applicable bonds using the effective interest method. The balance at year end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

In the fund financial statements, governmental funds recognize bond premiums and discounts during the period incurred. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time. These include items such as property taxes levied for future periods and the District's deferred inflows related to its net pension liabilities.

Equity Classifications

Equity is classified as net position in the government-wide financial statements and displayed in three components:

Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation.

Restricted net position - Consists of net position with constraints placed on its use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

Equity is classified as fund balance in the fund financial statements and displayed in five components:

Nonspendable - includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually (principal endowment) (e.g. inventory, pre-paid items, permanent scholarships).

Restricted - includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, Capital Projects, State and Federal Grant Funds).

Committed - includes amounts constrained for a specific purpose by a government using its highest level of decision making authority, the Board of Education. This formal action (a resolution) must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Board of Education that originally created the commitment.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Assigned - includes general fund amounts constrained for a specific purpose by the Board of Education or by an official that has been delegated authority to assign amounts. The Board of Education has declared that the Superintendent may assign amounts for a specific purpose. The Board of Education may also take official action to assign amounts. Additionally, all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended in all funds is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

The District has a formal minimum fund balance policy. The policy states that unrestricted reserves in the operating funds shall be maintained at a level equal to approximately 25% of the current year expenditures and transfers exclusive of on-behalf payments. The operating budget is comprised of the Educational Accounts and Working Cash Accounts within the General Fund, Operations and Maintenance, and the Transportation Fund. As of June 30, 2020, the District is in compliance with the formal minimum fund balance policy.

The restricted and assigned fund balances are for the purposes of the respective funds as described above in the Major Governmental Funds section.

Comparative Data

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2019, from which such summarized information was derived.

Eliminations and Reclassifications

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of Expenditures over Budget

For the year ended June 30, 2020, expenditures exceeded budget in the Debt Service and Transportation Funds by \$475 and \$90,748, respectively. These excesses were funded by available financial resources.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 3 - DEPOSITS AND INVESTMENTS

At year end, the District's cash and investments was comprised of the following:

	Government- wide	Fiduciary	Total
Cash and investments	\$ 141,586,660	\$ 212,213	\$ 141,798,873
Total	<u>\$ 141,586,660</u>	<u>\$ 212,213</u>	<u>\$ 141,798,873</u>

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

	Cash and investments
Cash on hand	\$ 644
Deposits with financial institutions	31,159,155
ISDLAF+	52,800,367
Money market mutual funds	6,715,992
Other investments	<u>51,122,715</u>
Total	<u>\$ 141,798,873</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investments detailed in the interest rate risk table below are measured using the market valuation method and Level 2 valuation inputs.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District's investment policy seeks to ensure preservation of capital in the District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The policy does not limit investment maturities as a means for managing its exposure to fair value losses arising from increasing interest rates. However, the policy requires the District's investment portfolio to be sufficiently liquid to enable the District to meet all operating requirements as they come due. A portion of the portfolio is required to be invested in readily available funds to ensure appropriate liquidity.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 3 - DEPOSITS AND INVESTMENTS - (CONTINUED)

At year end, the District had the following investments subject to interest rate risk:

	<i>Fair Value</i>	<i>Investment Maturity (In Years)</i>			
		<i>Less than one</i>	<i>1-5</i>	<i>5-10</i>	<i>More than 10</i>
Federal Farm Credit Banks	\$ 3,207,136	\$ -	\$ 3,207,136	\$ -	\$ -
Negotiable Certificates of Deposit	29,648,902	10,225,295	19,423,607	-	-
U.S. Treasury Notes	15,287,383	3,466,980	11,820,403	-	-
Commercial paper	<u>2,979,294</u>	<u>2,979,294</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 51,122,715</u>	<u>\$ 16,671,569</u>	<u>\$ 34,451,146</u>	<u>\$ -</u>	<u>\$ -</u>

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State Statutes limit the investments in commercial paper and corporate bonds to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The District's investment policy does not specifically address credit risk. The District's investments in the money market mutual fund consist of investments in the JP Morgan U.S. Government Money Market Fund, Fidelity Government Money Market Fund, and the Federated Government Obligations Money Market Fund. These funds invest exclusively in high-quality, short-term securities that are issued or guaranteed by the U.S. government or by U.S. government agencies and instrumentalities. The JP Morgan U.S. Government Money Market Fund as well as the Fidelity Money Market Government Portfolio - Institutional Class, the Federated Government Obligations Money Market were rated Aaa-mf by Moody's Investor Services and AAAm by Standard and Poor's. The District's investments in the Federal Farm Credit Banks were also rated Aaa by Moody's Investors Service and AA+ by Standard and Poor's. Ratings were not available for the Negotiable Certificates of Deposit or Commercial Paper investments.

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

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District's Treasurer to meet the District's ongoing need for safety, liquidity, and rate of return. At June 30, 2020, the District had positions in the following issuers that totaled 5% or more of the other investments category: Federal Farm Credit Bank (5.5%) and Commercial Paper (5.5%).

Custodial Credit Risk - Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2020, the bank balance of the District's deposit with financial institutions totaled \$31,159,155 which was completely collateralized.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 3 - DEPOSITS AND INVESTMENTS - (CONTINUED)

Custodial Credit Risk - Investments. With respect to investments, custodial credit risk is the risk that, in the even of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring all investments be secured by FDIC or collateral.

Separate cash and investment accounts are not maintained for all District funds; instead, the individual funds maintain their invested and uninvested balances in the common checking and investment accounts, with accounting records being maintained to show the portion of the common account balance attributable to each participating fund.

NOTE 4 - CAPITAL ASSETS

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

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
<u>Capital assets not being depreciated:</u>				
Land	\$ 4,063,204	\$ -	\$ -	\$ 4,063,204
Construction in progress	<u>450,702</u>	<u>16,960,828</u>	<u>-</u>	<u>17,411,530</u>
Total capital assets not being depreciated	<u>4,513,906</u>	<u>16,960,828</u>	<u>-</u>	<u>21,474,734</u>
<u>Capital assets being depreciated:</u>				
Land improvements	1,299,707	259,575	-	1,559,282
Buildings and improvements	117,903,881	1,721,769	47,461	119,578,189
Furniture, equipment, and vehicles	<u>15,420,370</u>	<u>1,057,620</u>	<u>108,155</u>	<u>16,369,835</u>
Total capital assets being depreciated	<u>134,623,958</u>	<u>3,038,964</u>	<u>155,616</u>	<u>137,507,306</u>
<u>Less Accumulated Depreciation for:</u>				
Land improvements	1,097,595	35,263	-	1,132,858
Buildings and improvements	42,838,746	2,187,443	633	45,025,556
Furniture, equipment, and vehicles	<u>12,698,273</u>	<u>706,100</u>	<u>105,167</u>	<u>13,299,206</u>
Total accumulated depreciation	<u>56,634,614</u>	<u>2,928,806</u>	<u>105,800</u>	<u>59,457,620</u>
Net capital assets being depreciated	<u>77,989,344</u>	<u>110,158</u>	<u>49,816</u>	<u>78,049,686</u>
Net governmental activities capital assets	<u>\$ 82,503,250</u>	<u>\$ 17,070,986</u>	<u>\$ 49,816</u>	<u>\$ 99,524,420</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 4 - CAPITAL ASSETS - (CONTINUED)

Depreciation expense was recognized in the operating activities of the District as follows:

<i>Governmental Activities</i>	<i>Depreciation</i>
Regular programs	\$ 815,859
Special programs	23,584
Pupils	428,247
General administration	1,833
School administration	1,550
Business	3,207
Transportation	2,838
Operations and maintenance	1,638,389
Central	7,148
Food	6,151
Total depreciation expense - governmental activities	<u>\$ 2,928,806</u>

NOTE 5 - LONG TERM LIABILITIES

Changes in General Long-term Liabilities. The following is the long-term liability activity for the District for the year ended June 30, 2020:

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Deletions</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
General obligation bonds	\$ 50,945,000	\$ -	\$ 1,720,000	\$ 49,225,000	\$ 1,810,000
Unamortized premium	<u>4,584,540</u>	<u>-</u>	<u>245,601</u>	<u>4,338,939</u>	<u>-</u>
Total bonds payable	<u>55,529,540</u>	<u>-</u>	<u>1,965,601</u>	<u>53,563,939</u>	<u>1,810,000</u>
Net pension liability	8,933,909	3,817,397	7,594,309	5,156,997	-
Net OPEB liability	41,163,356	2,998,777	4,675,139	39,486,994	-
Compensated absences	<u>104,900</u>	<u>455,744</u>	<u>407,671</u>	<u>152,973</u>	<u>152,973</u>
Total long-term liabilities - governmental activities	<u>\$ 105,731,705</u>	<u>\$ 7,271,918</u>	<u>\$ 14,642,720</u>	<u>\$ 98,360,903</u>	<u>\$ 1,962,973</u>

The obligations for the compensated absences and the OPEB liabilities will be repaid from the General Fund. The obligations for the net pension liabilities will be repaid from the General Fund and the Municipal Retirement/Social Security Fund.

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

<i>Purpose</i>	<i>Interest Rates</i>	<i>Original Indebtedness</i>	<i>Carrying Amount</i>
Series 2019 General Obligation School Bonds (Alternative Revenue Source) dated March 14, 2019 are due in annual installments through June 1, 2038	3.25% - 5.0%	\$ 50,945,000	\$ 49,225,000
Total		<u>\$ 50,945,000</u>	<u>\$ 49,225,000</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 5 - LONG TERM LIABILITIES - (CONTINUED)

Annual debt service requirements to maturity for general obligation bonds are as follows for governmental type activities:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2021	\$ 1,810,000	\$ 2,057,388	\$ 3,867,388
2022	1,900,000	1,966,888	3,866,888
2023	1,995,000	1,871,888	3,866,888
2024	2,095,000	1,772,138	3,867,138
2025	2,200,000	1,667,387	3,867,387
2026 - 2030	12,755,000	6,573,187	19,328,187
2031 - 2035	15,650,000	3,681,787	19,331,787
2036 - 2038	<u>10,820,000</u>	<u>779,537</u>	<u>11,599,537</u>
Total	<u>\$ 49,225,000</u>	<u>\$ 20,370,200</u>	<u>\$ 69,595,200</u>

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2020, the statutory debt limit for the District was \$167,245,093, providing a debt margin of \$118,020,093.

NOTE 6 - RISK MANAGEMENT

The District is exposed to various risks of loss related to workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the following public entity risk pool: Collective Liability Insurance Cooperative (CLIC). The District pays annual premiums to the pool for insurance coverage. The arrangements with the pool provides that it will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years.

The District continues to carry commercial insurance for all other risks of loss related to torts. Premiums have been recorded as expenditures in the appropriate funds. There have been no significant reductions in insurance coverage from coverage in the prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 7 - JOINT AGREEMENTS

The District is a member of Northern Suburban Special Education District (NSSSED), a joint agreement that provides certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS

Teachers' Health Insurance Security

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

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

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

On Behalf Contributions to 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 THIS Fund from active members which were 1.24% of pay during the year ended June 30, 2020. State of Illinois contributions of \$450,284 were recognized as revenues and expenditures by the District during the year in the General Fund based on the current financial resources measurement basis. On the economic resources measurement basis, the District recognizes revenues and expenses of \$1,357,607 of this amount during the year.

Contributions. The District also makes contributions to THIS Fund. The District's THIS Fund contribution was 0.92% during the year ended June 30, 2020. The percentage of employer required contributions in the future will not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. For the year ended June 30, 2020, the District paid \$334,082 to the THIS Fund, respectively, which was 100 percent of the required contribution for the year.

THIS Fiduciary Net Position. Detailed information about the THIS Fund's fiduciary net position as of June 30, 2019 is available in the separately issued THIS Annual Financial Report.

Net OPEB Liability. At June 30, 2020, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for the state's retiree insurance support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collection net OPEB liability	\$ 39,262,413
State's proportionate share of the collective net OPEB liability associated with the District	<u>53,166,317</u>
Total	<u>\$ 92,428,730</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2019, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2019 and 2018, the District's proportion was 0.141857% and 0.155250%, respectively.

Actuarial Assumptions. The net OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50
Salary Increases	4.00% to 9.50%
Investment Rate of Return	0.00%
Healthcare Cost Trend Rates - Initial	Non-Medicare - 8.00%; Post-Medicare - 9.00%
Healthcare Cost Trend Rates - Ultimate	4.50% with additional 0.31% added to non-Medicare costs
Fiscal Year the Ultimate Rate is Reached	2027

Mortality rates were based on the RP-2014 White Collar Annuitant Mortality Table, adjusted 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.

Discount Rate. At June 30, 2019, the discount rate used to measure the total OPEB liability was a blended rate of 3.13%, which was a change from the June 30, 2018 rate of 3.62%. Since THIS is financed on a pay-as-you-go basis, the discount rate is based on the 20-year general obligation bond index.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.13%) or 1-percentage-point higher (4.13%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB Liability	<u>\$ 47,207,723</u>	<u>\$ 39,262,413</u>	<u>\$ 32,987,401</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (initial rate of 7.00% decreasing to an ultimate rate of 3.81%) for non-Medicare coverage and initial rate of 8.00% decreasing to an ultimate rate of 3.50% for Medicare coverage) or 1-percentage-point higher (initial rate of 9.00% decreasing to an ultimate rate of 5.81%) for non-Medicare coverage and initial rate of 10.00% decreasing to an ultimate rate of 5.50% for Medicare coverage) than the current healthcare cost trend rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability	<u>\$ 31,720,863</u>	<u>\$ 39,262,413</u>	<u>\$ 49,448,333</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2020, the District recognized OPEB expense of \$1,068,918 and on-behalf revenue and expense of \$1,357,607 for support provided by the state. At June 30, 2020, the District's deferred outflows of resources and deferred inflows of resources related to OPEBs were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 651,529
Changes in Assumptions	14,885	4,500,751
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	1,285
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	223,284	4,994,662
District Contributions Subsequent to the Measurement Date	<u>334,082</u>	<u>-</u>
Total	<u>\$ 572,251</u>	<u>\$ 10,148,227</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net OPEB liability for the year ending June 30, 2021. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB (\$ (9,910,058)) will be recognized in OPEB expense as follows in these reporting years:

Year Ending June 30,	Amount
2021	\$ (1,359,549)
2022	(1,359,549)
2023	(1,359,549)
2024	(1,359,550)
2025	(1,359,228)
Thereafter	<u>(3,112,633)</u>
Total	<u>\$ (9,910,058)</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Retiree's Health Plan

Plan Description. The District's group health insurance plan, a single-employer defined benefit plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. This results in an other postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy.

Contributions and Benefits Provided. Eligible retirees may continue medical coverage into retirement on the District plans on a pay-all basis. Coverage is also available for eligible dependents on a pay-all basis. Coverage can continue when Medicare eligible. Coverage for dependents can continue upon the death of the retiree given that contributions continue.

Employees Covered by Benefit Terms. At June 30, 2020, the actuarial valuation date, the following employees were covered by the benefit terms:

Retired Plan Members	1
Active Employees Not Yet Eligible	-
Active Employees Fully Eligible	<u>122</u>
Total	<u><u>123</u></u>

Total OPEB Liability. The District's total OPEB liability of \$224,581 was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2020.

Inflation	3.00%
Election at Retirement	10.00%
Discount Rate	2.66%
Healthcare Cost Trend Rate - Initial	4.50%
Healthcare Cost Trend Rate - Ultimate	4.50%
Fiscal Year the Ultimate Rate is Reached	Not applicable

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2020.

Mortality rates were based on those found in the December 31, 2019 IMRF Actuarial Valuation Report.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of the assumptions about future events.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Changes in Total OPEB Liability. The District's changes in total OPEB liability for the year ended June 30, 2020 was as follows:

	<i>Total OPEB Liability</i>
Balance at June 30, 2019	\$ 261,516
Service Cost	14,591
Interest	7,087
Other Changes	(16,215)
Differences Between Expected and Actual Experience	(40,688)
Changes in Assumptions and Other Inputs	13,279
Benefit Payments	<u>(14,989)</u>
Net Changes	<u>(36,935)</u>
Balance at June 30, 2020	<u><u>\$ 224,581</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.66%) or 1-percentage-point higher (3.66%) than the current discount rate:

	<i>1% Decrease</i>	<i>Current Discount Rate</i>	<i>1% Increase</i>
Total OPEB Liability	<u>\$ 238,318</u>	<u>\$ 224,581</u>	<u>\$ 211,643</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.50%) or 1-percentage-point higher (5.50%) than the current healthcare cost trend rates:

	<i>1% Decrease</i>	<i>Healthcare Cost Trend Rate</i>	<i>1% Increase</i>
Total OPEB Liability	<u>\$ 205,945</u>	<u>\$ 224,581</u>	<u>\$ 246,145</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2020, the District recognized OPEB expense of \$14,790. The District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Difference Between Expected and Actual Experience	\$ -	\$ 35,132
Assumption Changes	15,024	22,069
Total	<u>\$ 15,024</u>	<u>\$ 57,201</u>

The amounts reported as deferred outflows and inflows of resources related to OPEB (\$(42,177)) will be recognized in OPEB expense as follows:

<i>Year Ending June 30,</i>	<i>Amount</i>
2021	\$ (6,888)
2022	(6,888)
2023	(6,888)
2024	(6,888)
2025	(6,560)
Thereafter	<u>(8,065)</u>
Total	<u>\$ (42,177)</u>

NOTE 9 - RETIREMENT SYSTEMS

The retirement plans of the District include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the District. IMRF is funded through property taxes and a perpetual lien of the District's corporate personal property replacement tax. The total pension expense for both of these plans during the year totaled \$1,011,176. Each retirement system is discussed below.

Teachers' Retirement System

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

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

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

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

Tier 2 members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for *Tier 2* are identical to those of *Tier 1*. Death benefits are payable under a formula that is different from *Tier 1*.

Essentially all *Tier 1* retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. *Tier 2* annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Public Act 100-0023, enacted in 2017, creates an optional *Tier 3* hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2021. One program allows retiring *Tier 1* members to receive a partial 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 pension code. The active member contribution rate for the year ended June 30, 2020 was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the District, is submitted to TRS by the District.

On Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2020, State of Illinois contributions recognized by the District were based on the state's proportionate share of with the pension expense associated with the District, and the District recognized revenue and expenses of \$27,992,449 in governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$16,367,637 in the General Fund based on the current financial resources measurement basis.

2.2 Formula Contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2020, were \$211,118 and are deferred because they were paid after the June 30, 2019 measurement date.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

Federal and 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.

For the year ended June 30, 2020, the District pension contribution was 10.66 percent of salaries paid from federal and special trust funds. Contributions for the year ended June 30, 2020, were \$32,399, which was equal to the District's required contribution. These contributions are deferred because they were paid after the June 30, 2019 measurement date.

Salary increases over 6 percent. The District is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. For the year ended June 30, 2020, the District paid \$1,018 to TRS for employer contributions due on salary increases in excess of 6 percent.

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

Net Pension Liability. At June 30, 2020, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 3,622,601
State's proportionate share of the collective net pension liability associated with the District	<u>257,816,553</u>
Total	<u>\$ 261,439,154</u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018, and rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2019, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2019 and 2018, the District's proportion was 0.00446638 percent and 0.00513719 percent, respectively.

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

Actuarial Assumptions. The assumptions used to measure the total pension liability in the June 30, 2019 actuarial valuation included (a) 7.00% investment rate of return net of pension plan investment expense, including inflation, (b) projected salary increases varies by amount of service credit, and (c) inflation of 2.50%.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

Mortality. Mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates are used on a fully-generational basis using projection table MP-2017. The assumptions were based on the results of an experience study dated September 18, 2018.

Long-Term Expected Real Rate of Return. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return 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:

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Long-Term Expected Real Rate of Return</i>
U.S. equities large cap	15.00 %	6.30 %
U.S. equities small/mid cap	2.00 %	7.70 %
International equities developed	13.60 %	7.00 %
Emerging market equities	3.40 %	9.50 %
U.S. bonds core	8.00 %	2.20 %
U.S. bonds high yield	4.20 %	4.00 %
International debt developed	2.20 %	1.10 %
Emerging international debt	2.60 %	4.40 %
Real estate	16.00 %	5.20 %
Commodities (real return)	4.00 %	1.80 %
Hedge funds (absolute return)	14.00 %	4.10 %
Private equity	15.00 %	9.70 %

Discount Rate. At June 30, 2019, the discount rate used to measure the total pension liability was a blended rate of 7.00 percent, which was the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2019 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. *Tier 1's* liability is partially funded by *Tier 2* members, as the *Tier 2* member contribution is higher than the cost of *Tier 2* benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

NORTH SHORE SCHOOL DISTRICT 112**NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020****NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)**

Discount Rate Sensitivity. 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	Current Discount Rate	1% Increase
District's proportionate share of the collective net pension liability	<u>\$ 4,424,690</u>	<u>\$ 3,622,601</u>	<u>\$ 2,963,125</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2020, the District recognized pension expense of \$(128,982) and on-behalf revenue of \$27,992,449 for support provided by the state. At June 30, 2020, the District's deferred outflows of resources and deferred inflows of resources related to pensions were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 59,401	\$ -
Net difference between projected and actual earnings on pension plan investments	5,739	-
Assumption changes	81,171	69,535
Changes in proportion and differences between District contributions and proportionate share of contributions	1,105,761	2,884,997
District contributions subsequent to the measurement date	<u>243,517</u>	<u>-</u>
Total	<u><u>\$ 1,495,589</u></u>	<u><u>\$ 2,954,532</u></u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability for the year ending June 30, 2021. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$(1,702,460)) will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2021	\$ 43,502
2022	(522,591)
2023	(776,078)
2024	(408,416)
2025	<u>(38,877)</u>
Total	<u><u>\$ (1,702,460)</u></u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

Illinois Municipal Retirement Fund

Plan Description. The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer pension plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Public Act 96-0889 created a second tier for IMRF's Regular Plan. IMRF assigns a benefit tier to a member when he or she is enrolled in IMRF. The tier is determined by the member's first IMRF participation date. If the member first participated in IMRF before January 1, 2011, they participate in *Regular Tier 1*. If the member first participated in IMRF on or after January 1, 2011, they participate in *Regular Tier 2*.

For *Regular Tier 1*, pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under *Regular Tier 1*, the pension is increased by 3% of the original amount on January 1 every year after retirement. For *Regular Tier 2*, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under *Regular Tier 2*, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of 3% of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Plan Membership. At December 31, 2019, the measurement date, membership of the plan was as follows:

Retirees and beneficiaries	301
Inactive, non-retired members	401
Active members	118
Total	<u>820</u>

Contributions. As set by statute, District employees participating in IMRF are required to contribute 4.50 percent 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 actuarially determined contribution rate for calendar year 2019 was 8.37 percent of annual covered payroll. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

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

Actuarial Assumptions. The assumptions used to measure the total pension liability in the December 31, 2019 annual actuarial valuation included (a) 7.25% investment rate of return, (b) projected salary increases from 3.35% to 14.25%, including inflation, and (c) price inflation of 2.50%. The retirement age is based on experience-based table of rates that are specific to the type of eligibility condition. The tables were last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.

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

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

Asset Class	Target Allocation	Projected Returns/Risk	
		One Year Arithmetic	Ten Year Geometric
Equities	37.00 %	7.05 %	5.75 %
International equities	18.00 %	8.10 %	6.50 %
Fixed income	28.00 %	3.70 %	3.25 %
Real estate	9.00 %	6.35 %	5.20 %
Alternatives	7.00 %		
Private equity		11.30 %	7.60 %
Hedge funds		N/A	N/A
Commodities		4.65 %	3.60 %
Cash equivalents	1.00 %	1.85 %	1.85 %

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

Discount Rate. The discount rate used to measure the total pension liability for IMRF was 7.25%, the same rate as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

Discount Rate Sensitivity. The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 7.25% as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 42,892,463	\$ 38,684,107	\$ 35,193,472
Plan fiduciary net position	<u>37,149,711</u>	<u>37,149,711</u>	<u>37,149,711</u>
Net pension liability/(asset)	<u>\$ 5,742,752</u>	<u>\$ 1,534,396</u>	<u>\$ (1,956,239)</u>

Changes in Net Pension Liability/(Asset). The District's changes in net pension liability/(asset) for the calendar year ended December 31, 2019 was as follows:

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
Balances at December 31, 2018	\$ 37,535,579	\$ 32,605,845	\$ 4,929,734
Service cost	575,979	-	575,979
Interest on total pension liability	2,665,153	-	2,665,153
Differences between expected and actual experience of the total pension liability	33,075	-	33,075
Benefit payments, including refunds of employee contributions	(2,125,679)	(2,125,679)	-
Contributions - employer	-	469,646	(469,646)
Contributions - employee	-	250,828	(250,828)
Net investment income	-	6,101,118	(6,101,118)
Other (net transfer)	<u>-</u>	<u>(152,047)</u>	<u>152,047</u>
Balances at December 31, 2019	<u>\$ 38,684,107</u>	<u>\$ 37,149,711</u>	<u>\$ 1,534,396</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2020, the District recognized pension expense of \$1,140,158. The District's deferred outflows and inflows of resources related to pension were from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Differences between expected and actual experience	\$ 7,471	\$ -
Net difference between projected and actual earnings on pension plan investments	-	1,594,100
Contributions subsequent to the measurement date	<u>300,561</u>	<u>-</u>
Total	<u><u>\$ 308,032</u></u>	<u><u>\$ 1,594,100</u></u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending June 30, 2021. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$1,586,629) will be recognized in pension expense as follows:

<i>Year Ending June 30,</i>	<i>Amount</i>
2021	\$ (468,716)
2022	(514,267)
2023	155,083
2024	<u>(758,729)</u>
Total	<u><u>\$ (1,586,629)</u></u>

NOTE 10 - CONTINGENT LIABILITIES

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

NOTE 11 - STATE AND FEDERAL AID CONTINGENCIES

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under the terms of the grants. Management believes such disallowance, if any, would be immaterial.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 12 - EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 84, *Fiduciary Activities*, GASB Statement No. 87, *Leases*, GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, GASB Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 93, *Replacement of Interbank Offered Rates*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance*, with the exception of Statement No. 87, which was postponed by one and a half years.

When they become effective, application of these standards may restate portions of these financial statements.

NOTE 13 - INTERFUND TRANSFERS

During the year, the District transferred \$10,000,000 of fund balance from the General Fund - Working Cash Accounts to the Capital Projects Fund. The purpose of this transfer was to provide a funding source to the Capital Projects Fund for upcoming capital projects.

The District also transferred \$3,863,388 of fund balance from the Operations and Maintenance Fund to the Debt Service fund to provide a funding source for the interest and principal paid on the 2019 Series General Obligation Bonds (alternative revenue source).

NOTE 14 - CONSTRUCTION COMMITMENTS

As of June 30, 2020, the District is committed to approximately \$16,846,491 in expenditures in the upcoming years for the Northwood Jr. High School Renovation. These expenditures will be paid through the available fund balances and alternative revenue bonds already issued.

NOTE 15 - ECONOMIC UNCERTAINTY CONTINGENCIES

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including areas impacting the District. Management's evaluation of the effects of these events is ongoing, however the District anticipates this situation could impact investment values, investment returns, tax revenues and future state and federal funding. Management continues to monitor the market, tax collections and legislative matters that could impact state and federal funding.

NORTH SHORE SCHOOL DISTRICT 112
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY
AND RELATED RATIOS
Six Most Recent Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total pension liability			
Service cost	\$ 575,979	\$ 587,622	\$ 651,947
Interest	2,665,153	2,600,132	2,610,710
Differences between expected and actual experience	33,075	114,528	(108,775)
Changes of assumptions	-	900,301	(1,175,599)
Benefit payments, including refunds of member contributions	<u>(2,125,679)</u>	<u>(2,083,226)</u>	<u>(2,091,097)</u>
Net change in total pension liability	1,148,528	2,119,357	(112,814)
Total pension liability - beginning	<u>37,535,579</u>	<u>35,416,222</u>	<u>35,529,036</u>
Total pension liability - ending (a)	<u>\$ 38,684,107</u>	<u>\$ 37,535,579</u>	<u>\$ 35,416,222</u>
Plan fiduciary net position			
Employer contributions	\$ 469,646	\$ 624,192	\$ 665,976
Employee contributions	250,828	260,336	274,398
Net investment income	6,101,118	(1,950,418)	5,645,455
Benefit payments, including refunds of member contributions	(2,125,679)	(2,083,226)	(2,091,097)
Other (net transfer)	<u>(152,047)</u>	<u>480,767</u>	<u>(890,503)</u>
Net change in plan fiduciary net position	4,543,866	(2,668,349)	3,604,229
Plan fiduciary net position - beginning	<u>32,605,845</u>	<u>35,274,194</u>	<u>31,669,965</u>
Plan fiduciary net position - ending (b)	<u>\$ 37,149,711</u>	<u>\$ 32,605,845</u>	<u>\$ 35,274,194</u>
Employer's net pension liability - ending (a) - (b)	<u>\$ 1,534,396</u>	<u>\$ 4,929,734</u>	<u>\$ 142,028</u>
Plan fiduciary net position as a percentage of the total pension liability	96.03%	86.87%	99.60%
Covered payroll	\$ 5,300,731	\$ 5,543,458	\$ 5,781,286
Employer's net pension liability as a percentage of covered payroll	28.95%	88.93%	2.46%

Notes to Schedule:

The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Actuary valuations are as of December 31st, which is 6 months prior to the end of the fiscal year.

2017	2016	2015
\$ 650,206	\$ 667,664	\$ 718,390
2,438,032	2,331,010	2,122,147
1,260,509	418,802	526,739
(74,501)	35,695	1,345,471
<u>(2,028,224)</u>	<u>(1,915,914)</u>	<u>(1,806,182)</u>
2,246,022	1,537,257	2,906,565
<u>33,283,014</u>	<u>31,745,757</u>	<u>28,839,192</u>
<u>\$ 35,529,036</u>	<u>\$ 33,283,014</u>	<u>\$ 31,745,757</u>
\$ 668,374	\$ 645,638	\$ 693,937
259,568	285,528	271,543
2,021,493	145,061	1,698,754
(2,028,224)	(1,915,914)	(1,806,182)
<u>1,413,289</u>	<u>670,656</u>	<u>377,670</u>
2,334,500	(169,031)	1,235,722
<u>29,335,465</u>	<u>29,504,496</u>	<u>28,268,774</u>
<u>\$ 31,669,965</u>	<u>\$ 29,335,465</u>	<u>\$ 29,504,496</u>
<u>\$ 3,859,071</u>	<u>\$ 3,947,549</u>	<u>\$ 2,241,261</u>
89.14%	88.14%	92.94%
\$ 5,722,380	\$ 5,751,951	\$ 5,795,851
67.44%	68.63%	38.67%

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF DISTRICT CONTRIBUTIONS Six Most Recent Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 469,645	\$ 624,193	\$ 658,488
Contributions in relation to the actuarially determined contribution	<u>(469,646)</u>	<u>(624,192)</u>	<u>(665,976)</u>
Contribution deficiency (excess)	<u>\$ (1)</u>	<u>\$ 1</u>	<u>\$ (7,488)</u>
 Covered payroll	 \$ 5,612,704	 \$ 5,470,121	 \$ 5,781,286
 Contributions as a percentage of covered payroll	 8.37%	 11.41%	 11.52%
	 <u>2017</u>	 <u>2016</u>	 <u>2015</u>
Actuarially determined contribution	\$ 668,374	\$ 652,271	\$ 690,286
Contributions in relation to the actuarially determined contribution	<u>(668,374)</u>	<u>(645,638)</u>	<u>(693,937)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ 6,633</u>	<u>\$ (3,651)</u>
 Covered payroll	 \$ 5,722,380	 \$ 5,751,951	 \$ 5,795,851
 Contributions as a percentage of covered payroll	 11.68%	 11.22%	 11.97%

Notes to Schedule:

The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 each year, which are 6 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	24 years
Asset valuation method	5-Year Smoothed Market, 20% corridor
Inflation	2.50%
Salary increases	3.35% to 14.25%, including inflation
Investment rate of return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2014 Employee Mortality Table, adjusted to match current IMRF experience

Other information:

There were no benefit changes during the year.

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE

OF THE COLLECTIVE NET PENSION LIABILITY AND SCHEDULE OF DISTRICT CONTRIBUTIONS

Six Most Recent Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.0044663825%	0.0051371907%	0.0010507300%
District's proportionate share of the net pension liability	\$ 3,622,601	\$ 4,004,175	\$ 8,027,380
State's proportionate share of the net pension liability	<u>257,816,553</u>	<u>274,302,765</u>	<u>275,779,322</u>
Total net pension liability	<u>\$ 261,439,154</u>	<u>\$ 278,306,940</u>	<u>\$ 283,806,702</u>
Covered payroll	\$ 36,313,246	\$ 34,875,687	\$ 36,799,959
District's proportionate share of the net pension liability as a percentage of covered payroll	9.98%	11.48%	21.81%
Plan fiduciary net position as a percentage of the total pension liability	39.60%	40.00%	39.30%
Contractually required contribution	\$ 211,118	\$ 225,568	\$ 283,026
Contributions in relation to the contractually required contribution	<u>(211,118)</u>	<u>(310,182)</u>	<u>(322,673)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (84,614)</u>	<u>\$ (39,647)</u>
Contributions as a percentage of covered payroll	0.5814%	0.8894%	0.8768%

Notes to Schedule:

The District implemented GASB 68 in 2015. Information for fiscal years prior to 2015 is not applicable.

Actuary valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pension liability is reported.

Key Assumptions:

Long-term expected rate of return	7.00%	7.00%	7.00%
Municipal bond index	3.50%	3.87%	3.58%
Single equivalent discount rate	7.00%	7.00%	7.00%
Inflation rate	2.50%	2.50%	2.50%
Projected salary increases	4.00% to 9.50%	4.00% to 9.50%	3.25% to 9.25%
	varying by service	varying by service	varying by service

See Auditors' Report and Notes to Required Supplementary Information

<u>2017</u>	<u>2016</u>	<u>2015</u>
0.0092197824%	0.0044071134%	0.0093547000%
\$ 7,277,732	\$ 2,887,103	\$ 5,693,111
<u>297,041,611</u>	<u>241,581,897</u>	<u>220,632,818</u>
<u>\$ 304,319,343</u>	<u>\$ 244,469,000</u>	<u>\$ 226,325,929</u>
\$ 37,236,364	\$ 37,390,153	\$ 37,372,407
19.54%	7.72%	15.23%
36.40%	41.50%	43.00%
\$ 418,881	\$ 356,851	\$ 257,839
<u>(477,837)</u>	<u>(356,851)</u>	<u>(257,960)</u>
<u>\$ (58,956)</u>	<u>\$ -</u>	<u>\$ (121)</u>
1.2833%	0.9544%	0.6902%
7.00%	7.50%	7.50%
2.85%	3.73%	N/A
6.83%	7.47%	7.50%
2.50%	3.00%	3.00%
3.25% to 9.25%	3.75% to 9.75%	5.75%
varying by service	varying by service	

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
RETIREES' HEALTH PLAN
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY
AND RELATED RATIOS
Three Most Recent Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability			
Service cost	\$ 14,591	\$ 13,946	\$ 15,059
Interest	7,087	7,337	7,179
Other changes	(16,215)	(4,900)	(7,343)
Differences between expected and actual experience	(40,688)	-	-
Changes of assumptions	13,279	3,183	1,974
Benefit payments, including refunds of member contributions	<u>(14,989)</u>	<u>(8,483)</u>	<u>(19,042)</u>
Net change in total OPEB liability	(36,935)	11,083	(2,173)
Total OPEB liability - beginning	<u>261,516</u>	<u>250,433</u>	<u>252,606</u>
Total OPEB liability - ending	<u>\$ 224,581</u>	<u>\$ 261,516</u>	<u>\$ 250,433</u>
 Covered payroll	 \$ 4,847,730	 \$ 5,470,121	 \$ 5,091,337
 District's total OPEB liability as a percentage of covered payroll	 4.63%	 4.78%	 4.92%

Notes to Schedule:

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

There is no ADC or employer contribution related to the ADC as the total OPEB liability is currently an unfunded obligation.

NORTH SHORE SCHOOL DISTRICT 112
TEACHERS' HEALTH INSURANCE SECURITY FUND
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE COLLECTIVE NET OPEB LIABILITY AND SCHEDULE OF DISTRICT CONTRIBUTIONS
Three Most Recent Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability	0.1418570000%	0.1552500000%	0.1618870000%
District's proportionate share of the net OPEB liability	\$ 39,262,413	\$ 40,901,840	\$ 42,008,930
State's proportionate share of the net OPEB liability	<u>53,166,317</u>	<u>54,922,350</u>	<u>55,168,164</u>
Total net OPEB liability	<u>\$ 92,428,730</u>	<u>\$ 95,824,190</u>	<u>\$ 97,177,094</u>
Covered payroll	\$ 34,875,687	\$ 36,799,959	\$ 37,236,364
District's proportionate share of the net OPEB liability as a percentage of covered payroll	112.58%	111.15%	112.82%
Plan fiduciary net position as a percentage of the total pension liability	0.25%	-0.07%	-0.17%
Contractually required contribution	\$ 334,082	\$ 320,856	\$ 323,840
Contributions in relation to the contractually required contribution	<u>(334,082)</u>	<u>(320,856)</u>	<u>(323,842)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2)</u>
Contributions as a percentage of covered payroll	0.9579%	0.8719%	0.8697%

Notes to Schedule:

The District implemented GASB 68 in fiscal year 2018. Information for fiscal years prior to 2018 is not applicable.

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

Key Assumptions:

Long-term expected rate of return	0.00%	0.00%	0.00%
Municipal bond index	3.13%	3.62%	3.56%
Single equivalent discount rate	3.13%	3.62%	3.56%
Inflation rate	2.50%	2.75%	2.75%
Healthcare cost trend rates - initial	Medicare - 9.00%	Medicare - 9.00%	Medicare - 9.00%
	Non-Medicare - 8.00%	Non-Medicare - 8.00%	Non-Medicare - 8.00%
Healthcare cost trend rates - ultimate	4.50%	4.50%	4.50%
Mortality	RP-2014 Tables	RP-2014 Tables	RP-2014 Tables

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2019 ACTUAL
Revenues					
Local sources					
General levy	\$ 54,428,607	\$ 54,428,607	\$ 54,389,431	\$ (39,176)	\$ 52,933,291
Special education levy	692,655	692,655	692,156	(499)	603,412
Investment income	816,781	816,781	1,656,375	839,594	2,011,290
Sales to pupils - lunch	-	-	16,228	16,228	34,152
Other food service	30,000	30,000	-	(30,000)	-
Refund of prior years' expenditures	-	-	481,158	481,158	48,970
Proceeds from vendor contracts	-	-	46,993	46,993	-
Other local fees	350,000	350,000	595,689	245,689	597,483
Other	<u>623,618</u>	<u>623,618</u>	<u>554,911</u>	<u>(68,707)</u>	<u>694,138</u>
Total local sources	<u>56,941,661</u>	<u>56,941,661</u>	<u>58,432,941</u>	<u>1,491,280</u>	<u>56,922,736</u>
State sources					
Evidence based funding	3,357,390	3,357,390	3,365,702	8,312	3,361,213
Special education - private facility tuition	236,200	236,200	42,355	(193,845)	172,862
Special education - orphanage - individual	20,000	20,000	-	(20,000)	86,333
State free lunch & breakfast	1,100	1,100	4,677	3,577	5,723
School breakfast initiative	4,100	4,100	-	(4,100)	-
Early childhood - block grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>505,000</u>
Total state sources	<u>3,618,790</u>	<u>3,618,790</u>	<u>3,412,734</u>	<u>(206,056)</u>	<u>4,131,131</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020					2019
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL	
Federal sources						
Federal impact aid	\$ 200,000	\$ 200,000	\$ 238,853	\$ 38,853	\$ 270,868	
National school lunch program	130,000	130,000	245,801	115,801	267,320	
Special milk program	18,000	18,000	7,597	(10,403)	13,227	
School breakfast program	30,000	30,000	55,497	25,497	43,649	
Food service - other	-	-	48,574	48,574	-	
Title I - Low income	429,185	429,185	478,646	49,461	517,445	
Federal - special education - preschool flow-through	25,000	25,000	24,060	(940)	31,518	
Federal - special education - IDEA - flow-through/low incident	927,199	927,199	923,711	(3,488)	786,926	
Federal - special education - IDEA - room & board	31,000	31,000	48,183	17,183	132,448	
Title III - English language acquisition	77,000	77,000	70,288	(6,712)	122,512	
Title II - Teacher quality	85,755	85,755	95,156	9,401	113,348	
Medicaid matching funds - administrative outreach	23,000	23,000	62,480	39,480	36,796	
Medicaid matching funds - fee-for-service program	30,000	30,000	96,741	66,741	106,765	
Other restricted revenue from federal sources	-	-	382,027	382,027	33,168	
Total federal sources	2,006,139	2,006,139	2,777,614	771,475	2,475,990	
Total revenues	62,566,590	62,566,590	64,623,289	2,056,699	63,529,857	
Expenditures						
Instruction						
Regular programs						
Salaries	20,312,890	20,312,890	18,714,067	1,598,823	17,644,265	
Employee benefits	211,984	5,580,177	2,722,165	2,858,012	2,868,959	
Purchased services	686,319	686,319	88,724	597,595	161,354	
Supplies and materials	598,432	598,432	626,278	(27,846)	490,971	
Capital outlay	160,000	160,000	14,602	145,398	39,279	
Total	21,969,625	27,337,818	22,165,836	5,171,982	21,204,828	
Pre-K programs						
Salaries	-	-	774,122	(774,122)	831,460	
Employee benefits	107	107	158,959	(158,852)	41,625	
Purchased services	7,000	7,000	1,736	5,264	1,333	
Supplies and materials	20,000	20,000	5,529	14,471	730	
Capital outlay	-	-	-	-	547	
Total	27,107	27,107	940,346	(913,239)	875,695	

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Special education programs					
Salaries	\$ 5,677,293	\$ 5,677,293	\$ 5,275,817	\$ 401,476	\$ 4,967,329
Employee benefits	56,993	56,993	720,774	(663,781)	657,639
Purchased services	286,500	286,500	271,638	14,862	164,133
Supplies and materials	80,000	80,000	85,291	(5,291)	91,630
Capital outlay	15,000	15,000	8,564	6,436	95,831
Other objects	2,000	2,000	716	1,284	2,340
Total	<u>6,117,786</u>	<u>6,117,786</u>	<u>6,362,800</u>	<u>(245,014)</u>	<u>5,978,902</u>
Special education programs Pre-K					
Salaries	58,531	58,531	50,675	7,856	24,246
Employee benefits	720	720	7,529	(6,809)	7,173
Purchased services	100	100	-	100	-
Supplies and materials	<u>40,000</u>	<u>40,000</u>	<u>48,493</u>	<u>(8,493)</u>	<u>78,830</u>
Total	<u>99,351</u>	<u>99,351</u>	<u>106,697</u>	<u>(7,346)</u>	<u>110,249</u>
Remedial and supplemental programs K - 12					
Salaries	767,098	767,098	998,982	(231,884)	709,142
Employee benefits	<u>8,673</u>	<u>8,673</u>	<u>111,207</u>	<u>(102,534)</u>	<u>100,396</u>
Total	<u>775,771</u>	<u>775,771</u>	<u>1,110,189</u>	<u>(334,418)</u>	<u>809,538</u>
Remedial and supplemental programs Pre - K					
Salaries	57,629	57,629	-	57,629	-
Employee benefits	<u>841</u>	<u>841</u>	<u>-</u>	<u>841</u>	<u>6,704</u>
Total	<u>58,470</u>	<u>58,470</u>	<u>-</u>	<u>58,470</u>	<u>6,704</u>
Summer school programs					
Salaries	108,508	108,508	95,094	13,414	121,645
Employee benefits	2,467	2,467	18,899	(16,432)	4,751
Supplies and materials	<u>150</u>	<u>150</u>	<u>-</u>	<u>150</u>	<u>-</u>
Total	<u>111,125</u>	<u>111,125</u>	<u>113,993</u>	<u>(2,868)</u>	<u>126,396</u>
Gifted programs					
Salaries	662,366	662,366	683,648	(21,282)	663,633
Employee benefits	<u>29,101</u>	<u>29,101</u>	<u>86,849</u>	<u>(57,748)</u>	<u>102,991</u>
Total	<u>691,467</u>	<u>691,467</u>	<u>770,497</u>	<u>(79,030)</u>	<u>766,624</u>
Bilingual programs					
Salaries	4,255,708	4,255,708	3,608,670	647,038	3,505,541
Employee benefits	<u>41,646</u>	<u>41,646</u>	<u>506,363</u>	<u>(464,717)</u>	<u>522,340</u>
Total	<u>4,297,354</u>	<u>4,297,354</u>	<u>4,115,033</u>	<u>182,321</u>	<u>4,027,881</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Special education programs K -12 - private tuition					
Other objects	\$ 686,080	\$ 686,080	\$ 177,848	\$ 508,232	\$ 271,325
Total	686,080	686,080	177,848	508,232	271,325
Total instruction	34,834,136	40,202,329	35,863,239	4,339,090	34,178,142
Support services					
Pupils					
Guidance services					
Salaries	1,185,290	1,185,290	1,219,938	(34,648)	1,138,943
Employee benefits	16,439	16,439	151,431	(134,992)	155,000
Total	1,201,729	1,201,729	1,371,369	(169,640)	1,293,943
Health services					
Salaries	599,884	599,884	472,509	127,375	498,426
Employee benefits	1,030	1,030	70,433	(69,403)	56,011
Purchased services	5,699	5,699	30,453	(24,754)	61,534
Supplies and materials	5,000	5,000	13,358	(8,358)	4,136
Capital outlay	2,500	2,500	19,803	(17,303)	1,949
Total	614,113	614,113	606,556	7,557	622,056
Psychological services					
Salaries	913,007	913,007	837,157	75,850	759,804
Employee benefits	11,891	11,891	118,131	(106,240)	117,529
Purchased services	5,000	5,000	6,200	(1,200)	1,600
Supplies and materials	10,000	10,000	7,227	2,773	7,505
Total	939,898	939,898	968,715	(28,817)	886,438
Speech pathology and audiology services					
Salaries	1,693,420	1,693,420	1,344,107	349,313	1,476,022
Employee benefits	20,966	20,966	137,772	(116,806)	194,053
Purchased services	5,000	5,000	2,350	2,650	292
Supplies and materials	8,000	8,000	566	7,434	3,297
Total	1,727,386	1,727,386	1,484,795	242,591	1,673,664
Other support services - pupils					
Salaries	640,617	640,617	325,583	315,034	312,832
Employee benefits	52,674	52,674	111,002	(58,328)	126,079
Supplies and materials	-	-	669	(669)	-
Total	693,291	693,291	437,254	256,037	438,911
Total pupils	5,176,417	5,176,417	4,868,689	307,728	4,915,012

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Instructional staff					
Improvement of instructional services					
Salaries	\$ 1,216,170	\$ 1,216,170	\$ 571,817	\$ 644,353	\$ 593,549
Employee benefits	187,722	187,722	229,410	(41,688)	214,213
Purchased services	1,039,014	1,039,014	1,353,742	(314,728)	1,669,982
Supplies and materials	436,925	436,925	660,130	(223,205)	883,140
Capital outlay	-	-	87,314	(87,314)	-
Other objects	-	-	-	-	2,025
Total	2,879,831	2,879,831	2,902,413	(22,582)	3,362,909
Educational media services					
Salaries	1,382,743	1,382,743	1,304,638	78,105	1,340,369
Employee benefits	39,305	39,305	195,683	(156,378)	141,463
Purchased services	927,022	927,022	899,045	27,977	869,966
Supplies and materials	354,000	354,000	478,646	(124,646)	321,618
Capital outlay	436,500	436,500	857,714	(421,214)	326,137
Other objects	2,400	2,400	2,283	117	1,069
Total	3,141,970	3,141,970	3,738,009	(596,039)	3,000,622
Assessment and testing					
Supplies and materials	110,000	110,000	-	110,000	-
Total	110,000	110,000	-	110,000	-
Total instructional staff	6,131,801	6,131,801	6,640,422	(508,621)	6,363,531
General administration					
Board of education services					
Employee benefits	4,010	4,010	99	3,911	2,891
Purchased services	895,000	895,000	695,508	199,492	600,663
Supplies and materials	500	500	7,555	(7,055)	1,817
Other objects	50,000	50,000	17,410	32,590	30,738
Total	949,510	949,510	720,572	228,938	636,109
Executive administration services					
Salaries	499,250	499,250	426,247	73,003	415,162
Employee benefits	69,850	69,850	153,959	(84,109)	113,572
Purchased services	21,000	21,000	4,071	16,929	9,162
Supplies and materials	1,000	1,000	1,981	(981)	1,065
Other objects	20,000	20,000	17,979	2,021	10,492
Total	611,100	611,100	604,237	6,863	549,453

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020			VARIANCE WITH FINAL BUDGET	2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
Tort immunity services					
Salaries	\$ -	\$ -	\$ 117,000	\$ (117,000)	\$ -
Purchased services	<u>842,262</u>	<u>842,262</u>	<u>498,342</u>	<u>343,920</u>	<u>547,232</u>
Total	<u>842,262</u>	<u>842,262</u>	<u>615,342</u>	<u>226,920</u>	<u>547,232</u>
Total general administration	<u>2,402,872</u>	<u>2,402,872</u>	<u>1,940,151</u>	<u>462,721</u>	<u>1,732,794</u>
School administration					
Office of the principal services					
Salaries	2,004,629	2,004,629	2,520,345	(515,716)	2,475,210
Employee benefits	269,744	269,744	433,571	(163,827)	473,376
Purchased services	<u>16,300</u>	<u>16,300</u>	<u>7,921</u>	<u>8,379</u>	<u>5,015</u>
Total	<u>2,290,673</u>	<u>2,290,673</u>	<u>2,961,837</u>	<u>(671,164)</u>	<u>2,953,601</u>
Total school administration	<u>2,290,673</u>	<u>2,290,673</u>	<u>2,961,837</u>	<u>(671,164)</u>	<u>2,953,601</u>
Business					
Direction of business support services					
Salaries	428,560	428,560	438,126	(9,566)	405,483
Employee benefits	22,142	22,142	102,698	(80,556)	73,575
Purchased services	-	-	20,553	(20,553)	52,774
Supplies and materials	-	-	23	(23)	4,729
Other objects	<u>-</u>	<u>-</u>	<u>2,190</u>	<u>(2,190)</u>	<u>4,808</u>
Total	<u>450,702</u>	<u>450,702</u>	<u>563,590</u>	<u>(112,888)</u>	<u>541,369</u>
Fiscal services					
Salaries	261,547	261,547	258,506	3,041	306,443
Employee benefits	18,154	18,154	45,556	(27,402)	47,620
Purchased services	111,500	111,500	69,925	41,575	94,224
Supplies and materials	11,000	11,000	8,106	2,894	10,605
Capital outlay	5,000	5,000	776	4,224	-
Other objects	<u>7,000</u>	<u>7,000</u>	<u>51,756</u>	<u>(44,756)</u>	<u>59,999</u>
Total	<u>414,201</u>	<u>414,201</u>	<u>434,625</u>	<u>(20,424)</u>	<u>518,891</u>
Operation and maintenance of plant services					
Salaries	-	-	876	(876)	842
Employee benefits	22	22	13	9	13
Purchased services	<u>-</u>	<u>-</u>	<u>7,064</u>	<u>(7,064)</u>	<u>1,661</u>
Total	<u>22</u>	<u>22</u>	<u>7,953</u>	<u>(7,931)</u>	<u>2,516</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Food services					
Purchased services	\$ 521,160	\$ 521,160	\$ 408,823	\$ 112,337	\$ 335,592
Supplies and materials	4,792	4,792	48,507	(43,715)	37,735
Capital outlay	-	-	1,957	(1,957)	-
Total	<u>525,952</u>	<u>525,952</u>	<u>459,287</u>	<u>66,665</u>	<u>373,327</u>
Internal services					
Salaries	958	958	105	853	630
Employee benefits	-	-	113	(113)	9
Purchased services	1,404	1,404	1,872	(468)	1,404
Supplies and materials	<u>1,368</u>	<u>1,368</u>	<u>3,130</u>	<u>(1,762)</u>	<u>2,940</u>
Total	<u>3,730</u>	<u>3,730</u>	<u>5,220</u>	<u>(1,490)</u>	<u>4,983</u>
Total business	<u>1,394,607</u>	<u>1,394,607</u>	<u>1,470,675</u>	<u>(76,068)</u>	<u>1,441,086</u>
Central					
Direction of central support services					
Employee benefits	<u>5,368,193</u>	<u>-</u>	<u>597</u>	<u>(597)</u>	<u>1,097</u>
Total	<u>5,368,193</u>	<u>-</u>	<u>597</u>	<u>(597)</u>	<u>1,097</u>
Information services					
Salaries	80,372	80,372	85,279	(4,907)	78,797
Employee benefits	6,873	6,873	16,506	(9,633)	16,303
Purchased services	42,000	42,000	63,306	(21,306)	226,070
Supplies and materials	1,000	1,000	3,912	(2,912)	3,957
Capital outlay	5,000	5,000	-	5,000	1,041
Other objects	<u>40,000</u>	<u>40,000</u>	<u>1,960</u>	<u>38,040</u>	<u>1,656</u>
Total	<u>175,245</u>	<u>175,245</u>	<u>170,963</u>	<u>4,282</u>	<u>327,824</u>
Staff services					
Salaries	461,762	461,762	534,015	(72,253)	501,787
Employee benefits	35,882	35,882	87,777	(51,895)	85,153
Purchased services	273,000	273,000	198,702	74,298	186,474
Supplies and materials	15,000	15,000	15,064	(64)	19,788
Other objects	<u>-</u>	<u>-</u>	<u>500</u>	<u>(500)</u>	<u>-</u>
Total	<u>785,644</u>	<u>785,644</u>	<u>836,058</u>	<u>(50,414)</u>	<u>793,202</u>
Total central	<u>6,329,082</u>	<u>960,889</u>	<u>1,007,618</u>	<u>(46,729)</u>	<u>1,122,123</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Other supporting services					
Salaries	\$ 13,882	\$ 13,882	\$ 4,967	\$ 8,915	\$ 7,862
Employee benefits	-	-	1,606	(1,606)	-
Purchased services	101,488	101,488	-	101,488	868
Supplies and materials	<u>525</u>	<u>525</u>	<u>1,771</u>	<u>(1,246)</u>	<u>415</u>
Total	<u>115,895</u>	<u>115,895</u>	<u>8,344</u>	<u>107,551</u>	<u>9,145</u>
Total support services	<u>23,841,347</u>	<u>18,473,154</u>	<u>18,897,736</u>	<u>(424,582)</u>	<u>18,537,292</u>
Community services					
Salaries	1,278	1,278	4,024	(2,746)	87,113
Employee benefits	110	110	439	(329)	8,608
Purchased services	571	571	-	571	6,750
Supplies and materials	<u>29,125</u>	<u>29,125</u>	<u>1,801</u>	<u>27,324</u>	<u>25,148</u>
Total community services	<u>31,084</u>	<u>31,084</u>	<u>6,264</u>	<u>24,820</u>	<u>127,619</u>
Payments to other districts and governmental units					
Payments for special education programs					
Purchased services	<u>-</u>	<u>-</u>	<u>384,815</u>	<u>(384,815)</u>	<u>241,377</u>
Total	<u>-</u>	<u>-</u>	<u>384,815</u>	<u>(384,815)</u>	<u>241,377</u>
Other payments to in-state governmental units					
Other objects	<u>-</u>	<u>-</u>	<u>37,058</u>	<u>(37,058)</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>37,058</u>	<u>(37,058)</u>	<u>-</u>
Payments for special education programs - tuition					
Other objects	<u>2,133,000</u>	<u>2,133,000</u>	<u>1,545,664</u>	<u>587,336</u>	<u>1,734,888</u>
Total	<u>2,133,000</u>	<u>2,133,000</u>	<u>1,545,664</u>	<u>587,336</u>	<u>1,734,888</u>
Total payments to other districts and governmental units	<u>2,133,000</u>	<u>2,133,000</u>	<u>1,967,537</u>	<u>165,463</u>	<u>1,976,265</u>
Total expenditures	<u>60,839,567</u>	<u>60,839,567</u>	<u>56,734,776</u>	<u>4,104,791</u>	<u>54,819,318</u>
Excess (deficiency) of revenues over expenditures	<u>1,727,023</u>	<u>1,727,023</u>	<u>7,888,513</u>	<u>6,161,490</u>	<u>8,710,539</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Other financing sources (uses)					
Permanent transfer from working cash fund - abatement	\$ -	\$ (10,000,000)	\$ (10,000,000)	\$ -	\$ -
Transfer among funds	-	-	-	-	(4,000,000)
Total other financing sources (uses)	-	(10,000,000)	(10,000,000)	-	(4,000,000)
Net change in fund balance	<u>\$ 1,727,023</u>	<u>\$ (8,272,977)</u>	(2,111,487)	<u>\$ 6,161,490</u>	4,710,539
Fund balance, beginning of year			45,128,061		40,417,522
Fund balance, end of year			<u>\$ 43,016,574</u>		<u>\$ 45,128,061</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
OPERATIONS AND MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

WWW.COMPTONWATERWORKS.COM FOR THE YEAR ENDED JUNE 30, 2019

	2020				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2019 ACTUAL
Revenues					
Local sources					
General levy	\$ 11,972,979	\$ 11,972,979	\$ 11,964,360	\$ (8,619)	\$ 12,612,312
Corporate personal property replacement taxes	28,000	28,000	72,880	44,880	67,655
Investment income	106,762	106,762	217,254	110,492	207,110
Rentals	50,000	50,000	24,410	(25,590)	34,063
Impact fees from municipal or county governments	-	-	269,297	269,297	9,975
Other	-	-	341,522	341,522	89,592
Total local sources	12,157,741	12,157,741	12,889,723	731,982	13,020,707
State sources					
School infrastructure - maintenance projects	-	-	50,000	50,000	-
Total state sources	-	-	50,000	50,000	-
Total revenues	12,157,741	12,157,741	12,939,723	781,982	13,020,707
Expenditures					
Support services					
Business					
Operation and maintenance of plant services					
Salaries	1,244,001	1,244,001	1,088,694	155,307	1,234,812
Employee benefits	27,847	27,847	153,409	(125,562)	161,040
Purchased services	4,241,750	4,241,750	4,205,581	36,169	5,058,860
Supplies and materials	1,490,000	1,490,000	1,153,840	336,160	1,739,103
Capital outlay	2,870,000	2,870,000	2,206,126	663,874	2,013,677
Total	9,873,598	9,873,598	8,807,650	1,065,948	10,207,492
Total business	9,873,598	9,873,598	8,807,650	1,065,948	10,207,492
Total support services	9,873,598	9,873,598	8,807,650	1,065,948	10,207,492
Total expenditures	9,873,598	9,873,598	8,807,650	1,065,948	10,207,492
Excess (deficiency) of revenues over expenditures	2,284,143	2,284,143	4,132,073	1,847,930	2,813,215

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

OPERATIONS AND MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020					2019
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		ACTUAL
Other financing sources (uses)						
Transfer among funds	\$ -	\$ -	\$ -	\$ -	\$	4,000,000
Transfer to pay principal on revenue bonds	-	(1,720,000)	(1,720,000)	-		-
Transfer to pay interest on revenue bonds	-	(2,143,388)	(2,143,388)	-		(458,447)
Transfer to capital projects fund	-	-	-	-		(4,000,000)
Total other financing sources (uses)	-	(3,863,388)	(3,863,388)	-		(458,447)
Net change in fund balance	<u>\$ 2,284,143</u>	<u>\$ (1,579,245)</u>	268,685	<u>\$ 1,847,930</u>		2,354,768
Fund balance, beginning of year			<u>5,797,689</u>			<u>3,442,921</u>
Fund balance, end of year			<u>\$ 6,066,374</u>			<u>\$ 5,797,689</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020					2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		
Revenues						
Local sources						
General levy	\$ 3,166,396	\$ 3,166,396	\$ 3,164,117	\$ (2,279)	\$	2,324,631
Corporate personal property replacement taxes	94,000	94,000	116,607	22,607		108,247
Regular transportation fees from pupils or parents	25,000	25,000	24,523	(477)		33,616
Investment income	37,692	37,692	84,160	46,468		44,508
Other	-	-	-	-		50
Total local sources	<u>3,323,088</u>	<u>3,323,088</u>	<u>3,389,407</u>	<u>66,319</u>		<u>2,511,052</u>
State sources						
Transportation - regular/vocational	15,000	15,000	144,855	129,855		654,842
Transportation - special education	<u>500,000</u>	<u>500,000</u>	<u>976,347</u>	<u>476,347</u>		<u>660,647</u>
Total state sources	<u>515,000</u>	<u>515,000</u>	<u>1,121,202</u>	<u>606,202</u>		<u>1,315,489</u>
Total revenues	<u>3,838,088</u>	<u>3,838,088</u>	<u>4,510,609</u>	<u>672,521</u>		<u>3,826,541</u>
Expenditures						
Support Services						
Pupils						
Other support services - pupils						
Purchased services	<u>30,000</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>		<u>-</u>
Total	<u>30,000</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>		<u>-</u>
Total pupils	<u>30,000</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>		<u>-</u>
Business						
Pupil transportation services						
Salaries	75,629	75,629	84,276	(8,647)		79,630
Employee benefits	3,930	3,930	12,432	(8,502)		12,816
Purchased services	3,786,577	3,786,577	3,867,928	(81,351)		3,469,502
Supplies and materials	<u>3,000</u>	<u>3,000</u>	<u>25,248</u>	<u>(22,248)</u>		<u>7,753</u>
Total	<u>3,869,136</u>	<u>3,869,136</u>	<u>3,989,884</u>	<u>(120,748)</u>		<u>3,569,701</u>
Total business	<u>3,869,136</u>	<u>3,869,136</u>	<u>3,989,884</u>	<u>(120,748)</u>		<u>3,569,701</u>
Total support services	<u>3,899,136</u>	<u>3,899,136</u>	<u>3,989,884</u>	<u>(90,748)</u>		<u>3,569,701</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Total expenditures	\$ 3,899,136	\$ 3,899,136	\$ 3,989,884	\$ (90,748)	\$ 3,569,701
Net change in fund balance	<u>\$ (61,048)</u>	<u>\$ (61,048)</u>	520,725	<u>\$ 581,773</u>	256,840
Fund balance, beginning of year			<u>2,470,170</u>		<u>2,213,330</u>
Fund balance, end of year			<u>\$ 2,990,895</u>		<u>\$ 2,470,170</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE TOTAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019						
	2020					2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		
Revenues						
Local sources						
General levy	\$ 692,655	\$ 692,655	\$ 692,156	\$ (499)	\$ 588,576	
Social security/Medicare only levy	692,655	692,655	692,156	(499)	588,576	
Corporate personal property replacement taxes	440,000	440,000	539,307	99,307	498,106	
Investment income	<u>33,403</u>	<u>33,403</u>	<u>84,637</u>	<u>51,234</u>	<u>69,859</u>	
Total local sources	<u>1,858,713</u>	<u>1,858,713</u>	<u>2,008,256</u>	<u>149,543</u>	<u>1,745,117</u>	
Total revenues	<u>1,858,713</u>	<u>1,858,713</u>	<u>2,008,256</u>	<u>149,543</u>	<u>1,745,117</u>	
Expenditures						
Instruction						
Regular programs	574,762	574,762	291,104	283,658	263,691	
Pre-K programs	103	103	64,566	(64,463)	72,985	
Special education programs	282,249	282,249	239,225	43,024	218,658	
Special education programs Pre-K	715	715	728	(13)	-	
Remedial and supplemental programs K - 12	7,689	7,689	13,704	(6,015)	9,846	
Remedial and supplemental programs Pre - K	818	818	-	818	-	
Summer school programs	4,110	4,110	2,911	1,199	4,262	
Gifted programs	9,766	9,766	9,782	(16)	9,511	
Bilingual programs	<u>77,360</u>	<u>77,360</u>	<u>73,291</u>	<u>4,069</u>	<u>69,813</u>	
Total instruction	<u>957,572</u>	<u>957,572</u>	<u>695,311</u>	<u>262,261</u>	<u>648,766</u>	
Support services						
Pupils						
Guidance services	15,291	15,291	16,589	(1,298)	15,494	
Health services	102,313	102,313	70,808	31,505	72,513	
Psychological services	11,875	11,875	11,922	(47)	10,848	
Speech pathology and audiology services	20,397	20,397	16,048	4,349	15,805	
Other support services - pupils	<u>8,210</u>	<u>8,210</u>	<u>5,085</u>	<u>3,125</u>	<u>5,139</u>	
Total pupils	<u>158,086</u>	<u>158,086</u>	<u>120,452</u>	<u>37,634</u>	<u>119,799</u>	

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020					2019
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		ACTUAL
Instructional staff						
Improvement of instructional staff	\$ 23,057	\$ 23,057	\$ 17,544	\$ 5,513	\$	19,205
Educational media services	<u>106,178</u>	<u>106,178</u>	<u>90,295</u>	<u>15,883</u>		<u>100,653</u>
Total instructional staff	<u>129,235</u>	<u>129,235</u>	<u>107,839</u>	<u>21,396</u>		<u>119,858</u>
General administration						
Board of education services	-	-	490	(490)		-
Executive administration services	<u>27,979</u>	<u>27,979</u>	<u>24,383</u>	<u>3,596</u>		<u>24,022</u>
Total general administration	<u>27,979</u>	<u>27,979</u>	<u>24,873</u>	<u>3,106</u>		<u>24,022</u>
School administration						
Office of the principal services	<u>113,095</u>	<u>113,095</u>	<u>126,571</u>	<u>(13,476)</u>		<u>115,524</u>
Total school administration	<u>113,095</u>	<u>113,095</u>	<u>126,571</u>	<u>(13,476)</u>		<u>115,524</u>
Business						
Direction of business support services	64,463	64,463	71,269	(6,806)		62,428
Fiscal services	54,234	54,234	47,390	6,844		55,533
Operations and maintenance of plant services	231,052	231,052	189,842	41,210		215,124
Pupil transportation services	15,172	15,172	14,608	564		14,842
Internal services	<u>14</u>	<u>14</u>	<u>1</u>	<u>13</u>		<u>9</u>
Total business	<u>364,935</u>	<u>364,935</u>	<u>323,110</u>	<u>41,825</u>		<u>347,936</u>
Central						
Information services	15,567	15,567	16,499	(932)		15,163
Staff services	<u>37,577</u>	<u>37,577</u>	<u>35,084</u>	<u>2,493</u>		<u>36,030</u>
Total central	<u>53,144</u>	<u>53,144</u>	<u>51,583</u>	<u>1,561</u>		<u>51,193</u>
Other supporting services	<u>2,253</u>	<u>2,253</u>	<u>824</u>	<u>1,429</u>		<u>1,486</u>
Total support services	<u>848,727</u>	<u>848,727</u>	<u>755,252</u>	<u>93,475</u>		<u>779,818</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2020
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Community services	\$ 91	\$ 91	\$ 315	\$ (224)	\$ 2,964
Total expenditures	<u>1,806,390</u>	<u>1,806,390</u>	<u>1,450,878</u>	<u>355,512</u>	<u>1,431,548</u>
Net change in fund balance	<u>\$ 52,323</u>	<u>\$ 52,323</u>	557,378	<u>\$ 505,055</u>	313,569
Fund balance, beginning of year			<u>3,290,896</u>		<u>2,977,327</u>
Fund balance, end of year			<u>\$ 3,848,274</u>		<u>\$ 3,290,896</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

Except for the exclusion of on-behalf payments from other governments, discussed below, the budgeted amounts for the Governmental Funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

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

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of an resolution. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.
4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
6. All budget appropriations lapse at the end of the fiscal year.

The Board of Education amended the budget on June 30, 2020.

Budget Reconciliations

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

	<i>Revenues</i>	<i>Expenditures</i>
General Fund Budgetary Basis	\$ 64,623,289	\$ 56,734,776
To adjust for on-behalf payments received	16,817,921	-
To adjust for on-behalf payments made	<u>-</u>	<u>16,817,921</u>
General Fund GAAP Basis	<u><u>\$ 81,441,210</u></u>	<u><u>\$ 73,552,697</u></u>

Excess of Expenditures over Budget

For the year ended June 30, 2020, expenditures exceeded budget in the Transportation Funds by \$90,748. These excesses were funded by available financial resources.

See Auditors' Report

NORTH SHORE SCHOOL DISTRICT 112

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2019 ACTUAL
Revenues					
Local sources					
Investment income	\$ -	\$ -	\$ 25,038	\$ 25,038	\$ 667
Total local sources	-	-	25,038	25,038	667
Total revenues	-	-	25,038	25,038	667
Expenditures					
Debt services					
Payments on long term debt					
Interest on long term debt	3,863,388	2,143,388	2,143,388	-	458,447
Principal payments on long term debt	-	1,720,000	1,720,000	-	-
Total	3,863,388	3,863,388	3,863,388	-	458,447
Other debt service					
Purchased services	-	-	475	(475)	608,507
Total	-	-	475	(475)	608,507
Total debt services	3,863,388	3,863,388	3,863,863	(475)	1,066,954
Total expenditures	3,863,388	3,863,388	3,863,863	(475)	1,066,954
Excess (deficiency) of revenues over expenditures	(3,863,388)	(3,863,388)	(3,838,825)	24,563	(1,066,287)
Other financing sources (uses)					
Principal on bonds sold	-	-	-	-	608,507
Transfer to pay principal on revenue bonds	-	1,720,000	1,720,000	-	-
Transfer to pay interest on revenue bonds	-	2,143,388	2,143,388	-	458,447
Total other financing sources (uses)	-	3,863,388	3,863,388	-	1,066,954
Net change in fund balance	\$ (3,863,388)	\$ -	24,563	\$ 24,563	667
Fund balance, beginning of year			37,375		36,708
Fund balance, end of year			\$ 61,938		\$ 37,375

NORTH SHORE SCHOOL DISTRICT 112

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020					2019
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		ACTUAL
Revenues						
Local sources						
Investment income	\$ 5,361	\$ 5,361	\$ 1,231,044	\$ 1,225,683	\$ 308,537	
Other	-	-	-	-	13,750	
Total local sources	<u>5,361</u>	<u>5,361</u>	<u>1,231,044</u>	<u>1,225,683</u>	<u>322,287</u>	
Total revenues	<u>5,361</u>	<u>5,361</u>	<u>1,231,044</u>	<u>1,225,683</u>	<u>322,287</u>	
Expenditures						
Support services						
Business						
Facilities acquisition and construction service						
Capital outlay	<u>19,899,048</u>	<u>19,899,048</u>	<u>17,291,052</u>	<u>2,607,996</u>	<u>6,349,893</u>	
Total	<u>19,899,048</u>	<u>19,899,048</u>	<u>17,291,052</u>	<u>2,607,996</u>	<u>6,349,893</u>	
Total business	<u>19,899,048</u>	<u>19,899,048</u>	<u>17,291,052</u>	<u>2,607,996</u>	<u>6,349,893</u>	
Total support services	<u>19,899,048</u>	<u>19,899,048</u>	<u>17,291,052</u>	<u>2,607,996</u>	<u>6,349,893</u>	
Total expenditures	<u>19,899,048</u>	<u>19,899,048</u>	<u>17,291,052</u>	<u>2,607,996</u>	<u>6,349,893</u>	
Excess (deficiency) of revenues over expenditures	<u>(19,893,687)</u>	<u>(19,893,687)</u>	<u>(16,060,008)</u>	<u>3,833,679</u>	<u>(6,027,606)</u>	
Other financing sources (uses)						
Permanent transfer from working cash fund - abolishment	-	10,000,000	10,000,000	-	-	
Principal on bonds sold	-	-	-	-	50,336,493	
Premium on bonds sold	-	-	-	-	4,666,408	
Transfer to capital projects fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,000,000</u>	
Total other financing sources (uses)	<u>-</u>	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>59,002,901</u>	
Net change in fund balance	<u>\$ (19,893,687)</u>	<u>\$ (9,893,687)</u>	<u>(6,060,008)</u>	<u>\$ 3,833,679</u>	<u>52,975,295</u>	
Fund balance, beginning of year			<u>52,975,571</u>		<u>276</u>	
Fund balance, end of year			<u>\$ 46,915,563</u>		<u>\$ 52,975,571</u>	

NORTH SHORE SCHOOL DISTRICT 112**GENERAL FUND****COMBINING BALANCE SHEET****AS OF JUNE 30, 2020**

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
Assets			
Cash and investments	\$ 66,252,519	\$ 4,963,482	\$ 71,216,001
Receivables:			
Interest	76,830	-	76,830
Property taxes	33,105,658	2,854	33,108,512
Intergovernmental	904,524	-	904,524
Accounts	26,568	-	26,568
Prepaid items	47,699	-	47,699
Total assets	<u>\$ 100,413,798</u>	<u>\$ 4,966,336</u>	<u>\$ 105,380,134</u>
Liabilities, deferred inflows of resources, and fund balance			
Liabilities			
Accounts payable	\$ 402,072	\$ -	\$ 402,072
Salaries and wages payable	4,054,828	-	4,054,828
Other current liabilities	2,939	-	2,939
Payroll deductions payable	8,816	-	8,816
Unearned student fees	229,443	-	229,443
Total liabilities	<u>4,698,098</u>	<u>-</u>	<u>4,698,098</u>
Deferred inflows of resources			
Property taxes levied for a future period	57,647,516	4,970	57,652,486
Unavailable state and federal aid receivable	399	-	399
Unavailable interest receivable	12,577	-	12,577
Total deferred inflows of resources	<u>57,660,492</u>	<u>4,970</u>	<u>57,665,462</u>
Fund balance			
Nonspendable	47,699	-	47,699
Unassigned	38,007,509	4,961,366	42,968,875
Total fund balance	<u>38,055,208</u>	<u>4,961,366</u>	<u>43,016,574</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 100,413,798</u>	<u>\$ 4,966,336</u>	<u>\$ 105,380,134</u>

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2020

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
Revenues			
Property taxes	\$ 55,075,640	\$ 5,947	\$ 55,081,587
State aid	20,230,655	-	20,230,655
Federal aid	2,777,614	-	2,777,614
Investment income	1,528,773	127,602	1,656,375
Other	<u>1,694,979</u>	<u>-</u>	<u>1,694,979</u>
Total revenues	<u>81,307,661</u>	<u>133,549</u>	<u>81,441,210</u>
Expenditures			
Current:			
Instruction:			
Regular programs	22,151,234	-	22,151,234
Special programs	7,748,970	-	7,748,970
Other instructional programs	5,939,869	-	5,939,869
State retirement contributions	16,817,921	-	16,817,921
Support Services:			
Pupils	4,848,886	-	4,848,886
Instructional staff	5,695,394	-	5,695,394
General administration	1,940,151	-	1,940,151
School administration	2,961,837	-	2,961,837
Business	1,459,989	-	1,459,989
Operations and maintenance	7,953	-	7,953
Central	1,007,618	-	1,007,618
Other supporting services	8,344	-	8,344
Community services	6,264	-	6,264
Payments to other districts and gov't units	1,967,537	-	1,967,537
Capital outlay	<u>990,730</u>	<u>-</u>	<u>990,730</u>
Total expenditures	<u>73,552,697</u>	<u>-</u>	<u>73,552,697</u>
Excess (deficiency) of revenues over expenditures	<u>7,754,964</u>	<u>133,549</u>	<u>7,888,513</u>
Other financing sources (uses)			
Transfers (out)	<u>-</u>	<u>(10,000,000)</u>	<u>(10,000,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>(10,000,000)</u>	<u>(10,000,000)</u>
Net change in fund balance	7,754,964	(9,866,451)	(2,111,487)
Fund balance, beginning of year	<u>30,300,244</u>	<u>14,827,817</u>	<u>45,128,061</u>
Fund balance, end of year	<u>\$ 38,055,208</u>	<u>\$ 4,961,366</u>	<u>\$ 43,016,574</u>

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues					
Local sources					
General levy	\$ 54,422,656	\$ 54,422,656	\$ 54,383,484	\$ (39,172)	\$ 52,876,255
Special education levy	692,655	692,655	692,156	(499)	603,412
Investment income	572,649	572,649	1,528,773	956,124	1,621,756
Sales to pupils - lunch	-	-	16,228	16,228	34,152
Other food service	30,000	30,000	-	(30,000)	-
Refund of prior years' expenditures	-	-	481,158	481,158	48,970
Proceeds from vendor contracts	-	-	46,993	46,993	-
Other local fees	350,000	350,000	595,689	245,689	597,483
Other	<u>623,618</u>	<u>623,618</u>	<u>554,911</u>	<u>(68,707)</u>	<u>694,138</u>
Total local sources	<u>56,691,578</u>	<u>56,691,578</u>	<u>58,299,392</u>	<u>1,607,814</u>	<u>56,476,166</u>
State sources					
Evidence based funding	3,357,390	3,357,390	3,365,702	8,312	3,361,213
Special education - private facility tuition	236,200	236,200	42,355	(193,845)	172,862
Special education - orphanage - individual	20,000	20,000	-	(20,000)	86,333
State free lunch & breakfast	1,100	1,100	4,677	3,577	5,723
School breakfast initiative	4,100	4,100	-	(4,100)	-
Early childhood - block grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>505,000</u>
Total state sources	<u>3,618,790</u>	<u>3,618,790</u>	<u>3,412,734</u>	<u>(206,056)</u>	<u>4,131,131</u>

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020					2019
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL	
Federal sources						
Federal impact aid	\$ 200,000	\$ 200,000	\$ 238,853	\$ 38,853	\$ 270,868	
National school lunch program	130,000	130,000	245,801	115,801	267,320	
Special milk program	18,000	18,000	7,597	(10,403)	13,227	
School breakfast program	30,000	30,000	55,497	25,497	43,649	
Food service - other	-	-	48,574	48,574	-	
Title I - Low income	429,185	429,185	478,646	49,461	517,445	
Federal - special education - preschool flow-through	25,000	25,000	24,060	(940)	31,518	
Federal - special education - IDEA - flow-through/low incident	927,199	927,199	923,711	(3,488)	786,926	
Federal - special education - IDEA - room & board	31,000	31,000	48,183	17,183	132,448	
Title III - English language acquisition	77,000	77,000	70,288	(6,712)	122,512	
Title II - Teacher quality	85,755	85,755	95,156	9,401	113,348	
Medicaid matching funds - administrative outreach	23,000	23,000	62,480	39,480	36,796	
Medicaid matching funds - fee-for-service program	30,000	30,000	96,741	66,741	106,765	
Other restricted revenue from federal sources	-	-	382,027	382,027	33,168	
Total federal sources	2,006,139	2,006,139	2,777,614	771,475	2,475,990	
Total revenues	62,316,507	62,316,507	64,489,740	2,173,233	63,083,287	
Expenditures						
Instruction						
Regular programs						
Salaries	20,312,890	20,312,890	18,714,067	1,598,823	17,644,265	
Employee benefits	211,984	5,580,177	2,722,165	2,858,012	2,868,959	
Purchased services	686,319	686,319	88,724	597,595	161,354	
Supplies and materials	598,432	598,432	626,278	(27,846)	490,971	
Capital outlay	160,000	160,000	14,602	145,398	39,279	
Total	21,969,625	27,337,818	22,165,836	5,171,982	21,204,828	
Pre-K programs						
Salaries	-	-	774,122	(774,122)	831,460	
Employee benefits	107	107	158,959	(158,852)	41,625	
Purchased services	7,000	7,000	1,736	5,264	1,333	
Supplies and materials	20,000	20,000	5,529	14,471	730	
Capital outlay	-	-	-	-	547	
Total	27,107	27,107	940,346	(913,239)	875,695	

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Special education programs					
Salaries	\$ 5,677,293	\$ 5,677,293	\$ 5,275,817	\$ 401,476	\$ 4,967,329
Employee benefits	56,993	56,993	720,774	(663,781)	657,639
Purchased services	286,500	286,500	271,638	14,862	164,133
Supplies and materials	80,000	80,000	85,291	(5,291)	91,630
Capital outlay	15,000	15,000	8,564	6,436	95,831
Other objects	2,000	2,000	716	1,284	2,340
Total	<u>6,117,786</u>	<u>6,117,786</u>	<u>6,362,800</u>	<u>(245,014)</u>	<u>5,978,902</u>
Special education programs Pre-K					
Salaries	58,531	58,531	50,675	7,856	24,246
Employee benefits	720	720	7,529	(6,809)	7,173
Purchased services	100	100	-	100	-
Supplies and materials	<u>40,000</u>	<u>40,000</u>	<u>48,493</u>	<u>(8,493)</u>	<u>78,830</u>
Total	<u>99,351</u>	<u>99,351</u>	<u>106,697</u>	<u>(7,346)</u>	<u>110,249</u>
Remedial and supplemental programs K - 12					
Salaries	767,098	767,098	998,982	(231,884)	709,142
Employee benefits	<u>8,673</u>	<u>8,673</u>	<u>111,207</u>	<u>(102,534)</u>	<u>100,396</u>
Total	<u>775,771</u>	<u>775,771</u>	<u>1,110,189</u>	<u>(334,418)</u>	<u>809,538</u>
Remedial and supplemental programs Pre - K					
Salaries	57,629	57,629	-	57,629	-
Employee benefits	<u>841</u>	<u>841</u>	<u>-</u>	<u>841</u>	<u>6,704</u>
Total	<u>58,470</u>	<u>58,470</u>	<u>-</u>	<u>58,470</u>	<u>6,704</u>
Summer school programs					
Salaries	108,508	108,508	95,094	13,414	121,645
Employee benefits	2,467	2,467	18,899	(16,432)	4,751
Supplies and materials	<u>150</u>	<u>150</u>	<u>-</u>	<u>150</u>	<u>-</u>
Total	<u>111,125</u>	<u>111,125</u>	<u>113,993</u>	<u>(2,868)</u>	<u>126,396</u>
Gifted programs					
Salaries	662,366	662,366	683,648	(21,282)	663,633
Employee benefits	<u>29,101</u>	<u>29,101</u>	<u>86,849</u>	<u>(57,748)</u>	<u>102,991</u>
Total	<u>691,467</u>	<u>691,467</u>	<u>770,497</u>	<u>(79,030)</u>	<u>766,624</u>

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Bilingual programs					
Salaries	\$ 4,255,708	\$ 4,255,708	\$ 3,608,670	\$ 647,038	\$ 3,505,541
Employee benefits	<u>41,646</u>	<u>41,646</u>	<u>506,363</u>	<u>(464,717)</u>	<u>522,340</u>
Total	<u>4,297,354</u>	<u>4,297,354</u>	<u>4,115,033</u>	<u>182,321</u>	<u>4,027,881</u>
Special education programs K -12 - private tuition					
Other objects	<u>686,080</u>	<u>686,080</u>	<u>177,848</u>	<u>508,232</u>	<u>271,325</u>
Total	<u>686,080</u>	<u>686,080</u>	<u>177,848</u>	<u>508,232</u>	<u>271,325</u>
Total instruction	<u>34,834,136</u>	<u>40,202,329</u>	<u>35,863,239</u>	<u>4,339,090</u>	<u>34,178,142</u>
Support services					
Pupils					
Guidance services					
Salaries	1,185,290	1,185,290	1,219,938	(34,648)	1,138,943
Employee benefits	<u>16,439</u>	<u>16,439</u>	<u>151,431</u>	<u>(134,992)</u>	<u>155,000</u>
Total	<u>1,201,729</u>	<u>1,201,729</u>	<u>1,371,369</u>	<u>(169,640)</u>	<u>1,293,943</u>
Health services					
Salaries	599,884	599,884	472,509	127,375	498,426
Employee benefits	1,030	1,030	70,433	(69,403)	56,011
Purchased services	5,699	5,699	30,453	(24,754)	61,534
Supplies and materials	5,000	5,000	13,358	(8,358)	4,136
Capital outlay	<u>2,500</u>	<u>2,500</u>	<u>19,803</u>	<u>(17,303)</u>	<u>1,949</u>
Total	<u>614,113</u>	<u>614,113</u>	<u>606,556</u>	<u>7,557</u>	<u>622,056</u>
Psychological services					
Salaries	913,007	913,007	837,157	75,850	759,804
Employee benefits	11,891	11,891	118,131	(106,240)	117,529
Purchased services	5,000	5,000	6,200	(1,200)	1,600
Supplies and materials	<u>10,000</u>	<u>10,000</u>	<u>7,227</u>	<u>2,773</u>	<u>7,505</u>
Total	<u>939,898</u>	<u>939,898</u>	<u>968,715</u>	<u>(28,817)</u>	<u>886,438</u>
Speech pathology and audiology services					
Salaries	1,693,420	1,693,420	1,344,107	349,313	1,476,022
Employee benefits	20,966	20,966	137,772	(116,806)	194,053
Purchased services	5,000	5,000	2,350	2,650	292
Supplies and materials	<u>8,000</u>	<u>8,000</u>	<u>566</u>	<u>7,434</u>	<u>3,297</u>
Total	<u>1,727,386</u>	<u>1,727,386</u>	<u>1,484,795</u>	<u>242,591</u>	<u>1,673,664</u>

NORTH SHORE SCHOOL DISTRICT 112
EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Other support services - pupils					
Salaries	\$ 640,617	\$ 640,617	\$ 325,583	\$ 315,034	\$ 312,832
Employee benefits	52,674	52,674	111,002	(58,328)	126,079
Supplies and materials	-	-	669	(669)	-
Total	<u>693,291</u>	<u>693,291</u>	<u>437,254</u>	<u>256,037</u>	<u>438,911</u>
Total pupils	<u>5,176,417</u>	<u>5,176,417</u>	<u>4,868,689</u>	<u>307,728</u>	<u>4,915,012</u>
Instructional staff					
Improvement of instructional services					
Salaries	1,216,170	1,216,170	571,817	644,353	593,549
Employee benefits	187,722	187,722	229,410	(41,688)	214,213
Purchased services	1,039,014	1,039,014	1,353,742	(314,728)	1,669,982
Supplies and materials	436,925	436,925	660,130	(223,205)	883,140
Capital outlay	-	-	87,314	(87,314)	-
Other objects	-	-	-	-	2,025
Total	<u>2,879,831</u>	<u>2,879,831</u>	<u>2,902,413</u>	<u>(22,582)</u>	<u>3,362,909</u>
Educational media services					
Salaries	1,382,743	1,382,743	1,304,638	78,105	1,340,369
Employee benefits	39,305	39,305	195,683	(156,378)	141,463
Purchased services	927,022	927,022	899,045	27,977	869,966
Supplies and materials	354,000	354,000	478,646	(124,646)	321,618
Capital outlay	436,500	436,500	857,714	(421,214)	326,137
Other objects	2,400	2,400	2,283	117	1,069
Total	<u>3,141,970</u>	<u>3,141,970</u>	<u>3,738,009</u>	<u>(596,039)</u>	<u>3,000,622</u>
Assessment and testing					
Supplies and materials	<u>110,000</u>	<u>110,000</u>	-	<u>110,000</u>	-
Total	<u>110,000</u>	<u>110,000</u>	-	<u>110,000</u>	-
Total instructional staff	<u>6,131,801</u>	<u>6,131,801</u>	<u>6,640,422</u>	<u>(508,621)</u>	<u>6,363,531</u>
General administration					
Board of education services					
Employee benefits	4,010	4,010	99	3,911	2,891
Purchased services	895,000	895,000	695,508	199,492	600,663
Supplies and materials	500	500	7,555	(7,055)	1,817
Other objects	<u>50,000</u>	<u>50,000</u>	<u>17,410</u>	<u>32,590</u>	<u>30,738</u>
Total	<u>949,510</u>	<u>949,510</u>	<u>720,572</u>	<u>228,938</u>	<u>636,109</u>

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Executive administration services					
Salaries	\$ 499,250	\$ 499,250	\$ 426,247	\$ 73,003	\$ 415,162
Employee benefits	69,850	69,850	153,959	(84,109)	113,572
Purchased services	21,000	21,000	4,071	16,929	9,162
Supplies and materials	1,000	1,000	1,981	(981)	1,065
Other objects	<u>20,000</u>	<u>20,000</u>	<u>17,979</u>	<u>2,021</u>	<u>10,492</u>
Total	<u>611,100</u>	<u>611,100</u>	<u>604,237</u>	<u>6,863</u>	<u>549,453</u>
Tort immunity services					
Salaries	-	-	117,000	(117,000)	-
Purchased services	<u>842,262</u>	<u>842,262</u>	<u>498,342</u>	<u>343,920</u>	<u>547,232</u>
Total	<u>842,262</u>	<u>842,262</u>	<u>615,342</u>	<u>226,920</u>	<u>547,232</u>
Total general administration	<u>2,402,872</u>	<u>2,402,872</u>	<u>1,940,151</u>	<u>462,721</u>	<u>1,732,794</u>
School administration					
Office of the principal services					
Salaries	2,004,629	2,004,629	2,520,345	(515,716)	2,475,210
Employee benefits	269,744	269,744	433,571	(163,827)	473,376
Purchased services	<u>16,300</u>	<u>16,300</u>	<u>7,921</u>	<u>8,379</u>	<u>5,015</u>
Total	<u>2,290,673</u>	<u>2,290,673</u>	<u>2,961,837</u>	<u>(671,164)</u>	<u>2,953,601</u>
Total school administration	<u>2,290,673</u>	<u>2,290,673</u>	<u>2,961,837</u>	<u>(671,164)</u>	<u>2,953,601</u>
Business					
Direction of business support services					
Salaries	428,560	428,560	438,126	(9,566)	405,483
Employee benefits	22,142	22,142	102,698	(80,556)	73,575
Purchased services	-	-	20,553	(20,553)	52,774
Supplies and materials	-	-	23	(23)	4,729
Other objects	<u>-</u>	<u>-</u>	<u>2,190</u>	<u>(2,190)</u>	<u>4,808</u>
Total	<u>450,702</u>	<u>450,702</u>	<u>563,590</u>	<u>(112,888)</u>	<u>541,369</u>

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Fiscal services					
Salaries	\$ 261,547	\$ 261,547	\$ 258,506	\$ 3,041	\$ 306,443
Employee benefits	18,154	18,154	45,556	(27,402)	47,620
Purchased services	111,500	111,500	69,925	41,575	94,224
Supplies and materials	11,000	11,000	8,106	2,894	10,605
Capital outlay	5,000	5,000	776	4,224	-
Other objects	<u>7,000</u>	<u>7,000</u>	<u>51,756</u>	<u>(44,756)</u>	<u>59,999</u>
Total	<u>414,201</u>	<u>414,201</u>	<u>434,625</u>	<u>(20,424)</u>	<u>518,891</u>
Operation and maintenance of plant services					
Salaries	-	-	876	(876)	842
Employee benefits	22	22	13	9	13
Purchased services	<u>-</u>	<u>-</u>	<u>7,064</u>	<u>(7,064)</u>	<u>1,661</u>
Total	<u>22</u>	<u>22</u>	<u>7,953</u>	<u>(7,931)</u>	<u>2,516</u>
Food services					
Purchased services	521,160	521,160	408,823	112,337	335,592
Supplies and materials	4,792	4,792	48,507	(43,715)	37,735
Capital outlay	<u>-</u>	<u>-</u>	<u>1,957</u>	<u>(1,957)</u>	<u>-</u>
Total	<u>525,952</u>	<u>525,952</u>	<u>459,287</u>	<u>66,665</u>	<u>373,327</u>
Internal services					
Salaries	958	958	105	853	630
Employee benefits	-	-	113	(113)	9
Purchased services	1,404	1,404	1,872	(468)	1,404
Supplies and materials	<u>1,368</u>	<u>1,368</u>	<u>3,130</u>	<u>(1,762)</u>	<u>2,940</u>
Total	<u>3,730</u>	<u>3,730</u>	<u>5,220</u>	<u>(1,490)</u>	<u>4,983</u>
Total business	<u>1,394,607</u>	<u>1,394,607</u>	<u>1,470,675</u>	<u>(76,068)</u>	<u>1,441,086</u>
Central					
Direction of central support services					
Employee benefits	<u>5,368,193</u>	<u>-</u>	<u>597</u>	<u>(597)</u>	<u>1,097</u>
Total	<u>5,368,193</u>	<u>-</u>	<u>597</u>	<u>(597)</u>	<u>1,097</u>
Information services					
Salaries	80,372	80,372	85,279	(4,907)	78,797
Employee benefits	6,873	6,873	16,506	(9,633)	16,303
Purchased services	42,000	42,000	63,306	(21,306)	226,070
Supplies and materials	1,000	1,000	3,912	(2,912)	3,957
Capital outlay	5,000	5,000	-	5,000	1,041
Other objects	<u>40,000</u>	<u>40,000</u>	<u>1,960</u>	<u>38,040</u>	<u>1,656</u>
Total	<u>175,245</u>	<u>175,245</u>	<u>170,963</u>	<u>4,282</u>	<u>327,824</u>

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Staff services					
Salaries	\$ 461,762	\$ 461,762	\$ 534,015	\$ (72,253)	\$ 501,787
Employee benefits	35,882	35,882	87,777	(51,895)	85,153
Purchased services	273,000	273,000	198,702	74,298	186,474
Supplies and materials	15,000	15,000	15,064	(64)	19,788
Other objects	-	-	500	(500)	-
Total	<u>785,644</u>	<u>785,644</u>	<u>836,058</u>	<u>(50,414)</u>	<u>793,202</u>
Total central	<u>6,329,082</u>	<u>960,889</u>	<u>1,007,618</u>	<u>(46,729)</u>	<u>1,122,123</u>
Other supporting services					
Salaries	13,882	13,882	4,967	8,915	7,862
Employee benefits	-	-	1,606	(1,606)	-
Purchased services	101,488	101,488	-	101,488	868
Supplies and materials	<u>525</u>	<u>525</u>	<u>1,771</u>	<u>(1,246)</u>	<u>415</u>
Total	<u>115,895</u>	<u>115,895</u>	<u>8,344</u>	<u>107,551</u>	<u>9,145</u>
Total support services	<u>23,841,347</u>	<u>18,473,154</u>	<u>18,897,736</u>	<u>(424,582)</u>	<u>18,537,292</u>
Community services					
Salaries	1,278	1,278	4,024	(2,746)	87,113
Employee benefits	110	110	439	(329)	8,608
Purchased services	571	571	-	571	6,750
Supplies and materials	<u>29,125</u>	<u>29,125</u>	<u>1,801</u>	<u>27,324</u>	<u>25,148</u>
Total community services	<u>31,084</u>	<u>31,084</u>	<u>6,264</u>	<u>24,820</u>	<u>127,619</u>
Payments to other districts and governmental units					
Payments for special education programs					
Purchased services	-	-	384,815	(384,815)	241,377
Total	<u>-</u>	<u>-</u>	<u>384,815</u>	<u>(384,815)</u>	<u>241,377</u>
Other payments to in-state governmental units					
Other objects	-	-	37,058	(37,058)	-
Total	<u>-</u>	<u>-</u>	<u>37,058</u>	<u>(37,058)</u>	<u>-</u>

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL - NON-GAAP BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2020

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Payments for special education programs - tuition					
Other objects	\$ 2,133,000	\$ 2,133,000	\$ 1,545,664	\$ 587,336	\$ 1,734,888
Total	<u>2,133,000</u>	<u>2,133,000</u>	<u>1,545,664</u>	<u>587,336</u>	<u>1,734,888</u>
Total payments to other districts and governmental units	<u>2,133,000</u>	<u>2,133,000</u>	<u>1,967,537</u>	<u>165,463</u>	<u>1,976,265</u>
Total expenditures	<u>60,839,567</u>	<u>60,839,567</u>	<u>56,734,776</u>	<u>4,104,791</u>	<u>54,819,318</u>
Excess (deficiency) of revenues over expenditures	<u>1,476,940</u>	<u>1,476,940</u>	<u>7,754,964</u>	<u>6,278,024</u>	<u>8,263,969</u>
Other financing sources (uses)					
Transfer among funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,000,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,000,000)</u>
Net change in fund balance	<u>\$ 1,476,940</u>	<u>\$ 1,476,940</u>	<u>7,754,964</u>	<u>\$ 6,278,024</u>	<u>4,263,969</u>
Fund balance, beginning of year			<u>30,300,244</u>		<u>26,036,275</u>
Fund balance, end of year			<u>\$ 38,055,208</u>		<u>\$ 30,300,244</u>

NORTH SHORE SCHOOL DISTRICT 112

WORKING CASH ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2019

	2020				2019
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues					
Local sources					
General levy	\$ 5,951	\$ 5,951	\$ 5,947	\$ (4)	\$ 57,036
Investment income	<u>244,132</u>	<u>244,132</u>	<u>127,602</u>	<u>(116,530)</u>	<u>389,534</u>
Total local sources	<u>250,083</u>	<u>250,083</u>	<u>133,549</u>	<u>(116,534)</u>	<u>446,570</u>
Total revenues	<u>250,083</u>	<u>250,083</u>	<u>133,549</u>	<u>(116,534)</u>	<u>446,570</u>
Expenditures					
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)					
Permanent transfer from working cash fund - abatement	<u>-</u>	<u>(10,000,000)</u>	<u>(10,000,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(10,000,000)</u>	<u>(10,000,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 250,083</u>	<u>\$ (9,749,917)</u>	(9,866,451)	<u>\$ (116,534)</u>	446,570
Fund balance, beginning of year			<u>14,827,817</u>		<u>14,381,247</u>
Fund balance, end of year			<u>\$ 4,961,366</u>		<u>\$ 14,827,817</u>

NORTH SHORE SCHOOL DISTRICT 112
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND - STUDENT ACTIVITY FUNDS
YEAR ENDED JUNE 30, 2020

	BALANCE 7/1/2018	ADDITIONS	DELETIONS	BALANCE 6/30/2019
Assets				
Cash and Investments	<u>\$ 238,451</u>	<u>\$ 113,141</u>	<u>\$ (139,379)</u>	<u>\$ 212,213</u>
Liabilities				
Due to student groups				
Braeside	\$ 9,333	\$4,868	\$ (3,249)	\$ 10,952
Edgewood	27,020	24,110	(33,098)	18,032
Elm Place	4,616	-	-	4,616
Indian Trail	16,647	15,429	(12,742)	19,334
Lincoln	29,789	-	-	29,789
Northwood	13,469	35,043	(44,983)	3,529
Oak Terrace	10,688	2,060	(3,937)	8,811
Ravinia	38,452	14,405	(24,681)	28,176
Red Oak	5,590	5,664	(3,155)	8,099
Sherwood	41,837	2,404	(8,395)	35,846
Green Bay	(1,917)	1,180	(715)	(1,452)
Wayne Thomas	34,236	4,308	(3,304)	35,240
Interest	7,085	3,670	(1,120)	9,635
Leadership Team	<u>1,606</u>	<u>-</u>	<u>-</u>	<u>1,606</u>
Total Liabilities	<u>\$ 245,117</u>	<u>\$ 113,141</u>	<u>\$ (139,379)</u>	<u>\$ 212,213</u>

Statistical Section

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding of what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	86 - 97
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	98 - 101
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	102 - 105
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	106 - 109
Operating Information These schedules contain information about the District's services and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it	110 - 111

NORTH SHORE SCHOOL DISTRICT 112

Net Position by Component
Last Ten Fiscal Years

	Fiscal Year			
	<u>2020</u>	<u>2019</u>	<u>2018***</u>	<u>2017</u>
Governmental Activities:				
Net investment in capital assets	\$ 82,112,891	\$ 80,246,759	\$ 77,225,869	\$ 70,739,137
Restricted				
Operations and maintenance	3,649,258	4,305,936	1,901,116	1,334,784
Student transportation	1,866,272	1,570,837	1,655,424	2,188,423
Retirement benefits	793,175	990,281	991,833	1,409,808
Capital projects	-	-	-	-
Tort immunity	-	-	-	-
Debt service	33,708	33,708	33,708	33,708
Unrestricted (deficit)	<u>3,530,358</u>	<u>(6,477,011)</u>	<u>(8,954,459)</u>	<u>38,806,684</u>
Total net position	<u>\$ 91,985,662</u>	<u>\$ 80,670,510</u>	<u>\$ 72,853,491</u>	<u>\$ 114,512,544</u>

Note: Due to the implementation of GASB Statement No. 63 during fiscal year ended June 30, 2013, the District is now required to report net assets as net position.

* Net Position by component adjusted in 2013 due to restatement identified during fiscal year 2014 audit. Prior years not restated.

**Net Position restated due to GASB Statement No. 68 implementation as of June 30, 2014. Prior years not restated.

***Net Position restated due to GASB Statement No. 75 implementation as of June 30, 2017. Prior years not restated.

Fiscal Year					
<u>2016</u>	<u>2015**</u>	<u>2014</u>	<u>2013*</u>	<u>2012</u>	<u>2011</u>
\$ 67,998,467	\$ 68,680,537	\$ 64,808,837	\$ 63,122,681	\$ 57,079,378	\$ 54,337,116
1,707,408	1,729,994	4,147,494	4,071,621	2,512,058	-
1,903,340	1,802,912	1,346,866	-	587,395	749,893
1,164,837	1,813,653	1,942,691	1,592,970	1,129,517	953,535
1,536,694	80,089	1,547,521	154,394	142,468	179,587
-	-	203,055	625,757	826,292	776,297
2,406	2,406	643,106	2,137,013	2,026,575	2,097,395
<u>33,160,795</u>	<u>26,277,098</u>	<u>25,903,146</u>	<u>21,540,113</u>	<u>24,602,652</u>	<u>24,968,047</u>
<u>\$ 107,473,947</u>	<u>\$ 100,386,689</u>	<u>\$ 100,542,716</u>	<u>\$ 93,244,549</u>	<u>\$ 88,906,335</u>	<u>\$ 84,061,870</u>

NORTH SHORE SCHOOL DISTRICT 112

Changes in Net Position
Last Ten Fiscal Years

Expenses	Fiscal Year				
	2020	2019	2018	2017	2016
Governmental Activities:					
Instruction					
Regular Programs	\$ 23,337,480	\$ 22,715,295	\$ 23,867,323	\$ 24,769,383	\$ 25,768,271
Special Programs	10,229,019	9,461,508	9,998,574	10,005,498	10,618,189
Other Programs	6,051,864	6,356,340	6,802,804	5,662,970	4,489,402
State On-behalf Contributions to TRS	29,350,056	28,230,342	27,575,120	29,596,726	20,192,502
Support services					
Pupils	5,474,390	5,163,931	7,220,973	6,239,677	5,869,190
Instructional Staff	6,028,086	6,490,806	7,226,009	4,615,680	4,056,260
District Administration	2,173,984	2,045,035	1,431,123	1,551,617	1,731,554
School Administration	3,207,865	3,612,142	4,025,350	3,142,361	3,324,345
Business	1,698,450	1,690,192	1,523,766	1,510,867	1,467,777
Transportation	4,020,805	3,597,466	3,339,234	2,817,920	2,858,449
Operations and Maintenance	8,978,220	10,433,070	8,354,742	9,298,769	7,683,641
Central	1,110,769	1,201,309	1,228,281	1,175,479	1,034,870
Other Supporting Services	9,884	11,003	33,994	22,484	22,307
Community Services	7,526	187,741	33,773	61,748	38,037
Payments to other Districts and Government Units- excluding Special Education	37,058	-	-	65,168	-
Interest on Debt	1,891,095	1,163,702	-	-	-
Total Governmental Expenses	<u>103,606,551</u>	<u>102,359,882</u>	<u>102,661,066</u>	<u>100,536,347</u>	<u>89,154,794</u>
Program Revenues					
Governmental Activities					
Charges for Services:					
Instruction					
Regular Programs	1,492,122	1,395,013	648,625	1,099,583	1,023,967
Other Programs	-	-	1,571	38,018	8,105
Support Services					
Transportation	24,523	33,616	22,193	54,116	2,624
Business	16,228	34,152	33,523	34,813	48,458
Operations and Maintenance	24,410	34,063	88,625	97,997	46,906
Operating Grants and Contributions:					
Instruction					
Regular Programs	620,880	304,036	275,130	416,939	370,659
Special Programs	1,676,176	1,809,437	2,824,918	4,651,419	4,655,445
Other Programs	70,288	122,512	101,704	458,534	99,384
State On-behalf Contributions to TRS	29,350,056	28,230,342	27,575,120	29,596,726	20,192,502
Support services					
Pupils	-	-	-	-	-
Instructional Staff	95,156	113,348	131,058	172,027	128,787
Transportation	1,121,202	1,160,483	619,199	348,792	978,775
Business	361,890	330,167	307,190	718,150	311,252
Payments to other Districts and Government Units- excluding Special Education	-	-	-	12,000	-
Capital Grants and Contributions:					
Support services					
Operations and Maintenance	50,000	-	-	-	-
Total Government Program Revenues	<u>34,902,931</u>	<u>33,567,169</u>	<u>32,628,856</u>	<u>37,699,114</u>	<u>27,866,864</u>
Net (Expense) Revenue	<u>(68,703,620)</u>	<u>(68,792,713)</u>	<u>(70,032,210)</u>	<u>(62,837,233)</u>	<u>(61,287,930)</u>
General Revenues:					
Governmental Activities:					
Taxes					
Property Taxes	71,594,376	69,650,798	\$ 67,455,017	\$ 67,272,865	\$ 66,281,835
Replacement Taxes	728,794	674,008	690,421.00	735,781	581,440
General State Aid	3,365,702	3,361,213	3,356,655.00	1,267,676	1,207,820
Investment Earnings	3,532,452	2,864,768	583,741.00	452,122	221,497
Other General Revenues	<u>797,448</u>	<u>58,945</u>	<u>108,507</u>	<u>147,386</u>	<u>82,596</u>
Total General Revenues	<u>80,018,772</u>	<u>76,609,732</u>	<u>72,194,341</u>	<u>69,875,830</u>	<u>68,375,188</u>
Change in Net Position	<u>\$ 11,315,152</u>	<u>\$ 7,817,019</u>	<u>\$ 2,162,131</u>	<u>\$ 7,038,597</u>	<u>\$ 7,087,258</u>

*Property tax revenues adjusted for 2013 due to restatement identified during fiscal year 2014 audit.

Fiscal Year				
<u>2015</u>	<u>2014</u>	<u>2013*</u>	<u>2012</u>	<u>2011</u>
\$ 24,437,351	\$ 23,536,690	\$ 23,352,715	\$ 24,826,055	\$ 23,853,551
12,141,245	13,059,882	12,521,987	13,420,182	12,793,825
5,558,022	5,004,500	5,298,953	5,693,955	5,317,007
18,144,483	12,958,399	10,008,093	9,076,276	8,210,912
5,617,111	4,491,877	4,020,115	4,078,422	4,527,464
3,930,168	3,723,817	4,541,275	4,008,660	4,642,304
1,584,879	1,616,177	1,409,685	1,269,129	1,240,978
3,390,702	3,330,904	3,269,095	3,474,934	3,214,570
1,457,453	1,381,477	2,366,492	2,162,251	2,511,464
2,568,430	2,458,682	2,492,615	2,621,684	2,608,868
8,140,562	7,566,338	7,342,641	6,163,719	6,602,845
1,008,172	613,487	2,987,918	855,004	738,645
6,723	94,014	83,705	28,781	-
23,205	47,647	20,061	18,557	6,747
-	-	-	-	-
392,481	343,964	569,191	910,012	1,314,640
<u>88,400,987</u>	<u>80,227,855</u>	<u>80,284,541</u>	<u>78,607,621</u>	<u>77,583,820</u>
1,322,665	1,202,464	672,824	691,713	687,257
560	15,697	51,413	45,348	35,166
-	110	26,325	36,732	2,361
32,969	33,947	101,509	118,296	128,973
67,965	53,316	162,261	159,076	150,977
327,342	324,403	838,148	904,366	892,656
3,702,270	3,609,722	3,175,049	3,396,087	3,364,133
212,786	279,400	318,105	311,794	430,644
18,144,483	12,958,399	10,008,093	9,076,276	8,210,912
-	-	-	(351)	-
20,885	73,232	124,531	124,845	114,354
1,059,844	1,047,278	690,014	560,947	688,970
350,420	366,893	366,409	390,063	313,853
-	-	-	-	-
-	-	-	-	-
<u>25,242,189</u>	<u>19,964,861</u>	<u>16,534,681</u>	<u>15,815,192</u>	<u>15,020,256</u>
<u>(63,158,798)</u>	<u>(60,262,994)</u>	<u>(63,749,860)</u>	<u>(62,792,429)</u>	<u>(62,563,564)</u>
\$ 64,802,614	\$ 65,388,504	\$ 67,303,032	\$ 63,775,733	\$ 63,984,815
727,678	676,619	668,843	654,610	711,587
1,186,814	1,192,276	1,161,746	1,181,508	1,170,390
265,139	146,699	273,817	254,898	301,277
35,513	157,063	1,875,197	1,770,145	1,137,129
<u>67,017,758</u>	<u>67,561,161</u>	<u>71,282,635</u>	<u>67,636,894</u>	<u>67,305,198</u>
<u>\$ 3,858,960</u>	<u>\$ 7,298,167</u>	<u>\$ 7,532,775</u>	<u>\$ 4,844,465</u>	<u>\$ 4,741,634</u>

NORTH SHORE SCHOOL DISTRICT 112

Fund Balances - Governmental Funds

Last Ten Fiscal Years

	Fiscal Year			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
General Fund				
Nonspendable	\$ 47,699	\$ 23,405	\$ -	\$ 21,722
Restricted				
Assigned				
Unassigned	42,968,875	45,104,656	40,417,522	40,796,509
Reserved				
Prepaid Items	-	-	-	-
Unreserved				
Designated for self-insurance	-	-	-	-
Undesignated	-	-	-	-
Total General Fund	<u>\$ 43,016,574</u>	<u>\$ 45,128,061</u>	<u>\$ 40,417,522</u>	<u>\$ 40,818,231</u>
All Other Governmental Funds:				
Nonspendable, reported in:				
Special revenue funds	\$ -	\$ -	\$ -	\$ -
Debt service funds	-	-	-	-
Restricted, reported in:				
Special revenue funds	9,129,169	9,017,671	6,298,722	6,159,366
Debt service funds	33,708	33,708	33,708	33,708
Capital projects fund	35,312,142	52,603,194	-	-
Assigned, reported in:				
Special revenue funds	3,776,374	2,541,084	2,334,856	1,778,269
Debt service funds	28,230	3,667	3,000	2,556
Capital projects fund	<u>11,603,421</u>	<u>372,377</u>	<u>276</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ 59,883,044</u>	<u>\$ 64,571,701</u>	<u>\$ 8,670,562</u>	<u>\$ 7,973,899</u>

Fiscal Year					
<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 34,422	\$ 16,897	\$ -	\$ 82,219	\$ 154,790	\$ 217,023
-	-	203,055	625,757	826,292	776,297
-	-	2,945	14,398,654	16,568,067	16,334,417
35,244,638	29,953,400	25,387,182	5,761,952	2,754,039	1,579,274
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 35,279,060</u>	<u>\$ 29,970,297</u>	<u>\$ 25,593,182</u>	<u>\$ 20,868,582</u>	<u>\$ 20,303,188</u>	<u>18,907,011</u>
\$ -	\$ -	\$ -	\$ 11,549	\$ -	\$ -
-	-	-	259,857	282,945	303,432
6,322,264	5,994,046	7,437,051	4,080,248	3,638,526	3,079,894
2,406	2,406	643,106	1,997,088	1,900,890	1,831,646
1,536,694	80,089	1,547,521	154,394	140,896	179,135
1,209,887	776,055	303,622	2,406,320	2,073,906	2,309,576
33,708	23,989	10,432	-	-	-
2,213	1,549	623	-	-	-
<u>\$ 9,107,172</u>	<u>\$ 6,878,134</u>	<u>\$ 9,942,355</u>	<u>\$ 8,909,456</u>	<u>\$ 8,037,163</u>	<u>\$ 7,703,683</u>

NORTH SHORE SCHOOL DISTRICT 112

Governmental Funds Revenues
Last Ten Fiscal Years

	Fiscal Years				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Local Sources	\$ 77,976,409	\$ 74,522,566	\$ 69,632,223	\$ 69,944,681	\$ 68,297,428
State Sources	4,583,936	5,446,620	5,639,141	4,777,093	4,108,543
Federal Sources	2,777,614	2,475,990	2,325,314	2,974,880	2,854,473
On-behalf Sources	<u>16,817,921</u>	<u>15,433,490</u>	<u>27,575,120</u>	<u>29,596,726</u>	<u>20,192,502</u>
 Total revenues	 <u>\$ 102,155,880</u>	 <u>\$ 97,878,666</u>	 <u>\$ 105,171,798</u>	 <u>\$ 107,293,380</u>	 <u>\$ 95,452,946</u>

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	67,255,103	\$ 67,742,840	\$ 70,359,572	\$ 67,154,365	\$ 67,232,922
	4,848,657	4,820,676	4,554,132	4,625,659	4,661,872
	2,011,704	2,072,528	2,769,780	2,588,358	2,817,685
	<u>18,144,483</u>	<u>12,958,399</u>	<u>10,008,093</u>	<u>9,076,276</u>	<u>8,210,912</u>
\$	<u>92,259,947</u>	<u>\$ 87,594,443</u>	<u>\$ 87,691,577</u>	<u>\$ 83,444,658</u>	<u>\$ 82,923,391</u>

NORTH SHORE SCHOOL DISTRICT 112

Governmental Funds Expenditures and Debt Service Ratio

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Current:			
Instruction			
Regular programs	\$ 22,442,338	\$ 21,429,240	\$ 22,149,485
Special programs	8,002,627	7,302,687	7,818,010
Other instructional programs	6,090,419	5,959,324	6,225,403
State retirement contributions	16,817,921	15,433,490	27,575,120
Total instruction	53,353,305	50,124,741	63,768,018
Supporting services			
Pupils	4,969,338	5,032,862	6,169,659
Instructional staff	5,803,233	6,157,252	6,437,861
General administration	1,965,024	1,756,816	1,458,128
School administration	3,088,408	3,069,125	3,155,342
Business	1,578,649	1,556,540	1,435,398
Transportation	4,004,492	3,584,612	3,328,696
Operations and maintenance	6,799,319	8,411,386	7,018,004
Central	1,059,201	1,172,275	1,144,932
Other supporting services	9,168	10,631	34,274
Total supporting services	<u>29,276,832</u>	<u>30,751,499</u>	<u>30,182,294</u>
Community services	<u>6,579</u>	<u>130,583</u>	<u>28,315</u>
Payments to other districts and gov't units	<u>1,967,537</u>	<u>1,976,265</u>	<u>1,768,568</u>
Total current expenditures	<u>84,604,253</u>	<u>82,983,088</u>	<u>95,747,195</u>
Capital outlay	<u>20,487,908</u>	<u>8,828,354</u>	<u>9,128,649</u>
Debt service			
Principal	1,720,000	-	-
Interest and fiscal charges	<u>2,143,863</u>	<u>1,066,954</u>	<u>-</u>
Total debt service	<u>3,863,863</u>	<u>1,066,954</u>	<u>-</u>
Total expenditures	<u>\$ 108,956,024</u>	<u>\$ 92,878,396</u>	<u>\$ 104,875,844</u>
Debt service required as a percentage of noncapital expenditures	4.37%	1.27%	0.00%
Debt service as a percentage of total expenditures	3.55%	1.15%	0.00%

Note: Expenditures by function not available before 2013.

Fiscal Year						
<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 23,759,650	\$ 24,908,073	\$ 23,446,996	\$ 22,710,782	\$ 22,511,288		
8,154,935	8,845,182	9,992,820	10,618,072	9,224,801		
5,718,821	4,653,924	5,678,753	5,520,181	5,647,562		
29,596,726	20,192,502	18,144,483	12,958,399	10,008,093		
67,230,132	58,599,681	57,263,052	51,807,434	47,391,744		
5,754,210	5,351,221	5,077,790	4,058,354	3,598,777		
4,466,319	3,871,885	3,836,369	3,789,155	4,009,771		
1,599,472	1,727,553	1,556,412	1,614,322	1,407,882		
3,199,396	3,452,753	3,346,522	3,329,335	3,267,570		
1,520,007	1,321,923	1,382,542	1,364,767	1,351,630		
2,813,469	2,845,174	2,558,139	2,455,810	2,489,603		
7,226,023	6,257,255	6,419,905	5,742,346	6,199,475		
1,167,720	955,930	834,624	612,119	2,980,883		
21,162	18,785	6,601	94,014	83,705		
<u>27,767,778</u>	<u>25,802,479</u>	<u>25,018,904</u>	<u>23,060,222</u>	<u>25,389,296</u>		
<u>61,766</u>	<u>38,471</u>	<u>18,536</u>	<u>47,647</u>	<u>20,061</u>		
<u>1,823,781</u>	<u>1,503,862</u>	<u>1,750,133</u>	<u>1,837,749</u>	<u>2,925,373</u>		
<u>96,883,457</u>	<u>85,944,493</u>	<u>84,050,625</u>	<u>76,753,052</u>	<u>75,726,474</u>	<u>\$ 75,159,901</u>	<u>\$ 74,021,481</u>
<u>6,004,025</u>	<u>1,970,652</u>	<u>1,820,159</u>	<u>1,618,932</u>	<u>3,306,410</u>	<u>1,619,351</u>	<u>2,691,637</u>
-	-	4,975,000	3,076,748	6,687,036	3,905,000	6,480,399
-	-	101,269	388,212	533,970	1,030,749	977,873
-	-	5,076,269	3,464,960	7,221,006	4,935,749	7,458,272
<u>\$ 102,887,482</u>	<u>\$ 87,915,145</u>	<u>\$ 90,947,053</u>	<u>\$ 81,836,944</u>	<u>\$ 86,253,890</u>	<u>\$ 81,715,001</u>	<u>\$ 84,171,390</u>
0.00%	0.00%	5.70%	4.32%	8.71%	6.16%	9.15%
0.00%	0.00%	5.58%	4.23%	8.37%	6.04%	8.86%

NORTH SHORE SCHOOL DISTRICT 112

Other Financing Sources and Uses and

Net Change in Fund Balances

Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (6,800,144)	\$ 5,000,270	\$ 295,954	\$ 4,405,898
Other financing sources (uses)				
Transfers in	13,863,388	8,458,447	10,000,000	-
Bond proceeds	-	50,945,000		-
Premium on bonds sold	-	4,666,408		-
Transfers out	<u>(13,863,388)</u>	<u>(8,458,447)</u>	<u>(10,000,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>55,611,408</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (6,800,144)</u>	<u>\$ 60,611,678</u>	<u>\$ 295,954</u>	<u>\$ 4,405,898</u>

Fiscal Year					
<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 7,537,801	\$ 1,312,894	\$ 5,757,499	\$ 1,437,687	\$ 1,729,657	\$ (1,247,999)
-	4,435,569	37,845	1,703,788	1,628,369	2,195,670
-	-	-	-	-	-
-	-	-	-	-	-
-	(4,435,569)	(37,845)	(1,703,788)	(1,628,369)	(2,195,670)
-	-	-	-	-	-
<u>\$ 7,537,801</u>	<u>\$ 1,312,894</u>	<u>\$ 5,757,499</u>	<u>\$ 1,437,687</u>	<u>\$ 1,729,657</u>	<u>\$ (1,247,999)</u>

NORTH SHORE SCHOOL DISTRICT 112
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Tax Levy Years

<u>Tax Levy Year</u>	<u>Equalized Assessed Valuation</u>		<u>Total Equalized Assessed Value</u>	<u>Actual Estimated Value</u>	<u>Total Direct Rate</u>
	<u>Real Estate</u>	<u>Railroad</u>			
2019	\$ 2,420,333,320	\$ 3,508,602	\$ 2,423,841,922	\$ 7,344,975,521	3.039%
2018	2,468,137,523	3,231,303	2,471,368,826	7,488,996,442	2.914%
2017	2,472,548,411	3,021,625	2,475,570,036	7,501,727,382	2.830%
2016	2,374,567,316	2,965,779	2,377,533,095	7,204,645,742	2.862%
2015	2,235,806,902	2,918,358	2,238,725,260	6,784,015,939	3.006%
2014	2,104,832,545	2,465,263	2,107,297,808	6,385,750,933	3.150%
2013	2,116,481,601	2,372,736	2,118,854,337	6,420,770,718	3.076%
2012	2,221,715,371	1,960,279	2,223,675,650	6,738,411,061	2.957%
2011	2,388,796,816	1,563,287	2,390,360,103	7,243,515,464	2.818%
2010	2,621,114,126	1,665,690	2,622,779,816	7,947,817,624	2.437%

Source: Lake County Clerk's Office

Note: The county assesses property at approximately 33.3% of actual value for all types of real property. Estimated actual value is calculated by dividing assessed value by that percentage. Tax rates are per \$100 of assessed value.

NORTH SHORE SCHOOL DISTRICT 112
Property Tax Rates - All Direct and Overlapping Governments
Last Ten Tax Levy Years

District Direct Rates													
Tax		Highland	Lake		Highland		Lake County			South Lake	Total		
Levy Year	NSSD 112	Park	County	HSD 113	Park District	Sanitary	Forest Preserve	Township of Moraine	College of Lake County	Mosquito Abatement	Overlapping Government	Total Tax Rate	
2019	\$ 3.039	\$ 0.809	\$ 0.597	\$ 2.280	\$ 0.560	\$ 0.153	\$ 0.180	\$ 0.056	\$ 0.282	\$ 0.012	\$ 4.927	\$ 7.966	
2018	2.914	0.772	0.612	2.222	0.535	0.153	0.182	0.054	0.282	0.011	4.824	7.738	
2017	2.826	0.726	0.622	2.164	0.521	0.153	0.187	0.054	0.281	0.011	4.718	7.544	
2016	2.862	0.737	0.632	2.187	0.529	0.157	0.193	0.056	0.285	0.012	4.788	7.649	
2015	3.006	0.749	0.663	2.309	0.520	0.166	0.208	0.063	0.299	0.012	4.989	7.995	
2014	3.152	0.795	0.682	2.421	0.508	0.169	0.210	0.066	0.306	0.013	5.171	8.323	
2013	3.076	0.785	0.663	2.364	0.497	0.164	0.218	0.070	0.296	0.007	5.064	8.140	
2012	2.957	0.709	0.608	2.178	0.445	0.150	0.212	0.066	0.272	0.015	4.655	7.612	
2011	2.818	0.643	0.554	2.167	0.410	0.150	0.201	0.059	0.240	0.014	4.438	7.256	
2010	2.437	0.586	0.505	1.921	0.379	0.136	0.198	0.052	0.218	0.013	4.008	6.445	

Source: Lake County Clerk's Office

Note: Tax rates are per \$100 of assessed value

NORTH SHORE SCHOOL DISTRICT 112

Principal Taxpayers
Tax Levy Year 2019 and Nine Years Ago

<u>Taxpayer</u>	<u>2019</u>		<u>2010</u>	
	Equalized Assessed <u>Valuation</u>	Percentage of <u>Total</u>	Equalized Assessed <u>Valuation</u>	Percentage of <u>Total</u>
T Renaissance II IL LLC	\$ 11,044,954	0.46%	\$ -	0.00%
Klairmont Investments, LLC	9,949,443	0.41%	-	0.00%
FPACP3 Sheridan LLC - North				
Shore Estates Property	9,119,688	0.38%	-	0.00%
Federal Realty Investment Trust	8,331,380	0.34%	8,180,142	0.31%
American Nat'L Bank & Trust Of Chicago	6,745,191	0.28%	-	0.00%
United States Of America	6,639,051	0.27%	-	0.00%
Dimitriou LLC: Central, 2nd, Greenbay, Sheridan	6,384,174	0.26%	-	0.00%
McGovern Flats LLC	5,670,082	0.23%	-	0.00%
Highland Park Associates II, LLC	5,106,654	0.21%	4,629,890	0.18%
Highland Park V Building LLC	<u>4,489,505</u>	<u>0.19%</u>	-	0.00%
Metzler I Renaissance Place LP			14,196,290	0.54%
Chicago Title Land Trust Co.			5,811,132	0.22%
Klairmont Family Associates, LP			5,108,370	0.19%
Midwest Family Associates II, LLC			8,784,187	0.33%
Sunset Food Mart, Inc.			4,129,975	0.16%
Northern Trust Company			5,505,293	0.21%
Morningside Highwood LLC			3,808,426	0.15%
Americana Apartments	-	-	<u>4,307,637</u>	<u>0.16%</u>
Total Principal Taxpayers in District	<u>73,480,122</u>	<u>3.03%</u>	<u>64,461,342</u>	<u>2.45%</u>
Other Taxpayers in District	<u>2,350,361,800</u>	<u>96.97%</u>	<u>2,558,318,474</u>	<u>97.55%</u>
District's Total EAV	<u>\$ 2,423,841,922</u>	<u>100.00%</u>	<u>\$ 2,622,779,816</u>	<u>100.00%</u>

Source: 2019 Information - Office of the County Clerk - Lake County, IL
2011 CAFR

NORTH SHORE SCHOOL DISTRICT 112

Property Tax Levies and Collections

Last Ten Tax Levy Years

Tax Levy Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Subsequent Year Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2019	\$ 73,665,695	\$ 31,361,162	42.57%	\$ -	\$ 31,361,162	42.57%
2018	72,005,975	35,561,608	49.39%	36,032,166	71,593,774	99.43%
2017	69,963,100	41,871,249	59.85%	27,779,549	69,650,798	99.55%
2016	68,033,775	34,178,718	50.24%	33,276,494	67,455,212	99.15%
2015	67,303,111	33,840,154	50.28%	33,432,460	67,272,614	99.95%
2014	66,417,096	33,244,394	50.05%	33,037,441	66,281,835	99.80%
2013	65,175,159	32,401,169	49.71%	32,306,679	64,707,848	99.28%
2012	65,754,089	32,840,980	49.95%	32,547,526	65,388,506	99.44%
2011	67,944,380	33,643,832	49.52%	33,549,740	67,193,572	98.89%
2010	64,111,980	31,646,316	49.36%	32,130,112	63,776,428	99.48%
2009	64,688,542	32,669,441	50.50%	31,760,347	64,429,788	99.60%

NORTH SHORE SCHOOL DISTRICT 112

Outstanding Debt by Type

Last Ten Fiscal Years

Government Activities							
Fiscal Year	General Obligation Bonds and Certificates	Capital Leases	Total Primary Government	Equalized Assessed Valuation	Ratio of General Bonded Debt to Actual Estimated Value	Percentage of Personal Income*	Debt Outstanding per Capita
2020	\$ 53,563,939	\$ -	\$ 53,563,939	\$ 2,423,841,922	0.72%	1.94%	1,542
2019	55,529,540	-	55,529,540	2,471,368,826	0.68%	1.95%	1,460
2018	-	-	-	2,475,570,036	0.00%	NA	-
2017	-	-	-	2,377,533,095	0.00%	NA	-
2016	-	-	-	2,238,725,260	0.00%	NA	-
2015	-	-	-	2,107,297,808	0.00%	NA	-
2014	5,041,680	-	5,041,680	2,118,854,337	0.07%	NA	143
2013	7,920,000	188,558	8,108,558	2,223,675,650	0.11%	NA	221
2012	14,370,000	425,594	14,795,594	2,390,360,103	0.18%	NA	401
2011	18,275,000	666,867	18,941,867	2,622,779,816	0.22%	0.05%	514

NA - not available

* See the schedule of Demographic Statistics on page102 for personal income and population data.

NORTH SHORE SCHOOL DISTRICT 112

Computation of Direct and Overlapping Debt

June 30, 2020

<u>Taxing Authority</u>	Gross Bonded Debt <u>Outstanding</u>	Overlapping <u>Percent</u>	Applicable <u>to District</u>
Lake County	\$ - (1)	8.895%	\$ -
Lake County Forest Preserve	222,645,000 (2)	8.895%	19,804,273
City of Highland Park	18,679,050 (3)	96.729%	18,068,058
City of Highwood	5,415,000 (1)	100.000%	5,415,000
Park District of Highland Park	13,620,000 (2)	95.413%	12,995,251
Township High School District 113	76,670,000	55.490%	42,544,183
Community College #532	11,840,000 (1)	9.348%	1,106,803
Total Overlapping Bonded Debt			\$99,933,568
Direct Debt			
North Shore School District 112	<u>- (1)</u>	100.000%	<u>-</u>
Total Overlapping and Direct Debt	<u>\$ 348,869,050</u>		<u>\$ 99,933,568</u>

Source of Information - Office of Lake County Clerk

- (1) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.
- (2) Excludes outstanding Debt Certificates
- (3) Excludes self-supporting bonds

Note: Percent applicable to School District is calculated using assessed valuation of the School District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

NORTH SHORE SCHOOL DISTRICT 112

Legal Debt Margin Information Last Ten Fiscal Years

	Fiscal Year				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Assessed Valuation	\$ 2,423,841,922	\$ 2,471,368,826	\$ 2,475,570,036	\$ 2,377,533,095	\$ 2,238,725,260
Statutory Debt Limitation (6.9% of assessed valuation)	167,245,093	170,524,449	170,814,332	164,049,784	154,472,043
Bonded Debt June 30	<u>49,225,000</u>	<u>50,945,000</u>	-	-	-
Legal Bonded Debt Margin	<u>\$ 118,020,093</u>	<u>\$ 119,579,449</u>	<u>\$ 170,814,332</u>	<u>\$ 164,049,784</u>	<u>\$ 154,472,043</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>29.43%</u>	<u>29.88%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 2,107,297,808	\$ 2,118,854,337	\$ 2,223,675,650	\$ 2,390,360,103	\$ 2,622,779,816
145,403,549	146,200,949	153,433,620	164,934,847	180,971,807
-	4,975,000	8,108,558	14,795,594	18,941,867
<u>\$ 145,403,549</u>	<u>\$ 141,225,949</u>	<u>\$ 145,325,062</u>	<u>\$ 150,139,253</u>	<u>\$ 162,029,940</u>
<u>0.00%</u>	<u>3.40%</u>	<u>5.28%</u>	<u>8.97%</u>	<u>10.47%</u>

NORTH SHORE SCHOOL DISTRICT 112

Demographic and Economic Statistics Last Ten Calendar Years

Calendar Year	Population		Unemployment Rate		Personal	Per Capita
	Highland		Highland		Income	Personal
	<u>Park</u>	<u>Highwood</u>	<u>Park</u>	<u>Highwood</u>	<u>(in thousands)</u>	<u>Income</u>
2019	29,515	5,224	3.0	3.5	\$ 2,762,810	NA
2018	29,622	5,272	3.5	3.8	2,609,697	NA
2017	29,767	5,325	3.4	4.2	2,480,013	NA
2016	29,641	5,324	4.2	5.2	2,327,814	NA
2015	29,743	5,352	4.1	5	2,198,848	NA
2014	29,871	5,387	5.0	6.3	2,164,473	NA
2013	29,902	5,338	6.3	7.8	NA	NA
2012	29,914	5,354	6	8.7	NA	NA
2011	29,763	5,405	8.6	8.6	39,305,689	55,656
2010	32,557	4,150	5.9	10.5	37,975,785	53,905

Source of Information:

* Population: Quickfacts.Census.Gov

* Unemployment Rate: Illinois Department of Security

Prior years: U.S. Census Data, Sperling's Best places website

Personal Income and Per Capital Personal Income:

Bureau of Economic Analysis.gov

Note: The personal income figure 2011 and prior years is for the entire County. Personal income for 2014 is for the two applicable cities only.

NA - not available

NORTH SHORE SCHOOL DISTRICT 112

Principal Employers
Current Year and Eight Years Ago

<u>Employer</u>	<u>Type of Business or Property</u>	<u>Number Employed</u>	<u>2020</u>		<u>2011</u>	
			<u>Source</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Highland Park Hospital-North Shore University Health System	Highland Park	1,200	(1)	6.99%	1,200	6.9%
Township High School District #113	Highland Park	627	(4)	3.65%	-	0.0%
North Suburban Special Education District	Highland Park	595	(5)	2.33%	-	0.0%
North Shore Elementary School District #112 (FTE)	Highland Park	540	(4)	3.14%	-	0.0%
Highland Park - Park District	Highland Park	401 *	(3)	3.46%	-	0.0%
Sunset Foods Mart Inc. in Highland Park	Highland Park	250	(2)	1.36%	-	0.0%
City of Highland Park	Highland Park	234	(5)	1.46%	-	0.0%
Target	Highland Park	224	(2)	1.30%	-	0.0%
Jewel-Osco	Highland Park	200	(2)	1.16%	-	0.0%
Ravinia Festival	Highland Park	100	(2)	0.58%	531	0.0%
Muller Auto Group	Highland Park	100	(2)	0.58%	-	0.0%
J II Inc.		-		-	91	0.5%
Skokie Valley Laundry & Cleaners		-		-	85	0.5%
MGTB Holdings		-		-	75	0.4%

* Includes full-time and part-time and/or seasonal employees.

Sources:

- (1) 2020 Illinois Services Directory
- (2) Reference Solutions.com Database
- (3) Phone canvas
- (4) Online staff directory
- (5) City of Highland Park CAFR

Computing applicable percentages to the Illinois Department of Employment Security reports the total number employed in the District was 17,178 in 2019.

Note: Only top five employer information was available for 2011

NORTH SHORE SCHOOL DISTRICT 112

Full-time Equivalent District Employees by Type Last Ten Fiscal Years

Fiscal Year	Full-time Equivalent Employees									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Instruction										
Total instruction	<u>415</u>	<u>417</u>	<u>*445</u>	<u>*452</u>	<u>*463</u>	<u>*464</u>	<u>*462</u>	<u>465</u>	<u>482</u>	<u>477</u>
Support Services										
Total support services	<u>127</u>	<u>125</u>	<u>*125</u>	<u>*128</u>	<u>*134</u>	<u>*145</u>	<u>*155</u>	<u>155</u>	<u>149</u>	<u>153</u>
Community Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>542</u>	<u>542</u>	<u>570</u>	<u>580</u>	<u>597</u>	<u>609</u>	<u>617</u>	<u>620</u>	<u>631</u>	<u>630</u>

* as of September of that fiscal year

NORTH SHORE SCHOOL DISTRICT 112

Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Average Daily Attendance	Operating Expenditures	Cost Per Pupil	Percentage Change	Expenses	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio
2020	3,242	\$ 66,548,990	20,526	17.90%	\$ 74,847,051	23,085	21.32%	383 *	8.5
2019	3,736	65,042,635	17,410	-5.93%	71,095,013	19,030	-6.74%	377 *	9.9
2018	3,494	64,661,271	18,506	5.21%	71,299,836	20,406	-6.15%	405 *	8.6
2017	3,573	62,853,161	17,591	6.50%	77,696,654	21,745	21.73%	410 *	8.7
2016	3,791	62,617,698	16,518	5.51%	67,722,640	17,865	-5.07%	422 *	9.0
2015	3,868	60,564,282	15,658	-1.79%	72,802,570	18,822	5.02%	427 *	9.1
2014	3,843	61,278,220	15,944	2.52%	68,878,545	17,923	-6.74%	428 *	9.0
2013	3,967	61,703,864	15,553	2.68%	76,245,797	19,220	4.95%	433	9.2
2012	3,961	59,998,244	15,147	0.96%	72,540,834	18,314	-4.11%	482	8.2
2011	3,935	59,038,008	15,003	5.46%	75,153,235	19,099	3.50%	477	8.3

* as of September of that fiscal year

Source of District Personnel Department records
Information: Annual Financial Report 2011-2020 (ISBE Form SD50-35/JA50-60)

NORTH SHORE SCHOOL DISTRICT 112

Operating Indicators by Function

June 30, 2020

Function	2020
Instruction	
Regular and Special student enrollment	3,912
Support Services	
Pupil	
% of student population from Non-English Language Background	29%
School Administration	
Average daily attendance	3,242
Fiscal	
Purchase Orders Processed	4,141
Maintenance	
District Square Footage Maintained by Custodians and Maintenance Staff	853,000
District Acreage Maintained by Grounds Staff	96
Transportation	
Avg. number of regular pupils transported per year	2,877
Avg. number of regular bus runs to/from school	176
Extra Curricular Activities	
Number of competitive sports	26
Number of student clubs	117
% of Students eligible to file for Federally funded Free or Reduced Lunches	24.14%

Source of Information:

ISBE Fall Enrollment

Infinite Campus Student Data System

NORTH SHORE SCHOOL DISTRICT 112

School Building Information Last Ten Fiscal Years

	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
Elementary Schools -										
Braeside										
Square Feet*	43,636	43,636	43,636	43,636	43,636	43,636	43,636	43,636	43,636	43,636
Enrollment **	270	271	255	265	283	265	266	262	276	269
Indian Trail										
Square Feet	65,403	65,403	65,403	65,403	65,403	65,403	65,403	65,403	65,403	65,403
Enrollment	426	424	285	318	356	389	400	395	379	387
Lincoln										
Square Feet	48,471	48,471	48,471	48,471	48,471	48,471	48,471	48,471	48,471	48,471
Enrollment	School Closed	School Closed	207	210	227	237	248	261	270	271
Oak Terrace										
Square Feet	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Enrollment	468	487	526	523	534	533	534	501	489	502
Ravinia										
Square Feet	51,634	51,634	51,634	51,634	51,634	51,634	51,634	51,634	51,634	51,634
Enrollment	239	225	235	243	274	300	301	302	309	325
Red Oak										
Square Feet	57,153	57,153	57,153	57,153	57,153	57,153	57,153	57,153	57,153	57,153
Enrollment	259	249	320	327	326	297	289	320	341	325
Sherwood										
Square Feet	50,863	50,863	50,863	50,863	50,863	50,863	50,863	50,863	50,863	50,863
Enrollment	376	384	292	291	302	318	338	358	358	371
Wayne Thomas										
Square Feet	56,221	56,221	56,221	56,221	56,221	56,221	56,221	56,221	56,221	56,221
Enrollment	319	323	298	286	298	316	327	349	355	342
Green Bay**										
Square Feet	60,808	60,808	60,808	60,808	60,808	60,808	60,808	60,808	60,808	60,808
Enrollment	278	271	266	219	268	255	239	218	232	204
Totals - Elementary										
Square Feet	519,189	519,189	519,189	519,189	519,189	519,189	519,189	519,189	519,189	519,189
Enrollment	2,635	2,634	2,684	2,682	2,868	2,910	2,942	2,966	3,009	2,996
Middle Schools -										
Edgewood										
Square Feet	136,492	136,492	136,492	136,492	136,492	136,492	136,492	136,492	136,492	136,492
Enrollment	769	793	524	517	569	617	615	607	579	573
Elm Place										
Square Feet	113,493	113,493	113,493	113,493	113,493	113,493	113,493	113,493	113,493	113,493
Enrollment	School Closed	School Closed	302	349	374	376	374	410	439	467
Northwood										
Square Feet	83,826	83,826	83,826	83,826	83,826	83,826	83,826	83,826	83,826	83,826
Enrollment	508	515	492	479	511	512	491	471	443	450
Totals - Middle Schools										
Square Feet	333,811	333,811	333,811	333,811	333,811	333,811	333,811	333,811	333,811	333,811
Enrollment	1,277	1,308	1,318	1,345	1,454	1,505	1,480	1,488	1,461	1,490
District Totals:										
Square Feet	853,000	853,000	853,000	853,000	853,000	853,000	853,000	853,000	853,000	853,000
Enrollment	3,912	3,942	4,002	4,027	4,322	4,415	4,422	4,454	4,470	4,486

* Square footage represents the total square footage of the building.

**Enrollment data from ISBE End of Year Report for FY11 through FY18.

Enrollment date from FY 19 through FY20 are from Infinite Campus Student Enrollment Summary Report

Source of Information:

1. Architect/Engineer Data
2. ISBE End-of-Year Report & Infinite Campus Student Enrollment Summary Report