

**COAL CITY COMMUNITY
UNIT SCHOOL DISTRICT NO. 1
COAL CITY, ILLINOIS
ANNUAL FINANCIAL REPORT
JUNE 30, 2020**

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

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INDEPENDENT AUDITORS' REPORT



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CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Board of Education
Coal City Community Unit School District No. 1
Coal City, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Coal City Community Unit School District No. 1 as of and for the year ended June 30, 2020, and the related notes to the basic 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 statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control 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 modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Coal City Community Unit School District No. 1 as of June 30, 2020, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the modified cash 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 Coal City Community Unit School District No. 1's basic financial statements. The other information, including notes to other information, and the supplemental information, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements (pages 36-48 and 50-56), notes to other information (page 49), and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate 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 Schedule of Expenditures of Federal Awards and combining and individual non-major fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The IMRF, TRS, and THIS data schedules (pages 60-63), and the Schedule of Assessed Valuations, Tax Rates, Tax Extensions, and Tax Collections (page 64) 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.

Comparative Information

We previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Coal City Community Unit School District #1 for the year ended June 30, 2019, which are presented in summary for comparative purposes with the accompanying financial statements. In our report dated September 4, 2019, we expressed unmodified opinions on the respective financial statements of the governmental activities and each major fund.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 2, 2020, on our consideration of the Coal City Community Unit School District No. 1's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Coal City Community Unit School District No. 1's internal control over financial reporting and compliance.

Mack & Associates, P.C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
September 2, 2020

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statement
Statement of Net Position - Modified Cash Basis
June 30, 2020

	Governmental Activities	
	2020	2019
<u>Assets</u>		
Cash in bank	\$ 1,651,885	2,446,763
Investments	17,449,447	16,799,548
Capital Assets		
Land	6,457,620	6,186,420
Construction in Progress	-	259,589
Land Improvements	5,882,401	5,863,196
Building	80,986,179	80,423,445
Equipment	3,619,944	3,546,972
Cafeteria Equipment	485,245	485,245
Accumulated Depreciation	(39,309,879)	(36,887,865)
Total Assets	77,222,842	79,123,313
<u>Liabilities</u>		
Withholdings	297,271	323,637
Long-Term Liabilities:		
Due Within One Year	2,240,000	2,155,000
Due in More Than One Year	27,910,000	30,150,000
Total Liabilities	30,447,271	32,628,637
<u>Net Position</u>		
Net Investment in Capital Assets	27,971,510	27,572,002
Restricted	1,499,208	1,146,983
Unrestricted	17,304,853	17,775,691
Total Net Position	\$ 46,775,571	46,494,676

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

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

Program Activities	Expenditures	Program Receipts			Net Expenditures, Receipts, and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
					2020	2019
Governmental Activities						
Instruction	\$ 19,036,076	154,305	854,878	-	(18,026,893)	(16,954,796)
Support Services	11,222,225	458,384	1,422,947	-	(9,340,894)	(9,293,428)
Community Services	20	-	-	-	(20)	(137)
Payments to Other Schools	720,993	-	-	-	(720,993)	(658,989)
On-Behalf Payments	1,702,504	-	1,702,504	-	-	-
Unallocated Interest	1,343,832	-	-	-	(1,343,832)	(1,293,030)
Total Governmental Activities	\$ 34,025,650	612,689	3,980,329	-	(29,432,632)	(28,200,380)
General Revenues						
Taxes:						
Property Taxes					\$ 25,668,266	25,594,974
Payment in Lieu of Taxes					404,730	20,339
Replacement Taxes					1,566,894	1,431,435
Grants and Entitlements not Restricted to Specific Programs					1,347,219	1,344,732
Refund of Prior Year Expenditures					28,452	175,582
Site Donations					48,236	31,447
Unrestricted Contributions and Donations					6,522	3,670
Interest on Investments					529,556	481,370
Miscellaneous					113,652	86,187
Total General Revenues					29,713,527	29,169,736
Change in Net Position					280,895	969,356
Net Position Beginning of Year					46,494,676	45,525,320
Net Position End of Year					\$ 46,775,571	46,494,676

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds	
		Transportation Fund	Site & Construction Fund	Bond & Interest Fund		2020	2019
<u>Assets</u>							
Cash	\$ 1,040,000	109,709	597,071	152,284	28,074	1,927,138	2,714,620
Investments	13,903,640	2,494,343	-	-	1,167,686	17,565,669	16,799,548
Total Assets	<u>\$ 14,943,640</u>	<u>2,604,052</u>	<u>597,071</u>	<u>152,284</u>	<u>1,195,760</u>	<u>19,492,807</u>	<u>19,514,168</u>
<u>Liabilities and Fund Balances</u>							
Liabilities:							
Overdraft Payable	\$ 258,137	-	-	116,222	17,116	391,475	267,857
Withholdings	297,271	-	-	-	-	297,271	323,637
Total Liabilities	<u>555,408</u>	<u>-</u>	<u>-</u>	<u>116,222</u>	<u>17,116</u>	<u>688,746</u>	<u>591,494</u>
Fund Balance:							
Restricted	157,605	-	-	36,062	1,305,541	1,499,208	1,146,983
Committed	1,299,962	-	597,071	-	-	1,897,033	1,954,998
Assigned	-	2,604,052	-	-	-	2,604,052	2,379,361
Unassigned	12,930,665	-	-	-	(126,897)	12,803,768	13,441,332
Total Fund Balances	<u>14,388,232</u>	<u>2,604,052</u>	<u>597,071</u>	<u>36,062</u>	<u>1,178,644</u>	<u>18,804,061</u>	<u>18,922,674</u>
Total Liabilities and Fund Balance	<u>\$ 14,943,640</u>	<u>2,604,052</u>	<u>597,071</u>	<u>152,284</u>	<u>1,195,760</u>		

Reconciliation to Statement of Net Position:

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

Capital assets used in governmental activities of \$97,431,389 (net of accumulated depreciation of \$39,309,879), are not financial resources and therefore are not reported in the funds.

\$ 58,121,510 59,877,002

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:

General Obligation Bonds

(30,150,000) (32,305,000)

Net Position of Governmental Activities

\$ 46,775,571 46,494,676

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

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds	
		Transportation Fund	Site & Construction Fund	Bond & Interest Fund		2020	2019
Revenues Received:							
Local Sources	\$ 23,063,460	1,441,959	48,236	3,445,758	1,016,204	29,015,617	28,667,209
Flow Through	22,901	-	-	-	-	22,901	22,187
State Sources	1,721,170	879,680	-	-	-	2,600,850	2,612,332
Federal Sources	964,673	-	-	-	-	964,673	1,259,402
On Behalf Payments	1,702,504	-	-	-	-	1,702,504	1,541,052
Total Revenues Received	27,474,708	2,321,639	48,236	3,445,758	1,016,204	34,306,545	34,102,182
Expenditures Disbursed:							
Current:							
Instructional	15,868,720	-	-	-	305,060	16,173,780	15,743,353
Support	8,521,341	2,096,948	69,889	-	534,047	11,222,225	11,322,115
Community Service	20	-	-	-	-	20	137
Intergovernmental:							
Payments to Other Schools	720,993	-	-	-	-	720,993	658,989
On Behalf Payments	1,702,504	-	-	-	-	1,702,504	1,541,052
Capital Outlay	588,826	-	517,978	-	-	1,106,804	791,139
Debt Service:							
Interest & service charges	-	-	-	1,343,832	-	1,343,832	1,293,030
Principal	-	-	-	2,155,000	-	2,155,000	2,245,000
Total Expenditures Disbursed	27,402,404	2,096,948	587,867	3,498,832	839,107	34,425,158	33,594,815
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	72,304	224,691	(539,631)	(53,074)	177,097	(118,613)	507,367
Other Financing Sources (Uses):							
Sales of fixed assets	-	-	-	-	-	-	150
Transfers in (out)	(500,000)	-	500,000	-	-	-	-
Total Other Financing Sources (Uses)	(500,000)	-	500,000	-	-	-	150
Net Changes in Fund Balances	(427,696)	224,691	(39,631)	(53,074)	177,097	(118,613)	507,517
Fund Balance, Beginning of Year	14,815,928	2,379,361	636,702	89,136	1,001,547	18,922,674	18,415,157
Fund Balance, End of Year	\$ 14,388,232	2,604,052	597,071	36,062	1,178,644	18,804,061	18,922,674

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

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1, ILLINOIS

Statement D
Continued

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

Reconciliation to the Statement of Activities:

Net Change in Fund Balances - governmental activities	\$ (118,613)	507,517
Amount reported for governmental activities in the Statement of Activities are different because:		
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:		
Principal on Debt	2,155,000	2,245,000
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The change in fund balance must be increased by capital purchases and decreased by depreciation expense:		
Capital asset purchases	735,039	748,248
Capital asset dispositions, net of accumulated depreciation	(4,293)	-
Depreciation expense	(2,486,238)	(2,531,409)
Change in Net Position of Governmental Activities (Statement B)	<u>\$ 280,895</u>	<u>969,356</u>

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

Statement of Fiduciary Net Position
 Agency Funds
 June 30, 2020

		June 30,	
		2020	2019
<u>Assets</u>			
Cash		\$ 838,320	812,752
<u>Liabilities</u>			
Due to Student Activity Organizations		\$ 838,320	812,752

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

NOTES TO BASIC FINANCIAL STATEMENTS

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Coal City Community Unit School District No. 1, Illinois (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Illinois. It is governed by a seven-member Board of Education (the "Board") elected by registered voters of the District. The financial statements of the District have been prepared on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Illinois, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the District's accounting policies are described below:

Reporting Entity

The District has developed criteria to determine whether outside agencies with activities which benefit the citizens of the District, including joint agreements, which serve pupils from numerous districts, should be included within its financial reporting entity. Oversight responsibility is derived from the governmental unit's authority and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters, scope of public services, and special financing relationships. There are no component units as defined above that are included in the District's reporting entity. The District is not included in any other governmental "reporting entity."

A. Basis of Presentation

The District's basic financial statements consist of government-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. The statements include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

Notes to Basic Financial Statements
For the Year Ended June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

A. Basis of Presentation (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 expenditures and program revenues for each program or function of the District's governmental activities. Direct expenditures 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 and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. 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 a more detailed level. The focus of governmental financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The fiduciary funds are reported by type.

B. 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 summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues, and expenditures. The District maintains individual funds required by the State of Illinois. These funds are grouped as required for reports filed with the Illinois State Board of Education. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. An emphasis is placed on major funds within the governmental category.

Notes to Basic Financial Statements
For the Year Ended June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. Fund Accounting (Continued)

A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. total assets, liabilities, revenues, or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

There are two categories of funds utilized by the District: governmental and fiduciary.

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. The following are the District's major governmental funds:

General Fund - The General Fund, which consists of the Educational Fund, the Operations and Maintenance Fund, and the Working Cash Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The Special Education and Lease levies are included in these funds.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. One special revenue fund is considered to be a major fund:

1. Transportation Fund - The Transportation Fund is used to account for expenditures related to transporting the students of the District. Main sources of revenue include property taxes and transportation state aid.

Capital Project Funds - Capital Project Funds are used to account for the accumulation of financial resources for, and the payment of maintenance/capital additions. The District has one capital project fund that is considered a major fund:

1. Site & Construction Fund - The Site & Construction Fund is used to account for expenditures related to maintenance/improvements of District property.

Notes to Basic Financial Statements
For the Year Ended June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. Fund Accounting (Continued)

Debt Service Funds - Debt Service Funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs. The District has one debt service fund that is considered a major fund.

1. Bond and Interest - The Bond and Interest Fund is used to account for principal and interest related to long-term debt issued by the District. The fund balance in this fund is restricted for debt service related expenditures.

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. The District's only fiduciary funds are agency funds which report resources that belong to the student bodies of the District and various scholarship funds.

C. Measurement Focus and Basis of Accounting

Government-wide Financial Statements. The government-wide financial statements are prepared using the economic resources measurement focus and the modified cash basis of accounting. This means that only balances resulting from previous cash transactions are shown on the Statement of Net Position, with two modifications: capital assets net of related depreciation and long-term liabilities resulting from debt issuances are also included. The Statement of Activities presents increases (i.e. revenues) and decreases (i.e. expenditures) in total net position, with three modifications: capital acquisitions are not reported as expenditures but rather capitalized and shown as assets on the Statement of Net Position, depreciation expense is reported in the Statement of Activities, and long-term debt principal payments are shown as a reduction of long-term liabilities on the Statement of Net Position rather than as a disbursement on the Statement of Activities.

Fund Financial Statements. All governmental funds are accounted for using the current financial resources measurement focus and the cash basis of accounting. This means that only current assets, liabilities and fund balances resulting from previous cash transactions are shown on the Statement of Assets, Liabilities and Fund Balance Arising from Cash Transactions. The Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances reports on the sources (i.e. revenues) and uses (i.e. expenditures).

Notes to Basic Financial Statements
For the Year Ended June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Revenues are recognized when cash is received. Expenditures are recognized when checks are written. Allocations of cost, such as depreciation, are not recognized in governmental funds. This approach differs from the manner in which the government-wide financial statements are prepared. 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.

D. Cash, Cash Equivalents and Investments

Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less. Trust account investments in open-ended mutual funds are also considered cash equivalents.

To improve cash management, the District utilizes a pooled account. Monies for all funds, excluding fiduciary funds, are maintained in this pool. Individual fund integrity is maintained through District records. Interest in the pool is presented as "cash."

Investments

During the fiscal year, investments were limited to certificates of deposit, money market mutual funds, and the Illinois School District Liquid Asset Fund. Investments are stated at cost which approximates market value. Gains or losses on the sale of investments are recognized upon realization. The institutions in which investments are made must be approved by the Board of Education.

E. Capital Assets

In the government-wide financial statements, capital assets arising from cash transactions are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if the actual cost is unavailable. Estimated historical cost was used to value a majority of the assets acquired prior to July 1, 2004. Assets acquired since July 1, 2004, are recorded at cost.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$2,500. Investments 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.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

E. Capital Assets (Continued)

Depreciation of exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	15-39 years
Equipment	3-10 years
Cafeteria Equipment	3-10 years

F. Compensated Absences

Each full-time teacher shall be granted twelve (12) sick leave days per school year without loss of pay. Each full-time teacher who has accumulated one hundred (100) unused sick days at the end of the previous year shall receive fourteen (14) sick days the next school year. Each full-time teacher who has accumulated one hundred fifty (150) unused sick days at the end of the previous year shall receive sixteen (16) days the next school year. Each full-time teacher who has accumulated two hundred (200) unused sick days at the end of the previous year shall receive (25) sick days the next school year.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

G. Net Position

In the government-wide financial statements net position represents the difference between assets and liabilities, and is displayed in three components:

1. Net Position invested in capital assets - consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of these assets. At June 30, 2020, net investment in capital assets consists of the following:

Capital assets, at cost	\$ 97,431,389
Less: Accumulated depreciation	<u>(39,309,879)</u>
Capital assets, net	58,121,510
Less:	
General obligation bonds	<u>(30,150,000)</u>
Net investment in capital assets	<u>\$ 27,971,510</u>

2. Restricted net position - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

H. Insurance Liability

The District's employees are covered by a health insurance policy under which the District's total premium is based on actual claims incurred. As of June 30, 2020, total premiums paid by District employees have exceeded claims incurred by \$212,237. This amount is included in the payroll withholdings liability reported in the Educational and Operations & Maintenance Funds on the accompanying financial statements.

I. Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

J. Reclassifications

Certain prior year balances may have been reclassified to conform to the current year presentation.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 2: DEPOSITS AND INVESTMENTS

The District is allowed to invest in securities as authorized by the School Code of Illinois, Chapter 85, Sections 902 and 906; and Chapter 122, Section 8-7 and is limited by its own local ordinance. The District has adopted a formal written investment and cash management policy. The institution in which investments are made must be approved by the Board of Education.

Deposits

Custodial Credit Risk - is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's custodial credit risk policy is included in a formal written investment and cash management policy.

The District's deposits and certificates of deposits are entirely covered by federal depository insurance (FDIC) or by securities held by the pledging financial institution. The FDIC currently insures the first \$250,000 of the District's deposits at each financial institution. Deposit balances over \$250,000 are collateralized with securities held by the pledging financial institution.

At June 30, 2020, the carrying amount of the District's deposits was \$1,651,885, and the bank balance was \$2,097,889. All of the District's deposits in excess of FDIC limits (\$1,597,889) are fully collateralized by securities held with the pledging financial institution.

Investments

Investments consist of the following:

	Carrying Amount	Market Value
Illinois School District Liquid Asset Fund	\$ 17,449,447	17,449,447
	<u>\$ 17,449,447</u>	<u>17,449,447</u>

The Illinois School District Liquid Asset Fund. The Illinois School District Liquid Asset Fund is an external investment pool sponsored by the Illinois Association of School Boards, the Illinois Association of School Administrators and the Illinois Association of School Business Officials. PMA Securities, Inc. administers the fund. A thirteen-member Board of Trustees oversees the actions of the Administrator and decides on general policies. The fund invests in high-quality, short-term debt instruments guaranteed by the full faith and credit of the United States, certain U.S. government agency obligations, commercial paper, bank obligations and other obligations permitted by Illinois law. The monies invested in the Illinois School District Liquid Asset Funds are reported at cost which represents market value.

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investing activities are managed under the custody of the District Superintendent and Treasurer. Investing is performed in accordance with investment policies adopted by the Board of Education complying with the School Code of Illinois.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 2: DEPOSITS AND INVESTMENTS – (Continued)

Investments – (Continued)

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The District's procedures provide that to the extent practicable, investments are matched with anticipated cash flows. Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer.

Concentration Risk is the risk that is a result of the Board placing no limit on the amount that can be invested with any single issuer.

NOTE 3: COMMON BANK ACCOUNT

Separate bank and investment accounts are not maintained for all District funds; instead, cash and investments of certain funds is combined in common bank and investment accounts. Individual accounting records are maintained showing the balances attributed to each fund. As of June 30, 2020, the funds participating in the common accounts had the following balances (overdrafts):

Fund	Pooled Checking	Pooled Investments	Total
General Fund:			
Educational Fund	\$ 1,017,446	11,115,676	12,133,122
Operations and Maint. Fund	(258,137)	1,968,262	1,710,125
Working Cash Fund	22,554	819,702	842,256
Total General Fund	781,863	13,903,640	14,685,503
Bond & Interest Fund	152,284	(116,222)	36,062
Transportation Fund	109,709	2,494,343	2,604,052
IMRF and Social Security Fund	(17,116)	301,786	284,670
Tort Fund	1,653	494,097	495,750
Life Safety Fund	26,421	371,803	398,224
Site and Construction Fund	597,071	-	597,071
Total	\$ 1,651,885	17,449,447	19,101,332

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 4: CAPITAL ASSETS

	July 1, 2019	Additions	Deletions	June 30, 2020
Capital Assets, not being depreciated:				
Land	\$ 6,186,420	271,200	-	6,457,620
Construction in Progress	259,589	-	(259,589)	-
Total Capital Assets, not being depreciated	6,446,009	271,200	(259,589)	6,457,620
Capital Assets, being depreciated:				
Land Improvements	5,863,196	19,205	-	5,882,401
Building	80,423,445	562,734	-	80,986,179
Equipment	3,546,971	141,488	(68,515)	3,619,944
Cafeteria Equipment	485,245	-	-	485,245
Total Capital Assets, being depreciated	90,318,857	723,427	(68,515)	90,973,769
Total Capital Assets	96,764,866	994,627	(328,104)	97,431,389
Less Accumulated Depreciation:				
Land Improvements	(4,603,934)	(200,021)	-	(4,803,955)
Building	(28,793,119)	(2,120,646)	-	(30,913,765)
Equipment	(3,085,350)	(144,148)	64,222	(3,165,276)
Cafeteria Equipment	(405,460)	(21,423)	-	(426,883)
Total Accumulated Depreciation	(36,887,863)	(2,486,238)	64,222	(39,309,879)
Total Capital Assets being depreciated, net	53,430,994	(1,762,811)	(4,293)	51,663,890
Governmental Activities Capital Assets, Net	\$ 59,877,003	(1,491,611)	(263,882)	58,121,510

Current year depreciation is allocated as follows:

Instructional Expenditures	\$ 2,411,651
Support Service Expenditures	<u>74,587</u>
Total Current Year Depreciation	<u>\$ 2,486,238</u>

The District's significant capital purchases during the fiscal year included:

Land Purchase	\$ 271,200
Intermediate School Window Project	517,978
2020 Ford F-350	58,093

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 5: LONG-TERM OBLIGATIONS

The following is a summary of the District's general long-term obligations for the year ended June 30, 2020:

	Principal Outstanding 7/1/2019	Additions	Reductions	Principal Outstanding 6/30/2020	Amount Due in One Year
General Obligation Bonds:					
2010 4.00% \$3,680,000	\$ 345,000	-	-	345,000	-
2016 3.50-4.00% \$7,105,000	6,100,000	-	-	6,100,000	-
2017 3.50-4.00% \$19,625,000	18,125,000	-	1,595,000	16,530,000	1,675,000
2018 3.50-4.00% \$8,480,000	7,735,000	-	560,000	7,175,000	565,000
Total General Obligation Bonds	<u>\$ 32,305,000</u>	<u>-</u>	<u>2,155,000</u>	<u>30,150,000</u>	<u>2,240,000</u>

All of the District's debt service payments are made from the Bond and Interest Fund.

On September 8, 2010, the District issued \$3,680,000 in general obligation school bonds for the high school addition. In December 2012, the District authorized the provision for partial defeasance of \$3,335,000 of principal and \$708,279 of interest on these bonds prior to maturity. The outstanding 2010 bonds final maturity is February 1, 2030. Bond and interest payments are made from the Debt Service Fund. The District's payment schedule is shown in the following amortization schedule.

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ -	13,800	13,800
2022	-	13,800	13,800
2023	-	13,800	13,800
2024	-	13,800	13,800
2025	-	13,800	13,800
2026	-	13,800	13,800
2027	-	13,800	13,800
2028	-	13,800	13,800
2029	-	13,800	13,800
2030	345,000	13,800	358,800
Total	<u>\$ 345,000</u>	<u>138,000</u>	<u>483,000</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1**Notes to Basic Financial Statements
For the Year Ended June 30, 2020****NOTE 5: LONG-TERM OBLIGATIONS - (Continued)**

On February 3, 2016, the District issued \$6,000,000 in general obligation working cash bonds for building renovations, plus \$1,105,000 in refunding bonds to partially refund the 2008 general obligation bonds, for a total issuance of \$7,105,000. The bonds' final maturity is February 1, 2036. Bond and interest payments are made from the Debt Service Fund. The District's payment schedule is shown in the amortization schedule below:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ -	227,906	227,906
2022	-	227,906	227,906
2023	-	227,906	227,906
2024	-	227,906	227,906
2025	-	227,906	227,906
2026	-	227,906	227,906
2027	-	227,906	227,906
2028	-	227,906	227,906
2029	-	227,906	227,906
2030	695,000	227,906	922,906
2031	820,000	200,107	1,020,107
2032	1,205,000	167,306	1,372,306
2033	750,000	126,638	876,638
2034	775,000	101,326	876,326
2035	910,000	74,200	984,200
2036	945,000	37,800	982,800
Total	<u>\$ 6,100,000</u>	<u>2,986,437</u>	<u>9,086,437</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1**Notes to Basic Financial Statements
For the Year Ended June 30, 2020****NOTE 5: LONG-TERM OBLIGATIONS - (Continued)**

On July 27, 2017, the District issued \$19,625,000 in general obligation refunding school bonds to partially refund the 2008 general obligation bonds. The bonds' final maturity is February 1, 2028. Bond and interest payments are made from the Debt Service Fund. The District's payment schedule is shown in the amortization schedule below:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 1,675,000	718,500	2,393,500
2022	1,855,000	651,500	2,506,500
2023	1,915,000	577,300	2,492,300
2024	2,015,000	481,550	2,496,550
2025	2,130,000	380,800	2,510,800
2026	2,195,000	274,300	2,469,300
2027	2,305,000	188,450	2,493,450
2028	2,440,000	73,200	2,513,200
Total	<u>\$ 16,530,000</u>	<u>3,345,600</u>	<u>19,875,600</u>

On June 6, 2018, the District issued \$8,480,000 in general obligation refunding school bonds to refund the remaining balance of the 2008 general obligation bonds. The bonds' final maturity is February 1, 2029. Bond and interest payments are made from the Debt Service Fund. The District's payment schedule is shown in the amortization schedule below:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 565,000	295,526	860,526
2022	475,000	272,926	747,926
2023	510,000	253,926	763,926
2024	520,000	238,626	758,626
2025	525,000	217,826	742,826
2026	590,000	196,826	786,826
2027	590,000	173,226	763,226
2028	550,000	149,626	699,626
2029	2,850,000	127,626	2,977,626
Total	<u>\$ 7,175,000</u>	<u>1,798,508</u>	<u>9,101,134</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 6: PROPERTY TAXES

On the cash basis of accounting, property taxes are recognized as revenues when they are received. The 2019 levy, in the amount of \$26,367,080, was passed by the Board on December 4, 2019 and will be received in the subsequent fiscal year. The 2018 levy in the amount of \$23,078,465, increased by Bond and Interest levy to \$26,049,385, was received during the current fiscal year. The property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on June 1 and September 1 subsequent to the year of the levy. Taxes are remitted to the District in the month following the due dates. The District receives property tax revenues from both Grundy County and Will County.

Under current procedures, the County Treasurer distributes all property taxes received to the District, including amounts paid by taxpayers that have filed objections in the circuit court that such taxes are illegal and excessive. Any tax objections that are sustained in the subsequent legal proceedings are deducted from future property tax distributions that are due to the District.

Specific levies may result in a restricted fund balance within the General Fund:

Special Education. Revenue collected and the related expenditures paid from this restricted tax levy are accounted for in the Educational Fund. A total of \$315,238 was collected and all was spent, resulting in no restricted fund balance.

Lease. Revenue collected and the related expenditures paid from this restricted tax levy are accounted for in the Educational Fund. A total of \$394,242 was collected and \$294,637 was spent, resulting in a restricted fund balance of \$99,605.

NOTE 7: RETIREMENT FUND COMMITMENTS

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

General Information about the Plan

Plan Description

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

TRS issues a publicly available financial report that can be obtained at <http://www.trsil.org/financial/cafrs/fy2018>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Notes to Basic Financial Statements
For the Year Ended June 30, 2020

NOTE 7: RETIREMENT FUND COMMITMENTS – (Continued)

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

Benefits Provided

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

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

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

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

Notes to Basic Financial Statements
For the Year Ended June 30, 2020

NOTE 7: 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 District were reported as revenue and expenditures of \$1,525,101 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 \$82,979.

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 contributions rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

For the year ended June 30, 2020, the employer pension contribution was 10.66 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2020, salaries totaling \$88,744 were paid from federal and special trust funds that required employer contributions of \$9,460.

Employer Retirement Cost Contributions – Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The District is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. Additionally, beginning with the year ended June 30, 2020, employers will make a similar contribution for salary increases over 3 percent if members are not exempted by current collective bargaining agreements or contracts.

Notes to Basic Financial Statements
For the Year Ended June 30, 2020

NOTE 7: RETIREMENT FUND COMMITMENTS – (Continued)

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

Contributions (Continued)

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2020, the District paid \$0 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.

B. Illinois Municipal Retirement Defined Benefit Pension Plan

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 of the District's employees participate in the Regular Plan.

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.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 7: RETIREMENT FUND COMMITMENTS – (Continued)

B. Illinois Municipal Retirement Defined Benefit Pension Plan (Continued)

Benefits Provided (Continued)

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

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

Employees Covered by Benefit Terms

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

Retirees and beneficiaries	71
Inactive, non-retired members	41
Active members	99
Total	<u>211</u>

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 and actual District contributions for calendar year 2019 and the fiscal year ended June 30, 2020 are summarized below. 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.

Plan member required contribution rate	4.50%
District required contribution rate for 2019	8.16%
District required contribution rate for 2020	9.69%
District actual contributions for 2019	\$ 236,943
District actual contributions for fiscal year 2020	\$ 259,945

Notes to Basic Financial Statements
For the Year Ended June 30, 2020

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. Teachers' Health Insurance Security Fund

The District participates in the Teachers' Health Insurance Security (THIS) Fund of the State of Illinois. THIS is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan (OPEB) established by the Illinois legislature for the benefit of eligible retired Illinois public school teachers employed outside the city of Chicago (members). All District employees receiving monthly benefits from the Teachers' Retirement System (TRS) who have at least eight years of creditable service with TRS, the survivor of an annuitant or benefit recipient who had at least eight years of creditable service or a recipient of a monthly disability benefit are eligible to enroll in THIS.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Plan 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. The publicly available financial report of the Plan may be found on the website of the Illinois Auditor General. The current reports are listed under "Central Management Services" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>).

Benefits Provided. THIS provides medical, prescription, and behavioral health benefits for eligible retirees and their dependents, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan. The premiums charged reflect approximately a 75 percent subsidy for members that elect a managed care plan or elect the Teachers' Choice Health Plan (TCHP) if a managed care plan is either not available or only partially available. Members receive approximately a 50 percent subsidy if they elect the TCHP when a managed care plan is available. Medicare primary dependent beneficiaries enrolled in a managed care plan or in the TCHP when no managed care plan is available receive a premium subsidy.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) – (continued)

A. Teachers' Health Insurance Security Fund – (continued)

Contributions. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6) specifies the contribution requirements of the participating school districts and covered employees. For the year ended June 30, 2020, required contributions are as follows:

- Active members contribute 1.24 percent of covered payroll.
- Employers contribute 0.92 percent of covered payroll. 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. For the year ended June 30, 2020, the District paid \$131,622 to the THIS Fund, which was 100 percent of the required contribution.
- The State of Illinois makes contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members. The State contributed 1.24 percent of covered payroll. For the year ended June 30, 2020, State of Illinois contributions on behalf of the District's employees were \$177,403 and the District recognized revenue and expenditures for this on-behalf contribution amount during the year in the General Fund.
- Retired members contribute through premium payments based on the coverage elected, Medicare eligibility, and the age of the member and dependents. The premium for retired members is not permitted to increase by more than 5.0 percent by year by statute. The Federal Government provides a Medicare Part D subsidy.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 9: LEGAL DEBT MARGIN

Legal debt margin is the percent of the District's assessed valuation which is subject to debt limitation. The statutory debt limitation for the District is 13.8%. The District's legal debt margin limitation is as follows for the fiscal year ended June 30, 2020:

Assessed Valuation (2019)	<u>\$ 809,561,545</u>
Statutory debt limitation (13.8%)	\$ 111,719,493
Amount of debt applicable to debt limitation	<u>30,150,000</u>
Legal Debt Margin	<u>\$ 81,569,493</u>

NOTE 10: OTHER CONTRACTUAL COMMITMENTS

Teacher's contracts for services rendered during the school year for teachers electing twelve month pay schedules are recorded in the fiscal year when such checks are drawn. The total amount of unpaid teacher's contracts for services performed during the year ended June 30, 2020 amounted to \$986,169.

NOTE 11: LEASE COMMITMENTS

During the fiscal year, the District had the following lease agreements:

- American Capital – Chrome Books and carts with annual payments of \$64,974, with final payment due in July 2020. Total payments of \$64,974 were made under this lease during the year ended June 30, 2020.
- Apple Financial Services – 160 Macbooks with annual payments of \$76,764, with final payment due in October 2024. The initial payment of \$30,000 was made under this lease during the year ended June 30, 2020.
- American Capital – 100 I Pad Minis with annual payments of \$12,963, with final payment due in December 2020. Total payments of \$12,963 were made under this lease during the year ended June 30, 2020.
- American Capital – Technology equipment with annual payments of \$62,273, with final payment due in October 2024. Total payments of \$62,273 were made under this lease during the year ended June 30, 2020.
- Proven IT – 7 Canon Copiers with annual payments of \$30,096, with final payment due in June 2022. Total payments of \$30,096 were made under this lease during the year ended June 30, 2020.
- Trinity 3 Technology – Chromebooks with monthly payments of \$3,306 for 48 months, ending April, 2024. Total payments of \$39,672 were made under this lease during the year ended June 30, 2020.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 11: LEASE COMMITMENTS – (Continued)

- Trinity 3 Technology – Chromebooks with monthly payments of \$6,358 for 48 months, ending July, 2024. No payments were made during the year ending June 30, 2020.
- Midwest Bus Sales – 2016 Chevy/Thomas with annual payments of \$6,727, with final payment due in May 2021. Total payments of \$6,727 were made under this lease during the year ended June 30, 2020.
- Midwest Bus Sales – 2017 Chevy/Thomas with annual payments of \$8,421, with final payment due in May 2023. Total payments of \$8,421 were made under this lease during the year ended June 30, 2020.

Future minimum lease payments until expiration are as follows:

June 30, 2021	\$ 322,750
June 30, 2022	293,523
June 30, 2023	263,427
June 30, 2024	<u>223,479</u>
Total	<u>\$1,103,179</u>

The District owns farmland, which it leases to John Trotter Farms. The lease, which began February 28, 2018, states the District will receive 2 bi-annual payments of \$15,005 each year for five years. During the fiscal year ending June 30, 2020, the District received \$30,010 from this agreement.

NOTE 12: TRANSFERS

The District made the following transfers among funds during the year ended June 30, 2020, to cover expenditures related to school renovations:

Fund	Transfer In	Transfer Out
General Fund:		
Working Cash Fund	\$ -	500,000
Site & Construction Fund	500,000	-
Totals	<u>\$ 500,000</u>	<u>500,000</u>

NOTE 13: GRANTS

The District has received funding from state and federal grants which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the granting agencies. Any disallowed claims resulting from such audits could become a liability of the District. In the opinion of the District, any such disallowed claims will not have a material adverse effect on the overall financial position of the District.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 14: RISK MANAGEMENT- CLAIMS AND JUDGMENTS

The District's risk management activities are recorded in the Tort Fund. No liability has been recorded in the books for future expenses related to risk management. These expenditures are reported as the payments are made.

The District is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 15: FUND BALANCE – GASB 54 PRESENTATION

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

	General Fund	Trans. Fund	SS & IMRF Fund	Site & Const. Fund	Tort Fund	Life Safety Fund	Bond & Interest Fund	Total Fund Balance
Restricted for:								
IMRF	\$ -	-	411,567	-	-	-	-	411,567
Tort-related insurance	-	-	-	-	495,750	-	-	495,750
Debt service reserve	-	-	-	-	-	-	36,062	36,062
Leases	99,605	-	-	-	-	-	-	99,605
Library	58,000	-	-	-	-	-	-	58,000
Life safety	-	-	-	-	-	398,224	-	398,224
Committed to:								
Unpaid teacher contracts	986,169	-	-	-	-	-	-	986,169
Insurance reserve	313,793	-	-	-	-	-	-	313,793
Construction projects	-	-	-	597,071	-	-	-	597,071
Assigned to:								
Transportation	-	2,604,052	-	-	-	-	-	2,604,052
Unassigned:								
Social Security & Medicare deficit	-	-	(126,897)	-	-	-	-	(126,897)
Working Cash	842,256	-	-	-	-	-	-	842,256
Building maintenance	1,644,162	-	-	-	-	-	-	1,644,162
Educational Fund	10,444,247	-	-	-	-	-	-	10,444,247
Total fund balance	\$ 14,388,232	2,604,052	284,670	597,071	495,750	398,224	36,062	18,804,061

A. *Nonspendable Fund Balance*

The Nonspendable Fund Balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. Due to the cash basis nature of the District all such items are expensed at the time of purchase, so there is nothing to report for this classification.

Notes to Basic Financial Statements
For the Year Ended June 30, 2020

NOTE 15: FUND BALANCE – GASB 54 PRESENTATION – (Continued)

B. Restricted Fund Balance

The Restricted Fund Balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Restrictions may be imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes.

The District has revenue sources received within different funds that also fall into these categories:

1. Special Education
Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Educational Fund. Expenditures disbursed exceeded revenues received for this purpose, resulting in no restricted fund balance.
2. Lease
Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Educational Fund. Revenues received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$99,605.
3. Local Grants - Library
Proceeds from local grants have been included in the Operation and Maintenance Fund. No expenditures have been incurred during the fiscal year, resulting in a restricted fund balance of \$58,000 as of June 30, 2020.
4. State Grants
Proceeds from state grants and the related expenditures have been included in the Educational and Transportation Funds. Expenditures disbursed exceeded revenue received from state grants, resulting in no restricted balances.
5. Federal Grants
Proceeds from federal grants and the related expenditures have been included in the Educational Fund. Expenditures disbursed from federal grants exceeded revenues received for those specific purposes in the Educational Fund, resulting in no restricted balances.
6. IMRF
Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the IMRF and Social Security Fund. Revenue received exceeded expenditures disbursed for IMRF, resulting in a restricted fund balance at year-end.
7. Tort Immunity
Revenue collected and the related expenses paid of this restricted tax levy are accounted for in the Tort Fund. Revenues received exceeded expenditures disbursed, resulting in a restricted fund balance at year-end.

Notes to Basic Financial Statements
For the Year Ended June 30, 2020

NOTE 15: FUND BALANCE – GASB 54 PRESENTATION – (Continued)

C. Committed Fund Balance

The Committed Fund Balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

The School Board commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balances also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Employee contracts for services rendered during the school year for employees electing twelve month pay schedules are recorded as disbursements in the fiscal year when such checks are drawn. At June 30, 2020, the total amount of unpaid contracts for services performed during the fiscal year ended June 30, 2020 amounted to \$986,169. This amount is shown as Committed in the Educational Fund. The District also has committed \$313,793 insurance reserve in the Educational Fund. The entire balance of the Site & Construction Fund is committed for future capital projects.

D. Assigned Fund Balance

The Assigned Fund Balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the School Board itself or (b) the finance committee or by the Superintendent when the School Board has delegated the authority to assign amounts to be used for specific purposes. The District's Transportation Fund balance is assigned for the purpose of purchasing/leasing buses for student transportation.

E. Unassigned Fund Balance

The Unassigned Fund Balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds. Unassigned fund balance amounts are shown in the financial statements as Unassigned fund balances in the Educational, Operations & Maintenance, and Working Cash Funds. Additionally, expenditures disbursed exceeded revenues received from the Social Security tax levy, which has resulted in an unassigned deficit of \$126,897 in the Social Security & IMRF Fund.

F. Expenditures of Fund Balance

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

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 16: INTERGOVERNMENTAL AGREEMENTS

The District entered into an agreement with Reed-Custer Community Unit School District No. 255U and Wilmington Community School District No. 209U. The Districts have agreed to jointly purchase certain pieces of equipment for use by the Districts in the day-to-day operations of the schools. The superintendents of the Districts work together on the bidding process and the selection and purchase of the desired equipment. The Districts agree to cooperate with each other in scheduling the use of the equipment after purchase.

NOTE 17: TAX ABATEMENTS

The District has entered into an agreement with Grundy County, Goose Lake Township, Goose Lake Road District, Joliet Junior College, Coal City Public Library District, Coal City Fire Protection District, the Grundy County Treasurer and the Grundy County Supervisor of Assessments to rebate incremental taxes from the existing Economic Development Project Area #1 to CPV Three Rivers, LLC. CPV intends to construct and operate an electric generator facility in the EDPA #1.

Under the agreement, the County will declare an annual surplus, based upon an agreed-upon payment schedule, for 20 years. This surplus will be distributed to the participating taxing bodies on or before September 30, each year. The District's share of the surplus is 64.08%. The County will also rebate CPV annually for the amount by which incremental taxes paid by CPV exceed the agreed-upon surplus payment schedule.

The rebates are anticipated to begin in 2021, and the agreement will run through 2041.

NOTE 18: SUBSEQUENT EVENTS

Subsequent to year-end, one of the District's major taxpayers announced its intent to close its facility in 2021. Closure of this facility will have a significant impact on the District's property tax revenues for tax years following the closure.

Management evaluated subsequent events through September 2, 2020, the date the financial statements were available to be issued. Other than the information described above, no amounts were required to be recorded or disclosed in the financial statements as of June 30, 2020, as a result of events occurring between July 1, 2020 and September 2, 2020.

OTHER INFORMATION

Combining Statement of Assets, Liabilities and Fund Balances
Arising from Cash Transactions
June 30, 2020

	Educational Fund	Operations & Maintenance Fund	Working Cash Fund	Total
<u>Assets</u>				
Cash in bank	\$ 1,017,446	-	22,554	1,040,000
Investments	11,115,676	1,968,262	819,702	13,903,640
Total Assets	<u>\$ 12,133,122</u>	<u>1,968,262</u>	<u>842,256</u>	<u>14,943,640</u>
<u>Liabilities and Fund Balance</u>				
Liabilities:				
Overdrafts payable	\$ -	258,137	-	258,137
Withholdings	289,308	7,963	-	297,271
Total Liabilities	<u>289,308</u>	<u>266,100</u>	<u>-</u>	<u>555,408</u>
Fund Balance:				
Committed	1,299,962	-	-	1,299,962
Restricted	99,605	58,000	-	157,605
Unassigned	10,444,247	1,644,162	842,256	12,930,665
Total Fund Balance	<u>11,843,814</u>	<u>1,702,162</u>	<u>842,256</u>	<u>14,388,232</u>
Total Liabilities and Fund Balance	<u>\$ 12,133,122</u>	<u>1,968,262</u>	<u>842,256</u>	<u>14,943,640</u>

**Combining Statement of Revenues Received , Expenditures Disbursed, and Changes in Fund Balances
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)**

				Total General Fund	
				Year Ended	
	Educational	Operations &	Working	June 30,	
	Fund	Maintenance	Cash	2020	2019
	Fund	Fund	Fund		
Revenues Received:					
Local Revenues	\$ 19,394,923	3,429,251	239,286	23,063,460	22,689,378
Flow Through Revenues	22,901	-	-	22,901	22,187
State Revenues	1,671,170	50,000	-	1,721,170	1,795,267
Federal Revenues	964,673	-	-	964,673	1,259,402
On Behalf Payments	1,702,504	-	-	1,702,504	1,541,052
Total Revenues Received	23,756,171	3,479,251	239,286	27,474,708	27,307,286
Expenditures Disbursed:					
Instruction	15,868,720	-	-	15,868,720	15,536,885
Support Services	6,070,015	3,040,152	-	9,110,167	8,844,593
Payments to Other Schools	493,965	227,028	-	720,993	658,989
Community Service	20	-	-	20	137
On Behalf Payments	1,702,504	-	-	1,702,504	1,541,052
Total Expenditures Disbursed	24,135,224	3,267,180	-	27,402,404	26,581,656
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	(379,053)	212,071	239,286	72,304	725,630
Other Financing Sources (Uses):					
Sales of fixed assets	-	-	-	-	150
Transfers (to) from Other Funds	-	-	(500,000)	(500,000)	(195,658)
Total Other Financing Sources (Uses)	-	-	(500,000)	(500,000)	(195,508)
Net Change in Fund Balance	(379,053)	212,071	(260,714)	(427,696)	530,122
Fund Balance, Beginning of Year	12,222,867	1,490,091	1,102,970	14,815,928	14,285,806
Fund Balance, End of Year	\$ 11,843,814	1,702,162	842,256	14,388,232	14,815,928

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3

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

	Original and Final Appropriations	Year Ended June 30,	
		2020	2019
<u>Educational Fund:</u>			
Revenues Received:			
Local Sources:			
Property Taxes:			
General	\$ 16,162,514	15,532,230	15,617,842
Leasing	-	394,242	235,918
Special Education	319,922	315,238	312,613
Replacement Taxes	1,400,000	1,507,615	1,373,879
Other Payment in Lieu of Taxes	20,000	404,730	20,339
Tuition:			
Regular	23,000	16,699	15,721
Summer School - Pupils	2,500	1,680	3,400
Summer School - Other	12,000	5,615	21,615
Adults	-	-	35
Interest on Investments	100,000	529,556	481,370
Food Service:			
Pupils - Lunch	495,000	396,798	526,869
Pupils - Other	5,000	-	3,690
Sales to Adults	13,000	6,811	8,345
Other	5,000	4,772	7,644
District Activities:			
Admissions - Athletic	48,000	32,600	40,758
Admissions - Other	20,000	33,128	31,485
Fees	5,000	6,180	6,956
Other	-	390	-
Textbook Rentals/Resale	72,000	45,810	92,103
Donations	5,000	6,522	3,670
Sale of Equipment	-	30,215	-
Services Provided Other Districts	-	-	30,000
Refund of Prior Year Expenditures	-	28,452	144,872
Driver's Education Fees	25,000	12,203	20,045
Local Fees	61,500	-	-
Other Local Revenues	70,000	83,437	86,037
Total Local Sources	18,864,436	19,394,923	19,085,206
Flow-Through Revenues Received:			
From State Sources	16,000	22,901	22,187
From Federal Sources	100,000	-	-
Total Flow-Through Revenues Received	\$ 116,000	22,901	22,187

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

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

Budget & Actual

For the Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original and Final Appropriations	Year Ended June 30, 2020	2019
<u>Educational Fund (continued):</u>			
Revenues Received (continued):			
State Programs:			
Evidence based funding	\$ 1,300,000	1,347,219	1,344,732
Special Education:			
Private Facility Tuition	50,000	110,130	120,608
Orphanage - Individual	-	12,286	-
State Free Lunch & Breakfast	5,000	3,120	4,389
Drivers Education	-	22,444	32,542
Early Childhood Education	190,000	175,971	212,681
Other State Programs	-	-	80,315
Total State Programs	1,545,000	1,671,170	1,795,267
Federal Programs:			
National School Lunch Program	250,000	201,411	263,182
Special Milk Program	-	2,386	3,181
School Breakfast Program	-	23,353	27,144
ISBE Commodities	-	43,583	30,255
DoD Fruits & Vegetables	-	17,398	22,816
Title I - Low Income	250,000	183,694	316,112
Federal Special Education:			
Preschool Flow-through	-	8,317	7,494
I.D.E.A. Flow-through	425,000	342,036	377,774
I.D.E.A. Flow-through (sub-grant)	-	-	13,179
Title IV - Student Support and Academic Enrichment Grant	10,000	-	19,867
Title II - Teacher Quality	-	-	482
Medicaid Matching - Administrative Outreach	-	-	36,536
Medicaid Matching - Fee for Service Program	-	142,492	141,288
McKinney-Vento Supply Closet Grant	-	3	92
Total Federal Programs	935,000	964,673	1,259,402
On Behalf Payments	1,570,000	1,702,504	1,541,052
Total Revenues Received	23,030,436	23,756,171	23,703,114
Expenditures Disbursed:			
Instructional:			
Regular Programs:			
Salaries	8,289,418	8,338,476	8,114,472
Benefits	2,054,911	2,007,411	1,991,149
Purchased Services	56,600	70,477	72,803
Teaching Supplies	186,370	160,114	176,209
Capital Outlay	48,340	27,737	42,168
Other Objects	500	-	-
Total Regular Programs	10,636,139	10,604,215	10,396,801
Tuition Payments to Charter Schools:			
Purchased Services	\$ 31,500	-	-

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

	Original and Final Appropriations	Year Ended June 30, 2020	2019
Educational Fund (continued):			
Expenditures Disbursed (continued):			
Instructional (continued):			
Special Education Programs:			
Salaries	\$ 2,239,841	2,133,790	2,016,777
Benefits	479,945	451,507	460,071
Purchased Services	64,000	65,218	59,324
Supplies	37,500	54,738	66,644
Capital Outlay	15,000	5,889	12,032
Other Objects - Tuition	350,000	383,431	328,908
Total Special Education Programs	3,186,286	3,094,573	2,943,756
Special Education Programs Pre-K:			
Salaries	251,522	232,576	239,989
Benefits	58,768	53,379	58,452
Supplies & Materials	6,000	4,300	-
Total Special Education Programs Pre-K	316,290	290,255	298,441
Remedial Programs K-12:			
Salaries	90,000	82,762	81,916
Benefits	-	5	-
Purchased Services	31,000	2,598	-
Supplies	92,500	101,661	84,295
Capital Outlay	55,000	4,668	54,343
Total Remedial Programs K-12	268,500	191,694	220,554
Remedial Pre-K:			
Salaries	190,900	199,112	188,788
Benefits	69,800	69,738	69,871
Supplies & Materials	2,000	-	1,081
Capital Outlay	-	-	1,800
Total Remedial Pre-K	262,700	268,850	261,540
CTE Programs:			
Salaries	351,116	351,401	327,149
Benefits	72,330	70,873	64,048
Purchased Services	4,500	488	2,263
Supplies	25,190	18,211	15,539
Capital Outlay	3,000	6,711	7,020
Total CTE Programs	456,136	447,684	416,019
Interscholastic Programs:			
Salaries	604,572	601,328	586,050
Benefits	116,319	131,380	126,815
Purchased Services	110,500	79,735	99,212
Supplies	53,750	53,126	66,705
Capital Outlay	33,000	31,798	33,171
Other Objects	30,400	26,843	28,758
Total Interscholastic Programs	\$ 948,541	924,210	940,711

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

	Original and Final Appropriations	Year Ended June 30, 2020	2019
<u>Educational Fund (continued):</u>			
Expenditures Disbursed (continued):			
Instructional (continued):			
Summer School Programs:			
Salaries	\$ 45,000	33,307	44,724
Benefits	2,000	6,668	6,365
Purchased services	2,000	418	50
Supplies	15,000	6,846	7,924
Total Summer School Programs	64,000	47,239	59,063
Total Instructional	16,170,092	15,868,720	15,536,885
Support:			
Attendance & Social Work Services:			
Salaries	300,915	301,043	291,939
Benefits	80,140	75,418	69,830
Supplies	1,845	1,424	1,629
Capital Outlay	-	-	63
Total Attendance & Social Work Services	382,900	377,885	363,461
Guidance Services:			
Salaries	191,626	197,571	200,755
Benefits	60,514	53,553	60,169
Purchased Services	3,500	224	-
Supplies	1,050	-	-
Total Guidance Services	256,690	251,348	260,924
Health Services:			
Salaries	100,000	105,373	103,378
Benefits	24,300	23,516	22,912
Purchased Services	1,000	68	984
Supplies	3,250	3,310	2,054
Capital Outlay	2,000	949	-
Total Health Services	130,550	133,216	129,328
Psychological Services:			
Salaries	146,910	130,795	134,281
Benefits	35,550	29,128	30,237
Purchased Services	-	14	156
Total Psychological Services	182,460	159,937	164,674
Speech Pathology & Audiology Services:			
Salaries	244,352	253,748	237,281
Benefits	37,549	35,570	35,462
Total Speech Pathology & Audiology Services	\$ 281,901	289,318	272,743

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

	Original and Final Appropriations	Year Ended June 30, 2020	2019
Educational Fund (continued):			
Expenditures Disbursed (continued):			
Support (continued):			
Other Support Services - Pupils:			
Salaries	\$ 109,929	107,144	99,927
Benefits	26,207	30,019	22,543
Purchased Services	184,600	81,122	81,561
Supplies	8,900	6,368	11,266
Total Other Support Services - Pupils	329,636	224,653	215,297
Improvement of Instruction Services:			
Salaries	214,847	178,922	213,065
Benefits	48,000	56,039	59,918
Purchased Services	164,000	61,535	108,671
Supplies	22,500	1,290	990
Capital Outlay	3,000	-	-
Other Objects	1,200	288	288
Total Improvement of Instruction Services	453,547	298,074	382,932
Educational Media/Tech Services:			
Salaries	303,370	358,711	370,905
Benefits	71,938	73,248	73,065
Purchased Services	541,500	454,286	481,018
Supplies	30,730	31,034	29,390
Capital Outlay	112,150	140,482	97,151
Total Educational Media/Tech Services	1,059,688	1,057,761	1,051,529
Assessment & Testing:			
Purchased Services	15,500	3,222	5,739
Supplies	80,500	52,954	60,590
Capital Outlay	5,000	-	2,412
Total Assessment & Testing	101,000	56,176	68,741
Board of Education Services:			
Salaries	50,000	1,100	-
Purchased Services	358,500	307,041	349,587
Supplies	11,000	6,019	8,284
Capital Outlay	6,000	-	-
Other Objects	18,000	32,646	24,823
Total Board of Education Services	443,500	346,806	382,694
Executive Administration Services			
Salaries	260,853	236,967	234,662
Benefits	55,950	68,917	58,311
Purchased Services	3,500	2,608	5,132
Supplies	500	1,146	1,124
Other Objects	2,500	5,940	1,914
Total Executive Administration Services	\$ 323,303	315,578	301,143

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

	Original and Final Appropriations	Year Ended June 30, 2020	2019
<u>Educational Fund (continued):</u>			
Expenditures Disbursed (continued):			
Support (continued):			
Principal Services:			
Salaries	\$ 889,040	899,435	859,001
Benefits	246,100	261,856	256,256
Purchased Services	9,300	4,535	6,535
Supplies	26,200	21,532	27,079
Capital Outlay	4,200	2,317	2,771
Other Objects	3,100	2,586	1,875
Total Principal Services	1,177,940	1,192,261	1,153,517
Other Support Services - School Administration:			
Purchased Services	3,000	1,600	2,560
Total Other Support Services - School Administration	3,000	1,600	2,560
Direction of Business Support Services:			
Salaries	63,000	77,000	75,000
Benefits	18,600	23,425	22,903
Purchased Services	13,500	1,842	4,475
Supplies	1,000	1,354	320
Capital Outlay	1,000	-	-
Other Objects	1,000	980	1,296
Total Direction of Business Support Services	98,100	104,601	103,994
Fiscal Services:			
Salaries	151,000	121,145	107,520
Benefits	22,750	24,807	20,103
Purchased Services	5,000	11,597	4,025
Supplies	21,000	26,374	23,824
Capital Outlay	1,000	1,826	2,904
Other Objects	7,000	2,434	6,068
Total Fiscal Services	207,750	188,183	164,444
Operation & Maintenance of Plant Services:			
Supplies	5,000	3,216	3,554
Total Operation & Maintenance of Plant Services	\$ 5,000	3,216	3,554

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

	Original and Final Appropriations	Year Ended June 30, 2020	2019
<u>Educational Fund (continued):</u>			
Expenditures Disbursed (continued):			
Support (continued):			
Food Services:			
Salaries	\$ 357,500	341,302	349,503
Benefits	41,200	61,825	44,189
Purchased Services	24,950	9,246	16,464
Supplies	423,000	366,584	450,617
Capital Outlay	15,000	17,919	49,429
Other Objects	18,000	-	-
Total Food Services	879,650	796,876	910,202
Information Services:			
Purchased Services	-	709	1,419
Total Information Services	-	709	1,419
Other Support Services:			
Supplies	2,500	617	-
Capital Outlay	-	271,200	-
Total Other Support Services	2,500	271,817	-
Total Support	6,319,115	6,070,015	5,933,156
Community Services:			
Supplies	3,200	20	137
Total Community Services	3,200	20	137
Payments to Other Schools:			
Assessments:			
Regular Programs	25,000	7,094	6,737
Special Education Programs	50,000	33,128	61,591
Tuition:			
Special Education Programs	25,000	-	22,824
Continuing & Technical Education Programs	430,000	453,743	379,233
Total Payments to Other Schools	530,000	493,965	470,385
Provisions for Contingencies	750,000	-	-
On Behalf Payments	1,570,000	1,702,504	1,541,052
Total Expenditures Disbursed	\$ 25,342,407	24,135,224	23,481,615

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

	Original and Final Appropriations	Year Ended June 30, 2020	2019
<u>Educational Fund (continued):</u>			
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	\$ (2,311,971)	(379,053)	221,499
Other Financing Sources (Uses):			
Transfers to other funds	-	-	(195,658)
Total Other Financing Sources (Uses)	-	-	(195,658)
Net Change in Fund Balance	<u>\$ (2,311,971)</u>	(379,053)	25,841
Fund Balance, Beginning of Year		12,222,867	12,197,026
Fund Balance, End of Year		<u>\$ 11,843,814</u>	<u>12,222,867</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

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

	Original and Final Appropriations	Year Ended June 30, 2020	2019
<u>Operations & Maintenance Fund:</u>			
Revenues Received:			
Local Sources:			
Property Taxes	\$ 3,399,020	3,349,235	3,323,064
Rental income	15,000	20,495	26,429
Donations	-	59,521	-
Refund of Prior Year Expenditures	-	-	30,710
Total Local sources	3,414,020	3,429,251	3,380,203
State sources			
Maintenance grant	-	50,000	-
Total Revenues Received	3,414,020	3,479,251	3,380,203
Expenditures Disbursed:			
Support Services:			
Facilities Acquisition & Construction Services:			
Purchased Services	50,000	67,386	78,744
Total Facilities Acquisition & Construction Services	50,000	67,386	78,744
Operation & Maintenance of Plant Services:			
Salaries	1,202,000	1,124,067	1,117,598
Benefits	223,400	245,466	233,324
Purchased Services	707,950	472,244	395,949
Supplies	877,500	874,304	906,854
Capital Outlay	302,000	256,645	178,935
Other Objects	-	40	33
Total Operation & Maintenance of Plant Services	3,312,850	2,972,766	2,832,693
Total Support Services	3,362,850	3,040,152	2,911,437
Payments to Other Districts:			
Payments for CTE Programs	225,000	227,028	188,604
Total Payments to Other Districts	225,000	227,028	188,604
Provision for Contingencies	50,000	-	-
Total Expenditures Disbursed	3,637,850	3,267,180	3,100,041
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed)	(223,830)	212,071	280,162
Other Financing Sources (Uses):			
Sales of Fixed Assets	-	-	150
Total Other Financing Sources (Uses)	-	-	150
Net Change in Fund Balance	\$ (223,830)	212,071	280,312
Fund Balance, Beginning of Year		1,490,091	1,209,779
Fund Balance, End of Year		\$ 1,702,162	1,490,091

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

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

	Original and Final Appropriations	Year Ended June 30, 2020	2019
<u>Working Cash Fund:</u>			
Revenues Received:			
Local Sources:			
Property Taxes	\$ 242,786	239,286	223,969
Interest Income	-	-	-
Total Revenues Received	242,786	239,286	223,969
Expenditures Disbursed	-	-	-
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	242,786	239,286	223,969
Other Financing Sources (Uses):			
Abatement of Working Cash Fund	(500,000)	(500,000)	-
Total Other Financing Sources (Uses)	(500,000)	(500,000)	-
Net Change in Fund Balance	\$ (257,214)	(260,714)	223,969
Fund balance, Beginning of Year		1,102,970	879,001
Fund balance, End of Year		\$ 842,256	1,102,970

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
TRANSPORTATION FUND

Schedule B-1

Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2020

<u>Assets</u>	
Cash in Bank	\$ 109,709
Investments	2,494,343
Total Assets	<u>\$ 2,604,052</u>
<u>Fund Balance</u>	
Fund Balance:	
Assigned Fund Balance	\$ 2,604,052
Total Liabilities and Fund Balance	<u>\$ 2,604,052</u>

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

Schedule B-2

	Original and Final Appropriations	Year Ended June 30, 2020	2019
Revenues Received:			
Local Sources:			
Property Taxes	\$ 1,456,688	1,435,352	1,414,067
Fees from other Districts	5,000	6,607	7,260
Total Local Sources	<u>1,461,688</u>	<u>1,441,959</u>	<u>1,421,327</u>
State Sources:			
Regular/Vocational Transportation	200,000	409,414	275,362
Special Education	400,000	470,266	541,703
Total State Sources	<u>600,000</u>	<u>879,680</u>	<u>817,065</u>
Total Revenues Received	<u>2,061,688</u>	<u>2,321,639</u>	<u>2,238,392</u>
Expenditures Disbursed:			
Pupil Transportation Services:			
Purchased Services	2,189,000	2,096,262	2,067,929
Supplies	12,500	686	2,123
Capital Outlay	-	-	33,179
Total Pupil Transportation Services	<u>2,201,500</u>	<u>2,096,948</u>	<u>2,103,231</u>
Provision for Contingencies	50,000	-	-
Total Expenditures Disbursed	<u>2,251,500</u>	<u>2,096,948</u>	<u>2,103,231</u>
Excess (Deficiency) of Revenues over Over (Under) Expenditures Disbursed	<u>\$ (189,812)</u>	224,691	135,161
Fund Balance, Beginning of Year		2,379,361	2,244,200
Fund Balance, End of Year		<u>\$ 2,604,052</u>	<u>2,379,361</u>

NOTES TO OTHER INFORMATION

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Other Information For the Year Ended June 30, 2020

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

The District's budget for all governmental funds is prepared using the modified cash basis of accounting (Non-GAAP) which is the same basis that is used in fund financial statements. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 122, Paragraph 17.1 of the Illinois Revised Statutes.

For each fund, total fund expenses paid may not legally exceed the budgeted amounts. The budget lapses at the end of the fiscal year. The District follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them. The proposed operating budget is placed on file and a public hearing is held to obtain comments from the community.

Prior to October 1, the budget is legally adopted by the Board of Education through passage of a resolution. Formal budgetary integration is employed as a management control device at the function/object level during the year.

The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10 percent of the total of such fund as set forth in the budget.

The Board of Education may amend the budget by performing the same procedures required of its original adoption.

The District's budget was adopted on September 4, 2019 and was not amended.

NOTE 2: BUDGETARY COMPARISON INFORMATION

The table below includes budgetary comparisons for the District's major funds.

Description	Budget	Actual	Variance	Percent Variance
Educational Expenditures Disbursed	\$ 25,342,407	24,135,224	1,207,183	4.76%
Operations & Maintenance Expenditures Disbursed	3,637,850	3,267,180	370,670	11.35%
Working Cash Expenditures Disbursed	-	-	-	N/A
Total General Fund	28,980,257	27,402,404	1,577,853	5.76%
Transportation Expenditures Disbursed	2,251,500	2,096,948	154,552	7.37%
Site & Construction Expenditures Disbursed	680,000	587,867	92,133	15.67%
Bond & Interest Expenditures Disbursed	3,549,931	3,498,832	51,099	1.46%

SUPPLEMENTAL INFORMATION

**COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
SITE & CONSTRUCTION FUND**

Schedule C-1

**Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2020**

<u>Assets</u>	
Cash	\$ 597,071
Total Assets	<u>\$ 597,071</u>
<u>Fund Balance</u>	
Committed Fund Balance	\$ 597,071
Total Fund Balance	<u>\$ 597,071</u>

**Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)**

Schedule C-2

	Original and Final Appropriations	Year Ended June 30, 2020	2019
Revenues Received:			
Local Sources:			
Impact Fees	\$ 30,000	48,236	31,447
Total Revenues Received	<u>30,000</u>	<u>48,236</u>	<u>31,447</u>
Expenditures Disbursed:			
Facilities Acquisition & Construction Services:			
Purchased Services	55,000	69,889	69,649
Capital Outlay:			
Renovations	625,000	517,978	329,967
Total Expenditures Disbursed	<u>680,000</u>	<u>587,867</u>	<u>399,616</u>
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	<u>(650,000)</u>	<u>(539,631)</u>	<u>(368,169)</u>
Other Financing Sources (Uses):			
Transfers In	500,000	500,000	195,658
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>500,000</u>	<u>195,658</u>
Net Change in Fund Balance	<u>\$ (150,000)</u>	(39,631)	(172,511)
Fund balance, Beginning of Year		636,702	809,213
Fund balance, End of Year		<u>\$ 597,071</u>	<u>636,702</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
BOND AND INTEREST FUND

Schedule C-3

Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2020

<u>Assets</u>	
Cash in Bank	152,284
Total Assets	<u>\$ 152,284</u>
<u>Liabilities and Fund Balance</u>	
Liabilities	
Overdrafts payable	116,222
Fund Balance	
Restricted Fund Balance	36,062
Total Liabilities and Fund Balance	<u>\$ 152,284</u>

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

Schedule C-4

	Original and Final Appropriations	Year Ended June 30, 2020	2019
Revenues Received:			
Local Sources:			
Property Taxes	\$ 3,496,916	3,445,758	3,537,209
Total Revenues Received	<u>3,496,916</u>	<u>3,445,758</u>	<u>3,537,209</u>
Expenditures Disbursed:			
Debt Service:			
Interest on Long-Term Debt	1,391,931	1,341,931	1,291,130
Principal on Long-Term Debt	2,155,500	2,155,000	2,245,000
Other	2,500	1,901	1,900
Total Expenditures Disbursed	<u>3,549,931</u>	<u>3,498,832</u>	<u>3,538,030</u>
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	<u>\$ (53,015)</u>	(53,074)	(821)
Fund Balance, Beginning of Year		89,136	89,957
Fund Balance, End of Year		<u>\$ 36,062</u>	<u>89,136</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
NON-MAJOR GOVERNMENTAL FUNDS

Schedule D-1

Combining Statement of Assets, Liabilities and Fund Balances Arising From Cash Transactions
June 30, 2020

	Special Revenue Funds			Total Nonmajor Governmental Funds	
	Life Safety Fund	Social Security and IMRF Fund	Tort Immunity and Judgment Fund	June 30, 2020	2019
<u>Assets</u>					
Cash	\$ 26,421	-	1,653	28,074	25,569
Investments	371,803	301,786	494,097	1,167,686	1,122,753
Total Assets	<u>\$ 398,224</u>	<u>301,786</u>	<u>495,750</u>	<u>1,195,760</u>	<u>1,148,322</u>
<u>Liabilities and Fund Balance</u>					
Liabilities:					
Overdrafts Payable	\$ -	17,116	-	17,116	146,775
Total Liabilities	<u>-</u>	<u>17,116</u>	<u>-</u>	<u>17,116</u>	<u>146,775</u>
Fund Balances:					
Unassigned	-	(126,897)	-	(126,897)	(56,300)
Restricted	398,224	411,567	495,750	1,305,541	1,057,847
Total Fund Balances	<u>398,224</u>	<u>284,670</u>	<u>495,750</u>	<u>1,178,644</u>	<u>1,001,547</u>
Total Liabilities and Fund Balance	<u>\$ 398,224</u>	<u>301,786</u>	<u>495,750</u>	<u>1,195,760</u>	<u>1,148,322</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
NON-MAJOR GOVERNMENTAL FUNDS

Schedule D-2

Combining Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

	Life Safety Fund	Social Security and IMRF Fund	Tort Immunity and Judgment Fund	Total Nonmajor Governmental Funds June 30,	
				2020	2019
Revenues Received:					
Local Sources:					
Property Taxes	\$ 39,870	677,763	239,292	956,925	930,292
Replacement Tax	-	59,279	-	59,279	57,556
Total Revenues Received	39,870	737,042	239,292	1,016,204	987,848
Expenditures Disbursed:					
Instructional	-	305,060	-	305,060	300,859
Support	600	385,673	147,774	534,047	671,423
Total Expenditures Disbursed	600	690,733	147,774	839,107	972,282
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	39,270	46,309	91,518	177,097	15,566
Fund Balance, Beginning of Year	358,954	238,361	404,232	1,001,547	985,981
Fund Balance, End of Year	\$ 398,224	284,670	495,750	1,178,644	1,001,547

Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2020

<u>Assets</u>	
Cash in Bank	\$ 26,421
Investments	371,803
Total Assets	<u>\$ 398,224</u>
<u>Fund Balance</u>	
Restricted Fund Balance	\$ 398,224
Total Fund Balance	<u>\$ 398,224</u>

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

Schedule D-4

	Original and Final Appropriations	Year Ended June 30, 2020	2019
Revenues Received:			
Local Sources:			
Property Taxes	\$ 40,464	39,870	39,291
Total Revenues Received	<u>40,464</u>	<u>39,870</u>	<u>39,291</u>
Expenditures Disbursed:			
Facilities Acquisition & Construction Services:			
Purchased Services	20,000	600	-
Capital Outlay	25,000	-	67,368
Total Expenditures Disbursed	<u>45,000</u>	<u>600</u>	<u>67,368</u>
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	<u>\$ (4,536)</u>	39,270	(28,077)
Fund Balance, Beginning of Year		<u>358,954</u>	<u>387,031</u>
Fund Balance, End of Year		<u>\$ 398,224</u>	<u>358,954</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
SOCIAL SECURITY AND IMRF FUND

Schedule D-5

Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2020

<u>Assets</u>	
Investments	\$ 301,786
Total Assets	<u>\$ 301,786</u>
<u>Liabilities and Fund Balance</u>	
Liabilities	
Overdraft payable	\$ 17,116
Fund Balance	
Unassigned (FICA deficit)	(126,897)
Restricted for IMRF	<u>411,567</u>
Total Fund Balance	<u>284,670</u>
Total Liabilities and Fund Balance	<u>\$ 301,786</u>

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

Schedule D-6

	Original and Final Appropriations	Year Ended June 30, 2020	2019
Revenues Received:			
Local Sources:			
Property Taxes:			
IMRF	\$ 323,714	318,943	314,264
FICA	364,178	358,820	353,555
Replacement Taxes	<u>50,000</u>	<u>59,279</u>	<u>57,556</u>
Total Revenues Received	<u>737,892</u>	<u>737,042</u>	<u>725,375</u>
Expenditures Disbursed:			
Instructional Benefits	313,500	305,060	300,859
Supporting Services Benefits	<u>538,200</u>	<u>385,673</u>	<u>394,242</u>
Total Expenditures Disbursed	<u>851,700</u>	<u>690,733</u>	<u>695,101</u>
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	<u>\$ (113,808)</u>	46,309	30,274
Fund Balance, Beginning of Year		<u>238,361</u>	<u>208,087</u>
Fund Balance, End of Year		<u>\$ 284,670</u>	<u>238,361</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
TORT IMMUNITY AND JUDGMENT FUND

Schedule D-7

Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2020

<u>Assets</u>	
Cash in Bank	\$ 1,653
Investments	494,097
Total Assets	<u>\$ 495,750</u>
<u>Fund Balance</u>	
Restricted Fund Balance	\$ 495,750
Total Fund Balance	<u>\$ 495,750</u>

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

Schedule D-8

	Original and Final Appropriations	Year Ended June 30,	
		2020	2019
Revenues Received:			
Local Sources:			
Property taxes	\$ 242,785	239,292	223,182
Total Revenues Received	<u>242,785</u>	<u>239,292</u>	<u>223,182</u>
Expenditures Disbursed:			
Support Services (General Administration):			
Insurance Payments	110,000	81,047	96,392
Risk Management and Claims Services Payments	60,000	60,000	108,588
Educational Services Related to Loss Prevention	56,000	6,727	4,833
Total Expenditures Disbursed	<u>226,000</u>	<u>147,774</u>	<u>209,813</u>
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	<u>\$ 16,785</u>	91,518	13,369
Fund Balance, Beginning of Year		404,232	390,863
Fund Balance, End of Year		<u>\$ 495,750</u>	<u>404,232</u>

**Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020**

	June 30, 2019	Additions	Deductions	June 30, 2020
Student Activity Funds:				
High School Activity Funds:				
All School Play Fund	\$ (234)	234	-	-
Alumni	6,154	650	1,526	5,278
Art Club	554	176	409	321
Athletics	1,504	77,418	69,896	9,026
Althetic Boosters	-	-	129	(129)
Band	145	1,611	1,431	325
Baseball	3,780	7,188	5,219	5,749
Bass Fishing	2,578	-	-	2,578
Boys Basketball	1,570	2,144	1,750	1,964
Boys Soccer	631	849	1,253	227
Boys Tennis	121	1,222	-	1,343
Cassani Scholarship	1,000	1,000	1,000	1,000
Class of 2019	1,253	-	-	1,253
Class of 2020	4,494	-	-	4,494
Class of 2021	842	24,510	16,195	9,157
Class of 2022	181	-	-	181
Class of 2023	-	26	-	26
Class of 2024	-	174	-	174
Coaler Cheerleading	548	3,918	4,514	(48)
Coaler Creations	697	5,325	2,977	3,045
Coalers with Character	(151)	19,896	19,076	669
Color Guard	669	107	-	776
Costume Rental	8,712	18,975	24,225	3,462
Don Pfiefer Scholarship	2,745	-	500	2,245
Drama Club	6,561	19,576	14,423	11,714
FCCLA	473	-	-	473
FIBLA	3,760	9,231	9,433	3,558
Flower Fund	355	390	143	602
Football	15,304	6,273	14,983	6,594
Footnotes	3,221	16,192	18,091	1,322
Freeman Trotter Scholarship	900	-	-	900
General Activity	2,982	19,767	14,152	8,597
Girl's Basketball	902	1,256	1,418	740
Girl's Soccer	4,678	428	-	5,106
Girl's Tennis	969	1,437	30	2,376
Golf	1,754	364	1,897	221
HS Play	213	1,134	1,527	(180)
Kessler/Wheeler Scholarship	1,000	100	500	600
Kim Ferarri Scholarship	3,727	-	-	3,727
Library	16	-	10	6
Link Leaders	137	790	744	183
Madrigals	287	2,860	2,501	646
Math	2,178	425	-	2,603
Megan Bugg - Theatre Series	7,835	4,225	12,544	(484)
Musical	1,240	33,334	27,828	6,746
NHS	1,746	360	785	1,321
Path	27	-	18	9

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
AGENCY FUNDS

Schedule E
(Continued)

Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020

	June 30, 2019	Additions	Deductions	June 30, 2020
Student Activity Funds:				
High School Activity Funds: (continued)				
PBS	\$ 1,487		52	1,435
Poms - Fall	2,529	3,273	3,117	2,685
Ronald & Patricia Stopka Scholarship	500	-	500	-
Ruth Allen Scholarship	9,500	-	-	9,500
SADD	1,053	405	339	1,119
Science Club	63	913	453	523
Social Committee	38	200	119	119
Scholastic Bowl	259	320	1,001	(422)
Softball	2,119	972	1,166	1,925
Spanish Honor Society	965	682	1,584	63
Speech	2,616	3,085	3,254	2,447
Student Council	16,054	7,631	12,936	10,749
Teachers Petty Cash	1,126	-	-	1,126
Track	1,389	1,538	1,033	1,894
Transactions	1,226	848	969	1,105
Varsity Club	1,249	-	-	1,249
Vending Machine	307	-	409	(102)
Volleyball Club	1,444	7,050	4,974	3,520
Wellness	862	2,375	2,521	716
Wrestling	2,889	5,429	2,560	5,758
Yearbook	610	7,977	8,403	184
Total High School Activity Funds	146,343	326,263	316,517	156,089
Middle School Activity Funds:				
6th Grade Student Fund	768	-	-	768
8th Grade Dance	425	-	174	251
Art Club	59	-	28	31
Athletics	14,477	17,425	15,051	16,851
Althetic boosters	-	-	100	(100)
Band	235	-	-	235
Chorus	276	2,028	1,273	1,031
Garden Club	1,517	-	-	1,517
General Activity	7,505	4,281	6,009	5,777
Library	21	1,093	737	377
Musical	3,338	-	3,338	-
PBS	1,895	-	62	1,833
Flower Fund	-	1,095	362	733
Pepsi Fund	924	2,052	2,264	712
Picture & Yearbook	8,349	755	3,317	5,787
Shop for Free	72	-	39	33
Speech	1,574	-	95	1,479
Student Council	436	3,619	3,241	814
Student Enrichment	542	1,488	1,644	386
Total Middle School Activity Funds	\$ 42,413	33,836	37,734	38,515

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
AGENCY FUNDS

Schedule E
(Continued)

Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020

	June 30, 2019	Additions	Deductions	June 30, 2020
Student Activity Funds:				
Intermediate School Activity Funds:				
Art Fund	\$ 421	-	-	421
General Activity	888	9,428	7,196	3,120
Library Fund	9,937	5,336	4,861	10,411
Pepsi-Flower Fund	238	22	33	228
School Store Fund	1,179	-	235	944
Student Council	1,301	2,582	3,233	650
PBIS	-	192	79	113
Yearbook	8,481	1,674	2,732	7,423
Total Intermediate School Activity Funds	22,445	19,234	18,369	23,310
Elementary School Activity Funds:				
General Activity	5,396	4,639	4,072	5,963
Art Club	2,352	1,024	2,749	627
Library Fund	813	3,730	4,000	543
Music Program	109	1,061	1,067	103
Pepsi-Cola Fund	443	-	190	253
School Store	631	1,870	1,872	629
Special Education	1,105	496	110	1,491
Yearbook & Picture Fund	705	481	1,205	(19)
Total Elementary School Activity Funds	11,554	13,301	15,265	9,590
Early Childhood Center Activity Funds:				
General Activity	12,297	11,287	15,387	8,197
Music Program	230	-	-	230
Pepsi-Cola Fund	366	255	107	514
PSO	3,615	-	-	3,615
Library	857	2,953	2,819	991
Flower Fund	527	530	205	852
Yearbook & Picture Fund	5,166	1,049	291	5,924
Total Early Childhood Center Activity Funds	23,058	16,074	18,809	20,323
Total Student Activity Funds	245,813	408,708	406,694	247,827
Other Agency Funds:				
Athletic Boosters	38,099	92,130	74,863	55,366
Prom Fest	8,581	27,336	18,451	17,466
Total Student Activity Funds	292,493	528,174	500,008	320,659
Memorial Agency Funds:				
High School Memorial	1,540	6,431	7,050	921
Kaplan Scholarship Fund	342,867	5,756	10,321	338,302
Freeman Trotter Scholarship Fund	1,690	22	-	1,712
Rashke Memorial	6,420	108	1,000	5,528
VFW Scholarship	2,083	29	-	2,112
Anderson Memorial Fund	165,659	3,427	-	169,086
Total Memorial Agency Funds	520,259	15,773	18,371	517,661
Total Agency Accounts	\$ 812,752	543,947	518,379	838,320

Illinois Municipal Retirement Fund
Schedule of Changes in Net Pension Liability and Related Ratios

Calendar Year Ending December 31,	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total Pension Liability										
Service Cost	\$ 290,923	266,703	267,926	282,795	268,527	285,875	-	-	-	-
Interest on the Total Pension Liability	842,339	805,215	812,544	793,540	755,471	687,092	-	-	-	-
Benefit Changes	-	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	129,010	229,212	(90,041)	(115,211)	100,252	67,844	-	-	-	-
Assumption Changes	-	319,009	(359,934)	(38,935)	13,151	422,960	-	-	-	-
Benefit Payments and Refunds	(755,980)	(743,989)	(711,220)	(696,489)	(546,300)	(486,563)	-	-	-	-
Net Change in Total Pension Liability	506,292	876,150	(80,725)	225,700	591,101	977,208	-	-	-	-
Total Pension Liability - Beginning	11,850,998	10,974,848	11,055,573	10,829,873	10,238,772	9,261,564	-	-	-	-
Total Pension Liability - Ending	<u>\$ 12,357,290</u>	<u>11,850,998</u>	<u>10,974,848</u>	<u>11,055,573</u>	<u>10,829,873</u>	<u>10,238,772</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position										
Contributions - Employer	\$ 236,943	301,614	324,629	322,044	328,818	318,304	-	-	-	-
Contributions - Employee	130,666	121,728	111,349	105,167	108,561	105,243	-	-	-	-
Pension Plan Net Investment Income	1,954,831	(649,805)	1,722,264	606,190	44,640	514,079	-	-	-	-
Benefit Payments and Refunds	(755,980)	(743,989)	(711,220)	(696,489)	(546,300)	(486,563)	-	-	-	-
Other	65,140	238,556	(198,799)	151,565	114,630	72,373	-	-	-	-
Net Change in Plan Fiduciary Net Position	1,631,600	(731,896)	1,248,223	488,477	50,349	523,436	-	-	-	-
Plan Fiduciary Net Position - Beginning	10,037,617	10,769,513	9,521,290	9,032,813	8,982,464	8,459,028	-	-	-	-
Plan Fiduciary Net Position - Ending	<u>\$ 11,669,217</u>	<u>10,037,617</u>	<u>10,769,513</u>	<u>9,521,290</u>	<u>9,032,813</u>	<u>8,982,464</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Pension Liability (Asset)	<u>\$ 688,073</u>	<u>1,813,381</u>	<u>205,335</u>	<u>1,534,283</u>	<u>1,797,060</u>	<u>1,256,308</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.43%	84.70%	98.13%	86.12%	83.41%	87.73%	N/A	N/A	N/A	N/A
Covered Valuation Payroll	\$ 2,903,691	2,705,062	2,455,589	2,337,037	2,412,458	2,317,996	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of the Covered Valuation Payroll	23.70%	67.04%	8.36%	65.65%	74.49%	54.20%	N/A	N/A	N/A	N/A

*This schedule is intended to show information for ten years and additional years' information will be displayed as it becomes available

**Illinois Municipal Retirement Fund
Schedule of Contributions**

Calendar Year Ending	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
12/30/2019	\$ 236,941	236,943	(2)	2,903,691	8.16%
12/31/2018	301,614	301,614	-	2,705,062	11.15%
12/31/2017	324,629	324,629	-	2,455,589	13.22%
12/31/2016	322,044	322,044	-	2,337,037	13.78%
12/31/2015	328,818	328,818	-	2,412,458	13.63%
12/31/2014	315,479	318,304	(2,825)	2,317,996	13.73%

Notes to Schedule:

Valuation Date:

Notes

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

Methods and Assumptions used to Determine 2019 Contribution Rate:

<i>Actuarial Cost Method</i>	Aggregate Entry Age Normal
<i>Amortization Method</i>	Level Percentage of Payroll, Closed
<i>Remaining Amortization Period</i>	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 24-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 year selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 19 years for most employers (two employers were financed over 28 years and four others were financed over 29 years).
<i>Asset Valuation Method</i>	5-Year smoothed market; 20% corridor
<i>Wage Growth</i>	3.25%
<i>Price Inflation</i>	2.50%
<i>Salary Increases</i>	3.35% to 14.25% including inflation
<i>Investment Rate of Return</i>	7.50%
<i>Retirement Age</i>	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
<i>Mortality</i>	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes

There were no benefit changes during the year.

This schedule is intended to show information for ten years and additional years' information will be displayed as it becomes available

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Supplemental Information
Teachers' Retirement System of the State of Illinois

Schedule 3

Schedule of District's Share of the Net Pension Liability

	Fiscal Year*					
	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	0.0017%	0.0018%	0.0022%	0.0019%	0.0024%	0.0022%
District's Proportionate Share of the Net Pension Liability	\$ 1,400,084	1,424,088	1,684,283	1,469,467	1,571,991	1,359,701
State's Proportionate Share of the Net Pension Liability Associated with District	99,642,471	97,556,028	94,802,326	92,681,240	78,896,869	69,542,958
Total	<u>\$ 101,042,555</u>	<u>98,980,116</u>	<u>96,486,609</u>	<u>94,150,707</u>	<u>80,468,860</u>	<u>70,902,659</u>
District's Covered-Employee Payroll	\$ 13,895,871	13,267,494	12,355,210	11,953,384	11,925,986	11,247,232
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	10.08%	10.73%	13.63%	12.29%	13.18%	12.09%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	39.60%	40.00%	39.30%	36.40%	41.50%	43.00%

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

Schedule 4

Schedule of Contributions

	Fiscal Year					
	2020	2019	2018	2017	2016	2015
Statutorily Required Contribution	\$ 82,979	80,596	76,951	71,660	69,330	69,171
Contributions in Relation to the Statutorily-Required Contribution	82,979	80,596	76,951	71,660	69,330	69,171
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's Covered-Employee Payroll	\$ 14,306,760	13,895,871	13,267,494	12,355,210	11,953,384	11,925,986
Contributions as a Percentage of Covered-Employee Payroll	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%

For the 2019, 2018, 2017 and 2016 measurement years, the assumed investment rate was 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit, but the rates of increase in the 2018 measurement year were slightly higher

For the 2015 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on 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.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Supplemental Information
Teachers' Health Insurance Security Fund of the State of Illinois

		Schedule 5		
Schedule of District's Share of the Net OPEB Liability				
		Fiscal Year*		
		2019	2018	2017
District's Proportion of the Net OPEB Liability		0.0569%	0.0552%	0.0549%
District's Proportionate Share of the Net OPEB Liability	\$ 15,740,272	14,540,889	14,236,147	
State's Proportionate Share of the Net OPEB Liability Associated with District	15,722,536	19,525,214	18,258,407	
Total	\$ 31,462,808	34,066,103	32,494,554	
District's Covered-Employee Payroll	\$ 13,895,871	13,267,494	12,355,210	
District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	113.27%	109.60%	115.22%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.25%	-0.07%	-0.23%	
* The amounts presented were determined as of the prior fiscal year.				

		Schedule 6		
Schedule of Contributions				
		Fiscal Year		
		2020	2019	2018
Statutorily Required Contribution	\$ 131,622	127,842	116,754	
Contributions in Relation to the Statutorily-Required Contribution	131,622	127,842	116,754	
Contribution Deficiency (Excess)	\$ -	-	-	
District's Covered-Employee Payroll	\$ 14,306,760	13,895,871	13,267,494	
Contributions as a Percentage of Covered-Employee Payroll	0.92%	0.92%	0.88%	

**Assessed Valuations, Tax Rates, Tax Extensions
and Tax Collections**

	Tax Year				
	2015	2016	2017	2018	2019
Assessed Valuations	<u>\$ 767,166,241</u>	<u>776,330,866</u>	<u>786,052,900</u>	<u>799,807,127</u>	<u>809,561,545</u>
Tax Rates:					
Educational	1.9788	1.9874	1.9874	1.9708	1.9775
Building	0.4246	0.4227	0.4229	0.4250	0.4600
Bond & Interest	0.4332	0.4433	0.4501	0.4372	0.4318
Transportation	0.1449	0.1591	0.1799	0.1821	0.1700
IMRF	0.0385	0.0388	0.0400	0.0405	0.0400
Working Cash	0.0050	0.0199	0.0285	0.0304	0.0130
Tort Immunity	0.0300	0.0298	0.0284	0.0304	0.0270
Special Education	0.0400	0.0398	0.0398	0.0400	0.0400
Social Security	0.0435	0.0438	0.0450	0.0455	0.0550
Lease PBC	0.0365	0.0300	0.0300	0.0500	0.0326
Fire Prevention/Safety	0.0150	0.0100	0.0050	0.0051	0.0100
Totals	<u>3.1898</u>	<u>3.2246</u>	<u>3.2569</u>	<u>3.2569</u>	<u>3.2569</u>
Tax Extensions:					
Educational	\$ 15,180,379	15,428,955	15,621,919	15,762,898	16,009,542
Building	3,257,081	3,281,628	3,323,932	3,399,049	3,724,012
Bond & Interest	3,323,134	3,441,785	3,538,134	3,496,948	3,495,799
Transportation	1,111,701	1,235,453	1,414,437	1,456,702	1,376,268
IMRF	295,206	301,139	314,346	323,685	323,828
Working Cash	38,358	154,490	224,027	242,823	105,245
Tort Immunity	230,073	231,657	223,241	242,823	218,584
Special Education	306,713	308,902	312,695	319,926	323,828
Social Security	333,564	339,800	353,648	364,155	445,262
Lease PBC	279,862	233,210	235,739	399,906	263,757
Fire Prevention/Safety	115,075	77,245	39,303	40,470	80,956
Totals	<u>\$ 24,471,145</u>	<u>25,034,264</u>	<u>25,601,420</u>	<u>26,049,385</u>	<u>26,367,080</u>
Tax Collections	<u>\$ 24,783,873</u>	<u>24,736,364</u>	<u>25,594,974</u>	<u>25,668,267</u>	<u>-</u>

OTHER REQUIRED REPORTING



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CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditors' 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
Coal City Community Unit School District No. 1
Coal City, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Coal City Community Unit School District No. 1, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Coal City Community Unit School District No. 1's basic financial statements, and have issued our report thereon dated September 2, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Coal City Community Unit School District No. 1'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 Coal City Community Unit School District No. 1's internal control. Accordingly, we do not express an opinion on the effectiveness of Coal City Community Unit School District No. 1's internal control.

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

We noted certain matters that we reported to management of Coal City Community Unit School District No. 1, Illinois in a separate letter dated September 2, 2020.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Coal City Community Unit School District No. 1'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.

Mack & Associates, P. C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
September 2, 2020



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**Independent Auditors' Report on Compliance
for Each Major Program and On Internal
Control over Compliance Required by the Uniform Guidance**

To the Board of Education
Coal City Community Unit
School District No. 1
Coal City, Illinois

Report on Compliance for Each Major Federal Program

We have audited Coal City Community Unit School District No. 1's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Coal City Community Unit School District No. 1's major federal programs for the year ended June 30, 2020. Coal City Community Unit School District No. 1's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements, laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Coal City Community Unit School District No. 1'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 the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Coal City Community Unit School District No. 1'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 Coal City Community Unit School District No. 1's compliance.

Opinion on Each Major Federal Program

In our opinion, Coal City Community Unit School District No. 1 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 Coal City Community Unit School District No. 1 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 Coal City Community Unit School District No. 1's internal control over compliance with the types requirements that could have a direct and material effect on a 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 Coal City Community Unit School District No. 1'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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Mack & Associates, P.C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
September 2, 2020

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Federal Expenditures</i>
Child Nutrition Cluster		
<i>United States Department of Agriculture:</i>		
Passed-through Illinois State Board of Education:		
National School Lunch Program:	10.555*	
National School Lunch Program 2019 - 4210-2019		\$ 48,923
National School Lunch Program 2020 - 4210-2020		155,811
Lanter Commodities		43,583
DoD Fruits & Vegetables		17,398
Total National School Lunch Program		265,715
Special Milk Program for Children:	10.556*	
Special Milk Program - 2019 - 4215-2019		529
Special Milk Program - 2020 - 4215-2020		1,857
Total Special Milk Program		2,386
National School Breakfast Program:	10.553*	
National School Breakfast Program - 2019 - 4220-2019		4,230
National School Breakfast Program - 2020 - 4220-2020		21,224
Total Special Milk Program		25,454
Total Passed Through Illinois State Board of Education		293,555
Total United States Department of Agriculture		293,555
Total Child Nutrition Cluster		293,555
Special Education Cluster		
<i>United States Department of Education:</i>		
Passed-through Illinois State Board of Education:		
IDEA - Special Education Grants		
IDEA Flow-through - 2020 - 4620-2020	84.027	435,721
Special Education Preschool Grants		
IDEA Preschool Flow-through - 2020 - 4600-2020	84.173	9,005
Total Passed Through Illinois State Board of Education		444,726
Total United States Department of Education		444,726
Total Special Education Cluster		444,726

*Denotes major program

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Federal Expenditures</i>
Other Programs:		
<i>United States Department of Education:</i>		
Passed-through Illinois State Board of Education:		
Title I Grants to Local Educational Agencies	84.010*	
Title I - 2020 - 4300-2020		\$ 184,295
Education Stabilization Funds	84.42D	
Elementary and Secondary School Emergency Relief - 2020 - 4998-2020		62,000
Total Passed Through Illinois State Board of Education		246,295
<i>Total United States Department of Education</i>		246,295
<i>United States Department of Health & Human Services:</i>		
Passed-through Illinois Department of Healthcare & Family Services:		
Medical Assistance Program	93.778	39,900
<i>Total United States Department of Health & Human Services</i>		39,900
Total Other Programs		286,195
Total Expenditures of Federal Awards		\$ 1,024,476

*Denotes major program

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2020

NOTE A: BASIS OF PRESENTATION AND ACCOUNTING

Basis of Presentation

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Coal City Community Unit School District No. 1 and is presented on the modified cash basis of accounting. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit requirements of Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the Basic Financial Statements.

Basis of Accounting

Under the modified cash basis of accounting, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash.

NOTE B: INDIRECT FACILITIES & ADMINISTRATION COSTS

Coal City Community Unit School District No. 1 did not elect to use the 10% de minimis cost rate.

NOTE C: SUB RECIPIENTS

Coal City Community Unit School District No. 1, Illinois did not provide federal awards to sub recipients.

NOTE D: NON-CASH AWARDS

The amount of commodities reported on the schedule (\$60,981) is the value of commodities distributed by the Lanter Delivery System during the current year and priced as prescribed by the U.S. Department of Agriculture (CFDA 10.555).

NOTE E: OTHER DISCLOSURES

Amount of federal insurance, loans, and loan guarantees in effect during the year - None.

Federal Grants requiring matching expenditures - Yes.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2020

A. SUMMARY OF AUDITORS' RESULTS

1. The Auditors' Report expresses an unmodified opinion on the financial statements of Coal City Community Unit School District No. 1.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the Independent Auditors' 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*.
3. No instances of noncompliance material to the financial statements of Coal City Community Unit School District No. 1 were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance for Each Major Program and On Internal Control over Compliance Required by the Uniform Guidance.
5. The Auditors' Report on Compliance for the major federal award programs for Coal City Community Unit School District No. 1 expresses an unmodified opinion on all major federal programs.
6. Audit findings relative to the major federal award programs for the Coal City Community Unit School District No. 1 are reported in Part C of this schedule.
7. The program tested as the major program was the Title 1 – CFDA #84.010 and Child Nutrition Cluster - CFDA #10.553, #10.555 and #10.556.
8. Total federal expenditures for the year ended June 30, 2020 were \$1,024,476, and 46.64% of that total was tested as major programs.
9. The threshold for distinguishing Types A and B programs was \$750,000.
10. Coal City Community Unit School District No. 1 was not determined to be a low-risk auditee.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020**

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020**

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

None.