

Due to ROE on Friday, October 15, 2021  
 Due to ISBE on Monday, November 15, 2021  
 SD/JA21

ILLINOIS STATE BOARD OF EDUCATION  
 School Business Services Department  
 100 North First Street, Springfield, Illinois 62777-0001  
 217/785-8779

**Illinois School District/Joint Agreement  
 Annual Financial Report \***  
**June 30, 2021**

☒ School District  
☐ Joint Agreement

<b><u>School District/Joint Agreement Information</u></b> <i>(See instructions on inside of this page.)</i>		<b><u>Accounting Basis:</u></b> <input type="checkbox"/> CASH <input checked="" type="checkbox"/> ACCRUAL		<b><u>Certified Public Accountant Information</u></b>		
School District/Joint Agreement Number: <b>06-016-0980-02</b>		<b><u>Filing Status:</u></b> <b><u>Submit electronic AFR directly to ISBE</u></b>  Click on the Link to Submit: <a href="#">Send ISBE a File</a>  <b>0</b>		Name of Auditing Firm: <b>GASSENSMITH &amp; MICHALESKO, LTD.</b>		
County Name: <b>COOK</b>				Name of Audit Manager: <b>JILL GASSENSMITH</b>		
Name of School District/Joint Agreement: <b>BERWYN NORTH SD 98</b>				Address: <b>323 SPRINGFIELD AVE.</b>		
Address: <b>6633 W 16TH STREET</b>				City: <b>JOLIET</b>	State: <b>IL</b>	Zip Code: <b>60435</b>
City: <b>BERWYN</b>				Phone Number: <b>815-744-6200</b>		Fax Number: <b>815-744-3822</b>
Email Address:				<a href="#">IL License Number (9 digit):</a> <b>065.024803</b>		Expiration Date: <b>9/30/2024</b>
Zip Code: <b>60402</b>				Email Address:		
<b><u>Annual Financial Report</u></b> Type of Auditor's Report Issued: <input type="checkbox"/> Qualified <input type="checkbox"/> Adverse <input type="checkbox"/> Disclaimer <input checked="" type="checkbox"/> Unqualified		<b>Annual Financial Report Questions 217-785-8779 or finance1@isbe.net</b> <b>Single Audit Questions 217-782-5630 or GATA@isbe.net</b> <a href="#">Single Audit and GATA Information</a>		ISBE Use Only		
<input type="checkbox"/> Reviewed by District Superintendent/Administrator		<input type="checkbox"/> Reviewed by Township Treasurer (Cook County only) Name of Township: _____				
District Superintendent/Administrator Name (Type or Print): <b>DR. MICHELLE SMITH</b>		Township Treasurer Name (type or print)				
Email Address:		Email Address:		Regional Superintendent/Cook ISC Name (Type or Print):		
Telephone:		Telephone:		Telephone:		
Fax Number:		Fax Number:		Fax Number:		
Signature & Date:		Signature & Date:		Signature & Date:		

\* This form is based on 23 Illinois Administrative Code 100, Subtitle A, Chapter I, Subchapter C (Part 100).  
**ISBE Form SD50-35/JA50-60 (05/21-version2)**

This form is based on 23 Illinois Administrative Code, Subtitle A, Chapter I, Subchapter C, Part 100.  
 In some instances, use of open account codes (cells) may not be authorized by statute or administrative rule.  
 Each school district or joint agreement is responsible for obtaining the concurring legal opinion and/or other supporting authorization/documentation, as necessary, to use the applicable account code (cell).

## TABLE OF CONTENTS

	TAB Name	AFR Page No.
Auditor's Questionnaire.....	Aud Quest	<a href="#">2</a>
Comments Applicable to the Auditor's Questionnaire.....	Aud Quest	<a href="#">2</a>
Financial Profile Information .....	FP Info	<a href="#">3</a>
Estimated Financial Profile Summary.....	Financial Profile	<a href="#">4</a>
<b>Basic Financial Statements</b>		
Statement of Assets and Liabilities Arising from Cash Transactions/Statement of Position .....	Assets-Liab	<a href="#">5-6</a>
Statement of Revenues Received/Revenues, Expenditures Disbursed/Expenditures, Other Sources (Uses) and Changes in Fund Balances (All Funds).....	Acct Summary	<a href="#">7-9</a>
Statements of Revenues Received/Revenues (All Funds).....	Revenues	<a href="#">10-15</a>
Statements of Expenditures Disbursed/Expenditures Budget to Actual (All Funds).....	Expenditures	<a href="#">16-24</a>
<b>Supplementary Schedules</b>		
Schedule of Ad Valorem Tax Receipts.....	Tax Sched	<a href="#">25</a>
Schedule of Short-Term Debt/Long-Term Debt .....	Short-Term Long-Term Debt	<a href="#">26</a>
Schedule of Restricted Local Tax Levies and Selected Revenue Sources/ Schedule of Tort Immunity Expenditures.....	Rest Tax Levies-Tort Im	<a href="#">27</a>
CARES CRRSA ARP Schedule.....	CARES CRRSA ARP	<a href="#">28-31</a>
<b>Statistical Section</b>		
Schedule of Capital Outlay and Depreciation.....	Cap Outlay Deprec	<a href="#">32</a>
Estimated Operating Expenditures Per Pupil and Per Capita Tuition Charge Computation.....	PCTC-OEPP	<a href="#">33-35</a>
Indirect Cost Rate - Contracts paid in Current Year.....	Contracts Paid in CY	<a href="#">36</a>
Indirect Cost Rate - Computation.....	ICR Computation	<a href="#">37</a>
Report on Shared Services or Outsourcing .....	Shared Outsourced Serv.	<a href="#">38</a>
Administrative Cost Worksheet.....	AC	<a href="#">39</a>
Itemization Schedule.....	ITEMIZATION	<a href="#">40</a>
Reference Page.....	REF	<a href="#">41</a>
Notes, Opinion Letters, etc.....	Opinion-Notes	<a href="#">42</a>
Deficit Reduction Calculation.....	Deficit AFR Sum Calc	<a href="#">43</a>
Audit Checklist/Balancing Schedule.....	AUDITCHECK	<a href="#">Auditcheck</a>
Single Audit and GATA Information.....	Single Audit and GATA Information	<a href="#">=</a>

## INSTRUCTIONS/REQUIREMENTS: For School Districts/Joint Agreements

All School Districts/Joint Agreements must complete this form (Note: joint agreement supplementary/statistical schedules may not be applicable)

This form complies with Part 100 (Requirements for Accounting, Budgeting, Financial Reporting, and Auditing).

[23. Illinois Administrative Code 100, Subtitle A, Chapter I, Subchapter C \(Part 100\)](#)

- Round all amounts to the nearest dollar.** Do not enter cents. (Exception: 9 Month ADA on PCTC OEPP Tab)
- Any errors left unresolved by the Audit Checklist/Balancing Schedule must be explained in the itemization page
- Before submitting AFR - **be sure to break all links in AFR** before submitting to ISBE. If links are not broken, amounts entered have changed when opening the AFR
- Submit AFR Electronically**
  - The Annual Financial Reports (AFR) must be submitted directly through the Attachment Manager to the AFR Group by the Auditor (not from the school district on before November 15 with the exception of Extension Approvals (Please see AFR Instructions for complete submission procedures). **Note: CD/Disk no longer accepted.**  
[Attachment Manager Link](#)
  - AFR supporting documentation must be embedded as Microsoft Word (.doc), Word Perfect (\*.wpd) or Adobe (\*.pdf) and inserted within tab "Opinions & Notes". These documents include: The Audit, Management letter, Opinion letters, Compliance letters, Financial notes etc.... For embedding instructions see "Opinions & Notes" tab of this form.  
*Note: In Windows 7 and above, files can be saved in Adobe Acrobat (\*.pdf) and embedded even if you do not have the software. If you have problems embedding the files you may attach them as separate (.docx) in the Attachment Manager and ISBE will embed them for you.*
- Submit Paper Copy of AFR with Signatures**
  - The auditor must send three paper copies of the AFR form (cover through page 8 at minimum) to the School District with the auditor signature.  
*Note: School Districts and Regional Superintendents may prefer a complete paper copy in lieu of an electronic file. Please comply with their requests as necessary.*
  - Upon receipt, the School District retains one copy for their records, signs, and forwards the remaining two copies to the Regional Superintendent's office no later than October 15, annually.
  - Upon receipt, the Regional Superintendent's office retains one copy for their records, signs, and forwards the remaining paper copy to ISBE no later than November 15, annually.
    - If the 15th falls on a Saturday, the due date is the Friday before. If the 15th falls on a Sunday, the due date is the Monday after
    - Yellow Book, CPE, and Peer Review requirements must be met if the Auditor issues an opinion stating "Governmental Auditing Standards" were utilized.  
[Federal Single Audit 2 CFR 200.500](#)
- Requesting an Extension of Time** must be submitted in writing via email or letter to the Regional Office of Education (at the discretion of the ROE). Approval may be provided up to and no later than December 15 annually. After December 15, audits are considered late and out of compliance per Illinois School Code
- Qualifications of Auditing Firm**
  - School District/Joint Agreement entities must verify the qualifications of the auditing firm by requesting the most current peer review report and the corresponding acceptance letter from the approved peer review program, for the current peer review period
  - A school district/joint agreement who engages with an auditing firm who is not licensed and qualified will be required to complete a new audit by a qualified auditing firm at the school district's/joint agreement's expense

## AUDITOR'S QUESTIONNAIRE

**INSTRUCTIONS:** If your review and testing of State, Local, and Federal Programs revealed any of the following statements to be true, then check the box on the left and attach the appropriate findings/comments.

### PART A - FINDINGS

- |                          |                                                                                                                                                                                                                                                                                                            |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> | 1. One or more school board members, administrators, certified school business officials, or other qualifying district employees failed to file economic interested statements pursuant to the <i>Illinois Government Ethics Act</i> . [5 ILCS 420/4A-101]                                                 |
| <input type="checkbox"/> | 2. One or more custodians of funds failed to comply with the bonding requirements pursuant to <i>Illinois School Code</i> [105 ILCS 5/8-2; 10-20.19; 19-6].                                                                                                                                                |
| <input type="checkbox"/> | 3. One or more contracts were executed or purchases made contrary to the provisions of the <i>Illinois School Code</i> [105 ILCS 5/10-20.21].                                                                                                                                                              |
| <input type="checkbox"/> | 4. One or more violations of the Public Funds Deposit Act or the Public Funds Investment Act were noted [30 ILCS 225/1 et. seq. and 30 ILCS 235/1 et. seq.].                                                                                                                                               |
| <input type="checkbox"/> | 5. Restricted funds were commingled in the accounting records or used for other than the purpose for which they were restricted.                                                                                                                                                                           |
| <input type="checkbox"/> | 6. One or more short-term loans or short-term debt instruments were executed in non-conformity with the applicable authorizing statute or without statutory Authority.                                                                                                                                     |
| <input type="checkbox"/> | 7. One or more long-term loans or long-term debt instruments were executed in non-conformity with the applicable authorizing statute or without statutory Authority.                                                                                                                                       |
| <input type="checkbox"/> | 8. Corporate Personal Property Replacement Tax monies were deposited and/or used without first satisfying the lien imposed pursuant to the <i>Illinois State Revenue Sharing Act</i> [30 ILCS 115/12].                                                                                                     |
| <input type="checkbox"/> | 9. One or more interfund loans were made in non-conformity with the applicable authorizing statute or without statutory authorization per <i>Illinois School Code</i> [105 ILCS 5/10-22.33, 20-4 and 20-5].                                                                                                |
| <input type="checkbox"/> | 10. One or more interfund loans were outstanding beyond the term provided by statute <i>Illinois School Code</i> [105 ILCS 5/10-22.33, 20-4, 20-5].                                                                                                                                                        |
| <input type="checkbox"/> | 11. One or more permanent transfers were made in non-conformity with the applicable authorizing statute/regulation or without statutory/regulatory authorization per <i>Illinois School Code</i> [105 ILCS 5/17-2A].                                                                                       |
| <input type="checkbox"/> | 12. Substantial, or systematic misclassification of budgetary items such as, but not limited to, revenues, receipts, expenditures, disbursements or expenses were observed.                                                                                                                                |
| <input type="checkbox"/> | 13. The Chart of Accounts used to define and control budget and accounting records does not conform to the minimum requirements imposed by ISBE rules pursuant to <i>Illinois School Code</i> [105 ILCS 5/2-3.27; 2-3.28].                                                                                 |
| <input type="checkbox"/> | 14. At least one of the following forms was filed with ISBE late: The FY20 AFR (ISBE FORM 50-35), FY20 Annual Statement of Affairs (ISBE Form 50-37) and FY21 Budget (ISBE FORM 50-36). Explain in the comments box below in pursuant to <i>Illinois School Code</i> [105 ILCS 5/3-15.1; 5/10-17; 5/17-1]. |

### PART B - FINANCIAL DIFFICULTIES/CERTIFICATION Criteria pursuant to the *Illinois School Code* [105 ILCS 5/1A-8] :

- |                          |                                                                                                                                                                                                                                                                                                      |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> | 15. The district has issued tax anticipation warrants or tax anticipation notes in anticipation of a second year's taxes when warrants or notes in anticipation of current year taxes are still outstanding, as authorized by <i>Illinois School Code</i> [105 ILCS 5/17-16 or 34-23 through 34-27]. |
| <input type="checkbox"/> | 16. The district has issued short-term debt against two future revenue sources, such as, but not limited to, tax anticipation warrants and General State Aid certificates or tax anticipation warrants and revenue anticipation notes.                                                               |
| <input type="checkbox"/> | 17. The district has issued school or teacher orders for wages as permitted in <i>Illinois School Code</i> [105 ILCS 5/8-16, 32-7.2 and 34-76] or issued funding bonds for this purpose pursuant to <i>Illinois School Code</i> [105 ILCS 5/8-6; 32-7.2; 34-76; and 19-8].                           |
| <input type="checkbox"/> | 18. The district has for two consecutive years shown an excess of expenditures/other uses over revenues/other sources and beginning fund balances on its annual financial report for the aggregate totals of the Educational, Operations & Maintenance, Transportation, and Working Cash Funds.      |

### PART C - OTHER ISSUES

- |                                     |                                                                                                                                                                                                                               |
|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/>            | 19. Student Activity Funds, Imprest Funds, or other funds maintained by the district were excluded from the audit.                                                                                                            |
| <input type="checkbox"/>            | 20. Findings, other than those listed in Part A (above), were reported (e.g. student activity findings). These findings may be described extensively in the financial notes.                                                  |
| <input checked="" type="checkbox"/> | 21. Check this box if the district is subject to the Property Tax Extension Limitation Law. <span style="float: right;">Effective Date: <u>2/12/1995</u> (Ex: 00/00/0000)</span>                                              |
| <input type="checkbox"/>            | 22. If the type of Auditor Report designated on the cover page is other than an unqualified opinion and is due to reason(s) other than solely Cash Basis Accounting, please check and explain the reason(s) in the box below. |

**PART D - EXPLANATION OF ACCOUNTING PRACTICES FOR LATE MANDATED CATEGORICAL PAYMENTS**

(For School Districts who report on an Accrual/Modified Accrual Accounting Basis only)

School districts that report on the accrual/modified accrual basis of accounting must identify where late mandated categorical payments (Acct Codes 3100, 3120, 3500, 3510, 3950) are recorded. Depending on the accounting procedure these amounts will be used to adjust the Direct Receipts/Revenues in calculation 1 and 2 of the Financial Profile Score. In FY2021, identify those late payments recorded as Intergovernmental Receivables, Other Receivables, or Deferred Revenue & Other Current Liabilities or Direct Receipts/Revenue. Payments should only be listed once.

Date: 8/30/2021

24. Enter the date that the district used to accrue mandated categorical payments

25. For the listed mandated categorical (Revenue Code (3100, 3120, 3500, 3510, 3950) that were vouchered prior to June 30th, but not released until after year end as reported in ISBE FRIS system, enter the amounts that were accrued in the chart below.

	3100	3120	3500	3510	3950	Total
<b>Deferred Revenues (490)</b>						
Mandated Categoricals Payments (3100, 3120, 3500, 3510, 3950)						\$-
<b>Direct Receipts/Revenue</b>						
Mandated Categoricals Payments (3100, 3120, 3500, 3510, 3950)		35,974				\$35,974
<b>Total</b>						\$35,974

- Revenue Code (3100-Sp Ed Private Facilities, 3120-Sp Ed Regular Orphanage Individual, 3500-Regular/Vocational Transportation, 3510-Sp Ed Transportation, 3950-Regular Orphans & Foster Children)

**PART E - QUALIFICATIONS OF AUDITING FIRM**

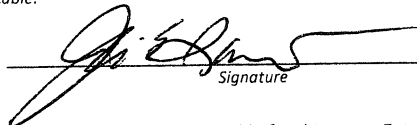
- School District/Joint Agreement entities must verify the qualifications of the auditing firm by requesting the most current peer review report and the corresponding acceptance letter from the approved peer review program for the current peer review.
- A school district/joint agreement who engages with an auditing firm who is not licensed and qualified will be required to complete a new audit by a qualified auditing firm at the school district's/joint agreement's expense.

**Comments Applicable to the Auditor's Questionnaire:**

**GASSENSMITH & MICHALESKO, LTD.**

Name of Audit Firm (print)

The undersigned affirms that this audit was conducted by a qualified auditing firm and in accordance with the applicable standards [23 Illinois Administrative Code Part 100] and the scope of the audit conformed to the requirements of subsection (a) or (b) of 23 Illinois Administrative Code Part 100 Section 110, as applicable.

  
Signature

10/08/2021  
mm/dd/yyyy

Note: A PDF with signature is acceptable for this page. Enter the location on signature line e.g. PDF in Opinion Page with signature



	A	B	C	D	E	F	G	H	I	K	L	M	N	O	P	Q	R
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**ESTIMATED FINANCIAL PROFILE SUMMARY**  
 (Go to the following website for reference to the Financial Profile)  
<https://www.isbe.net/Pages/School-District-Financial-Profile.aspx>

<b>District Name:</b>	BERWYN NORTH SD 98			
<b>District Code:</b>	06-016-0980-02			
<b>County Name:</b>	COOK			

<b>1. Fund Balance to Revenue Ratio:</b>		<b>Total</b>	<b>Ratio</b>	<b>Score</b>
Total Sum of Fund Balance (P8, Cells C81, D81, F81 & I81)	Funds 10, 20, 40, 70 + (50 & 80 if negative)	59,424,798.00	1.437	<b>Weight</b> 0.35
Total Sum of Direct Revenues (P7, Cell C8, D8, F8 & I8)	Funds 10, 20, 40, & 70,	41,354,500.00		<b>Value</b> 1.40
Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74)	Minus Funds 10 & 20	0.00		
(Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)				

<b>2. Expenditures to Revenue Ratio:</b>		<b>Total</b>	<b>Ratio</b>	<b>Score</b>
Total Sum of Direct Expenditures (P7, Cell C17, D17, F17, I17)	Funds 10, 20 & 40	36,714,284.00	0.888	<b>Adjustment</b> 0
Total Sum of Direct Revenues (P7, Cell C8, D8, F8, & I8)	Funds 10, 20, 40 & 70,	41,354,500.00		<b>Weight</b> 0.35
Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74)	Minus Funds 10 & 20	0.00		
(Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)			0	<b>Value</b> 1.40
Possible Adjustment:				

<b>3. Days Cash on Hand:</b>		<b>Total</b>	<b>Days</b>	<b>Score</b>
Total Sum of Cash & Investments (P5, Cell C4, D4, F4, I4 & C5, D5, F5 & I5)	Funds 10, 20 40 & 70	58,730,770.00	575.88	<b>Weight</b> 0.10
Total Sum of Direct Expenditures (P7, Cell C17, D17, F17 & I17)	Funds 10, 20, 40 divided by 360	101,984.12		<b>Value</b> 0.40

<b>4. Percent of Short-Term Borrowing Maximum Remaining:</b>		<b>Total</b>	<b>Percent</b>	<b>Score</b>
Tax Anticipation Warrants Borrowed (P26, Cell F6-7 & F11)	Funds 10, 20 & 40	0.00	100.00	<b>Weight</b> 0.10
EAV x 85% x Combined Tax Rates (P3, Cell J7 and J10)	(.85 x EAV) x Sum of Combined Tax Rates	6,655,364.50		<b>Value</b> 0.40

<b>5. Percent of Long-Term Debt Margin Remaining:</b>		<b>Total</b>	<b>Percent</b>	<b>Score</b>
Long-Term Debt Outstanding (P3, Cell H38)		0.00	100.00	<b>Weight</b> 0.10
Total Long-Term Debt Allowed (P3, Cell H32)		22,389,515.16		<b>Value</b> 0.40

**Total Profile Score: 4.00 \***

**Estimated 2022 Financial Profile Designation: RECOGNITION**

\* Total Profile Score may change based on data provided on the Financial Profile Information, page 3 and by the timing of mandated categorical payments. Final score will be calculated by ISBE.

**BASIC FINANCIAL STATEMENTS**  
**STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS**  
**STATEMENT OF POSITION AS OF JUNE 30, 2021**

	A	B	C	D	E	F	G	H	I	J	K
1	ASSETS		(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
2	(Enter Whole Dollars)	Acct. #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
3	<b>CURRENT ASSETS (100)</b>										
4	Cash (Accounts 111 through 115) <sup>1</sup>		51,806,173	4,899,723	2,360	1,640,485	713,859	0	384,389	293,984	135,956
5	Investments	120	0	0	0	0	0	0	0	0	0
6	Taxes Receivable	130	2,716,765	673,253		397,195	692,979			148,472	7,702
7	Interfund Receivables	140									
8	Intergovernmental Accounts Receivable	150	600,771								
9	Other Receivables	160									
10	Inventory	170									
11	Prepaid Items	180		59,886		6,256				12,513	
12	Other Current Assets (Describe & Itemize)	190									
13	<b>Total Current Assets</b>		55,123,709	5,632,862	2,360	2,043,936	1,406,838	0	384,389	454,969	143,658
14	<b>CAPITAL ASSETS (200)</b>										
15	Works of Art & Historical Treasures	210									
16	Land	220									
17	Building & Building Improvements	230									
18	Site Improvements & Infrastructure	240									
19	Capitalized Equipment	250									
20	Construction in Progress	260									
21	Amount Available in Debt Service Funds	340									
22	Amount to be Provided for Payment on Long-Term Debt	350									
23	<b>Total Capital Assets</b>										
24	<b>CURRENT LIABILITIES (400)</b>										
25	Interfund Payables	410									
26	Intergovernmental Accounts Payable	420									
27	Other Payables	430	9,248								
28	Contracts Payable	440									
29	Loans Payable	460									
30	Salaries & Benefits Payable	470									
31	Payroll Deductions & Withholdings	480									
32	Deferred Revenues & Other Current Liabilities	490	2,680,402	673,253		397,195	692,979			148,472	7,702
33	Due to Activity Fund Organizations	493									
34	<b>Total Current Liabilities</b>		2,689,650	673,253	0	397,195	692,979	0	0	148,472	7,702
35	<b>LONG-TERM LIABILITIES (500)</b>										
36	Long-Term Debt Payable (General Obligation, Revenue, Other)	511									
37	<b>Total Long-Term Liabilities</b>										
38	Reserved Fund Balance	714									
39	Unreserved Fund Balance	730	52,434,059	4,959,609	2,360	1,646,741	713,859		384,389	306,497	135,956
40	Investment in General Fixed Assets										
41	<b>Total Liabilities and Fund Balance</b>		55,123,709	5,632,862	2,360	2,043,936	1,406,838	0	384,389	454,969	143,658
42											
43	<b>ASSETS /LIABILITIES for Student Activity Funds</b>										
44	<b>CURRENT ASSETS (100) for Student Activity Funds</b>										
45	Student Activity Fund Cash and Investments	126	65,399								
46	<b>Total Student Activity Current Assets For Student Activity Funds</b>		65,399								
47	<b>CURRENT LIABILITIES (400) For Student Activity Funds</b>										
48	Total Current Liabilities For Student Activity Funds		0								
49	Reserved Student Activity Fund Balance For Student Activity Funds	715	65,399								
50	<b>Total Student Activity Liabilities and Fund Balance For Student Activity Funds</b>		65,399								
51											
52	<b>Total ASSETS /LIABILITIES District with Student Activity Funds</b>										
53	<b>Total Current Assets District with Student Activity Funds</b>		55,189,108	5,632,862	2,360	2,043,936	1,406,838	0	384,389	454,969	143,658
54	<b>Total Capital Assets District with Student Activity Funds</b>										
55	<b>CURRENT LIABILITIES (400) District with Student Activity Funds</b>										
56	<b>Total Current Liabilities District with Student Activity Funds</b>		2,689,650	673,253	0	397,195	692,979	0	0	148,472	7,702
57	<b>LONG-TERM LIABILITIES (500) District with Student Activity Funds</b>										
58	<b>Total Long-Term Liabilities District with Student Activity Funds</b>										
59	Reserved Fund Balance District with Student Activity Funds	714	65,399	0	0	0	0	0	0	0	0
60	Unreserved Fund Balance District with Student Activity Funds	730	52,434,059	4,959,609	2,360	1,646,741	713,859	0	384,389	306,497	135,956
61	Investment in General Fixed Assets District with Student Activity Funds										
62	<b>Total Liabilities and Fund Balance District with Student Activity Funds</b>		55,189,108	5,632,862	2,360	2,043,936	1,406,838	0	384,389	454,969	143,658

**BASIC FINANCIAL STATEMENTS**  
**STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS**  
**STATEMENT OF POSITION AS OF JUNE 30, 2021**

	A	B	L	M	N
1	ASSETS			Account Groups	
2	(Enter Whole Dollars)	Acct. #	Agency Fund	General Fixed Assets	General Long-Term Debt
3	<b>CURRENT ASSETS (100)</b>				
4	Cash (Accounts 111 through 115) <sup>1</sup>		0		
5	Investments	120			
6	Taxes Receivable	130			
7	Interfund Receivables	140			
8	Intergovernmental Accounts Receivable	150			
9	Other Receivables	160			
10	Inventory	170			
11	Prepaid Items	180			
12	Other Current Assets (Describe & Itemize)	190			
13	<b>Total Current Assets</b>		0		
14	<b>CAPITAL ASSETS (200)</b>				
15	Works of Art & Historical Treasures	210			
16	Land	220		255,810	
17	Building & Building Improvements	230		46,063,652	
18	Site Improvements & Infrastructure	240			
19	Capitalized Equipment	250		4,481,782	
20	Construction in Progress	260		716,904	
21	Amount Available in Debt Service Funds	340			0
22	Amount to be Provided for Payment on Long-Term Debt	350			0
23	<b>Total Capital Assets</b>			51,518,148	0
24	<b>CURRENT LIABILITIES (400)</b>				
25	Interfund Payables	410			
26	Intergovernmental Accounts Payable	420			
27	Other Payables	430			
28	Contracts Payable	440			
29	Loans Payable	460			
30	Salaries & Benefits Payable	470			
31	Payroll Deductions & Withholdings	480			
32	Deferred Revenues & Other Current Liabilities	490			
33	Due to Activity Fund Organizations	493	0		
34	<b>Total Current Liabilities</b>		0		
35	<b>LONG-TERM LIABILITIES (500)</b>				
36	Long-Term Debt Payable (General Obligation, Revenue, Other)	511			0
37	<b>Total Long-Term Liabilities</b>				0
38	Reserved Fund Balance	714			
39	Unreserved Fund Balance	730			
40	Investment in General Fixed Assets			51,518,148	
41	<b>Total Liabilities and Fund Balance</b>		0	51,518,148	0
42					
43	<b>ASSETS /LIABILITIES for Student Activity Funds</b>				
44	<b>CURRENT ASSETS (100) for Student Activity Funds</b>				
45	Student Activity Fund Cash and Investments	126			
46	<b>Total Student Activity Current Assets For Student Activity Funds</b>				
47	<b>CURRENT LIABILITIES (400) For Student Activity Funds</b>				
48	Total Current Liabilities For Student Activity Funds				
49	Reserved Student Activity Fund Balance For Student Activity Funds	715			
50	<b>Total Student Activity Liabilities and Fund Balance For Student Activity Funds</b>				
51					
52	<b>Total ASSETS /LIABILITIES District with Student Activity Funds</b>				
53	<b>Total Current Assets District with Student Activity Funds</b>		0		
54	<b>Total Capital Assets District with Student Activity Funds</b>			51,518,148	0
55	<b>CURRENT LIABILITIES (400) District with Student Activity Funds</b>				
56	<b>Total Current Liabilities District with Student Activity Funds</b>		0		
57	<b>LONG-TERM LIABILITIES (500) District with Student Activity Funds</b>				
58	<b>Total Long-Term Liabilities District with Student Activity Funds</b>				0
59	Reserved Fund Balance District with Student Activity Funds	714	0		
60	Unreserved Fund Balance District with Student Activity Funds	730	0		
61	Investment in General Fixed Assets District with Student Activity Funds			51,518,148	
62	<b>Total Liabilities and Fund Balance District with Student Activity Funds</b>		0	51,518,148	0

**BASIC FINANCIAL STATEMENT**  
**STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER**  
**SOURCES (USES) AND CHANGES IN FUND BALANCE**  
**ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2021**

	A	B	C	D	E	F	G	H	I	J	K
1	Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
2											
3	RECEIPTS/REVENUES										
4	LOCAL SOURCES	1000	5,966,094	1,336,135	0	809,330	1,405,085	0	3,483	293,641	15,996
5	FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT	2000	0	0		0	0				
6	STATE SOURCES	3000	25,681,663	2,617,016	0	907,541	0	0	0	0	0
7	FEDERAL SOURCES	4000	4,033,238	0	0	0	0	0	0	0	0
8	Total Direct Receipts/Revenues		35,680,995	3,953,151	0	1,716,871	1,405,085	0	3,483	293,641	15,996
9	Receipts/Revenues for "On Behalf" Payments <sup>2</sup>	3998	16,431,662								
10	Total Receipts/Revenues		52,112,657	3,953,151	0	1,716,871	1,405,085	0	3,483	293,641	15,996
11	DISBURSEMENTS/EXPENDITURES										
12	Instruction	1000	21,963,626				455,061			0	
13	Support Services	2000	9,803,310	4,124,167		619,214	647,860	0		238,488	1,400
14	Community Services	3000	146,580	0		0	10,159			0	
15	Payments to Other Districts & Governmental Units	4000	57,387	0	0	0	0	0		0	0
16	Debt Service	5000	0	0	0	0	0			0	0
17	Total Direct Disbursements/Expenditures		31,970,903	4,124,167	0	619,214	1,113,080	0		238,488	1,400
18	Disbursements/Expenditures for "On Behalf" Payments <sup>2</sup>	4180	16,431,662	0	0	0	0	0		0	0
19	Total Disbursements/Expenditures		48,402,565	4,124,167	0	619,214	1,113,080	0		238,488	1,400
20	Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures <sup>3</sup>		3,710,092	(171,016)	0	1,097,657	292,005	0	3,483	55,153	14,596
21	OTHER SOURCES/USES OF FUNDS										
22	OTHER SOURCES OF FUNDS (7000)										
23	PERMANENT TRANSFER FROM VARIOUS FUNDS										
24	Abolishment of the Working Cash Fund <sup>12</sup>	7110	0								
25	Abatement of the Working Cash Fund <sup>12</sup>	7110	0	0	0	0	0	0		0	0
26	Transfer of Working Cash Fund Interest	7120	0	0	0	0	0	0		0	0
27	Transfer Among Funds	7130	0	0		0					
28	Transfer of Interest	7140	0	0	0						
29	Transfer from Capital Project Fund to O&M Fund	7150									
30	Transfer of Excess Fire Prevention & Safety Tax and Interest Proceeds to O&M Fund <sup>4</sup>	7160									
31	Transfer to Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund <sup>5</sup>	7170									
32	SALE OF BONDS (7200)										
33	Principal on Bonds Sold	7210	0	0	0	0		0	0	0	0
34	Premium on Bonds Sold	7220									
35	Accrued Interest on Bonds Sold	7230									
36	Sale or Compensation for Fixed Assets <sup>6</sup>	7300									
37	Transfer to Debt Service to Pay Principal on Capital Leases	7400			0						
38	Transfer to Debt Service to Pay Interest on Capital Leases	7500			0						
39	Transfer to Debt Service to Pay Principal on Revenue Bonds	7600			0						
40	Transfer to Debt Service Fund to Pay Interest on Revenue Bonds	7700			0						
41	Transfer to Capital Projects Fund	7800						0			
42	ISBE Loan Proceeds	7900									
43	Other Sources Not Classified Elsewhere	7990									
44	Total Other Sources of Funds		0	0	0	0	0	0	0	0	0
45	OTHER USES OF FUNDS (8000)										

**BASIC FINANCIAL STATEMENT**  
**STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER**  
**SOURCES (USES) AND CHANGES IN FUND BALANCE**  
**ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2021**

	A	B	C	D	E	F	G	H	I	J	K
1			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
2	Description (Enter Whole Dollars)	Acct #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
46	PERMANENT TRANSFER TO VARIOUS OTHER FUNDS (8100)										
47	Abolishment or Abatement of the Working Cash Fund <sup>12</sup>	8110							0		
48	Transfer of Working Cash Fund Interest <sup>12</sup>	8120							0		
49	Transfer Among Funds	8130	0	0		0					
50	Transfer of Interest	8140									
51	Transfer from Capital Project Fund to O&M Fund	8150						0			
52	Transfer of Excess Fire Prevention & Safety Tax & Interest Proceeds to O&M Fund <sup>4</sup>	8160									0
53	Transfer of Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund <sup>5</sup>	8170									0
54	Taxes Pledged to Pay Principal on Capital Leases	8410									
55	Grants/Reimbursements Pledged to Pay Principal on Capital Leases	8420									
56	Other Revenues Pledged to Pay Principal on Capital Leases	8430									
57	Fund Balance Transfers Pledged to Pay Principal on Capital Leases	8440									
58	Taxes Pledged to Pay Interest on Capital Leases	8510									
59	Grants/Reimbursements Pledged to Pay Interest on Capital Leases	8520									
60	Other Revenues Pledged to Pay Interest on Capital Leases	8530									
61	Fund Balance Transfers Pledged to Pay Interest on Capital Leases	8540									
62	Taxes Pledged to Pay Principal on Revenue Bonds	8610									
63	Grants/Reimbursements Pledged to Pay Principal on Revenue Bonds	8620									
64	Other Revenues Pledged to Pay Principal on Revenue Bonds	8630									
65	Fund Balance Transfers Pledged to Pay Principal on Revenue Bonds	8640									
66	Taxes Pledged to Pay Interest on Revenue Bonds	8710									
67	Grants/Reimbursements Pledged to Pay Interest on Revenue Bonds	8720									
68	Other Revenues Pledged to Pay Interest on Revenue Bonds	8730									
69	Fund Balance Transfers Pledged to Pay Interest on Revenue Bonds	8740									
70	Taxes Transferred to Pay for Capital Projects	8810									
71	Grants/Reimbursements Pledged to Pay for Capital Projects	8820									
72	Other Revenues Pledged to Pay for Capital Projects	8830									
73	Fund Balance Transfers Pledged to Pay for Capital Projects	8840									
74	Transfer to Debt Service Fund to Pay Principal on ISBE Loans	8910	0	0							
75	Other Uses Not Classified Elsewhere	8990	0	0	0	0	0	0	0	0	0
76	<b>Total Other Uses of Funds</b>		0	0	0	0	0	0	0	0	0
77	<b>Total Other Sources/Uses of Funds</b>		0	0	0	0	0	0	0	0	0
78	Excess of Receipts/Revenues and Other Sources of Funds (Over/Under) Expenditures/Disbursements and Other Uses of Funds		3,710,092	(171,016)	0	1,097,657	292,005	0	3,483	55,153	14,596
79	<b>Fund Balances without Student Activity Funds - July 1, 2020</b>		48,723,967	5,130,625	2,360	549,084	421,854		380,906	251,344	121,360
80	Other Changes in Fund Balances - Increases (Decreases) (Describe & Itemize)										
81	<b>Fund Balances without Student Activity Funds - June 30, 2021</b>		52,434,059	4,959,609	2,360	1,646,741	713,859	0	384,389	306,497	135,956
84											
85	<b>Student Activity Fund Balance - July 1, 2020</b>		68,065								
86	<b>RECEIPTS/REVENUES -Student Activity Funds</b>										
87	<b>Total Student Activity Direct Receipts/Revenues</b>	1799	35,034								
88	<b>DISBURSEMENTS/EXPENDITURES -Students Activity Funds</b>										
89	<b>Total Student Activity Disbursements/Expenditures</b>	1999	37,699								
90	<b>Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures <sup>3</sup></b>		(2,665)								
91	<b>Student Activity Fund Balance - June 30, 2021</b>		65,400								
92											
93	<b>RECEIPTS/REVENUES (with Student Activity Funds)</b>										
94	<b>LOCAL SOURCES</b>	1000	6,001,128	1,336,135	0	809,330	1,405,085	0	3,483	293,641	15,996

**BASIC FINANCIAL STATEMENT**  
**STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER**  
**SOURCES (USES) AND CHANGES IN FUND BALANCE**  
**ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2021**

	A	B	C	D	E	F	G	H	I	J	K
1			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
2	Description (Enter Whole Dollars)	Acct #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
95	FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT	2000	0	0		0	0				
96	STATE SOURCES	3000	25,681,663	2,617,016	0	907,541	0	0	0	0	0
97	FEDERAL SOURCES	4000	4,033,238	0	0	0	0	0	0	0	0
98	Total Direct Receipts/Revenues		35,716,029	3,953,151	0	1,716,871	1,405,085	0	3,483	293,641	15,996
99	Receipts/Revenues for "On Behalf" Payments <sup>2</sup>	3998	16,431,662	0	0	0	0	0		0	0
100	Total Receipts/Revenues		52,147,691	3,953,151	0	1,716,871	1,405,085	0	3,483	293,641	15,996
101	DISBURSEMENTS/EXPENDITURES (with Student Activity Funds)										
102	Instruction	1000	22,001,325				455,061				
103	Support Services	2000	9,803,310	4,124,167		619,214	647,860	0		238,488	1,400
104	Community Services	3000	146,580	0		0	10,159				
105	Payments to Other Districts & Governmental Units	4000	57,387	0	0	0	0	0		0	0
106	Debt Service	5000	0	0	0	0	0			0	0
107	Total Direct Disbursements/Expenditures		32,008,602	4,124,167	0	619,214	1,113,080	0		238,488	1,400
108	Disbursements/Expenditures for "On Behalf" Payments <sup>2</sup>	4180	16,431,662	0	0	0	0	0		0	0
109	Total Disbursements/Expenditures		48,440,264	4,124,167	0	619,214	1,113,080	0		238,488	1,400
110	Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures <sup>3</sup>		3,707,427	(171,016)	0	1,097,657	292,005	0	3,483	55,153	14,596
111	OTHER SOURCES/USES OF FUNDS (with Student Activity Funds)										
112	OTHER SOURCES OF FUNDS (7000)										
113	Total Other Sources of Funds		0	0	0	0	0	0	0	0	0
114	OTHER USES OF FUNDS (8000)										
115	Total Other Uses of Funds		0	0	0	0	0	0	0	0	0
116	Total Other Sources/Uses of Funds		0	0	0	0	0	0	0	0	0
117	Fund Balances (All sources with Student Activity Funds) - June 30, 2021		52,499,459	4,959,609	2,360	1,646,741	713,859	0	384,389	306,497	135,956

	A	B	C	D	E	F	G	H	I	J	K
1	<b>REPORT ON SHARED SERVICES OR OUTSOURCING</b> School Code, Section 17-1.1 (Public Act 97-0357) Fiscal Year Ending June 30, 2021										
2											
3											
5	Complete the following for attempts to improve fiscal efficiency through shared services or outsourcing in the prior, current and next fiscal years.										
6	BERWYN NORTH SD 98 06-016-0980-02										
7											
8	<input type="checkbox"/> Check box if this schedule is not applicable.....	Prior Fiscal Year	Current Fiscal Year	Next Fiscal Year	Name of the Local Education Agency (LEA) Participating in the Joint Agreement, Cooperative or Shared Service.						
9	Indicate with an (X) If Deficit Reduction Plan Is Required in the Budget →										
10	Service or Function (Check all that apply)			Barriers to Implementation	(Limit text to 200 characters, for additional space use line 33 and 38)						
11	Curriculum Planning										
12	Custodial Services										
13	Educational Shared Programs										
14	Employee Benefits	X	X	X	SSCIP						
15	Energy Purchasing	X	X	X	NEXTRA						
16	Food Services										
17	Grant Writing										
18	Grounds Maintenance Services										
19	Insurance	X	X	X	self						
20	Investment Pools										
21	Legal Services										
22	Maintenance Services										
23	Personnel Recruitment										
24	Professional Development										
25	Shared Personnel										
26	Special Education Cooperatives										
27	STEM (science, technology, engineering and math) Program Offerings										
28	Supply & Equipment Purchasing										
29	Technology Services										
30	Transportation										
31	Vocational Education Cooperatives										
32	All Other Joint/Cooperative Agreements	X	X	X	NORTH BERWYN PARK DISTRICT						
33	Other										
34											
35	Additional space for Column (D) - Barriers to Implementation:										
36											
37											
38											
40	Additional space for Column (E) - Name of LEA:										
41											
42											
43											

**ILLINOIS STATE BOARD OF EDUCATION**  
School Business Services Department (N-330)  
100 North First Street  
Springfield, IL 62777-0001

**LIMITATION OF ADMINISTRATIVE COSTS WORKSHEET**  
(Section 17-1.5 of the School Code)

School District Name: BERWYN NORTH SD 98  
RCDT Number: 06-016-0980-02

Description	Funct. No.	Actual Expenditures, Fiscal Year 2021				Budgeted Expenditures, Fiscal Year 2022			
		(10) Educational Fund	(20) Operations & Maintenance Fund	(80) Tort Fund *	Total	(10) Educational Fund	(20) Operations & Maintenance Fund	(80) Tort Fund	Total
1. Executive Administration Services	2320	228,005		0	228,005	245,192			245,192
2. Special Area Administration Services	2330	287,930		0	287,930	223,373			223,373
3. Other Support Services - School Administration	2490	0		0	0				0
4. Direction of Business Support Services	2510	97,029	0	0	97,029	101,682			101,682
5. Internal Services	2570	0		0	0				0
6. Direction of Central Support Services	2610	0		0	0				0
7. Deduct - Early Retirement or other pension obligations required by state law and included above.					0				0
8. Totals		612,964	0	0	612,964	570,247	0	0	570,247
9. Percent Increase (Decrease) for FY2022 (Budgeted) over FY2021 (Actual)									-7%

**CERTIFICATION**

I certify that the amounts shown above as Actual Expenditures, Fiscal Year 2021, agree with the amounts on the district's Annual Financial Report for Fiscal Year 2021.  
I also certify that the amounts shown above as Budgeted Expenditures, Fiscal Year 2022, agree with the amounts on the budget adopted by the Board of Education.

\_\_\_\_\_  
*Signature of Superintendent*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Contact Name (for questions)*

\_\_\_\_\_  
*Contact Telephone Number*

**If line 9 is greater than 5% please check one box below.**

- ☐ The District is ranked by ISBE in the lowest 25th percentile of like districts in administrative expenditures per student (4th quartile) and will waive the limitation by board action, subsequent to a public hearing.
- ☐ The district is unable to waive the limitation by board action and will be requesting a waiver from the General Assembly pursuant to the procedures in Chapter 105 ILCS 5/2-3.25g. Waiver applications must be postmarked by August 15, 2021 to ensure inclusion in the Fall 2021 report or postmarked by January 15, 2022 to ensure inclusion in the Spring 2022 report. Information on the waiver process can be found at <https://www.isbe.net/Pages/Waivers.aspx>
- ☐ The district will amend their budget to become in compliance with the limitation.



# **Berwyn North School District 98**

**Berwyn, Illinois**

**Annual Financial Report**

**Year Ended June 30, 2021**

Berwyn North School District 98  
Annual Financial Report  
For the Year Ended June 30, 2021

TABLE OF CONTENTS

	<b><u>Page</u></b>
<b>Independent Auditors' Report</b>	1 - 3
<b>Managements' Discussion and Analysis</b>	4 – 10
<b>Basic Financial Statements</b>	
Government-wide Financial Statements	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements	
Balance Sheet- Governmental Funds	13 - 14
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	15
Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds	16 - 17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Fiduciary Assets and Liabilities	19
Notes to the Financial Statements	20 - 60
<b>Required Supplementary Information</b>	
Schedule Changes in Net OPEB Liability and Related Ratios – Other Postemployment Benefits	61
Schedule of the Employer's Proportionate share of Net Pension Liability - TRS	62
Schedule of Employer Contributions – TRS	62
Schedule of the Employer's Proportionate share of Net OPEB Liability - THIS	63
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios - IMRF	64
Multiyear Schedule of Employer Contributions - IMRF	65
Notes to the Schedule of Employer Contributions - IMRF	66
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	67 - 74
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Operations and Maintenance Fund	75 - 76
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Transportation Fund	77 - 78
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Municipal Retirement/Social Security Fund	79 – 81
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Fire Prevention and Safety Fund	82

Berwyn North School District 98  
Annual Financial Report  
For the Year Ended June 30, 2021

TABLE OF CONTENTS

Notes to the Required Supplementary Information	83 - 84
<b>Supplementary Financial Information</b>	
General Fund	
Combining Balance Sheet	85
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance	86
<b>Other Supplemental Information (unaudited)</b>	
Property Tax Rates and Levies - Last Five Tax Levy Years	87
Operating Costs and Tuition Charge - June 30, 2021 and 2020	88
Schedule of Revenues, Expenditures and Changes in Fund Balance - Educational Account, Tort Immunity Account and Operations and Maintenance Fund – Last Ten Years	89 – 90
Schedule of Revenues, Expenditures and Changes in Accumulated Balance - Child Nutrition Program – Last Five Years	91
<b>Single Audit</b>	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	92 - 93
Independent Auditor’s Report on Compliance for each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	94 - 96
Schedule of Expenditures of Federal Awards	97
Notes to Schedule of Expenditures of Federal Awards	98
Schedule of Findings and Questionable Costs	99 - 100
Summary Schedule of Prior Year Audit Findings	101
<b>Grant Accountability and Transparency Act Section</b>	
Independent Auditor’s Report on Supplementary Information	102
Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report	103-125

**Independent Auditors' Report**

To Members of the Board of Education  
Berwyn North School District 98  
Berwyn, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Berwyn North School District 98 (District), as of and for the period ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

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

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

To the Board of Education  
Berwyn North School District 98

### **Opinion**

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 the District, as of June 30, 2021, 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**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10, other post-employment benefits information on page 61, the Teachers Retirement System Fund pension data on page 62, Teachers' Health Insurance Security Fund pension data on page 63, the Illinois Municipal Retirement Fund pension data on pages 64-66, and budgetary comparison schedules and notes to the required supplementary information on pages 67 through 84, 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 other information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and the statistical tables are presented for purposes of additional analysis and are not a required part of the financial statements.

To the Board of Education  
Berwyn North School District 98

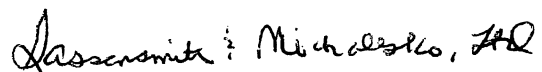
### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2021, on our consideration of the District's internal control over financial reporting and our tests of its compliance with provisions of laws, regulations, contracts, and other matters. The purpose of that report is to describe the scope of testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting and compliance. The report is an internal part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

This report is intended solely for the information and use of the Board of Education and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

### **Other Matters**

Our audit was made for the purpose of forming an opinion on the financial statements taken as whole. The information provided on pages 2 through 4, supplementary schedules on pages 25 through 31, statistical section on pages 32 through 31 and the itemization schedule on page 40, Schedule of Funding Progress relative to the Illinois Municipal Retirement Fund, and Schedules for Trust and Agency Funds are presented for the purposes of additional analysis and are not a required part of the financial statements of the District. Such information, except for the average daily attendance figure, included in the computation of operating expense per pupil on page 33 and per capita tuition charges on page 35, and the Other Information schedules relative to the Teachers Retirement System and the Illinois Municipal Retirement Fund, are the responsibility of management and has been derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as whole. The information on pages 36-37 is propagated from information in the audited financial statements, but we take no responsibility for the accuracy of those calculations. The Report on Shared Services or Outsourcing on page 38 contains unaudited information concerning prior, current, and future year expenditures which was provided by the District. The Administrative Cost Worksheet on page 39 contains unaudited information concerning the current year budget which was provided by the District. The actual expenditure information on this page is fairly stated in all material respects in relation to the financial statements taken as a whole. The average daily attendance figure, included in the computation of operating expense per pupil on page 34 and per capital tuition charges on page 35, and the Schedule of Funding Progress relative to the Illinois Municipal Retirement Fund, have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them. The Table of Contents references a Federal Compliance Section on pages 37-46; this District was required to have a Single Audit and this section has been completed.



Gassensmith & Michalesko, Ltd.  
Certified Public Accountants

October 8, 2021

**Berwyn North School District 98**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2021**

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The discussion and analysis of Berwyn North School District 98's (The District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2021. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements and notes to the financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (the "MD&A").

**Financial Highlights**

- Total net position increased by approximately \$4.8 Million.
- Assets and deferred outflows exceeded liabilities and deferred inflows by approximately \$60.3 million.

**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 the financial statements.

This report also contains required supplementary and 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 and liabilities and deferred inflows/outflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

**Berwyn North School District 98**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2021**

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Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

The District maintains five individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund (Educational, Tort Immunity and Judgment Account, and Working Cash Account), Operations and Maintenance, Transportation, IMRF, and Fire Prevention and Safety, all of which are considered to be major funds.



**Berwyn North School District 98**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2021**

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

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 statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that for the fund financial statements.

*Notes to the financial statements*

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

*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 benefits to its noncertified employees. Information is also included comparing actual results to the initial budget.

Government-Wide Financial Analysis

- The District's net position is \$4.8 million higher as of June 30, 2021 than it was as of June 30, 2020.
- The District's total revenues were \$59.5 million. Real estate and personal property replacement taxes accounted for 16 percent of revenues. Another 83 percent of revenues came from state and federal aid for specific programs and the remainder from fees charged for services and miscellaneous sources.
- The District's total expenses were \$54.7 million. These expenses were used to provide instructional and related services to the District's students.

**Berwyn North School District 98**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2021**

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Table 1 Condensed Statement of Net Position		
	<u>2021</u>	<u>2020</u>
Current and other assets	65,258,120	59,996,608
Capital assets, net	<u>28,227,788</u>	<u>28,664,670</u>
Total assets	<u>93,485,908</u>	<u>88,661,278</u>
Deferred outflow of resources	1,780,554	3,207,671
Current liabilities	<u>9,248</u>	<u>32,678</u>
Long-term liabilities	<u>22,009,157</u>	<u>23,948,175</u>
Total liabilities	<u>22,018,405</u>	<u>23,980,853</u>
Deferred inflow of resources	<u>12,951,258</u>	<u>12,506,879</u>
Net position:		
Investment in capital assets	28,227,788	28,664,670
Restricted	7,692,623	6,414,360
Unrestricted	<u>24,376,388</u>	<u>20,302,187</u>
Total net position	<u><u>60,296,799</u></u>	<u><u>55,381,217</u></u>

**Berwyn North School District 98**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2021**

Table 2  
Changes in Net Position

	<u>2021</u>	<u>% of Total</u>	<u>2020</u>	<u>% of Total</u>
<b>Revenues:</b>				
Program revenues:				
Charges for services	-	0.0%	3,343	0.0%
Operating/capital grants and contributions	23,143,735	38.9%	22,520,820	38.4%
General revenues:				0.0%
Property taxes	9,362,237	15.7%	9,102,346	15.5%
State aid-formula grants	26,527,385	44.6%	26,527,803	45.2%
Other	502,561	0.8%	489,338	0.8%
Total revenues	<u>59,535,918</u>	<u>100.0%</u>	<u>58,643,650</u>	<u>100.0%</u>
<b>Expenses:</b>				
Instruction	39,737,860	72.7%	39,379,939	70.3%
Pupil and instructional services	4,023,381	7.4%	4,839,200	8.6%
Administration and business	6,134,834	11.2%	6,302,292	11.3%
Transportation	669,940	1.2%	1,318,620	2.4%
Operations and maintenance	3,636,518	6.6%	3,927,894	7.0%
Other	485,867	0.9%	242,538	0.4%
Total expenses	<u>54,688,400</u>	<u>100.0%</u>	<u>56,010,483</u>	<u>100.0%</u>
<b>Increase (decrease) in net position</b>	<u>4,847,518</u>		<u>2,633,167</u>	
Net Position, beginning of Year	<u>55,381,217</u>		<u>52,748,050</u>	
As Restated (GASB 84)	<u>68,064</u>		<u>-</u>	
Net Position, End of Year	<u>60,296,799</u>		<u>55,381,217</u>	

**Berwyn North School District 98**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2021**

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**Financial Analysis of the District's Funds**

As the District completed the year, its governmental funds reported combined fund balances of \$65.2 million.

The most significant changes in the fund balances occurred in the General Fund. The General Fund had revenues in excess of expenditures in the amount of \$3.8 million and is discussed in more detail below.

The General Fund ended with a net increase of \$3,766,063, and ended with a fund balance of \$53,190,344. Revenues were higher than anticipated due to additional state aid received combined with lower than anticipated expenditures.

The Operations and Maintenance Fund ended with a net decrease of \$171,016 and ended with a fund balance of \$4,959,609. Revenues were higher than anticipated combined with lower than anticipated expenditures.

The Transportation Fund ended with a net increase of \$1,097,657, and ended with a fund balance of \$1,646,741.

The IMRF/Social Security Fund ended with a net increase of \$292,005, and ended with a fund balance of \$713,859.

The Debt Service Fund had no activity for the year.

The Fire Prevention and Safety Fund had a net increase of \$14,596, and an ending fund balance of \$135,956. The change approximates the decrease the District anticipated in the budget.

**General Fund Budgetary Highlights**

Over the course of the year, the District did not revise the annual operating budget. Expenditures were under budget in the Educational Account, of the General Fund, by \$1.7 million, excluding the on-behalf payments, primarily due to the cost of salaries and benefits being less than anticipated. Revenues were in line with budgeted amount.

**Berwyn North School District 98**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2021**

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**Capital Asset**

By the end of fiscal 2021, the District has invested \$28.2 million in a broad range of capital assets, including school buildings, furnishings, and equipment. Total depreciation expense for the year was \$1.4 million.- Detailed information on the District's capital assets can be found in Note 5 of the District's financial statements.

Table 3 Capital Assets (net of depreciation)		
	<u>2021</u>	<u>2020</u>
Land	255,810	255,810
Construction in process	716,904	-
Buildings	26,578,954	27,690,127
Equipment and vehicles	<u>676,120</u>	<u>718,733</u>
Total	<u>28,227,788</u>	<u>28,664,670</u>

**Factors Bearing on the District's Future**

Staff and health insurance costs are anticipated to increase, in addition to transportation costs and expenditures in the IMRF fund to support pensions, FICA, and Medicare payments required for qualified non-certified staff.

**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 Director of Business Services, 6633 West 16<sup>th</sup> Street, Berwyn, Illinois 60402.

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BERWYN NORTH SCHOOL DISTRICT 98  
STATEMENT OF NET POSITION- GOVERNMENTAL ACTIVITIES  
June 30, 2021

	<u>2021</u>
Cash and investments	59,942,328
Receivable (net of allowance for uncollectibles):	
Property Taxes	4,600,003
Replacement taxes	36,363
Intergovernmental	600,771
Prepaid assets	78,655
Capital assets:	
Land	255,810
Construction in Process	716,904
Other capital assets, net of depreciation	27,255,074
Total assets	<u>93,485,908</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflows of resources related to pensions	<u>1,780,554</u>
Total assets and deferred outflows of resources	<u>95,266,462</u>
<u>LIABILITIES</u>	
Accounts payable	9,248
Long-term liabilities:	
Due within one year	-
Due after one year	<u>22,009,157</u>
Total liabilities	<u>22,018,405</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred inflows of resources related to pensions	8,351,255
Deferred inflows of resources related to taxes	4,600,003
<u>NET POSITION</u>	
Invested in Capital assets, net of related debt	28,227,788
Restricted For:	
Operations and maintenance	4,899,723
Debt service	2,360
Student transportation	1,640,485
Retirement benefits	713,859
Tort immunity	293,984
Fire prevention and safety	135,956
Unrestricted	<u>24,382,644</u>
Total Net Position	<u><u>60,296,799</u></u>

The notes to the basic financial statements are an integral part of this statement.

BERWYN NORTH SCHOOL DISTRICT 98  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>PROGRAM REVENUES</u>		<u>Net (Expenses) Revenue and Changes in Net Position</u>
		<u>Changes for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental activities				
Instruction:				
Regular programs	12,828,321	-	1,659,828	(11,168,493)
Special programs	5,512,376	-	1,704,915	(3,807,461)
Other instructional programs	4,965,501	-	975,024	(3,990,477)
State retirement contributions	16,431,662	-	16,431,662	-
Support services:				
Pupils	2,409,809	-	-	(2,409,809)
Instructional staff	1,613,572	-	206,175	(1,407,397)
General administration	864,704	-	-	(864,704)
School administration	1,749,960	-	-	(1,749,960)
Business	2,385,819	-	1,196,733	(1,189,086)
Transportation	669,940	-	907,541	237,601
Operations and maintenance	3,636,518	-	-	(3,636,518)
Central	329,128	-	-	(329,128)
Other supporting services	1,134,351	-	61,857	(1,072,494)
Community services	<u>156,739</u>	<u>-</u>	<u>-</u>	<u>(156,739)</u>
Total governmental activities	<u>54,688,400</u>	<u>-</u>	<u>23,143,735</u>	<u>(31,544,665)</u>

GENERAL REVENUES:

Taxes:

Real estate taxes, levied for general purposes	5,767,961
Real estate taxes, levied for specific purposes	3,430,776
Personal property replacement taxes	163,500
State aid-formula grants	26,527,385
Investment earnings	265,907
Other Revenues	<u>236,654</u>
Total general revenues	<u>36,392,183</u>
Change in net position	4,847,518
Net Position -Beginning	<u>55,381,217</u>
As restated for GASB 84 (see Note 1)	<u>68,064</u>
Net Position - End	<u>60,296,799</u>

The notes to the basic financial statements are an integral part of this statement.



BERWYN NORTH SCHOOL DISTRICT 98  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
June 30, 2021

	<u>General</u>	<u>Operations and Maintenance</u>	<u>Transportation</u>
<u>ASSETS</u>			
Cash and investments	52,549,945	4,899,723	1,640,485
Receivables (net of allowance for uncollectibles):			
Property taxes	2,828,874	673,253	397,195
Replacement taxes	36,363	-	-
Intergovernmental	600,771	-	-
Prepaid items	12,513	59,886	6,256
Total assets	<u>56,028,466</u>	<u>5,632,862</u>	<u>2,043,936</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Accounts payable	9,248	-	-
Total liabilities	<u>9,248</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources			
Unearned revenue	<u>2,828,874</u>	<u>673,253</u>	<u>397,195</u>
Fund balances:			
Nonspendable	12,513	59,886	6,256
Assigned	65,399	-	-
Restricted - operations and maintenance	-	4,899,723	-
Restricted - Debt Service	-	-	-
Restricted - Student Transportation	-	-	1,640,485
Restricted - Retirement Benefits	-	-	-
Restricted - Tort Immunity	293,984	-	-
Restricted - Fire Prevention and Safety	-	-	-
Unassigned	52,818,448	-	-
Total fund balance	<u>53,190,344</u>	<u>4,959,609</u>	<u>1,646,741</u>
Total liabilities and fund balance	<u>56,028,466</u>	<u>5,632,862</u>	<u>2,043,936</u>

The notes to the basic financial statements are an integral part of this statement.

<u>Municipal Retirement/ Soc. Sec</u>	<u>Debt Service</u>	<u>Fire Prevention and Safety</u>	<u>Total</u>
713,859	2,360	135,956	59,942,328
692,979	-	7,702	4,600,003
-	-	-	36,363
-	-	-	600,771
-	-	-	78,655
<u>1,406,838</u>	<u>2,360</u>	<u>143,658</u>	<u>65,258,120</u>
-	-	-	9,248
-	-	-	9,248
<u>692,979</u>	<u>-</u>	<u>7,702</u>	<u>4,600,003</u>
-	-	-	78,655
-	-	-	65,399
-	-	-	4,899,723
-	2,360	-	2,360
-	-	-	1,640,485
713,859	-	-	713,859
-	-	-	293,984
-	-	135,956	135,956
-	-	-	52,818,448
<u>713,859</u>	<u>2,360</u>	<u>135,956</u>	<u>60,648,869</u>
<u>1,406,838</u>	<u>2,360</u>	<u>143,658</u>	<u>65,258,120</u>

The notes to the basic financial statements are an integral part of this statement.

BERWYN NORTH SCHOOL DISTRICT 98  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET POSITION

June 30, 2021

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Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	60,648,869
------------------------------------------	------------

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.	28,227,788
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Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:

Deferred outflows of resources related to pensions	1,780,554
Deferred inflows of resources related to pensions	(8,351,255)

Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not recognized in the governmental funds balance sheet.	<u>(22,009,157)</u>
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Net Position - governmental activities	<u><u>60,296,799</u></u>
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The notes to the basic financial statements are an integral part of this statement.

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BERWYN NORTH SCHOOL DISTRICT 98  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
For the Year Ended June 30, 2021

	<u>General</u>	Operations and <u>Maintenance</u>	<u>Transportation</u>
Revenues			
Property Taxes	5,767,961	1,287,644	763,097
Replacement taxes	123,500	-	-
State aid	42,113,325	2,617,016	907,541
Federal aid	4,033,238	-	-
Interest	247,063	16,579	1,219
Other	159,728	31,912	45,014
Total revenues	<u>52,444,815</u>	<u>3,953,151</u>	<u>1,716,871</u>
Expenditures			
Current:			
Instruction:			
Regular programs	11,690,169	-	-
Special programs	5,192,654	-	-
Other instructional programs	4,901,750	-	-
State retirement contributions	16,431,662	-	-
Support services:			
Pupils	2,354,689	-	-
Instructional staff	1,584,656	-	-
General administration	807,614	-	-
School administration	1,648,607	-	-
Business	2,236,667	-	-
Transportation	-	-	619,214
Operations and maintenance	-	3,407,263	-
Central	275,214	-	-
Other supporting services	1,134,351	-	-
Community services	146,580	-	-
Nonprogrammed charges	57,387	-	-
Capital outlay	<u>216,752</u>	<u>716,904</u>	<u>-</u>
Total expenditures	<u>48,678,752</u>	<u>4,124,167</u>	<u>619,214</u>
Excess (deficiency) of revenues over expenditures	3,766,063	(171,016)	1,097,657
Other financing sources (uses)			
Refund of prior year's taxes	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,766,063	(171,016)	1,097,657
Fund balance, beginning of year	<u>49,424,281</u>	<u>5,130,625</u>	<u>549,084</u>
Fund balance, end of year	<u><u>53,190,344</u></u>	<u><u>4,959,609</u></u>	<u><u>1,646,741</u></u>

The notes to the basic financial statements are an integral part of this statement.

Municipal Retirement/ Soc. Sec	Debt Service	Fire Prevention and Safety	Total
1,364,803	-	15,232	9,198,737
40,000	-	-	163,500
-	-	-	45,637,882
-	-	-	4,033,238
282	-	764	265,907
-	-	-	236,654
<u>1,405,085</u>	<u>-</u>	<u>15,996</u>	<u>59,535,918</u>
128,975	-	-	11,819,144
262,335	-	-	5,454,989
63,751	-	-	4,965,501
-	-	-	16,431,662
55,120	-	-	2,409,809
28,916	-	-	1,613,572
22,326	-	-	829,940
101,353	-	-	1,749,960
141,744	-	1,400	2,379,811
23,376	-	-	642,590
221,111	-	-	3,628,374
53,914	-	-	329,128
-	-	-	1,134,351
10,159	-	-	156,739
-	-	-	57,387
-	-	-	933,656
<u>1,113,080</u>	<u>-</u>	<u>1,400</u>	<u>54,536,613</u>
292,005	-	14,596	4,999,305
-	-	-	-
-	-	-	-
292,005	-	14,596	4,999,305
421,854	2,360	121,360	55,649,564
<u>713,859</u>	<u>2,360</u>	<u>135,956</u>	<u>60,648,869</u>

The notes to the basic financial statements are an integral part of this statement.

BERWYN NORTH SCHOOL DISTRICT 98  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF ACTIVITIES  
For the year ended June 30, 2021

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

Net changes in fund balances - total governmental funds	4,999,305
---------------------------------------------------------	-----------

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.	(436,882)
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------

Governmental funds report district pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.	(1,653,923)
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------

The increase in long-term liabilities consumes the current financial resources of the government	<u>1,939,018</u>
--------------------------------------------------------------------------------------------------	------------------

Change in net position - governmental activities	<u><u>4,847,518</u></u>
--------------------------------------------------	-------------------------

The notes to the basic financial statements are an integral part of this statement.

BERWYN NORTH SCHOOL DISTRICT 98  
AGENCY FUND  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
June 30, 2021

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	<u>ASSETS</u>	
Cash and investments		<u>65,399</u>
	<u>LIABILITIES</u>	
Due to student groups		<u>65,399</u>

The notes to the basic financial statements are an integral part of this statement.



# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Berwyn North School District 98 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

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

#### A. Reporting Entity

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

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

The District is not included as a component unit in any other governmental reporting entity, as defined by Governmental Accounting Standards Board (GASB) pronouncements.

#### B. Fund Accounting

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

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

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### B. Fund Accounting (continued)

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

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

#### C. Government-Wide and Fund Financial Statements

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

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 revenue includes (1) amounts paid by recipient of goods or services offered by the program (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

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

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### C. Government-Wide and Fund Financial Statements (continued)

##### 1. General Fund

The General Fund includes the Educational Account the Working Cash Account, and the Tort Immunity and Judgment Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources held by the District to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid within one year. As allowed by the School Code of Illinois, this account may be permanently abolished and become part of the Educational Account or it may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Account of at least .05% of the District's current equalized assessed valuation. The Tort Immunity and Judgment Account is used to account for revenues derived from a specific property levy and expenditures of these monies is for risk management activities and claims.

##### 2. Special Revenue Funds

The special revenue funds are used to account for and report the proceeds of specific revenue sources (other than those accounted for in the Debt Service, Capital Projects or Fiduciary Funds) that are legally restricted to expenditures for specified purposes.

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

*Operations and Maintenance Fund* accounts for all revenue and expenditures made for operations, repair and maintenance of the District's buildings and land. Revenue consists primarily of general state aid and local property taxes.

*Transportation Fund* accounts for all revenue and expenditures made for student transportation. Revenues are derived primarily from local property taxes and state reimbursement grants.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### C. Government-Wide and Fund Financial Statements (continued)

##### 2. Special Revenue Funds (continued)

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

##### 3. Debt Service Fund

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

##### 4. Capital Projects Fund

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

##### 5. Fiduciary Fund

*The Fiduciary (Agency) Fund* accounts for assets held by the District in an agency capacity for individuals, private organizations, or other funds. There were no such funds in the current year.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### D. Fund Balance

In the fund financial statements, the governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

1. *Nonspendable* includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items or inventories.
2. *Restricted* refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or are imposed by law through enabling legislation. Special revenue funds are by definition restricted for those specified purposes.
3. *Committed* refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds.
4. *Assigned* refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the Board of Education or an individual the Board of Education delegates the authority to assign amounts to be used for specific purposes. The Board of Education has not delegated this authority. At June 30, 2021, the District had \$65,399 of assigned fund balances for student activity funds.
5. *Unassigned* refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### D. Fund Balance (continued)

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

Governmental fund balances reported on the fund financial statements at June 30, 2021 are as follows:

The restricted fund balance in the General Fund is comprised of \$293,984, representing the remaining unspent portion of the restricted tort immunity levy.

#### E. Measurement Focus, Basis of Accounting and Basis of Presentation

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

Governmental funds are used to account for the District's general governmental activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measureable and available". "Measureable" means that the amount of the transaction can be determined, and "available" means collective within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property tax revenues and most other revenues available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if vouchered by year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### E. Measurement Focus, Basis of Accounting and Basis of Presentation (continued)

absences, claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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

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

#### F. Deferred Outflows/Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position/fund balance that applies to a future period(s). At June 30, 2021, the District has deferred outflows related to pension liabilities. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting period(s). At June 30, 2021, the District reported deferred inflows of resources related to property taxes levied for a future period and amounts related to pension liabilities.

#### G. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the General Fund which does not budget for on-behalf payments for the State of Illinois. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### H. Deposits and Investments

Investments are stated at fair value. Due to the nature of the District's investments, fair value equals cost. No amortization is made to interest income for discounted federal securities. Gains and losses on the sale of investments are recorded as interest income at the date of sale or maturity.

#### I. Personal Property Replacement Taxes

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

#### J. Capital Assets

Capital assets are recorded in the statement of net position at cost (or estimated historical cost). Donated capital assets are recorded at their estimated fair value at the date of donation. Capital assets are updated for additions and retirements during the year. The District maintains a capitalization threshold of \$1,500 and an estimated useful life in excess of one year. All reported capital assets, except land and construction-in-progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

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

Depreciation of capital assets is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	15 - 75
Improvements other than buildings	20
Vehicles	8 - 10
Machinery and equipment	5 - 20



# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### K. Compensated Absences

Noncertified and certified employees who work a twelve-month year are entitled to be compensated for vacation time. Vacations are usually taken within the calendar year. Noncertified and certified employees receive a specific number of sick days per year depending on years of service, in accordance with the agreement between the Board of Education and the Education Association. Unused sick leave days are accumulated. Upon retirement from the District, certified employees receive TRS creditable service time for accumulated sick days. Due to the nature of the policies on sick leave, no liability has been recorded in the District's financial statements.

#### L. 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, and losses on refunding of bonds are deferred and amortized over the life of the applicable bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount or loss on refunding. Bond issuance costs are expensed as incurred. The District had no outstanding bonds at June 30, 2021.

In the fund financial statements, governmental funds recognize bond premiums and discounts, losses on refunding, and bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs and losses on refunding, are reported as debt service expenditures.

#### M. Restricted Net Position

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

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

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### M. Restricted Net Position (continued)

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

#### N. Use of Estimates

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

#### O. Pensions

For purposes of measuring the 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 the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

#### P. GASB Pronouncements

The District adopted the provisions of GASB statement No. 84 –Fiduciary Activities. As a result of implementing, the beginning fund balance of the General Fund was increased by \$68,064, which was the balance of the Student Activity Fund. As a result of GASB 84, the District will no longer be reporting Agency Funds

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

#### A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position

The governmental funds balance sheet includes a reconciliation between total fund balances- governmental funds and net position- governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not recognized in the governmental funds balance sheet.” The details of this difference are as follows:

Other postemployment benefit obligations	\$( 235,360)
OPEB net pension liability	(20,008,072)
IMRF net pension liability	176,303
TRS net pension liability	<u>(1,942,028)</u>
Net adjustment to reduce total fund balances – governmental funds to arrive at net position- governmental activities	<u>\$ (22,009,157)</u>

#### B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental funds statement of revenues, expenditures and changes in fund balances includes a reconciliation between net change in fund balances - total governmental funds and change in net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 932,846
Depreciation expense	<u>(1,370,548)</u>
Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position - governmental activities	<u>\$ (436,882)</u>

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

#### B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (continued)

Another element of that reconciliation states that “The issuance of long-term debt (e.g. bonds, other) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds.” The details of this difference are as follows:

Other postemployment benefit obligations, net	\$ (15,599)
OPEB liability expense, net	(272,469)
IMRF pension, net	(1,728,122)
TRS pension, net	<u>77,172</u>

Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position - governmental activities.	<u>\$(1,939,018)</u>
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### NOTE 3 DEPOSITS AND INVESTMENTS

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

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 3 DEPOSITS AND INVESTMENTS (continued)

At June 30, 2021, the District's cash and investments consisted of the following:

	<u>Governmental</u>
Cash	<u>\$59,942,328</u>

For disclosure purposes, this amount is segregated into two components as follows:

Deposits with financial institutions	\$ 48,483,209
Investment with ISLAF+	<u>\$11,459,119</u>
Total	<u>\$59,942,328</u>

#### A. Interest Rate Risk

The District's investment policy seeks to ensure preservation of capital in the District's overall portfolio. The highest return on investments is sought, consistent with the preservation of principal and prudent investment principles. The investment portfolio is required to provide sufficient liquidity to pay District obligations as they come due, considering maturity and marketability. The investment portfolio is also required to be diversified as to maturities and investments, as appropriate to the nature, purpose and amount of funds.

#### B. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provision of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality (that is, at the time of purchase, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard & Poor's). The Board, at its discretion, may impose a higher standard on an individual investment manager basis, as circumstances require, to protect bondholders.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 3 DEPOSITS AND INVESTMENTS (continued)

#### C. Concentration of Credit Risk

The District places no limit on the amount it may invest.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an unrated, non-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, but operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments are valued at share price, which is the price for which the investment could be sold.

#### D. Custodial Risk

With respect to deposits, custodial risk is the risk that, in the event of the failure of the bank, the District's 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 requires that all amounts in excess of any insurance limits be collateralized by securities eligible for District investment or any other high quality, interest-bearing security rated at least AAA/Aaa by one or more standard rating service, to include Standard & Poor's, Moody's or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization.

### NOTE 4 PROPERTY TAX RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on December 17, 2020. The District's property tax is levied each year on all taxable real property located in the District, and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

The Cook County Assessor is responsible for the assessment of all taxable real property within Cook County, except for certain railroad property, which is assessed directly by the state. One-third of the county is reassessed every years by the Assessor.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 4 PROPERTY TAX RECEIVABLE (continued)

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the state. Each year, the Illinois Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment between counties at one-third of market value. This factor (the equalization factor) is then applied to the assessed valuation to compute the valuation of property to which the tax rate will be applied (the equalized assessed valuation). The equalization factor for Cook County was 3.2234 for 2020.

The County Clerk adds the equalized assessed valuation of all real property in the county to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2020 tax levy was \$324,485,727.

Property taxes are collected by the Cook County Collector/Treasurer, who remits them to the District. Taxes levied in one year become due and payable in two installments on March 1 and approximately August 1 during the following year. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment bill is based on the current levy, assessment and equalization, and any changes from the prior year.

The portion of the 2020 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectibles of 2%. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Such time thereafter does not exceed 60 days. Net taxes receivable less the amount expected to be collected within 60 days is reflected as deferred inflow of resources.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### NOTE 5     CAPITAL ASSETS

The District performed a full capital asset valuation and the beginning balances were restated, see Note 1. Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Land	255,810	-	-	255,810
Construction in Process	<u>-</u>	<u>716,904</u>	<u>-</u>	<u>716,904</u>
Total capital assets not being depreciated	<u>255,810</u>	<u>716,904</u>	<u>-</u>	<u>972,714</u>
Capital assets, being depreciated				
Land improvements	606,699	-	-	606,699
Buildings and building improvements	45,456,943	10	-	45,456,953
Equipment	3,603,399	216,752	-	3,820,151
Transportation equipment	<u>661,631</u>	<u>-</u>	<u>-</u>	<u>661,631</u>
Total capital assets, being depreciated	<u>50,328,672</u>	<u>216,762</u>	<u>-</u>	<u>50,545,434</u>
Less accumulated depreciation for:				
Land improvements	509,514	25,556	-	535,070
Buildings and building improvements	17,864,001	1,085,627	-	18,949,628
Equipment	3,155,566	232,015	-	3,387,581
Transportation equipment	<u>390,731</u>	<u>27,350</u>	<u>-</u>	<u>418,081</u>
Total accumulated depreciation	<u>21,919,812</u>	<u>1,370,548</u>	<u>-</u>	<u>23,290,360</u>
Total capital assets, being depreciated, net	<u>28,408,860</u>	<u>(1,153,786)</u>	<u>-</u>	<u>27,255,074</u>
Governmental activities, capital assets, net	<u><u>28,664,670</u></u>	<u><u>(436,882)</u></u>	<u><u>-</u></u>	<u><u>28,227,788</u></u>



# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### NOTE 5    CAPITAL ASSETS (continued)

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

Governmental activities

    General government

        Instructional staff

            Regular programs \$1,294,282

        Support services

            General administration 34,764

            Food service 6,008

            Operations and maintenance 8,145

            Transportation 27,350

Total depreciation from governmental activities \$1,370,548

### NOTE 6    LONG-TERM LIABILITIES

The following is the long-term liability activity for the District for the year ended June 30, 2021:

	July 1, <u>2020</u>	<u>Additions</u>	<u>Retirements</u>	June 30, <u>2021</u>
OPEB Liabilities	250,959	-	15,599	235,360
IMRF net pension liability	1,551,819	-	1,728,122	(176,303)
TRS net pension liability	1,864,856	77,172	-	1,942,028
Net OPEB liability - THIS	<u>20,280,541</u>	<u>-</u>	<u>272,469</u>	<u>20,008,072</u>
Total long-term liabilities	<u>23,948,175</u>	<u>77,172</u>	<u>2,016,190</u>	<u>22,009,157</u>

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 7     RETIREMENT FUND COMMITMENTS

#### A.     Teachers' Retirement System of the State of Illinois

##### **General Information about the Pension Plan**

##### **Plan description**

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

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/cafrs/fy2020>; by writing to TRS at 2815 West Washington Street, P O Box 19253, Springfield, IL 62794 or by calling (888) 678-3675, option 2.

##### **Benefits provided**

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

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

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### Note #7 RETIREMENT FUND COMMITMENTS (continued)

#### A. Teachers' Retirement System of the State of Illinois: (continued)

##### Benefits provided (continued)

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2020. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2021. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs will begin in 2019 and will be funded by bonds issued by the state of Illinois.

##### Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2020, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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Note #7 RETIREMENT FUNDS COMMITMENTS (continued)

A. Teachers' Retirement System of the State of Illinois: (continued)

**On behalf contributions to TRS.** The State of Illinois makes employer pension contributions on behalf of the district. For the year ended June 30, 2021, State of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective NPL associated with the employer, and the employer recognized revenue and expenditures of \$16,199,788 in pension contributions from the state of Illinois.

**2.2 formula contributions.** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2021 were \$108,458, and are deferred because they were paid after the June 30, 2020 measurement date.

**Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the district, there is a statutory requirement for the district to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2021.

Previously, employer contributions for employees paid from federal and special trust funds were at the same rate as the state contribution rate to TRS and were much higher. For the year ended June 30, 2021, the employer pension contribution was 10.41 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2021, salaries totaling \$492,002 were paid from federal and special trust funds that required employer contributions of \$51,217. These contributions are deferred because they were paid after the June 30, 2020 measurement date.

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

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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Note #7 RETIREMENT FUNDS COMMITMENTS (continued)

A. Teachers' Retirement System of the State of Illinois: (continued)

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2021, the employer paid \$1,366 to TRS for employer contributions due on salary increases in excess of 6 percent, \$56 for salary increases in excess of 3 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2021, the employer 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 employer. The state's support and total are for disclosure purposes only. The amount recognized by the employer 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 employer follows below:

Employer's proportionate share of the net pension liability	1,942,028
State's proportionate share of the net pension liability associated with the employer	<u>152,109,754</u>
<b>Total</b>	<u><u>154,051,782</u></u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to June 30, 2020. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2020, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2020, the employer's proportion was .00225 percent, which was an decrease (decrease) of (.00229) percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the employer recognized pension expense of \$16,199,788 and revenue of \$16,199,788 for support provided by the state. At June 30, 2021, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note #7 RETIREMENT FUNDS COMMITMENTS (continued)

A. Teachers' Retirement System of the State of Illinois: (continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	18,820	518
Net difference between projected and actual earnings on pension plan investments	57,986	-
Changes of assumptions	7,957	20,376
Changes in proportion and differences between employer contributions and proportionate share of contributions	24,899	1,804,344
Employer contributions subsequent to the measurement date	<u>159,675</u>	<u>-</u>
Total	<u><u>269,337</u></u>	<u><u>1,825,238</u></u>

The District reported \$199,699 as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

**Year ended June 30:**

2022	(747,598)
2023	(657,423)
2024	(302,636)
2025	(4,997)
2026	(2,921)

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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Note #7 RETIREMENT FUNDS COMMITMENTS (continued)

A. Teachers' Retirement System of the State of Illinois: (continued)

Actuarial assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

<b>Inflation</b>	2.50 percent
<b>Salary Increases</b>	varies by amount of service credit
<b>Investment rate of return</b>	7.00 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully-generational basis using projection table MP-2014. The same assumptions were used in the June 30, 2017 actuarial valuation.

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:

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note #7 RETIREMENT FUNDS COMMITMENTS (continued)

A. Teachers' Retirement System of the State of Illinois: (continued)

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
U.S. equities large cap	16.5%	6.10%
U.S. equities small/mid cap	2.3%	7.20%
International equities developed	12.2%	7.00%
Emerging market equities	3.0%	9.40%
U.S. bonds core	7.0%	2.20%
U.S. bonds high yield	2.5%	4.10%
International debt developed	3.1%	1.50%
Emerging international debt	3.2%	4.50%
Real estate	16.0%	5.70%
Privat debt	5.2%	6.30%
Hedge funds (absolute return)	10.0%	4.30%
Private equity	15.0%	10.50%
Infrastructure	4.0%	6.20%
Total	100%	

### Discount rate

At June 30, 2020, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2019 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.



# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### Note #7 RETIREMENT FUNDS COMMITMENTS (continued)

#### A. Teachers' Retirement System of the State of Illinois: (continued)

Based on those assumptions, TRS's fiduciary net position at June 30, 2020 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### **Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate**

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net pension liability	2,357,269	1,942,028	1,600,165

#### TRS fiduciary net position

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

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 7     RETIREMENT FUND COMMITMENTS (continued)

#### B.           Illinois Municipal Retirement Fund

##### **IMRF 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 public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

##### **Benefits Provided**

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

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

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### NOTE 7 RETIREMENT FUND COMMITMENTS (continued)

#### B. Illinois Municipal Retirement Fund (continued)

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

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

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

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

Number of	
Retirees and Beneficiaries	94
Inactive, Non-Retired Members	128
Active Members	130
Total	<u>352</u>
Covered Valuation Payroll	\$ 4,926,647

#### **Contributions**

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2020 was 10.15%. For the calendar year ended December 31, 2020, the District contributed \$500,054 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 7 RETIREMENT FUND COMMITMENTS (continued)

#### B. Illinois Municipal Retirement Fund (continued)

##### **Net Pension Liability**

The District's net pension liability was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

##### **Actuarial Assumptions**

The following are the methods and assumptions used to determine total pension liability at December 31, 2020:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 3.25%.
- **Salary Increases** were expected to be 3.35% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### NOTE 7 RETIREMENT FUND COMMITMENTS (continued)

#### B. Illinois Municipal Retirement Fund (continued)

- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2020:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38%	6.85%
International Equity	17%	6.75%
Fixed Income	27%	3.00%
Real Estate	8%	5.75%
Alternative Investments	9%	2.65-7.35%
Cash Equivalents	<u>1%</u>	2.25%
Total	100%	

#### Single Discount Rate

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

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### NOTE 7     RETIREMENT FUND COMMITMENTS (continued)

#### B.     Illinois Municipal Retirement Fund (continued)

##### **Single Discount Rate** (continued)

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.75%, and the resulting single discount rate is 7.25%.

##### **Changes in the Net Pension Liability**

	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<u>(A)</u>	<u>(B)</u>	<u>(A) - (B)</u>
<b>Balances at December 31, 2019</b>	19,548,442	17,996,623	1,551,819
<b>Changes for the year:</b>			-
Service Cost	529,260	-	529,260
Interest on the Total Pension Liability	1,407,714	-	1,407,714
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual	(203,569)	-	(203,569)
Changes of Assumptions	(236,500)	-	(236,500)
Contributions - Employer	-	500,054	(500,054)
Contributions - Employees	-	221,700	(221,700)
Net Investment Income	-	2,514,330	(2,514,330)
Benefit Payments, including Refunds of Employee Contributions	(792,649)	(792,649)	-
Other (Net Transfer)	-	(11,057)	11,057
Net Changes	<u>704,256</u>	<u>2,432,378</u>	<u>(1,728,122)</u>
<b>Balances at December 31, 2020</b>	<u><u>20,252,698</u></u>	<u><u>20,429,001</u></u>	<u><u>(176,303)</u></u>

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### NOTE 7    RETIREMENT FUND COMMITMENTS (continued)

#### B.            Illinois Municipal Retirement Fund (continued)

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	2,328,682	(176,303)	(2,125,967)

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

For the year ended June 30, 2021, the District incurred pension income of \$89,773. At June 30, 2021, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	115,582	168,439
Changes of assumptions	176,655	257,061
Net difference between projected and actual earnings on pension plan investments	791,633	2,245,287
Employer contributions subsequent to the measurement date	266,458	-
Total	<u>1,350,328</u>	<u>2,670,787</u>

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 7 RETIREMENT FUND COMMITMENTS (continued)

#### B. Illinois Municipal Retirement Fund (continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

**Year ended December 31:**

2021	\$ (437,023)
2022	(213,695)
2023	(685,592)
2024	(250,607)
2025	-

### NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

The District has benefit obligations pertaining to retired employees. The following is a summary of deferred outflows and deferred inflows of resources for the Retiree Health Plan and the Teachers' Health Insurance Security Fund (THIS):

#### Retiree Health Plan

*Plan Description.* The District pays the premium for healthcare insurance in the State of Illinois' Teachers Retirement System plan for qualified retirees. The teacher must have insurance through the District at the time of retirement. The employee moves off the District's plan and onto the TRS insurance program and the District pays the premiums until the employee reaches age 65. Effective in 2009, both Teachers' Retirement System (TRS) and Illinois Municipal Retirement (IMRF) retirees may access the health insurance plan during retirement years. If a retiree elects to leave the health plan, they may not return to the plan in a future year. Retirees also receive dental and life insurance benefits until age 65. For 2017, no former employees accessed postemployment benefits through the District, 11 active employees were fully eligible to retire, and 78 active employees were not yet fully eligible to retire.

*Funding Policy.* The contributions by the District are negotiated between the District and union representatives. The District's insurance benefits cease at age 65 for all retirees. Educational Support Retirees who are Medicare eligible may access a Medicare supplemental policy through the District and must pay the entire cost.



# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

At June 30, 2020, the following employees were covered by the benefit terms:

Number of	
Retirees and Beneficiaries	4
Active Members	95
Total	99

Covered Valuation Payroll                      \$ 3,410,064

The net other post-employment benefit liability (NOL) was measured on June 30, 2020, the most recent valuation.

#### **Actuarial Assumptions**

The following are the methods and assumptions used to determine total NOL as of June 30, 2020:

Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.50%
Salary Rate Increase	4.00%
Funded Ratio	0.00%
(Fiduciary Net Position as a percentage of Total OPEB Liability)	
Initial Health Care Cost Trend Rate	5.50%
Ultimate Health Care Cost Trend Rate	4.50%
Fiscal Year the Ultimate Rate is Reached	Fiscal Year 2035

#### **Discount Rate**

The discount rate under GASB 75 is required to be a blend of the long-term expected rate of return to the extent funded and the 20 year municipal bond rate. Specifically, an initial projection is made using the long-term ROR on irrevocable OPEB plan assets and, as long as the plan's net position and projected contributions associated with current participants are expected to fully cover projected benefit payments, this long-term rate may be used. For years in which the net position is not projected to cover projected benefit payments, the discount rate used is equal to the 20 year municipal bond yield or index. A single discount rate is then determined as a blend of the two rates, which produces the same discounted present value of benefits as the dual rate calculation. Since the District does not pre-fund plan liabilities, the discount rate used is equal to the 20 year municipal bond rate. This rate was 2.66% as of June 30, 2021.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

#### **Reconciliation of Total OPEB Liability**

The Total OPEB Liability ("TOL") is the liability or obligation for benefits earned through the valuation date, based on certain actuarial methods and assumptions. The following represents a reconciliation of the TOL from the beginning of the Fiscal Year (July 1, 2020) to the end of the Fiscal Year (June 30, 2021). The TOL as of June 30, 2021 is as follows:

	<b>Total OPEB Liability</b>
<b>Balances at June 30, 2020</b>	250,959
<b>Changes for the year:</b>	
Service Cost	10,032
Interest	6,168
Differences Between Expected and Actual Experience	-
Changes of Assumptions	6,380
Contributions - Employer	-
Benefit payments	(38,179)
Other (Net Transfer)	-
Net Changes	<u>(15,599)</u>
<b>Balances at June 30, 2020</b>	<u><u>235,360</u></u>

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

The following presents the Total OPEB Liability, calculated using a Single Discount Rate of 2.18%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (1.66%)	Current Discount Rate (2.66%)	1% Increase (3.66%)
Employer's proportionate share of the net pension liability	213,393	235,360	260,811

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Differences between expected and actual experience, assumption changes, and projected and actual earnings, are amortized over their respective periods as discussed in the prior section. The amounts left to be amortized in the future are reported as deferred inflows and outflows of resources.

The table below summarizes the current balances of collective deferred inflows and outflows of resources along with the net recognition through annual expense over future years.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	20,122
Changes of assumptions	115,114	2,335
Net difference between projected and actual earnings on pension plan investments	-	
Employer contributions subsequent to the measurement date	-	-
Total	<u>115,114</u>	<u>22,457</u>

Amounts reported as deferred inflows and outflows of resources will be recognized in the OPEB expense as follows:

#### **Year ended June 30:**

2021	\$ 19,525
2022	19,525
2023	19,525
2024	19,525
2025	19,525

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

#### THIS Fund:

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 State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund. The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

#### **On behalf contributions to the THIS Fund.**

The State of Illinois makes employer retiree health insurance contributions on behalf of the district. State contributions are intended to match contributions to the THIS Fund from active members which were 1.24 percent of pay during the year ended June 30, 2021. State of Illinois contributions were \$231,874, and the district recognized revenue and expenditures of this amount during the year.

#### **Employer contributions to the THIS Fund.**

The district also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.92 percent during the year ended June 30, 2021. For the year ended June 30, 2021, the district paid \$172,036 to the THIS Fund, which was 100 percent of the required contribution.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Further information on THIS Fund. The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <https://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp#sectc>.

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

At June 30, 2021, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for state OPEB support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the District is as follows:

Employer's proportionate share of the net pension liability	20,008,072
State's proportionate share of the net pension liability associated with the employer	<u>27,105,489</u>
<b>Total</b>	<u><u>47,113,561</u></u>

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

**Net OPEB Liability:** The District's net OPEB Liability was measured as of June 30, 2020. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. The actuarial valuation was determined using the following actuarial assumptions.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Changes Since Last Valuation	Actuarial gains and losses are being amortized as required by GASB 75.
Inflation Rate	2.75%
Investment rate of return	0%, net of OPEB plan investment expense, including inflation
Discount Rate	The discount rates 2.45% as of June 30, 2020, and 3.13% as of June 30, 2019.
Discount Rate Determination Method	Under GASB 75, the discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Rates are consistent with the 20-year general obligation bond index.
Mortality	Mortality rates for retirement and beneficiary annuitants were based upon the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disables annuitants mortality rates were based on the RP-Disables Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table, All tables reflect future mortality improvements using Projection Sale MP-2014.
Salary Increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.

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.

The District's proportion of the net OPEB liability was 0.074836% as of June 30, 2020. The basis for the proportion was fiscal year 2020 contribution to the plan.

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

### NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

#### **Sensitivity of the Net OPEB Liability to Changes in the Discount Rate:**

The following presents the net OPEB Liability calculated using the discount rate of 2.45%, as well as what the net OPEB Liability would be if it were calculated using a single discount rate that is 1% higher and lower:

	1% Decrease (1.45%)	Discount Rate (2.45%)	1% Increase (3.45%)
Employer's proportionate share of the net pension liability	24,046,888	20,008,087	16,808,341

#### **Sensitivity of the Net OPEB Liability to Changes in the Trend Rate:**

The following presents the net OPEB Liability calculated using the health care trend rate of 8.25%, as well as what the net OPEB Liability would be if it were calculated using a trend rate that is 1% higher and lower:

	1% Decrease (7.00%)	Discount Rate (8.00%)	1% Increase (9.00%)
Employer's proportionate share of the net pension liability	16,092,597	20,008,087	25,301,094

#### **OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:**

At June 30, 2021, the District reported the following Deferred Outflows of Resources and Deferred Inflows of Resources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	531,594
Changes of assumptions	6,775	3,300,309
Net difference between projected and actual earnings on Plan investments	-	570
Changes in proportion and differences between Employer Contribution and Share of Contributions	-	-
Employer contributions subsequent to the measurement date	-	-
Total	6,775	3,832,473

# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 8 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

The District reported \$174,177 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date which will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2020. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

**Year ended June 30:**

2019	(514,961)
2020	(514,961)
2021	(514,961)
2022	(514,961)
2023	(514,961)
2024	(407,953)

### NOTE 9 RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to and destruction of assets; and natural disasters. To protect against such risks, the District participates in the following public entity risk pools: the Suburban School Cooperative Insurance Pool (SSCIP) and the School Employee Loss Fund (SELF). The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each 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 years.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. There have been no significant reductions in insurance coverage from coverage in prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.



# Berwyn North School District 98

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### NOTE 10 OPERATING LEASES

The District has an operating lease for copiers that expire in fiscal 2022. The lease requires monthly payments of \$3,408.58. The District paid \$40,903 in operating lease payments for the fiscal year. The future minimum lease payments under this agreement are as follows:

2022	\$ 40,903
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### NOTE 11 CONTINGENCIES

#### A. Litigation.

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

#### B. Grants.

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

BERWYN NORTH SCHOOL DISTRICT 98

SCHEDULES OF OTHER SUPPLEMENTARY INFORMATION - OPEB  
MULTIYEAR SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

(schedule to be built prospectively from 2018)

Fiscal year ending June 30,	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Total OPEB Liability</b>						
Service Cost	10,032	10,243	7,422	7,531		
Interest on the Total Pension Liability	6,168	3,881	4,503	4,521		
Benefit Changes	-	-	-	-		
Difference between Expected and Actual Experience	-	(24,425)	-	(1,815)		
Assumption Changes	6,380	135,317	1,707	1,452		
Benefit Payments	(38,179)	(38,543)	(11,561)	(10,377)		
Other changes	-	6,102	(588)	57,704		
<b>Net Change in Total Pension Liability</b>	<b>(15,599)</b>	<b>92,575</b>	<b>1,483</b>	<b>59,016</b>		
<b>Total Pension Liability - Beginning</b>	<b>250,959</b>	<b>158,384</b>	<b>156,901</b>	<b>97,885</b>		
<b>Total Pension Liability - Ending (a)</b>	<b>235,360</b>	<b>250,959</b>	<b>158,384</b>	<b>156,901</b>		
<b>Plan Fiduciary Net Position</b>						
Employer Contributions	-	-	-	-		
Net Investment Income	-	-	-	-		
Benefit payments	-	-	-	-		
Other	-	-	-	-		
<b>Net Change in Plan Fiduciary Net Position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Plan Fiduciary Net Position - Beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Net OPEB Liability (Asset) - Ending (a) - (b)</b>	<b>235,360</b>	<b>250,959</b>	<b>158,384</b>	<b>156,901</b>		
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>		
<b>Current Valuation Payroll</b>	<b>3,410,064</b>	<b>3,410,064</b>	<b>3,787,165</b>	<b>3,787,165</b>		
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	<b>6.90%</b>	<b>7.36%</b>	<b>4.18%</b>	<b>4.14%</b>		

The District Implemented GASB 75 in fiscal year ended June 30, 2018, therefore 10 years of information not yet available.

BERWYN NORTH SCHOOL DISTRICT 98

SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY  
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
JUNE 30, 2020

	6/30/2020*	6/30/2019*	6/30/2018*	6/30/2017*	6/30/2016*	6/30/2015*
Employer's proportion of the net pension liability	0.00230%	0.00230%	0.00253%	0.00719%	0.00794%	0.00714%
Employer's proportionate share of the net pension liability	\$ 1,942,028	\$ 1,864,856	\$ 1,974,866	\$ 5,496,325	\$ 5,202,524	\$ 4,679,368
State's proportionate share of the net pension liability associated with the employer	152,109,754	132,719,761	135,286,565	121,992,129	128,487,052	107,528,890
Total	\$ 154,051,782	\$ 134,584,617	\$ 137,261,431	\$ 127,488,454	\$ 133,689,576	\$ 112,208,258
Employer's covered-employee payroll	\$ 18,669,555	\$ 18,932,308	\$ 18,014,136	\$ 17,474,611	\$ 17,097,829	\$ 16,645,674
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	10.4%	9.9%	11.0%	31.5%	30.4%	28.1%
Plan fiduciary net position as a percentage of the total pension liability	37.8%	39.6%	40.0%	39.3%	36.4%	41.5%

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
Fiscal Year 2020

Statutorily-required contribution	108,458	109,807	156,118	294,981	249,844	161,736
Contributions in relation to the statutorily-required contributions	(108,458)	(109,807)	(156,118)	(294,981)	(250,289)	(245,209)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ (445)	\$ (83,473)
Employer's covered-employee payroll	18,669,555	18,932,308	18,014,136	17,474,611	17,097,829	16,645,674
Contributions as a percentage of covered-employee payroll	0.58%	0.58%	0.87%	1.69%	1.46%	0.97%

Notes to Required Supplementary Information

Changes of assumptions

For the 2020 - 2016 measurement year, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit, but the rates of increase in the 2018 measurement year were slightly higher.

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

The District Implemented GASB 68 in fiscal year ended June 30, 2015, therefore 10 years of information not yet available.

BERWYN NORTH SCHOOL DISTRICT 98

SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE  
NET OPEB LIABILITY AND CONTRIBUTIONS  
TEACHERS' HEALTH INSURANCE SECURITY FUND

JUNE 30, 2021

	6/30/2021*	6/30/2020*	6/30/2019*
Employer's proportion of the net OPEB liability	7.48360%	0.07328%	0.07586%
Employer's proportionate share of the net OPEB liability	\$ 20,008,072	\$ 20,280,541	\$ 19,985,398
State's proportionate share of the net OPEB liability associated with the employer	<u>27,105,489</u>	<u>27,462,440</u>	<u>26,840,745</u>
Total	<u>\$ 47,113,561</u>	<u>\$ 47,742,981</u>	<u>\$ 46,826,143</u>
Employer's covered-employee payroll	\$ 18,699,555	\$ 18,932,308	\$ 18,014,136
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	107.0%	107.1%	110.9%

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

DISTRICT CONTRIBUTIONS

Statutorily-required contribution	403,910	408,938	389,108
Contributions in relation to the statutorily-required contributions	<u>(403,910)</u>	<u>(408,938)</u>	<u>(389,108)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered-employee payroll	18,932,308	18,932,308	18,932,308
Contributions as a percentage of covered-employee payroll	2.13%	2.16%	2.06%

The District Implemented in fiscal year ended June 30, 2019, therefore 10 years of information not yet available.

BERWYN NORTH SCHOOL DISTRICT 98  
MULTIYEAR SCHEDULE OF CHANGES IN THE  
NET PENSION LIABILITY AND RELATED RATIOS - IMRF

Calendar Year Ended December 31							
Calendar year ending December 31,	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>							
Service Cost	529,260	539,366	471,067	498,172	506,751	479,990	491,055
Interest on the Total Pension Liability	1,407,714	1,328,179	1,228,155	1,198,432	1,146,617	1,045,592	942,714
Benefit Changes	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	(203,569)	7,714	358,847	(97,422)	(324,902)	398,313	(68,330)
Assumption Changes	(236,500)	-	568,869	(516,534)	(43,091)	20,895	561,201
Benefit Payments and Refunds	(792,649)	(753,677)	(679,890)	(665,699)	(596,491)	(581,320)	(480,252)
<b>Net Change in Total Pension Liability</b>	<b>704,256</b>	<b>1,121,582</b>	<b>1,947,048</b>	<b>416,949</b>	<b>688,884</b>	<b>1,363,470</b>	<b>1,446,388</b>
<b>Total Pension Liability - Beginning</b>	<b>19,548,442</b>	<b>18,426,860</b>	<b>16,479,812</b>	<b>16,062,863</b>	<b>15,373,979</b>	<b>14,010,509</b>	<b>12,564,121</b>
<b>Total Pension Liability - Ending (a)</b>	<b>20,252,698</b>	<b>19,548,442</b>	<b>18,426,860</b>	<b>16,479,812</b>	<b>16,062,863</b>	<b>15,373,979</b>	<b>14,010,509</b>
<b>Plan Fiduciary Net Position</b>							
Employer Contributions	500,054	449,248	505,801	495,685	484,965	476,208	435,573
Employee Contributions	221,700	242,513	229,151	206,326	198,725	199,530	191,610
Pension Plan Net Investment Income	2,514,330	2,782,242	(787,348)	2,355,207	878,283	62,544	720,410
Benefit payments and Refunds	(792,649)	(753,677)	(679,890)	(665,699)	(596,491)	(581,320)	(480,252)
Other	(11,057)	38,759	215,081	(278,324)	(4,919)	62,354	(142,199)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>2,432,378</b>	<b>2,759,085</b>	<b>(517,205)</b>	<b>2,113,195</b>	<b>960,563</b>	<b>219,316</b>	<b>725,142</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>17,996,623</b>	<b>15,237,538</b>	<b>15,754,743</b>	<b>13,641,548</b>	<b>12,680,985</b>	<b>12,461,669</b>	<b>11,736,527</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>20,429,001</b>	<b>17,996,623</b>	<b>15,237,538</b>	<b>15,754,743</b>	<b>13,641,548</b>	<b>12,680,985</b>	<b>12,461,669</b>
<b>Net Pension Liability (Asset) - Ending (a) - (b)</b>	<b>(176,303)</b>	<b>1,551,819</b>	<b>3,189,322</b>	<b>725,069</b>	<b>2,421,315</b>	<b>2,692,994</b>	<b>1,548,840</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>							
	100.87%	92.06%	82.69%	95.60%	84.93%	82.48%	89.65%
<b>Current Valuation Payroll</b>	<b>4,926,647</b>	<b>5,134,263</b>	<b>4,863,469</b>	<b>4,581,348</b>	<b>4,416,085</b>	<b>4,433,973</b>	<b>4,145,208</b>
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>							
	-3.58%	30.22%	65.58%	15.83%	54.83%	60.74%	37.36%

The District Implemented GASB 68 in fiscal year ended June 30, 2015, therefore 10 years of information not yet available.

BERWYN NORTH SCHOOL DISTRICT 98

MULTIYEAR SCHEDULE OF EMPLOYER CONTRIBUTIONS - IMRF

MOST RECENT CALENDAR YEAR

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2014	435,573	435,573	-	4,145,208	10.51%
2015	476,209	476,208	1	4,433,973	10.74%
2016	475,612	484,965	(9,353)	4,416,085	10.98%
2017	492,953	495,685	(2,732)	4,581,348	10.82%
2018	505,801	505,801	-	4,863,469	10.40%
2019	449,248	449,248	-	5,134,263	8.75%
2020	500,055	500,054	1	4,926,347	10.15%

The District Implemented GASB 68 in fiscal year ended June 30, 2015, therefore 10 years of information not yet available.

BERWYN NORTH SCHOOL DISTRICT 98

NOTES TO SCHEDULE OF CONTRIBUTIONS - IMRF

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS  
USED IN THE CALCULATION OF THE 2020 CONTRIBUTION RATE\*

**Valuation Date**

Notes

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

**Methods and Assumptions Used to Determine 2020 Contribution Rates:**

Actuarial Cost Method	Aggregate Entry Age = normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	Non-taxing bodies: 10- year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 24-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 19 years for most employers (three employers were financed over 28 years and four others were financed over 29 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees , 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.

**Other Information**

Notes

There were no benefit changes during the year.

\*Based on Valuation Assumptions used in the December 31, 2018 actuarial valuation; note two year lag between valuation and rate setting.

BERWYN NORTH SCHOOL DISTRICT 98  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			2020
	<u>Original and</u>	<u>Actual</u>	<u>Variance from</u>	<u>Actual</u>
	<u>Final Budget</u>		<u>Final Budget</u>	
Revenues				
Local Sources				
General levy	5,750,045	5,707,821	(42,224)	5,644,176
Special Education	60,227	60,140	(87)	59,089
Corporation Personal Property				
Replacement taxes	80,000	123,500	43,500	109,131
Earnings on investments	139,973	247,063	107,090	314,717
Sales to pupils - Lunch	-	-	-	3,343
Contributions and Donation	-	500	500	-
Student Activity Funds Revenue	-	35,034	35,034	-
Payments from other districts	2,000	-	(2,000)	2,170
Local Fees	35,000	86,605	51,605	31,916
Refund of Prior Years' Expenditures	-	-	-	2,854
Other	10,000	37,589	27,589	46,646
Total local sources	<u>6,077,245</u>	<u>6,298,252</u>	<u>221,007</u>	<u>6,214,042</u>
State sources				
Evidence Based Funding	21,636,719	23,910,369	2,273,650	23,910,777
Special Education - Private Facility Tuition	590,000	607,609	17,609	412,248
Special Education - Extraordinary	635,318	-	(635,318)	-
Special Education - Personnel	763,186	-	(763,186)	-
Special Education - Summer School	-	-	-	-
Special Education - Orphanage	132,735	101,105	(31,630)	6,143
Bilingual Education - Downstate - TPI and TPE	675,756	-	(675,756)	-
State Free Lunch and Breakfast	30,000	36,599	6,599	32,474
Early Childhood - Block Grant	862,485	964,124	101,639	766,908
Other State sources	2,000	61,857	59,857	49,810
Total state sources	<u>25,328,199</u>	<u>25,681,663</u>	<u>353,464</u>	<u>25,178,360</u>
Federal sources				
National School Lunch Program	1,181,405	714,989	(466,416)	1,366,134
Special Breakfast Program	431,405	445,145	13,740	786,110
Title I - Low Income	1,037,190	1,132,588	95,398	1,341,548
Title I - School Improvement & Accountability	-	28,428	28,428	-
Fed - Sp Ed - Pre-school Flow Through	28,803	29,007	204	31,350
Fed - Sp Ed - I.D.E.A. Flow Through	728,744	618,025	(110,719)	677,547
Title III Immigrant Education Program	1,754	10,900	9,146	4,500
Title III - English Language Acquisition	118,942	50,388	(68,554)	87,560
Title IVA	70,317	133,441	63,124	39,141
Title II - Teacher Quality	130,271	206,175	75,904	219,422



BERWYN NORTH SCHOOL DISTRICT 98  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			
	Original and	Actual	Variance from	2020
	Final Budget	Actual	Final Budget	Actual
Revenues (continued)				
Federal sources (continued)				
Medicaid Matching Funds -				
Administrative Outreach	-	166,058	166,058	131,211
Medicaid Matching Funds -				
Fee-For-Service Program	560,000	132,723	(427,277)	309,679
Other federal sources	960,477	365,371	(595,106)	830,916
Total federal sources	5,249,308	4,033,238	(1,216,070)	5,825,118
Total revenues	36,654,752	36,013,153	(641,599)	37,217,520
Expenditures				
Instruction				
Regular programs				
Salaries	9,478,088	8,972,447	(505,641)	9,182,288
Employee benefits	2,996,370	2,441,005	(555,365)	2,778,050
Purchased services	30,195	118,409	88,214	117,252
Supplies and materials	225,806	323,153	97,347	192,331
Capital outlay	-	-	-	120,515
Other objects	65,500	6,939	(58,561)	55,237
Non-capitalized equipment	25,594	25,363	(231)	722,034
Total regular programs	12,821,553	11,887,316	(934,237)	13,167,707
Pre-K programs				
Purchased services	6,000	-	(6,000)	-
Supplies and materials	21,295	19,605	(1,690)	30,192
Total Pre-K programs	27,295	19,605	(7,690)	30,192
Special education programs				
Salaries	4,483,652	4,216,064	(267,588)	4,334,375
Employee benefits	131,076	121,851	(9,225)	180,361
Purchased services	200,416	495,572	295,156	84,861
Supplies and materials	202,321	171,777	(30,544)	114,893
Capital outlay	-	-	-	3,424
Other objects	150,000	133,479	(16,521)	136,649
Non-capitalized equipment	67,648	53,911	(13,737)	447
Total special education programs	5,235,113	5,192,654	(42,459)	4,855,010

BERWYN NORTH SCHOOL DISTRICT 98  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			2020
	Original and Final Budget	Actual	Variance from Final Budget	Actual
Expenditures (continued)				
Remedial and Supplemental				
Programs K-12				
Salaries	39,646	43,145	3,499	138,829
Employee benefits	4,723	647	(4,076)	24,182
Purchased services	333,146	405,824	72,678	354,977
Supplies and materials	73,978	216,191	142,213	303,365
Non-capitalized equipment	-	-	-	-
Total remedial and supp. programs K-12	451,493	665,807	214,314	821,353
Interscholastic Programs				
Salaries	207,200	9,292	(197,908)	170,352
Employee benefits	2,941	23	(2,918)	12,424
Purchased services	8,072	-	(8,072)	3,996
Supplies and materials	600	135	(465)	-
Other objects	-	-	-	-
Total interscholastic programs	218,813	9,450	(209,363)	186,772
Summer school programs				
Salaries	98,550	60,272	(38,278)	94,939
Employee benefits	963	603	(360)	971
Purchased services	-	-	-	-
Total summer school programs	99,513	60,875	(38,638)	95,910
Gifted programs				
Salaries	12,360	-	(12,360)	12,360
Employee benefits	186	-	(186)	186
Supplies and materials	1,000	-	(1,000)	365
Total gifted programs	13,546	-	(13,546)	12,911
Bilingual programs				
Salaries	2,540,166	2,713,786	173,620	2,352,628
Employee benefits	38,161	39,463	1,302	36,018
Purchased services	1,500	215	(1,285)	456
Supplies and materials	22,918	6,294	(16,624)	20,151
Total bilingual programs	2,602,745	2,759,758	157,013	2,409,253
Special education programs K-12 -Private Tuition	1,500,000	1,211,635	(288,365)	1,467,462
Special education programs Pre-K Tuition	60,000	952	(59,048)	-
Summer school programs - Private Tuition	170,000	155,574	(14,426)	196,726
Student Activity Funds Expenditures	-	37,699	37,699	-
Total instruction	23,200,071	22,001,325	(1,125,272)	23,243,296

BERWYN NORTH SCHOOL DISTRICT 98  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			2020
	<u>Original and</u>	<u>Actual</u>	<u>Variance from</u>	<u>Actual</u>
	<u>Final Budget</u>		<u>Final Budget</u>	
Expenditures (continued)				
Support services				
Pupils				
Attendance and social work services				
Salaries	674,655	663,446	(11,209)	616,679
Employee benefits	9,037	9,953	916	9,250
Purchased services	-	36,036	36,036	40,098
Supplies and materials	1,000	-	(1,000)	-
Total attendance and social work services	684,692	709,435	24,743	666,027
Health services				
Salaries	374,294	371,545	(2,749)	355,500
Employee benefits	3,725	3,761	36	3,687
Purchased services	198,250	222,355	24,105	223,658
Supplies and materials	39,496	80,531	41,035	2,288
Non-capitalized equipment	4,000	-	(4,000)	-
Total health services	619,765	678,192	58,427	585,133
Psychological services				
Salaries	211,438	206,240	(5,198)	153,330
Employee benefits	3,173	3,093	(80)	2,300
Purchased services	90,000	49,175	(40,825)	89,976
Supplies and materials	20,000	8,079	(11,921)	-
Non-capitalized equipment	-	-	-	3,235
Total psychological services	324,611	266,587	(58,024)	248,841
Speech pathology and audiology services				
Salaries	385,250	369,801	(15,449)	364,259
Employee benefits	5,782	5,546	(236)	5,465
Purchased services	420,000	322,647	(97,353)	390,899
Supplies and materials	3,500	2,481	(1,019)	617
Total speech pathology/audiology services	814,532	700,475	(114,057)	761,240
Total pupils	2,443,600	2,354,689	(88,911)	2,261,241
Instructional staff				
Improvement of instruction services				
Salaries	734,717	508,322	(226,395)	506,163
Employee benefits	79,288	60,188	(19,100)	55,078
Purchased services	409,200	416,430	7,230	399,523
Supplies and materials	78,576	20,850	(57,726)	28,577
Non-capitalized equipment	-	-	-	615
Total improvement of inst. svc.	1,301,781	1,005,790	(295,991)	989,956

BERWYN NORTH SCHOOL DISTRICT 98  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			2020
	Original and Final Budget	Actual	Variance from Final Budget	Actual
Expenditures (continued)				
Educational media services				
Salaries	415,481	415,481	-	400,427
Employee benefits	4,854	4,851	(3)	4,665
Purchased services	4,000	6,745	2,745	3,748
Supplies and materials	67,255	80,784	13,529	74,245
Non-capitalized equipment	-	-	-	-
Total educational media services	491,590	507,861	16,271	483,085
Assessment and testing				
Salaries	13,680	4,940	(8,740)	2,910
Employee benefits	206	52	(154)	28
Purchased services	88,162	63,937	(24,225)	63,849
Supplies and materials	3,000	2,076	(924)	-
Non-capitalized equipment	-	-	-	468
Total assessment and testing	105,048	71,005	(34,043)	67,255
Total instructional staff	1,898,419	1,584,656	(313,763)	1,540,296
General administration				
Board of Education services				
Purchased services	29,000	28,632	(368)	114,371
Supplies and materials	20,000	24,559	4,559	-
Non-capitalized equipment	-	-	-	-
Total board of education services	49,000	53,191	4,191	114,371
Executive administration services				
Salaries	211,891	211,891	-	178,022
Employee benefits	3,179	3,178	(1)	2,670
Purchased services	7,000	1,077	(5,923)	14,498
Supplies and materials	13,000	11,859	(1,141)	20,411
Non-capitalized equipment	-	-	-	-
Total executive administration	235,070	228,005	(7,065)	215,601
Special Area Administration Services				
Salaries	274,969	274,579	(390)	252,921
Employee benefits	2,710	2,709	(1)	2,555
Purchased services	44,000	10,388	(33,612)	21,589
Supplies and materials	500	254	(246)	6,104
Total special area administration services	322,179	287,930	(34,249)	283,169
Tort Immunity Services				
Salaries	-	-	-	10,138
Purchased services	281,400	238,486	(42,914)	284,871
Total Tort Immunity Services	281,400	238,486	(42,914)	295,009
Total general administration	887,649	807,612	(80,037)	908,150

BERWYN NORTH SCHOOL DISTRICT 98  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			2020
	<u>Original and</u>	<u>Actual</u>	<u>Variance from</u>	<u>Actual</u>
	<u>Final Budget</u>		<u>Final Budget</u>	
Expenditures (continued)				
School administration				
Office of the principal services				
Salaries	1,745,379	1,624,294	(121,085)	1,593,187
Employee benefits	18,351	17,117	(1,234)	16,958
Purchased services	2,700	662	(2,038)	3,757
Supplies and materials	8,090	6,534	(1,556)	4,493
Total office of the principal services	<u>1,774,520</u>	<u>1,648,607</u>	<u>(125,913)</u>	<u>1,618,395</u>
Total school administration	<u>1,774,520</u>	<u>1,648,607</u>	<u>(125,913)</u>	<u>1,618,395</u>
Business				
Direction of business services				
Salaries	103,456	94,145	(9,311)	87,988
Employee benefits	1,552	1,412	(140)	1,158
Purchased services	3,500	1,472	(2,028)	-
Supplies and materials	-	-	-	647
Total direction of business services	<u>108,508</u>	<u>97,029</u>	<u>(11,479)</u>	<u>89,793</u>
Fiscal services				
Salaries	525,060	513,006	(12,054)	520,243
Employee benefits	-	-	-	-
Purchased services	461,539	605,246	143,707	408,017
Supplies and materials	53,239	29,753	(23,486)	67,908
Non-capitalized equipment	10,000	4,757	(5,243)	-
Total fiscal services	<u>1,049,838</u>	<u>1,152,762</u>	<u>102,924</u>	<u>996,168</u>
Food services				
Salaries	739,820	304,937	(434,883)	613,457
Employee benefits	2,190	-	(2,190)	1,265
Purchased services	8,300	3,228	(5,072)	3,168
Supplies and materials	1,422,200	678,711	(743,489)	1,322,066
Capital outlay	-	-	-	-
Non-capitalized equipment	-	-	-	55,778
Total food services	<u>2,172,510</u>	<u>986,876</u>	<u>(1,185,634)</u>	<u>1,995,734</u>
Total business	<u>3,330,856</u>	<u>2,236,667</u>	<u>(1,094,189)</u>	<u>3,081,695</u>

BERWYN NORTH SCHOOL DISTRICT 98  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			2020
	<u>Original and</u>	<u>Actual</u>	<u>Variance from</u>	<u>Actual</u>
	<u>Final Budget</u>		<u>Final Budget</u>	
Expenditures (continued)				
Support Services, Central				
Planning, research, development and				
Salaries	223,103	223,103	-	225,982
Employee benefits	2,252	2,250	(2)	2,444
Purchased services	53,500	49,861	(3,639)	48,723
Supplies and materials	-	-	-	33,162
Total planning, research, dev. svc.	<u>278,855</u>	<u>275,214</u>	<u>(3,641)</u>	<u>310,311</u>
Staff services				
Salaries	3,500	-	(3,500)	3,150
Employee benefits	419	-	(419)	299
Purchased services	-	-	-	4,062
Total staff services	<u>3,919</u>	<u>-</u>	<u>(3,919)</u>	<u>7,511</u>
Data Processing Services				
Salaries	341,911	327,490	(14,421)	383,011
Employee benefits	1,758	1,741	(17)	2,597
Purchased services	608,679	541,106	(67,573)	488,677
Supplies and materials	75,000	64,240	(10,760)	39,462
Capital outlay	206,554	196,554	(10,000)	14,806
Non-capitalized equipment	15,000	3,220	(11,780)	14,835
Total Data Processing Services	<u>1,248,902</u>	<u>1,134,351</u>	<u>(114,551)</u>	<u>943,388</u>
Other supporting services				
Supplies and materials	2,500	-	(2,500)	-
Total other supporting services	<u>2,500</u>	<u>-</u>	<u>(2,500)</u>	<u>-</u>
Total Support Services	<u>11,869,220</u>	<u>10,041,796</u>	<u>(1,827,424)</u>	<u>10,670,987</u>
Community services				
Salaries	187,165	111,594	(75,571)	155,577
Employee benefits	10,418	19,547	9,129	13,921
Purchased services	50,874	14,030	(36,844)	33,995
Supplies and materials	48,623	1,409	(47,214)	28,867
Total community services	<u>297,080</u>	<u>146,580</u>	<u>(150,500)</u>	<u>232,360</u>
Payments to Other Districts and Gov't Units				
Other payments				
Purchased services	700	-	(700)	706
Other objects	172,292	57,387	(114,905)	113,435
Total payments to Other Districts and				
Other Government Units	<u>172,992</u>	<u>57,387</u>	<u>(115,605)</u>	<u>114,141</u>
Provision for contingencies	<u>40,000</u>	<u>-</u>	<u>(40,000)</u>	<u>-</u>
Total expenditures	<u>35,579,363</u>	<u>32,247,088</u>	<u>(3,332,275)</u>	<u>34,260,784</u>

BERWYN NORTH SCHOOL DISTRICT 98  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			2020
	Original and Final Budget	Actual	Variance from Final Budget	Actual
Expenditures (continued)				
Excess of revenues over expenditures	<u>1,075,389</u>	<u>3,766,063</u>	<u>2,690,676</u>	<u>2,956,736</u>
Other financing sources (uses)				
Other sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	<u>1,075,389</u>	<u>3,766,063</u>	<u>2,690,676</u>	<u>2,956,736</u>
Fund balance, beginning of year		49,356,217		46,399,481
GASB 84		<u>68,064</u>		<u>-</u>
Fund balance, end of year		<u>\$ 53,190,344</u>		<u>\$ 49,356,217</u>

BERWYN NORTH SCHOOL DISTRICT 98  
OPERATIONS AND MAINTENANCE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			
	Final Budget	Actual	Variance from Final Budget	2020 Actual
<u>Revenues</u>				
Local Sources				
General levy	1,227,051	1,287,644	60,593	1,188,621
Interest on Investments	24,410	16,579	(7,831)	20,860
Refund of prior years' expenditures	20,000	13,649	(6,351)	8,587
Other	13,300	18,263	4,963	51,790
Total local sources	<u>1,284,761</u>	<u>1,336,135</u>	<u>51,374</u>	<u>1,269,858</u>
State sources				
Evidence Based Funding	2,617,026	2,617,016	(10)	2,617,026
State Maintenance Grant	-	-	-	50,000
Total state sources	<u>2,617,026</u>	<u>2,617,016</u>	<u>(10)</u>	<u>2,667,026</u>
Federal sources				
Other restricted grants	-	-	-	-
Total federal sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>3,901,787</u>	<u>3,953,151</u>	<u>51,364</u>	<u>3,936,884</u>
<u>Expenditures</u>				
Support services				
Business				
Facilities acquisition and construction services				
Purchased services	-	33,459	33,459	169,025
Capital outlay	-	-	-	-
Termination benefits	-	-	-	-
Total operations/maintenance	<u>-</u>	<u>33,459</u>	<u>33,459</u>	<u>169,025</u>



BERWYN NORTH SCHOOL DISTRICT 98  
 OPERATIONS AND MAINTENANCE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			
	Final Budget	Actual	Variance from Final Budget	2020 Actual
Operations and maintenance of plant services				
Salaries	1,392,303	1,262,904	(129,399)	1,362,589
Employee benefits	182,799	176,883	(5,916)	196,784
Purchased services	2,082,240	1,229,919	(852,321)	1,220,439
Supplies and materials	772,078	623,224	(148,854)	515,180
Capital outlay	7,199	737,112	729,913	-
Other objects	100	-	(100)	226,144
Non-Capitalized equipment	-	60,666	60,666	-
Total operations/maintenance	<u>4,436,719</u>	<u>4,090,708</u>	<u>(346,011)</u>	<u>3,521,136</u>
Other Support Services	-	-	-	-
Total support services	<u>4,436,719</u>	<u>4,124,167</u>	<u>(312,552)</u>	<u>3,690,161</u>
Provision for contingencies	40,000	-	(40,000)	-
Total expenditures	<u>4,476,719</u>	<u>4,124,167</u>	<u>(352,552)</u>	<u>3,690,161</u>
Net change in fund balance	<u>(574,932)</u>	(171,016)	<u>403,916</u>	246,723
Fund balance, beginning of year		<u>5,130,625</u>		<u>4,883,902</u>
Fund balance (deficit), end of year		<u>4,959,609</u>		<u>5,130,625</u>

BERWYN NORTH SCHOOL DISTRICT 98  
TRANSPORTATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			
	Final Budget	Actual	Variance from Final Budget	2020 Actual
<u>Revenues</u>				
Local Sources				
General levy	771,515	763,097	(8,418)	724,309
Interest on Investments	800	1,219	419	1,533
Other local revenues	-	45,014	45,014	9,243
Total local sources	<u>772,315</u>	<u>809,330</u>	<u>37,015</u>	<u>735,085</u>
State sources				
Transportation - Regular/Vocational	-	-	-	-
Transportation - Special Education	825,000	907,541	82,541	731,131
Other State Sources	-	-	-	-
Total state sources	<u>825,000</u>	<u>907,541</u>	<u>82,541</u>	<u>731,131</u>
Total revenues	<u>1,597,315</u>	<u>1,716,871</u>	<u>119,556</u>	<u>1,466,216</u>
<u>Expenditures</u>				
Support services				
Business				
Pupil transportation services				
Salaries	384,624	174,760	(209,864)	354,060
Employee benefits	72,467	68,508	(3,959)	76,830
Purchased services	744,720	370,419	(374,301)	785,832
Supplies and materials	17,000	5,527	(11,473)	14,306
Capital Outlay	-	-	-	-
Other Objects	200	-	(200)	-
Total pupil transportation services	<u>1,219,011</u>	<u>619,214</u>	<u>(599,797)</u>	<u>1,231,028</u>
Total support services	<u>1,219,011</u>	<u>619,214</u>	<u>(599,797)</u>	<u>1,231,028</u>
Total expenditures	<u>1,219,011</u>	<u>619,214</u>	<u>(599,797)</u>	<u>1,231,028</u>
Excess (deficiency) of revenues over expenditures	<u>378,304</u>	<u>1,097,657</u>	<u>719,353</u>	<u>235,188</u>

BERWYN NORTH SCHOOL DISTRICT 98  
TRANSPORTATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			
	Final Budget	Actual	Variance from Final Budget	2020 Actual
Other financing sources				
Proceeds from sales of assets	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	<u>378,304</u>	1,097,657	<u>719,353</u>	235,188
Fund balance, beginning of year		<u>549,084</u>		<u>313,896</u>
Fund balance (deficit), end of year		<u>1,646,741</u>		<u>549,084</u>

BERWYN NORTH SCHOOL DISTRICT 98  
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			
	Final Budget	Actual	Variance from Final Budget	2020 Actual
<u>Revenues</u>				
Local Sources				
General levy	1,415,835	668,687	(747,148)	658,061
Social Security/Medicare only levy	-	696,116	696,116	678,641
Corporate personal property replacement taxes	20,000	40,000	20,000	25,475
Interest on investments	537	282	(255)	355
Total local sources	1,436,372	1,405,085	(31,287)	1,362,532
Total revenues	1,436,372	1,405,085	(31,287)	1,362,532
<u>Expenditures</u>				
Instruction				
Regular programs	159,597	128,975	(30,622)	134,920
Special education programs	287,283	262,335	(24,948)	248,829
Remedial and supplemental programs K-12	575	625	50	626
Interscholastic programs	4,839	594	(4,245)	6,558
Summer school programs	6,878	3,641	(3,237)	4,607
Gifted programs	180	-	(180)	1,343
Bilingual programs	59,035	58,891	(144)	53,987
Total instruction	518,387	455,061	(63,326)	450,870
Support services				
Pupils				
Attendance and social work svc	10,380	9,468	(912)	6,073
Guidance services	-	-	-	-
Health services	26,917	37,426	10,509	36,475
Psychological services	3,066	2,929	(137)	3,675
Speech pathology/audiology svc	5,589	5,297	(292)	3,501
Other support services	-	-	-	-
Total pupils	45,952	55,120	9,168	49,724

BERWYN NORTH SCHOOL DISTRICT 98  
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			
	Final Budget	Actual	Variance from Final Budget	2020 Actual
Instructional staff				
Improvement of instruction svcs	10,662	7,648	(3,014)	16,781
Educational media services	21,082	20,957	(125)	18,722
Assessment and testing	199	311	112	1,537
Total instructional staff	31,943	28,916	(3,027)	37,040
General administration				
Executive administration services	3,073	3,072	(1)	41
Special Area administration services	19,421	19,254	(167)	18,843
Edu, Insp. Sprvsr Loss Prev	-	-	-	953
Total general administration	22,494	22,326	(168)	19,837
School administration				
Office of the principal services	110,713	101,353	(9,360)	88,797
Total school administration	110,713	101,353	(9,360)	88,797
Business				
Direction of business support service	1,501	1,365	(136)	8,061
Fiscal services	93,462	90,795	(2,667)	82,719
Operations and maintenance of plant services	247,835	221,111	(26,724)	229,589
Pupil transportation services	62,652	23,376	(39,276)	60,242
Food services	106,854	49,584	(57,270)	80,080
Total business	512,304	386,231	(126,073)	460,691
Central				
Planning, research, development and evaluation services	15,183	15,109	(74)	9,909
Staff services	51	-	(51)	3,277
Data Processing services	41,716	38,805	(2,911)	38,194
Total Central	56,950	53,914	(3,036)	51,380
Total support services	780,356	647,860	(132,496)	707,469
Community Services	13,422	10,159	(3,263)	10,178
Contingencies	20,000	-	(20,000)	-
Total expenditures	1,332,165	1,113,080	(219,085)	1,168,517

BERWYN NORTH SCHOOL DISTRICT 98  
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			2020 Actual
	Final Budget	Actual	Variance from Final Budget	
Excess (deficiency) of revenues over expenditures	<u>104,207</u>	<u>292,005</u>	<u>187,798</u>	<u>194,015</u>
Other financing sources				
Permanent transfer from working cash fund - Abatement	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>104,207</u>	<u>292,005</u>	<u>187,798</u>	<u>194,015</u>
Fund balance, beginning of year		<u>421,854</u>		<u>227,839</u>
Fund balance (deficit), end of year		<u><u>713,859</u></u>		<u><u>421,854</u></u>

BERWYN NORTH SCHOOL DISTRICT 98  
FIRE PREVENTION AND SAFETY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			
	Final Budget	Actual	Variance from Final Budget	2020 Actual
<u>Revenues</u>				
Local Sources				
General levy	15,736	15,232	(504)	14,843
Interest on Investments	299	764	465	961
Other	-	-	-	-
Total local sources	<u>16,035</u>	<u>15,996</u>	<u>(39)</u>	<u>15,804</u>
Total revenues	<u>16,035</u>	<u>15,996</u>	<u>(39)</u>	<u>15,804</u>
<u>Expenditures</u>				
Support services				
Facilities acquisition and construction services				
Purchased services	15,000	1,400	(13,600)	12,095
Capital outlay	-	-	-	-
Total operations/maintenance	<u>15,000</u>	<u>1,400</u>	<u>(13,600)</u>	<u>12,095</u>
Total support services	<u>15,000</u>	<u>1,400</u>	<u>(13,600)</u>	<u>12,095</u>
Total expenditures	<u>15,000</u>	<u>1,400</u>	<u>(13,600)</u>	<u>12,095</u>
Deficiency of revenues over expenditures	<u>1,035</u>	<u>14,596</u>	<u>13,561</u>	<u>3,709</u>
Net change in fund balance	<u>1,035</u>	<u>14,596</u>	<u>13,561</u>	<u>3,709</u>
Fund balance, beginning of year		<u>121,360</u>		<u>117,651</u>
Fund balance (deficit), end of year		<u>135,956</u>		<u>121,360</u>

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**BERWYN NORTH SCHOOL DISTRICT 98**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
June 30, 2021

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

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

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) The budget amounts shown in the financial statements were approved by the Board of Education on September 24, 2020 effective for the year ending June 30, 2021.
- g) All budget appropriations lapse at the end of the fiscal year.

**BERWYN NORTH SCHOOL DISTRICT 98**  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2021

2. BUDGET RECONCILIATION

The Statement of Revenues, Expenditures and Changes in Fund Balances - 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. The differences between the budget and GAAP basis are as follows:

	<u>Revenues</u>	<u>Expenditures</u>
General Fund - budgetary basis	36,654,752	35,579,363
To adjust for on-behalf payments received	16,431,662	-
To adjust for on-behalf payments made	<u>-</u>	<u>16,431,662</u>
General Fund - GAAP basis	<u><u>53,086,414</u></u>	<u><u>52,011,025</u></u>

BERWYN NORTH SCHOOL DISTRICT 98  
GENERAL FUND  
BALANCE SHEET  
June 30, 2021

	Educational	Tort	Working Cash	Total
<b>ASSETS</b>				
Cash and investments	51,806,173	293,984	384,389	52,484,546
Student Activity Fund Cash	65,399	-	-	65,399
Receivables (net of allowance for uncollectibles):				-
Property taxes	2,680,402	148,472	-	2,828,874
Replacement taxes	36,363	-	-	36,363
Intergovernmental	600,771	-	-	600,771
Prepaid expense	<u>-</u>	<u>12,513</u>	<u>-</u>	<u>12,513</u>
Total assets	<u>55,189,108</u>	<u>454,969</u>	<u>384,389</u>	<u>56,028,466</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Accounts payable	9,248	-	-	9,248
Unearned revenue	<u>2,680,402</u>	<u>148,472</u>	<u>-</u>	<u>2,828,874</u>
Total liabilities	<u>2,689,650</u>	<u>148,472</u>	<u>-</u>	<u>2,838,122</u>
Fund balances:				
Nonspendable	-	12,513	-	12,513
Assigned	65,399	-	-	65,399
Restricted	-	293,984	-	293,984
Unassigned	<u>52,434,059</u>	<u>-</u>	<u>384,389</u>	<u>52,818,448</u>
Total fund balance	<u>52,499,458</u>	<u>306,497</u>	<u>384,389</u>	<u>53,190,344</u>
Total liabilities and fund balance	<u>55,189,108</u>	<u>454,969</u>	<u>384,389</u>	<u>56,028,466</u>

BERWYN NORTH SCHOOL DISTRICT 98  
GENERAL FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
For the Year Ended June 30, 2021

	Educational	Working Cash	Tort	Total
<u>Revenues</u>				
Property taxes	5,475,355	-	292,606	5,767,961
Replacement taxes	123,500	-	-	123,500
State aid	42,113,325	-	-	42,113,325
Federal aid	4,033,238	-	-	4,033,238
Interest	242,545	3,483	1,035	247,063
Other	159,728	-	-	159,728
Total revenues	<u>52,147,691</u>	<u>3,483</u>	<u>293,641</u>	<u>52,444,815</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular programs	11,690,169	-	-	11,690,169
Special programs	5,192,654	-	-	5,192,654
Other instructions programs	4,901,750	-	-	4,901,750
State on-behalf payments	16,431,662	-	-	16,431,662
Support services:				
Pupils	2,354,689	-	-	2,354,689
Instructional staff	1,584,656	-	-	1,584,656
General administration	569,126	-	238,488	807,614
School administration	1,648,607	-	-	1,648,607
Business	2,236,667	-	-	2,236,667
Operations and maintenance	-	-	-	-
Central	275,214	-	-	275,214
Other supporting services	1,134,351	-	-	1,134,351
Community services	146,580	-	-	146,580
Nonprogrammed charges	57,387	-	-	57,387
Capital outlay	216,752	-	-	216,752
Total expenditures	<u>48,440,264</u>	<u>-</u>	<u>238,488</u>	<u>48,678,752</u>
Deficiency of revenues over expenditures	<u>3,707,427</u>	<u>3,483</u>	<u>55,153</u>	<u>3,766,063</u>
Other financing sources (uses)				
Proceeds from fixed asset sales	-	-	-	-
Transfer to Debt Service	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,707,427	3,483	55,153	3,766,063
Fund balance, beginning of year	<u>48,792,031</u>	<u>380,906</u>	<u>251,344</u>	<u>49,424,281</u>
Fund balance, end of year	<u>52,499,458</u>	<u>384,389</u>	<u>306,497</u>	<u>53,190,344</u>

BERWYN NORTH SCHOOL DISTRICT 98  
PROPERTY TAX RATES AND LEVIES  
LAST FIVE TAX LEVY YEARS

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	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Assessed valuation	<u>324,485,727</u>	<u>254,981,802</u>	<u>258,531,397</u>	<u>267,693,489</u>	<u>215,973,566</u>
Rates Extended					
Educational	1.7192	2.2227	2.0876	2.0341	2.8069
Tort Immunity	0.0963	0.1151	0.1163	0.1038	0.1257
Special Education	0.0191	0.0243	0.0233	0.0220	0.0267
Operations/Maintenance	0.4366	0.4886	0.4684	0.4425	0.5349
Transportation	0.2576	0.2888	0.2957	0.2530	0.0956
IMRF	0.2213	0.2632	0.2669	0.2384	0.2241
Social Security	0.2282	0.2720	0.2758	0.2463	0.2337
Fire Prevention and Safety	<u>0.0050</u>	<u>0.0059</u>	<u>0.0060</u>	<u>0.0054</u>	<u>0.0005</u>
Total rates extended	<u>2.9833</u>	<u>3.6806</u>	<u>3.5400</u>	<u>3.3455</u>	<u>4.0481</u>
Levies Extended					
Educational	5,578,623	5,667,487	5,397,088	5,445,190	6,062,158
Tort Immunity	312,445	293,550	300,615	277,987	271,378
Special Education	62,034	62,006	60,288	58,980	57,680
Operations/Maintenance	1,416,799	1,245,822	1,211,008	1,184,500	1,155,176
Transportation	835,860	736,450	764,573	677,295	206,453
IMRF	717,969	671,141	690,045	638,106	483,894
Social Security	740,341	693,515	713,051	659,380	504,700
Fire Prevention and Safety	<u>16,208</u>	<u>15,167</u>	<u>15,594</u>	<u>14,420</u>	<u>1,030</u>
Total levies extended	<u>9,680,279</u>	<u>9,385,138</u>	<u>9,152,262</u>	<u>8,955,858</u>	<u>8,742,469</u>

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

BERWYN NORTH SCHOOL DISTRICT 98  
OPERATING COSTS AND TUITION CHARGE (Unaudited)  
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Operating costs per pupil</b>		
Average Daily Attendance (ADA):	<u>2,409</u>	<u>2,075</u>
Operating costs:		
Educational	31,970,903	33,965,776
Operations and Maintenance	4,124,167	3,690,161
Tort Immunity	238,488	295,009
Transportation	619,214	1,231,027
Municipal Retirement/Social Security	<u>1,113,080</u>	<u>1,168,518</u>
Subtotal	<u>38,065,852</u>	<u>40,350,491</u>
Less Revenues/Expenditures of Nonregular Programs:		
Tuition	1,232,192	1,497,654
Summer School	220,090	297,243
Capital outlay	933,666	138,745
Non-capitalized equipment	147,917	797,412
Community services	156,739	242,538
Payments to other governments	<u>57,387</u>	<u>114,141</u>
Subtotal	<u>2,747,991</u>	<u>3,087,733</u>
Operating costs	<u>35,317,861</u>	<u>37,262,758</u>
Operating costs per pupil - based on ADA	<u>14,661</u>	<u>17,958</u>
<b>Tuition Charge</b>		
Operating costs:	35,317,861	37,262,758
Less - revenues from specific programs, such as special education or lunch programs	<u>8,012,542</u>	<u>9,317,828</u>
Net operating costs	27,305,319	27,944,930
Depreciation allowance	<u>1,385,340</u>	<u>1,428,614</u>
Allowance tuition costs	<u>28,690,659</u>	<u>29,373,544</u>
Tuition charges per pupil - based on ADA	<u>11,910</u>	<u>14,156</u>

BERWYN NORTH SCHOOL DISTRICT 98  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
(Educational Account, Tort Immunity Account and Operations and Maintenance Fund)  
Last ten years

	2021	2020	2019	2018	2017
Revenues					
Local Sources	7,630,904	7,479,518	7,499,012	7,692,629	8,157,254
State Sources					
Educational Fund	25,681,663	25,178,360	24,215,132	23,400,614	21,147,653
Operations & Maintenance Fund	2,617,016	2,667,026	2,998,681	3,005,748	2,217,113
Federal Sources	4,033,238	5,825,118	5,028,043	4,022,301	3,743,350
Total revenues	<u>39,962,821</u>	<u>41,150,022</u>	<u>39,740,868</u>	<u>38,121,292</u>	<u>35,265,370</u>
Expenditures					
Instruction	21,784,573	23,152,587	21,897,747	21,089,692	21,428,782
Support Services					
Educational and Tort Fund	10,041,798	10,670,987	9,954,394	9,831,703	8,761,221
Operations & Maintenance Fund	4,124,167	3,690,161	3,266,478	3,546,523	2,812,393
Community services	146,580	232,360	264,257	116,927	139,053
Nonprogrammed charges	57,387	114,141	6,663	13,638	15,583
Capital Outlay	<u>216,752</u>	<u>90,709</u>	<u>234,935</u>	<u>188,666</u>	<u>261,772</u>
Total expenditures	<u>36,371,257</u>	<u>37,950,945</u>	<u>35,624,474</u>	<u>34,787,149</u>	<u>33,418,804</u>
Deficiency of revenues over expenditures	<u>3,591,564</u>	<u>3,199,077</u>	<u>4,116,394</u>	<u>3,334,143</u>	<u>1,846,566</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Sales of fixed assets	-	-	12,395	-	-
payments to escrow	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other financing sources (uses)	<u>-</u>	<u>-</u>	<u>12,395</u>	<u>-</u>	<u>-</u>
Net change in fund balance	3,591,564	3,199,077	4,128,789	3,334,143	1,846,566
Fund balance, beginning of year	<u>54,105,936</u>	<u>50,906,859</u>	<u>46,778,070</u>	<u>43,443,927</u>	<u>41,597,361</u>
As Restated for GASB 68	<u>68,064</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>57,765,564</u>	<u>54,105,936</u>	<u>50,906,859</u>	<u>46,778,070</u>	<u>43,443,927</u>

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
7,818,758	7,682,573	6,802,005	7,494,662	7,306,633
20,888,563	20,285,890	20,094,889	17,965,536	17,774,366
1,838,643	737,297	789,417	2,738,498	8,376,038
<u>3,813,949</u>	<u>3,774,082</u>	<u>3,569,655</u>	<u>3,287,417</u>	<u>3,551,142</u>
<u>34,359,913</u>	<u>32,479,842</u>	<u>31,255,966</u>	<u>31,486,113</u>	<u>37,008,179</u>
19,495,720	20,154,093	18,696,911	17,944,817	16,970,443
8,923,705	8,912,904	8,520,434	8,326,076	7,829,980
2,576,170	2,278,263	2,524,403	2,479,720	2,443,893
117,820	110,039	83,839	92,347	70,025
10,020	27,384	66,987	69,036	56,568
<u>534,360</u>	<u>321,409</u>	<u>60,601</u>	<u>1,001,688</u>	<u>1,179,776</u>
<u>31,657,795</u>	<u>31,804,092</u>	<u>29,953,175</u>	<u>29,913,684</u>	<u>28,550,685</u>
<u>2,702,118</u>	<u>675,750</u>	<u>1,302,791</u>	<u>1,572,429</u>	<u>8,457,494</u>
-	-	-	820,000	-
-	(675,536)	(4,601,853)	(1,204,057)	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(675,536)</u>	<u>(4,601,853)</u>	<u>(384,057)</u>	<u>-</u>
2,702,118	214	(3,299,062)	1,188,372	8,457,494
<u>38,895,243</u>	<u>38,895,029</u>	<u>42,194,091</u>	<u>41,005,719</u>	<u>32,548,225</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>41,597,361</u>	<u>38,895,243</u>	<u>38,895,029</u>	<u>42,194,091</u>	<u>41,005,719</u>



BERWYN NORTH SCHOOL DISTRICT 98  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN ACCUMULATED BALANCES  
Child Nutrition Program  
Last five years

	2021	2020	2019	2018	2017
Receipts/Revenues					
Federal reimbursement	1,160,134	2,152,244	1,572,908	1,439,673	1,180,535
State reimbursement	36,599	32,474	28,852	34,607	5,319
Children's payments	-	3,343	55,650	51,570	53,061
Adults' payments	-	-	-	-	-
Total receipts/revenues	<u>1,196,733</u>	<u>2,188,061</u>	<u>1,657,410</u>	<u>1,525,850</u>	<u>1,238,915</u>
Expenditures					
Salaries	304,937	613,457	547,467	504,364	409,904
Benefits	-	1,181	1,181	1,134	1,009
Food and contracted food service	681,939	1,325,234	1,062,220	986,268	794,082
Capital Outlay	-	55,778	5,514	18,997	33,515
Other Costs	-	-	-	-	-
Total expenditures	<u>986,876</u>	<u>1,995,650</u>	<u>1,616,382</u>	<u>1,510,763</u>	<u>1,238,510</u>
Deficiency of revenues over expenditures	209,857	192,411	41,028	15,087	405
Accumulated balance excess, beginning of year	<u>217,482</u>	<u>25,071</u>	<u>(15,957)</u>	<u>(31,044)</u>	<u>(31,449)</u>
Accumulated balance excess (deficit) end of year	<u>427,339</u>	<u>217,482</u>	<u>25,071</u>	<u>(15,957)</u>	<u>(31,044)</u>

Independent Auditor's Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance with Government Auditing Standards

To the Members of Board of Education  
Berwyn North School District 98  
Berwyn, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Berwyn North School District 98 (District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 8, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

To the Members of the Board of Education  
Berwyn North School District 98

deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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



Gassensmith & Michalesko, Ltd.  
Certified Public Accountants

October 8, 2021

Independent Auditor's Report on Compliance  
for Each Major Program and on Internal Control over  
Compliance Required by the Uniform Guidance

To the Members of the Board of Education  
Berwyn North School District 98  
Berwyn, Illinois

***Report on Compliance for Each Major Federal Program***

We have audited Berwyn North School District 98's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those

To the Members of the Board of Education  
Berwyn North School District 98

requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

### ***Report on Internal Control over Compliance***

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

To the Members of the Board of Education  
Berwyn North School District 98

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

### **Report of Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated October 8, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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



Gassensmith & Michalesko, Ltd.  
Certified Public Accountants

Joliet, Illinois  
October 8, 2021

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
June 30, 2021

Federal Grantor/Pass Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number <sup>2</sup> (A)	ISBE Project # (1st 8 digits) or Contract # <sup>3</sup> (B)	Receipts/Revenues Year 6/30/2020 (C)	Year 6/30/2021 (D)	Year 6/30/2020 (E)	Expenditure/Disbursements <sup>4</sup> Year 6/30/2020 Pass through to Subrecipients (F)	Year 6/30/2021 Pass through to Subrecipients (G)	Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
U.S. Department of Agriculture: <i>Flow Through from the Illinois State Board of Education:</i>										
Child Nutrition Cluster:										
National School Lunch Program (n)	10.555	21-4210	-	665,054	-	665,054	-	-	665,054	n/a
National School Lunch Program (n)	10.555	20-4210	1,171,752	49,935	1,171,752	-	-	-	1,221,687	n/a
School Breakfast Program	10.555	21-4220	-	412,913	-	412,913	-	-	412,913	n/a
School Breakfast Program	10.555	20-4220	681,300	32,232	681,300	-	-	-	713,532	n/a
Value of Food Commodities	10.555	21-4999-00	-	102,389	-	102,389	-	-	102,389	n/a
Value of Food Commodities - Preferred meal service	10.555	20-4999-00	78,675	-	78,975	-	-	-	78,975	n/a
Total U.S. Department of Agriculture:			1,931,727	1,262,523	1,932,027	-	-	-	3,194,550	n/a
U.S. Department of Education: <i>Flow Through from the Illinois State Board of Education:</i>										
Title I - Low Income (n)	84.010A	21-4300	-	1,007,487	-	1,076,726	-	-	1,076,726	1,267,817
Title I - Low Income (n)	84.010A	20-4300	990,456	125,101	1,059,695	-	-	-	1,115,557	1,268,848
Title I - Low Income School Improvement	84.010A	21-4331	-	27,679	-	28,428	-	-	28,428	32,272
Title I - Low Income School Improvement	84.010A	20-4331	30,606	749	31,355	-	-	-	31,355	32,272
Title IV - Student Support & Academic Enrich	84.424A	21-4400	-	83,711	-	101,141	-	-	101,141	162,930
Title IV - Student Support & Academic Enrich	84.424A	20-4400	17,430	49,730	17,430	32,300	-	-	49,730	131,013
Title III - Immigrant education program (IEP)	84.365A	21-4905	-	10,900	-	10,900	-	-	10,900	10,900
Title III - Immigrant education program (IEP)	84.365A	20-4905	4,500	-	4,500	-	-	-	4,500	4,500
Title III - Lang. Inst. Progr. Limited Eng. (LIPLEP)	84.365A	21-4909	-	31,961	-	-	-	-	-	105,712
Title III - Lang. Inst. Progr. Limited Eng. (LIPLEP)	84.365A	20-4909	77,763	18,427	77,763	18,427	-	-	96,190	118,942
Title II - Teacher Quality	84.367A	21-4932	-	195,271	-	194,731	-	-	194,731	235,098
Title II - Teacher Quality	84.367A	20-4932	213,305	10,904	212,765	11,444	-	-	224,209	314,853
IDEA - Flow Through/Preschool	84.173A	21-4600	-	29,007	-	29,007	-	-	29,007	30,252
IDEA - Flow Through/Preschool	84.173A	20-4600	31,350	-	31,350	-	-	-	31,350	32,569
IDEA Flow Through	84.027A	21-4620	-	618,025	-	618,025	-	-	618,025	761,235
IDEA Flow Through	84.027A	20-4620	677,547	-	677,547	-	-	-	677,547	771,894
Elementary & Secondary School Emergency Relief Fund	84.425D	20-4998-DE	-	16,028	-	16,028	-	-	16,028	186,793
Elementary & Secondary School Emergency Relief Fund	84.425D	20-4998-E2	-	189,176	-	189,176	-	-	189,176	3,510,485
Elementary & Secondary School Emergency Relief Fund	84.425D	20-4998-ER	800,310	160,167	830,310	160,167	-	-	990,477	960,477
Total U.S. Department of Education <i>Flow Through from the Illinois Department of Healthcare &amp; Family Services:</i>			2,843,267	2,208,952	2,942,715	-	-	-	4,289,396	n/a
Medicaid Administrative Outreach	93.778	21-4991	-	166,058	-	166,058	-	-	166,058	n/a
Medicaid Administrative Outreach	93.778	20-4991	131,211	-	131,211	-	-	-	131,211	n/a
Total U.S. Department of Health and Human Services			131,211	166,058	131,211	-	-	-	297,269	n/a
Totals			4,906,205	4,002,904	5,005,953	-	-	-	8,976,896	n/a

- (IM) Program was audited as a major program as defined by §200.518.  
The accompanying notes are an integral part of this schedule.

Berwyn North School District 98

Notes to Schedule of Expenditures of Federal Awards  
June 30, 2021

Note 1      Accounting Basis

The schedule of expenditures of federal awards includes the federal grant activity of the Berwyn North School District 98 (District), and is presented on the modified accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), therefore some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. The District has elected not to use the 10 percent de minimus indirect cost rate as allowed under the uniform guidance.

*Reconciliation Of Schedule of Expenditures Of Federal Awards To Basic Financial Statements*

Revenues Per Schedule of Expenditures Of Federal Awards	\$4,002,904
Add-Medicaid Fees-For-Service Program	132,723
Less- Values of Commodities	<u>(102,389)</u>
Total Federal Revenues Per Basic Financial Statements	<u><u>\$4,033,238</u></u>

Note 2      Subrecipients, Insurance, and Loans

Of the federal expenditures in the schedule, the District did not provide any federal awards to subrecipients. The District did not have any federal insurance in effect during the year and did not have any federal loans or loan guarantees outstanding at the year end.



Berwyn North School District 98

Summary of Findings and Questionable Costs  
June 30, 2021

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the modified accrual basis financial statements of the District for the year ended June 30, 2021.

INTERNAL CONTROL OVER FINANCIAL REPORTING

2. No material weaknesses were disclosed during the audit of the financial statements. No significant deficiencies that are considered to be material weaknesses were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the combined financial statements of the District were disclosed during the audit.

INTERNAL CONTROL OVER MAJOR PROGRAMS

4. No material weaknesses were disclosed during the audit of compliance over major federal award programs. No significant deficiencies that are considered to be material weaknesses were disclosed during the audit of compliance over major federal award programs.
5. The Auditor's Report on Compliance for the major federal award programs for the District expresses an unqualified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for the District.

IDENTIFICATION OF MAJOR PROGRAMS

7. The program tested as major programs was Title I (84.010A) and Child Nutrition Cluster (10.555).
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The District was not determined to be a low-risk auditee.

Berwyn North School District 98

Summary of Findings and Questionable Costs  
June 30, 2021

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

There were no financial statement findings reported for the fiscal year ended June 30, 2021.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no federal award findings reported for the fiscal year ended June 30, 2021.

Berwyn North School District 98

Summary Schedule of Prior Audit Findings  
June 30, 2021

There are no prior audit findings that affected federally funded programs.

# GASSENSMITH & MICHALESKO, LTD.

CERTIFIED PUBLIC ACCOUNTANTS

323 SPRINGFIELD AVENUE JOLIET, ILLINOIS 60435

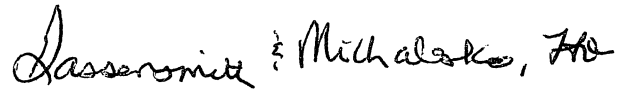
815-744-6200

FAX 815-744-3822

To the Board of Education  
Berwyn North School District 98  
Berwyn, Illinois

## *Independent Auditor's Report on Supplementary Information*

We have audited the basic financial statements of Berwyn North School District 98 (District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated October 8, 2021, which contained unmodified opinions on those basic financial statements. Our audit was conducted for the purpose of forming opinions on those financial statements that collectively comprise the basic financial statements. The accompanying Consolidated Year-End Financial Report is presented for purposes of additional analysis as required by the Illinois Grant Authority and Transparency Act 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

  
Gassensmith & Michalesko, Ltd.  
Certified Public Accountants

October 8, 2021

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 1 of 23

10/13/21

<b>Grantee Name</b>	Berwyn North School District 98
<b>ID Numbers</b>	AUDIT:29201    Grantee:679735    DUNS:072357627    FEIN:366004319
<b>Audit Period</b>	7/1/2020 - 6/30/2021
<b>Submitted</b>	10/13/2021; Regina Johnson; Business Manager, CSBO; rjohnson@bn98.org; 70848462007002
<b>Accepted</b>	
<b>Program Count</b>	20

<b>All Programs Total</b>				
<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Personal Services (Salaries and Wages)	0.00	0.00	0.00	0.00
Fringe Benefits	0.00	0.00	0.00	0.00
Travel	0.00	0.00	0.00	0.00
Equipment	0.00	0.00	0.00	0.00
Supplies	0.00	0.00	0.00	0.00
Contractual Services	0.00	0.00	0.00	0.00
Consultant (Professional Services)	0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00	0.00
Occupancy - Rent and Utilities	0.00	0.00	0.00	0.00
Research and Development	0.00	0.00	0.00	0.00
Telecommunications	0.00	0.00	0.00	0.00
Training and Education	0.00	0.00	0.00	0.00
Direct Administrative Costs	0.00	0.00	0.00	0.00
Miscellaneous Costs	0.00	0.00	49,687,333.00	49,687,333.00
All Grant Specific Categories	1,030,124.00	3,970,943.00	0.00	5,001,067.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>1,030,124.00</b>	<b>3,970,943.00</b>	<b>49,687,333.00</b>	<b>54,688,400.00</b>
Indirect Costs	0.00	0.00	0.00	0.00
<b>TOTAL EXPENDITURES</b>	<b>1,030,124.00</b>	<b>3,970,943.00</b>	<b>49,687,333.00</b>	<b>54,688,400.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 2 of 23

10/13/21

<b>State Agency</b>	Department Of Healthcare And Family Services (478)
<b>Program Name</b>	Medical Assistance Program (478-00-0251)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
1st Quarter (Jul.-Sept.) Admin. Expenditures	0.00	166,058.00	0.00	166,058.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>166,058.00</b>	<b>0.00</b>	<b>166,058.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 3 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Early Childhood Block Grant (586-18-0868)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	444,056.00	0.00	0.00	444,056.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>444,056.00</b>	<b>0.00</b>	<b>0.00</b>	<b>444,056.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 4 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Early Childhood Block Grant (586-44-2222)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	520,068.00	0.00	0.00	520,068.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>520,068.00</b>	<b>0.00</b>	<b>0.00</b>	<b>520,068.00</b>



**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 5 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Fed - Sp Ed - IDEA - Flow Through (586-64-0417)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	0.00	618,025.00	0.00	618,025.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>618,025.00</b>	<b>0.00</b>	<b>618,025.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 6 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Fed. - Sp. Ed. - Pre-School Flow Through (586-57-0420)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	0.00	29,007.00	0.00	29,007.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>29,007.00</b>	<b>0.00</b>	<b>29,007.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 7 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Federal Programs - Emergency Relief (586-62-2402) <i>This program was added by the grantee</i>
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	0.00	365,371.00	0.00	365,371.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>365,371.00</b>	<b>0.00</b>	<b>365,371.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 8 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Federal Programs - Emergency Relief (Inactive) (586-43-2427)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
	0.00	0.00	0.00	0.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 9 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Federal Programs - Substance Abuse & Mental Health Services (586-18-0485)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
	0.00	0.00	0.00	0.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 10 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Federal Programs – Emergency Relief (586-44-2532)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
	0.00	0.00	0.00	0.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 11 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	National School Lunch Program (586-18-0407)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Revenues-Grant Projects during the Audit Period	0.00	714,989.00	0.00	714,989.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>714,989.00</b>	<b>0.00</b>	<b>714,989.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 12 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Non-Cash Commodity Value (586-18-2330) <i>This program was added by the grantee</i>
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Revenues-Grant Projects during the Audit Period	0.00	102,389.00	0.00	102,389.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>102,389.00</b>	<b>0.00</b>	<b>102,389.00</b>



**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 13 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Preschool Expansion Grant (Inactive) (586-14-0869)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
	0.00	0.00	0.00	0.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 14 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	School Breakfast Program (586-18-0406)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Revenues-Grant Projects during the Audit Period	0.00	445,145.00	0.00	445,145.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>445,145.00</b>	<b>0.00</b>	<b>445,145.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 15 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	State Program - After School Programs (586-84-1531) <i>This program was added by the grantee</i>
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	66,000.00	0.00	0.00	66,000.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>66,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>66,000.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 16 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	State Programs - Temporary Relocation Assistance - Grant Program (586-18-0549)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
	0.00	0.00	0.00	0.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 17 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Title I - Low Income (586-62-0414)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	0.00	1,132,588.00	0.00	1,132,588.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>1,132,588.00</b>	<b>0.00</b>	<b>1,132,588.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 18 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Title I - School Improvement and Accountability (586-44-1082)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	0.00	28,428.00	0.00	28,428.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>28,428.00</b>	<b>0.00</b>	<b>28,428.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 19 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Title II - Teacher Quality - Improving Teacher Quality State Grants (586-62-0430)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	0.00	206,175.00	0.00	206,175.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>206,175.00</b>	<b>0.00</b>	<b>206,175.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 20 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Title III Immigrant Education Programs - Lang Inst Prog-Limited End LIPLEP (586-18-0428)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	0.00	29,327.00	0.00	29,327.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>29,327.00</b>	<b>0.00</b>	<b>29,327.00</b>



**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 21 of 23

10/13/21

<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Title IVA Student Support and Academic Enrichment (586-62-1588)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	0.00	133,441.00	0.00	133,441.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>133,441.00</b>	<b>0.00</b>	<b>133,441.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 22 of 23

10/13/21

<b>Program Name</b>	Other grant programs and activities			
<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
	0.00	0.00	0.00	0.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

Page 23 of 23

10/13/21

<b>Program Name</b>	All other costs not allocated			
<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Miscellaneous Costs	0.00	0.00	49,687,333.00	49,687,333.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>0.00</b>	<b>49,687,333.00</b>	<b>49,687,333.00</b>



# May, Cocagne & King, P.C.

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## Report on the Firm's System of Quality Control

August 9, 2018

To the Shareholders of  
Gassensmith & Michalesko, Ltd.  
and the Peer Review Committee of the  
Illinois CPA Society

We have reviewed the system of quality control for the accounting and auditing practice of Gassensmith & Michalesko, Ltd. (the firm) in effect for the year ended April 30, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.



**Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards* including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

**Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Gassensmith & Michalesko, Ltd. in effect for the year ended April 30, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Gassensmith & Michalesko, Ltd. has received a peer review rating of pass.

*May, Cooney & King, PC*

