

WILL COUNTY SCHOOL DISTRICT 92

Lockport, Illinois

Annual Financial Report

June 30, 2020

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS

TABLE OF CONTENTS
JUNE 30, 2020

	Page
Independent Auditor's Report	1 - 3
Management's Discussion and Analysis	4 - 15
<u>Basic Financial Statements:</u>	
Government-Wide Financial Statements:	
Statement of Net Position (Modified Cash Basis)	16
Statement of Activities (Modified Cash Basis)	17
Fund Financial Statements:	
Statement of Assets and Fund Balances (Modified Cash Basis) - Governmental Funds	18
Reconciliation of Governmental Funds Statement of Assets and Fund Balances to Statement of Net Position (Modified Cash Basis)	19
Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances (Modified Cash Basis) - Governmental Funds	20
Reconciliation of Governmental Funds Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances to the Statement of Activities (Modified Cash Basis)	21
Statement of Fiduciary Assets and Liabilities - Fiduciary Funds	22
Notes to Financial Statements	23 - 48
<u>Other Information:</u>	
Budgetary Comparison Schedule:	
Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Budget and Actual (Modified Cash Basis)	
General Fund	49
Transportation Fund	50

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS

TABLE OF CONTENTS
JUNE 30, 2020

	Page
Schedule of the Employer's Proportionate Share of the Net Pension Liability - TRS	51
Schedule of Employer Contributions -TRRS	51
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios - IMRF	52
Multiyear Schedule of Employer Contributions - IMRF	53
Notes to the Schedule of Contributions – IMRF	54
Multiyear Schedule of Changes in Net Liability and Related Ratios - OPEB	55
<u>Other Supplementary Information:</u>	
Combining and Individual Fund Financial Statements and Schedules	
<u>Major Governmental Funds</u>	56
General Fund:	
Schedule of Assets, Liabilities and Fund Balances by Account (Modified Cash Basis)	57
Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balances by Account (Modified Cash Basis)	58
Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance – Budget and Actual (Modified Cash Basis)	
Educational Account	59 - 65
Operations and Maintenance Account	66
Working Cash Account	67
Transportation Fund	68
Capital Projects	69
<u>Nonmajor Governmental Funds</u>	70
Combining Statement of Assets, Liabilities and Fund Balances (Modified Cash Basis)	71
Combining Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances (Modified Cash Basis)	72

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS

TABLE OF CONTENTS
JUNE 30, 2020

	Page
Special Revenue Funds:	
Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance – Budget and Actual (Modified Cash Basis)	
Municipal Retirement / Social Security Fund	73 – 74
Debt Service Fund	75
Fire Prevention and Safety Fund	76
<u>Fiduciary Funds</u>	
Agency Funds	77
Student Activity Funds:	
Schedule of Cash Receipts, Cash Disbursements and Ending Balance	78
<u>Other Supplemental Schedules</u>	
Schedule of Annual Debt Service Requirements	79
Operating Expenditures Per Student	80
<u>Federal Awards Section</u>	
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	81 - 82
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance Required by Uniform Guidance	83 - 85
Schedule of Expenditures of Federal Awards	86
Notes to the Schedule of Expenditures of Federal Awards	87
Summary of Findings and Questionable Costs	88 - 89
Summary Schedule of Prior Year Findings	90
<u>Grant Accountability and Transparency Act Section</u>	
Independent Auditor’s Report on Supplementary Information	91
Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report	92-107

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Will County School District 92
Lockport, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Will County School District 92 (District) as of and for the year ended June 30, 2020, 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 the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position – modified cash basis of the governmental activities, each major fund and the aggregate remaining fund information of the District as of June 30, 2020, and the respective changes in financial position – modified cash basis, thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

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

Other Matters

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 Management Discussion and Analysis, Other Information, Other Supplementary Information and Other Supplemental Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Management Discussion and Analysis and Other Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

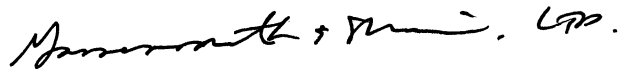
The Other Information and Other Supplemental Schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended June 30, 2019, which are not presented with the accompanying basic financial statements. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The combining and individual non-major fund financial statements, related to the 2019 financial statements, for the year ended June 30, 2019, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial

statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2019 combining and individual non-major fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2020, 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.



Gassensmith & Michalesko, Ltd.
Certified Public Accountants

Joliet, Illinois
November 12, 2020

Will County School District 92
Management's Discussion and Analysis

Year Ended June 30, 2020
(Unaudited)

As management of Will County School District 92, we offer the readers of the District's basic financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our basic financial statements and notes to the financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

The assets of the District exceeded its liabilities at the close of the fiscal year by \$47,488,844 (net position).

The District's total net position increased by \$1.7 million during fiscal year 2020 as reported in the statement of activities.

As of the close of fiscal year 2020, the District's governmental funds reported combined ending fund balances of \$20,802,594, an increase of \$2.1 million in comparison to the prior year.

At the end of fiscal year 2020, the unassigned fund balance was \$11,680,307, which is 33.7% of the total governmental fund expenditures.

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 the following components: (1) Government-wide financial statements, (2) Fund financial statements, and (3) notes to financial statements. This report also contains required other information as well as combining and individual fund financial statements.

Government-wide financial statements – These are designed to provide readers with a broad overview of the District's finances using the modified cash basis of accounting. This basis of accounting varies from accounting principles generally accepted in the United States of America. When using the modified cash basis of accounting, current assets and current liabilities arising from cash transactions are included on the statement of net position as well as year end balances of capital assets and long-term debt. The difference between the District's assets and liabilities is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of improvements or deterioration of the financial position of the District.

Will County School District 92
Management's Discussion and Analysis

Year Ended June 30, 2020
(Unaudited)

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. The District recognizes revenues when received rather than when earned, and expenditures are recognized when paid, rather than when the obligation is incurred. Also included is activity related to the acquisition and depreciation of capital assets as well as changes in long-term debt.

Both of the government-wide financial statements highlight the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include the following functions: instruction, support services, community services, payments to other governments, on-behalf payments made by the state and interest on debt.

The government-wide financial statements can be found on pages 16 and 17 of this report.

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements use the modified cash basis of accounting. The governmental fund accounting differs slightly from the government-wide accounting in that year-end asset and liability balances related to capital assets and long-term debt are not reported.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, differences in reporting exist. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide the readers of the financial statements with reconciliations to facilitate this comparison between governmental funds and governmental activities.

The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the District's major funds. The District has three major funds, the General Fund, which is comprised of four accounts, the Educational Account, the Operations and Maintenance, Account, the Tort Account, and Working Cash Account, the Transportation Fund and the Capital Projects Fund. All other non-major governmental funds are combined and presented in one column.

Will County School District 92
Management's Discussion and Analysis

Year Ended June 30, 2020
(Unaudited)

Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 18 through 21 of this report.

Fiduciary funds – The District also maintains fiduciary funds in the form of agency funds, which are used to account for resources – exclusively cash – held by the District for the benefit of student groups. 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 fiduciary funds also use the modified cash basis of accounting. The fiduciary fund financial statement can be found on page 22 of this report.

Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to Financial Statements can be found on pages 23 to 48 of this report.

Other information is presented concerning the District's General Fund and Transportation Fund budgetary schedules and the TRS (Teachers' Retirement System of the State of Illinois) and IMRF (Illinois Municipal Retirement Funds) pension and other postemployment benefits schedules. The District adopts an annual appropriated budget for all of its governmental funds. A budgetary comparison schedule has been provided for the General Fund and Transportation Fund to demonstrate compliance with this budget. The TRS and IMRF pension schedules have been provided to present the District's progress in funding its obligations to provide pension benefits to District employees. The other postemployment benefits schedule has been provided to present the District's progress in funding its obligation to provide benefits to District retirees. Other information can be found on pages 51 to 55 of this report.

Combining and individual fund statements and schedules are presented immediately following the other information. Combining and individual fund statements and schedules can be found on pages 57 through 69 of this report.

Government-Wide Financial Analysis

Statements of Net Position – the following table reflects the condensed statement of net position. The District's combined net position is \$47,488,844. A large portion of the District' net position reflects its investment in capital assets (e.g., land, buildings, and equipment) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt,

Will County School District 92
Management's Discussion and Analysis

Year Ended June 30, 2020
(Unaudited)

it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1 Condensed Statement of Net Position as of June 30,		
	<u>2020</u>	<u>2019</u>
Current Assets	20,802,594	18,727,460
Capital Assets	<u>31,755,856</u>	<u>32,822,565</u>
Total assets	<u>52,558,450</u>	<u>51,550,025</u>
Liabilities		
Current Liabilities	655,000	629,561
Long-term Liabilities	<u>4,414,606</u>	<u>5,100,979</u>
Total liabilities	<u>5,069,606</u>	<u>5,730,540</u>
Net position		
Net Investment in Capital Assets	26,686,250	27,096,586
Restricted	7,691,504	6,517,617
Unrestricted	<u>13,111,090</u>	<u>12,205,282</u>
Total Net Position	<u>47,488,844</u>	<u>45,819,485</u>
Total Liabilities and Net Position	<u>52,558,450</u>	<u>51,550,025</u>

Current assets consist primarily of cash and investments. Capital assets include land, construction in progress, buildings and improvements, equipment and certain computer software.

Long-term liabilities consist of bonds payment.

The statement of net position can be found on page 16 of this report.

Statement of Activities – the following table reflects the condensed statement of activities.

Will County School District 92
Management's Discussion and Analysis

Year Ended June 30, 2020
(Unaudited)

Net position increased \$1.7 million over the previous year. Revenues increased by approximately \$1.5 million mainly due to the net effect of an increase in state on-behalf payments and collection of state revenues in arrears during the current year, while expenses increased by approximately \$2.3 million due mainly to the increase in state on-behalf payments.

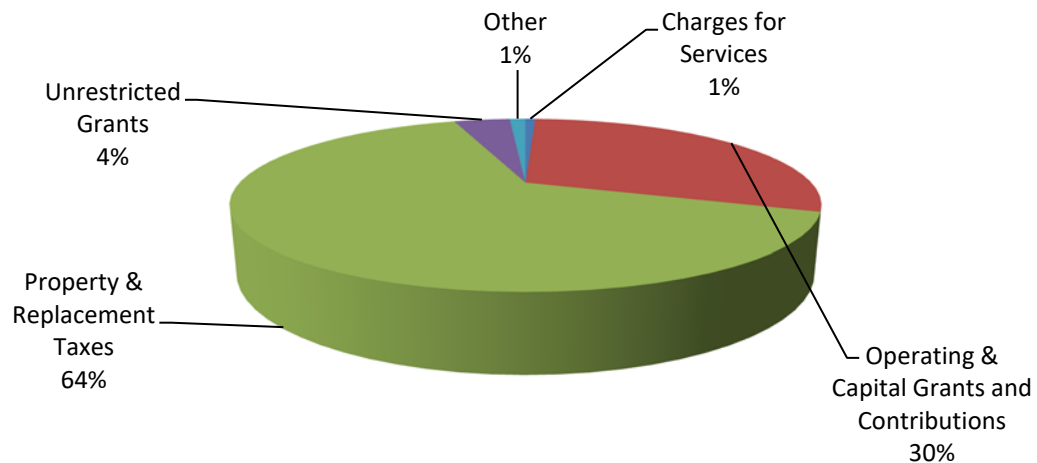
Table 2		
Changes in Net Position		
For the Fiscal Years Ended June 30,		
	<u>2020</u>	<u>2019</u>
Revenues		
Program revenues		
Charges for services	255,120	415,670
Operating grants and contributions	10,902,020	9,394,858
Capital grants and contributions	17,055	67,396
General revenues		
Property taxes	23,180,354	23,002,356
Payments in lieu of taxes	547,047	499,754
Unrestricted grants	1,442,193	1,440,487
Investment earnings	302,751	317,740
Other General revenues	105,630	85,419
Total Revenues	<u>36,752,170</u>	<u>35,223,680</u>
Expenses:		
Instruction	13,508,571	13,259,735
Support services	11,280,665	11,228,047
Community Services	3,249	3,355
Payments to other governments	942,445	675,628
State on-behalf contributions	9,231,979	7,494,988
Interest on long-term debt	115,902	134,202
Total Expenses	<u>35,082,811</u>	<u>32,795,955</u>
Change in Net Position	1,669,359	2,427,725
Net Position, beginning of year	<u>45,819,485</u>	<u>43,391,760</u>
Net Position, end of year	<u><u>47,488,844</u></u>	<u><u>45,819,485</u></u>

The statement of activities can be found on page 17 of this report.

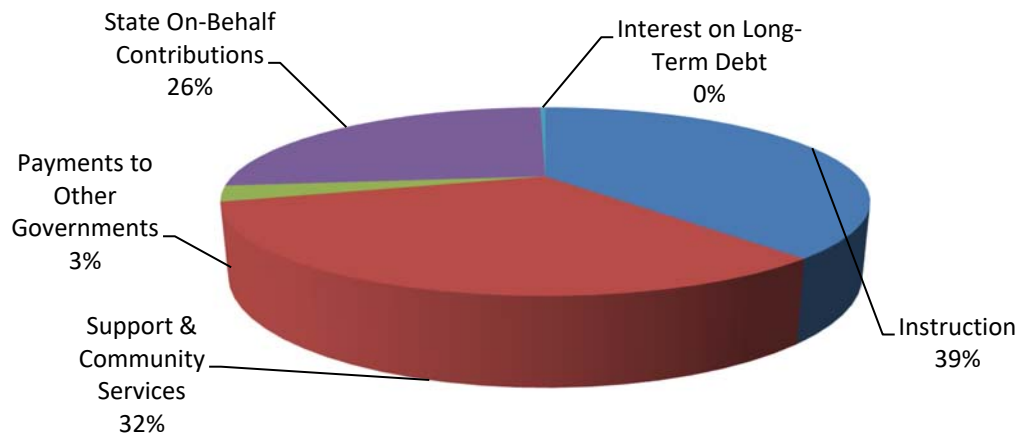
Will County School District 92
Management's Discussion and Analysis

Year Ended June 30, 2020
(Unaudited)

Government-wide Revenues By Source



Government-wide Expenses



Will County School District 92
Management's Discussion and Analysis

Year Ended June 30, 2020
(Unaudited)

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A financial analysis of the District's funds follows.

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

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$20.8 million, up \$2.1 million in comparison with the previous fiscal year. All funds had positive fund balances as of June 30, 2020.

At the end of the current fiscal year, unassigned fund balance of the general fund was \$10.0 million, which represents 29% of total general fund expenditures. This means that without receiving any additional revenue, the District could fund over four months of operating expenditures with the unassigned fund balance in the General Fund. The Board's goal has been to keep four to six months of operating expenditures in reserve.

The revenues and expenditures of the District's governmental activities are analyzed below.

Revenues

The most significant revenue source for all funds during fiscal year 2020 continues to be property taxes. Federal sources have remained consistent compared to fiscal 2019.

Will County School District 92
Management's Discussion and Analysis

Year Ended June 30, 2020
(Unaudited)

Below is an analysis of revenues for the past two years for the governmental funds of the District.

Comparative Summary of Revenues
Governmental Funds
for the Years ending June 30,

			Increase (Decrease)	
	<u>2020</u>	<u>2019</u>	<u>2019 to 2020</u>	<u>% Change</u>
Property taxes	23,180,354	23,002,356	177,998	0.8%
Replacement taxes	547,047	499,754	47,293	9.5%
Earnings on investments	302,751	317,740	(14,989)	-4.7%
Other local revenues	376,784	569,661	(192,877)	-33.9%
Evidence Based Funding	1,442,193	1,440,487	1,706	0.1%
Restricted state grants	1,191,830	1,069,218	122,612	11.5%
Restricted federal grants	477,049	829,476	(352,427)	-42.5%
On-behalf payments	<u>9,231,979</u>	<u>7,494,988</u>	<u>1,736,991</u>	23.2%
Total	<u><u>36,749,987</u></u>	<u><u>35,223,680</u></u>	<u><u>1,526,307</u></u>	4.3%

Property taxes increased due to the increase in the assessed valuation of the District. The District's equalized valuation was \$778 million for tax year 2019, which was \$38 million more than 2018. Corporate Personal Property Replacement Taxes (CPPRT) increased \$47 thousand from fiscal year 2019 to 2020.

Earnings on investments decreased as was reflective of the economy and market interest rates in 2019 & 2020. Evidence Based Funding is distributed to school districts in Illinois based on a formula, which takes into account District needs as reflected by the application of various factors.

Will County School District 92
Management's Discussion and Analysis

Year Ended June 30, 2020
(Unaudited)

Expenditures

Salaries and benefits remain the largest expenditures of the District, representing 73% of the fiscal year 2020 total expenditures exclusive of state on-behalf payments. The split between salaries and benefits is 77/23, with benefits making up about 23% of the total combined expenditures. Pension, health insurance, Medicare and FICA rates all contribute to the size of the benefit expenditures. The following is an analysis of expenditures, by function, for the past two years for the governmental funds of the District.

Comparative Summary of Expenditures Governmental Funds For the Fiscal Years Ended June 30,				
	2020	2019	Increase (Decrease) 2019 to 2020	Percent Change
Instruction	12,818,857	12,608,240	210,617	1.67%
Support Services	10,431,419	10,421,386	10,033	0.10%
Community Services	3,249	3,355	(106)	-
Payments to Other Governments	942,445	675,628	266,817	39.49%
On-Behalf Payments	9,231,979	7,494,988	1,736,991	23.18%
Debt Service - Principal, Interest and Fees	772,275	760,575	11,700	1.54%
Capital Outlay	472,250	1,862,377	(1,390,127)	-74.64%
Total	<u>34,672,474</u>	<u>33,826,549</u>	<u>845,925</u>	

Payments to Other Governments increased by \$266,817 as a result of an increased need to outplace some special education services. On-behalf payments increased due to a change in computational formula amounts. Debt Service expenditures was consistent with prior year and Capital Outlay were less than previous years.

Will County School District 92
Management's Discussion and Analysis

Year Ended June 30, 2020
(Unaudited)

General Fund Budgetary Highlights

The District's budget is prepared in accordance with Illinois law and is based on accounting for transactions on the modified cash basis of accounting. A budget to actual schedule is provided as other information for the General Fund. A budget column is provided for the budget adopted for fiscal year 2020. The District's General Fund came in under budget for expenditures due to conservative budgeting as well as instructional salaries and benefits were less than anticipated.

Capital Asset and Long-Term Debt Activity

Capital Assets – The capital assets of the district are those used in the performance of general governmental functions. They are recorded at original cost, which is considerably less than their present replacement value. The District's investment in capital assets for its governmental activities at year end totaled \$31,755,856 (net of accumulated depreciation). Capital assets include land construction in progress, buildings and improvements, and equipment. Depreciation charges of \$1,538,960 were expensed on the total capital assets during fiscal year 2020. Additional information on the District's capital assets can be found in Note 5 on pages 34 and 35 of this report.

Debt Administration – Total District long-term debt, which is comprised of general obligation bonds payable, at year end was \$4,850,000 along with an unamortized premium of \$219,606. During the fiscal year, \$625,000 was retired in scheduled bond payments.

The District's most recent bond issue was rated AA3 by Moody's rating agency. The State statutes limit the amount of outstanding debt to 6.9% of assessed valuation. That would make the current debt limitation \$53,683,024, which is significantly in excess of the District's general obligation debt.

Additional information on the District's long-term debt can be found in Note 6 on page 35 and 36 of this report.

Will County School District 92
Management's Discussion and Analysis

Year Ended June 30, 2020
(Unaudited)

Conditions Expected to Have a Significant Effect on Financial Position

The District's portion of state-based revenue is directly affected by the condition of the budget of the State of Illinois. As Illinois continues to struggle to improve its financial health, school districts rely on state revenue for its operational purposes. The District is in Tier 4 for the Evidence Based Funding model, meaning the increases in subsequent years will be very modest (.1% of the increase is shared among all Tier 4 districts).

The Property Tax Extension Limitation Law, also known as Tax Caps, has also had a negative impact on the District. The tax cap legislation passed by the Illinois General Assembly for taxing districts has limited the growth in the extended tax levy. The tax caps will affect the District's future levies for all non-debt related purposes.

Finally, the full extent of the impact of COVID-19 (Coronavirus) on the District is unknown at this time. Currently, the District has not suffered significant financial impact as a result of the virus, however the impact on our students and staff has been extreme. The District will continue to do what is best for its students, staff and community throughout the duration of the crisis presented by COVID-19, which may result in increased future expenditures. At this time, it is also unknown how this crisis will affect the financial health of the State of Illinois. The District may see reductions in state funding in fiscal year 2020-2021 due to COVID-19.

Will County School District 92
Management's Discussion and Analysis

Year Ended June 30, 2020
(Unaudited)

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Dave Blatchley, Assistant Superintendent for Business Services, Will County School District 92, 708 North State Street, Lockport, IL 60441.

WILL COUNTY SCHOOL DISTRICT 92

Government-wide Financial Statement - Statement of Net Position -

Modified Cash Basis

June 30, 2020

	Governmental Activities Primary Government
	<u>2020</u>
<u>Assets</u>	
Cash	15,869
Investments	20,786,725
Capital Assets not being depreciated	1,718,079
Capital Assets being depreciated, net of accumulated depreciation	<u>30,037,777</u>
Total Assets	<u>52,558,450</u>
<u>Liabilities</u>	
Due Within One Year	
General Obligation Bond Payable	655,000
Due in More Than One Year	
General Obligation Bond Payable	<u>4,414,606</u>
Total Liabilities	<u>5,069,606</u>
<u>Net Position</u>	
Net Investment in Capital Assets	26,686,250
Restricted for:	
Debt Service	415,782
Construction Projects	4,890,224
Transportation of Students	558,352
Operations and Maintenance	1,045,173
Employee Benefits	781,973
Unrestricted	<u>13,111,090</u>
Total Net Position	<u>47,488,844</u>

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

WILL COUNTY SCHOOL DISTRICT 92

Government-wide Financial Statement-Statement of Activities -
Modified Cash Basis
For the Year Ended June 30, 2020

Governmental Activities:	Expenditures	Program Revenues			Net Revenues (Expenditures) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Instruction					
Regular Programs	9,752,317	86,759	9,143	-	(9,656,415)
Special Education Programs	3,574,866	-	479,509	-	(3,095,357)
Other Instructional Programs	181,388	-	-	-	(181,388)
Support Services					
Pupils	1,326,841	168,361	-	-	(1,158,480)
Instructional Staff	1,816,206	-	2,248	-	(1,813,958)
General Administration	723,929	-	-	-	(723,929)
School Administration	1,338,352	-	-	-	(1,338,352)
Business	3,772,063	-	197,411	17,055	(3,557,597)
Transportation	2,303,274	-	981,730	-	(1,321,544)
Community Services	3,249	-	-	-	(3,249)
Payments to Other Governments	942,445	-	-	-	(942,445)
On Behalf Payments	9,231,979	-	9,231,979	-	-
Debt Service	115,902	-	-	-	(115,902)
Total Governmental Activities	<u>35,082,811</u>	<u>255,120</u>	<u>10,902,020</u>	<u>17,055</u>	<u>(23,908,616)</u>

General Revenues:

Property Taxes	23,180,354
Replacement Taxes	547,047
Evidence Based Funding and other unrestricted grants	1,442,193
Investment Earnings	302,751
Other General Revenues	105,630
Total General Revenues	<u>25,577,975</u>
Change in Net Position	1,669,359
Net Position Beginning of Year	45,819,485
Net Position End of Year	<u>47,488,844</u>

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

WILL COUNTY SCHOOL DISTRICT 92

Statement of Assets, Liabilities, and Fund Balances -
Modified Cash Basis
Governmental Funds
June 30, 2020

	Major Funds				
	General <u>Fund</u>	Trans- portation <u>Fund</u>	Capital Projects <u>Fund</u>	Non-major Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
<u>Assets</u>					
Cash	15,869	-	-	-	15,869
Investments	13,709,611	840,017	4,785,840	1,451,257	20,786,725
Other Current Assets	-	-	-	-	-
Total Assets	<u>13,725,480</u>	<u>840,017</u>	<u>4,785,840</u>	<u>1,451,257</u>	<u>20,802,594</u>
<u>Liabilities</u>					
Payroll Liabilities	-	-	-	-	-
Total Liabilities	-	-	-	-	-
<u>Fund Balances</u>					
Restricted Fund Balance	1,045,173	558,352	4,785,840	1,302,139	7,691,504
Assigned Fund Balance	2,660,236	281,665	-	149,118	3,091,019
Unassigned Fund Balance	<u>10,020,071</u>	-	-	-	<u>10,020,071</u>
Total Fund Balances	<u>13,725,480</u>	<u>840,017</u>	<u>4,785,840</u>	<u>1,451,257</u>	<u>20,802,594</u>
Total Liabilities and Fund Balances	<u>13,725,480</u>	<u>840,017</u>	<u>4,785,840</u>	<u>1,451,257</u>	<u>20,802,594</u>

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

WILL COUNTY SCHOOL DISTRICT 92

Reconciliation of Governmental Funds Statement of Assets, Liabilities, and Fund Balances to
Statement of Net Position (Modified Cash Basis)

Governmental Funds

June 30, 2020

Total Fund Balances - Governmental Funds	20,802,594
--	------------

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

Capital assets used in governmental activities are not
financial resources and therefore are not reported in the
funds:

Capital assets	50,504,921	
Accumulated Depreciation	<u>(18,749,065)</u>	
Net Capital Assets		31,755,856

Some liabilities reported in the statement of net
position do not require the use of current financial
resources and therefore not reported as liabilities in
governmental funds, these liabilities consist of:

General Obligation Bonds Payable	<u>(5,069,606)</u>
----------------------------------	--------------------

Net Position of Governmental Activities	<u><u>47,488,844</u></u>
---	--------------------------

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

WILL COUNTY SCHOOL DISTRICT 92

Statement of Revenues Received, Expenditures Disbursed
and Changes in Fund Balances - (Modified Cash Basis)
Governmental Funds

For the Year Ended June 30, 2020

	Major Funds				Total Governmental Funds
	General Fund	Trans- portation Fund	Capital Projects Fund	Non-major Funds	
Revenues Received:					
Property Taxes	21,099,002	538,678	-	1,542,674	23,180,354
Payments in Lieu of Taxes	487,047	-	-	60,000	547,047
Earnings on Investments	200,681	20,560	58,018	23,492	302,751
Other Local sources	359,462	65	17,055	202	376,784
State Revenues	1,602,293	981,730	50,000	-	2,634,023
Federal Sources	477,049	-	-	-	477,049
On Behalf Payments	9,231,979	-	-	-	9,231,979
Total Revenues Received	<u>33,457,513</u>	<u>1,541,033</u>	<u>125,073</u>	<u>1,626,368</u>	<u>36,749,987</u>
Expenditures Disbursed:					
Current:					
Instructional					
Regular Programs	9,088,890	-	-	139,876	9,228,766
Special Education Programs	3,223,560	-	-	185,164	3,408,724
Other Instructional Programs	169,738	-	-	11,629	181,367
Support Services					
Pupils	1,189,794	-	-	68,653	1,258,447
Instructional Staff	1,663,702	-	-	66,450	1,730,152
General Administration	671,372	-	-	12,757	684,129
School Administration	1,200,311	-	-	71,431	1,271,742
Business	2,938,812	-	50,200	288,927	3,277,939
Transportation	-	2,209,010	-	-	2,209,010
Central	-	-	-	-	-
Community Services	3,249	-	-	-	3,249
Payment to Other Schools	942,445	-	-	-	942,445
On Behalf Payments	9,231,979	-	-	-	9,231,979
Debt Service - Interest and Fees	-	-	-	147,275	147,275
Debt Service - Principal	-	-	-	625,000	625,000
Capital Outlay	421,989	-	50,261	-	472,250
Total Expenditures Disbursed	<u>30,745,841</u>	<u>2,209,010</u>	<u>100,461</u>	<u>1,617,162</u>	<u>34,672,474</u>
Excess Revenues Received over (under)					
Expenditures Disbursed	2,711,672	(667,977)	24,612	9,206	2,077,513
Other Financing Sources (uses):					
Sales of Capital Assets	2,183	-	-	-	2,183
Transfers in	-	-	1,500,000	-	1,500,000
Transfers (out)	(1,500,000)	-	-	-	(1,500,000)
Total Other Financing Sources (uses):	<u>(1,497,817)</u>	<u>-</u>	<u>1,500,000</u>	<u>-</u>	<u>2,183</u>
Net Change in Fund Balance	1,213,855	(667,977)	1,524,612	9,206	2,079,696
Fund balance, beginning of year	<u>12,511,625</u>	<u>1,507,994</u>	<u>3,261,228</u>	<u>1,442,051</u>	<u>18,722,898</u>
Fund balance, end of year	<u>13,725,480</u>	<u>840,017</u>	<u>4,785,840</u>	<u>1,451,257</u>	<u>20,802,594</u>

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

WILL COUNTY SCHOOL DISTRICT 92

Reconciliation of Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances of Governmental Funds to Statement of Activities (Modified Cash Basis)

For the Year Ended June 30, 2020

Net change in Fund Balances - Governmental Funds	2,079,696
--	-----------

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

Governmental funds report capital outlay as expenditures.

However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives as depreciation expense. This is the amount of expenditures capitalized in the current period.

472,250

This is the net book value of disposals

-

This is the amount of depreciation recorded in the current period.

(1,538,960)

Repayment of debt principal, is an expenditure in Governmental Funds,

but the repayment reduced long-term liabilities in the statement of net position.

625,000

Governmental funds report the effect of bond premiums when debt is first issued, premiums are deferred and amortized in the statement of activities. This is the current year amortization

31,373

A gain or loss is reported for each disposal in the statement of activities. This is the Basis in the assets disposed during the year.

Change in Net Position of Governmental Activities

1,669,359

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

WILL COUNTY SCHOOL DISTRICT 92

Statement of Fiduciary Assets and Liabilities (modified cash basis)

Fiduciary Funds

June 30, 2020

	<u>Student Activity Funds</u>
<u>Assets</u>	
Cash	<u>136,914</u>
<u>Liabilities</u>	
Due to Student Activity Organizations	<u>136,914</u>

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

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 Summary of Significant Accounting Policies

Reporting Entity

Will County School District 92 (District) is governed by the Board of Education and provides primary education, transportation, cafeteria, building maintenance and general administrative services. In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity is made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The definition of a component unit is a legally separate organization for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The District is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District. The District also may be financially accountable if an organization is fiscally dependent on the District, regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government or (3) a jointly appointed board. There are no component units, as defined by GASB, which are included in the District's reporting entity. Also, the District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

Basis of Presentation

The District's basic financial statements consist of district-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. These statements include the governmental financial activities of the District. The District's fiduciary fund is excluded.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 **Summary of Significant Accounting Policies** (continued)

Government-Wide Financial Statements (continued)

The statement of net position presents the financial condition of the governmental activities of the District at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The fiduciary fund is reported in a separate statement.

Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with separate sets of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues received, expenditures disbursed and other financing sources and uses. The District maintains specific funds and fund types as required by the Illinois State Board of Education. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. There are two categories of funds: governmental and fiduciary.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 **Summary of Significant Accounting Policies** (continued)

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

General Fund

The General Fund is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund is comprised of four accounts, the Educational Account, the Operations and Maintenance Account, the Working Cash Account and the Tort Account. The Educational Account records direct costs of instruction and related administration. The Operations and Maintenance Account reports all costs of maintaining, improving or repairing school buildings and property. The Tort Account reports costs for the District's risk financing activities. The Working Cash Account reports financial resources held by the District to be used for temporary interfund loans to the Educational Account, the Operations and Maintenance Account, and the Transportation Fund.

Transportation Fund

The Transportation Fund (a special revenue fund) is used to account for all activity relating to student transportation to and from school. Revenues of the Transportation Fund include property taxes, state transportation grants, user charges and interest income.

Capital Projects Fund

The Capital Projects Fund (a capital projects fund type) is used to account for the construction and equipping of school sites and school facilities, which are not financed by other funds. Inflows include local impact fees and transfers from other funds.

The other non-major governmental funds of the District account for property taxes and other resources, whose use is restricted to a particular purpose.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 **Summary of Significant Accounting Policies** (continued)

Special Revenue Funds - The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The District's Nonmajor special revenue fund is the Municipal Retirement/Social Security Fund which accounts for the District's share of social security and retirement benefit costs for employees.

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal, interest and related costs. The District currently has one bond issue outstanding.

Capital Projects Fund - The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of school facilities and other capital assets. The District's nonmajor capital projects fund is the Fire Prevention and Safety Fund.

Fiduciary Fund - Fiduciary fund reporting focuses on assets and liabilities. The District's only fiduciary fund is an agency fund, the Student Activity Fund. This fund accounts for assets held by the District as an agent for the students and teachers. The fund is custodial in nature and does not involve the measurement of results of operations. The amounts due to the activity fund organizations are equal to the assets.

Basis of Accounting / Measurement Focus

Fund Financial Statements - All governmental funds are accounted for using a modified cash basis of accounting measurement focus, which varies from accounting principles generally accepted in the United States of America. With this measurement focus, only current assets and current liabilities arising from cash transactions are included on the balance sheet. Accordingly, revenues are recognized when received rather than when earned, and expenditures are recognized when paid, rather than when the obligation is incurred. Consequently, property taxes and other revenues due, as well as amounts owed to vendors and suppliers are not included in the financial statements. Only assets representing a right to receive cash from a previous payment of cash are recorded as assets of a fund. In the same manner, only liabilities resulting from previous cash transactions are recorded as liabilities of a particular fund. This basis of accounting is in compliance with the Section 1-17 of the School Code [105 ILCA 5/10-17].

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 **Summary of Significant Accounting Policies** (continued)

Basis of Accounting / Measurement Focus (continued)

Government-Wide Financial Statements - The government-wide financial statements are prepared using the modified cash basis of accounting measurement focus. The District also reports activity related to the acquisition, depreciation and year-end balances of capital assets, as well as year-end balances and related changes in long-term debt in its government-wide financial statements. Thus, the statement of net position includes all current assets and current liabilities arising from cash transactions and all capital assets (net of accumulated depreciation) and long-term debt associated with the operation of the District.

Differences occur from the manner in which the governmental activities and the government-wide financial statements are prepared due to the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The District has reported three categories of program revenues in the statement of activities (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the District's general revenues. For identifying the function to which program revenues pertain, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of activities to remove the "grossing-up" effect on revenues and expenses within the governmental activities column for amounts reported in the individual funds as transfers in and out, if any.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 **Summary of Significant Accounting Policies** (continued)

Assets, Liabilities and Equity:

Deposits and Investments

The investments which the District may purchase are limited by Illinois law to the following (1) securities which are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a Federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the Illinois School District Liquid Asset Fund Plus, the State Treasurer's Illinois and Prime Funds and (8) money market mutual funds and certain other instruments.

Capital Assets

Capital assets used by governmental fund types of the District are recorded in the statement of net position at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation. All capital assets, including intangible assets (computer software) are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The District maintains a capitalization threshold of \$2,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. 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.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	10-50 years
Other Equipment	5-20 years

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 **Summary of Significant Accounting Policies** (continued)

Long-Term Obligations

The District reports interest-bearing long-term debt of governmental funds at face value. For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures.

Fund Balance

The District's fund balances are required to be reported using five separate classifications as listed below. The District may not necessarily utilize each classification in a given fiscal year.

Nonspendable fund balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification may include inventories and assets held for sale.

Restricted fund balance - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed fund balance - Amounts that can only be used for specific purposes because of a formal action (resolution) by the District's highest level of decision-making authority, the Board of Education.

Assigned fund balance - Amounts that are constrained by the District's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the Board of Education. With the exception of the General Fund, assigned fund balance is the residual fund balance classification for all governmental funds with positive balances. Interest earnings assigned to a specific fund does not preclude the Board of Education from subsequently transferring interest earnings as allowed by 105 ILCS 5/10-22.44.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 Summary of Significant Accounting Policies (continued)

Fund Balance (continued)

Unassigned fund balance - This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Note 13 provides details of fund balances.

The District considers restricted amounts to have been spent when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Committed, assigned, and unassigned amounts are considered to have been spent in that order when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. Expenditures incurred for a specifically identified purpose will reduce the specific identified classification of fund balance.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could differ from those estimates.

Comparative Data

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's assets, liabilities, fund balance, revenues received, and expenditures paid.

NOTE 2 Stewardship, Compliance and Accountability

Budgetary Information

The budget is prepared on the modified cash basis of accounting for all governmental fund types, which is an acceptable method as prescribed by the Illinois Compiled Statutes and is the same basis that is used for financial reporting. This allows for comparability between budget and actual amounts. The budget appropriations lapse at the end of each fiscal year. The District follows these procedures in establishing the budgetary data reflected in the financial statements.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 2 Stewardship, Compliance and Accountability (continued)

Budgetary Information (continued)

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.

Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.

On September 17, 2019, the budget was legally adopted through passage of a resolution, and amended on June 23, 2020.

The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.

Formal budgetary integration is employed as a management control device during the year. The Board of Education may amend the budget by the same procedures required of its original adoption. Budgeted amounts reflect the final budget approved by the Board.

NOTE 3 Deposits and Investments

Deposits

The carrying amount of cash was \$152,233 at June 30, 2020 (including activity funds of \$142,275), while the bank balances were \$571,943. All account balances at banks were insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The District also maintains cash on hand of \$550.

Certificates Of Deposit

Certificates of Deposit amounted to \$1,716,732 at June 30, 2020. In accordance with District policy, certificates of deposit were collateralized with securities of the U.S. Government. All investment collateral is held in safekeeping in the District's name by financial institutions acting as the District's agent. Collateral is priced to market semi-monthly and monitored regularly with additional collateral requested as necessary.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3 Deposits and Investments (continued)

Investments

Interest Rate Risk - The District has a formal investment policy; however, the policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - The District's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. The District's investment policy does not further limit the District's investment option beyond those allowed by Illinois law.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District 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. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization. The District is fully collateralized as of June 30, 2020.

Shares in the Illinois School District Liquid Asset Fund (ISDLAF) represent investment in an external investment pool; the fair value of the position in the pool is the same as the value of the pool shares.

The District also invests in the ISDLAF's Term Series pools. Each Term Series pool is comprised of statute allowable investments including bank deposit products, government securities, and municipal securities each having a designated maturity between 30 and 365 days.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District has the following recurring fair value measurements as of June 30, 2020:

ISDLAF+ and Savings Deposits are valued using quoted market prices (Level 1 inputs).

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3 Deposits and Investments (continued)

The following schedule reports the costs and maturities (using the segmented time distribution method) and the credit ratings for the District's investments as described by Standard & Poor's for the District's investments at June 30, 2020.

Investment Description	Carrying Value (cost) 6/30/2020	Investment Maturities Less Than One Year	% of Total Investment	Credit Rating*
Illinois School District Liquid				
Asset Fund Plus (ISDLAF+)	15,969,121	15,969,121	83.7%	AAAm
Savings Deposit Account	3,100,872	3,100,872	16.3%	N/A
Total	<u>19,069,993</u>	<u>19,069,993</u>		

Concentration of Credit Risk – Although the District' investment policy requires diversification, the District places no limits on the amount the District may invest in any one issuer.

A reconciliation of the amounts in this note to amounts in the financial statements is as follows:

Carrying Amount of Deposits Per Note Above	\$ 152,233
Cash on Hand Per Note Above	550
Certificates of Deposit Per Above	1,716,732
Investments Per Note Above	<u>19,069,993</u>
Total	<u>\$ 20,939,508</u>
Cash Per Statement of Net Position	\$ 15,869
Investments Per Statement of Net Position	20,786,725
Cash Per Statement of Fiduciary Assets and Liabilities	<u>136,914</u>
Total	<u>\$ 20,939,508</u>

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 4 Property Taxes

The District's property tax is levied each year, on all taxable real property located in the District, on or before the last day in December. The lien date for the levy is January 1st. The Board of Education approved the 2019 tax levy on December 17, 2019. Property taxes are payable in two installments on June 1st and September 1st of the following year. The District receives significant distributions of tax receipts approximately one month after these due dates. The property tax revenue reflected in the financial statements represents collections of a portion of the 2019 and 2018 property tax levies.

NOTE 5 Capital Assets

Activity related to capital assets for the year ended June 30, 2020 was as follows:

	<u>July 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2020</u>
Capital assets not being depreciated				
Land	1,718,079	-	-	1,718,079
Construction in progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets not being depreciated	<u>1,718,079</u>	<u>-</u>	<u>-</u>	<u>1,718,079</u>
Capital assets being depreciated				
Buildings	39,891,166	-	-	39,891,166
Improvements other than buildings	2,982,813	50,261	-	3,033,074
Other equipment	<u>5,449,310</u>	<u>421,990</u>	<u>8,698</u>	<u>5,862,602</u>
Total capital assets being depreciated	<u>48,323,289</u>	<u>472,251</u>	<u>8,698</u>	<u>48,786,842</u>
Less accumulated depreciation for				
Buildings	12,108,890	1,115,909	-	13,224,799
Improvements other than buildings	1,004,350	156,626	-	1,160,976
Other equipment	<u>4,105,563</u>	<u>266,425</u>	<u>8,698</u>	<u>4,363,290</u>
Total accumulated depreciation	<u>17,218,803</u>	<u>1,538,960</u>	<u>8,698</u>	<u>18,749,065</u>
Total capital assets being depreciated, net	<u>31,104,486</u>	<u>(1,066,709)</u>	<u>-</u>	<u>30,037,777</u>
Total capital assets, net of depreciation	<u>32,822,565</u>	<u>(1,066,709)</u>	<u>-</u>	<u>31,755,856</u>

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 5 Capital Assets (continued)

Depreciation expense for the year was charged to governmental activities as follows:

Regular Education Programs	523,551
Special Education Programs	166,142
Other Instructional Programs	21
Pupils	68,394
Instructional Staff	86,054
General Administration	39,800
School Administration	66,610
Business	348,692
Bus Operations & Maint of Plant Svc	145,431
Transportation	94,265
Total	<u><u>1,538,960</u></u>

NOTE 6 Long-Term Debt

During the year ended June 30, 2020, the following changes occurred in long-term debt:

	<u>July 1, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2020</u>	<u>Current Portion</u>
General Obligation Bonds					
Series 2015	5,475,000	-	625,000	4,850,000	655,000
Premium on Bonds	<u>250,979</u>	<u>-</u>	<u>31,373</u>	<u>219,606</u>	<u>-</u>
Total Long-Term Debt	<u><u>5,725,979</u></u>	<u><u>-</u></u>	<u><u>656,373</u></u>	<u><u>5,069,606</u></u>	<u><u>-</u></u>

At June 30, 2020 general long-term debt consisted of the following:

\$7,725,000, *General Obligation Limited Tax School Bonds, Series 2015*, due in annual installments ranging from \$415,000 to \$825,000 beginning in fiscal 2016 with final maturity on January 1st, 2027, with interest due semiannually at rates ranging from 2.50% to 3.00%. The bond proceeds along with a premium on issuance of \$407,844 were deposited in the District's working cash fund. The working cash fund subsequently transferred the proceeds (net of issuance costs) to the capital projects fund for building renovations and other constructions.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6 Long-Term Debt (continued)

Total annual debt service requirements to maturity for the outstanding bonds are as follows:

Fiscal year ending June 30	Principal	Interest	Total
2021	655,000	127,600	782,600
2022	690,000	107,425	797,425
2023	720,000	86,275	806,275
2024	755,000	64,150	819,150
2025	790,000	42,951	832,951
2026-2027	1,240,000	28,988	1,268,988
	<u>\$ 4,850,000</u>	<u>\$ 457,389</u>	<u>\$ 5,307,389</u>

Legal Debt Margin

The District is subject to the Illinois School Code that limits the amount of bonded indebtedness to 6.9% of the most recent available equalized assessed valuation of the District, \$778,014,843 as of tax year 2019. As of June 30, 2020, the statutory debt limit is \$53,683,024 and the District's current outstanding debt is \$4,850,000, which leaves the District with a margin of \$48,833,024. At June 30, 2020, \$564,900 was available in the Debt Service Fund to service the above listed debt issue.

NOTE 7 Risk Management

The District is exposed to various risks of loss related to employee health; torts; theft of, damage to and destruction of assets; errors and omissions; and workers' compensation. To protect itself from such risks, the District participates in the following public entity risk pools: School Employees Loss Fund (SELF) for workers' compensation claims; and Education School Insurance Cooperative (ESIC) for property damage and injury claims. 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.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 7 Risk Management (continued)

Additionally, the District carries commercial insurance for risks related to torts and professional liability.

The amount of coverage has not decreased nor have settled claims exceeded stop loss coverage in the current year or any of the past three fiscal years.

NOTE 8 Retirement Fund Commitments

The District contributes to two defined benefit pension plans: the Teachers Retirement System (TRS), and the Illinois Municipal Retirement Fund (IMRF). TRS is administered by the TRS board of trustees and is a cost sharing multiple employer plan. IMRF is administered by IMRF board of trustees and is an agent multiple-employer public employee retirement system. The benefits, benefit levels, employee contributions and employer contributions for both plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The aggregate employer recognized pension expense on a cash basis for the year ended June 30, 2020, was \$465,362.

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

Plan description

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

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

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 8 **Retirement Fund Commitments** (continued)

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

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.

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement 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.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 8 **Retirement Fund Commitments** (continued)

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

Contributions

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

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

On behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the district. For the year ended June 30, 2020, 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 \$9,090,481 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, 2020 were \$66,185, while \$63,942 was actually paid toward this obligation in the current fiscal year.

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

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 8 **Retirement Fund Commitments** (continued)

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

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

For the year ended June 30, 2020, the employer pension contribution was 10.66 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2020, salaries totaling \$136,591 were paid from federal and special trust funds that required employer contributions of \$14,561. \$14,442 was actually paid toward this obligation in the current fiscal year.

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.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2020, the employer paid \$3,266 to TRS for employer contributions due on salary increases in excess of 6 percent, \$0 for salary increases in excess of 3 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

Pension Expense

For the year ended June 30, 2020, the District recognized TRS pension expense of \$13,928 on a cash basis under this plan.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 8 **Retirement Fund Commitments** (continued)

B. THIS Fund:

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, 2020. State of Illinois contributions were \$141,498, 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, 2020. For the year ended June 30, 2020, the district paid \$104,982 to the THIS Fund, which was 100 percent of the required contribution.

Further information on the THIS Fund.

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

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8 Retirement Fund Commitments (continued)

C. 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.

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.

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

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8 Retirement Fund Commitments (continued)

C. Illinois Municipal Retirement Fund (continued)

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

Number of	
Retirees and Beneficiaries	86
Inactive, Non-Retired Members	175
Active Members	128
Total	<u>389</u>
Covered Valuation Payroll	\$ 4,140,550

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 2019 was 10.90%. For the calendar year ended 2019, the District contributed \$451,434 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.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9 Postemployment Benefits other than Pensions

Plan Description

The District administers a single-employer defined benefit healthcare plan, the “Retiree Healthcare Benefit Program” or “the Plan”. The plan provides healthcare insurance for eligible retirees through the District’s group health insurance plan, which covers both active and retired members, or through the Teacher’s Retirement Insurance Program (TRIP) which covers only retired members.

Benefit provisions are established through negotiations between the District and the unions representing District employees and are renegotiated each bargaining period. As of June 30, 2020, all retirees are eligible for benefits only until Medicare eligible. The Plan does not issue a stand-alone financial report.

Funding Policy

Contribution requirements are also negotiated between the District and union representatives. All plan funding is done on a pay-as-you-go basis. Total retiree contributions were not determined.

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

Number of	
Retirees and Beneficiaries	6
Active Members	191
Total	<u>197</u>

The total other post-employment benefit liability (TOL) was measured on June 30, 2020, the most recent available actuarial information.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 9 **Postemployment Benefits Other Than Pensions (continued)**

Actuarial Assumptions

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

- The **Actuarial Cost Method** used was Entry Age Normal.
- **Salary Increases** were expected to be 3.00%.
- The Healthcare Trend Rate is 7.00% per fiscal year for medical cost trending down to 4.50%.
- The discount rate is based on the S&P Municipal Bond 20 Year High Grade Index, to the extent that projected benefit payments are not covered by plan investments. Specifically, as of June 30, 2019 the rate was 2.79%, while the rate as of June 30, 2020 was 2.66%.

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, 2019 and 2.79% as of June 30, 2020.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 9 **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, 2019) to the end of the Fiscal Year (June 30, 2020). The TOL as of June 30, 2020:

	OPEB Liability (A) - (B)
Balances at June 30, 2019	3,105,762
Changes for the year:	
Service Cost	155,354
Interest	89,178
Changes of Benefit Terms	-
Differences Between Expected and Actual	
Experience	(313,663)
Changes of Assumptions	185,276
Contributions - Employer	(130,419)
Other (Net Transfer)	<u>-</u>
Net Changes	<u>(14,274)</u>
Balances at June 30, 2020	<u><u>3,091,488</u></u>

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 10 Contingent Liabilities and Commitments

Litigation

The District is involved in litigation arising in the ordinary course of business. It is the opinion of management, based on consultation with counsel, that liabilities arising from these proceedings, if any, will not be material to the District's financial position.

Grant Programs

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government and the Illinois State Board of Education. 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.

NOTE 11 Operating Lease Agreements

The District has entered into an operating lease agreement for the use of several copiers within its schools and administrative office. The District paid \$34,320 in operating lease payments during fiscal year 2020. As of June 30, 2020, the annual cash flow requirement of this obligation is as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Total</u>
2021	17,160

NOTE 12 Individual Fund Disclosures

All transfers are made to move monies between funds to finance operations and various programs in accordance with budgetary authorizations approved by the Board of Education: The General Fund made a routine transfer of \$1,500,000 to the Capital Projects Fund to assist in funding capital asset projects.

The expenditures of the Transportation Fund of \$2,209,010 exceeded budgeted expenditures of \$2,014,500 by \$194,510.

WILL COUNTY SCHOOL DISTRICT 92
LOCKPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 13 Fund Balances

Details of the District's fund balances by individual major fund and nonmajor funds in the aggregate are as follows:

	Major Funds			Non-Major Governmental Fund	Total Governmental Fund
	General Fund	Transportation Fund	Capital Projects Fund		
Fund Balances:					
Restricted for:					
Operations & Maintenance	1,045,173	-	-	-	1,045,173
Debt Service	-	-	-	415,782	415,782
Transportation of students	-	558,352	-	-	558,352
Employee Benefits	-	-	-	781,973	781,973
Capital projects	-	-	4,785,840	104,384	4,890,224
Total restricted	1,045,173	558,352	4,785,840	1,302,139	7,691,504
Assigned to:					
Debt Service	-	-	-	149,118	149,118
Transportation of students	-	281,665	-	-	281,665
Salaries	1,660,236	-	-	-	-
Contingent Employee Benefits	1,000,000	-	-	-	1,000,000
Total assigned	2,660,236	281,665	-	149,118	3,091,019
Unassigned	10,020,071	-	-	-	10,020,071
Total Fund Balances	13,725,480	840,017	4,785,840	1,451,257	20,802,594

WILL COUNTY SCHOOL DISTRICT 92

**Budgetary Comparison Schedule
Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget and Actual - Modified Cash Basis
General Fund**

For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues Received				
Property Taxes	21,183,240	21,183,240	21,099,002	(84,238)
Corporate Personal Property Replacement Tax	361,000	361,000	487,047	126,047
Earnings on Investments	235,000	235,000	200,681	(34,319)
Other Local sources	446,100	446,100	359,462	(86,638)
State Sources	1,607,318	1,607,318	1,602,293	(5,025)
Federal Sources	1,006,216	1,006,216	477,049	(529,167)
On-Behalf Payments	-	-	9,231,979	9,231,979
Total Revenues Received	<u>24,838,874</u>	<u>24,838,874</u>	<u>33,457,513</u>	<u>8,618,639</u>
Expenditures Disbursed				
Current:				
Instruction				
Regular Programs	10,020,636	10,020,636	9,088,890	931,746
Special Education Programs	3,010,707	3,010,707	3,223,560	(212,853)
Other Instructional Programs	177,475	177,475	169,738	7,737
Support Services				
Pupils	1,584,420	1,584,420	1,189,794	394,626
Instructional Staff	1,835,804	1,835,804	1,663,702	172,102
General Administration	881,870	606,000	671,372	(65,372)
School Administration	1,204,050	1,204,050	1,200,311	3,739
Business	3,427,200	3,390,200	2,938,812	451,388
Other Support	300	300	-	300
Community Services	3,000	3,000	3,249	(249)
Payments to Other Schools	640,000	640,000	942,445	(302,445)
On Behalf Payments	-	-	9,231,979	(9,231,979)
Capital Outlay	351,125	351,125	421,989	(70,864)
Contingency	100,000	100,000	-	100,000
Total Expenditures Disbursed	<u>23,236,587</u>	<u>22,923,717</u>	<u>30,745,841</u>	<u>(7,822,124)</u>
Excess of Revenues Received				
Over Expenditures Disbursed	<u>1,602,287</u>	<u>1,915,157</u>	<u>2,711,672</u>	<u>16,440,763</u>
Other Financing Sources (Uses)				
Sales of Capital Assets	5,300	5,300	2,183	3,117
Transfers (out)	-	-	(1,500,000)	1,500,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(1,497,817)</u>	<u>1,500,000</u>
Net Change in Fund Balance	<u>1,602,287</u>	<u>1,915,157</u>	<u>1,213,855</u>	<u>17,940,763</u>
Fund Balance, Beginning of Year			<u>12,511,625</u>	
Fund Balance, End of Year			<u>13,725,480</u>	

WILL COUNTY SCHOOL DISTRICT 92

Budgetary Comparison Schedule
Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget and Actual - Modified Cash Basis
Transportation Fund
For the year ended June 30, 2020

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues Received			
Property Taxes	500,224	538,678	38,454
Earnings on Investments	25,000	20,560	(4,440)
State Sources	900,000	981,730	81,730
Refund Prior Years' Expenditures	-	-	-
Other Local Revenue	-	65	65
Total Revenues Received	<u>1,425,224</u>	<u>1,541,033</u>	<u>115,809</u>
Expenditures Disbursed			
Current:			
Support Services	2,014,500	2,209,010	194,510
Contingency	-	-	-
Total Expenditures Disbursed	<u>2,014,500</u>	<u>2,209,010</u>	<u>194,510</u>
Net Change in Fund Balance	<u>(589,276)</u>	<u>(667,977)</u>	<u>(78,701)</u>
Fund Balance, Beginning of Year		<u>1,507,994</u>	
Fund Balance, End of Year		<u>840,017</u>	

Notes To Other Information:

The Budgetary Comparison Information includes the activity of the General Fund and the Transportation Fund (a major special revenue fund). The funds are presented on the modified cash basis of accounting.

WILL COUNTY SCHOOL DISTRICT 92

SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY

Teachers' Retirement System of the State of Illinois
(Dollar amounts in thousands)

	06/30/19	06/30/18	6/30/17	6/30/16	6/30/15	6/30/14
Employer's proportion of the net pension liability	0.00145%	0.00147%	0.00274%	0.00280%	0.00296%	0.00279%
Employer's proportionate share of the net pension liability	\$ 1,176,431	\$ 1,143,762	\$ 2,093,770	\$ 2,209,695	\$ 1,942,226	\$ 1,698,793
State's proportionate share of the net pension liability associated with the employer	<u>83,725,315</u>	<u>78,352,490</u>	<u>80,616,822</u>	<u>84,567,827</u>	<u>67,436,440</u>	<u>62,439,612</u>
Total	<u>\$ 84,901,746</u>	<u>\$ 79,496,252</u>	<u>\$82,710,592</u>	<u>\$86,777,522</u>	<u>\$69,378,666</u>	<u>\$64,138,405</u>
Employer's covered-employee payroll	\$ 11,411,123	\$ 10,999,845	\$10,857,301	\$10,895,985	\$10,403,729	\$10,132,091
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	10.3%	10.4%	19.3%	20.3%	18.7%	16.8%
Plan fiduciary net position as a percentage of the total pension liability	39.6%	40.0%	39.3%	36.4%	41.5%	43.0%

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Teachers' Retirement System of the State of Illinois
(Dollar amounts in thousands)

Statutorily-required contribution	78,384	63,799	74,515	112,946	104,002	108,750
Contributions in relation to the statutorily-required contributions	<u>(78,384)</u>	<u>(64,155)</u>	<u>(74,515)</u>	<u>(112,946)</u>	<u>(98,995)</u>	<u>(108,138)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (356)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,007</u>	<u>\$ 612</u>
Employer's covered-employee payroll	11,411,123	10,999,845	10,857,301	10,895,985	10,403,729	3,107,054
Contributions as a percentage of covered-employee payroll	0.69%	0.58%	0.69%	1.04%	1.00%	3.50%

Notes to other Information

Changes of assumptions

For the 2019, 2018, 2017, and 2016 measurement years, 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.

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.

WILL COUNTY SCHOOL DISTRICT 92

SCHEDULES OF OTHER INFORMATION - IMRF
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Calendar Years
(schedule to be built prospectively from 2014)

Calendar year ending December 31,	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Total Pension Liability										
Service Cost	364,770	338,066	368,813	397,059	348,331	342,036				
Interest on the Total Pension Liability	1,017,651	956,003	963,959	917,063	818,199	718,491				
Benefit Changes	-	-	-	-	-	-				
Difference between Expected and Actual Experience	1,697,354	212,644	(417,553)	(131,557)	603,062	191,439				
Assumption Changes	-	411,701	(405,915)	(47,471)	30,422	475,163				
Benefit Payments and Refunds	<u>(656,037)</u>	<u>(627,773)</u>	<u>(572,245)</u>	<u>(517,353)</u>	<u>(425,957)</u>	<u>(372,178)</u>				
Net Change in Total Pension Liability	2,423,738	1,290,641	(62,941)	617,741	1,374,057	1,354,951				
Total Pension Liability - Beginning	<u>14,182,196</u>	<u>12,891,555</u>	<u>12,954,496</u>	<u>12,336,755</u>	<u>10,962,698</u>	<u>9,607,747</u>				
Total Pension Liability - Ending (a)	<u>16,605,934</u>	<u>14,182,196</u>	<u>12,891,555</u>	<u>12,954,496</u>	<u>12,336,755</u>	<u>10,962,698</u>				
Plan Fiduciary Net Position										
Employer Contributions	451,434	409,605	388,395	433,673	426,714	333,863				
Employee Contributions	190,020	149,978	143,280	149,355	152,437	138,476				
Pension Plan Net Investment Income	1,986,823	(596,291)	1,788,138	631,842	45,436	512,373				
Benefit payments and Refunds	<u>(656,037)</u>	<u>(627,773)</u>	<u>(572,245)</u>	<u>(517,353)</u>	<u>(425,957)</u>	<u>(372,178)</u>				
Other	<u>109,304</u>	<u>33,775</u>	<u>(432,554)</u>	<u>124,516</u>	<u>86,190</u>	<u>48,680</u>				
Net Change in Plan Fiduciary Net Position	2,081,544	(630,706)	1,315,014	822,033	284,820	661,214				
Plan Fiduciary Net Position - Beginning	<u>10,801,860</u>	<u>11,432,566</u>	<u>10,117,552</u>	<u>9,295,519</u>	<u>9,010,699</u>	<u>8,349,485</u>				
Plan Fiduciary Net Position - Ending (b)	<u>12,883,404</u>	<u>10,801,860</u>	<u>11,432,566</u>	<u>10,117,552</u>	<u>9,295,519</u>	<u>9,010,699</u>				
Net Pension Liability (Asset) - Ending (a) - (b)	3,722,530	3,380,336	1,458,989	2,836,944	3,041,236	1,951,999				
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.16%	76.16%	88.68%	75.35%	75.35%	821.19%				
Current Valuation Payroll	4,140,550	3,332,825	3,150,005	3,387,481	3,387,481	2,936,345				
Net Pension Liability as a Percentage of Covered Valuation Payroll	89.90%	101.43%	46.32%	83.75%	89.78%	66.48%				

WILL COUNTY SCHOOL DISTRICT 92

MULTIYEAR SCHEDULE OF EMPLOYER CONTRIBUTIONS - IMRF

LAST 10 CALENDAR YEARS

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	340,729	333,863	6,866	2,996,733	11.14%
2015	414,966	426,714	(11,748)	3,387,481	12.60%
2016	411,175	433,673	(22,498)	3,310,587	13.10%
2017	388,396	388,396	-	3,150,005	12.33%
2018	409,604	409,605	(1)	3,332,825	12.29%
2019	451,320	451,434	(114)	4,140,550	10.90%

(Schedule to be built prospectively from 2014)

WILL COUNTY SCHOOL DISTRICT 92

NOTES TO SCHEDULE OF CONTRIBUTIONS - IMRF

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
USED IN THE CALCULATION OF THE 2019 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 2019 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): 25-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 20 years for most employers (three employers 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	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

Mortality

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

Other Information

Notes

There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2017 actuarial valuation; note two year lag between valuation and rate setting.

WILL COUNTY SCHOOL DISTRICT 92

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

Last 10 Calendar Years
(schedule to be built prospectively from 2018)

Fiscal year ending June 30,	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Total OPEB Liability										
Service Cost	155,354	152,250	149,913							
Interest on the Total Pension Liability	89,178	91,935	94,238							
Benefit Changes	-	-	-							
Difference between Expected and Actual Experience	(313,663)	-	-							
Assumption Changes	185,276	38,269	29,981							
Benefit Payments	<u>(130,419)</u>	<u>(217,412)</u>	<u>(187,135)</u>							
Net Change in Total Pension Liability	(14,274)	65,042	86,997							
Total Pension Liability - Beginning	<u>3,105,762</u>	<u>3,040,720</u>	<u>2,953,723</u>							
Total Pension Liability - Ending (a)	<u>3,091,488</u>	<u>3,105,762</u>	<u>3,040,720</u>							
Plan Fiduciary Net Position										
Employer Contributions	130,419	217,412	187,135							
Net Investment Income	-	-	-							
Benefit payments	(130,419)	(217,412)	(187,135)							
Other	<u>-</u>	<u>-</u>	<u>-</u>							
Net Change in Plan Fiduciary Net Position	-	-	-							
Plan Fiduciary Net Position - Beginning	<u>-</u>	<u>-</u>	<u>-</u>							
Plan Fiduciary Net Position - Ending (b)	<u>-</u>	<u>-</u>	<u>-</u>							
Net OPEB Liability (Asset) - Ending (a) - (b)	3,091,488	3,105,762	3,040,720							
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	0.00%	0.00%	0.00%							
Current Valuation Payroll	12,524,903	11,352,499	11,539,074							
Net Pension Liability as a Percentage of Covered Valuation Payroll	24.68%	27.36%	26.35%							

MAJOR GOVERNMENTAL FUNDS

General Fund

To account for resources traditionally associated with government operations that are not accounted for in another fund, the District maintains the General Fund. The General Fund consists of the following accounts.

Educational Account - To account for most of the instructional and administrative aspects of the District's operations.

Operation and Maintenance Account - To account for operations, repairs and maintenance of District property.

Working Cash Account - To account for financial resources held by the District that may be temporarily loaned to other funds.

Transportation Fund

Transportation Fund - To account for activity relating to student transportation to and from school.

Capital Projects Fund

Capital Projects Fund - a capital projects fund type accounts for school construction and site acquisition projects financed through debt issues, government grants and developer contributions.

WILL COUNTY SCHOOL DISTRICT 92

GENERAL FUND

Combining Schedule of Assets, Liabilities and Fund Balances by Account - Modified Cash Basis
June 30, 2020

	<u>Educational Account</u>	<u>Operations & Maintenance Account</u>	<u>Working Cash Account</u>	<u>Total</u>
<u>Assets</u>				
Cash	15,869	-	-	15,869
Investments	10,734,503	1,865,417	1,109,691	13,709,611
Other Current Assets	-	-	-	-
Total Assets	<u>10,750,372</u>	<u>1,865,417</u>	<u>1,109,691</u>	<u>13,725,480</u>
<u>Liabilities</u>				
Payroll liabilities	-	-	-	-
Total liabilities	-	-	-	-
<u>Fund Balance</u>				
Restricted	-	1,045,173	-	1,045,173
Assigned	2,660,236	-	-	2,660,236
Unassigned	<u>8,090,136</u>	<u>820,244</u>	<u>1,109,691</u>	<u>10,020,071</u>
Total Fund balance	<u>10,750,372</u>	<u>1,865,417</u>	<u>1,109,691</u>	<u>13,725,480</u>
Total Liabilities and Fund Balance	<u>10,750,372</u>	<u>1,865,417</u>	<u>1,109,691</u>	<u>13,725,480</u>

WILL COUNTY SCHOOL DISTRICT 92

GENERAL FUND

Combining Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balances in Account -
Modified Cash Basis

For the Fiscal Year Ended June 30, 2020

	Educational <u>Account</u>	Operations & Maintenance <u>Account</u>	Working Cash <u>Account</u>	<u>Totals</u>
Revenues Received:				
Property Taxes	18,750,949	2,319,004	29,049	21,099,002
Payments in Lieu of Taxes	361,047	126,000	-	487,047
Earnings on Investments	156,172	25,373	19,136	200,681
Other Local sources	324,837	34,622	3	359,462
State Revenues	1,602,293	-	-	1,602,293
Federal Revenues	477,049	-	-	477,049
On Behalf Payments	9,231,979	-	-	9,231,979
Total Revenues Received	<u>30,904,326</u>	<u>2,504,999</u>	<u>48,188</u>	<u>33,457,513</u>
Expenditures Disbursed:				
Current:				
Instruction				
Regular Programs	9,088,890	-	-	9,088,890
Special Education Programs	3,223,560	-	-	3,223,560
Other Instructional Programs	169,738	-	-	169,738
Support Services				
Pupils	1,189,794	-	-	1,189,794
Instructional Staff	1,663,702	-	-	1,663,702
General Administration	671,372	-	-	671,372
School Administration	1,200,311	-	-	1,200,311
Business	830,745	2,108,067	-	2,938,812
Central	-	-	-	-
Other Support	-	-	-	-
Community Services	3,249	-	-	3,249
Payments to Other Schools	942,445	-	-	942,445
On Behalf Payments	9,231,979	-	-	9,231,979
Capital Outlay	361,904	60,085	-	421,989
Total Expenditures Disbursed	<u>28,577,689</u>	<u>2,168,152</u>	<u>-</u>	<u>30,745,841</u>
Excess Revenues Received over (under)				
Expenditures Disbursed	<u>2,326,637</u>	<u>336,847</u>	<u>48,188</u>	<u>2,711,672</u>
Other Financing Sources (Uses)				
Sales of Capital Assets	2,183	-	-	2,183
Transfers (out)	(1,500,000)	-	-	(1,500,000)
Net Change in Fund Balances	<u>828,820</u>	<u>336,847</u>	<u>48,188</u>	<u>1,213,855</u>
Fund Balance, Beginning of Year	<u>9,921,552</u>	<u>1,528,570</u>	<u>1,061,503</u>	<u>12,511,625</u>
Fund Balance, End of Year	<u>10,750,372</u>	<u>1,865,417</u>	<u>1,109,691</u>	<u>13,725,480</u>

WILL COUNTY SCHOOL DISTRICT 92

GENERAL FUND - EDUCATIONAL ACCOUNT

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original & Final Budget	2020	Variance With Budget	2019
Revenues Received:				
Local Sources:				
Property Taxes	17,824,498	17,723,677	(100,821)	17,392,800
Special Education Levy	999,706	1,027,272	27,566	673,573
CPP Replacement Taxes	235,000	361,047	126,047	313,754
Other Payments in Lieu of Taxes	-	-	-	-
Earnings on Investments	195,000	156,172	(38,828)	178,743
Food Services - Sales to Pupils	235,000	164,730	(70,270)	209,833
Food Services - Sales to Adults	3,000	1,464	(1,536)	2,259
Tuition	-	49,492	49,492	50,115
Textbook Rentals/Resale	150,000	37,267	(112,733)	151,470
Pupil Activities	-	-	-	-
Other Local Revenues	56,000	71,884	15,884	54,110
Total Local Sources	19,698,204	19,593,005	(105,199)	19,026,657
State Programs:				
Evidence Based Funding	1,360,406	1,442,193	81,787	1,275,487
Special Education - Private Facility Tuition	160,000	157,646	(2,354)	147,298
Special Education - Funding for Children	-	-	-	-
Special Education - Personnel	-	-	-	-
Special Education - Summer School	3,000	-	(3,000)	-
Bilingual Ed - Downstate - TPI and TBE	-	-	-	-
State Free Lunch & Breakfast	1,600	1,368	(232)	2,005
Other Restricted State Sources	2,312	1,086	(1,226)	1,112
Total State Programs	1,527,318	1,602,293	74,975	1,425,902
Federal Programs:				
National School Lunch	140,000	103,131	(36,869)	131,305
Summer Food Program	-	42,912	42,912	-
Title I - Low Income	164,951	10,326	(154,625)	156,992
Title II - Teacher Quality	36,615	8,268	(28,347)	37,305
Title IV - Safe & Drug Free Schools	19,160	875	(18,285)	14,796
Special Education IDEA Preschool Flow Through	20,409	12,307	(8,102)	19,676
Special Education - IDEA Flow Through/ Low Inciden	365,081	54,643	(310,438)	356,866
Special Education - IDEA Room & Board	-	82,426	82,426	-
Medicaid Matching Funds - Administrative Outreach	30,000	26,028	(3,972)	25,624
Medicaid Matching Funds - Fee-for-Service Program	140,000	136,133	(3,867)	86,912
Other Restricted Revenue from Federal Sources	-	-	-	-
Total Federal Programs	916,216	477,049	(439,167)	829,476
On Behalf Payments	-	9,231,979	9,231,979	7,494,988
Total Revenues Received	22,141,738	30,904,326	8,762,588	28,777,023

WILL COUNTY SCHOOL DISTRICT 92

GENERAL FUND - EDUCATIONAL ACCOUNT

Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Expenditures Disbursed:					
Instruction					
Regular Programs:					
Salaries	7,489,146	7,489,146	7,662,650	(173,504)	7,328,633
Employee Benefits	1,782,885	1,782,885	1,479,005	303,880	1,881,021
Purchased Services	59,600	59,600	18,271	41,329	27,047
Supplies	377,005	377,005	229,992	147,013	279,872
Capital Outlay	72,125	72,125	49,237	22,888	55,395
Non-capitalized Equipment	82,000	82,000	11,516	70,484	44,406
Total Regular Programs	9,862,761	9,862,761	9,450,671	412,090	9,616,374
Pre-K Programs					
Salaries	150,000	150,000	-	150,000	155,100
Supplies	5,000	5,000	123	4,877	5,323
Total Pre-K Programs	155,000	155,000	123	154,877	160,423
Special Education Programs:					
Salaries	2,298,657	2,298,657	2,488,278	(189,621)	2,249,194
Employee Benefits	631,550	631,550	630,043	1,507	607,742
Purchased Services	32,500	32,500	55,986	(23,486)	20,497
Capital Outlay	4,000	4,000	-	4,000	3,355
Supplies	37,000	37,000	47,636	(10,636)	33,731
Other Objects	2,000	2,000	1,617	383	1,162
Non-capitalized Equipment	4,000	4,000	-	4,000	4,680
Total Special Education Programs	3,009,707	3,009,707	3,223,560	(213,853)	2,920,361
Special Education Programs Pre-K:					
Salaries	75,000	75,000	-	75,000	-
Total Special Education Programs Pre-K	75,000	75,000	-	75,000	-
Remedial and Suppl. Programs K-12					
Supplies	5,000	5,000	-	5,000	-
Total Remedial and Suppl. Programs K-12	5,000	5,000	-	5,000	-
CTE Programs:					
Salaries	7,000	7,000	-	7,000	-
Benefits	100	100	-	100	-
Purchased Services	23,775	23,775	3,695	20,080	4,533
Total CTE Programs	30,875	30,875	3,695	27,180	4,533
Interscholastic Programs:					
Purchased Services	20,000	20,000	-	20,000	-
Supplies	10,000	10,000	33,947	(23,947)	29,977
Total Interscholastic	30,000	30,000	33,947	(3,947)	29,977

WILL COUNTY SCHOOL DISTRICT 92

GENERAL FUND - EDUCATIONAL ACCOUNT

Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>2020</u>	<u>Variance With Budget</u>	<u>2019</u>
Expenditures (continued)					
Summer School Programs:					
Salaries	91,000	91,000	116,732	(25,732)	56,543
Benefits	800	800	11,222	(10,422)	531
Purchased Services	1,000	1,000	798	202	-
Supplies	3,000	3,000	3,093	(93)	1,762
Total Summer School Programs	<u>95,800</u>	<u>95,800</u>	<u>131,845</u>	<u>(36,045)</u>	<u>58,836</u>
Bilingual Programs					
Salaries	20,000	20,000	-	20,000	-
Benefits	300	300	-	300	-
Supplies	500	500	251	249	119
Total Bilingual Programs	<u>20,800</u>	<u>20,800</u>	<u>251</u>	<u>20,549</u>	<u>119</u>
Total Instructional	<u>13,284,943</u>	<u>13,284,943</u>	<u>12,844,092</u>	<u>440,851</u>	<u>12,790,623</u>
Support Services					
Support Services - Pupils					
Attendance & Social Work Services					
Salaries	360,000	360,000	-	360,000	-
Employee Benefits	5,400	5,400	-	5,400	-
Total Attendance & Social Work Services	<u>365,400</u>	<u>365,400</u>	<u>-</u>	<u>365,400</u>	<u>-</u>
Health Service:					
Salaries	324,000	324,000	338,986	(14,986)	307,671
Employee Benefits	1,050	1,050	1,243	(193)	833
Purchased Services	92,000	92,000	71,423	20,577	83,290
Supplies	10,000	10,000	5,244	4,756	7,849
Capital Outlay	-	-	3,649	(3,649)	-
Non-capitalized Equipment	2,000	2,000	-	2,000	8,095
Total Health Service	<u>429,050</u>	<u>429,050</u>	<u>420,545</u>	<u>8,505</u>	<u>407,738</u>
Psychological Services					
Salaries	345,000	345,000	341,990	3,010	306,629
Employee Benefits	5,250	5,250	5,130	120	4,586
Total Psychological Services	<u>350,250</u>	<u>350,250</u>	<u>347,120</u>	<u>3,130</u>	<u>311,215</u>

WILL COUNTY SCHOOL DISTRICT 92

GENERAL FUND - EDUCATIONAL ACCOUNT

Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Expenditures (continued)					
Speech Pathology & Audiology Services					
Salaries	390,000	390,000	383,370	6,630	429,782
Employee Benefits	6,720	6,720	5,751	969	6,427
Purchased Services	4,000	4,000	566	3,434	16,511
Total Speech Pathology & Audiology Services	400,720	400,720	389,687	11,033	452,720
Other Support Service - Pupils					
Salaries	35,000	35,000	31,858	3,142	28,209
Employee Benefits	-	-	3	(3)	-
Purchased Services	-	-	-	-	917
Supplies	4,000	4,000	581	3,419	1,610
Total Other Support Service - Pupils	39,000	39,000	32,442	6,558	30,736
Total Support Service - Pupils	1,584,420	1,584,420	1,189,794	789,252	1,202,409
Instruction Improvement:					
Salaries	94,350	94,350	58,999	35,351	73,977
Employee Benefits	34,000	34,000	13,695	20,305	33,783
Purchased Services	175,524	175,524	146,126	29,398	158,905
Supplies	17,000	17,000	3,471	13,529	10,363
Other Objects	2,800	2,800	89	2,711	1,559
Total Instruction Improvement	323,674	323,674	222,380	101,294	278,587
Educational Media Services:					
Salaries	688,000	688,000	624,541	63,459	654,832
Employee Benefits	60,000	60,000	56,107	3,893	53,797
Purchased Services	163,100	163,100	113,529	49,571	127,696
Supplies	152,630	152,630	324,287	(171,657)	146,025
Capital Outlay	105,000	105,000	306,692	(201,692)	426,276
Other Objects	400	400	340	60	-
Non-capitalized Equipment	425,000	425,000	1,797	423,203	62,231
Total Educational Media Services	1,594,130	1,594,130	1,427,293	166,837	1,470,857
Assessment & Testing:					
Purchased Services	20,000	20,000	13,006	6,994	14,140
Supplies	3,000	3,000	1,023	1,977	606
Total Assessment & Testing	23,000	23,000	14,029	8,971	14,746
Total Support Service - Instructional Staff	1,940,804	1,940,804	1,663,702	554,204	1,764,190

WILL COUNTY SCHOOL DISTRICT 92

GENERAL FUND - EDUCATIONAL ACCOUNT

Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>2020</u>	<u>Variance With Budget</u>	<u>2019</u>
Expenditures (continued)					
Board of Education Services:					
Salaries	1,500	1,500	-	1,500	730
Purchased Services	333,000	333,000	336,806	(3,806)	307,259
Supplies	9,000	9,000	10,998	(1,998)	10,754
Other Objects	17,000	17,000	8,747	8,253	21,847
Total Board of Education Services	<u>360,500</u>	<u>360,500</u>	<u>356,551</u>	<u>3,949</u>	<u>340,590</u>
Executive Administration Services					
Salaries	278,000	210,000	272,465	(62,465)	207,632
Employee Benefits	40,570	22,000	20,317	1,683	47,706
Purchased Services	13,300	7,000	5,387	1,613	7,015
Supplies	5,000	2,500	1,904	596	2,611
Capital Outlay	3,000	1,500	-	1,500	2,705
Other Objects	5,000	2,500	5,440	(2,940)	2,661
Total Executive Administration Services	<u>344,870</u>	<u>245,500</u>	<u>305,513</u>	<u>(60,013)</u>	<u>270,330</u>
Special Area Administration Services					
Salaries	151,000	3,000	-	3,000	-
Employee Benefits	28,500	-	9,308	(9,308)	-
Total Executive Administration Services	<u>179,500</u>	<u>3,000</u>	<u>9,308</u>	<u>(6,308)</u>	<u>-</u>
Total Support Service - General Administration	<u>884,870</u>	<u>609,000</u>	<u>671,372</u>	<u>(124,744)</u>	<u>610,920</u>
Office of the Principal Services:					
Salaries	988,000	988,000	991,794	(3,794)	950,855
Employee Benefits	190,300	190,300	191,948	(1,648)	188,303
Purchased Services	6,700	6,700	5,899	801	4,501
Supplies	12,450	12,450	7,801	4,649	4,895
Other Objects	6,600	6,600	2,869	3,731	4,901
Total Office of the Principal Services:	<u>1,204,050</u>	<u>1,204,050</u>	<u>1,200,311</u>	<u>3,739</u>	<u>1,153,455</u>
Direction of Business Support Services					
Salaries	151,000	130,000	148,616	(18,616)	150,437
Employee Benefits	28,500	12,500	8,674	3,826	25,619
Purchased Services	2,500	2,500	2,170	330	2,123
Supplies	-	-	673	(673)	-
Other Objects	2,500	2,500	1,397	1,103	3,577
Total Direction of Business Support Services	<u>184,500</u>	<u>147,500</u>	<u>161,530</u>	<u>(14,030)</u>	<u>181,756</u>

WILL COUNTY SCHOOL DISTRICT 92

GENERAL FUND - EDUCATIONAL ACCOUNT

Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>2020</u>	<u>Variance With Budget</u>	<u>2019</u>
Expenditures (continued)					
Fiscal Services:					
Salaries	148,000	148,000	140,002	7,998	172,005
Employee Benefits	60,000	60,000	45,168	14,832	69,100
Purchased Services	13,500	13,500	13,907	(407)	13,136
Supplies	1,500	1,500	882	618	638
Other Objects	1,000	1,000	-	1,000	-
Non-capitalized Equipment	1,000	1,000	-	1,000	-
Total Fiscal Services	<u>225,000</u>	<u>225,000</u>	<u>199,959</u>	<u>25,041</u>	<u>254,879</u>
Food Services:					
Salaries	205,000	205,000	192,712	12,288	184,038
Purchased Services	12,200	12,200	6,049	6,151	4,699
Supplies	172,000	172,000	133,155	38,845	148,241
Capital Outlay	12,000	12,000	2,320	9,680	-
Other Objects	4,500	4,500	2,311	2,189	3,941
Non-capitalized Equipment	3,000	3,000	636	2,364	2,494
Total Food Services	<u>408,700</u>	<u>408,700</u>	<u>337,183</u>	<u>71,517</u>	<u>343,413</u>
Internal Services:					
Purchased Services	110,000	110,000	105,691	4,309	103,196
Supplies	35,000	35,000	26,382	8,618	29,066
Total Internal Services	<u>145,000</u>	<u>145,000</u>	<u>132,073</u>	<u>12,927</u>	<u>132,262</u>
Staff Services:					
Salaries	-	-	-	-	1,044
Employee Benefits	-	-	-	-	34
Total Staff Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,078</u>
Other Support Services:	300	300	-	300	-
Total Support	<u>6,577,644</u>	<u>6,264,774</u>	<u>5,555,924</u>	<u>708,850</u>	<u>5,644,362</u>
Community Services					
Purchased Services	3,000	3,000	3,249	(249)	3,355
Total Community Services	<u>3,000</u>	<u>3,000</u>	<u>3,249</u>	<u>(249)</u>	<u>3,355</u>
Payments to Other Districts & Government Units					
Regular Programs	10,000	10,000	6,967	3,033	4,457
Special Education	630,000	630,000	935,478	(305,478)	671,171
CTE Programs	-	-	-	-	-
Total Payments to Other Schools	<u>640,000</u>	<u>640,000</u>	<u>942,445</u>	<u>(302,445)</u>	<u>675,628</u>
Provision for Contingencies	100,000	100,000	-	100,000	-
Total Direct Expenditures Disbursed	<u>20,605,587</u>	<u>20,292,717</u>	<u>19,345,710</u>	<u>1,259,877</u>	<u>19,113,968</u>

WILL COUNTY SCHOOL DISTRICT 92

GENERAL FUND - EDUCATIONAL ACCOUNT

Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Expenditures (continued)					
On Behalf Payments	-	-	9,231,979	(9,231,979)	7,494,988
Excess of Revenues Received over (under)					
Expenditures Disbursed	1,536,151	1,849,021	2,326,637	(790,486)	2,168,067
Other Financing Sources (Uses):					
Sales of Capital Assets	5,000	5,000	2,183	2,817	3,630
Transfer to Other Funds	-	-	(1,500,000)	-	(2,500,000)
Total Other Financing Sources (Uses):	5,000	5,000	(1,497,817)	2,817	(2,496,370)
Net Change in Fund Balance	1,541,151	1,541,151	828,820	(787,669)	(328,303)
Fund Balance, Beginning of Year			9,921,552		10,249,855
Fund Balance, End of Year			10,750,372		9,921,552

WILL COUNTY SCHOOL DISTRICT 92

GENERAL FUND - OPERATIONS AND MAINTENANCE ACCOUNT
Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget and Actual (Modified Cash Basis)
For the Fiscal Year Ended June 30, 2020
(With Comparative Figures for 2019)

	Original & Final Budget	2020	Variance With Budget	2019
Revenues Received:				
Local Sources:				
Property Taxes	2,339,798	2,319,004	(20,794)	2,312,539
Corporate Personal Property Replacement Tax	126,000	126,000	-	126,000
Earnings on Investments	20,000	25,373	5,373	22,782
Rentals	2,000	2,167	167	1,993
Refund of Prior Year's Expenditures	-	31,957	31,957	27,881
Other Local Revenue	100	498	398	-
Total Local Sources	<u>2,487,898</u>	<u>2,504,999</u>	<u>17,101</u>	<u>2,491,195</u>
State Sources:				
Evidence Based Funding	80,000	-	(80,000)	165,000
Total State Sources	<u>80,000</u>	<u>-</u>	<u>(80,000)</u>	<u>165,000</u>
Federal Sources:				
Other Unrestricted Grants	90,000	-	(90,000)	-
Total Federal Sources	<u>90,000</u>	<u>-</u>	<u>(90,000)</u>	<u>-</u>
Total Revenues Received	<u>2,657,898</u>	<u>2,504,999</u>	<u>(152,899)</u>	<u>2,656,195</u>
Expenditures Disbursed:				
Support Services - Business Facilities				
Acquisition and Construction Services				
Salaries	430,000	-	430,000	-
Purchased Services	20,000	9,930	10,070	3,775
Operation/Maintenance of Plant:				
Support Services				
Salaries	810,000	1,107,239	(297,239)	1,177,988
Employee Benefits	200,000	187,474	12,526	198,435
Purchased Services	529,500	381,989	147,511	475,110
Supplies and Materials	478,000	418,335	59,665	472,339
Capital Outlay	155,000	60,085	94,915	161,989
Other Objects	3,500	2,110	1,390	2,125
Noncapitalized Equipment	5,000	990	4,010	7,000
Total Expenditures Disbursed	<u>2,631,000</u>	<u>2,168,152</u>	<u>462,848</u>	<u>2,498,761</u>
Excess of Revenues Received over (under) Expenditures Disbursed	<u>26,898</u>	<u>336,847</u>	<u>(309,949)</u>	<u>157,434</u>
Other Financing Sources (Uses):				
Sales of Capital Assets	300	-	300	-
Total Other Financing Sources (Uses):	<u>300</u>	<u>-</u>	<u>300</u>	<u>-</u>
Net Change in Fund Balance	<u>27,198</u>	<u>336,847</u>	<u>(309,649)</u>	<u>157,434</u>
Fund Balance, Beginning of Year		<u>1,528,570</u>		<u>1,371,136</u>
Fund Balance, End of Year		<u>1,865,417</u>		<u>1,528,570</u>

WILL COUNTY SCHOOL DISTRICT 92

GENERAL FUND - WORKING CASH ACCOUNT

Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance
Budget and Actual (Modified Cash Basis)
For the Fiscal Year Ended June 30, 2020
(With Comparative Figures for 2019)

	Original & Final Budget	2020	Variance With Budget	2019
Revenues Received:				
Property Taxes	19,238	29,049	9,811	17,251
Other Revenue	-	3	3	-
Earnings on investments	20,000	19,136	(864)	23,004
Total Revenues Received	39,238	48,188	8,950	40,255
Other Financing Sources (Uses):				
Abolishment or Abatement of the Working Cash Fund	-	-	-	-
Net Change in Fund Balance	39,238	48,188	8,950	40,255
Fund Balance, Beginning of Year		1,061,503		1,021,248
Fund Balance, End of Year		1,109,691		1,061,503

WILL COUNTY SCHOOL DISTRICT 92

TRANSPORTATION FUND
Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance
Budget and Actual (Modified Cash Basis)
For the Fiscal Year Ended June 30, 2020
(With Comparative Figures for 2019)

	Original & Final <u>Budget</u>	<u>2020</u>	Variance With <u>Budget</u>	<u>2019</u>
Revenues Received				
Local Sources:				
Property Taxes	500,224	538,678	38,454	1,066,408
Corporate Personal Property Replacement Taxes	-	-	-	-
Earnings on Investments	25,000	20,560	(4,440)	36,839
Refund Prior Years' Expenditures	-	-	-	4,604
Other Local Revenue	-	65	65	-
Total Local Sources	<u>525,224</u>	<u>559,303</u>	<u>34,079</u>	<u>1,107,851</u>
State Sources:				
Evidence Based Funding Sec. 18.815	-	-	-	-
Regular Transportation Aid	400,000	466,273	66,273	395,301
Special Education Aid	<u>500,000</u>	<u>515,457</u>	<u>15,457</u>	<u>523,502</u>
Total State Sources	<u>900,000</u>	<u>981,730</u>	<u>81,730</u>	<u>918,803</u>
Total Revenues Received	<u>1,425,224</u>	<u>1,541,033</u>	<u>115,809</u>	<u>2,026,654</u>
Expenditures Disbursed				
Transportation Salaries	10,500	40,069	(29,569)	41,937
Employee Benefits	-	165	(165)	-
Purchased Services	<u>2,004,000</u>	<u>2,161,126</u>	<u>(157,126)</u>	<u>1,872,903</u>
Total Expenditures Disbursed	<u>2,014,500</u>	<u>2,209,010</u>	<u>(194,510)</u>	<u>1,914,840</u>
Excess of Revenues Received over (under)				
Expenditures Disbursed	<u>(589,276)</u>	<u>(667,977)</u>	<u>(78,701)</u>	<u>111,814</u>
Net Change in Fund Balance	<u>(589,276)</u>	<u>(667,977)</u>	<u>(78,701)</u>	<u>111,814</u>
Fund Balance, Beginning of Year		<u>1,507,994</u>		<u>1,396,180</u>
Fund Balance, End of Year		<u>840,017</u>		<u>1,507,994</u>

WILL COUNTY SCHOOL DISTRICT 92

CAPITAL PROJECTS FUND

Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original & Final Budget	2020	Variance with Budget	2019
Revenues Received				
Local Sources:				
Earnings on Investments	20,000	58,018	38,018	29,916
Contributions and Donations from Private Sources	-	-	-	-
Local Fees	40,000	17,055	(22,945)	67,396
Total Local Sources	60,000	75,073	15,073	97,312
State Sources				
State Maintenance Grant	-	50,000	50,000	-
Total Revenues Received	60,000	125,073	65,073	97,312
Expenditures Disbursed				
Support Services Business				
Facility acquisition and Construction Services				
Capital Outlay	2,000,000	50,261	1,949,739	1,212,657
Purchased Services	80,000	50,200	29,800	7,330
Total Expenditures Disbursed	2,080,000	100,461	1,979,539	1,219,987
Excess of Revenues Received over (under) Expenditures Disbursed	(2,020,000)	24,612	(2,044,612)	(1,122,675)
Other Financing Sources (Uses)				
Transfer among funds	-	1,500,000	(1,500,000)	2,500,000
Total Other Financing Sources	-	1,500,000	(1,500,000)	2,500,000
Net Change in Fund Balance	(2,020,000)	1,524,612	(3,544,612)	1,377,325
Fund Balance, Beginning of Year		3,261,228		1,883,903
Fund Balance, End of Year		4,785,840		3,261,228

NONMAJOR OVERNMENTAL FUNDS

Special Revenue Fund

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects, the District maintains the following Special Revenue Fund:

Municipal Retirement/Social Security Fund - To account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund as well as Medicare for employees who are members of the Teachers' Retirement System and FICA and Medicare for all other employees.

Debt Service Fund

Debt Service Fund – to account for the receipt of property taxes and other monies in order to pay principal and interest on bonded indebtedness.

Capital Projects Fund

To account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of school buildings and other capital assets, in addition to the Capital Projects Fund, the District maintains the following nonmajor capital projects fund:

Fire Prevention and Safety Fund – to account for the altering, reconstructing and repairing of the existing school buildings of the District under an approved life safety plan.

WILL COUNTY SCHOOL DISTRICT 92

Nonmajor Governmental Funds

Combining Statement of Assets and Fund Balances - Modified Cash Basis

June 30, 2020

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Totals
	Municipal Retirement/ Social Security Fund	Debt Service Fund	Fire Prevention and Safety Fund	2020
ASSETS				
Investments	781,973	564,900	104,384	1,451,257
Other current assets	-	-	-	-
Total Assets	781,973	564,900	104,384	1,451,257
Fund Balance				
Restricted	781,973	415,782	104,384	1,302,139
Assigned	-	149,118	-	149,118
Total Fund Balances	781,973	564,900	104,384	1,451,257

WILL COUNTY SCHOOL DISTRICT 92

NONMAJOR GOVERNMENTAL FUNDS

Combining Statement of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balances - Modified Cash Basis
For the Fiscal Year Ended June 30, 2020

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	
	Municipal Retirement/ Social Security Fund	Debt Service Fund	Fire Prevention and Safety Fund	Totals
Revenues Received:				
Property Taxes	768,435	774,239	-	1,542,674
Replacement Taxes	60,000	-	-	60,000
Other Revenue	100	102	-	202
Earnings on Investments	13,360	8,240	1,892	23,492
Total Revenues Received	841,895	782,581	1,892	1,626,368
Expenditures Disbursed:				
Current:				
Instruction				
Regular Programs	139,876	-	-	139,876
Special Education Programs	185,164	-	-	185,164
Summer School Programs	11,629	-	-	11,629
Support Services				
Pupils	68,653	-	-	68,653
Instructional Staff	66,450	-	-	66,450
General Administration	12,757	-	-	12,757
School Administration	71,431	-	-	71,431
Business	281,884	-	7,043	288,927
Central	-	-	-	-
Debt Service - Interest & Fees	-	146,800	-	146,800
Debt Service - Principal	-	625,000	-	625,000
Capital Outlay	-	-	-	-
Other Objects	-	475	-	475
Total Expenditures Disbursed	837,844	772,275	7,043	1,617,162
Excess Revenues Received over (under) Expenditures Disbursed	4,051	10,306	(5,151)	9,206
Net Change in Fund Balances	4,051	10,306	(5,151)	9,206
Fund Balance, Beginning of Year	777,922	554,594	109,535	1,442,051
Fund Balance, End of Year	781,973	564,900	104,384	1,451,257

WILL COUNTY SCHOOL DISTRICT 92

MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original & Final <u>Budget</u>	<u>2020</u>	Variance With <u>Budget</u>	<u>2019</u>
Revenues Received:				
Property Taxes	770,312	768,435	(1,877)	766,530
Replacement Taxes	60,000	60,000	-	60,000
Other Revenue	-	100	100	-
Earning on Investments	12,000	13,360	1,360	14,722
Total Revenue Received	<u>842,312</u>	<u>841,895</u>	<u>(417)</u>	<u>841,252</u>
Expenditures Disbursed:				
Instruction Employee Benefits				
Regular Programs	142,779	139,876	2,903	135,415
Special Education	191,350	185,164	6,186	165,477
CTE Programs	-	-	-	-
Summer School Programs	7,621	11,629	(4,008)	4,456
Total Instruction Employee Benefits	<u>341,750</u>	<u>336,669</u>	<u>5,081</u>	<u>305,348</u>
Supporting Services Employee Benefits				
Supporting Services Pupils				
Attendance & Social Work Services	4,700	5,335	(635)	4,901
Health Services	43,905	50,372	(6,467)	46,533
Psychological Services	4,300	4,959	(659)	4,446
Speech Pathology & Audiology Services	6,300	5,559	741	6,232
Other Support Services - Pupils	2,000	2,428	(428)	2,158
Total Supporting Services Pupils	<u>61,205</u>	<u>68,653</u>	<u>(7,448)</u>	<u>64,270</u>
Supporting Services: Instructional Staff				
Improvement of Instruction Services	10,900	10,465	435	10,431
Educational Media Services	72,005	55,985	16,020	64,341
Assessment & Testing	-	-	-	-
Total Supporting Services: Instructional Staff	<u>82,905</u>	<u>66,450</u>	<u>16,455</u>	<u>74,772</u>
Supporting Services: General Administration				
Board of Education Services	400	-	400	146
Executive Administration Services	12,400	12,757	(357)	9,544
Service Area Administrative Services	2,400	-	2,400	2,500
Total Supporting Services: General Administration	<u>15,200</u>	<u>12,757</u>	<u>2,443</u>	<u>12,190</u>

WILL COUNTY SCHOOL DISTRICT 92

MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original & Final Budget	2020	Variance With Budget	2019
Supporting Services: School Administration				
Office of the Principal Services	71,300	71,431	(131)	67,413
Other Support Services - School Administration	-	-	-	-
Total Supporting Services: School Administration	71,300	71,431	(131)	67,413
Supporting Services: Business				
Direction of Business Support Services	2,100	2,153	(53)	2,181
Fiscal Services	48,000	26,079	21,921	32,487
Operation & Maintenance of Plant Services	235,000	211,873	23,127	222,392
Pupil Transportation Services	5,640	5,723	(83)	5,423
Food Service	36,900	36,056	844	33,271
Total Supporting Services: Business	327,640	281,884	45,756	295,754
Supporting Services: Central				
Staff Services	-	-	-	34
Total Supporting Services: Central	-	-	-	34
Total Support Services - Employee Benefits	558,250	501,175	57,075	514,433
Contingency	-	-	-	-
Total Expenditures Disbursed	900,000	837,844	62,156	819,781
Net change in fund balance	(57,688)	4,051	61,739	21,471
Fund Balance, Beginning of Year		777,922		756,451
Fund Balance, End of Year		781,973		777,922

WILL COUNTY SCHOOL DISTRICT 92

Debt Service Fund

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original & Final <u>Budget</u>	<u>2020</u>	Variance With <u>Budget</u>	<u>2019</u>
Revenues Received:				
Local Sources				
Property Taxes	781,412	774,239	(7,173)	773,255
Earnings on investments	9,000	8,240	(760)	9,290
Other revenues	<u>-</u>	<u>102</u>	<u>102</u>	<u>-</u>
Total Revenue Received	<u>790,412</u>	<u>782,581</u>	<u>(7,831)</u>	<u>782,545</u>
Expenditures Disbursed				
Debt Services:				
Interest on Bonds	146,800	146,800	-	165,100
Bond Principal Retires	625,000	625,000	-	595,000
Other Objects	<u>3,000</u>	<u>475</u>	<u>2,525</u>	<u>475</u>
Total Expenditures Disbursed	<u>774,800</u>	<u>772,275</u>	<u>2,525</u>	<u>760,575</u>
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	15,612	10,306	(5,306)	21,970
Other Financing Source				
Transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in Fund Balance	<u>15,612</u>	<u>10,306</u>	<u>(5,306)</u>	<u>21,970</u>
Fund Balance, Beginning of Year		<u>554,594</u>		<u>532,624</u>
Fund Balance, End of Year		<u>564,900</u>		<u>554,594</u>

WILL COUNTY SCHOOL DISTRICT 92
FIRE PREVENTION AND SAFETY FUND
Schedule of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance
Budget and Actual (Modified Cash Basis)
For the Fiscal Year Ended June 30, 2020
(With Comparative Figures for 2019)

	Original & Final <u>Budget</u>	<u>2020</u>	Variance With <u>Budget</u>	<u>2019</u>
Revenues Received:				
Local Sources				
Earnings on investments	2,500	1,892	(608)	2,444
Other revenue from local sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue Received	<u>2,500</u>	<u>1,892</u>	<u>(608)</u>	<u>2,444</u>
Expenditures Disbursed				
Support Services:				
Operation & Maintenance of Plant Services				
Salaries	28,000	7,043	20,957	3,650
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures Disbursed	<u>28,000</u>	<u>7,043</u>	<u>20,957</u>	<u>3,650</u>
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	(25,500)	(5,151)	20,349	(1,206)
Other Financing Source				
Transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in Fund Balance	<u>(25,500)</u>	<u>(5,151)</u>	<u>20,349</u>	<u>(1,206)</u>
Fund Balance, Beginning of Year		<u>109,535</u>		<u>110,741</u>
Fund Balance, End of Year		<u>104,384</u>		<u>109,535</u>

Fiduciary Funds - Agency Funds

Activity Funds - to account for assets held by the District in a trustee capacity or as an agent for student organizations.

WILL COUNTY SCHOOL DISTRICT 92

AGENCY FUND

Schedule of Cash Receipts, Cash Disbursements and Ending Balance

Agency Funds - Student Activity Funds

For the Fiscal Year Ended June 30, 2020

	<u>June 30, 2019</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>June 30, 2020</u>
ASSETS				
Cash	<u>129,010</u>	<u>155,901</u>	<u>147,997</u>	<u>136,914</u>
Total Assets	<u>129,010</u>	<u>155,901</u>	<u>147,997</u>	<u>136,914</u>
LIABILITIES				
Due to Activity Fund Organizations:				
In and Out	2,765	2,309	1,129	3,945
Benevolent Fund	963	-	10	953
Track	43	-	-	43
Girls Basketball	1,765	50	1,026	789
Boys Baseball Camp	5,135	530	2,058	3,607
Retirement Parties	58	-	-	58
General Activity-Ludwig	8,557	10,703	7,687	11,573
Ludwig Newspaper	112	-	-	112
Ludwig Library	154	390	500	44
Yearbook	7,094	2,055	-	9,149
Sunshine Fund	2	-	-	2
Cheerleaders	559	133	-	692
8th Grade Trip	337	-	-	337
Ludwig Pop	339	322	-	661
District Fundraiser	282	17	-	299
Cross Country	546	300	-	846
Girls Volleyball	8,008	-	2,234	5,774
Boys Volleyball	1,084	-	-	1,084
Ludwig Music	2,329	4,752	4,803	2,278
General Activity - Reed	3,261	11,369	12,788	1,842
Reed Library	2,342	4,975	4,566	2,751
Reed Pop Fund	572	21	-	593
General Activity - Walsh	4,839	9,153	9,763	4,229
Walsh Library	7,893	1,684	104	9,473
Walsh Pop Fund	719	79	-	798
Oak Prairie Band	5,793	3,063	5,523	3,333
Tri M Music	456	-	-	456
Parent Faculty Association	21,660	33,503	29,544	25,619
Choir	1,623	12,126	9,550	4,199
Student Council	7,526	7,283	8,749	6,060
Athletic Association	15,976	29,617	27,236	18,357
1st Tech Challenge	4,926	-	142	4,784
General Activity - Oak Prairie	3,128	9,949	9,808	3,269
Oak Prairie Library	1,084	4,708	4,089	1,703
Oak Prairie Pop Fund	128	45	98	75
NJHS	581	1,300	1,962	(81)
Dance Club	458	431	294	595
Ludwig-Outdoor Classroom	2,076	-	139	1,937
Boys Baseball	667	351	451	567
PEC Program Art	1,870	-	-	1,870
OP Drama	1,300	3,849	2,910	2,239
OP Girls Softball	-	834	834	-
Total Liabilities	<u>129,010</u>	<u>155,901</u>	<u>147,997</u>	<u>136,914</u>

WILL COUNTY SCHOOL DISTRICT 92

SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
GENERAL OBLIGATION LIMITED TAX SCHOOL BONDS, SERIES 2015
JUNE 30, 2020

Amount Of Original Issue:	\$ 7,725,000
Payment Dates:	
Principal	January
Interest	January and July

Due in Fiscal Year Ending June 30,	Issue of February 10, 2015		Total
	Principal	Interest	
2021	655,000	127,600	782,600
2022	690,000	107,425	797,425
2023	720,000	86,275	806,275
2024	755,000	64,150	819,150
2025	790,000	42,950	832,950
2026	825,000	22,763	847,763
2027	415,000	6,225	421,225
Totals	\$ 4,850,000	\$ 457,388	\$ 5,307,388

Note: The interest payments due July 1 of each year are actually paid and recorded as expenditures in June of the prior fiscal year.

WILL COUNTY SCHOOL DISTRICT 92

Operating Expenditures Per Student
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Expenditures		
Educational Account*	19,345,711	19,113,968
Operations and Maintenance Account	2,168,152	2,498,761
Debt Service Fund	772,275	760,575
Transportation Fund	2,209,010	1,914,840
Municipal Retirement Fund	837,844	819,781
Tort Fund	<u>-</u>	<u>-</u>
Total Expenditures	<u>25,332,992</u>	<u>25,107,925</u>
Less Expenditures not Applicable to Operating Expenditures of Regular Programs:		
Educational Account		
Pre-K Programs	123	160,423
Summer School	131,845	58,836
Community Services	3,249	3,355
Payments to Other Districts & Governments	942,445	675,628
Capital Outlay	361,898	487,731
Non-Capitalized Equipment	13,949	121,906
Operations & Maintenance Account		
Capital Outlay	60,085	161,989
Non-Capitalized Equipment	990	7,000
Debt Service Fund		
Principal Retired		
G O Bonds	625,000	595,000
Municipal Retirement Fund		
Summer School	<u>11,629</u>	<u>4,456</u>
Total Expenditures Not Applicable	<u>2,151,213</u>	<u>2,276,324</u>
Net Operating Expenditures	<u>23,181,779</u>	<u>22,831,601</u>
Average Daily Attendance	<u>1,371</u>	<u>1,389</u>
Net Operating Expenditures Per Student	<u>16,912</u>	<u>15,345</u>

*Above figures exclude "on-behalf" expenditures made to TRS and THIS.

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

To the Board of Education
Will County School District 92
Lockport, 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 Will County School District 92 (District) as of and for the year ended June 30, 2020, and have issued our report thereon dated November 12, 2020.

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

To the Board of Education
Will County School District 92

corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in 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

November 12, 2020

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

To the Board of Education
Will County School District 92
Lockport, Illinois

Report on Compliance for Each Major Federal Program

We have audited Will County School District 92'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, 2020. 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.

To the Board of Education
Will County School District 92

An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of 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, 2020.

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.

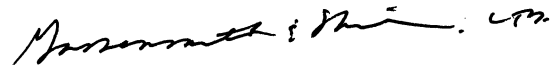
To the Board of Education
Will County School District 92

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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated November 12, 2020, 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
November 12, 2020

WILL COUNTY SD 92
56-099-0920-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2020

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/18-6/30/19 (C)	Year 7/1/19-6/30/20 (D)	Year 7/1/18-6/30/19 Pass through to Subrecipients (E)	Year 7/1/19-6/30/20 Pass through to Subrecipients (F)	Year 7/1/19-6/30/20 Pass through to Subrecipients (F)			
U.S. Department of Agriculture: Flow-Through from the Illinois State Board of Education: Child Nutrition Cluster:										
National School Lunch Program	10.555	20-4210-00	-	82,740	-	-	82,740	-	82,740	n/a
National School Lunch Program	10.555	19-4210-00	110,962	20,391	110,962	-	20,391	-	131,353	n/a
Summer Food Program	10.555	20-4225-00	-	42,912	-	-	42,912	-	42,912	n/a
Department of Agriculture - Food Distribution	10.555	20-4999-00	-	17,438	-	-	17,438	-	17,438	n/a
Department of Agriculture - Food Distribution	10.555	19-4999-00	16,426	-	16,426	-	-	-	16,426	n/a
Department of Defense - Fresh Fruits and Vegetables	10.555	20-4999-00	-	11,516	-	-	11,516	-	11,516	n/a
Department of Defense - Fresh Fruits and Vegetables	10.555	19-4999-00	11,250	-	11,250	-	-	-	11,250	n/a
Total U.S. Department of Agriculture:			138,638	174,997	138,638	-	174,997	-	313,635	n/a
U.S. Department of Education: Flow-Through from the Illinois State Board of Education: Special Education Cluster:									-	
IDEA - Flow-Through/Preschool (M)	84.173A	20-4600	-	12,307	-	-	17,332	-	17,332	17,586
IDEA - Flow-Through/Preschool	84.173A	19-4600	19,209	-	19,209	-	-	-	19,209	20,409
IDEA - Flow-Through/Low Incidence (M)	84.027A	20-4620	-	54,293	-	-	334,612	-	334,612	350,044
IDEA - Flow-Through/Low Incidence	84.027A	19-4620	356,516	350	356,866	-	-	-	356,866	364,683
IDEA- Room and Board		20-4625	-	19,505	-	-	19,505	-	19,505	n/a
IDEA- Room and Board		19-4625	-	56,049	-	-	56,049	-	56,049	n/a
IDEA- Room and Board		19-4625-XC	-	6,872	-	-	6,872	-	6,872	n/a
Total Special Education Cluster			375,725	149,376	376,075	-	434,370	-	810,445	n/a
Title I - Low Income	84.010A	20-4300	-	-	-	-	135,773	-	135,773	149,189
Title I - Low Income	84.010A	19-4300	134,569	10,326	144,895	-	-	-	144,895	164,951
Title II - Teacher Quality	84.367A	20-4932	-	8,268	-	-	11,396	-	11,396	32,018
Title II - Teacher Quality	84.367A	19-4932	35,944	-	35,944	-	-	-	35,944	36,615
Title IV - Student Support and Academic Enrichment	84.424A	20-4400	-	875	-	-	16,875	-	16,875	17,882
Title IV - Student Support and Academic Enrichment	84.424A	19-4400	11,278	-	11,278	-	-	-	11,278	19,160
Total U.S. Department of Education:			557,516	168,845	568,192	-	598,414	-	1,166,606	n/a
Flow-Through from the Illinois Department of Healthcare & Family Services: Medicaid Administrative Outreach	93.778	20-4991	-	26,028	-	-	26,028	-	26,028	n/a
Medicaid Administrative Outreach	93.778	19-4991	25,624	-	25,624	-	-	-	25,624	n/a
Total U.S. Department of Health and Human Services:			25,624	26,028	25,624	-	26,028	-	51,652	n/a
Totals			721,778	369,870	732,454	-	799,439	-	1,531,893	n/a

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

WILL COUNTY SCHOOL DISTRICT 92

Notes to Schedule of Expenditures of Federal Awards June 30, 2020

Note 1 Accounting Basis

The schedule of expenditures of federal awards includes the federal grant activity of the Will County School District 92 (District), and is presented on the modified cash 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	\$369,870
Add-Medicaid Fees-For-Service Program	136,133
Less- Values of Commodities	<u>(28,954)</u>
Total Federal Revenues Per Basic Financial Statements	<u><u>\$477,049</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.

WILL COUNTY SCHOOL DISTRICT 92

Summary of Findings and Questionable Costs

June 30, 2020

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the modified cash basis financial statements of the District for the year ended June 30, 2020.

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 Special Education Cluster (84.027A and 84.173A).
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The District was determined to be a low-risk auditee.

WILL COUNTY SCHOOL DISTRICT 92

Summary of Findings and Questionable Costs
June 30, 2020

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

There were no financial statement findings reported for the fiscal year ended June 30, 2020.

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

There were no federal award findings reported for the fiscal year ended June 30, 2020.

WILL COUNTY SCHOOL DISTRICT 92

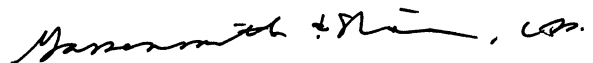
Summary Schedule of Prior Audit Findings
June 30, 2020

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

To the Board of Education
Will County School District 92
Lockport, Illinois

Independent Auditor's Report on Supplementary Information

We have audited the basic financial statements of Will County School District 92 (District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated November 12, 2020, 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

Joliet, Illinois
November 12, 2020

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

Page 1 of 16

12/07/20

Grantee Name	Will County School District 92
ID Numbers	AUDIT:23252 Grantee:676114 DUNS:100018324 FEIN:366005634
Audit Period	7/1/2019 - 6/30/2020
Submitted	12/07/2020; David Blatchley; Assistant Superintendent; dblatchley@d92.org; 8158388031
Accepted	
Program Count	13

All Programs Total				
Category	State	Federal	Other	Total
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	34,233,372.00	34,233,372.00
All Grant Specific Categories	50,000.00	799,439.00	0.00	849,439.00
TOTAL DIRECT EXPENDITURES	50,000.00	799,439.00	34,233,372.00	35,082,811.00
Indirect Costs	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	50,000.00	799,439.00	34,233,372.00	35,082,811.00

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

Page 2 of 16

12/07/20

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

Category	State	Federal	Other	Total
1st Quarter (Jul.-Sept.) Admin. Expenditures	0.00	5,136.00	0.00	5,136.00
2nd Quarter (Oct.-Dec.) Admin. Expenditures	0.00	4,784.00	0.00	4,784.00
3rd Quarter (Jan.-Mar.) Admin. Expenditures	0.00	16,108.00	0.00	16,108.00
TOTAL DIRECT EXPENDITURES	0.00	26,028.00	0.00	26,028.00

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

Page 3 of 16

12/07/20

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

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	0.00	334,612.00	0.00	334,612.00
TOTAL DIRECT EXPENDITURES	0.00	334,612.00	0.00	334,612.00

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

Page 4 of 16

12/07/20

State Agency	State Board Of Education (586)
Program Name	Fed - Sp Ed - IDEA - Room and Board (586-82-1466) <i>This program was added by the grantee</i>
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Revenues-Grant Projects during the Audit Period	0.00	82,426.00	0.00	82,426.00
TOTAL DIRECT EXPENDITURES	0.00	82,426.00	0.00	82,426.00

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

Page 5 of 16

12/07/20

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

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	0.00	17,332.00	0.00	17,332.00
TOTAL DIRECT EXPENDITURES	0.00	17,332.00	0.00	17,332.00

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

Page 6 of 16

12/07/20

State Agency	State Board Of Education (586)
Program Name	Fresh Fruit and Vegetables (586-18-0413) <i>This program was added by the grantee</i>
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Revenues-Grant Projects during the Audit Period	0.00	11,516.00	0.00	11,516.00
TOTAL DIRECT EXPENDITURES	0.00	11,516.00	0.00	11,516.00

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

Page 7 of 16

12/07/20

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

Category	State	Federal	Other	Total
Food costs and supplies	0.00	103,131.00	0.00	103,131.00
TOTAL DIRECT EXPENDITURES	0.00	103,131.00	0.00	103,131.00

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

Page 8 of 16

12/07/20

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

Category	State	Federal	Other	Total
Revenues-Grant Projects during the Audit Period	0.00	17,438.00	0.00	17,438.00
TOTAL DIRECT EXPENDITURES	0.00	17,438.00	0.00	17,438.00

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

Page 9 of 16

12/07/20

State Agency	State Board Of Education (586)
Program Name	School Maintenance Project Grants (586-00-1723) <i>This program was added by the grantee</i>
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	50,000.00	0.00	0.00	50,000.00
TOTAL DIRECT EXPENDITURES	50,000.00	0.00	0.00	50,000.00

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

Page 10 of 16

12/07/20

State Agency	State Board Of Education (586)
Program Name	Summer Food Service Program (586-18-0410) <i>This program was added by the grantee</i>
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Revenues-Grant Projects during the Audit Period	0.00	42,912.00	0.00	42,912.00
TOTAL DIRECT EXPENDITURES	0.00	42,912.00	0.00	42,912.00

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

Page 11 of 16

12/07/20

State Agency	State Board Of Education (586)
Program Name	Title I - Low Income (586-44-0414)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	0.00	135,773.00	0.00	135,773.00
TOTAL DIRECT EXPENDITURES	0.00	135,773.00	0.00	135,773.00

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

Page 12 of 16

12/07/20

State Agency	State Board Of Education (586)
Program Name	Title II - Teacher Quality - Improving Teacher Quality State Grants (586-43-0430)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	0.00	11,396.00	0.00	11,396.00
TOTAL DIRECT EXPENDITURES	0.00	11,396.00	0.00	11,396.00

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

Page 13 of 16

12/07/20

State Agency	State Board Of Education (586)
Program Name	Title IV Safe and Drug Free Formula (Inactive) (586-18-0421)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
	0.00	0.00	0.00	0.00
TOTAL DIRECT EXPENDITURES	0.00	0.00	0.00	0.00

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

Page 14 of 16

12/07/20

State Agency	State Board Of Education (586)
Program Name	Title IVA Student Support and Academic Enrichment (586-44-1588) <i>This program was added by the grantee</i>
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	0.00	16,875.00	0.00	16,875.00
TOTAL DIRECT EXPENDITURES	0.00	16,875.00	0.00	16,875.00

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

Page 15 of 16

12/07/20

Program Name	Other grant programs and activities			
Category	State	Federal	Other	Total
	0.00	0.00	0.00	0.00
TOTAL DIRECT EXPENDITURES	0.00	0.00	0.00	0.00

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

Page 16 of 16

12/07/20

Program Name	All other costs not allocated
---------------------	-------------------------------

Category	State	Federal	Other	Total
Miscellaneous Costs	0.00	0.00	34,233,372.00	34,233,372.00
TOTAL DIRECT EXPENDITURES	0.00	0.00	34,233,372.00	34,233,372.00