

Roselle School District 12

Roselle, IL

Annual Financial Report

Year Ended June 30, 2021

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Roselle School District 12

Year Ended June 30, 2021

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Independent Auditor's Report

Board of Education
Roselle School District 12
Roselle, IL

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Roselle School District 12, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the financial statements, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Required Supplementary Information

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

Other Information

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

The combining and individual fund financial statement and schedules are the responsibility of management and were derived from an relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report of Comparative Other Information

We have also audited, in accordance with auditing standards generally accepted in the United States, the District's basic financial statements for the year ended June 30, 2020, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The schedules of revenues, expenditures and changes in fund balances related to the 2020 financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information

directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the 2020 schedules of revenues, expenditures and changes in fund balances are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2021 on our consideration of the District'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 District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Wipfli LLP

Aurora, Illinois
November 11, 2021

Roselle School District 12

Management Discussion and Analysis

For the Year Ended June 30, 2021

Unaudited

The discussion and analysis of Roselle School District 12's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2021. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

In total, net position increased by \$647,547.

- General revenues accounted for \$11,105,521 in revenue or 68% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$5,322,586 or 32% of total revenues of \$16,428,107.
- The District had \$15,780,560 in expenses related to government activities. However, only \$5,322,586 of these expenses were offset by program specific charges and grants.

Overview of the Financial Statements

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

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

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

Government-wide financial statements

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

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

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

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 cost through user fees and charges. The District's governmental activities include instructional services (regular education, special education and other), supporting services, operation and maintenance of facilities and transportation services.

Roselle School District 12

Management Discussion and Analysis

For the Year Ended June 30, 2021

Unaudited

Fund financial statements

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

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

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

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Tort Immunity Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Life Safety Fund.

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

Notes to basic financial statements

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

Other information

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

Roselle School District 12

Management Discussion and Analysis

For the Year Ended June 30, 2021

Unaudited

District-wide Financial Analysis

The District's combined net position was higher on June 30, 2021, than it was the year before, increasing \$647,547 to \$(779,040). The District had a similar increase in 2020.

Table 1		
Condensed Statements of Net Position		
	2021	2020
Assets		
Current and other assets	\$ 18,237,996	\$ 17,439,651
Capital Assets	11,238,860	11,934,098
Total assets	29,476,856	29,373,749
Deferred outflows of resources		
Deferred charge on refunding	613	5,766
Pension	99,524	108,559
Other postemployment benefits	342,109	395,067
Total deferred outflows	442,246	509,392
Liabilities		
Current Liabilities	855,487	750,674
Long-term debt outstanding	17,560,027	19,116,517
Total liabilities	18,415,514	19,867,191
Deferred outflows of resources		
Property taxes levied for subsequent years	10,409,690	10,164,743
Pension	588,490	410,243
Other postemployment benefits	1,284,448	894,449
Total deferred inflows	12,282,628	11,469,435
Net position		
Net investment in capital assets	3,244,773	3,594,852
Restricted	1,083,899	943,771
Unrestricted	(5,107,712)	(5,992,108)
Total net position	\$ (779,040)	\$ (1,453,485)

Roselle School District 12

Management Discussion and Analysis

For the Year Ended June 30, 2021

Unaudited

Expenses in the governmental activities of the District of \$15,780,560 were less than revenues by \$647,547.

Table 2		
Changes in Net Position		
	2021	2020
Revenues		
<i>Program revenues</i>		
Charges for services	\$ 147,218	\$ 204,107
Operating grants & contributions	668,262	607,652
State on-behalf payments	4,507,106	4,193,259
<i>General revenues</i>		
Taxes	10,175,194	9,966,910
Evidence based funding	590,417	590,418
Other	339,910	528,076
Total revenues	16,428,107	16,090,422
Expenses		
Instruction	6,956,286	6,959,847
Supporting services	3,870,717	3,743,448
Interest on long-term debt	446,451	479,773
State on-behalf payments	4,507,106	4,193,259
Total expenses	15,780,560	15,376,327
Changes in net position	647,547	714,095
Net position - beginning, as originally stated	(1,453,485)	(2,167,580)
Prior period adjustment	26,898	-
Net position - beginning, as restated	(1,426,587)	(2,167,580)
Net position - ending	\$ (779,040)	\$ (1,453,485)

Property taxes accounted for the largest portion of the District's revenues, contributing 61.9%. The remainder of revenues came from state and federal grants and other sources. The total cost of all the District's programs was \$15,780,560, mainly related to instructing and caring for the students and student transportation at 68.6%.

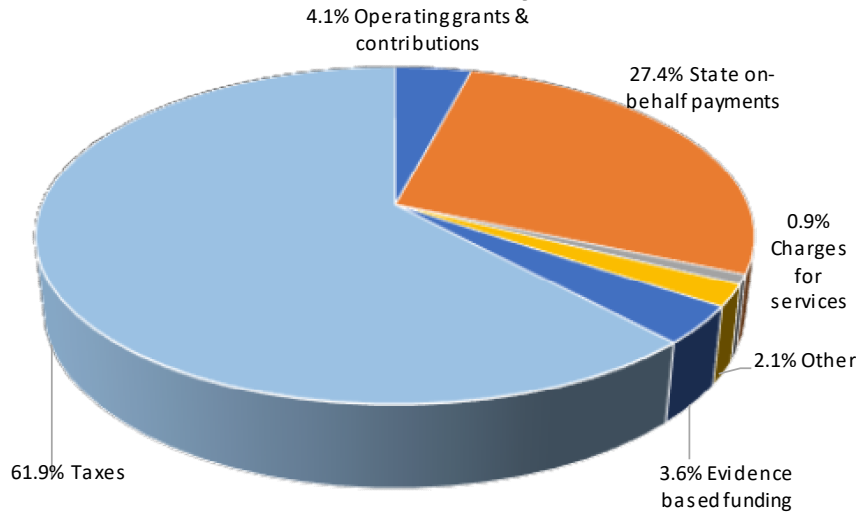
Roselle School District 12

Management Discussion and Analysis

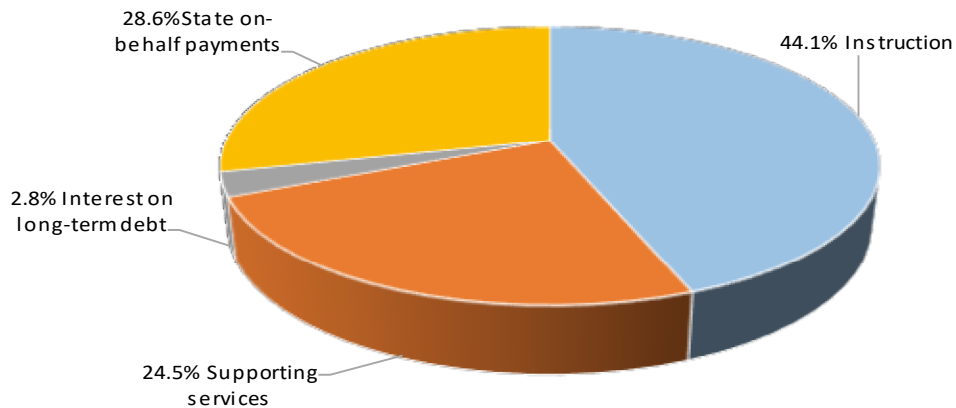
For the Year Ended June 30, 2021

Unaudited

District-Wide Revenues by Source



District-Wide Expenses by Function



Financial Analysis of the District's Funds

The District's Governmental Fund's balances increased from \$6,524,234 to \$6,972,819.

The General Fund's Fund Balance increased \$359,560. It had a similar (\$551,207) increase in the prior year.

The Debt Service Fund increased \$4,015 from prior year. It had a similar (\$7,927) increase in the prior year.

The Transportation Fund increased \$106,241 from the prior year. It had a similar (\$134,886) increase in the prior year.

Roselle School District 12

Management Discussion and Analysis

For the Year Ended June 30, 2021

Unaudited

General Fund Budgetary Highlights

Actual revenues in the General Fund were \$793,393 lower than what had been budgeted for fiscal year 2021 as a result of lower actual on-behalf payments from the state. Actual expenditures were \$1,093,501 lower than budgeted. This was due mostly to lower actual on-behalf payments from the state.

Capital Assets and Debt Administration

Capital assets

By the end of 2021, the District had compiled a total investment of \$22,229,812 (\$11,238,860 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$771,933. More detailed information about capital assets can be found in Note 3 of the basic financial statements.

Table 3		
Capital Assets (net of depreciation)		
	2021	2020
Land	\$ 105,279	\$ 105,279
Building, equipment & furniture	11,133,581	11,828,819
Total	<u>\$11,238,860</u>	<u>\$11,934,098</u>

Roselle School District 12

Management Discussion and Analysis

For the Year Ended June 30, 2021

Unaudited

Long-term debt

The District retired \$897,189 of its outstanding bonds, certificates, and leases in 2021. Also, the District recognized Pension and Other Post Employment Liabilities of \$5,655,327. At the end of the fiscal 2021, the District's legal debt margin was \$3,313,846. More detailed information on long-term debt can be found in Note 4 of the basic financial statements.

Table 4		
Outstanding Long-Term Debt		
	2021	2020
General obligation bonds	\$ 3,910,000	\$ 4,415,000
Debt certificates	7,720,000	8,065,000
Unamortized premium	208,848	220,228
Capital leases and other	65,852	59,784
Total	<u>\$ 11,904,700</u>	<u>\$ 12,760,012</u>

Factors Bearing on the District's Future

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

Beginning in March 2020, the United States economy began suffering adverse effect from the COVID 19 Virus Crisis. The future impact of the COVID Crisis on the District cannot be reasonably estimated at this time.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, and 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 Business Office:

Roselle School District 12
100 East Walnut
Roselle, IL 60172

Basic Financial Statements

Roselle School District 12

Statement of Net Position

<i>June 30, 2021</i>	Governmental Activities
Assets	
Cash and investments	\$ 12,747,498
Receivables	
Taxes receivable	5,320,231
Intergovernmental accounts receivable	74,086
Prepaid items	96,181
Land	105,279
Depreciable capital assets, net	<u>11,133,581</u>
Total assets	<u>29,476,856</u>
Deferred outflow of resources	
Deferred amount on refunding	613
Deferred outflows related to pensions	99,524
Deferred outflows related to OPEB	<u>342,109</u>
Total deferred outflow of resources	<u>442,246</u>
Liabilities	
Current liabilities	
Accounts payable	230,406
Accrued salaries and related payables	625,081
Long-term liabilities	
Due within one year	940,481
Due in more than one year	<u>16,619,546</u>
Total liabilities	<u>18,415,514</u>
Deferred inflow of resources	
Property taxes levied for subsequent years	10,409,690
Deferred inflows related to pensions	588,490
Deferred inflows related to OPEB	<u>1,284,448</u>
Total deferred inflow of resources	<u>12,282,628</u>
Net position	
Net investment in capital assets	3,244,773
Restricted for	
Capital projects	85,941
Debt service	88,619
Transportation	514,250
Retirement	325,294
Unrestricted	<u>(5,037,917)</u>
Total net position	<u>\$ (779,040)</u>

See accompanying notes to financial statements.

Roselle School District 12

Statement of Activities

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<i>For the Year Ended June 30, 2021</i>					
Functions/Programs					
Governmental activities					
Instructional services					
Regular programs	\$ 4,166,946	\$ 100,284	\$ 18,774	\$ -	\$ (4,047,888)
Special programs	1,343,542	-	464,428	-	(879,114)
Other programs	434,115	-	11,245	-	(422,870)
State on-behalf payments	4,507,106	-	4,507,106	-	-
Support services					
Pupils	441,867	-	-	-	(441,867)
Instructional staff	643,938	-	-	-	(643,938)
General administration	406,341	-	-	-	(406,341)
School administration	494,193	-	-	-	(494,193)
Business	588,590	1,634	63,137	-	(523,819)
Operations and Maintenance	554,597	45,000	-	-	(509,597)
Transportation	391,636	300	110,678	-	(280,658)
Central	336,832	-	-	-	(336,832)
Community Services	12,723	-	-	-	(12,723)
Non-programmed charges	1,011,683	-	-	-	(1,011,683)
Interest on long-term liabilities	<u>446,451</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(446,451)</u>
Total governmental activities	<u>15,780,560</u>	<u>147,218</u>	<u>5,175,368</u>	<u>-</u>	<u>(10,457,974)</u>
General revenues					
Property taxes levied for					
General purposes					9,041,132
Transportation					332,965
Retirement					136,041
Debt service					665,056
Personal property replacement taxes					201,737
Evidence based funding					590,417
Earnings on investments					37,103
Other					<u>101,070</u>
Total general revenues					<u>11,105,521</u>
Change in net position					647,547
Net position, beginning of year					<u>(1,453,485)</u>
Prior period adjustment					26,898
Net position, beginning of year, restated					<u>(1,426,587)</u>
Net position, ending					<u>\$ (779,040)</u>

See accompanying notes to financial statements.

Roselle School District 12

Balance Sheet - Governmental Funds

<i>June 30, 2021</i>	General Fund	Debt Service Funds	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 11,229,167	\$ 420,073	\$ 110,695	\$ 987,563	\$ 12,747,498
Receivables					
Property taxes	4,830,136	346,483	-	143,612	5,320,231
Due from other governments	46,569	-	-	27,517	74,086
Prepaid items	<u>26,386</u>	<u>69,795</u>	<u>-</u>	<u>-</u>	<u>96,181</u>
Total assets	<u>\$ 16,132,258</u>	<u>\$ 836,351</u>	<u>\$ 110,695</u>	<u>\$ 1,158,692</u>	<u>\$ 18,237,996</u>
Liabilities, Deferred Inflows, and Fund Balances					
Liabilities					
Accounts payable	\$ 173,492	\$ -	\$ 24,754	\$ 32,160	\$ 230,406
Accrued salaries and related payables	<u>619,087</u>	<u>-</u>	<u>-</u>	<u>5,994</u>	<u>625,081</u>
Total liabilities	<u>792,579</u>	<u>-</u>	<u>24,754</u>	<u>38,154</u>	<u>855,487</u>
Deferred inflows					
Property taxes levied for subsequent year	<u>9,450,759</u>	<u>677,937</u>	<u>-</u>	<u>280,994</u>	<u>10,409,690</u>
Total deferred inflows	<u>9,450,759</u>	<u>677,937</u>	<u>-</u>	<u>280,994</u>	<u>10,409,690</u>
Fund balances					
Prepaid items	26,386	69,795	-	-	96,181
Restricted					
Student transportation	-	-	-	514,250	514,250
Employee retirement	-	-	-	325,294	325,294
Debt service	-	88,619	-	-	88,619
Capital projects	-	-	85,941	-	85,941
Unrestricted					
Unassigned	<u>5,862,534</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,862,534</u>
Total fund balances	<u>5,888,920</u>	<u>158,414</u>	<u>85,941</u>	<u>839,544</u>	<u>6,972,819</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 16,132,258</u>	<u>\$ 836,351</u>	<u>\$ 110,695</u>	<u>\$ 1,158,692</u>	<u>\$ 18,237,996</u>

See accompanying notes to financial statements.

Roselle School District 12

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

Fund balances - governmental funds	\$ 6,972,819	
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The cost of the assets is \$22,229,812 and the accumulated depreciation is \$10,990,952.		11,238,860
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. Long-term liabilities consist of:		
Bonds payable	(3,910,000)	
Bond premiums	(208,848)	
Debt certificates	(7,720,000)	
Capital leases	(65,852)	
Net OPEB liability	(5,271,646)	
Net pension liability	<u>(383,681)</u>	(17,560,027)
Deferred inflows and outflows of resources related to pensions and other postemployment benefits are not reported in the governmental funds		
Deferred outflows related to refunding costs	613	
Deferred outflows related to pensions and OPEB	441,633	
Deferred inflows related to pensions and OPEB	<u>(1,872,938)</u>	<u>(1,430,692)</u>
Net position of governmental activities		<u><u>\$ (779,040)</u></u>

See accompanying notes to financial statements.

Roselle School District 12

Statement of Revenues, Expenditures and Changes In Fund Balances - Governmental Funds

<i>Year Ended June 30, 2021</i>	General Fund	Debt Service Funds	Capital Projects Fund	Nonmajor Funds	Total
Revenues					
Local sources	\$ 9,466,631	\$ 668,087	\$ -	\$ 527,604	\$ 10,662,322
State sources	3,089,928	-	-	110,678	3,200,606
Federal sources	<u>447,206</u>	<u>-</u>	<u>-</u>	<u>42,766</u>	<u>489,972</u>
Total revenues	<u>13,003,765</u>	<u>668,087</u>	<u>-</u>	<u>681,048</u>	<u>14,352,900</u>
Expenditures					
Current operating					
Instruction	7,830,928	-	-	90,715	7,921,643
Support services	3,156,333	-	61,530	470,691	3,688,554
Community services	12,723	-	-	-	12,723
Non-programmed charges	1,011,683	-	-	-	1,011,683
Debt service					
Principal	-	897,189	-	-	897,189
Interest and other	<u>-</u>	<u>452,678</u>	<u>-</u>	<u>-</u>	<u>452,678</u>
Total expenditures	<u>12,011,667</u>	<u>1,349,867</u>	<u>61,530</u>	<u>561,406</u>	<u>13,984,470</u>
Excess of revenues over (under) expenditures	<u>992,098</u>	<u>(681,780)</u>	<u>(61,530)</u>	<u>119,642</u>	<u>368,430</u>
Other financing sources					
Proceeds from capital lease	53,257	-	-	-	53,257
Transfers in	-	685,795	-	-	685,795
Transfers out	<u>(685,795)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(685,795)</u>
Total other financing sources	<u>(632,538)</u>	<u>685,795</u>	<u>-</u>	<u>-</u>	<u>53,257</u>
Net change in fund balances	359,560	4,015	(61,530)	119,642	421,687
Fund balances, beginning of year as originally stated	5,502,462	154,399	147,471	719,902	6,524,234
Prior period adjustment	<u>26,898</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,898</u>
Fund balances, beginning of year as restated	<u>5,529,360</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,529,360</u>
Fund balances, end of year	<u>\$ 5,888,920</u>	<u>\$ 158,414</u>	<u>\$ 85,941</u>	<u>\$ 839,544</u>	<u>\$ 6,972,819</u>

See accompanying notes to financial statements.

Roselle School District 12

Reconciliation of the Statement of Revenues, Expenditures and Changes In Fund Balances of Governmental Funds to the Statement of Activities

Net change in fund balances - governmental funds		\$	421,687
Capital outlay	\$	76,695	
Depreciation expense		<u>(771,933)</u>	
			(695,238)

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of the following:

Change in net pension liabilities	360,279	
Change in OPEB liabilities	340,899	
Change in deferred inflows/outflows related to pensions	(187,282)	
Change in deferred inflows/outflows related to OPEB	<u>(442,957)</u>	
		70,939

The governmental funds record bond and loan proceeds as other financing sources, while repayment of bond and loan principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of bonds and loans and related items is as follows:

Proceeds from capital lease	(53,257)	
Repayment of bond principal	505,000	
Repayment of debt certificates	345,000	
Repayment of capital leases	47,189	
Bond premium amortization	11,380	
Refunding charge amortization	<u>(5,153)</u>	
		<u>850,159</u>
Change in net position of governmental activities		\$ <u><u>647,547</u></u>

See accompanying notes to financial statements.

Roselle School District 12

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Roselle School District 12 (the "District") is governed by an elected Board of Education. The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements is described below.

The financial statements include:

- A Management's Discussion and Analysis (MD&A) providing an analysis of the District's overall financial position and results of operations.
- Financial statements prepared using the full-accrual basis of accounting for all the District's activities.
- Fund financial statements that focus on major funds.

Reporting Entity

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity is made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The definition of a component unit is a legally separate organization for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The District is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District. The District also may be financially accountable if an organization is fiscally dependent on the District, regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government or (3) a jointly appointed board. There are no component units, as defined by GASB, which are included in the District's reporting entity. Even though there are local governmental agencies, such as municipalities, libraries and park districts within the geographic area served by the District, these agencies have been excluded from the report because they are legally separate and the District is not financially accountable for them.

The District is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

Fund Accounting

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

Roselle School District 12

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

The following summarizes the fund types used by the District:

Governmental funds include the following fund types:

General Fund - The General Fund, which consists of the legally mandated Educational Account, Operations and Maintenance Account, Tort Immunity Account and Working Cash Account, is used to account for revenues and expenditures, which are used in providing education in the District. It is used to account for all financial resources except those accounted for in other funds.

Educational Account – This account is used for most of the instructional and administrative aspects of the District's operations as well as accounting for the costs of providing school lunch services to students. The revenue consists primarily of local property taxes, state government aid, student registration fees, and investment income.

Operations and Maintenance Account – This account is used for expenditures made for the operation, repair and maintenance of District property. Revenue in this fund consists primarily of local property taxes.

Working Cash Account – This account is used for financial resources held by the District to be used as loans for working capital requirements to any other fund for which taxes are levied. The Working Cash Account was established and has been used to respond to fluctuations in cash flows resulting from unpredictable property tax collections. The earnings of the fund are allowed to be transferred to another fund under Illinois Compiled Statutes. The principal of the fund, accumulated from bond issues, can be used as a source from which the District borrows money to support temporary deficiencies in other funds, or may be partially or fully transferred to the General Fund's Educational Account, upon Board approval.

Special Revenue Funds - Special revenue funds account for the proceeds of specific revenue sources (other than those related to debt service or capital projects) that are legally restricted to expenditures for specified purposes. The District's special revenue funds are the Transportation Fund and the Municipal Retirement/Social Security Fund.

Transportation Fund – This fund accounts for the revenue and expenditures relating to student transportation to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund – This fund accounts for the District's portion of the pension contributions to the Illinois Municipal Retirement Fund for noncertified employees and social security contributions for applicable certified and noncertified employees. Revenue to finance the contributions is derived primarily from local property taxes.

Roselle School District 12

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Debt Service Funds - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years should also be reported in debt service funds.

Debt Service Fund - The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. Since there are no legal requirements on bond indentures, which mandate that a separate fund be established for each bond issue, the District maintains one debt service fund for all bond issues.

Capital Projects Funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Capital Projects Fund – The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of all other major capital facilities.

The District reports the following funds as major governmental funds:

General Fund

Debt Service Fund (elected as major)

Capital Projects Fund (elected as major)

Roselle School District 12

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation

Government-Wide Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues instead.

Separate financial statements are provided for all governmental funds and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

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

Roselle School District 12

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Property taxes, certain state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time. Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant and accordingly, when such funds are received they are recorded as unearned revenues until earned.

In accordance with GASB Statement No. 24, on-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the state to the Teachers' Retirement System of the State of Illinois (TRS)) have been recognized in the government-wide financial statements.

Unearned Revenue and Deferred Outflows/Inflows of Resources

Deferred inflows of resources and unearned revenue arise when assets are recognized before revenue recognition criteria have been satisfied. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred inflows of resources. Property taxes for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations, have been recorded as deferred inflows of resources. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocation of costs, such as depreciation and amortization are not recognized in governmental funds.

Roselle School District 12

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Deposits and Investments

Under Illinois law, the District is restricted to investing funds in specific types of investment instruments. The following generally represents the types of instruments allowable by state law:

- Securities issued or guaranteed by the United States.
- Interest and non-interest bearing accounts of financial institutions insured by the Federal Deposit Insurance Corporation.
- Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500,000,000 rated in the three highest classifications by at least two rating agencies.
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- Illinois Funds. (A state sponsored investment pool.)
- Repurchase agreements that meet instrument transaction requirements of Illinois law.

Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2020 levy resolution was approved during the December 15, 2020 Board of Education meeting. The District's property tax is levied each year on all taxable real property located in the District, and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations: Individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

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

Roselle School District 12

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Property Tax Revenues (Continued)

Property taxes are collected by the County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments the following year: the first due on June 1 and the second due on September 1 for property located in DuPage County and March 1 and August 1 for Cook County. Property taxes are normally collected by the District within 60 days of the respective installment dates. Due to the allocation method used, individual fund rates for Cook County may exceed the statutory limits; however, the combined extension is limited to the statutory rate limits extended on the combined equalized assessed valuation.

The 2021 property tax levy is recognized as a receivable in fiscal year 2021. The District considers that the first and second installments of the 2021 levy is to be used to finance operations in fiscal year 2022 and has deferred the corresponding receivable and collections.

Personal Property Replacement Taxes

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

Capital Assets

Capital assets, which include land, buildings, buildings improvements, vehicles, equipment, and construction in progress are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$2,000 for furniture and equipment and \$20,000 for buildings and improvements and an estimated life of two years or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized. Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

	Years
Buildings	40 years
Land improvements	20 years
Equipment and vehicles	5-15 years

Roselle School District 12

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Compensated Absences

Employees who work a twelve-month year are entitled to be compensated for vacation time. Noncertified employees must use their accrued vacation time by June 30 of the year after it was earned. Administrative employees may carry over unused vacation days for use through September 1 of the subsequent agreement year, at which no more time than five (5) of these unused vacation days may be carried over for the duration of the subsequent agreement year. The entire liability for unused compensated absences is reported in the government-wide financial statements.

For governmental funds, the current portion of the compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the fund from which the employees who have accumulated vacation leave are paid.

All certified employees receive a specified number of sick days per year depending on their years of service, in accordance with the agreement between the Board of Education and the Education Association. Unused sick leave days accumulate with no limit on the maximum number of days that may be accrued. Upon retirement, if certain conditions are met, the employee may be compensated for unused sick days.

For teachers who submitted notice of intent to retire prior to July 1, 2016, the District will pay the teacher \$25 per day for the accrued, unused in-District sick days not used for TRS service credit. This payment will be post-retirement and not included in TRS-creditable earnings.

For teachers who submitted notice of intent to retire after July 1, 2016, within sixty (60) days after a teacher's retirement date or by September 1, whichever is later, the District will pay the teacher a lump sum payment in the amount determined by the "Post-Retirement Payout Formula". In no case will this gross sum payment exceed the total amount of the retirement incentive described above. This payment will be post-retirement and not included in TRS-creditable earnings.

Also upon retirement, a certified employee may apply up to 340 days of unused sick leave towards service credit for TRS.

Due to the nature of the policies on sick leave, and the fact that any liability is contingent upon future events and cannot be reasonably estimated, no liability is provided in the financial statements for accumulated sick leave.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are reported as prepaid items in both the government-wide and fund financial statements. Prepaid items are accounted for using the consumption method. They are recognized as an expenditure as they are used.

Roselle School District 12

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types 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.

Net Position

For government-wide reporting, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components; net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows of resources and deferred outflows of resources attributable to capital assets and related debts.

At June 30, 2021, the District had the following net investment in capital assets:

Capital assets, net of accumulated depreciation	\$ 11,238,860
Unamortized premium	(208,848)
Outstanding balances of debt attributable to capital assets	(7,785,852)
Deferred outflows of resources on bond refunding	<u>613</u>
Net investment in capital assets	<u>\$ 3,244,773</u>

Restricted net position consists of restricted assets and deferred outflows of resources reduced by the liabilities and deferred inflows of resources related to those assets and deferred outflows of resources, with restriction constraints placed on their use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, and deferred inflows of resources that does not meet the definition of the two preceding categories.

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

Roselle School District 12

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Pensions

For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Teachers' Retirement System of the State of Illinois (TRS), the Illinois Municipal Retirement Fund (IMRF), the Teachers' Health Insurance Security Fund (THIS) and the Post-Retirement Health Plan, together "the Plans," and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Comparative Data

Comparative totals for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations.

Eliminations and Reclassifications

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

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Fund Balance Classifications

According to governmental accounting standards, fund balances are to be classified into five major classifications; nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

Non-spendable: The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

Roselle School District 12

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balance Classifications (Continued)

Restricted: The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity, including restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Fund balances of special revenue funds are by definition restricted for those specified purposes. The District has several revenue sources received within different funds that also fall into these categories:

State and federal grants

Proceeds from state and federal grants and the related expenditures have been included in the General Fund and various special revenue funds. At June 30, 2021, expenditures exceeded revenue from state and federal grants, resulting in no restricted balances.

Capital projects funds

Expenditures and the related revenues received are accounted for in the Capital Projects Fund and Fire Prevention and Safety Fund. All equity within these funds is restricted for the associated capital expenditures within these funds.

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

Assigned: The assigned fund balance classification refers to the amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned: The unassigned fund balance classification is the residual classification for amounts in the general operating funds for amounts that have not been restricted, committed, or assigned to specific purposes within the general operating funds.

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

Roselle School District 12

Notes to Financial Statements

Note 2: Deposit and Investments

Custodial Credit Risk – Deposits

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.

At June 30, 2021, the carrying amount of the District's deposits and investments which include both cash and certificates of deposit totaled \$5,393,264 and the bank balances totaled \$5,413,608. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2021, \$390,386 was uncollateralized.

As of June 30, 2021, the District had the following fair values and investment maturities:

	Fair Value	Investment Maturities (in Years)			Percent of Portfolio	Applicable Agency Rating
		Less than 1	1 - 5	6 - 10		
Illinois School District Liquid Asset Fund (ISDLAF)	\$ <u>7,354,234</u>	\$ <u>7,354,234</u>	\$ _____ -	\$ _____ -	<u>100.0 %</u>	AAAm
Total investments	\$ <u><u>7,354,234</u></u>	\$ <u><u>7,354,234</u></u>	\$ _____ -	\$ _____ -	<u><u>100.0 %</u></u>	

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an investment pool created and regulated by the Illinois General Assembly. The fair value of the District's investment in ISDLAF+ has been determined using the net asset value (NAV) per share (or its equivalent) of the investments. The NAV of the Liquid Class and MAX Class are determined as of the close of business on each Illinois banking day. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shares may be redeemed with seven days' advance notice. There were no known restrictions on redemption of the District's investments as of June 30, 2021.

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

Credit Risk. The District's investments are rated, as shown above, by the applicable rating agency.

Concentration of Credit Risk. The District places no limit on the amount the District may invest with any one issuer. More than 5 percent of the District's investments are concentrated in specific individual investments. The above table indicates the percentage of each investment to the total investments of the District.

Custodial Credit Risk. With respect to investments, custodial credit risk is the risk that, in the event of failure of the counterparty, the government will not be able to recover the value of its investment or collateral securities that

Roselle School District 12

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

are in possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring that all investments be secured by private insurance or collateral.

Foreign Currency Risk. The District held no foreign investments during the fiscal year.

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

Occasionally certain funds participating in the common bank accounts will incur overdrafts (deficits) in the account. The overdrafts result from expenditures that have been approved by the Board of Education.

Note 3: Capital Assets

Governmental activities capital asset balances and activity for the year ended June 30, 2021, were as follows:

Governmental Activities	Balance 6/30/2020	Increases	Decreases	Balance 6/30/2021
Capital assets, not being depreciated:				
Land	\$ 105,279	\$ -	\$ -	\$ 105,279
Total capital assets, not being depreciated	<u>105,279</u>	<u>-</u>	<u>-</u>	<u>105,279</u>
Capital assets, being depreciated:				
Land improvements	112,168	-	-	112,168
Buildings	19,535,289	-	-	19,535,289
Equipment	<u>2,400,381</u>	<u>76,695</u>	<u>-</u>	<u>2,477,076</u>
Total capital assets, being depreciated	<u>22,047,838</u>	<u>76,695</u>	<u>-</u>	<u>22,124,533</u>
Accumulated depreciation:				
Land improvements	(101,821)	(1,841)	-	(103,662)
Buildings	(8,248,432)	(614,559)	-	(8,862,991)
Equipment	<u>(1,868,766)</u>	<u>(155,533)</u>	<u>-</u>	<u>(2,024,299)</u>
Total accumulated depreciation	<u>(10,219,019)</u>	<u>(771,933)</u>	<u>-</u>	<u>(10,990,952)</u>
Total capital assets, being depreciated, net	<u>11,828,819</u>	<u>(695,238)</u>	<u>-</u>	<u>11,133,581</u>
Governmental activities capital assets, net	<u>\$ 11,934,098</u>	<u>\$ (695,238)</u>	<u>\$ -</u>	<u>\$ 11,238,860</u>

Roselle School District 12

Notes to Financial Statements

Note 3: Capital Assets (Continued)

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

<i>Instructional Services</i>		
Regular programs	\$	523,910
Special programs		78,583
<i>Supporting Services</i>		
Instructional staff		127,215
School administration		23,930
Business		13,200
Operations and maintenance		<u>5,095</u>
	\$	<u><u>771,933</u></u>

Note 4: Long-Term Debt

Long-term debt consisted of the following at June 30, 2021:

	Balance 6/30/2020	Additions	Reductions/ Payments	Balance 6/30/2021	Amounts due Within One Year
General obligation bonds payable					
Series dated June 28, 2012	\$ 560,000	\$ -	\$ 505,000	\$ 55,000	\$ 55,000
Series dated June 3, 2015	<u>3,855,000</u>	<u>-</u>	<u>-</u>	<u>3,855,000</u>	<u>480,000</u>
Total general obligations bonds payable	4,415,000	-	505,000	3,910,000	535,000
Unamortized premium	220,228	-	11,380	208,848	-
Debt certificates dated December 4, 2017	8,065,000	-	345,000	7,720,000	360,000
Capital leases	59,784	53,257	47,189	65,852	45,481
Net Pension Liability -TRS	499,937	16,713	-	516,650	-
Net Pension Liability (Asset) - IMRF	244,023	-	376,992	(132,969)	-
Net other post employment benefit liability - THIS	5,567,828	-	340,703	5,227,125	-
Net other post employment benefit liability - Retiree Health Plan	<u>44,717</u>	<u>-</u>	<u>196</u>	<u>44,521</u>	<u>-</u>
Total long-term debt	<u>\$ 19,116,517</u>	<u>\$ 69,970</u>	<u>\$ 1,626,460</u>	<u>\$ 17,560,027</u>	<u>\$ 940,481</u>

Roselle School District 12

Notes to Financial Statements

Note 4: Long-Term Debt (Continued)

Long-term debt at June 30, 2021 is comprised of the following:

General Obligation Bonds

June 28, 2012, Taxable General Obligation School Bonds, Series 2012 in the original amount of \$2,380,000, due in installments varying from \$55,000 to \$505,000 through 2022, interest rates from 2.00% to 3.75% per annum.

June 3, 2015, Taxable General Obligation Limited Tax Bonds, Series 2015 in the original amount of \$3,855,000, due in installments varying from \$270,000 to \$685,000 through 2028, interest rates from 3.00% to 4.10% per annum.

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

Fiscal Year	Principal	Interest	Total
2022	\$ 535,000	\$ 131,359	\$ 666,359
2023	560,000	114,168	674,168
2024	590,000	95,177	685,177
2025	620,000	73,988	693,988
2026	650,000	50,478	700,478
2027 - 2029	<u>955,000</u>	<u>30,134</u>	<u>985,134</u>
Total	<u>\$ 3,910,000</u>	<u>\$ 495,304</u>	<u>\$ 4,405,304</u>

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2021, the statutory debt limit for the District was \$20,885,283, providing a debt margin of \$3,347,912 after taking into account amounts available in the Debt Service Fund.

Debt Certificates

December 4, 2017, Debt Certificates in the original amount of \$8,720,000, due in installments varying from \$320,000 to \$615,000 through 2037, interest rate from 2.70% to 4.00% per annum.

Roselle School District 12

Notes to Financial Statements

Note 4: Long-Term Debt (Continued)

At June 30, 2021, the annual debt service requirements to maturity for debt certificates were as follows for governmental activities:

Fiscal Year	Principal	Interest	Total
2022	\$ 360,000	\$ 277,688	\$ 637,688
2023	375,000	263,287	638,287
2024	390,000	248,288	638,288
2025	405,000	232,688	637,688
2026	420,000	216,488	3,187,037
2027 - 2031	2,365,000	820,738	3,185,738
2032 - 2036	2,790,000	395,650	3,185,650
2037	<u>615,000</u>	<u>21,523</u>	<u>636,523</u>
Total	<u>\$ 7,720,000</u>	<u>\$ 2,476,350</u>	<u>\$ 10,196,350</u>

Capital leases

The District has entered into lease agreements as lessee for financing the acquisition of copiers. The lease agreements qualify as capital leases for accounting purposes and therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. At June 30, 2021, \$134,621 of amounts included in capital assets – equipment were acquired via capital leases. The net book value of the assets was \$57,214 at June 30, 2021. The obligations for the capital leases will be repaid from transfers from the Educational Fund in the Debt Service Fund. The future minimum lease obligations as of June 30, 2021 are as follows:

Fiscal Year	Principal	Interest	Total
2022	\$ 45,255	\$ 4,053	\$ 49,308
2023	<u>20,597</u>	<u>1,104</u>	<u>21,701</u>
Total	<u>\$ 65,852</u>	<u>\$ 5,157</u>	<u>\$ 71,009</u>

Roselle School District 12

Notes to Financial Statements

Note 5: Employee Retirement Systems

The retirement plans of the District include the Teachers' Retirement System of the State of IL (TRS) and the IL Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the District. IMRF is funded through property taxes and a perpetual lien of the District's corporate personal property replacement tax. Each retirement system is discussed below.

a. Teachers' Retirement System of the State of Illinois (TRS)

Plan Description

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

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/cafrs/fy2020>; by writing to TRS at 2815 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 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

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

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

Roselle School District 12

Notes to Financial Statements

Note 5: Employee Retirement Systems (Continued)

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring Tier 1 members to receive a partial lump-sum in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2020, was 9.0% 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, 2021, State of IL contributions recognized by the District were based on the State's proportionate share of the pension expense associated with the District, and the District recognized revenue and expenditures of \$4,309,729 in the governmental activities based on the economic resources measurement focus and \$2,364,619 in the General Fund based on the current financial resources measurement focus.

2.2 formula contributions. The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2021 were \$31,470, and are deferred because they were paid after the June 30, 2021 measurement date.

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

Roselle School District 12

Notes to Financial Statements

Note 5: Employee Retirement Systems (Continued)

For the year ended June 30, 2021, the employer pension contribution was 10.41% of salaries paid from federal and special trust funds. For the year ended June 30, 2021, no salaries were paid from the federal and special trust funds that required employer contributions.

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2021, the District did not make any payments for salary over 6%, salary increases over 3%, or excess sick leave contributions.

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

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

District's proportionate share of the net pension liability	\$ 516,650
State's proportionate share of the net pension liability associated with the District	<u>40,466,693</u>
Total	<u>\$ 40,983,343</u>

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 and rolled forward to June 30, 2021. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2021, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2021, the employer's proportion was 0.000599%, which was a decrease of 0.000017% from its proportion measured as of June 30, 2019.

Roselle School District 12

Notes to Financial Statements

Note 5: Employee Retirement Systems (Continued)

For the year ended June 30, 2021, the employer recognized pension expense of \$4,309,729 and revenue of \$4,309,729 for support provided by the state. At June 30, 2021, the District had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 5,007	\$ 138
Changes in assumptions	2,117	5,421
Net difference between projected and actual earnings in pension plan investments	15,426	-
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>-</u>	<u>139,016</u>
Total deferred amounts to be recognized in pension expense in future periods	22,550	144,575
District's contributions subsequent to the measurement date	<u>31,470</u>	<u>-</u>
Total	\$ <u>54,020</u>	\$ <u>144,575</u>

\$31,470 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in these reporting years:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2022	\$ (60,214)
2023	(41,742)
2024	(18,687)
2025	(315)
2026	<u>(1,067)</u>
Total	\$ <u>(122,025)</u>

Roselle School District 12

Notes to Financial Statements

Note 5: Employee Retirement Systems (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	varies by amount of service credit
Investment rate of return	7.00% net of pension plan investment expense, including inflation

In the June 30, 2020 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for the TRS experience. The rates are based on a fully-generational basis using projection table MP-2017. In the June 30, 2019 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2014.

The long-term (20-year) expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	16.5 %	6.1 %
U.S. equities small/mid cap	2.3 %	7.2 %
International equities developed	12.2 %	7.0 %
Emerging market equities	3.0 %	9.4 %
U.S. bonds core	7.0 %	2.2 %
U.S. bonds high yield	2.5 %	4.1 %
International debt developed	3.1 %	1.5 %
Emerging international debt	3.2 %	4.5 %
Real estate	16.0 %	5.7 %
Private Debt	5.2 %	6.3 %
Hedge funds (absolute return)	10.0 %	4.3 %
Private Equity	15.0 %	10.5 %
Infrastructure	4.0 %	6.2 %
Total	<u>100.0 %</u>	

Roselle School District 12

Notes to Financial Statements

Note 5: Employee Retirement Systems (Continued)

Discount Rate

At June 30, 2021, the discount rate used to measure the total pension liability was 7.0%, which was the same as the June 30, 2019 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2021 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ <u>627,119</u>	\$ <u>516,650</u>	\$ <u>425,702</u>

Detailed information about the TRS's fiduciary net position as of June 30, 2021 is available in the separately issued TRS Comprehensive Annual Financial Report.

b. Illinois Municipal Retirement Fund (IMRF)

Plan Description and Benefits

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

Roselle School District 12

Notes to Financial Statements

Note 5: Employee Retirement Systems (Continued)

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

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

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

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

Employees Covered by the Benefit Terms - At the December 31, 2021 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	63
Inactive employees entitled to but not yet receiving benefits	37
Active employees	<u>15</u>
Total	<u><u>115</u></u>

Contributions - As set by statute, the employer'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 employer's annual contribution rate for calendar year 2021 was 13.67%. For the fiscal year ended June 30, 2021, the employer contributed \$63,579 to the plan. The employer 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.

Roselle School District 12

Notes to Financial Statements

Note 5: Employee Retirement Systems (Continued)

Net Pension Liability - The employer's Net Pension Liability was measured as of December 31, 2021, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

Actuarial assumptions – The following are the methods and assumptions used to determine total pension liability at December 31, 2021:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
Other information: Notes	There were no benefit changes during the year.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2021:

Roselle School District 12

Notes to Financial Statements

Note 5: Employee Retirement Systems (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	37.0 %	5.00 %
International equities	18.0 %	6.00 %
Fixed income	28.0 %	1.30 %
Real estate	9.0 %	6.20 %
Alternatives	7.0 %	2.85-6.95 %
Cash	<u>1.0 %</u>	0.70 %
Total	<u><u>100.0 %</u></u>	

Single Discount Rate

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

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
1. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.00%, and the resulting single discount rate is 7.25%.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate - The following presents the plan's net pension liability, calculated using the single discount rate of 7.25 percent, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability/(asset)	\$ <u>372,449</u>	\$ <u>(132,969)</u>	\$ <u>(563,100)</u>

Roselle School District 12

Notes to Financial Statements

Note 5: Employee Retirement Systems (Continued)

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 5,104,805	\$ 4,860,782	\$ 244,023
Changes for the year:			
Service cost	66,573	-	66,573
Interest on the total pension liability	360,250	-	360,250
Differences between expected and actual experience of the total pension liability	91,807	-	91,807
Changes of assumptions	(34,378)	-	(34,378)
Contributions - employer	-	71,660	(71,660)
Contributions - employees	-	26,203	(26,203)
Net investment income	-	719,316	(719,316)
Benefit payments, including refunds of employee contributions	(338,242)	(338,242)	-
Other (net transfer)	-	44,065	(44,065)
Net changes	146,010	523,002	(376,992)
Balances at December 31, 2020	\$ 5,250,815	\$ 5,383,784	\$ (132,969)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions -
For year ended June 30, 2021, the District recognized pension income of \$55,212. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources which are not reported due to the financial reporting provisions of the Illinois State Board of Education.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 14,910	\$ -
Changes in assumptions	-	5,583
Net difference between projected and actual earnings on pension plan investments	-	438,332
Total deferred amounts to be recognized in pension expense in future periods	14,910	443,915
District's contributions subsequent to the measurement date	30,594	-
Total	\$ 45,504	\$ 443,915

Roselle School District 12

Notes to Financial Statements

Note 5: Employee Retirement Systems (Continued)

\$30,594 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Net Deferred Outflows (Inflows) of Resources
2021	\$ (130,530)
2022	(46,142)
2023	(177,527)
2024	<u>(74,806)</u>
Total	<u>\$ (429,005)</u>

Aggregate Pension Amounts - At June 30, 2021, the District reported the following from all pension plans:

	TRS	IMRF	Total
Net pension liability/(asset)	\$ 516,650	\$ (132,969)	\$ 383,681
Deferred outflows of resources	54,020	45,504	99,524
Deferred inflows of resources	144,575	443,915	588,490

Note 6: Other Postemployment Benefits

a. Teacher Health Insurance Security (THIS)

Plan Description. The District participates in the THIS. The THIS is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan (OPEB) that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. THIS members are retirees of public schools who were certified educators or administrators. Eligibility is currently limited to former full-time employees, and others who were not full-time employees that meet certain requirements, and their dependents. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5) (SEGIA) establishes the eligibility and benefit provisions of the plan.

The THIS issues a publicly available financial report that can be obtained at the website of the Illinois Auditor General: <https://www.auditor.illinois.gov/Audit-Report/ABC-List.asp>. The current reports are listed under "Central Management Services"; prior reports are available under "Healthcare and Family Services".

Roselle School District 12

Notes to Financial Statements

Note 6: Other Postemployment Benefits (Continued)

Benefits Provided

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 were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage Plans.

Amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS.

Contributions

The SEGIA requires that all active contributors to 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 0.92% of each teacher's salary. Additionally, the SEGIA requires the State to match the employees' contribution on-behalf of the employer. 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 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 SEGIA requires that the Department's Director determine the rates and premiums of annuitants and dependent beneficiaries and establish the cost-sharing parameters, as well as funding. Member premiums are set by this statute, which provides for a subsidy of either 50% or 75%, depending upon member benefit choices. Dependents are eligible for coverage, at a rate of 100% of the cost of coverage.

On-behalf contributions to THIS. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.24% of pay during the year ended June 30, 2021. In the government-wide financial statements, the State of Illinois contributions also include a proportional allocation of the State's OPEB expense (based on the portion of the District's share of the expense compared to all School Districts in aggregate). For the year ended June 30, 2021, the District recognized revenue and expenses of \$197,377 in the governmental activities based on the economic resources measurement focus and revenues and expenditures in the amount of \$67,280 in the General Fund based on the current financial resources measurement focus for the State of Illinois contributions on behalf of the District.

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.92% during the year ended June 30, 2021. For the year ended June 30, 2021, the District paid \$49,917 to the THIS Fund, which was 100 percent of the required contribution.

Roselle School District 12

Notes to Financial Statements

Note 6: Other Postemployment Benefits (Continued)

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

At June 30, 2021, the District's reported a liability for its proportionate share of the net OPEB liability. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

	2021
District's proportionate share of the net OPEB liability	\$ 5,227,125
State's proportionate share of the net OPEB liability associated with the District	<u>7,081,331</u>
Total	<u>\$ 12,308,456</u>

The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2021. The District's proportion of the net OPEB liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2021, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2021, the District's proportion was 0.019551%, which was a decrease of 0.000566% from its proportion measured as of June 30, 2019.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 138,879
Changes in assumptions	1,770	862,208
Net difference between projected and actual earnings in OPEB plan investments	-	149
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>283,912</u>	<u>283,069</u>
Total deferred amounts to be recognized in OPEB expense in future periods	285,682	1,284,305
District's contributions subsequent to the measurement date	<u>49,917</u>	<u>-</u>
Total	<u>\$ 335,599</u>	<u>\$ 1,284,305</u>

Roselle School District 12

Notes to Financial Statements

Note 6: Other Postemployment Benefits (Continued)

\$49,917 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2022	\$ (205,274)
2023	(205,260)
2024	(205,231)
2025	(141,782)
2026	(71,011)
Thereafter	<u>(170,065)</u>
Total	\$ <u><u>(998,623)</u></u>

Actuarial Valuation Method

The actuarial valuation was based on the Entry Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of future salary at entry age. The normal cost at the member's attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability equals the present value of benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age.

Actuarial Assumptions.

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified:

Inflation	2.50%
Salary increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption
Investment rate of return	0.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Trend for fiscal year 2020 based on expected increases used to develop average costs. For fiscal year 2020, trend starts at 8.25% for non-Medicare costs and Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate adjustment due to the repeal of Excise Tax.

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant

Roselle School District 12

Notes to Financial Statements

Note 6: Other Postemployment Benefits (Continued)

Mortality Table, adjusted for TRS experience. For disabled annuitants mortality rates were based on the RP-Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

Discount Rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since the THIS is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 3.13% as of June 30, 2019, and 2.45% as of June 30, 2021. The decrease in the single discount rate from 3.13% to 2.45% caused the total OPEB liability to increase by approximately \$3,012.000 million from 2019 to 2021.

Sensitivity of the Employer's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rate

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 2.45%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.45%) or 1-percentage-point higher (3.45%) than the current rate:

	1% Decrease 1.45%	Current Discount Rate 2.45%	1% Increase 3.45%
District's proportionate share of the net OPEB liability	\$ <u>6,282,264</u>	\$ <u>5,227,125</u>	\$ <u>4,391,189</u>

The following presents the District's proportionate share of the net OPEB liability would be if it were calculated using the healthcare cost trend rate, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate. They key trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037:

Roselle School District 12

Notes to Financial Statements

Note 6: Other Postemployment Benefits (Continued)

	1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
District's proportionate share of the net OPEB liability	\$ <u>4,204,201</u>	\$ <u>5,227,125</u>	\$ <u>6,609,926</u>

- a) One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate trend rate of 3.25% in 2037.
- b) One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.

b. Retiree Health Plan

Plan Description:

The District administers a single-employer defined benefit healthcare plan (the "Retiree Health Plan"). The plan provides healthcare insurance for eligible retirees and their dependents through the District's group health insurance plan, which covers both active and retired members. Benefit provisions are established by state law and through negotiations between the District and the unions representing District employees, which are renegotiated each bargaining period. As of June 30, 2021, all retirees are eligible for benefits pre-and post-Medicare. The plan does not issue a stand-alone financial report.

Eligibility

Employees must satisfy the eligibility requirements of the Illinois Municipal Retirement Fund.

Regular Plan Tier 1 (Enrolled in IMRF prior to January 1, 2011)

- At least 55 years old and at least 8 years of credited service (reduced pension)
- At least 60 years old and at least 8 years of credited service (full pension)

Regular Plan Tier 2 (Enrolled in IMRF on or After January 1, 2011)

- At least 62 years old and at least 10 years of credited service (reduced pension)
- At least 67 years old and at least 10 years of credited service (full pension)

Roselle School District 12

Notes to Financial Statements

Note 6: Other Postemployment Benefits (Continued)

Employees Covered by Benefit Terms

As of June 30, 2021, the following employees were covered by the benefit terms:

Active	20
Inactive currently receiving benefit payments	<u>-</u>
Total	<u><u>20</u></u>

Contributions

Contribution requirements are established through contractual agreements and may only be amended through negotiations with the Board. IMRF retirees that elect to continue their health care coverage are responsible for paying the full monthly premium.

Net OPEB Liability

The District's Net OPEB Liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020.

Actuarial Assumptions

The following are the methods and assumptions used to determine the total OPEB liability at June 30, 2021:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Actuarial cost method	Entry age normal
Discount rate	2.18%
Inflation rate	3.00%
Salary rate increase	4.00%
Funded ratio	0.00%
Covered payroll	Not available
Net OPEB liability as a ratio of covered payroll	8.45%

Roselle School District 12

Notes to Financial Statements

Note 6: Other Postemployment Benefits (Continued)

Changes in Total OPEB Liability

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
Balances at June 30, 2021	\$ 44,717	\$ -	\$ 44,717
Changes for the year:			
Service cost	3,055	-	3,055
Interest on the total OPEB liability	1,124	-	1,124
Changes of benefit terms	-	-	-
Changes of assumptions and other inputs	561	-	561
Contributions - employer	-	-	-
Contributions - active & inactive employees	-	-	-
Net investment income	-	-	-
Benefit payments - includes the implicit rate subsidy	(4,936)	-	(4,936)
Net changes	(196)	-	(196)
Balances at June 30, 2021	\$ 44,521	\$ -	\$ 44,521

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rate

The following presents the District's total OPEB liability calculated using the discount rate of 2.18%, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.18%) or 1-percentage-point higher (3.18%) than the current rate:

	1% Decrease (1.18%)	Current Discount Rate (2.18%)	1% Increase (3.18%)
Total OPEB liability	\$ 43,332	\$ 44,521	\$ 45,744

The following present the District's total OPEB liability calculated using the healthcare cost trend rate, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Roselle School District 12

Notes to Financial Statements

Note 6: Other Postemployment Benefits (Continued)

	1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
Total OPEB liability	\$ <u>46,131</u>	\$ <u>44,521</u>	\$ <u>42,976</u>

(a) One percentage point decrease in healthcare trend rates are 4.50% in 2021 decreasing to an ultimate trend rate of 3.50% in 2035 for the PPO plan and HMO plan, 1.00% for all years for the dental plan and 4.00% for all years for the TRIP plan.

(b) One percentage point increase in healthcare trend rates are 6.50% in 2021 increasing to an ultimate trend rate of 5.50% in 2035 for the PPO plan and the HMO plan, 3.00% for all years for the dental plan and 6.00% for all years for the TRIP plan.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the District recognized OPEB expense of \$5,683. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 5,059	\$ -
Changes in assumptions	<u>1,451</u>	<u>143</u>
Total	\$ <u>6,510</u>	\$ <u>143</u>

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

Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
2022	\$ 1,829
2023	1,693
2024	1,714
2025	1,109
2026	<u>22</u>
Total	\$ <u>6,367</u>

Roselle School District 12

Notes to Financial Statements

Note 7: Risk Management

The District has purchased insurance coverage through risk pools (see notes 8, 9, and 10). Risks covered include general liability, workers compensation and other. Premiums have been displayed as expenditures in the appropriate funds. No material decreases in insurance coverages have occurred nor have any insurance claims in excess of insurance coverages been paid or reported during the last three fiscal years.

Note 8: Illinois County Risk Management Trust (ICRMT)

The District is a member of ICRMT, which has been formed to reduce local governments' workers' compensation costs. ICRMT is controlled by a Board of Directors which is composed of representatives designated by each county member of the pool. The day-to-day operations of ICRMT are managed by Insurance Program Managers Group, LLC (IPMG). Each member has a financial responsibility for annual membership contributions, which are calculated to provide for administrative expenses, specific and aggregate excess insurance coverage, and the funding of a portion of anticipated losses and loss adjustment expenses which will be borne directly by the membership. The losses and loss adjustment expenses to be borne by the membership are those which must be incurred prior to the attachment of excess insurance coverage. Complete financial statements for ICRMT can be obtained from the District.

Note 9: Suburban School Cooperative Insurance Pool (SSCIP)

The District is a member of SSCIP, a voluntary cooperative consisting of Illinois public school districts and joint agreements. SSCIP's purpose is to manage and fund first-party property losses and third-party liability claims of its members. Each member district has a financial responsibility to make annual contributions based on property values, student enrollment, personnel employed, past loss history, and vehicles owned.

Complete financial statements of SSCIP are available from its accountant at 2850 Golf Road, Rolling Meadows, IL 60008.

Note 10: Risk Pool - Educational Benefit Cooperative (EBC)

The District is a member of EBC, which was formed in 1984 as a voluntary cooperative agency of Illinois Public School Districts and Joint Agreements. The purpose of EBC is to administer some or all of the employee benefit programs offered by the member districts to their employees and employees' dependents. EBC administers the payment of claims that arise under the benefit programs offered by each member district. Additionally, EBC offers to its members, group life insurance coverage obtained through an outside insurance company. Monthly medical and dental contributions are estimated by the plan's administrator in advance of each membership year based upon each district's plan of coverage, estimated enrollment, estimated claim costs and service fees.

Complete financial statements for EBC can be obtained from its treasurer at 2850 Gold Road, Rolling Meadows, IL, 60008.

Roselle School District 12

Notes to Financial Statements

Note 11: Joint Venture - North DuPage Special Education Cooperative (NDSEC)

The District and seven other districts within DuPage County 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 special assessments as established by the policy board.

Complete financial statements for NDSEC can be obtained from its treasurer at 132 E. Pine Avenue, Roselle, IL 60172.

Note 12: State and Federal Aid Contingencies

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

Note 13: Interfund Transfers

The District made transfers as follows during the year ending June 30, 2021:

Transfer From	Transfer To	Amount
General Fund - Educational Account	Debt Service Fund	\$ 49,307
General Fund - Operations and Maintenance	Debt Service Fund	<u>636,488</u>
	Total Transfers	<u>\$ 685,795</u>

Transfers from the General Fund's Educational Account to the Debt Service Fund were made to provide funds for debt service payments on capital leases. Transfers from the General Fund's Operations and Maintenance Account to the Debt Service Fund were made to provide funds for debt service payments on general obligation debt certificates.

Note 14: Due From Other Governmental Units

Due from other governmental units is comprised of the following as of June 30, 2021:

	State Aid	CPPRT	Total
General fund	\$ 8,827	\$ 37,742	\$ 46,569
Transportation fund	<u>27,517</u>	<u>-</u>	<u>27,517</u>
Total	<u>\$ 36,344</u>	<u>\$ 37,742</u>	<u>\$ 74,086</u>

Roselle School District 12
Notes to Financial Statements

Note 15: Prior Year Restatement

As a result of the implementation of GASB Statement No. 84, the governmental activities beginning net position was restated as follows:

<i>Year Ended June 30, 2021</i>	General Fund - Educational Account
To implement GASB Statement No. 84	\$ <u>26,898</u>
Total	\$ <u><u>26,898</u></u>

Roselle School District 12

Schedule of Changes in the Employer's Net Pension Liability and Related Ratios

Illinois Municipal Retirement Fund

Last Seven Calendar Years

	2020	2019	2018	2017
Total Pension Liability				
Service cost	\$ 66,573	\$ 64,224	\$ 60,665	\$ 85,809
Interest	360,250	343,960	352,052	357,128
Differences between expected and actual experience	91,807	132,844	(190,529)	(41,806)
Changes of assumption	(34,378)	-	114,635	(152,177)
Benefit payments, including refunds of member contributions	<u>(338,242)</u>	<u>(296,772)</u>	<u>(279,930)</u>	<u>(328,199)</u>
Net change in total pension liability	146,010	244,256	56,893	(79,245)
Total pension liability, beginning	<u>5,104,805</u>	<u>4,860,549</u>	<u>4,803,656</u>	<u>4,882,901</u>
Total pension liability, ending	<u>\$ 5,250,815</u>	<u>\$ 5,104,805</u>	<u>\$ 4,860,549</u>	<u>\$ 4,803,656</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 71,660	\$ 55,916	\$ 68,870	\$ 71,919
Contributions - member	26,203	28,343	45,753	28,046
Net investment income	719,316	811,948	(307,054)	782,953
Benefit payments, including refunds of member contributions	(338,242)	(296,772)	(279,930)	(328,199)
Other (net transfer)	<u>44,065</u>	<u>80,064</u>	<u>(187,877)</u>	<u>(38,119)</u>
Net change in plan fiduciary net position	523,002	679,499	(660,238)	516,600
Plan net position, beginning	<u>4,860,782</u>	<u>4,181,283</u>	<u>4,841,521</u>	<u>4,324,921</u>
Plan net position, ending	<u>\$ 5,383,784</u>	<u>\$ 4,860,782</u>	<u>\$ 4,181,283</u>	<u>\$ 4,841,521</u>
Employer's net pension liability	<u>\$ (132,969)</u>	<u>\$ 244,023</u>	<u>\$ 679,266</u>	<u>\$ (37,865)</u>
Plan fiduciary net position as a percentage of the total pension liability	102.53 %	95.22 %	86.02 %	100.79 %
Covered payroll	\$ 524,214	\$ 556,376	\$ 559,459	\$ 559,253
Employer's net pension liability as a percentage of covered payroll	(25.37)%	43.86 %	121.41 %	(6.77)%

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

2016	2015	2014
\$ 82,351	\$ 79,444	\$ 78,952
344,496	333,466	303,971
15,610	(23,254)	16,377
(51,994)	20,276	247,689
<u>(243,486)</u>	<u>(232,724)</u>	<u>(203,497)</u>
146,977	177,208	443,492
<u>4,735,924</u>	<u>4,558,716</u>	<u>4,115,224</u>
<u>\$ 4,882,901</u>	<u>\$ 4,735,924</u>	<u>\$ 4,558,716</u>
\$ 94,321	\$ 81,862	\$ 76,640
38,453	28,696	28,338
279,719	20,544	242,934
(243,486)	(232,724)	(203,497)
<u>31,777</u>	<u>55,867</u>	<u>(6,307)</u>
200,784	(45,755)	138,108
<u>4,124,137</u>	<u>4,169,892</u>	<u>4,031,784</u>
<u>\$ 4,324,921</u>	<u>\$ 4,124,137</u>	<u>\$ 4,169,892</u>
<u>\$ 557,980</u>	<u>\$ 611,787</u>	<u>\$ 388,824</u>
88.57 %	87.08 %	91.47 %
\$ 673,725	\$ 628,268	\$ 613,089
82.82 %	97.38 %	63.42 %

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Roselle School District 12

Schedule of Employer Contributions

Illinois Municipal Retirement Fund

Last Seven Calendar Years

Fiscal Year	Actuarially Determined	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2020	\$ 71,660	\$ 71,660	\$ -	\$ 524,214	13.67 %
2019	55,916	55,916	-	556,376	10.05 %
2018	68,869	68,870	(1)	559,459	12.31 %
2017	71,920	71,919	1	559,253	12.86 %
2016	94,322	94,321	1	673,725	14.00 %
2015	81,863	81,862	1	628,268	13.03 %
2014	74,613	76,640	(2,027)	613,089	12.50 %

Notes to Schedule

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

Methods and assumptions used to determine contribution rates

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period	23-year closed period
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.25%
Inflation	2.50%
Salary increases	3.35% to 14.25%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014 - 2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

Roselle School District 12

Schedule of the District's Proportionate Share of the Net Pension Liability Teachers' Retirement System

Last Seven Fiscal Years

	2021*	2020*	2019*	2018*	2017*
District's proportion of the net pension liability	0.0006 %	0.0006 %	0.0007 %	0.0009 %	0.1000 %
District's proportion share of the net pension liability	\$ 516,650	\$ 499,937	\$ 506,819	\$ 713,149	\$ 815,305
State's proportionate share of the net pension liability associated with the District	<u>40,466,693</u>	<u>35,579,970</u>	<u>34,719,220</u>	<u>31,831,510</u>	<u>36,375,253</u>
	<u>\$ 40,983,343</u>	<u>\$ 36,079,907</u>	<u>\$ 35,226,039</u>	<u>\$ 32,544,659</u>	<u>\$ 37,190,558</u>
District's covered payroll	\$ 5,128,086	\$ 4,772,139	\$ 4,613,766	\$ 4,299,185	\$ 4,582,616
District's proportionate share of the net pension liability as a percentage of covered payroll	10.07 %	10.48 %	10.98 %	16.59 %	17.79 %
Plan fiduciary net position as a percentage of the total pension liability	37.8 %	39.6 %	40.0 %	39.3 %	36.4 %

Notes to Schedule

Changes of assumptions

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

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

For the 2014 measurement year, the assumed investment rate of return was also 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. However, salary increases were assumed to vary by age.

* Valuation was as of the prior fiscal-year end.

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

2016*	2015*
0.0012 %	0.001200 %
\$ 770,618	\$ 703,805
<u>29,491,549</u>	<u>26,522,340</u>
<u>\$ 30,262,167</u>	<u>\$ 27,226,145</u>
\$ 4,554,621	\$ 4,299,019

16.92 % 16.37 %

41.5 % 43.00 %

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Roselle School District 12

Schedule of Employer Contributions

Teachers' Retirement System

Last Seven Fiscal Years

Fiscal Year	Actuarially Determined	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 31,470	\$ 31,470	\$ -	\$ 5,425,804	0.58 %
2020	29,743	29,743	-	5,128,086	0.58 %
2019	31,314	28,187	3,127	4,772,139	0.59 %
2018	28,653	27,780	873	4,613,766	0.60 %
2017	38,458	38,458	-	4,299,185	0.89 %
2016	40,000	40,000	-	4,582,616	0.87 %
2015	41,219	41,219	-	4,554,621	0.90 %

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

Roselle School District 12

Schedule of the District's Proportionate Share of the Net Other Post-Employment Benefit Liability Teachers' Health Insurance Security Fund

Last Four Fiscal Years

	2021*	2020*	2019*	2018
District's proportion of the net OPEB liability	0.019551 %	0.020117 %	0.019477 %	0.018690 %
District's proportion share of the net OPEB liability	\$ 5,227,125	\$ 5,567,828	\$ 5,131,302	\$ 4,849,876
State's proportionate share of the net OPEB liability associated with the District	<u>7,081,331</u>	<u>7,539,550</u>	<u>6,890,232</u>	<u>6,369,092</u>
Total	<u>\$ 12,308,456</u>	<u>\$ 13,107,378</u>	<u>\$ 12,021,534</u>	<u>\$ 11,218,968</u>
District's covered payroll	\$ 5,128,086	\$ 4,772,139	\$ 4,613,766	\$ 4,299,185
District's proportionate share of the net OPEB liability as a percentage of covered payroll	101.93 %	116.67 %	111.22 %	112.81 %
Plan fiduciary net position as a percentage of the total OPEB liability	0.70 %	(0.22)%	(0.07)%	(0.17)%

* Valuation was as of the prior fiscal-year end.

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

Roselle School District 12

Schedule of Employer Contributions

Teachers' Health Insurance Security Fund

Last Four Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 49,917	\$ 49,917	\$ -	\$ 5,425,804	0.92 %
2020	47,178	47,178	-	5,128,086	0.92 %
2019	43,904	43,904	-	4,772,139	0.92 %
2018	40,601	40,601	-	4,613,766	0.88 %

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

Roselle School District 12

Schedule of Changes in the Employer's Total OPEB Liability

Post-Retirement Health Plan

Last Three Fiscal Years

	2021	2020	2019	2018
Total Other Post-Employment Benefit (OPEB) Liability				
Service cost	\$ 3,055	\$ 3,077	\$ 1,528	\$ 1,530
Interest	1,124	885	914	951
Differences between expected and actual experience	-	7,852	-	-
Changes of assumption	561	480	208	166
Benefit payments, including refunds of member contributions	(4,936)	-	(2,348)	(3,647)
Other changes	<u>-</u>	<u>702</u>	<u>(419)</u>	<u>642</u>
Net change in total pension liability	(196)	12,996	(117)	(358)
Total OPEB liability, beginning	44,717	31,721	31,838	32,196
Total OPEB liability, ending	<u>44,521</u>	<u>44,717</u>	<u>31,721</u>	<u>\$ 31,838</u>
Plan Fiduciary Net Position				
Contributions - employer	-	-	2,348	\$ 3,647
Benefit payments, including refunds of member contributions	<u>-</u>	<u>-</u>	<u>(2,348)</u>	<u>(3,647)</u>
Employer's net OPEB liability	<u>\$ 44,521</u>	<u>\$ 44,717</u>	<u>\$ 31,721</u>	<u>\$ 31,838</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00 %	0.00 %	0.00 %	- %
Covered-employee payroll	\$ 529,197	\$ 529,197	\$ 527,343	\$ 527,343
District's proportionate share of the total OPEB liability as a percentage of its covered-employee payroll	8.41 %	8.45 %	6.02 %	6.04 %

The District implemented GASB Statement No. 75 in fiscal year 2018.

Information prior to fiscal year 2018 is not available.

Roselle School District 12

Schedule of Employer Contributions

Post-Retirement Health Plan

Last Three Fiscal Years

Fiscal Year	Actuarially Determined	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ -	\$ -	\$ -	N/A	N/A
2020	\$ -	\$ -	\$ -	N/A	N/A

Notes to Schedule

Methods and assumptions used to determine contribution rates

Health Care Trend Rates:

Initial Health Care Cost Trend Rate 5.50%

Ultimate Health Care Cost Trend Rate 4.50%

Fiscal Year the Ultimate Rate is Reached Fiscal Year 2036

Additional Information:

Valuation Date June 30, 2020

Measurement Date June 30, 2020

Actuarial Cost Method Entry Age Normal

Discount Rate 2.18%

Inflation Rate 3.00%

Salary Rate Increase 4.00%

Funded Ratio (Fiduciary Net Position as a percentage of Total OPEB Liability) 0.00%

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

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance

Budget to Actual - General Fund

<i>Year Ended June 30, 2021</i>	General Fund		
	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources	\$ 9,597,908	\$ 9,466,631	\$ (131,277)
State Sources	3,790,750	3,089,928	(700,822)
Federal Sources	<u>408,500</u>	<u>447,206</u>	<u>38,706</u>
 Total revenues	 <u>13,797,158</u>	 <u>13,003,765</u>	 <u>(793,393)</u>
Expenditures			
Current Operating			
Instruction	8,407,062	7,830,928	576,134
Support services	3,492,053	3,156,333	335,720
Community services	52,153	12,723	39,430
Non-Programmed charges	1,103,900	1,011,683	92,217
Provisions for Contingencies	<u>50,000</u>	<u>-</u>	<u>50,000</u>
 Total expenditures	 <u>13,105,168</u>	 <u>12,011,667</u>	 <u>1,093,501</u>
 Excess of revenues over expenditures	 <u>691,990</u>	 <u>992,098</u>	 <u>300,108</u>
Other financing sources (uses)			
Proceeds from capital leases	-	53,257	53,257
Transfers out	<u>(727,000)</u>	<u>(685,795)</u>	<u>41,205</u>
 Total other financing sources (uses)	 <u>(727,000)</u>	 <u>(632,538)</u>	 <u>94,462</u>
 Net change in fund balances	 <u>\$ (35,010)</u>	 359,560	 <u>\$ 394,570</u>
 Fund balance at beginning of year as originally stated		5,502,462	
 Prior period adjustment		<u>26,898</u>	
 Fund balance at beginning of year as restated		<u>5,529,360</u>	
 Fund balance at end of year		<u>\$ 5,888,920</u>	

Roselle School District 12

Notes to Required Supplementary Required Information

Budgetary Data

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments.

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

- The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
- Prior to September 30 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
- The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget was adopted on August 19, 2020.
- Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, the Debt Service Fund, and the Capital Projects Fund.
- The District has adopted a legal budget for all its Governmental Funds. The legal level of budgetary control is at the individual fund level, therefore, actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.
- The budget (all appropriations) lapses at the end of each fiscal year.
- The District's actual expenditures in the Debt Service Fund exceeded budgeted expenditures. Additional sources are available to finance these excess expenditures as allowed under the State Budget Act.

Fiscal Year	Actual	Budget	Excess
Debt Service Fund	\$ 1,349,867	\$ 1,293,503	\$ 56,364

Roselle School District 12

Combining Balance Sheet by Account

General Fund

<i>June 30, 2021</i>	Educational	Operations and Maintenance	Working Cash	Total
Assets				
Cash and cash equivalents	\$ 6,299,022	\$ 1,947,289	\$ 2,982,856	\$ 11,229,167
Receivables				
Taxes receivable	4,194,121	636,015	-	4,830,136
Intergovernmental accounts receivable	46,569	-	-	46,569
Prepaid items	<u>26,386</u>	<u>-</u>	<u>-</u>	<u>26,386</u>
Total assets	<u>\$ 10,566,098</u>	<u>\$ 2,583,304</u>	<u>\$ 2,982,856</u>	<u>\$ 16,132,258</u>
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities				
Accounts payable	\$ 127,992	\$ 45,500	\$ -	\$ 173,492
Salaries and benefits payable	<u>619,087</u>	<u>-</u>	<u>-</u>	<u>619,087</u>
Total liabilities	<u>747,079</u>	<u>45,500</u>	<u>-</u>	<u>792,579</u>
Deferred inflows				
Property taxes levied for subsequent year	<u>8,206,318</u>	<u>1,244,441</u>	<u>-</u>	<u>9,450,759</u>
Total deferred inflows	<u>8,206,318</u>	<u>1,244,441</u>	<u>-</u>	<u>9,450,759</u>
Fund balances				
Prepaid items	26,386	-	-	26,386
Unassigned	<u>1,586,315</u>	<u>1,293,363</u>	<u>2,982,856</u>	<u>5,862,534</u>
Total fund balances	<u>1,612,701</u>	<u>1,293,363</u>	<u>2,982,856</u>	<u>5,888,920</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 10,566,098</u>	<u>\$ 2,583,304</u>	<u>\$ 2,982,856</u>	<u>\$ 16,132,258</u>

Roselle School District 12

Combining Schedule of Revenues, Expenditures and Changes In Fund Balances by Account

General Fund

<i>Year Ended June 30, 2021</i>	Educational	Operations and Maintenance	Working Cash	Total
Revenues				
Local sources	\$ 8,212,915	\$ 1,239,806	\$ 13,910	\$ 9,466,631
State Sources	3,089,928	-	-	3,089,928
Federal Sources	<u>443,364</u>	<u>3,842</u>	<u>-</u>	<u>447,206</u>
Total revenues	<u>11,746,207</u>	<u>1,243,648</u>	<u>13,910</u>	<u>13,003,765</u>
Expenditures				
Current operating				
Instruction	7,830,928	-	-	7,830,928
Support services	2,651,222	505,111	-	3,156,333
Community services	12,723	-	-	12,723
Non-programmed charges	<u>1,011,551</u>	<u>132</u>	<u>-</u>	<u>1,011,683</u>
Total expenditures	<u>11,506,424</u>	<u>505,243</u>	<u>-</u>	<u>12,011,667</u>
Excess of revenues over expenditures	<u>239,783</u>	<u>738,405</u>	<u>13,910</u>	<u>992,098</u>
Other financing sources				
Proceeds from capital lease	53,257	-	-	53,257
Transfers out	<u>(49,307)</u>	<u>(636,488)</u>	<u>-</u>	<u>(685,795)</u>
Total other financing sources	<u>3,950</u>	<u>(636,488)</u>	<u>-</u>	<u>(632,538)</u>
Net change in fund balances	<u>243,733</u>	<u>101,917</u>	<u>13,910</u>	<u>359,560</u>
Fund balances at beginning of year as originally stated	1,342,070	1,191,446	2,968,946	5,502,462
Prior period adjustment	<u>26,898</u>	<u>-</u>	<u>-</u>	<u>26,898</u>
Fund balances at beginning of year as restated	<u>1,368,968</u>	<u>-</u>	<u>-</u>	<u>1,368,968</u>
Fund balances at end of year	<u>\$ 1,612,701</u>	<u>\$ 1,293,363</u>	<u>\$ 2,982,856</u>	<u>\$ 5,888,920</u>

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Educational Account			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
Property taxes	\$ 7,816,308	\$ 7,824,922	\$ 8,614	\$ 7,581,726
Personal property replacement taxes	22,000	130,308	108,308	21,864
Tuition	2,000	-	(2,000)	-
Earnings on investments	10,000	12,337	2,337	74,843
Food services	43,100	1,634	(41,466)	25,185
Fees	50,000	43,425	(6,575)	46,131
Textbooks	67,000	56,859	(10,141)	81,000
Other	<u>247,000</u>	<u>143,430</u>	<u>(103,570)</u>	<u>248,772</u>
Total local sources	<u>8,257,408</u>	<u>8,212,915</u>	<u>(44,493)</u>	<u>8,079,521</u>
State sources				
Unrestricted				
Evidence Based Funding Formula	590,000	590,417	417	590,418
Restricted				
Special education	-	48,699	48,699	10,358
Free lunch & breakfast	-	198	198	789
Other grants-in-aid	750	18,715	17,965	750
On behalf payments - State of Illinois	<u>3,200,000</u>	<u>2,431,899</u>	<u>(768,101)</u>	<u>2,379,319</u>
Total state sources	<u>3,790,750</u>	<u>3,089,928</u>	<u>(700,822)</u>	<u>2,981,634</u>
Federal sources				
Restricted				
National School Lunch Program	50,000	824	(49,176)	68,855
Summer Food Service	-	62,115	62,115	-
Title I - Low Income	43,000	34,763	(8,237)	20,843
Safe & Drug Free Schools - Formula	10,000	3,085	(6,915)	5,031
Preschool Flow-Through	10,000	11,513	1,513	8,408
IDEA - Flow Through	239,000	210,362	(28,638)	218,812
IDEA - Room & Board	-	1,806	1,806	15,196
Title II - Teacher Quality	11,500	8,160	(3,340)	475
Title III - English	-	59	59	-
Medicaid Matching Funds - Administrative Outreach	-	25,463	25,463	5,666
Medicaid Matching Funds - Fee-for-Service Program	20,000	22,456	2,456	23,219
Elementary and Secondary School Relief Fund	<u>25,000</u>	<u>62,758</u>	<u>37,758</u>	<u>-</u>
Total federal sources	<u>408,500</u>	<u>443,364</u>	<u>34,864</u>	<u>366,505</u>
Total revenues	<u>12,456,658</u>	<u>11,746,207</u>	<u>(710,451)</u>	<u>11,427,660</u>

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance

Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Educational Account			
	2021		2020	
	Final Budget	Actual	Variance with Final Budget	Actual
Expenditures				
Instruction				
Regular programs				
Salaries	\$ 2,795,303	\$ 3,043,867	\$ (248,564)	\$ 2,680,420
Employee benefits	543,771	559,992	(16,221)	506,854
On behalf payments - State of Illinois	3,200,000	2,431,899	768,101	2,379,319
Purchased services	41,150	68,448	(27,298)	33,726
Supplies and materials	143,400	57,045	86,355	68,162
Other objects	<u>12,500</u>	<u>2,101</u>	<u>10,399</u>	<u>5,480</u>
Total	<u>6,736,124</u>	<u>6,163,352</u>	<u>572,772</u>	<u>5,673,961</u>
Pre-K programs				
Salaries	-	1,020	(1,020)	4,612
Employee benefits	-	-	-	10
Purchased services	<u>-</u>	<u>-</u>	<u>-</u>	<u>520</u>
Total	<u>-</u>	<u>1,020</u>	<u>(1,020)</u>	<u>5,142</u>
Special education programs				
Salaries	914,334	911,284	3,050	997,461
Employee benefits	163,010	146,907	16,103	176,882
Purchased services	10,300	29,406	(19,106)	10,000
Supplies and materials	<u>3,800</u>	<u>147</u>	<u>3,653</u>	<u>4,583</u>
Total	<u>1,091,444</u>	<u>1,087,744</u>	<u>3,700</u>	<u>1,188,926</u>
Remedial and supplemental programs				
Salaries	96,395	114,234	(17,839)	100,874
Employee benefits	43,556	23,464	20,092	20,472
Supplies and materials	<u>7,000</u>	<u>-</u>	<u>7,000</u>	<u>721</u>
Total	<u>146,951</u>	<u>137,698</u>	<u>9,253</u>	<u>122,067</u>

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Educational Account			
	2021		2020	
	Final Budget	Actual	Variance with Final Budget	Actual
Interscholastic programs				
Salaries	\$ 90,000	\$ 3,496	\$ 86,504	\$ 90,128
Employee benefits	-	24	(24)	1,087
Purchased services	2,650	-	2,650	3,085
Supplies and materials	7,450	(65)	7,515	11,025
Other objects	<u>1,500</u>	<u>490</u>	<u>1,010</u>	<u>3,022</u>
Total	<u>101,600</u>	<u>3,945</u>	<u>97,655</u>	<u>108,347</u>
Summer school				
Salaries	-	11,488	(11,488)	-
Employee benefits	-	173	(173)	-
Supplies and materials	<u>400</u>	<u>-</u>	<u>400</u>	<u>-</u>
Total	<u>400</u>	<u>11,661</u>	<u>(11,261)</u>	<u>-</u>
Bilingual				
Salaries	222,437	205,009	17,428	193,881
Employee benefits	32,981	22,932	10,049	20,586
Purchased services	1,075	2,140	(1,065)	2,749
Supplies and materials	<u>3,000</u>	<u>59</u>	<u>2,941</u>	<u>-</u>
Total	<u>259,493</u>	<u>230,140</u>	<u>29,353</u>	<u>217,216</u>
Special education programs private tuition				
Other objects	<u>71,050</u>	<u>184,845</u>	<u>(113,795)</u>	<u>114,947</u>
Total	<u>71,050</u>	<u>184,845</u>	<u>(113,795)</u>	<u>114,947</u>
Student activity fund expenditures				
Other objects	<u>-</u>	<u>10,523</u>	<u>(10,523)</u>	<u>-</u>
Total	<u>-</u>	<u>10,523</u>	<u>(10,523)</u>	<u>-</u>
Total instruction	<u>8,407,062</u>	<u>7,830,928</u>	<u>576,134</u>	<u>7,430,606</u>
Support services				
Pupils				
Attendance and social work				
Salaries	188,370	188,691	(321)	178,630
Employee benefits	32,187	31,668	519	27,423
Purchased services	-	20	(20)	-
Supplies and materials	<u>500</u>	<u>535</u>	<u>(35)</u>	<u>116</u>
Total	<u>221,057</u>	<u>220,914</u>	<u>143</u>	<u>206,169</u>

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Educational Account			
	2021		2020	
	Final Budget	Actual	Variance with Final Budget	Actual
Health services				
Salaries	\$ 117,027	\$ 108,243	\$ 8,784	\$ 82,782
Employee benefits	206	10,994	(10,788)	2,465
Purchased services	9,500	915	8,585	2,633
Supplies and materials	2,000	3,961	(1,961)	7,927
Other objects	350	146	204	146
Total	129,083	124,259	4,824	95,953
Psychological services				
Salaries	66,500	66,500	-	-
Employee benefits	-	15,853	(15,853)	-
Purchased services	-	2,543	(2,543)	-
Supplies and materials	-	778	(778)	-
Non-capitalized equipment	-	1,098	(1,098)	-
Total	66,500	86,772	(20,272)	-
Total pupils	416,640	431,945	(15,305)	302,122
Instructional staff				
Improvement of instruction services				
Salaries	301,046	267,122	33,924	251,747
Employee benefits	43,238	47,403	(4,165)	45,331
Purchased services	14,000	28,562	(14,562)	28,833
Supplies and materials	38,500	40,803	(2,303)	16,179
Other objects	1,000	-	1,000	450
Total	397,784	383,890	13,894	342,540
Educational media services				
Salaries	188,670	96,586	92,084	119,562
Employee benefits	37,119	14,527	22,592	18,587
Purchased services	7,800	9,537	(1,737)	14,019
Supplies and materials	17,600	7,271	10,329	8,926
Total	251,189	127,921	123,268	161,094
Total instructional staff	648,973	511,811	137,162	503,634

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Educational Account			
	2021		2020	
	Final Budget	Actual	Variance with Final Budget	Actual
General administration				
Board of education				
Employee benefits	\$ -	\$ 4,287	\$ (4,287)	\$ -
Purchased services	134,838	153,636	(18,798)	150,820
Supplies and materials	4,500	1,991	2,509	3,852
Other objects	<u>8,537</u>	<u>8,710</u>	<u>(173)</u>	<u>10,264</u>
Total	<u>147,875</u>	<u>168,624</u>	<u>(20,749)</u>	<u>164,936</u>
Executive administration				
Salaries	177,276	177,242	34	183,382
Employee benefits	49,006	51,917	(2,911)	56,761
Purchased services	6,800	4,034	2,766	12,215
Supplies and materials	-	388	(388)	750
Other objects	<u>2,000</u>	<u>1,557</u>	<u>443</u>	<u>1,593</u>
Total	<u>235,082</u>	<u>235,138</u>	<u>(56)</u>	<u>254,701</u>
Total general administration	<u>382,957</u>	<u>403,762</u>	<u>(20,805)</u>	<u>419,637</u>
School administration				
Office of the principal				
Salaries	329,930	331,600	(1,670)	322,520
Employee benefits	121,797	116,192	5,605	106,793
Purchased services	4,720	1,413	3,307	4,843
Supplies and materials	50	39	11	-
Other objects	<u>500</u>	<u>488</u>	<u>12</u>	<u>592</u>
Total	<u>456,997</u>	<u>449,732</u>	<u>7,265</u>	<u>434,748</u>
Total school administration	<u>456,997</u>	<u>449,732</u>	<u>7,265</u>	<u>434,748</u>
Business				
Business support services				
Salaries	126,000	126,000	-	110,000
Employee benefits	47,696	44,888	2,808	44,803
Purchased services	<u>2,000</u>	<u>1,947</u>	<u>53</u>	<u>4,669</u>
Total	<u>175,696</u>	<u>172,835</u>	<u>2,861</u>	<u>159,472</u>

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Educational Account			
	2021		2020	
	Final Budget	Actual	Variance with Final Budget	Actual
Fiscal services				
Salaries	\$ 186,995	\$ 174,930	\$ 12,065	\$ 144,091
Employee benefits	37,378	46,179	(8,801)	44,853
Purchased services	7,600	4,836	2,764	9,404
Supplies and materials	5,000	5,791	(791)	11,918
Other objects	<u>5,075</u>	<u>7,391</u>	<u>(2,316)</u>	<u>8,899</u>
Total	<u>242,048</u>	<u>239,127</u>	<u>2,921</u>	<u>219,165</u>
Operation and maintenance of plant services				
Purchased services	54,912	18,233	36,679	26,485
Supplies and materials	<u>-</u>	<u>28,158</u>	<u>(28,158)</u>	<u>27</u>
Total	<u>54,912</u>	<u>46,391</u>	<u>8,521</u>	<u>26,512</u>
Food services				
Salaries	30,354	27,110	3,244	25,801
Employee benefits	-	2	(2)	-
Supplies and materials	143,758	32,513	111,245	115,854
Other objects	<u>1,016</u>	<u>548</u>	<u>468</u>	<u>1,080</u>
Total	<u>175,128</u>	<u>60,173</u>	<u>114,955</u>	<u>142,735</u>
Total business	<u>647,784</u>	<u>518,526</u>	<u>129,258</u>	<u>547,884</u>
Central				
Data processing services				
Salaries	-	6,825	(6,825)	65,792
Employee benefits	-	1,493	(1,493)	16,486
Purchased services	193,750	192,410	1,340	141,458
Supplies and materials	57,989	45,282	12,707	57,911
Capital outlay	35,525	81,810	(46,285)	20,170
Non-capitalized equipment	<u>65,675</u>	<u>7,626</u>	<u>58,049</u>	<u>49,106</u>
Total	<u>352,939</u>	<u>335,446</u>	<u>17,493</u>	<u>350,923</u>
Total central	<u>352,939</u>	<u>335,446</u>	<u>17,493</u>	<u>350,923</u>
Other support services				
Supplies and materials	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>-</u>
Total	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>-</u>
Total support services	<u>2,908,290</u>	<u>2,651,222</u>	<u>257,068</u>	<u>2,558,948</u>

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Educational Account			
	2021		2020	
	Final Budget	Actual	Variance with Final Budget	Actual
Community services				
Salaries	\$ 6,000	\$ -	\$ 6,000	\$ 12,221
Employee benefits	1,153	1,627	(474)	3,616
Purchased services	-	629	(629)	-
Supplies and materials	20,000	10,467	9,533	14,352
Non-capitalized equipment	25,000	-	25,000	-
Total	52,153	12,723	39,430	30,189
Payments for special education programs				
Tuition	1,103,900	1,011,551	92,349	1,036,688
Total	1,103,900	1,011,551	92,349	1,036,688
Provisions for Contingencies	40,000	-	40,000	-
Total expenditures	12,511,405	11,506,424	1,004,981	11,056,431
Excess of revenue over expenditures	(54,747)	239,783	294,530	371,229
Other financing sources (uses)				
Proceeds from capital lease	-	53,257	53,257	-
Transfers out	-	(49,307)	(49,307)	(30,117)
Total other financing sources (uses)	-	3,950	3,950	(30,117)
Net change in fund balance	<u>\$ (54,747)</u>	\$ 243,733	<u>\$ 298,480</u>	\$ 341,112
Fund balance at beginning of year as originally stated		1,342,070		1,000,958
Prior period adjustment		26,898		-
Fund balance at beginning of year as restated		1,368,968		-
Fund balance at end of year		<u>\$ 1,612,701</u>		<u>\$ 1,342,070</u>

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Operations & Maintenance Account			
	2021			2020
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
Property taxes	\$ 1,275,000	\$ 1,216,210	\$ (58,790)	\$ 1,264,096
Personal property replacement taxes	-	15,037	15,037	10,000
Earnings on investments	43,000	5,919	(37,081)	13,916
Rentals	-	-	-	46,500
Other	<u>7,500</u>	<u>2,640</u>	<u>(4,860)</u>	<u>8,407</u>
Total local sources	<u>1,325,500</u>	<u>1,239,806</u>	<u>(85,694)</u>	<u>1,342,919</u>
Federal sources				
Restricted				
Elementary and Secondary School Relief Fund	<u>-</u>	<u>3,842</u>	<u>3,842</u>	<u>-</u>
Total federal sources	<u>-</u>	<u>3,842</u>	<u>3,842</u>	<u>-</u>
Total revenues	<u>1,325,500</u>	<u>1,243,648</u>	<u>(81,852)</u>	<u>1,342,919</u>
Expenditures				
Current operating				
Facility acquisition & construction services				
Purchased services	<u>-</u>	<u>2,000</u>	<u>(2,000)</u>	<u>-</u>
Total	<u>-</u>	<u>2,000</u>	<u>(2,000)</u>	<u>-</u>
Operations and maintenance of plant services				
Purchased services	395,263	331,964	63,299	368,580
Supplies and materials	171,500	132,570	38,930	143,167
Capital outlay	10,000	36,185	(26,185)	-
Non-capitalized equipment	<u>7,000</u>	<u>2,392</u>	<u>4,608</u>	<u>2,940</u>
Total	<u>583,763</u>	<u>503,111</u>	<u>80,652</u>	<u>514,687</u>
Total support services	<u>583,763</u>	<u>505,111</u>	<u>78,652</u>	<u>514,687</u>
Non-programmed charges				
Other payments to in-state government units				
Other objects	<u>-</u>	<u>132</u>	<u>(132)</u>	<u>-</u>
Total	<u>-</u>	<u>132</u>	<u>(132)</u>	<u>-</u>

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Operations & Maintenance Account			
	2021			2020
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Provisions for Contingencies	\$ 10,000	\$ -	\$ 10,000	\$ -
Total expenditures	<u>593,763</u>	<u>505,243</u>	<u>88,520</u>	<u>514,687</u>
Excess of revenue over (under) expenditures	<u>731,737</u>	<u>738,405</u>	<u>6,668</u>	<u>828,232</u>
Other Financing Uses				
Transfers out	<u>(727,000)</u>	<u>(636,488)</u>	<u>90,512</u>	<u>(639,888)</u>
Total other financing uses	<u>(727,000)</u>	<u>(636,488)</u>	<u>90,512</u>	<u>(639,888)</u>
Net change in fund balance	<u>\$ 4,737</u>	101,917	<u>\$ 97,180</u>	188,344
Fund balance at beginning of year		<u>1,191,446</u>		<u>1,003,102</u>
Fund balance at end of year		<u>\$ 1,293,363</u>		<u>\$ 1,191,446</u>

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Working Cash Account			
	2021			2020
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
Earnings on investments	<u>\$ 15,000</u>	<u>\$ 13,910</u>	<u>\$ (1,090)</u>	<u>\$ 21,751</u>
Total revenues	<u>15,000</u>	<u>13,910</u>	<u>(1,090)</u>	<u>21,751</u>
Net change in fund balance	<u>\$ 15,000</u>	13,910	<u>\$ (1,090)</u>	21,751
Fund balance at beginning of year		<u>2,968,946</u>		<u>2,947,195</u>
Fund balance at end of year		<u>\$ 2,982,856</u>		<u>\$ 2,968,946</u>

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Roselle School District 12

Major Debt Service Fund

Debt Service Fund - To account for the accumulation of, resources for, and the payment of, general long-term debt principal, interest and related costs.

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Debt Service Fund			
	2021			2020
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
Property taxes	\$ 675,000	\$ 665,056	\$ (9,944)	\$ 663,116
Earnings on investments	<u>500</u>	<u>3,031</u>	<u>2,531</u>	<u>3,779</u>
Total revenues	<u>675,500</u>	<u>668,087</u>	<u>(7,413)</u>	<u>666,895</u>
Expenditures				
Debt service				
Principal retirement	763,077	897,189	(134,112)	846,768
Interest on bonds	530,426	449,608	80,818	478,305
Other	<u>-</u>	<u>3,070</u>	<u>(3,070)</u>	<u>3,900</u>
Total expenditures	<u>1,293,503</u>	<u>1,349,867</u>	<u>(56,364)</u>	<u>1,328,973</u>
Excess of revenues over (under) expenditures	<u>(618,003)</u>	<u>(681,780)</u>	<u>(63,777)</u>	<u>(662,078)</u>
Other financing sources				
Transfers in	<u>637,000</u>	<u>685,795</u>	<u>48,795</u>	<u>670,005</u>
Total other financing sources	<u>637,000</u>	<u>685,795</u>	<u>48,795</u>	<u>670,005</u>
Net change in fund balance	<u>\$ 18,997</u>	4,015	<u>\$ (14,982)</u>	7,927
Fund balance at beginning of year		<u>154,399</u>		<u>146,472</u>
Fund balance at end of year		<u>\$ 158,414</u>		<u>\$ 154,399</u>

Roselle School District 12

Major Capital Project Funds

Capital Project Funds - To account for financial resources to be used for the acquisition or construction of major capital facilities.

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Capital Projects Fund			
	2021			2020
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
Earnings on investments	\$ -	\$ -	\$ -	\$ 8,472
Total local sources	-	-	-	8,472
State sources				
School Infrastructure - Maintenance Projects	-	-	-	50,000
Total state sources	-	-	-	50,000
Total revenues	-	-	-	58,472
Expenditures				
Support services				
Facilities acquisition and construction services				
Purchased services	-	49,573	(49,573)	-
Capital outlay	-	11,957	(11,957)	-
Other objects	90,000	-	90,000	-
Total expenditures	90,000	61,530	28,470	-
Excess (deficiency) of revenue over (under) expenditures	(90,000)	(61,530)	28,470	58,472
Other financing sources				
Transfers in	90,000	-	(90,000)	-
Total other financing sources (uses)	90,000	-	(90,000)	-
Net change in fund balance	\$ -	(61,530)	\$ (61,530)	58,472
Fund balance at beginning of year		147,471		88,999
Fund balance at end of year		\$ 85,941		\$ 147,471

Roselle School District 12

Combining Balance Sheet Nonmajor Governmental Funds

June 30, 2021	Transportation	Municipal Retirement/ Social Security	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	\$ 636,838	\$ 350,725	\$ 987,563
Receivables			
Taxes receivable	123,294	20,318	143,612
Intergovernmental accounts receivable	<u>27,517</u>	<u>-</u>	<u>27,517</u>
Total assets	<u>\$ 787,649</u>	<u>\$ 371,043</u>	<u>\$ 1,158,692</u>
Liabilities, Deferred Inflows, and Fund Balances			
Liabilities			
Accounts payable	\$ 32,160	\$ -	\$ 32,160
Accrued salaries and related expenditures	<u>-</u>	<u>5,994</u>	<u>5,994</u>
Total liabilities	<u>32,160</u>	<u>5,994</u>	<u>38,154</u>
Deferred Inflows			
Property taxes levied for subsequent year	<u>241,239</u>	<u>39,755</u>	<u>280,994</u>
Total deferred inflows	<u>241,239</u>	<u>39,755</u>	<u>280,994</u>
Fund Balances			
Restricted reported in:			
Student transportation	514,250	-	514,250
Employee retirement	<u>-</u>	<u>325,294</u>	<u>325,294</u>
Total fund balances	<u>514,250</u>	<u>325,294</u>	<u>839,544</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 787,649</u>	<u>\$ 371,043</u>	<u>\$ 1,158,692</u>

Roselle School District 12

Combining Statements of Revenues, Expenditures and Changes In Fund Balances Nonmajor Governmental Funds

Year Ended June 30, 2021	Transportation Fund	Municipal Retirement/ Social Security	Total Nonmajor Governmental Funds
Revenues			
Local sources	\$ 342,726	\$ 184,878	\$ 527,604
State sources	110,678	-	110,678
Federal sources	<u>39,872</u>	<u>2,894</u>	<u>42,766</u>
Total revenues	<u>493,276</u>	<u>187,772</u>	<u>681,048</u>
Expenditures			
Current operating			
Instruction	-	90,715	90,715
Support services	<u>387,035</u>	<u>83,656</u>	<u>470,691</u>
Total expenditures	<u>387,035</u>	<u>174,371</u>	<u>561,406</u>
Net change in fund balances	106,241	13,401	119,642
Fund balances at beginning of year	<u>408,009</u>	<u>311,893</u>	<u>719,902</u>
Fund balances at end of year	<u><u>\$ 514,250</u></u>	<u><u>\$ 325,294</u></u>	<u><u>\$ 839,544</u></u>

Roselle School District 12

Special Revenue Funds

To account for proceeds from specific revenue sources which are designated to finance expenditures for specific purposes, the District maintains the following Special Revenue Funds:

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

Municipal Retirement/Social Security Fund - To account for the District's portion of FICA and pension contributions to the Illinois Municipal Retirement Fund.

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Transportation Fund			
	2021		2020	
	Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
Property taxes	\$ 333,433	\$ 332,965	\$ (468)	\$ 322,263
Transportation fees	10,000	300	(9,700)	5,291
Corporate personal property replacement taxes	21,000	9,022	(11,978)	20,565
Earnings on investments	2,000	439	(1,561)	1,134
Other	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>	<u>-</u>
Total local sources	<u>367,433</u>	<u>342,726</u>	<u>(24,707)</u>	<u>349,253</u>
State sources				
Restricted				
Transportation aid	<u>100,000</u>	<u>110,678</u>	<u>10,678</u>	<u>179,250</u>
Total state sources	<u>100,000</u>	<u>110,678</u>	<u>10,678</u>	<u>179,250</u>
Federal sources				
Restricted				
Elementary and Secondary School Relief Fund	<u>-</u>	<u>39,872</u>	<u>39,872</u>	<u>-</u>
Total federal sources	<u>-</u>	<u>39,872</u>	<u>39,872</u>	<u>-</u>
Total revenues	<u>467,433</u>	<u>493,276</u>	<u>25,843</u>	<u>528,503</u>
Expenditures				
Business				
Pupil transportation				
Salaries	1,525	45,845	(44,320)	1,525
Employee benefits	-	197	(197)	-
Purchased services	<u>484,429</u>	<u>340,993</u>	<u>143,436</u>	<u>392,092</u>
Total expenditures	<u>485,954</u>	<u>387,035</u>	<u>98,919</u>	<u>393,617</u>
Net change in fund balance	<u>\$ (18,521)</u>	106,241	<u>\$ 124,762</u>	134,886
Fund balance at beginning of year		<u>408,009</u>		<u>273,123</u>
Fund balance at end of year		<u>\$ 514,250</u>		<u>\$ 408,009</u>

Roselle School District 12

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2021 with Comparative Actual Totals for 2021	Municipal Retirement/Social Security Fund			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
Property taxes	\$ 110,858	\$ 76,905	\$ (33,953)	\$ 76,510
Social security/medicare only levy	28,142	59,136	30,994	59,199
Corporate personal property replacement taxes	90,000	47,370	(42,630)	92,364
Earnings on investments	<u>2,000</u>	<u>1,467</u>	<u>(533)</u>	<u>2,209</u>
Total local sources	<u>231,000</u>	<u>184,878</u>	<u>(46,122)</u>	<u>230,282</u>
Federal sources				
Restricted				
Elementary and Secondary School Relief Fund	<u>-</u>	<u>2,894</u>	<u>2,894</u>	<u>-</u>
Total federal sources	<u>-</u>	<u>2,894</u>	<u>2,894</u>	<u>-</u>
Total revenues	<u>231,000</u>	<u>187,772</u>	<u>(43,228)</u>	<u>230,282</u>
Expenditures				
Instruction - employee benefits	94,219	90,715	3,504	94,420
Support services - employee benefits	<u>101,006</u>	<u>83,656</u>	<u>17,350</u>	<u>79,995</u>
Total expenditures	<u>195,225</u>	<u>174,371</u>	<u>20,854</u>	<u>174,415</u>
Net change in fund balance	<u>\$ 35,775</u>	13,401	<u>\$ (22,374)</u>	55,867
Fund balance at beginning of year		<u>311,893</u>		<u>256,026</u>
Fund balance at end of year		<u>\$ 325,294</u>		<u>\$ 311,893</u>

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