



815.344.1300 mchenry
847.382.3366 barrington
847.336.6455 gurnee
www.edercasella.com

***MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
MORTON GROVE, ILLINOIS***

ANNUAL FINANCIAL REPORT

JUNE 30, 2020

eder, casella & co

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70

TABLE OF CONTENTS

JUNE 30, 2020

	PAGE
INDEPENDENT AUDITOR'S REPORT	1
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	3
SUPPLEMENTAL INFORMATION	
Management's Discussion and Analysis	5
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position - Modified Cash Basis	11
Statement of Activities - Modified Cash Basis	12
Fund Financial Statements	
Statement of Assets, Liabilities, and Fund Balance - Modified Cash Basis - Governmental Funds	13
Reconciliation of the Statement of Assets, Liabilities, and Fund Balance - Modified Cash Basis to the Statement of Net Position - Modified Cash Basis	14
Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Governmental Funds	15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis to the Statement of Activities - Modified Cash Basis	16
Statement of Fiduciary Assets and Liabilities	17
Notes to Financial Statements	18
SUPPLEMENTAL FINANCIAL INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Budget and Actual - General Fund	33
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Budget and Actual - Special Revenue Fund - Operations and Maintenance Fund	38

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70

TABLE OF CONTENTS

JUNE 30, 2020

	PAGE
SUPPLEMENTAL FINANCIAL INFORMATION (Continued)	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Budget and Actual - Debt Services Fund	39
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Budget and Actual - Special Revenue Fund - Transportation Fund	40
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Budget and Actual - Special Revenue Fund - Illinois Municipal Retirement/Social Security Fund	41
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Budget and Actual - Capital Projects Fund	43
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Budget and Actual - Capital Projects Fund - Fire Prevention and Safety Fund	44
Combining Balance Sheet - Modified Cash Basis - General Fund	45
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - General Fund	46
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Budget and Actual - General Fund - Educational Fund	47
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Budget and Actual - General Fund - Working Cash Fund	52
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Budget and Actual - General Fund - Tort Fund	53
Schedule of Changes in Fiduciary Assets and Liabilities - Activity Funds	54
Computation of Operating Expense Per Pupil and Per Capita Tuition Charge	55



815.344.1300 mchenry
847.382.3366 barrington
847.336.6455 gurnee
www.edercasella.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Morton Grove Public School District No. 70
Morton Grove, 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

Morton Grove Public School District No. 70

as of and for the year ended June 30, 2020, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

eder,
casella
&
co

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 Morton Grove Public School District No. 70 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 comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except for the average daily attendance figure included in the computation of operating expense per pupil and per capita tuition charges, 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2020 on our consideration of Morton Grove Public School District No. 70's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Morton Grove Public School District No. 70's internal control over financial reporting and compliance.

Eder, Casella & Co.

EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
October 9, 2020



815.344.1300 mchenry
 847.382.3366 barrington
 847.336.6455 gurnee
 www.edercasella.com

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

To the Board of Education
 Morton Grove Public School District No. 70
 Morton Grove, 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 modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of

Morton Grove Public School District No. 70

as of and for the year ended June 30, 2020, and the related notes to the financial statements which collectively comprise Morton Grove Public School District No. 70’s basic financial statements, and have issued our report thereon dated October 9, 2020. Our opinion was modified because the financial statements are not prepared in accordance with generally accepted accounting principles. However, the financial statements were found to be fairly stated on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District’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.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether Morton Grove Public School District No. 70'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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eder, Casella & Co.
EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
October 9, 2020

SUPPLEMENTAL INFORMATION

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020

The Management's Discussion and Analysis of Morton Grove Public School District No. 70's (District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2020. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

- The assets of the District exceeded its liabilities at June 30, 2020 by \$28,861,925 (net position). Of this amount, \$14,091,836 (unrestricted net position) may be used to meet the District's ongoing obligations to citizens and creditors.
- The District's total net position decreased by \$1,188.
- At June 30, 2020, the District's governmental funds reported combined ending fund balances of \$17,666,891, a decrease of \$405,743 in comparison with the prior year.
- At June 30, 2020, the unassigned fund balance for the General Fund was \$13,857,200, or 77% of total General Fund expenditures.
- The District's total long-term debt decreased by \$295,000 during the current fiscal year due to payment of General Obligation bonds according to schedule.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

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

The Statement of Net Position – Modified Cash Basis presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities – Modified Cash Basis presents information showing how the District's net position changed during the fiscal year being reported. All changes in net position are reported on the cash basis as soon as cash is received or disbursed, regardless of when the underlying event giving rise to the change occurs.

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

The government-wide financial statements can be found on pages 11 and 12 of this report.

Fund Financial Statements

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

Governmental funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund Balance Sheet – Modified Cash Basis and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances – Modified Cash Basis provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund Balance Sheet - Modified Cash Basis and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis for the General, Operations and Maintenance, Debt Services, Transportation, Illinois Municipal Retirement/Social Security, Capital Projects, and Fire Prevention and Safety Funds, all of which the District considers to be major funds.

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

The basic governmental fund financial statements can be found on pages 13 through 16 of this report.

Fiduciary funds

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

The basic fiduciary fund financial statement can be found on page 17 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18 through 32 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplemental information concerning the District's progress in meeting its obligation to provide as fully adequate as possible educational services and extracurricular activities to all of its resident's students.

Supplemental information can be found on pages 33 through 55 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$28,861,925 at the close of the most recent fiscal year.

The following table presents a summary of the District's net position for the years ended June 30, 2020 and 2019:

Morton Grove Public School District No. 70's Net Position at Year-End

	Governmental Activities	
	FY 2020	FY 2019
Assets		
Current and Other Assets	\$ 17,693,553	\$ 18,072,634
Capital Assets	13,035,034	12,925,479
Total Assets	<u>\$ 30,728,587</u>	<u>\$ 30,998,113</u>
Liabilities		
Long-Term Liabilities Outstanding	\$ 1,840,000	\$ 2,135,000
Other Liabilities	26,662	-
Total Liabilities	<u>\$ 1,866,662</u>	<u>\$ 2,135,000</u>
Net Position		
Net Investment in Capital Assets	\$ 11,195,034	\$ 10,790,479
Restricted	3,575,055	1,462,137
Unrestricted	14,091,836	16,610,497
Total Net Position	<u>\$ 28,861,925</u>	<u>\$ 28,863,113</u>

The net investment in capital assets (39% of total net position) represents assets such as land, buildings, and equipment, less any related debt used to acquire those assets that is still outstanding. The District uses its assets to provide educational services and extracurricular activities for the students of the local community. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (12%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (49%) may be used to meet the District's ongoing obligation to citizens and creditors.

At the end of the current fiscal year, the District is able to report positive balances in all three categories of net position.

The District's net position decreased by \$1,188.

Governmental Activities

Governmental activities decreased the District's net position by \$1,188. Key elements of this decrease are as follows:

Morton Grove Public School District No. 70's Change in Net Position

	Governmental Activities	
	FY 2020	FY 2019
Revenues:		
Program Revenues		
Charges for Services	\$ 278,995	\$ 559,032
Operating Grants and Contributions	6,640,576	1,485,960
General Revenues:		
Property Taxes	11,951,067	11,714,893
Other Taxes	477,648	436,354
Grants and Contributions not Restricted to Specific Activities	840,362	814,208
Unrestricted Investment Earnings	466,571	492,378
Other	215,614	-
Total Revenues	<u>\$ 20,870,833</u>	<u>\$ 15,502,825</u>
Expenses:		
Instruction	\$ 13,550,752	\$ 8,049,785
Support Services	5,065,499	5,132,716
Community Services	11,827	9,155
Intergovernmental Payments	1,489,868	1,585,301
Debt Services	47,675	56,375
Depreciation - Unallocated	706,400	728,311
Total Expenses	<u>\$ 20,872,021</u>	<u>\$ 15,561,643</u>
Increase/(Decrease) in Net Position	\$ (1,188)	\$ (58,818)
Net Position - Beginning	28,863,113	28,921,931
Net Position - Ending	<u>\$ 28,861,925</u>	<u>\$ 28,863,113</u>

Total revenues increased due mainly to an increase in state retirement contributions (included in Operating Grants and Contributions). The increase in expenses was due mainly to an increase in state retirement contributions (included in Instruction).

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of June 30, 2020, the District's funds reported combined ending fund balances of \$17,666,891, a decrease of \$405,743 in comparison with the prior year.

The General Fund is the chief operating fund of the District. At June 30, 2020, fund balance was \$13,940,743, of which \$13,857,200 is unassigned. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance and total fund balance both represent 77% of total General Fund expenditures.

The General Fund's fund balance decreased \$1,138,415 and includes outgoing transfers of \$1,000,000 to the Operating and Maintenance Fund.

The Operations and Maintenance Fund's fund balance increased \$296,406 in comparison with the prior year. The increase was due to a decrease in the transfer to other funds.

The Debt Services Fund's fund balance increased \$13,724 in comparison with the prior year.

The Transportation Fund's fund balance increased \$192,321 in comparison with the prior year. This increase was the result of a decrease in expenses for transportation services. April, May and June instruction was done remotely and there were no athletic or field trips requiring transportation services during that time.

The Illinois Municipal Retirement/Social Security Fund's fund balance decreased \$6,828 in comparison with the prior year.

The Capital Projects Fund's fund balance increased \$237,035 and includes an incoming transfer of \$1,000,000 from the Operations and Maintenance Fund to cover capital project expenditures.

The Fire Prevention and Safety Fund's fund balance increased \$14 in comparison with the prior year.

General Fund Budgetary Highlights

Significant differences between the budget and actual revenues and expenditures are summarized as follows:

- The difference between budgeted revenues and actual revenues was \$6,176,655 (favorable) and was mostly due to State Retirement Contributions not budgeted for.
- The difference between budgeted expenditures and actual expenditures was \$6,253,812 (unfavorable) and was due to State Retirement Contributions not budgeted for.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2020, the District had invested \$13,035,034 in a broad range of capital assets, including land, buildings and improvements, equipment, food service and computer equipment, furniture and fixtures and transportation equipment. Total depreciation expense for the year was \$706,400.

Major capital asset events during the current fiscal year included the following:

- Bathroom renovations for \$13,288.
- Purchase and installation of a new roof for \$520,464.

Morton Grove Public School District No. 70's Capital Assets (net of depreciation)

	Governmental Activities	
	FY 2020	FY 2019
Land	\$ 185,220	\$ 185,220
Construction in Progress	244,980	-
Buildings and Improvements	12,061,003	11,941,589
Equipment	352,978	289,546
Food Service Equipment	4,752	-
Computer Equipment	186,101	347,526
Furniture and Fixtures	-	161,598
Total	<u>\$ 13,035,034</u>	<u>\$ 12,925,479</u>

Additional information on the District's capital assets can be found in note 4 in the Notes to the Financial Statements.

Long-Term Debt

At June 30, 2020, the District had \$1,840,000 in long-term debt.

Morton Grove Public School District No. 70's Outstanding Debt

	Governmental Activities	
	FY 2019	FY 2018
General Obligation Bonds	\$ 1,840,000	\$ 2,135,000
Total	\$ 1,840,000	\$ 2,135,000

Significant debt activity for the year ended June 30, 2020 includes a payment of \$295,000 according to the General Obligation Bonds payment schedule.

Additional information on the District's long-term debt can be found in note 5 in the Notes to the Financial Statements.

Economic Factors and Next Year's Budget

Morton Grove Public School District No. 70, due to the impact of COVID-19, anticipates revenues to be reduced for fiscal year 2021. Areas of reduction include investment income, personal property taxes, state funding and rental income. While the disruption is currently expected to be temporary there is uncertainty around the duration of time. In fiscal year 2021 the District anticipates capital projects totaling approximately \$346,000 which has been reflected in the fiscal year 2021 budget.

Requests for Information

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

Morton Grove Public School District No. 70
6200 Lake Street
Morton Grove, IL 60053

BASIC FINANCIAL STATEMENTS

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 GOVERNMENT-WIDE FINANCIAL STATEMENTS
 STATEMENT OF NET POSITION - MODIFIED CASH BASIS
 JUNE 30, 2020

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 17,693,553
Capital Assets (Note 3):	
Land	185,220
Construction in Progress	244,980
Depreciable Buildings, Property, and Equipment, net of depreciation	12,604,834
Total Assets	\$ 30,728,587
LIABILITIES	
Payroll Liabilities	\$ 26,662
Long-Term Liabilities	
Due Within One Year	305,000
Due in More Than One Year	1,535,000
Total Liabilities	\$ 1,866,662
NET POSITION	
Net Investment in Capital Assets	\$ 11,195,034
Restricted for:	
Tort	83,543
Operations and Maintenance	1,767,724
Debt Service	222,615
Transportation	747,055
Retirement	523,538
Capital Projects	230,580
Unrestricted/(Deficit)	14,091,836
Total Net Position	\$ 28,861,925

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

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 GOVERNMENT-WIDE FINANCIAL STATEMENTS
 STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
 YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities
Governmental Activities				
Instruction				
Regular Programs	\$ 5,520,467	\$ 120,626	\$ 163,623	\$ (5,236,218)
Special Education Programs	984,062	-	101,102	(882,960)
Other Instructional Programs	1,173,028	20,035	-	(1,152,993)
State Retirement Contributions	5,873,195	-	5,873,195	-
Support Services				
Pupil	677,615	-	45,000	(632,615)
Instructional Staff	964,273	-	-	(964,273)
General Administration	497,105	-	-	(497,105)
School Administration	492,290	-	-	(492,290)
Business	291,878	-	-	(291,878)
Facilities Acquisition and Construction Services	136,655	-	50,000	(86,655)
Operations and Maintenance	804,574	23,045	-	(781,529)
Transportation	828,528	-	339,675	(488,853)
Food Services	255,727	100,289	67,981	(87,457)
Central	115,056	-	-	(115,056)
Other Support Services	1,798	-	-	(1,798)
Community Services	11,827	-	-	(11,827)
Debt Services				
Interest and Fees	47,675	-	-	(47,675)
Intergovernmental Payments				
Payments to Other Districts and Governmental Units	1,489,868	15,000	-	(1,474,868)
Depreciation Unallocated	706,400	-	-	(706,400)
Total Governmental Activities	\$ 20,872,021	\$ 278,995	\$ 6,640,576	\$ (13,952,450)
General Revenues				
Taxes				
Property Taxes, Levied for General Purposes				\$ 11,600,700
Property Taxes, Levied for Debt Service				350,367
Personal Property Replacement Taxes				477,648
Grants and Contributions not Restricted to Specific Activities				840,362
Unrestricted Investment Earnings				466,571
Miscellaneous Income				215,614
Total General Revenues				\$ 13,951,262
Change in Net Position				\$ (1,188)
Net Position - July 1, 2019				28,863,113
Net Position - June 30, 2020				\$ 28,861,925

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

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 FUND FINANCIAL STATEMENTS
 STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE - MODIFIED CASH BASIS
 GOVERNMENTAL FUNDS
 JUNE 30, 2020

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
ASSETS								
Cash and Cash Equivalents	\$ 13,967,405	\$ 1,854,416	\$ 228,647	\$ 759,257	\$ 536,808	\$ 346,404	\$ 616	\$ 17,693,553
Total Assets	<u>\$ 13,967,405</u>	<u>\$ 1,854,416</u>	<u>\$ 228,647</u>	<u>\$ 759,257</u>	<u>\$ 536,808</u>	<u>\$ 346,404</u>	<u>\$ 616</u>	<u>\$ 17,693,553</u>
LIABILITIES AND FUND BALANCE								
LIABILITIES								
Payroll Liabilities	\$ 26,662	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,662
Total Liabilities	<u>\$ 26,662</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,662</u>
FUND BALANCE								
Restricted								
Operations and Maintenance	\$ -	\$ 1,767,724	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,767,724
Debt Services	-	-	222,615	-	-	-	-	222,615
Transportation	-	-	-	747,055	-	-	-	747,055
Illinois Municipal Retirement Fund/Social Security	-	-	-	-	523,538	-	-	523,538
Capital Projects	-	-	-	-	-	230,580	-	230,580
Tort Liability	83,543	-	-	-	-	-	-	83,543
Assigned								
Operations and Maintenance	-	86,692	-	-	-	-	-	86,692
Debt Services	-	-	6,032	-	-	-	-	6,032
Transportation	-	-	-	12,202	-	-	-	12,202
Illinois Municipal Retirement Fund/Social Security	-	-	-	-	13,270	-	-	13,270
Capital Projects	-	-	-	-	-	115,824	-	115,824
Fire Prevention and Safety	-	-	-	-	-	-	616	616
Unassigned	13,857,200	-	-	-	-	-	-	13,857,200
Total Fund Balance	<u>\$ 13,940,743</u>	<u>\$ 1,854,416</u>	<u>\$ 228,647</u>	<u>\$ 759,257</u>	<u>\$ 536,808</u>	<u>\$ 346,404</u>	<u>\$ 616</u>	<u>\$ 17,666,891</u>
Total Liabilities and Fund Balance	<u>\$ 13,967,405</u>	<u>\$ 1,854,416</u>	<u>\$ 228,647</u>	<u>\$ 759,257</u>	<u>\$ 536,808</u>	<u>\$ 346,404</u>	<u>\$ 616</u>	<u>\$ 17,693,553</u>

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

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE -
 MODIFIED CASH BASIS TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS
 JUNE 30, 2020

Total Fund Balances - Governmental Funds		\$ 17,666,891
<p>Amounts reported for governmental activities in the Statement of Net Position - Modified Cash Basis are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Capital Assets	\$ 22,623,183	
Accumulated Depreciation on Capital Assets	<u>(9,588,149)</u>	13,035,034
<p>Long-term liabilities, including bonds payable are not due and payable in the current period and, therefore, are not reported in the funds</p>		
		<u>(1,840,000)</u>
Net Position of Governmental Activities		<u>\$ 28,861,925</u>

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

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
 GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2020

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
REVENUES								
Property Taxes	\$ 9,586,114	\$ 1,113,799	\$ 350,367	\$ 667,449	\$ 233,338	\$ -	\$ -	\$ 11,951,067
Payments in Lieu of Taxes	436,112	-	-	-	41,536	-	-	477,648
Tuition	48,665	-	-	-	-	-	-	48,665
Earnings on Investments	379,951	48,647	6,032	12,202	13,270	6,455	14	466,571
Food Services	100,289	-	-	-	-	-	-	100,289
Textbooks	91,996	-	-	-	-	-	-	91,996
Other Local Sources	215,614	38,045	-	-	-	-	-	253,659
State Aid	855,012	-	-	339,675	-	50,000	-	1,244,687
Federal Aid	363,056	-	-	-	-	-	-	363,056
State Retirement Contributions	5,873,195	-	-	-	-	-	-	5,873,195
Total Revenues	\$ 17,950,004	\$ 1,200,491	\$ 356,399	\$ 1,019,326	\$ 288,144	\$ 56,455	\$ 14	\$ 20,870,833
EXPENDITURES								
Current								
Instruction								
Regular Programs	\$ 5,392,224	\$ -	\$ -	\$ -	\$ 65,317	\$ -	\$ -	\$ 5,457,541
Special Education Programs	956,102	-	-	-	27,960	-	-	984,062
Other Instructional Programs	1,150,114	-	-	-	22,914	-	-	1,173,028
State Retirement Contributions	5,873,195	-	-	-	-	-	-	5,873,195
Support Services								
Pupil	658,500	-	-	-	19,115	-	-	677,615
Instructional Staff	927,068	-	-	-	37,205	-	-	964,273
General Administration	493,029	-	-	-	4,076	-	-	497,105
School Administration	473,567	-	-	-	18,723	-	-	492,290
Business	261,558	-	-	-	30,320	-	-	291,878
Facilities Acquisition and Construction Services	-	140,711	-	-	-	-	-	140,711
Operations and Maintenance	62,121	710,843	-	-	31,610	-	-	804,574
Transportation	1,195	-	-	827,005	328	-	-	828,528
Food Services	232,172	-	-	-	23,555	-	-	255,727
Central	101,221	-	-	-	13,835	-	-	115,056
Other Support Services	1,798	-	-	-	-	-	-	1,798
Community Services	11,813	-	-	-	14	-	-	11,827
Debt Services								
Principal	-	-	295,000	-	-	-	-	295,000
Interest and Fees	-	-	47,675	-	-	-	-	47,675
Capital Outlay	2,874	52,531	-	-	-	819,420	-	874,825
Intergovernmental Payments								
Payments to Other Districts and Governmental Units	1,489,868	-	-	-	-	-	-	1,489,868
Total Expenditures	\$ 18,088,419	\$ 904,085	\$ 342,675	\$ 827,005	\$ 294,972	\$ 819,420	\$ -	\$ 21,276,576
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (138,415)	\$ 296,406	\$ 13,724	\$ 192,321	\$ (6,828)	\$ (762,965)	\$ 14	\$ (405,743)
OTHER FINANCING SOURCES (USES)								
Interfund Transfers	(1,000,000)	-	-	-	-	1,000,000	-	-
NET CHANGE IN FUND BALANCES	\$ (1,138,415)	\$ 296,406	\$ 13,724	\$ 192,321	\$ (6,828)	\$ 237,035	\$ 14	\$ (405,743)
FUND BALANCE - JULY 1, 2019	15,079,158	1,558,010	214,923	566,936	543,636	109,369	602	18,072,634
FUND BALANCE - JUNE 30, 2020	\$ 13,940,743	\$ 1,854,416	\$ 228,647	\$ 759,257	\$ 536,808	\$ 346,404	\$ 616	\$ 17,666,891

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

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 FUND FINANCIAL STATEMENTS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - MODIFIED CASH BASIS TO THE
 STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
 YEAR ENDED JUNE 30, 2020

Net Change in Fund Balances - Total Governmental Funds \$ (405,743)

Amounts reported for governmental activities in the Statement of Activities - Modified Cash Basis are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities - Modified Cash Basis the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.

Depreciation Expense	\$ (706,400)	
Capital Outlay	<u>878,881</u>	172,481

In the Statement of Activities - Modified Cash Basis, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the undepreciated balance of the capital assets sold.

Gain/(Loss) on Sale of Capital Assets (62,926)

Repayment of long-term debt requires the use of current financial resources of governmental funds and is therefore shown as an expenditure in the Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis, but the repayment reduces long-term liabilities in the Statement of Net Position - Modified Cash Basis and is therefore not reported in the Statement of Activities - Modified Cash Basis.

Repayment of Long-Term Debt 295,000

Change in Net Position of Governmental Activities \$ (1,188)

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

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 FUND FINANCIAL STATEMENTS
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUNDS
 JUNE 30, 2020

	Agency Fund - Student Activity Fund
ASSETS	
Cash and Cash Equivalents	\$ 24,877
Total Assets	\$ 24,877
LIABILITIES	
Due to Activity Fund Organizations	\$ 24,877
Total Liabilities	\$ 24,877

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

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Morton Grove Public School District No. 70 (District) financial statements are prepared in accordance with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies used by the District are discussed below.

A. Reporting Entity

The accompanying financial statements comply with the provisions of GASB statements, in that the financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. Using these criteria, the District has no component units. In addition, the District is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

B. *Basic Financial Statements – Government-Wide Financial Statements*

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund (reporting the District's major funds) financial statements. Both the government-wide and fund financial statements categorize all of the primary activities of the District as governmental activities. The District does not have any business-type activities.

In the government-wide Statement of Net Position – Modified Cash Basis, the governmental activities column (a) is presented on a consolidated basis, and (b) is reported on a modified cash, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities – Modified Cash Basis reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property taxes, personal property replacement taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.). The Statement of Activities – Modified Cash Basis reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function (regular programs, special education programs, payments to other districts and governmental units, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenues (property taxes, personal property replacement taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.).

The District does not allocate indirect costs.

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

NOTES TO FINANCIAL STATEMENTS (Continued)

C. *Basic Financial Statements – Fund Financial Statements*

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures of all governmental funds) for the determination of major funds. The District electively made all governmental funds major funds.

The following fund types are used by the District:

1. Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

General Fund – The General 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. Educational, Working Cash, and Tort are included in this fund.

Special Revenue Funds – The Special Revenue Funds (Operations and Maintenance Fund, Transportation Fund, and Illinois Municipal Retirement/Social Security Fund) are used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service and capital projects.

Debt Services Fund – The Debt Services Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the periodic payment of principal, interest, and related fees on general long-term debt.

Capital Projects Funds – The Capital Projects Funds (Capital Projects Fund and Fire Prevention and Safety Fund) are used to account for financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of major capital facilities and fire prevention and safety projects.

2. Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position and is reported using generally accepted accounting principles.

The District's fiduciary fund is presented in the fiduciary fund financial statement by type (agency). Since by definition these assets are being held for the benefit of a third party (student organizations) and cannot be used to address activities or obligations of the District, these funds are not incorporated into the government-wide statements.

The following is a description of the fiduciary fund of the District:

Agency Fund – The Agency Fund (Student Activity Fund) accounts for assets held by the District as an agent for the student organizations. These funds are custodial in nature and do not involve the measurement of the results of operations. The amounts due to student organizations are equal to the assets.

NOTES TO FINANCIAL STATEMENTS (Continued)

D. *Basis of Accounting*

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

In the government-wide Statement of Net Position - Modified Cash Basis and Statement of Activities - Modified Cash Basis and the fund financial statements, governmental activities are presented using the modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for depreciation in the government-wide statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the District utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting. The government-wide financial statements would be presented on the accrual basis of accounting.

E. *Budgetary Process*

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

1. The Director of Business Services submits a proposed operating budget to the Board for the financial year commencing July 1. The operating budget includes proposed expenditures and means of financing them. This proposed budget is approved by the Board at the July meeting.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of an ordinance. Prior to the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
4. The board is authorized to transfers up to 10% of the total budget between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the board after following the public hearing procedures mandated by law. The budget, as reflected in this report, represents the original budget.
5. All appropriations lapse at the end of each fiscal year.

F. *Cash and Cash Equivalents and Investments*

State statues require the District to use treasury services of the Township School Treasurer and authorize the District's treasurer to invest in obligations of the U.S. Treasury, certain highly rated commercial paper, corporate bonds, repurchase agreements, and money market mutual funds registered under the Investment Company Act of 1940 with certain restrictions.

Separate bank accounts are not maintained for all district funds. Instead, the funds maintain their cash balances in common accounts, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

NOTES TO FINANCIAL STATEMENTS (Continued)

Occasionally certain of the funds participating in the common bank accounts will incur overdrafts (deficits) in the account. Such overdrafts in effect constitute cash borrowed from other District funds and are, therefore, interfund loans which have not been authorized by School Board action.

No District fund had a cash overdraft at June 30, 2020.

The District has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value. Fair value is determined by quoted market prices. Gains or losses on the sale of investments are recognized as they are incurred.

G. *Inventories*

No inventory accounts are maintained to reflect the values of resale or supply items on hand. Instead, the costs of such items are charged to expense when purchased. The value of the District's inventories is not deemed to be material.

H. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

I. *Capital Assets*

Capital assets purchased or acquired with an original cost of \$2,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and Improvements	20 - 50 years
Vehicles	5 years
Computer Equipment	5 years
Equipment	10 years
Furniture and Fixtures	10 years
Food Service Equipment	10 years

J. *Deferred Outflows and Inflows of Resources*

In addition to assets and liabilities, the Statement of Assets, Liabilities, and Fund Balance(s) and Statement(s) of Net Position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and therefore will not be recognized as an outflow of resource until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resource until that time.

K. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position – Modified Cash Basis. Bond premiums and discounts are

NOTES TO FINANCIAL STATEMENTS (Continued)

deferred and amortized over the life of the bonds on a straight-line basis. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as they are incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. *Government-Wide Net Position*

Government-wide fund net position is divided into three components:

- Net investment in Capital Assets – consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted Net Position – consists of net position that is restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted Net Position – the remaining position is reported in this category.

M. *Governmental Fund Balances*

Governmental fund balances are divided between nonspendable and spendable.

Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. The spendable fund balances are arranged in a hierarchy based on spending constraints.

- Restricted – Restricted fund balances are restricted when constraints are placed on the use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
- Committed – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints of the Board of Education. Committed amounts cannot be used for any other purpose unless the Board of Education removes those constraints by taking the same type of action (e.g. legislation, resolution, ordinance). Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- Assigned – Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by an appointed body (e.g. a budget or finance committee) or official to which the Board of Education has delegated the authority to assign, modify or rescind amounts to be used for specific purposes. The District has not delegated this authority to an appointed body or official.

Assigned fund balances also include (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects or debt service fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the District itself. All assigned fund balances are the residual amounts of the fund.

NOTES TO FINANCIAL STATEMENTS (Continued)

- Unassigned – Unassigned fund balance is the residual classification for the General Fund. This classification represents the General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance in the General Fund also includes amounts levied and/or borrowed for working cash.

The District permits funds to be expended in the following order: Restricted, Committed, Assigned and Unassigned.

N. *Property Tax Calendar and Revenues*

Property taxes are levied each calendar year on all taxable real property located in the District on or before the last Tuesday in December. The 2019 tax levy was passed by the Board on November 18, 2019. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year and are payable in two installments early in March and early in September of the following calendar year. The District receives significant distributions of tax receipts approximately one month after these dates.

NOTE 2 - DEPOSITS AND INVESTMENTS

As explained in Note 1, the Illinois Compiled Statutes require the District to utilize the investment services of the Township School Treasurer (the Treasurer). As such, the Treasurer is the lawful custodian of these school funds. The Treasurer is appointed by the Township Treasurer's Board of Trustees. The investment policies are established by the Treasurer, as prescribed by the Illinois Compiled Statutes.

The Treasurer is the direct recipient of property taxes, replacement taxes, and most state and federal aid, and disburses school funds upon lawful order to the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below.

District cash and investments (other than the student activity and petty cash funds) are part of a common pool for all the school districts and cooperatives within the township. The Treasurer maintains records that segregate the cash and investments balances by district or cooperative. Income from investments is distributed based upon the district's percentage participation in the pool. Cash for all funds, including cash applicable to the Debt Services Fund and the Illinois Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

The Treasurer's office operates as a nonrated, external investment pool. The fair value of the District's investment in the Treasurer's pool is determined by the District's proportionate share of the fair value of the investments held by the Treasurer's office.

The weighted-average maturity of all pooled marketable investments held by the Treasurer was 3.46 years at June 30, 2020. The Treasurer also holds money-market type investments and deposits with financial institutions, including certificates of deposit. As of the same date, the fair value of all investments held by the Treasurer's office was \$426,695,828 and the fair value of the District's proportionate share of the cash and investments held by the Treasurer's office was \$17,690,632 at June 30, 2020.

Interest Rate Risk

The District's investment policy, which is the same as the Treasurer's office, aims to ensure preservation of capital in the District's overall portfolio. The highest return on investments is sought, consistent with the preservation of principal and prudent investment principles. The investment portfolio is required to provide sufficient liquidity to pay District obligations as they come due, considering maturity and investments, as appropriate to the nature, purpose and amount of funds. The District will also consider investments in local financial institutions, recognizing their contribution to the community's economic development.

NOTES TO FINANCIAL STATEMENTS (Continued)

Cash and Investments in the Custody of the District

At June 30, 2020, the carrying value of the District's agency funds was \$24,877, all of which was deposited with financial institutions. The District also maintains \$2,000 in an imprest account.

Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2020, the District had \$0 deposited with a financial institution which was uncollateralized and uninsured.

NOTE 3 - FAIR VALUE MEASUREMENT

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

The District has the following recurring fair value measurements as of June 30, 2020:

- Municipal Bonds (Level 2 inputs) and U.S. Government backed debt (Level 1 inputs) backed debt are valued using quoted market prices

NOTE 4 - CAPITAL ASSETS

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

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Governmental Activities				
Capital Assets not being Depreciated				
Land	\$ 185,220	\$ -	\$ -	\$ 185,220
Construction In Progress	-	244,980	-	244,980
Total Capital Assets not being Depreciated	<u>\$ 185,220</u>	<u>\$ 244,980</u>	<u>\$ -</u>	<u>\$ 430,200</u>
Other Capital Assets				
Buildings and Improvements	\$ 19,782,420	\$ 621,970	\$ 43,430	\$ 20,360,960
Equipment	1,133,877	4,975	202,333	936,519
Food Service Equipment	-	5,002	-	5,002
Computer Equipment	2,469,715	1,954	1,608,983	862,686
Furniture and Fixtures	378,160	-	378,160	-
Vehicles	54,870	-	27,054	27,816
Total Other Capital Assets at Historical Cost	<u>\$ 23,819,042</u>	<u>\$ 633,901</u>	<u>\$ 2,259,960</u>	<u>\$ 22,192,983</u>
Less Accumulated Depreciation				
Buildings and Improvements	\$ 7,840,831	\$ 472,570	\$ 13,444	\$ 8,299,957
Equipment	844,331	81,020	341,810	583,541
Food Service Equipment	-	250	-	250
Computer Equipment	2,122,189	152,560	1,598,164	676,585
Furniture and Fixtures	216,562	-	216,562	-
Vehicles	54,870	-	27,054	27,816
Total Accumulated Depreciation	<u>\$ 11,078,783</u>	<u>\$ 706,400</u>	<u>\$ 2,197,034</u>	<u>\$ 9,588,149</u>
Other Capital Assets, Net	<u>\$ 12,740,259</u>	<u>\$ (72,499)</u>	<u>\$ 62,926</u>	<u>\$ 12,604,834</u>
Governmental Activities Capital Assets, Net	<u>\$ 12,925,479</u>	<u>\$ 172,481</u>	<u>\$ 62,926</u>	<u>\$ 13,035,034</u>

Depreciation expense was charged to functions as follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

Governmental Activities

Unallocated	\$ 706,400
Total Governmental Activities Depreciation Expense	<u>\$ 706,400</u>

NOTE 5 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended June 30, 2020 was as follows:

	Balance June 30, 2019	Additions	Retirement	Balance June 30, 2020	Amounts Due Within One Year
Governmental Activities:					
Tax School Bonds					
2016 G.O. Limited Tax Bonds	\$ 2,135,000	\$ -	\$ 295,000	\$ 1,840,000	\$ 305,000
Governmental Activities Long-Term Liabilities	<u>\$ 2,135,000</u>	<u>\$ -</u>	<u>\$ 295,000</u>	<u>\$ 1,840,000</u>	<u>\$ 305,000</u>

Bonds and notes payable consisted of the following at June 30, 2020:

	Maturity Date	Interest Rate	Face Amount	Carrying Amount
2016 General Obligation Refunding Bonds	6/28/2016	2.00% - 3.00%	\$ 2,700,000	\$ 1,840,000

At June 30, 2020 annual debt service requirements to service long-term debt are:

Year Ending June 30	Principal	Interest	Total
2021	\$ 305,000	\$ 38,425	\$ 343,425
2022	315,000	29,125	344,125
2023	325,000	21,150	346,150
2024	330,000	14,600	344,600
2025	335,000	7,950	342,950
2026	230,000	2,300	232,300
	<u>\$ 1,840,000</u>	<u>\$ 113,550</u>	<u>\$ 1,953,550</u>

The District defeased Tax School Bonds, Series 2014 by placing the proceeds of the 2016 bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2020, \$1,760,000 of defeased bonds remained outstanding.

NOTE 6 - INTERFUND LOANS

There are no outstanding interfund loans at June 30, 2020.

NOTE 7 - DEFICIT FUND BALANCE

No District fund had a deficit fund balance at June 30, 2020.

NOTE 8 - PROPERTY TAXES

Taxes recorded in these financial statements are from the 2019 levy (\$6,465,612) and 2018 and prior levies (\$5,485,455). A summary of the assessed valuations, rates, and extensions for tax years 2019, 2018, and 2017 is as follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

Assessed Valuation	2019		2018		2017	
	Rate	Extension	Rate	Extension	Rate	Extension
	\$368,541,700		\$310,589,304		\$313,227,404	
Educational	2.4113	\$ 8,886,646	2.8006	\$ 8,698,364	2.7372	\$ 8,573,661
Special Education	0.3172	1,169,014	0.3138	974,629	0.3131	980,715
Tort Immunity	-	-	-	-	0.0140	43,852
Operations and Maintenance	0.2062	759,933	0.5118	1,589,596	0.3522	1,103,187
Debt Service	0.0991	365,225	0.1173	364,321	0.1158	362,717
Transportation	0.2643	974,056	0.1256	390,100	0.2082	652,139
Municipal Retirement	0.0026	9,582	0.0267	82,927	0.0311	97,414
Social Security	0.0819	301,836	0.0267	82,927	0.0311	97,414
Working Cash	0.0264	97,295	0.0355	110,259	0.0353	110,569
	<u>3.4090</u>	<u>\$ 12,563,587</u>	<u>3.9580</u>	<u>\$ 12,293,125</u>	<u>3.8380</u>	<u>\$ 12,021,668</u>

NOTE 9 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended June 30, 2020, expenditures in the following funds exceeded the budget:

Fund	Budget	Actual	Excess of Actual Over Budget
General Fund	\$ 11,834,607	\$ 18,088,419	\$ 6,253,812

The General Fund was over budget due to state retirement contributions that were not budgeted for.

NOTE 10 - RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

General Information About the Pension 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.

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with ten 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 ten 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% of final average salary up to a maximum of 75% with 34 years of service. Disability and death benefits are also provided.

Tier II members qualify for retirement benefits at age 67 with ten years of service, or a discounted annuity can be paid at age 62 with ten years of service. Creditable earnings for retirement purposes are capped

NOTES TO FINANCIAL STATEMENTS (Continued)

and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I retirees receive an annual 3% increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of 3% of the original benefit or ½% 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 III hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2020. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2021. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and will be funded by bonds issued by the state of Illinois.

Contributions

The State of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90% 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% 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 based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$5,783,764 in pension contributions from the State of Illinois.

2.2 Formula Contributions. Employers contribute 0.58% 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 \$42,258.

Federal and Special Trust Fund Contributions. When TRS members are paid from federal and special trust funds administered by the employer, there is a statutory requirement for the employer to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2019.

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 District pension contribution was 10.66% of salaries paid from federal and special trust funds. For the year ended June 30, 2020, salaries totaling \$38,859 were paid from federal and special trust funds that required District contributions of \$4,142. These contributions are deferred because they were paid after the June 30, 2019 measurement date.

NOTES TO FINANCIAL STATEMENTS (Continued)

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

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

B. *Illinois Municipal Retirement Fund*

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer 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. That report is available for download at www.imrf.org.

Benefits Provided

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

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

Employees hired **on or after** January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten 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 ten 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.

NOTES TO FINANCIAL STATEMENTS (Continued)

Employees Covered by Benefit Terms

All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired after 1981) or more of work in a year are required to participate.

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2019 was 13.54%. For the fiscal year ended June 30, 2020, the District contributed \$121,772 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

C. *Social Security*

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

NOTE 11 - POST EMPLOYMENT BENEFIT COMMITMENTS

Teacher Health Insurance Security Fund (THIS)

Plan Description

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

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

Benefits Provided

The State of Illinois offers comprehensive health plan options, all of which include prescription drug and behavioral health coverage. The State of Illinois offers TCHP, HMO, and OAP plans.

- Teachers' Choice Health Plan (TCHP) benefit recipients can choose any physician or hospital for medical services; however, benefit recipients receive enhanced benefits, resulting in lower out-of-pocket costs, when receiving services from a TCHP in-network provider. TCHP has a nationwide network and includes CVS/Caremark for prescription drug benefits and Magellan Behavioral Health for behavioral health services.

NOTES TO FINANCIAL STATEMENTS (Continued)

- Health Maintenance Organizations (HMO) benefit recipients are required to stay within the health plan provider network. No out-of-network services are available. Benefit recipients will need to select a primary care physician (PCP) from a network of participating providers. The PCP will direct all healthcare services and make referrals to specialists and hospitalization.
- Open Access Plan (OAP) benefit recipients will have three tiers of providers from which to choose to obtain services. The benefit level is determined by the tier in which the healthcare provider is contracted.
 - Tier I offers a managed care network which provides enhanced benefits and operates like an HMO.
 - Tier II offers an expanded network of providers and is a hybrid plan operating like an HMO and PPO.
 - Tier III covers all providers which are not in the managed care networks of Tiers I or II (i.e., out-of-network providers). Using Tier III can offer benefit recipients flexibility in selecting healthcare providers but involves higher out-of-pocket costs. Furthermore, benefit recipients who use out-of-network providers will be responsible for any amount that is over and above the charges allowed by the plan for services (i.e., allowable charges), which could result in substantial out-of-pocket costs. Benefit recipients enrolled in an OAP can mix and match providers and tiers.

Contributions

For the fiscal year ended June 30, 2020, the State Employees Group Insurance Act of 1971 (5ILCS 375/6.6) requires that all active contributors of the TRS, who are not employees of a department, make contributions to the plan at a rate of 1.24% of salary and for every employer of a teacher to contribute an amount equal to .92% of each teacher’s salary. For the fiscal year ended June 30, 2019 the employee contribution was 1.24% of salary and the employer contribution was 0.92% of each teacher’s salary. The Department determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the Teachers’ Health Insurance Security Fund (THIS), an amount equal to the amount certified by the Board of Trustees of TRS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer. Total employer contributions for the fiscal year ended June 30, 2020 were \$67,029.

On-Behalf Contributions to THIS. The State of Illinois makes employer benefit contributions on behalf of the District. For the year ended June 30, 2020, State of Illinois contributions recognized by the District were based on the State’s proportionate share of the collective net OPEB liability associated with the District, and the District recognized revenue and expenditures of \$89,431 in benefit contributions from the State of Illinois.

NOTE 12 - INTERFUND TRANSFERS

The following were transfers for the year ended June 30, 2020:

Transfer from	Transfer to	Amount
Operations and Maintenance Fund	Capital Projects Fund	\$ 1,000,000
General Fund	Operations and Maintenance Fund	1,000,000

The transfers were made to pay for capital projects approved by the board of education.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 13 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damages to, and destruction of assets; injuries to employees; and natural disasters. To ensure against these losses, the District carries commercial insurance for these risks of loss. Settle claims have not exceed this commercial coverage in any of the past three fiscal years. During the year ended June 30, 2020 there was no significant reductions in coverage.

NOTE 14 - CONTINGENCIES

The District is not aware of any litigation which might have a material adverse effect on the District's financial position.

NOTE 15 - LEGAL DEBT LIMITATION

The Illinois School Code limits the amount of indebtedness to 6.9% of the most recent available equalized assessed valuation (EAV) of the District. The District's legal debt limitation is as follows:

2019 EAV	\$ 368,541,700
Rate	<u>6.9%</u>
Debt Margin	\$ 25,429,377
Current Debt	<u>1,840,000</u>
Remaining Debt Margin	<u>\$ 23,589,377</u>

NOTE 16 - JOINT VENTURE – NILES TOWNSHIP DISTRICT FOR SPECIAL EDUCATION (NTDSE)

The District and several other districts within Niles Township have entered into a joint agreement to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the management council.

A summary of financial condition (accrual basis) of NTDSE at June 30, 2019 (the most recent information available) is as follows:

Assets	<u>\$ 14,627,650</u>
Liabilities	\$ 57,771
Fund Equity	<u>14,569,879</u>
	<u>\$ 14,627,650</u>
Revenues Received	\$ 19,540,149
Expenditures Disbursed	<u>17,299,018</u>
Net Increase/(Decrease) in Fund Balance	<u>\$ 2,241,131</u>

Complete financial statements for NTDSE can be obtained from the Administrative Offices at 8701 Menard Ave., Morton Grove, IL 60053

NOTE 17 - TAX ABATEMENTS

The District entered into an intergovernmental agreement with the Village of Morton Grove in January 2000 in connection with the adoption of a Tax Increment Financing (TIF) District. Certain areas designated for redevelopment are generating incremental property taxes and the Village of Morton Grove agreed to pass certain amounts of these funds on to the District. The amount of property taxes that the District has not received or has abated for fiscal year 2020 was estimated to be 255,000. Per the agreement, the District received approximately \$191,000 from the Village in lieu of these abated taxes in fiscal year 2020.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 18 - SUBSEQUENT EVENTS

Prior to the date of this report, the COVID-19 outbreak in the United States has created disruptions in various governments and will continue to impact these organizations. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of time. The extent of the impact on the District is uncertain and cannot be reasonably estimated at this time.

SUPPLEMENTAL FINANCIAL INFORMATION

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual Amounts
	Original and Final		
REVENUES			
Property Taxes	\$ 9,481,555		\$ 9,586,114
Payments in Lieu of Taxes	466,249		436,112
Tuition	80,000		48,665
Earnings on Investments	252,782		379,951
Food Services	116,200		100,289
Textbooks	100,000		91,996
Other Local Sources	191,119		215,614
State Aid			
General State Aid	840,362		840,362
Special Education	21,348		13,842
State Free Lunch and Breakfast	725		808
Other Restricted Revenue from State Sources	750		-
Federal Aid			
Food Service	66,463		67,173
Title I	98,782		109,005
Title IV	10,000		6,780
Federal Special Education	5,000		87,260
Emergency Immigrant Assistance	6,986		814
Title III - English Language Acquisition	17,400		19,711
Title II - Teacher Quality	17,628		27,313
Medicaid Matching Funds - Administrative Outreach	-		19,318
Medicaid Matching Funds - Fee-for-Service Program	-		25,682
State Retirement Contributions	-		5,873,195
Total Revenues	\$ 11,773,349		\$ 17,950,004
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	\$ 4,443,489		\$ 4,406,045
Employee Benefits	666,590		700,745
Purchased Services	7,500		9,090
Supplies and Materials	272,688		276,344
	\$ 5,390,267		\$ 5,392,224
Special Education Programs			
Salaries	\$ 579,323		\$ 655,360
Employee Benefits	78,990		90,449
Purchased Services	10,000		3,748
Supplies and Materials	3,000		7,313
	\$ 671,313		\$ 756,870
Remedial and Supplemental Programs K-12			
Salaries	\$ 338,880		\$ 322,372
Employee Benefits	44,263		41,663
Supplies and Materials	1,000		5,439
	\$ 384,143		\$ 369,474
Interscholastic Programs			
Salaries	\$ 85,000		\$ 84,035
Employee Benefits	1,275		1,179
Other Objects	6,500		7,455
	\$ 92,775		\$ 92,669
Summer School Programs			
Salaries	\$ 58,000		\$ 36,956
Employee Benefits	870		3,194
Purchased Services	40,182		-
Supplies and Materials	2,000		414
	\$ 101,052		\$ 40,564
Gifted Programs			
Salaries	\$ 221,381		\$ 221,381
Employee Benefits	23,582		23,349
Supplies and Materials	1,200		1,408
	\$ 246,163		\$ 246,138

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2020

	Budgeted	
	Original and Final	Actual
EXPENDITURES (Continued)		
Instruction (Continued)		
Bilingual Programs		
Salaries	\$ 368,393	\$ 364,146
Employee Benefits	40,075	36,000
Purchased Services	3,014	401
Supplies and Materials	750	722
	<u>\$ 412,232</u>	<u>\$ 401,269</u>
Private Tuition		
Special Education Programs K-12		
Other Objects	\$ -	\$ 199,232
	<u>\$ -</u>	<u>\$ 199,232</u>
State Retirement Contributions	\$ -	\$ 5,873,195
	<u>\$ -</u>	<u>\$ 5,873,195</u>
Total Instruction	<u>\$ 7,297,945</u>	<u>\$ 13,371,635</u>
Support Services		
Pupil		
Attendance and Social Work Services		
Salaries	\$ 153,966	\$ 153,966
Employee Benefits	22,570	22,337
Purchased Services	-	3,200
Supplies and Materials	300	2,079
	<u>\$ 176,836</u>	<u>\$ 181,582</u>
Health Services		
Salaries	\$ 57,529	\$ 57,529
Employee Benefits	-	3,373
Purchased Services	400	312
Supplies and Materials	1,500	1,783
Non-Capitalized Equipment	500	-
	<u>\$ 59,929</u>	<u>\$ 62,997</u>
Psychological Services		
Salaries	\$ 167,964	\$ 167,964
Employee Benefits	22,344	21,973
Purchased Services	500	289
Supplies and Materials	1,000	640
	<u>\$ 191,808</u>	<u>\$ 190,866</u>
Speech Pathology and Audiology Services		
Salaries	\$ 169,331	\$ 169,331
Employee Benefits	29,702	42,535
Supplies and Materials	1,600	4,290
	<u>\$ 200,633</u>	<u>\$ 216,156</u>
Other Support Services - Pupil		
Purchased Services	\$ 7,668	\$ 1,783
Supplies and Materials	3,200	3,631
Other Objects	3,000	1,485
	<u>\$ 13,868</u>	<u>\$ 6,899</u>
Total Support Services - Pupil	<u>\$ 643,074</u>	<u>\$ 658,500</u>
Instructional Staff		
Improvement of Instruction Services		
Employee Benefits	\$ 5,000	\$ 30,221
Purchased Services	50,634	61,323
	<u>\$ 55,634</u>	<u>\$ 91,544</u>
Educational Media Services		
Salaries	\$ 360,965	\$ 353,523
Employee Benefits	70,238	64,089
Purchased Services	227,500	203,591
Supplies and Materials	79,800	47,823
Non-Capitalized Equipment	102,000	139,784
	<u>\$ 840,503</u>	<u>\$ 808,810</u>

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts <u>Original and Final</u>	Actual Amounts <u></u>
EXPENDITURES (Continued)		
Support Services (Continued)		
Instructional Staff (Continued)		
Assessment and Testing		
Purchased Services	\$ 35,000	\$ 26,714
	<u>\$ 35,000</u>	<u>\$ 26,714</u>
Total Support Services - Instructional Staff	<u>\$ 931,137</u>	<u>\$ 927,068</u>
General Administration		
Board of Education Services		
Purchased Services	\$ 70,500	\$ 46,040
Supplies and Materials	1,200	1,195
Other Objects	6,000	267
	<u>\$ 77,700</u>	<u>\$ 47,502</u>
Executive Administration Services		
Salaries	\$ 160,778	\$ 158,816
Employee Benefits	22,743	23,333
Purchased Services	17,500	13,261
Supplies and Materials	2,000	1,241
Other Objects	2,500	3,519
	<u>\$ 205,521</u>	<u>\$ 200,170</u>
Special Area Administrative Services		
Salaries	\$ 121,220	\$ 133,458
Employee Benefits	25,813	27,833
Purchased Services	4,500	2,041
Other Objects	1,000	-
	<u>\$ 152,533</u>	<u>\$ 163,332</u>
Tort Immunity Services		
Purchased Services	\$ 31,450	\$ 26,793
	<u>\$ 31,450</u>	<u>\$ 26,793</u>
Workers' Compensation or Workers' Occupation Disease Act Payments		
Purchased Services	\$ 47,798	\$ 55,232
	<u>\$ 47,798</u>	<u>\$ 55,232</u>
Total Support Services - General Administration	<u>\$ 515,002</u>	<u>\$ 493,029</u>
School Administration		
Office of the Principal Services		
Salaries	\$ 409,783	\$ 397,918
Employee Benefits	71,989	68,401
Purchased Services	12,000	6,520
Other Objects	3,000	728
	<u>\$ 496,772</u>	<u>\$ 473,567</u>
Total Support Services - School Administration	<u>\$ 496,772</u>	<u>\$ 473,567</u>
Business		
Fiscal Services		
Salaries	\$ 142,000	\$ 144,413
Employee Benefits	51,244	50,404
Purchased Services	77,500	66,201
Other Objects	500	540
	<u>\$ 271,244</u>	<u>\$ 261,558</u>
Total Support Services - Business	<u>\$ 271,244</u>	<u>\$ 261,558</u>
Operations and Maintenance		
Employee Benefits	\$ 1,247	\$ 2,391
Purchased Services	54,696	56,886
Supplies and Materials	-	2,844
Total Support Services - Operations and Maintenance	<u>\$ 55,943</u>	<u>\$ 62,121</u>

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts <u>Original and Final</u>	Actual Amounts <u></u>
EXPENDITURES (Continued)		
Support Services (Continued)		
Transportation		
Employee Benefits	\$ 624	\$ 1,195
Total Support Services - Transportation	<u>\$ 624</u>	<u>\$ 1,195</u>
Food Services		
Salaries	\$ 146,037	\$ 148,478
Employee Benefits	13,596	12,369
Purchased Services	4,500	2,056
Supplies and Materials	100,000	68,669
Other Objects	740	600
Total Support Services - Food Services	<u>\$ 264,873</u>	<u>\$ 232,172</u>
Central		
Information Services		
Purchased Services	\$ 25,000	\$ 26,598
Supplies and Materials	10,000	-
	<u>\$ 35,000</u>	<u>\$ 26,598</u>
Data Processing Services		
Salaries	\$ 63,500	\$ 65,434
Employee Benefits	9,478	9,189
	<u>\$ 72,978</u>	<u>\$ 74,623</u>
Total Support Services - Central	<u>\$ 107,978</u>	<u>\$ 101,221</u>
Other Support Services		
Purchased Services	\$ 2,500	\$ 1,798
Total Support Services - Other Support Services	<u>\$ 2,500</u>	<u>\$ 1,798</u>
Total Support Services	<u>\$ 3,289,147</u>	<u>\$ 3,212,229</u>
Community Services		
Salaries	\$ -	\$ 994
Employee Benefits	-	121
Purchased Services	4,789	3,087
Supplies and Materials	9,375	7,611
Total Community Services	<u>\$ 14,164</u>	<u>\$ 11,813</u>
Intergovernmental Payments		
Payments to Other Districts and Governmental Units		
Payments to Other Districts and Governmental Units (In-State)		
Payments for Special Education Programs		
Purchased Services	\$ 5,000	\$ 127,286
Other Objects	1,225,851	84,219
	<u>\$ 1,230,851</u>	<u>\$ 211,505</u>
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 1,230,851</u>	<u>\$ 211,505</u>
Payments to Other Districts and Governmental Units-Tuition (In-State)		
Payments for Special Education Programs		
Other Objects	\$ -	\$ 1,269,026
Other Payments to In-State Govt Units		
Other Objects	-	9,337
Total Payments to Other Districts and Governmental Units-Tuition (In-State)	<u>\$ -</u>	<u>\$ 1,278,363</u>
Total Intergovernmental Payments	<u>\$ 1,230,851</u>	<u>\$ 1,489,868</u>

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
 GENERAL FUND
 YEAR ENDED JUNE 30, 2020

	Budgeted Amounts Original and Final	Actual Amounts
EXPENDITURES (Continued)		
Capital Outlay		
Instruction		
Regular Programs	\$ -	\$ 2,874
Support Services		
Instructional Staff	2,500	-
Total Capital Outlay	\$ 2,500	\$ 2,874
Total Expenditures	\$ 11,834,607	\$ 18,088,419
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (61,258)	\$ (138,415)
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	(1,000,000)	(1,000,000)
NET CHANGE IN FUND BALANCE	\$ (1,061,258)	\$ (1,138,415)
FUND BALANCE - JULY 1, 2019		15,079,158
FUND BALANCE - JUNE 30, 2020		\$ 13,940,743

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - OPERATIONS AND MAINTENANCE FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 1,348,852	\$ 1,113,799
Earnings on Investments	25,909	48,647
Other Local Sources	36,000	38,045
Total Revenues	\$ 1,410,761	\$ 1,200,491
EXPENDITURES		
Support Services		
Facilities Acquisition and Construction Services		
Purchased Services	\$ 50,000	\$ 140,711
Total Support Services - Facilities Acquisition and Construction Services	\$ 50,000	\$ 140,711
Operations and Maintenance		
Salaries	\$ 212,644	\$ 194,711
Employee Benefits	32,973	32,540
Purchased Services	413,300	240,711
Supplies and Materials	245,600	200,091
Other Objects	-	348
Non-Capitalized Equipment	30,000	42,442
Total Support Services - Operations and Maintenance	\$ 934,517	\$ 710,843
Total Support Services	\$ 984,517	\$ 851,554
Capital Outlay		
Support Services		
Operations and Maintenance	\$ 25,000	\$ 52,531
Total Capital Outlay	\$ 25,000	\$ 52,531
Total Expenditures	\$ 1,009,517	\$ 904,085
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 401,244	\$ 296,406
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ 401,244	\$ 296,406
FUND BALANCE - JULY 1, 2019		1,558,010
FUND BALANCE - JUNE 30, 2020		\$ 1,854,416

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
DEBT SERVICES FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 348,542	\$ 350,367
Earnings on Investments	3,572	6,032
Total Revenues	\$ 352,114	\$ 356,399
EXPENDITURES		
Debt Services		
Interest		
Other Interest on Long-Term Debt		
Other Objects	\$ 47,425	\$ 47,425
Total Debt Services - Interest	\$ 47,425	\$ 47,425
Debt Services		
Payments of Principal on Long-Term Debt		
Other Objects	\$ 295,000	\$ 295,000
Total Debt Services - Payment of Principal on Long-Term Debt	\$ 295,000	\$ 295,000
Debt Services		
Other		
Other Objects	\$ 250	\$ 250
Total Debt Services - Other	\$ 250	\$ 250
Total Debt Services	\$ 342,675	\$ 342,675
Total Expenditures	\$ 342,675	\$ 342,675
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 9,439	\$ 13,724
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ 9,439	\$ 13,724
FUND BALANCE - JULY 1, 2019		214,923
FUND BALANCE - JUNE 30, 2020		\$ 228,647

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TRANSPORTATION FUND
 YEAR ENDED JUNE 30, 2020

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 538,479	\$ 667,449
Earnings on Investments	11,379	12,202
State Aid		
Transportation	328,446	339,675
State Retirement Contributions	-	-
Total Revenues	\$ 878,304	\$ 1,019,326
EXPENDITURES		
Support Services		
Pupil		
Pupil Transportation Services		
Salaries	\$ 24,072	\$ 22,688
Employee Benefits	4,016	2,625
Purchased Services	961,559	801,692
Total Support Services - Transportation	\$ 989,647	\$ 827,005
Total Support Services	\$ 989,647	\$ 827,005
Total Expenditures	\$ 989,647	\$ 827,005
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (111,343)	\$ 192,321
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ (111,343)	\$ 192,321
FUND BALANCE - JULY 1, 2019		566,936
FUND BALANCE - JUNE 30, 2020		\$ 759,257

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts	Actual Amounts
	<u>Original and Final</u>	<u></u>
REVENUES		
Property Taxes	\$ 215,953	\$ 233,338
Payments in Lieu of Taxes	38,895	41,536
Earnings on Investments	8,579	13,270
Total Revenues	<u>\$ 263,427</u>	<u>\$ 288,144</u>
EXPENDITURES		
Instruction		
Regular Programs		
Employee Benefits	\$ 65,070	\$ 65,317
Special Education Programs		
Employee Benefits	27,905	27,960
Remedial and Supplemental Programs K-12		
Employee Benefits	4,914	4,446
Interscholastic Programs		
Employee Benefits	1,650	2,096
Summer School Programs		
Employee Benefits	967	626
Gifted Programs		
Employee Benefits	3,210	3,084
Bilingual Programs		
Employee Benefits	13,931	12,662
Total Instruction	<u>\$ 117,647</u>	<u>\$ 116,191</u>
Support Services		
Pupil		
Attendance and Social Work Services		
Employee Benefits	\$ 2,233	\$ 2,124
Health Services		
Employee Benefits	13,174	12,403
Psychological Services		
Employee Benefits	2,435	2,316
Speech Pathology and Audiology Services		
Employee Benefits	2,455	2,272
Total Support Services - Pupil	<u>\$ 20,297</u>	<u>\$ 19,115</u>
Instructional Staff		
Improvement of Instruction Services		
Employee Benefits	\$ 50	\$ -
Educational Media Services		
Employee Benefits	39,540	37,205
Total Support Services - Instructional Staff	<u>\$ 39,590</u>	<u>\$ 37,205</u>
General Administration		
Executive Administration Services		
Employee Benefits	\$ 2,331	\$ 2,298
Special Area Administrative Services		
Employee Benefits	1,758	1,778
Total Support Services - General Administration	<u>\$ 4,089</u>	<u>\$ 4,076</u>

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts Original and Final	Actual Amounts
EXPENDITURES (Continued)		
Support Services (Continued)		
School Administration		
Office of the Principal Services		
Employee Benefits	\$ 19,183	\$ 18,723
Total Support Services - School Administration	\$ 19,183	\$ 18,723
Business		
Fiscal Services		
Employee Benefits	\$ 32,060	\$ 30,320
Total Support Services - Business	\$ 32,060	\$ 30,320
Operations and Maintenance		
Employee Benefits	\$ 34,263	\$ 31,610
Total Support Services - Operations and Maintenance	\$ 34,263	\$ 31,610
Transportation		
Employee Benefits	\$ 334	\$ 328
Total Support Services - Transportation	\$ 334	\$ 328
Food Services		
Employee Benefits	\$ 28,910	\$ 23,555
Total Support Services - Food Services	\$ 28,910	\$ 23,555
Central		
Data Processing Services		
Employee Benefits	\$ 13,855	\$ 13,835
Total Support Services - Central	\$ 13,855	\$ 13,835
Total Support Services	\$ 192,581	\$ 178,767
Community Services		
Employee Benefits	\$ 50	\$ 14
Total Community Services	\$ 50	\$ 14
Total Expenditures	\$ 310,278	\$ 294,972
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (46,851)	\$ (6,828)
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ (46,851)	\$ (6,828)
FUND BALANCE - JULY 1, 2019		543,636
FUND BALANCE - JUNE 30, 2020		\$ 536,808

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Earnings on Investments	\$ 1,533	\$ 6,455
State Aid		
School Infrastructure - Maintenance Project	-	50,000
Total Revenues	\$ 1,533	\$ 56,455
EXPENDITURES		
Capital Outlay		
Support Services		
Facilities Acquisition and Construction Services	\$ 1,000,000	\$ 819,420
Total Capital Outlay	\$ 1,000,000	\$ 819,420
Total Expenditures	\$ 1,000,000	\$ 819,420
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (998,467)	\$ (762,965)
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	1,000,000	1,000,000
NET CHANGE IN FUND BALANCE	\$ 1,533	\$ 237,035
FUND BALANCE - JULY 1, 2019		109,369
FUND BALANCE - JUNE 30, 2020		\$ 346,404

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
 CAPITAL PROJECTS FUND - FIRE PREVENTION AND SAFETY FUND
 YEAR ENDED JUNE 30, 2020

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Earnings on Investments	\$ 9	\$ 14
Total Revenues	\$ 9	\$ 14
EXPENDITURES		
Total Expenditures	\$ -	\$ -
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 9	\$ 14
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ 9	\$ 14
FUND BALANCE - JULY 1, 2019		602
FUND BALANCE - JUNE 30, 2020		\$ 616

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 FUND FINANCIAL STATEMENTS
 COMBINING BALANCE SHEET - MODIFIED CASH BASIS
 GENERAL FUND
 JUNE 30, 2020

	Educational Fund	Working Cash Fund	Tort Fund	Total General Fund
ASSETS				
Cash and Cash Equivalents	\$ 13,535,822	\$ 348,040	\$ 83,543	\$ 13,967,405
Interfund Loans	-	1,698,304	-	1,698,304
Total Assets	\$ 13,535,822	\$ 2,046,344	\$ 83,543	\$ 15,665,709
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Payroll Liabilities	\$ 26,662	\$ -	\$ -	\$ 26,662
Interfund Loans	1,698,304	-	-	1,698,304
Total Liabilities	\$ 1,724,966	\$ -	\$ -	\$ 1,724,966
FUND BALANCE				
Restricted				
Tort Liability	\$ -	\$ -	\$ 83,543	83,543
Unassigned	11,810,856	2,046,344	-	13,857,200
Total Fund Balance	\$ 11,810,856	\$ 2,046,344	\$ 83,543	\$ 13,940,743
Total Liabilities and Fund Balance	\$ 13,535,822	\$ 2,046,344	\$ 83,543	\$ 15,665,709

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
 GENERAL FUND
 YEAR ENDED JUNE 30, 2020

	Educational Fund	Working Cash Fund	Tort Fund	General Fund Total
REVENUES				
Property Taxes	\$ 9,486,915	\$ 99,199	\$ -	\$ 9,586,114
Payments in Lieu of Taxes	436,112	-	-	436,112
Tuition	48,665	-	-	48,665
Earnings on Investments	357,251	20,567	2,133	379,951
Food Services	100,289	-	-	100,289
Textbooks	91,996	-	-	91,996
Other Local Sources	215,614	-	-	215,614
State Aid	855,012	-	-	855,012
Federal Aid	363,056	-	-	363,056
State Retirement Contributions	5,873,195	-	-	5,873,195
Total Revenues	\$ 17,828,105	\$ 119,766	\$ 2,133	\$ 17,950,004
EXPENDITURES				
Current				
Instruction				
Regular Programs	\$ 5,392,224	\$ -	\$ -	\$ 5,392,224
Special Education Programs	956,102	-	-	956,102
Other Instructional Programs	1,150,114	-	-	1,150,114
State Retirement Contributions	5,873,195	-	-	5,873,195
Support Services				
Pupil	658,500	-	-	658,500
Instructional Staff	927,068	-	-	927,068
General Administration	437,797	-	55,232	493,029
School Administration	473,567	-	-	473,567
Business	261,558	-	-	261,558
Operations and Maintenance	62,121	-	-	62,121
Transportation	1,195	-	-	1,195
Food Services	232,172	-	-	232,172
Central	101,221	-	-	101,221
Other Support Services	1,798	-	-	1,798
Community Services	11,813	-	-	11,813
Capital Outlay	2,874	-	-	2,874
Intergovernmental Payments				
Payments to Other Districts and Governmental Units	1,489,868	-	-	1,489,868
Total Expenditures	\$ 18,033,187	\$ -	\$ 55,232	\$ 18,088,419
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (205,082)	\$ 119,766	\$ (53,099)	\$ (138,415)
OTHER FINANCING SOURCES (USES)				
Interfund Transfers	-	(1,000,000)	-	(1,000,000)
NET CHANGE IN FUND BALANCES	\$ (205,082)	\$ (880,234)	\$ (53,099)	\$ (1,138,415)
FUND BALANCE - JULY 1, 2019	12,015,938	2,926,578	136,642	15,079,158
FUND BALANCE - JUNE 30, 2020	\$ 11,810,856	\$ 2,046,344	\$ 83,543	\$ 13,940,743

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual Amounts
	Original and Final		
REVENUES			
Property Taxes	\$ 9,383,756		\$ 9,486,915
Payments in Lieu of Taxes	466,249		436,112
Tuition	80,000		48,665
Earnings on Investments	207,602		357,251
Food Services	116,200		100,289
Textbooks	100,000		91,996
Other Local Sources	191,119		215,614
State Aid			
General State Aid	840,362		840,362
Special Education	21,348		13,842
State Free Lunch and Breakfast	725		808
Other Restricted Revenue from State Sources	750		-
Federal Aid			
Food Service	66,463		67,173
Title I	98,782		109,005
Title IV	10,000		6,780
Federal Special Education	5,000		87,260
Emergency Immigrant Assistance	6,986		814
Title III - English Language Acquisition	17,400		19,711
Title II - Teacher Quality	17,628		27,313
Medicaid Matching Funds - Administrative Outreach	-		19,318
Medicaid Matching Funds - Fee-for-Service Program	-		25,682
State Retirement Contributions	-		5,873,195
Total Revenues	\$ 11,630,370		\$ 17,828,105
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	\$ 4,443,489		\$ 4,406,045
Employee Benefits	666,590		700,745
Purchased Services	7,500		9,090
Supplies and Materials	272,688		276,344
	\$ 5,390,267		\$ 5,392,224
Special Education Programs			
Salaries	\$ 579,323		\$ 655,360
Employee Benefits	78,990		90,449
Purchased Services	10,000		3,748
Supplies and Materials	3,000		7,313
	\$ 671,313		\$ 756,870
Remedial and Supplemental Programs K-12			
Salaries	\$ 338,880		\$ 322,372
Employee Benefits	44,263		41,663
Supplies and Materials	1,000		5,439
	\$ 384,143		\$ 369,474
Interscholastic Programs			
Salaries	\$ 85,000		\$ 84,035
Employee Benefits	1,275		1,179
Other Objects	6,500		7,455
	\$ 92,775		\$ 92,669
Summer School Programs			
Salaries	\$ 58,000		\$ 36,956
Employee Benefits	870		3,194
Purchased Services	40,182		-
Supplies and Materials	2,000		414
	\$ 101,052		\$ 40,564
Gifted Programs			
Salaries	\$ 221,381		\$ 221,381
Employee Benefits	23,582		23,349
Supplies and Materials	1,200		1,408
	\$ 246,163		\$ 246,138

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
 GENERAL FUND - EDUCATIONAL FUND
 YEAR ENDED JUNE 30, 2020

	Budgeted	
	Original and Final	Actual
EXPENDITURES (Continued)		
Instruction (Continued)		
Bilingual Programs		
Salaries	\$ 368,393	\$ 364,146
Employee Benefits	40,075	36,000
Purchased Services	3,014	401
Supplies and Materials	750	722
	<u>\$ 412,232</u>	<u>\$ 401,269</u>
Private Tuition		
Special Education Programs K-12		
Other Objects	\$ -	\$ 199,232
	<u>\$ -</u>	<u>\$ 199,232</u>
State Retirement Contributions	\$ -	\$ 5,873,195
	<u>\$ -</u>	<u>\$ 5,873,195</u>
Total Instruction	<u>\$ 7,297,945</u>	<u>\$ 13,371,635</u>
Support Services		
Pupil		
Attendance and Social Work Services		
Salaries	\$ 153,966	\$ 153,966
Employee Benefits	22,570	22,337
Purchased Services	-	3,200
Supplies and Materials	300	2,079
	<u>\$ 176,836</u>	<u>\$ 181,582</u>
Health Services		
Salaries	\$ 57,529	\$ 57,529
Employee Benefits	-	3,373
Purchased Services	400	312
Supplies and Materials	1,500	1,783
Non-Capitalized Equipment	500	-
	<u>\$ 59,929</u>	<u>\$ 62,997</u>
Psychological Services		
Salaries	\$ 167,964	\$ 167,964
Employee Benefits	22,344	21,973
Purchased Services	500	289
Supplies and Materials	1,000	640
	<u>\$ 191,808</u>	<u>\$ 190,866</u>
Speech Pathology and Audiology Services		
Salaries	\$ 169,331	\$ 169,331
Employee Benefits	29,702	42,535
Supplies and Materials	1,600	4,290
	<u>\$ 200,633</u>	<u>\$ 216,156</u>
Other Support Services - Pupil		
Purchased Services	\$ 7,668	\$ 1,783
Supplies and Materials	3,200	3,631
Other Objects	3,000	1,485
	<u>\$ 13,868</u>	<u>\$ 6,899</u>
Total Support Services - Pupil	<u>\$ 643,074</u>	<u>\$ 658,500</u>
Instructional Staff		
Improvement of Instruction Services		
Employee Benefits	\$ 5,000	\$ 30,221
Purchased Services	50,634	61,323
	<u>\$ 55,634</u>	<u>\$ 91,544</u>
Educational Media Services		
Salaries	\$ 360,965	\$ 353,523
Employee Benefits	70,238	64,089
Purchased Services	227,500	203,591
Supplies and Materials	79,800	47,823
Non-Capitalized Equipment	102,000	139,784
	<u>\$ 840,503</u>	<u>\$ 808,810</u>

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
 GENERAL FUND - EDUCATIONAL FUND
 YEAR ENDED JUNE 30, 2020

	Budgeted Amounts	Actual Amounts
	<u>Original and Final</u>	<u> </u>
EXPENDITURES (Continued)		
Support Services (Continued)		
Instructional Staff (Continued)		
Assessment and Testing		
Purchased Services	\$ 35,000	\$ 26,714
	<u>\$ 35,000</u>	<u>\$ 26,714</u>
 Total Support Services - Instructional Staff	 <u>\$ 931,137</u>	 <u>\$ 927,068</u>
 General Administration		
Board of Education Services		
Purchased Services	\$ 70,500	\$ 46,040
Supplies and Materials	1,200	1,195
Other Objects	6,000	267
	<u>\$ 77,700</u>	<u>\$ 47,502</u>
Executive Administration Services		
Salaries	\$ 160,778	\$ 158,816
Employee Benefits	22,743	23,333
Purchased Services	17,500	13,261
Supplies and Materials	2,000	1,241
Other Objects	2,500	3,519
	<u>\$ 205,521</u>	<u>\$ 200,170</u>
Special Area Administrative Services		
Salaries	\$ 121,220	\$ 133,458
Employee Benefits	25,813	27,833
Purchased Services	4,500	2,041
Other Objects	1,000	-
	<u>\$ 152,533</u>	<u>\$ 163,332</u>
Tort Immunity Services		
Purchased Services	\$ 31,450	\$ 26,793
	<u>\$ 31,450</u>	<u>\$ 26,793</u>
 Total Support Services - General Administration	 <u>\$ 467,204</u>	 <u>\$ 437,797</u>
 School Administration		
Office of the Principal Services		
Salaries	\$ 409,783	\$ 397,918
Employee Benefits	71,989	68,401
Purchased Services	12,000	6,520
Other Objects	3,000	728
	<u>\$ 496,772</u>	<u>\$ 473,567</u>
 Total Support Services - School Administration	 <u>\$ 496,772</u>	 <u>\$ 473,567</u>
 Business		
Fiscal Services		
Salaries	\$ 142,000	\$ 144,413
Employee Benefits	51,244	50,404
Purchased Services	77,500	66,201
Other Objects	500	540
	<u>\$ 271,244</u>	<u>\$ 261,558</u>
 Total Support Services - Business	 <u>\$ 271,244</u>	 <u>\$ 261,558</u>
 Operations and Maintenance		
Employee Benefits	\$ 1,247	\$ 2,391
Purchased Services	54,696	56,886
Supplies and Materials	-	2,844
Total Support Services - Operations and Maintenance	<u>\$ 55,943</u>	<u>\$ 62,121</u>

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts <u>Original and Final</u>	Actual Amounts <u></u>
EXPENDITURES (Continued)		
Support Services (Continued)		
Transportation		
Employee Benefits	\$ 624	\$ 1,195
Total Support Services - Transportation	<u>\$ 624</u>	<u>\$ 1,195</u>
Food Services		
Salaries	\$ 146,037	\$ 148,478
Employee Benefits	13,596	12,369
Purchased Services	4,500	2,056
Supplies and Materials	100,000	68,669
Other Objects	740	600
Total Support Services - Food Services	<u>\$ 264,873</u>	<u>\$ 232,172</u>
Central		
Information Services		
Purchased Services	\$ 25,000	\$ 26,598
Supplies and Materials	10,000	-
Total Information Services	<u>\$ 35,000</u>	<u>\$ 26,598</u>
Data Processing Services		
Salaries	\$ 63,500	\$ 65,434
Employee Benefits	9,478	9,189
Total Data Processing Services	<u>\$ 72,978</u>	<u>\$ 74,623</u>
Total Support Services - Central	<u>\$ 107,978</u>	<u>\$ 101,221</u>
Other Support Services		
Purchased Services	\$ 2,500	\$ 1,798
Total Support Services - Other Support Services	<u>\$ 2,500</u>	<u>\$ 1,798</u>
Total Support Services	<u>\$ 3,241,349</u>	<u>\$ 3,156,997</u>
Community Services		
Salaries	\$ -	\$ 994
Employee Benefits	-	121
Purchased Services	4,789	3,087
Supplies and Materials	9,375	7,611
Total Community Services	<u>\$ 14,164</u>	<u>\$ 11,813</u>
Intergovernmental Payments		
Payments to Other Districts and Governmental Units (In-State)		
Payments for Special Education Programs		
Purchased Services	\$ 5,000	\$ 127,286
Other Objects	1,225,851	84,219
Total Payments for Special Education Programs	<u>\$ 1,230,851</u>	<u>\$ 211,505</u>
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 1,230,851</u>	<u>\$ 211,505</u>
Payments to Other Districts and Governmental Units-Tuition (In-State)		
Payments for Special Education Programs		
Other Objects	\$ -	\$ 1,269,026
Other Payments to In-State Govt Units		
Other Objects	-	9,337
Total Payments to Other Districts and Governmental Units-Tuition (In-State)	<u>\$ -</u>	<u>\$ 1,278,363</u>
Total Intergovernmental Payments	<u>\$ 1,230,851</u>	<u>\$ 1,489,868</u>

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
 GENERAL FUND - EDUCATIONAL FUND
 YEAR ENDED JUNE 30, 2020

	Budgeted Amounts Original and Final	Actual Amounts
EXPENDITURES (Continued)		
Capital Outlay		
Instruction		
Regular Programs	\$ -	\$ 2,874
Support Services		
Instructional Staff	2,500	-
Total Capital Outlay	\$ 2,500	\$ 2,874
Total Expenditures	\$ 11,786,809	\$ 18,033,187
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (156,439)	\$ (205,082)
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ (156,439)	\$ (205,082)
FUND BALANCE - JULY 1, 2019		12,015,938
FUND BALANCE - JUNE 30, 2020		\$ 11,810,856

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND - WORKING CASH FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 97,799	\$ 99,199
Earnings on Investments	43,064	20,567
Total Revenues	\$ 140,863	\$ 119,766
EXPENDITURES	\$ -	\$ -
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 140,863	\$ 119,766
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	(1,000,000)	(1,000,000)
NET CHANGE IN FUND BALANCE	\$ (859,137)	\$ (880,234)
FUND BALANCE - JULY 1, 2019		2,926,578
FUND BALANCE - JUNE 30, 2020		\$ 2,046,344

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND - TORT FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ -	\$ -
Payments in Lieu of Taxes	-	-
Earnings on Investments	\$ 2,116	\$ 2,133
Total Revenues	\$ 2,116	\$ 2,133
EXPENDITURES		
Support Services		
General Administration		
Workers' Compensation or Workers' Occupation Disease Act Payments		
Purchased Services	\$ 47,798	\$ 55,232
	\$ 47,798	\$ 55,232
Total Support Services - General Administration	\$ 47,798	\$ 55,232
Total Support Services	\$ 47,798	\$ 55,232
Total Expenditures	\$ 47,798	\$ 55,232
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (45,682)	\$ (53,099)
OTHER FINANCING SOURCES (USES)	-	-
NET CHANGE IN FUND BALANCE	\$ (45,682)	\$ (53,099)
FUND BALANCE - JULY 1, 2019		136,642
FUND BALANCE - JUNE 30, 2020		\$ 83,543

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 ACTIVITY FUNDS
 YEAR ENDED JUNE 30, 2020

	<u>BALANCE</u> <u>JUNE 30, 2019</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2020</u>
A S S E T S				
Cash and Cash Equivalents	<u>\$ 30,260</u>	<u>\$ 46,746</u>	<u>\$ 52,129</u>	<u>\$ 24,877</u>
L I A B I L I T I E S				
Amount Due to Activity Fund Organizations	<u>\$ 30,260</u>	<u>\$ 46,746</u>	<u>\$ 52,129</u>	<u>\$ 24,877</u>
Total	<u>\$ 30,260</u>	<u>\$ 46,746</u>	<u>\$ 52,129</u>	<u>\$ 24,877</u>

See Accompanying Independent Auditor's Report

MORTON GROVE PUBLIC SCHOOL DISTRICT NO. 70
 COMPUTATION OF OPERATING EXPENSE PER PUPIL
 AND PER CAPITA TUITION CHARGE
 YEAR ENDED JUNE 30, 2020

OPERATING EXPENSE PER PUPIL			
EXPENDITURES:			
ED	Total Expenditures	\$	12,159,992
O&M	Total Expenditures		904,085
DS	Total Expenditures		342,675
TR	Total Expenditures		827,005
MR/SS	Total Expenditures		294,972
TORT	Total Expenditures		55,232
	Total Expenditures	\$	14,583,961

LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:

ED	Summer School Programs	\$	40,564
ED	Special Education Programs K-12 - Private Tuition		199,232
ED	Community Services		11,813
ED	Total Payments to Other District & Govt Units		1,489,868
ED	Capital Outlay		2,874
ED	Non-Capitalized Equipment		139,784
O&M	Capital Outlay		52,531
O&M	Non-Capitalized Equipment		42,442
DS	Debt Service - Payments of Principal on Long-Term Debt		295,000
MR/SS	Summer School Programs		626
MR/SS	Community Services		14
	Total Deductions	\$	2,274,748
	Total Operating Expenses (Regular K-12)	\$	12,309,213
	9 Mo ADA from Average Daily Attendance - Student Information System (SIS) in IWAS		828.10
	Estimated OEPP	\$	14,864.40

PER CAPITA TUITION CHARGE			
----------------------------------	--	--	--

LESS OFFSETTING RECEIPTS/REVENUES:			
ED	Total Food Service	\$	100,289
ED	Rentals - Regular Textbooks		91,996
ED-O&M	Rentals		23,045
ED-O&M-DS-TR-MR/SS	Payment from Other Districts		15,000
ED-O&M-TR	Total Special Education		13,842
ED	State Free Lunch & Breakfast		808
ED-O&M-TR-MR/SS	Total Transportation		339,675
ED-MR/SS	Total Food Service		67,173
ED-O&M-TR-MR/SS	Total Title I		109,005
ED-O&M-TR-MR/SS	Total Title IV		6,780
ED-O&M-TR-MR/SS	Fed - Spec Education - IDEA - Flow Through/Low Incidence		17,283
ED-O&M-TR-MR/SS	Fed - Spec Education - IDEA - Room & Board		69,977
ED-TR-MR/SS	Title III - Immigrant Education Program (IEP)		814
ED-TR-MR/SS	Title III - Language Inst Program - Limited Eng (LIPLP)		19,711
ED-O&M-TR-MR/SS	Title II - Teacher Quality		27,313
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Administrative Outreach		19,318
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Fee-for-Service Program		25,682
ED-TR-MR/SS	Special Education Contributions from EBF Funds		267,042
ED-MR/SS	English Learning (Bilingual) Contributions from EBF Funds		50,012
	Total Allowance for PCTC Computation	\$	1,264,765
	Net Operating Expense for PCTC Computation	\$	11,044,448
	Total Depreciation Allowance (from page 27, Col I)	\$	724,623
	Total Allowance for PCTC Computation	\$	11,769,071
	9 Mo ADA from Average Daily Attendance - Student Information System (SIS) in IWAS		828.10
	Total Estimated PCTC	\$	14,212.14

Unaudited