

**LISLE COMMUNITY UNIT SCHOOL
DISTRICT NO. 202, ILLINOIS**

ANNUAL FINANCIAL REPORT



**FOR THE FISCAL YEAR ENDED
JUNE 30, 2019**

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

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FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Other Supplementary Information
- Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the District's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

November 12, 2019

Members of the Board of Education
Lisle Community Unit School District No. 202
Lisle, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lisle Community Unit School District No. 202, Illinois, as of and for the year ended June 30, 2019, 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 modified cash basis of accounting principles described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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 modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Lisle Community Unit School District No. 202, Illinois, as of June 30, 2019, and the respective changes in modified cash basis financial position for the year then ended in accordance with modified cash basis of accounting principles as described in Note 1.

Basis of Accounting

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

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lisle Community Unit School District No. 202, Illinois', basic financial statements. The management's discussion and analysis, combining and individual fund financial statements and budgetary comparison schedules and supplemental 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 statements and budgetary comparison schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Prior-Year Comparative Information

We did not audit the financial statements of Lisle Community Unit School District No. 202 as of and for the year ended June 30, 2018. Those Statements were audited by another auditor who issued an unmodified opinion on December 11, 2018.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Management's Discussion and Analysis June 30, 2019

The discussion and analysis of Lisle Community Unit School District No. 202's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2019. 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. 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 \$839,194. This represents a 1.1% increase from 2018.
- General revenues of \$31,618,542 accounted for 70.6% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$13,191,565 or 29.4% of total revenues of \$44,810,107.
- The District had \$43,970,913 in expenses related to government activities. However, only \$13,191,565 of these expenses were offset by program specific charges and grants.
- Revenues for fiscal year 2019 (FY19), as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances, were \$33,883,527, exclusive of on-behalf payments to the Teacher's Retirement System. Expenditures for FY19 were \$58,830,709, also exclusive of State of Illinois payments to the Teachers Retirement System.
- The Illinois Teacher's Retirement System receives on-behalf pension and post-retirement health insurance payments from the State of Illinois for District 202 certified staff. In FY19, \$10,926,580 was included in the total revenues and expenditures of District 202 representing the State of Illinois contributions.
- Actual revenues received in FY19 for the General Fund, exclusive of the State of Illinois on-behalf payment to the Teachers Retirement System, was \$29,493,894. Actual expenditures for the General Fund, exclusive of on-behalf contributions, were \$28,805,214 in FY19.
- The District made payments of \$1,477,864 on its long-term bond principal. The District did issue long-term debt in the current fiscal year of \$12,640,000. As of June 30, 2019, total outstanding long-term debt was \$13,942,958.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 14 - 15) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements begin on page 16. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the government.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Management's Discussion and Analysis June 30, 2019

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the District's finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 14 - 15 of this report.

The Statement of Net Position reports information on all of the District's assets and liabilities, with the difference between the two 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. Consideration of other nonfinancial factors, such as changes in the District's property tax base and the condition of the District's infrastructure, is needed to assess the overall health of the District.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, 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.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, 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 the 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 the comparison between governmental funds and governmental activities.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Management's Discussion and Analysis June 30, 2019

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

The District maintains six 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 and Capital Projects Fund, both of which are considered a major fund.

The District adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 16 - 19 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 20 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 - 62 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the District's pension obligations and combining schedule and individual fund information. Other supplementary information can be found on pages 63 - 101 of this report.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Management's Discussion and Analysis June 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, assets exceeded liabilities by \$77,891,446.

	Net Position	
	201	2018
Current Assets	\$ 41,078,823	51,792,392
Capital Assets	52,381,923	28,080,622
Total Assets	93,460,746	79,873,014
Long-Term Debt	14,031,817	1,316,674
Other Liabilities	1,537,483	1,504,088
Total Liabilities	15,569,300	2,820,762
Net Position		
Net Investment in Capital Assets	44,598,518	25,288,974
Restricted	15,869,810	16,433,696
Unrestricted	17,423,118	35,329,582
Total Net Position	77,891,446	77,052,252

A large portion of the District's net position, \$44,498,518 or 57.3 percent, reflects its investment in capital assets (for example, land, improvements other than buildings, buildings, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$15,869,810 or 20.4 percent, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining 22.4 percent, or \$17,423,118, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Management's Discussion and Analysis
June 30, 2019****GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

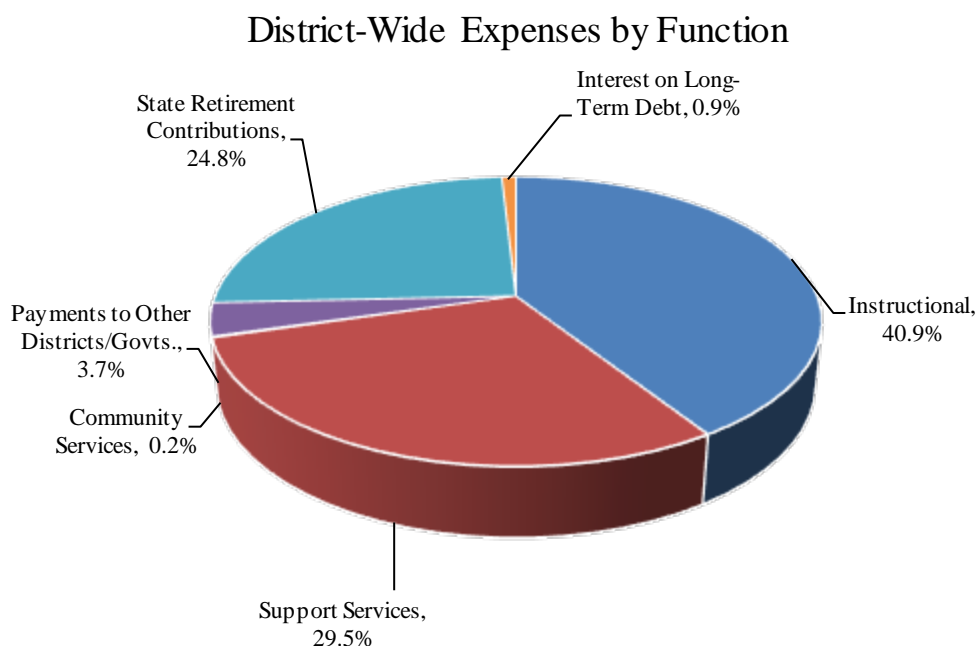
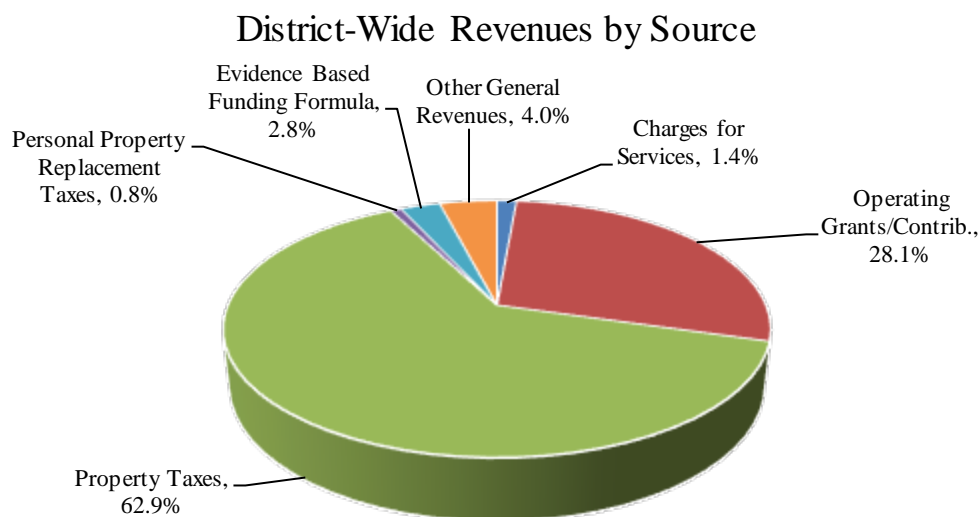
	Change in Net Position	
	2019	2018
Revenues		
Program Revenues		
Charges for Services	\$ 615,969	574,520
Operating Grants/Contrib.	12,575,596	13,025,972
General Revenues		
Property Taxes	28,211,184	29,611,474
Personal Property Replacement Taxes	343,468	353,755
Evidence Based Funding Formula	1,252,273	1,431,832
Other General Revenues	1,811,617	1,048,632
Total Revenues	44,810,107	46,046,185
Expenses		
Instructional	17,969,526	18,251,031
Support Services	12,993,160	12,607,554
Community Services	72,460	66,936
Payments to Other Districts/Govts.	1,619,568	1,606,552
State Retirement Contributions	10,926,580	10,673,226
Interest on Long-Term Debt	389,619	70,031
Total Expenses	43,970,913	43,275,330
Change in Net Position	839,194	2,770,855
Net Position - Beginning	77,052,252	74,281,397
Net Position - Ending	77,891,446	77,052,252

Net position of the District's governmental activities increased by 1.1 percent (\$77,891,446 in 2019 compared to \$77,052,252 in 2018). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$17,423,118 at June 30, 2019.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Management's Discussion and Analysis June 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued



Revenues for governmental activities totaled \$44,810,107, while the cost of all governmental functions totaled \$43,970,913. This results in a surplus of \$839,194. In 2018, revenues of \$46,046,185 exceeded expenses of \$43,275,330, resulting in a surplus of \$2,770,855.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Management's Discussion and Analysis June 30, 2019

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

The District's governmental funds reported combining ending fund balances of \$41,014,298, which is \$10,748,980, or 20.8 percent, lower than last year's total of \$51,763,278. The decrease in fund balance is from capital outlay expenditures to build a new elementary school. Of the \$41,014,298 total, \$25,144,488, or 61.3 percent, of the fund balance constitutes unassigned fund balance.

Actual revenues, excluding on-behalf payments, for FY19 were \$33,883,527. Actual expenditures, excluding on-behalf payments, totaled \$58,830,709 representing approximately 84.3% of the total FY19 actual revenues. Expenditures were monitored closely during the year, which resulted in the expenditures being below budget, in all funds except the Tort Immunity Fund. Property taxes accounted for one of the largest portion of the District's revenues, contributing 83.3% of total revenues. The remainder of revenues came from other local, state, and federal grant sources.

The total cost of all the District's programs was \$58,830,709, excluding on-behalf payments, with the majority (79.2%) of expenditures dedicated to instructing and caring for the students and student transportation. The remaining amount of District expenditures was split among community services, building operation and non-operational support such as debt service, pension and other payroll taxes, capital improvements, and tort liability.

Over the course of the fiscal year, the District did not amend the original fiscal year 2019 budget. District 202 currently supports three long-term debt issues. The District has issued no short-term debt.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Management's Discussion and Analysis June 30, 2019

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund is the District's largest budgeted fund and consists of the Educational, Operations and Maintenance and Working Cash Accounts. The General Fund's budgeted revenues were greater than actual revenues of \$29,493,894 by \$69,945, excluding on-behalf payments. Actual expenditures of \$28,805,214 were less than budgeted expenditures of \$29,372,516 by \$567,302, excluding on-behalf payments.

Within these accounts the Educational Account is the most significant budgeted fund. In the Educational Account revenues were under budget by \$158,807, excluding on-behalf payments. Expenditures in the Educational Account were under budget by \$578,461, excluding on-behalf payments.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2019 was \$52,381,923 (net of accumulated depreciation). This investment in capital assets includes land, improvements other than buildings, buildings and equipment.

	Capital Assets - Net of Depreciation	
	2019	2018
Land	\$ 941,514	941,514
Construction in Progress	29,384,133	4,155,164
Land Improvements	848,299	914,598
Buildings	20,840,098	21,645,530
Equipment	367,879	423,816
Totals	52,381,923	28,080,622

This year's major additions included:

Construction in Progress	\$ 25,228,969
Equipment	68,062
	<u>25,297,031</u>

Additional information on the District's capital assets can be found in note 3 of this report.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Management's Discussion and Analysis June 30, 2019

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

The District retired \$1,477,864 in long-term debt and one new long-term debt of \$12,640,000 was issued in the fiscal year, resulting in a long-term principal liability of \$13,942,958 as of June 30, 2019. At the end of FY19, the District had a debt limit of \$84,970,208.

	Long-Term Debt	
	2018	2017
General Obligation Bonds	\$ 13,925,000	2,730,000
Capital Leases	17,958	50,822
Totals	13,942,958	2,780,822

Additional information on the District's long-term debt can be found in Note 3 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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

Property Tax Caps: Local property taxes are a major revenue source for the District. The Property Tax Extension Limitation Law, also known as Tax Caps, limits the levy increase to the lesser of the consumer price index (CPI) or 5 percent. The tax caps will continue to affect the District's future levies for all non-debt related purposes.

Interest Rates: Interest rates remain at historically low levels. Lower rates limit the District's investment earnings making it difficult to supplement revenues using its cash and investment balances.

School Funding Reform: In August of 2017, Senate Bill 1947 was signed into law. The new law puts in place an Evidence Based Funding Formula (EBF) that prioritizes equity and allocates state funding to school districts based on student need. The formula maintains a Base Funding Minimum (BFM) for all districts based on their prior year funding. This provision helps ensure that the District will receive at least the same amount in state funds as received during FY2017. However, the District is not anticipating any new state dollars moving forward because of the new funding model.

State Fiscal Outlook: Many areas of the District's finances are affected by the current fiscal challenges in the State of Illinois. The District's portion of state-based revenue continues to be affected by these economic conditions as many state reimbursements and programs have been reduced or eliminated entirely. In the past, the State of Illinois has also become delinquent in paying their obligations to the District.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Management's Discussion and Analysis June 30, 2019

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES – Continued

Unfunded Mandates: The District continues to face the ongoing problem of how to implement and pay for mandates issued by the Illinois State Board of Education that lack funding from the State of Illinois. The costs of these mandates must be carved out of local resources at the expense of other programs. If this trend continues, and these mandates are not funded by additional revenues, this could result in a strain on the District's financial position.

Pension Reform: There is a renewed focus to shift the pension costs from the State onto local school districts. While no formal proposal is on the table, this concept is still being discussed by some of the legislative leaders. Shifting the burden of teacher retirement costs to the local taxpayers would have a significant impact on the District's financial situation.

Contract Negotiations: The Board of Education has a collective bargaining agreement with the Classified Employees Association of Lisle through the 2019-2020 school year. The agreement includes annual salary increases of 3.5% during the last year of the contract. The Board of Education also extended the Lisle Education Association agreement through the 2019-2020 school year with an average annual salary increase of 3.6% for the additional year of the contract. Negotiations for new agreements with both bargaining units will occur during the spring of 2020.

Facility Needs: The District recently completed construction of a new elementary school building in August 2019. A contract to sell Tate Woods Elementary School for \$2.5 million is already in place, contingent on zoning approval by the Village of Lisle. The future of Schiesher Elementary School will be determined by a Facilities Planning Committee. Basic capital improvements at Lisle Senior High and Lisle Junior High will continue to be addressed during the next 5-10 years. Additional costs related to roofs, HVAC units, and other life safety projects will require the Board of Education to use annual operating expenses and fund balances to complete the work.

Long-term Financial Planning: The District annually updates its 5-year financial projection to assess future needs in all areas of its operations and enable the development of a multi-year budget projection. With careful planning and monitoring of our finances, the District seeks to provide a quality education for its students and a secure financial future for the school district.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to: Director of Finance, Lisle Community Unit School District No. 202, 5211 Center Avenue, Lisle, Illinois 60532.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Statement of Net Position - Modified Cash Basis****June 30, 2019**

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 41,066,742
Deposit	10,000
Receivables - Net of Allowances	
Other	2,081
Total Current Assets	<u>41,078,823</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	30,325,647
Depreciable	44,999,383
Accumulated Depreciation	<u>(22,943,107)</u>
Total Noncurrent Assets	<u>52,381,923</u>
Total Assets	<u>93,460,746</u>
LIABILITIES	
Current Liabilities	
Deposits Payable	64,525
Current Portion of Long-Term Debt	<u>1,472,958</u>
Total Current Liabilities	<u>1,537,483</u>
Noncurrent Liabilities	
General Obligation Bonds Payable	<u>14,031,817</u>
Total Liabilities	<u>15,569,300</u>
NET POSITION	
Net Investment in Capital Assets	44,598,518
Restricted	
Operations and Maintenance	2,277,091
Working Cash	802,615
Transportation	1,978,239
Retirement Benefits	691,447
Debt Service	1,520,977
Capital Projects	8,599,441
Unrestricted	<u>17,423,118</u>
Total Net Position	<u>77,891,446</u>

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

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

**Statement of Activities - Modified Cash Basis
For the Fiscal Year Ended June 30, 2019**

		Program Revenues		(Expenses)/
		Charges	Operating	Revenues
		for	Grants/	Governmental
	Expenses	Services	Contributions	Activities
Governmental Activities				
Instruction	\$ 17,969,526	288,935	905,626	(16,774,965)
Support Services	12,993,160	327,034	743,390	(11,922,736)
Community Services	72,460	-	-	(72,460)
Payments to Other Districts/Govts.	1,619,568	-	-	(1,619,568)
Interest and Fees	389,619	-	-	(389,619)
State Retirement Contributions	10,926,580	-	10,926,580	-
Total Governmental Activities	43,970,913	615,969	12,575,596	(30,779,348)
General Revenues				
Taxes				
Property Taxes				28,211,184
Personal Property Replacement Taxes				343,468
Evidence Based Funding Formula				1,252,273
Earnings on Investments				945,656
Miscellaneous				865,961
				<u>31,618,542</u>
Change in Net Position				839,194
Net Position - Beginning				<u>77,052,252</u>
Net Position - Ending				<u><u>77,891,446</u></u>

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

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Balance Sheet - Modified Cash Basis - Governmental Funds
June 30, 2019**

	General	Capital Projects	Nonmajor	Totals
ASSETS				
Cash and Investments	\$ 28,286,638	8,589,441	4,190,663	41,066,742
Deposit	-	10,000	-	10,000
Receivables - Net of Allowances				
Other	2,081	-	-	2,081
Total Assets	28,288,719	8,599,441	4,190,663	41,078,823
LIABILITIES				
Deposits Payable	64,525	-	-	64,525
FUND BALANCES				
Restricted	3,079,706	8,599,441	4,190,663	15,869,810
Unassigned	25,144,488	-	-	25,144,488
Total Fund Balances	28,224,194	8,599,441	4,190,663	41,014,298
Total Liabilities and Fund Balances	28,288,719	8,599,441	4,190,663	41,078,823

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

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

**Reconciliation of Total Governmental Fund Balance to the
Statement of Net Position - Modified Cash Basis - Governmental Activities**

June 30, 2019

Total Governmental Fund Balances	\$ 41,014,298
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Amounts reported for Governmental Activities in the Statement of Net Position
are different because:

Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	52,381,923
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Long-term liabilities are not due and payable in the current
period and therefore are not reported in the funds.

General Obligation Bonds Payable - Net	(15,486,817)
Capital Lease Payable	<u>(17,958)</u>

Net Position of Governmental Activities	<u><u>77,891,446</u></u>
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The notes to the financial statement are an integral part of this statement.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis

Governmental Funds

For the Fiscal Year Ended June 30, 2019

	General	Capital Projects	Nonmajor	Totals
Revenues				
Local Sources				
Property Taxes	\$ 24,925,691	-	3,285,493	28,211,184
Personal Property Replacement Taxes	318,719	-	24,749	343,468
Earnings on Investments	716,497	175,536	53,623	945,656
Other	759,119	549	106,293	865,961
State Sources				
Evidence Based Funding Formula	1,252,273	-	-	1,252,273
Grants-in-Aid	460,288	-	743,390	1,203,678
Federal Sources				
Grants-in-Aid	1,061,307	-	-	1,061,307
On Behalf Payments - State of Illinois	10,926,580	-	-	10,926,580
Total Revenues	40,420,474	176,085	4,213,548	44,810,107
Expenditures				
Instruction	16,789,093	-	336,022	17,125,115
Support Services	10,324,118	25,317,086	2,497,668	38,138,872
Community Services	72,435	-	25	72,460
Payments to Other Districts and Governments	1,619,568	-	-	1,619,568
Debt Service				
Principal Retirement	-	-	1,477,864	1,477,864
Interest and Fiscal Charges	-	-	194,239	194,239
Other	-	-	202,591	202,591
On Be-Half Expenditures	10,926,580	-	-	10,926,580
Total Expenditures	39,731,794	25,317,086	4,708,409	69,757,289
Excess (Deficiency) of Revenues Over (Under) Expenditures	688,680	(25,141,001)	(494,861)	(24,947,182)
Other Financing Sources (Uses)				
Debt Issuance	12,446,511	-	193,489	12,640,000
Premium on Debt Issuance	1,558,202	-	-	1,558,202
Transfers In	109,335	21,761,605	37,176	21,908,116
Transfers Out	(21,908,116)	-	-	(21,908,116)
	(7,794,068)	21,761,605	230,665	14,198,202
Net Change in Fund Balances	(7,105,388)	(3,379,396)	(264,196)	(10,748,980)
Fund Balances - Beginning	35,329,582	11,978,837	4,454,859	51,763,278
Fund Balances - Ending	28,224,194	8,599,441	4,190,663	41,014,298

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

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Modified Cash Basis - Governmental Activities

For the Fiscal Year Ended June 30, 2019

Net Change in Fund Balances - Total Governmental Funds	\$ (10,748,980)
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Amounts reported for Governmental Activities in the Statement of Activities
are different because:

Governmental Funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	25,297,031
Depreciation Expense	(995,730)
Disposal - Cost	(467,398)
Disposal - Accumulated Depreciation	467,398

The issuance of long-term debt provides current financial resources to
Governmental Funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

General Obligation Bonds Payable	1,445,000
Capital Lease Payable	32,864
Amortization of Bond Premium	7,211
Issuance of Debt	(12,640,000)
Issuance of Bond Premium	<u>(1,558,202)</u>

Changes in Net Position of Governmental Activities	<u>839,194</u>
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The notes to the financial statements are an integral part of this statement.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

**Statement of Fiduciary Assets and Liabilities - Modified Cash Basis - Agency Fund
June 30, 2019**

	Student Activity, Convenience Accounts, and Other Agency Funds
	<hr/>
ASSETS	
Cash and Investments	<hr/> <hr/> \$ 101,004
LIABILITIES	
Due to Activity Fund Organizations	<hr/> <hr/> 101,004

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

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lisle Community Unit School District No. 202 (the “District”) operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the District’s accounting policies established in GAAP and used by the District are described below.

REPORTING ENTITY

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 61, “The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34,” and includes all component units that have a significant operational or financial relationship with the District. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

The District’s basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District’s major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. 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 District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District’s functions (instruction, support services, community services, etc.). The functions are supported by general government revenues (property and personal property replacement taxes, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, interest income, etc.).

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

Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

Governmental Funds

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

General Fund is the general operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state government aid. The General Fund is a major fund, and is comprised of the Educational, Operations and Maintenance, and Working Cash Accounts.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes, other than those accounted for in the Debt Service Fund, Capital Projects Fund or Fiduciary Funds. The District maintains three nonmajor special revenue funds.

Debt Services Funds are used to account for the accumulation of resources that are restricted, committed, or assigned for, and the payment of, long-term debt principal, interest and related costs. The Debt Services Fund is a nonmajor fund.

Capital Projects Funds are used to account for the financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities. The District maintains one major capital projects fund. The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. Revenues are derived from transfers from other funds.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

Agency Funds include the Student Activity Fund. This fund is custodial in nature and does not present results of operations or have a measurement focus. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational or cultural purposes.

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

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

The government-wide financial statements are reported using the economic measurement focus within the limitations of the modified cash basis of accounting.

Governmental fund financial statements are reported using a “current financial resources” measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds used fund balance as their measure of available spendable financial resources at the end of the period.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

The financial statements are presented using the modified cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB. This basis recognizes assets, liabilities, net position, receipts, and expenditures when they result from cash transactions with a provision for depreciation in the government-wide statements.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods and services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not result from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value. Lastly, the net pension liability as calculated under GASB 68 has not been recorded, and pension expense in the financial statements represents cash paid during the year rather than the amount calculated under GASB 68.

If the District utilized the basis of accounting recognized as generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting.

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) have been recognized in the financial statements.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, 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.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Capital Assets

Capital assets purchased or acquired with an original cost of more than \$5,000 for furniture, equipment and land improvements and \$25,000 for buildings and building improvements or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets – Continued

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Land Improvements	20 Years
Buildings	50 Years
Building Improvements	10 Years
Furniture, Equipment and Vehicles	5 - 20 Years

Compensated Absences

District employees earn vacation days and these vacation days may be taken at any time during the year in which they were earned or a subsequent one-year period. The number of vacation days earned is dependent on the type of position, collective bargaining agreement and length of service. The General Fund liquidate the liabilities pertaining to their employees.

All full-time employees receive various numbers of sick days per year based on the collective bargaining agreements or policies in place. These days may accumulate base on type pf position and collective bargaining agreement. Sick leave does not vest and, therefore, is recognized only when used. The District does not report accrued compensated absences under the modified cash basis of accounting.

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 effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

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 improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The budgeted amounts for the governmental funds are adopted on the modified cash basis.

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

1. 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.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

3. Prior to September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December, a tax resolution is filed with the county clerk to obtain tax revenues.
4. The Board of Education, authorizes the Superintendent, or their designee to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law. There were no budget amendments during the year ended June 30, 2019.
5. Formal budgetary integration is employed as a management control devise during the year for all governmental funds.
6. The District has adopted a legal budget for all its governmental funds. Total 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.
7. All budget appropriations lapse at the end of the fiscal year.

ON-BEHALF PAYMENTS

The Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds includes “on-behalf” payments received and made for the amounts contributed by the State of Illinois for the employer’s share of the Teachers Retirement System pension. The District does budget for these amounts in the Educational Accounts of the General Fund.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Tort Immunity	\$ 826

DEPOSITS AND INVESTMENTS

Under State law, limits are imposed as to investments in commercial paper, corporate bonds, and mutual funds in which the District may invest, as well as the Illinois School District Liquid Asset Fund Plus (ISDLAF+).

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS – Continued

The ISDLAF+ is a non-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. It is not registered with the SEC as an investment company. Investments are sold valued at share price, which is the price for which the investment could be sold.

Deposits. At year-end, the carrying amount of the District's deposits for governmental activities totaled \$3,753,174 and the bank balances totaled \$3,760,022.

Investments. The District has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1 to 5
ISDLAF+	\$ 1,752,295	1,752,295	-
Certificates of Deposit	32,565,196	32,565,196	-
Treasury Bill	2,996,077	2,996,077	-
	<u>37,313,568</u>	<u>37,313,568</u>	<u>-</u>

The District has the following recurring fair value measurements as of June 30, 2019:

- ISDLAF+ of \$1,752,295 are measured at the net asset value per share as determined by the pool.
- Certificates of Deposit of \$32,565,196 are valued using a matrix pricing model (Level 2 inputs).
- Treasury Bill of \$2,996,077 are valued using a matrix pricing model (Level 1 inputs).

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District's investment 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's investment portfolio to be sufficiently liquid to enable the District to meet all operating requirements as they come due.

Custodial Credit Risk – Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2019, the bank balance of the District's deposits with financial institutions totaled \$3,753,174; this entire amount was insured through FDIC insurance and additional letter of credit.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Custodial Credit Risk – Investments. For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring all investments be with financial institutions in excess of any insurance limit shall be collateralized in accordance with the Public Funds Investment Act, 30 ILCS 235. At year end, the District investment in ISDLAF+ was not subject to custodial credit risk.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To limit its exposure, the District's investment policy prefers investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. At year-end, the District's investment in the ISDLAF+ was rated AAAM from Standard & Poor's.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy requires that the portfolio is diversified as to materials and investments, as appropriate to the nature, purpose, and amount of the funds. Investments in any one depository will not exceed 25% of District funds at any time. At year-end, the District has over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) invested in the following institutions:

Assocaited Banke	13.64%
Bank United	11.88%
Lisle Savings Bank	10.10%
Bank OZK	8.90%
CitiBank	8.88%
BMO Harris Bank	5.35%

PROPERTY TAXES

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2018 levy resolution was approved during the December 17, 2018 board 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 to real property on January 1 in any year is liable for taxes of that year.

Property taxes are collected by the County 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. Property taxes are normally collected by the District within 30 days of the respective installment dates. The portion of the 2017 levy received after June 30, 2018, and the portion of the 2018 levy received on or before June 30, 2019, are reported as income during fiscal year 2019.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PERSONAL PROPERTY REPLACEMENT TAXES

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

CAPITAL ASSETS

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 941,514	-	-	941,514
Construction in Progress	4,155,164	25,228,969	-	29,384,133
	<u>5,096,678</u>	<u>25,228,969</u>	<u>-</u>	<u>30,325,647</u>
Depreciable Capital Assets				
Land Improvements	2,224,083	-	-	2,224,083
Buildings	40,121,361	-	-	40,121,361
Equipment	3,053,275	68,062	467,398	2,653,939
	<u>45,398,719</u>	<u>68,062</u>	<u>467,398</u>	<u>44,999,383</u>
Less Accumulated Depreciation				
Land Improvements	1,309,485	66,299	-	1,375,784
Buildings	18,475,831	805,432	-	19,281,263
Equipment	2,629,459	123,999	467,398	2,286,060
	<u>22,414,775</u>	<u>995,730</u>	<u>467,398</u>	<u>22,943,107</u>
Total Net Depreciable Capital Assets	<u>22,983,944</u>	<u>(927,668)</u>	<u>-</u>	<u>22,056,276</u>
Total Net Capital Assets	<u>28,080,622</u>	<u>24,301,301</u>	<u>-</u>	<u>52,381,923</u>

Depreciation expense was charged to governmental activities as follows:

Instructional	\$ 844,411
Support Services	<u>151,319</u>
	<u>995,730</u>

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND TRANSFERS

Transfer In	Transfer Out	Amount
General - Educational Accounts	General - Working Cash Account	\$ 109,335 (1)
Capital Projects	General - Education Account	1,250,000 (4)
Capital Projects	General - Operations & Maintenance Account	1,500,000 (4)
Capital Projects	General - Working Cash Account	19,011,605 (2)
Nonmajor Governmental	General - Education Account	<u>37,176 (3)</u>
		<u><u>21,908,116</u></u>

Transfers are used to (1) move excess interest earned out of the Working Cash Account to other funds, (2) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (3) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (4) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

LONG-TERM DEBT

Capital Lease

The District has entered into a separate lease agreement to lease copier equipment. The lease agreement qualifies as capital leases for accounting purposes and; therefore, have been recorded at the present value of the future minimum lease payments as of the inception date. The capital leases have been recorded as liabilities of the government-wide balance sheet.

The future minimum lease payments are as follows:

Fiscal Year	Governmental Activities
2020	\$ 18,589
Interest Portion	<u>(631)</u>
Principal Balance	<u><u>17,958</u></u>

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds

General Obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Limited School Bonds of 2010 - Due in annual installments of \$535,000 to \$555,000 plus semi-annual interest at 2.00% to 3.00% through December 30, 2019.	\$ 1,105,000	-	550,000	555,000
General Obligation Limited Refunding Tax School Bonds of 2015 - Due in annual installments of \$730,000 to \$895,000 plus semi-annual interest at 1.49% through December 30, 2019.	1,625,000	-	895,000	730,000
General Obligation Limited Tax School Bonds of 2019 - Due in annual installments of \$170,000 to \$1,420,000 plus semi-annual interest at 3.00% to 5.00% through December 30, 2030.	-	12,640,000	-	12,640,000
	2,730,000	12,640,000	1,445,000	13,925,000

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Notes to the Financial Statements
June 30, 2019****NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued****LONG-TERM DEBT – Continued**

Annual debt service requirements to maturity are as follows:

Fiscal Year	General Obligation Bonds	
	Principal	Interest
2020	\$ 1,455,000	584,763
2021	930,000	543,500
2022	980,000	495,750
2023	1,025,000	445,625
2024	1,080,000	393,000
2025	1,130,000	337,750
2026	1,190,000	279,750
2027	1,250,000	218,750
2028	1,310,000	161,300
2029	1,365,000	107,800
2030	1,420,000	52,100
2031	790,000	11,850
Totals	13,925,000	3,631,938

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
General Obligation Bonds	\$ 2,730,000	12,640,000	1,445,000	13,925,000	1,455,000
Plus: Unamortized Premium	10,826	1,558,202	7,211	1,561,817	-
Capital Lease Payable	50,822	-	32,864	17,958	17,958
	2,791,648	14,198,202	1,485,075	15,504,775	1,472,958

The general obligation bonds and the capital lease payable are being liquidated by the Debt Service Fund.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 13.8% of the most recent available equalized assessed valuation of the District. At year-end the legal debt margin is as follows:

Assessed Valuation - 2018	<u>\$ 615,726,142</u>
Legal Debt Limit - 13.8% of Assessed Value	84,970,208
Amount of Debt Applicable to Limit	<u>(13,942,958)</u>
Legal Debt Margin	<u>71,027,250</u>

FUND BALANCE/NET POSITION

Fund Balance Classifications

In the governmental fund financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Education; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION – Continued

Fund Balance Classifications – Continued

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Education's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Education itself or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Education, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The District's policy manual states that the General Fund and Transportation Fund should maintain a minimum fund balance equal to 25% of the combined expenditures.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Capital Projects	Nonmajor	Totals
Fund Balances				
Restricted				
Operations and Maintenance	\$ 2,277,091	-	-	2,277,091
Working Cash	802,615	-	-	802,615
Transportation	-	-	1,978,239	1,978,239
Retirement Benefits	-	-	691,447	691,447
Debt Service	-	-	1,520,977	1,520,977
Capital Projects	-	8,599,441	-	8,599,441
	3,079,706	8,599,441	4,190,663	15,869,810
Unassigned	25,144,488	-	-	25,144,488
Total Fund Balances	28,224,194	8,599,441	4,190,663	41,014,298

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION – Continued

Fund Balance Classifications – Continued

Net Position Classifications

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 52,381,923
Plus: Unspent Bond Proceeds	7,721,370
Less Capital Related Debt:	
General Obligation Limited School Bonds of 2010	(555,000)
General Obligation Limited Refunding TaxSchool Bonds of 2015	(730,000)
General Obligation Limited TaxSchool Bonds of 2019	(12,640,000)
Unamortized Premium	(1,561,817)
Capital Leases Payable	<u>(17,958)</u>
Net Investment in Capital Assets	<u>44,598,518</u>

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the following public entity risk pools: the Educational Benefit Cooperative (EBC) for health benefit claims, the Suburban School Cooperative Insurance Pool (SSCIP) for property damage and injury claims, and the School Employees Loss Fund (SELF) for workers' compensation claims. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that the pools will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools.

Complete financial statements for EBC can be obtained from its Treasurer, 1105 North Hunt Club Road, Gurnee, Illinois 60031.

Complete financial statements for SSCIP can be obtained from its Treasurer, 5540 Arlington Drive, Hanover Park, Illinois 60103.

Complete financial statements for SELF can be obtained from their accountant, 2850 West Golf Road, Rolling Meadows, Illinois 60008.

Settled claims have not exceeded commercial insurance coverage for the past three fiscal years.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

Litigation

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

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 the terms of the grant. Management believes such disallowance, if any, would be immaterial.

JOINT VENTURES

School Association for Special Education in DuPage County (SASED)

The District entered into a joint agreement to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the Board of Directors.

Complete financial statements for SASED can be obtained from the Business Office at 2900 Ogden Ave., Lisle, Illinois 60532.

DuPage Area Occupational Education System (DAOES)

The District entered into a joint agreement to provide vocational education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the Board of Directors.

Complete financial statements for DAOES can be obtained from the Administrative Office at the Technology Center of DuPage at 301 South Swift Road, Addison, Illinois 60101-1499.

COMMITMENT

The District has entered into contractual commitments related to construction of a new elementary school. As of June 30, 2019, remaining commitments under those contracts are approximately \$8.8 million.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Retiree's Health Plan

General Information about the OPEB Plan

Plan Description. The District administers a single-employer defined benefit healthcare plan (the "Retiree Health Plan"). Eligible administrators that retire from the District may continue their health care coverage for up to ten years, depending on length of service, with the Board paying the monthly premium. IMRF employees that retire from the District may elect to continue their health care coverage by paying the monthly premium. The District subsidizes a portion of the cost for hospital and medical coverage for retired IMRF employees and their dependents. The subsidy is an implied age related cost differential based upon the expected higher cost of coverage for retired employees versus the average cost for the entire group. The District also reimburses eligible retirees for a portion of the cost of health coverage at established rates. Benefit provisions are established through contractual agreements and may only be amended through negotiations with the Board. The plan does not issue a separate, publicly available report. All insurance benefits cease when the retired employee begins receiving Medicare coverage, or attains age 65, whichever comes first.

Eligibility: Non-Bargaining Unit Support Staff, Classified Employees and Level I Administrators eligible to retire from the District and continue their health coverage after meeting the age and service requirements for retirement.

Level II Administrators and Teachers are eligible to retire from the District and receive reimbursement toward the cost of medical coverage after meeting the age and service requirements.

Non-Certified Personnel

Non-Bargaining Unit Support Staff must be age 55, have at least 10 years of service, and qualify for a pension with the Illinois Municipal Retirement Fund ("IMRF"). Classified Staff must have 15 years or more of full-time service to the District. Participation requirements for the IMRF are as follows:

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)

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Retiree's Health Plan – Continued

General Information about the OPEB Plan – Continued

Certified Personnel

Level II Administrators and Teachers must be at least age 55, have 12 continuous years or 15 total years of full-time service and qualify for an Illinois Teachers' Retirement System ("TRS") pension. Level I Administrators must have completed at least 5 years of full-time continuous service and qualify for a TRS pension. Participation requirements for the TRS are as follows:

Tier I Members (First Contributed Prior to January 1, 2011)

- Age 62 with 5 years of service; or
- Age 60 with 10 years of service; or
- Age 55 with 20 years of service (reduced pension)
- Age 55 with 35 years of service (full pension)

Tier II Members (First Contributed On or After January 1, 2011)

- 62 years old with 10 years of service (reduced pension)
- 67 years old with 10 years of service (full pension)

Plan Membership. As of June 30, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	22
Inactive Plan Members Entitled to but not yet Receiving Benefit	-
Active Plan Members	<u>248</u>
Total	<u>270</u>

Total OPEB Liability

The District's OPEB liability of \$1,847,560 was measured as June 30, 2019 and was determined by an actuarial valuation as of that date.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Retiree's Health Plan – Continued

Total OPEB Liability – Continued

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	4.00%
Discount Rate	2.79%
Healthcare Cost Trend Rates	4.5% per year.
Retirees' Share of Benefit-Related Costs	Not Available

The Discount Rate was based on the S&P Municipal Bond 20 Year High-Grade Rate Index as of June 30, 2019.

The mortality projection assumption is based off of retirees' rates from December 31, 2017 IMRF actuarial valuation report.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2016 - June 30, 2017.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Retiree's Health Plan – Continued

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2018	<u>\$ 1,849,197</u>
Changes for the Year:	
Service Cost	101,459
Interest on the Total Pension Liability	52,559
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	-
Changes of Assumptions or Other Inputs	16,228
Benefit Payments	(170,938)
Other Changes	(945)
	<u>(1,637)</u>
Balance at June 30, 2019	<u>1,847,560</u>

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

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (1.79%)	Current Discount Rate (2.79%)	1% Increase (3.79%)
Total OPEB Liability	\$ 1,934,682	1,847,560	1,763,463

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Retiree's Health Plan – Continued

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

	1% Decrease (3.50%)	Healthcare Cost Trend Rate (4.50%)	1% Increase (5.50%)
Total OPEB Liability	\$ 1,782,986	1,847,560	1,921,142

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

For the year ended June 30, 2019, the District recognized pension expense of \$148,634. At June 30, 2019 under GAAP, the District would have reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(36,030)	(36,030)
Change in Assumptions	28,696	(31,329)	(2,633)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-
Total Deferred Amounts Related to OPEB	28,696	(67,359)	(38,663)

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Retiree's Health Plan – Continued

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB – Continued

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

Fiscal Year	Net Deferred (Inflows) of Resources
2020	\$ (5,384)
2021	(5,384)
2022	(5,384)
2023	(5,384)
2024	(5,384)
Thereafter	<u>(11,743)</u>
Total	<u><u>(38,663)</u></u>

Teachers' Health Insurance Security (THIS) Fund

Plan Description

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the City of Chicago. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Beginning February 1, 2015, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage Plans.

Benefits Provided. The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. 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. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers' Health Insurance Security (THIS) Fund – Continued

Plan Description – Continued

The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

On Behalf Contributions to THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.24 percent of pay during the year ended June 30, 2019. State of Illinois contributions were \$188,771, and the District recognized revenues and expenditures of this amount during the year. State contributions intended to match active member contributions during the years ended June 30, 2018 was 1.18 percent of pay. State contributions on behalf of the District's employees were \$179,543.

Employer Contributions to THIS Fund. The District also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.92 percent during the year ended June 30, 2019 and 0.88 percent during the year ended June 30, 2018. For the years ended June 30, 2019 and 2018 the District paid \$140,056 and \$133,897 to the THIS Fund, respectively, which was 100 percent of the required contribution for those years.

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

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation:	2.75%
Salary Increases:	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment Rate of Return:	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare Cost Trend Rates:	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.00% and 9.00% for non Medicare cost and post Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.36% is added to non Medicare cost on and after 2022 to account for the Excise Tax.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers' Health Insurance Security (THIS) Fund – Continued

Plan Description – Continued

Actuarial Assumptions – Continued. Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disabled annuitant's 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-2014.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2014.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values 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 bonds 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 fund is financed on a pay-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 3.56 percent as of June 30, 2017, and 3.62 percent as of June 30, 2018.

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

The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (2.62%)	Current Discount Rate (3.62%)	1% Increase (4.62%)
Employer's Proportionate Share of the OPEB Liability	\$ 20,269,420	16,857,625	14,164,383

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers' Health Insurance Security (THIS) Fund – Continued

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the District's proportionate share of the collective net OPEB liability, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower. The key trend rates are 8.00% in 2019 decreasing to an ultimate trend rate of 4.86% in 2026, for non-Medicare coverage, and 9.00% in 2019 decreasing to an ultimate trend rate of 4.50% in 2028 for Medicare coverage.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Employer's Proportionate Share of the OPEB Liability	\$ 13,668,840	16,857,625	21,153,788

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

At June 30, 2019, the District reported a liability for its proportionate share of the net OPEB liability that reflected a reduction for State OPEB support provided to the District. The collective net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of the District, actuarially determined. At June 30, 2018, the District's proportion was 0.0639860 percent, which was an increase of 0.0012610 from its proportion measured as of June 30, 2017 (0.0627250 percent). 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 follow:

Employer's Proportionate Share of the Net OPEB Liability	\$ 16,857,625
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>22,636,204</u>
Total	<u><u>39,493,829</u></u>

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers' Health Insurance Security (THIS) Fund – Continued

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

For the year ending June 30, 2019, the District recognized OPEB expense of \$188,771 and revenue of \$188,771 for support provided by the State. For the year ending June 30, 2019, the District recognized OPEB expense of \$1,092,496. At June 30, 2019, 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	Totals
Differences Between Expected and Actual Experience	\$ -	(60,485)	(60,485)
Net Difference Between Projected and Actual Earnings on Pension Investments	-	(517)	(517)
Changes of Assumptions	-	(2,454,753)	(2,454,753)
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	1,024,376	(7,928)	1,016,448
Total Pension Expense to be Recognized in Future Periods	1,024,376	(2,523,683)	(1,499,307)
Employer Contributions Subsequent to the Measurement Date	140,056	-	140,056
Totals	1,164,432	(2,523,683)	(1,359,251)

\$140,056 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2020	\$ (258,868)
2021	(258,868)
2022	(258,868)
2023	(258,841)
2024	(258,785)
Thereafter	(205,077)
Total	(1,499,307)

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS

The retirement plans of the District include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois 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.

Teachers' Retirement System (TRS)

Plan Descriptions, Provisions and Funding Policies

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can only be made by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration. TRS issues a publicly available financial report that can be obtained at <http://trsil.org/financial/cafrs/fy2018>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling 888.678-3675, option 2.

Benefits Provided

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

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

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System (TRS) – Continued

Benefits Provided – Continued

Essentially all Tier 1 retirees receive an annual 3 percent increase in the current retirement beginning January 1 following the attainment of age 61 or on January 1 following the members' first anniversary in retirement, whichever is later. Tier 2 annual increases will be the lesser of 3 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 members' first anniversary in retirement, whichever is later.

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

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contributions rates are specified by the pension code. The active member contribution rate for the year ended June 30, 2018, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2019, State of Illinois contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$10,737,809 in pension contributions from the State of Illinois.

2.2 Formula Contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the years ended June 30, 2019 were \$88,296 and are deferred because they were paid after the June 30, 2018 measurement date.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System (TRS) – Continued

Contributions – Continued

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

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

For the year ended June 30, 2019, the employer pension contribution was 9.85 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2019, salaries totaling \$1,706 were paid from federal and special trust funds that required employer contributions of \$168. These contributions are deferred because they were paid after the June 30, 2018 measurement date.

Employer Retirement Cost Contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. Additionally, beginning with the year ended June 30, 2019, employers will make a similar contribution for salary increases over 3 percent if members are not exempted by current collective bargaining agreements or contracts.

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, 2019, the employer paid \$30 to TRS for employer contributions due on salary increases in excess of 3 percent, \$4,499 for contributions on salaries in excess of the Governor's statutory salary and \$0 for sick leave days granted in excess of the normal annual allotment. For the year ended June 30, 2018, the District paid \$30 to TRS for employer contributions due on salary increases in excess of 6 percent and made no payments for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2018, the employer reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The state's support and total are for disclosures purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the employer were as follows:

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System (TRS) – Continued

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

Employer's Proportionate Share of the Net Pension Liability	\$ 1,669,001
State's Proportionate Share of the Net Pension Liability Associated with the Employer	<u>114,333,595</u>
Total	<u><u>116,002,596</u></u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017, and rolled forward to June 30, 2018. 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, 2018, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2018, the employer's proportion was 0.0021 percent, which was an increase of 0.0001 percent from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the employer recognized pension expense of \$10,737,809 and revenue of \$10,737,809 for support provided by the state. At June 30, 2019, the employer reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ 33,544	(364)	33,180
Net Difference Between Projected and Actual			
Net Difference Between Projected and Actual Earnings on Pension Investments	-	(5,110)	(5,110)
Changes of Assumptions	73,202	(47,303)	25,899
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	86,692	(65,329)	21,363
Total Pension Expense to be Recognized in Future Periods	193,438	(118,106)	75,332
Employer Contributions Subsequent to the Measurement Date	88,464	-	88,464
Totals	<u><u>281,902</u></u>	<u><u>(118,106)</u></u>	<u><u>163,796</u></u>

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System (TRS) – Continued

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

\$88,464 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year	Net Deferred Outflows/(Inflows) of Resources
2020	\$ 41,789
2021	20,376
2022	(7,157)
2023	12,403
2024	7,921
	<u>75,332</u>

Actuarial Assumptions

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.50 Percent

Salary Increases: Varies by Amount of Service Credit

Investment Rate of Return: 7.00 Percent, Net of Pension Plan Investment Expense, Including Inflation

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System (TRS) – Continued

Actuarial Assumptions – Continued

In the June 30, 2018 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates are used on a fully-generational basis using projection table MP-2017. In the June 30, 2017 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. Large Cap	15.00%	6.70%
U.S. Small/Mid Cap	2.00%	7.90%
International Equities Developed	13.60%	7.00%
Emerging Market Equities	3.40%	9.40%
U.S. Bonds Core	8.00%	2.20%
U.S. Bonds High Yield	4.20%	4.40%
Internatioanl Debt Developed	2.20%	1.30%
Emerging International Debt	2.60%	4.50%
Real Estate	16.00%	5.40%
Real Return	4.00%	1.80%
Absolute Return	14.00%	3.90%
Private Equity	15.00%	10.20%
Total	100.00%	

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System (TRS) – Continued

Discount Rate

At June 30, 2018, the discount rate used to measure the total pension liability was 7.00 percent, which was the same as the June 30, 2017 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, 2018 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier 1's liability is partially funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's Proportionate Share of the Net Pension Liability	\$ 2,046,872	1,669,001	1,364,701

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2018 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF)

The District contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan Description

Plan Administration. All employees (other than those covered by the Teachers Retirement Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description – Continued

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

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

Plan Membership. As of December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	123
Inactive Plan Members Entitled to but not yet Receiving Benefits	112
Active Plan Members	<u>94</u>
Total	<u><u>329</u></u>

Contributions. As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended June 30, 2019, the District's contribution was 12.75% of covered payroll.

Net Pension Liability. The District's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description – Continued

Actuarial Assumptions. The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.39% - 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

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 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:

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description – Continued

Actuarial Assumptions – Continued.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.75%
Domestic Equities	37.00%	7.15%
International Equities	18.00%	7.25%
Real Estate	9.00%	6.25%
Blended	7.00%	3.20% - 8.50%
Cash and Cash Equivalents	1.00%	2.50%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, and the discount rate in the prior valuation was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate as well as what the District's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 5,624,176	3,820,466	2,300,722

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Notes to the Financial Statements
June 30, 2019****NOTE 4 – OTHER INFORMATION – Continued****RETIREMENT SYSTEMS – Continued****Illinois Municipal Retirement Fund (IMRF) – Continued****Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2017	\$ 15,189,330	13,343,380	1,845,950
Changes for the Year:			
Service Cost	315,592	-	315,592
Interest on the Total Pension Liability	1,117,831	-	1,117,831
Differences Between Expected and Actual Experience of the Total Pension Liability	202,664	-	202,664
Changes of Assumptions	403,707	-	403,707
Contributions - Employer	-	415,004	(415,004)
Contributions - Employees	-	151,087	(151,087)
Net Investment Income	-	(763,414)	763,414
Benefit Payments, including Refunds of Employee Contributions	(885,416)	(885,416)	-
Other (Net Transfer)	-	262,601	(262,601)
Net Changes	1,154,378	(820,138)	1,974,516
Balances at December 31, 2018	16,343,708	12,523,242	3,820,466

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

For the year ended June 30, 2019, the District recognized pension expense of \$397,866 on a cash basis. At June 30, 2019 under GAAP, the District would have reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ 169,487	-	169,487
Changes of Assumptions	243,956	(125,829)	118,127
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	855,483	-	855,483
Total Pension Expense to be Recognized in Future Periods	1,268,926	(125,829)	1,143,097
Pension Contributions Made Subsequent to the Measurement Date	193,991	-	193,991
Total Deferred Amounts Related to Pensions	1,462,917	(125,829)	1,337,088

\$193,991 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2020.

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

Fiscal Year	Net Deferred Outflows of Resources
2020	\$ 438,118
2021	245,388
2022	107,183
2023	352,408
2024	-
Thereafter	-
Total	1,143,097

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

SUBSEQUENT EVENTS

On June 25, 2018, the Board of Education of Lisle Community Unit School District No. 202 (“Seller”) entered into a sale contract with Kindi Academy (“Purchaser”) for the sale of Tate Woods Elementary School building located at 1736 Middleton Ave., Lisle, DuPage County, Illinois. The purchase price was \$2,555,000 with the Purchaser making a one-time payment of \$51,100 as earnest money at the time of bid submission. The closing was tentatively set for August 1, 2019 with the Seller having the right to delay the time of closing up to August 1, 2020. The closing has not occurred as of the opinion date.

On August 26, 2019, the Board of Education of Lisle Community Unit School District No. 202 approved the lease agreement between the District and Chesterton Academy of the Holy Family for the leasing of Schiesher Elementary School for August 2019 through June 2021 for annual rent of \$108,000 payable in monthly installments of \$9,000.

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Schedule of Changes in the Employer's Total OPEB Liability
Retirement Health Plan
- Schedule of Employer Contributions
Teacher's Health Insurance Security Fund
- Schedule of Employer's Proportionate Share of the Collective Net OPEB Liability
Teacher's Health Insurance Security Fund
- Schedule of Employer's Proportionate Share of the Net Pension Liability and Employer
Contributions
Teachers' Retirement System
- Schedule of Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund
- Combining Statements – General Fund – by Accounts
- Budgetary Comparison Schedules – General Fund Accounts
- Budgetary Comparison Schedule – Major Governmental Fund
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Schedule of Changes in Assets and Liabilities – Agency Funds
- Consolidated Year-End Financial Report

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The General Fund includes the Educational, Operations and Maintenance and Working Cash Accounts.

SPECIAL REVENUE FUNDS

The Special Revenue Funds account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Transportation Fund

The Transportation Fund is used to account for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund

The Municipal Retirement/Social Security Fund is used to account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for non-certified employees. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

Tort Immunity Fund

The Tort Fund is used to account for activity relating to risk management and loss prevention.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources that are restricted, committed, or assigned for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

FIDUCIARY FUNDS

The Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

AGENCY FUNDS

Student Activity, Convenience Accounts, and Other Agency Funds

The Student Activity Fund is used to account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educations, recreational, or cultural purposes. The Convenience Accounts Fund is used to account for assets that are normally maintained by a local educational agency as a convenience for its faculty, staff, etc.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Retirement Health Plan

Required Supplementary Information

Schedule of Changes in the Employer's Total OPEB Liability

June 30, 2019

	2018	2019
Total OPEB Liability		
Service Cost	\$ 96,981	\$ 101,459
Interest	63,908	52,559
Changes in Benefit Terms	(206,069)	-
Differences Between Expected and Actual Experience	(45,693)	-
Change of Assumptions or Other Inputs	4,972	16,228
Employee Contributions	-	-
Benefit Payments	(162,128)	(170,938)
Other	(25,625)	(945)
Net Change in Total OPEB Liability	(273,654)	(1,637)
Total OPEB Liability - Beginning	2,122,851	1,849,197
Total OPEB Liability - Ending	1,849,197	1,847,560
Covered Payroll	\$ 14,436,333	\$ N/A
Total OPEB Liability as a Percentage of Covered Payroll	12.81%	N/A

Notes:

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

Changes of Benefit Terms. There was no change in the retirees' share of health insurance premiums.

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year	HMO	PPO Plan
2020	4.94%	5.83%
2021	4.89%	5.67%
2022	4.83%	5.50%
2023	4.78%	5.33%
2024	4.72%	5.17%
2025	4.67%	5.00%
2026	4.61%	4.83%
2027	4.56%	4.67%
2028	4.50%	4.50%
Ultimate	4.50%	4.50%

In 2019, there was no change in the healthcare trend rates from the prior year.

N/A - Not available

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Teacher's Health Insurance Security Fund

Required Supplementary Information Schedule of Employer Contributions June 30, 2019

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 121,148	\$ 121,208	\$ 60	\$ 14,422,385	0.84%
2019	140,056	140,056	-	15,223,491	0.92%

Note:

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

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Teacher's Health Insurance Security Fund

Required Supplementary Information

Notes to the Schedule of Employer Contributions

June 30, 2019

Notes to the Schedule of Employer Contributions

Valuation Date June 30, 2017

Measurement Date June 30, 2018

Sponsor's Fiscal Year End June 30, 2019

Methods and Assumptions Used to Determine Actuarial Liability and Contributions:

Actuarial Cost Method Entry Age Normal, used to measure the Total OPEB Liability

Contribution Policy Benefits are financed on a pay-as-you-go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2018, contribution rates are 1.18% of pay for active members, 0.88% of pay for employers, and 1.18% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.

Asset Valuation Method Market Value

Investment Rate of Return 0%, net of OPEB plan investment expense, including inflation, for all plan years.

Inflation 2.75%

Salary Increases Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.

Retirement Age Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2016 actuarial valuation.

Mortality Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2014.

Healthcare Cost Trend Rates Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trends start at 8.00% and 9.00% for non-Medicare cost and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.59% is added to non-Medicare cost on and after 2022 to account for the Excise Tax.

Aging Factors Based on the 2013 SOA Study "Health Care Costs – From Birth to Death"

Expenses Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Teacher's Health Insurance Security Fund****Required Supplementary Information****Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability****June 30, 2019**

	6/30/18	6/30/19
Employer's Proportion of the Net OPEB Liability	0.0627250%	0.0639860%
Employer's Proportionate Share of the Net OPEB Liability	\$ 16,276,762	\$ 16,857,625
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	21,375,433	22,636,204
Total	37,652,195	39,493,829
Covered Payroll	\$ 14,422,385	\$ 15,223,491
Employer's Proportionate Share of the Net OPEB Liability as a % of its Covered Payroll	112.86%	110.73%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	(0.17%)	(0.07%)

Notes:

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

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

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Teachers' Retirement System

Required Supplementary Information

Schedule of the Employer's Proportionate Share of the Net Pension Liability and Employer Contributions

June 30, 2019

	6/30/14*
Employer's Proportion of the Net Pension Liability	0.002100%
Employer's Proportionate Share of the Net Pension Liability	\$ 1,248,181
State's Proportionate Share of the Net Pension Liability Associated with the Employer	77,837,814
Total	79,085,995
Employer's Covered Payroll	\$ 12,623,410
Employer's Proportionate Share of the Net Pension Liability as a % of its Covered Payroll	9.89%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	43.00%
* The amounts presented were determined as of the prior fiscal year end.	
Contractually-Required Contribution	\$ 77,107
Contributions in Relation to the Contractually-Required Contribution	\$ 77,366
Contribution Deficiency (Excess)	\$ 259
Employer's Covered Payroll	\$ 13,294,254
Contributions as a % of Covered Payroll	0.58%

Notes:

Amounts reported in 2018, 2017 and 2016 reflect an investment rate of return of 7.00%, an inflation rate of 2.50% and real return of 4.50%, and salary increases were assumed to vary by service credit, but the rates of increase in 2018 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.

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

6/30/15*	6/30/16*	6/30/17*	6/30/18*
0.002200%	0.002100%	0.002027%	0.002141%
1,447,395	1,631,526	1,548,859	1,669,001
86,428,445	109,543,584	106,626,644	114,333,595
87,875,840	111,175,110	108,175,503	116,002,596
13,294,254	14,442,741	14,422,385	15,223,491
10.89%	11.30%	10.74%	10.96%
41.50%	36.40%	39.30%	40.00%
83,768	83,650	88,250	88,464
79,980	83,675	88,967	88,183
(3,788)	25	717	(281)
14,442,741	14,422,385	15,215,524	15,223,491
0.58%	0.58%	0.58%	0.58%

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Illinois Municipal Retirement Fund**
Required Supplementary Information
Schedule of Employer Contributions
June 30, 2019

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 373,862	\$ 373,862	\$ -	\$ 2,800,467	13.35%
2016	388,175	388,175	-	2,875,368	13.50%
2017	414,094	414,094	-	2,916,155	14.20%
2018	403,065	403,065	-	3,023,743	13.33%
2019	397,866	397,866	-	3,120,597	12.75%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	5-Year Smoothed Market, 20% Corridor
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).

Note:

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

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Illinois Municipal Retirement Fund****Required Supplementary Information****Schedule of Changes in the Employer's Net Pension Liability and Related Ratios****June 30, 2019**

	<u>12/31/2014</u>
Total Pension Liability	
Service Cost	\$ 322,092
Interest	907,195
Differences Between Expected and Actual Experience	271,995
Change of Assumptions	625,274
Benefit Payments, Including Refunds of Member Contributions	<u>(679,150)</u>
Net Change in Total Pension Liability	1,447,406
Total Pension Liability - Beginning	<u>12,306,801</u>
Total Pension Liability - Ending	<u><u>13,754,207</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 373,863
Contributions - Members	128,548
Net Investment Income	644,918
Benefit Payments, Including Refunds of Member Contributions	<u>(679,150)</u>
Other (Net Transfer)	<u>114,085</u>
Net Change in Plan Fiduciary Net Position	582,264
Plan Net Position - Beginning	<u>10,660,799</u>
Plan Net Position - Ending	<u><u>11,243,063</u></u>
Employer's Net Pension Liability	<u><u>\$ 2,511,144</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.74%
Covered Payroll	\$ 2,669,171
Employer's Net Pension Liability as a Percentage of Covered Payroll	94.08%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/2015	12/31/2016	12/31/2017	12/31/2018
\$ 310,331	\$ 329,554	\$ 329,788	\$ 315,592
1,010,599	1,061,878	1,096,123	1,117,831
101,464	(180,877)	176,797	202,664
15,658	(80,082)	(473,133)	403,707
(724,938)	(757,397)	(780,642)	(885,416)
713,114	373,076	348,933	1,154,378
13,754,207	14,467,321	14,840,397	15,189,330
14,467,321	14,840,397	15,189,330	16,343,708
\$ 388,174	\$ 414,094	\$ 403,065	\$ 415,004
129,716	135,037	139,236	151,087
55,698	781,545	2,091,033	(763,414)
(724,938)	(757,397)	(780,642)	(885,416)
282,422	(135,339)	(321,387)	262,601
131,072	437,940	1,531,305	(820,138)
11,243,063	11,374,135	11,812,075	13,343,380
11,374,135	11,812,075	13,343,380	12,523,242
\$ 3,093,186	\$ 3,028,322	\$ 1,845,950	\$ 3,820,466
78.62%	79.59%	87.85%	76.62%
\$ 2,875,368	\$ 2,916,155	\$ 3,023,743	\$ 3,068,045
107.58%	103.85%	61.05%	124.52%

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Modified Cash Basis For the Fiscal Year Ended June 30, 2019

	2019			2018
	Budget		Variance with	
	Original	Actual	Final Budget	Actual
	and Final			
Revenues				
Local Sources				
Property Taxes	\$ 25,223,950	24,925,691	(298,259)	27,004,910
Personal Property Replacement Taxes	293,000	318,719	25,719	292,799
Earnings on Investments	590,200	716,497	126,297	244,081
Other	615,250	759,119	143,869	873,374
State Sources				
General State Aid	1,252,273	1,252,273	-	1,250,547
Grants-in-Aid	550,562	460,288	(90,274)	852,524
Federal Sources				
Grants-in-Aid	1,038,604	1,061,307	22,703	1,041,624
Total Direct Revenues	29,563,839	29,493,894	(69,945)	31,559,859
On Behalf Payments - State of Illinois	11,215,000	10,926,580	(288,420)	10,673,226
Total Revenues	40,778,839	40,420,474	(358,365)	42,233,085
Expenditures				
Current				
Instruction	17,408,763	16,789,093	619,670	17,004,031
Support Services	10,402,550	10,324,118	78,432	10,162,628
Community Services	108,853	72,435	36,418	66,936
Payments to Other Districts and Government Units	1,452,350	1,619,568	(167,218)	1,606,552
Total Direct Expenditures	29,372,516	28,805,214	567,302	28,840,147
On Be-Half Expenditures	11,215,000	10,926,580	288,420	10,673,226
Total Expenditures	40,587,516	39,731,794	855,722	39,513,373
Excess (Deficiency) of Revenues Over (Under) Expenditures	191,323	688,680	497,357	2,719,712
Other Financing Sources (Uses)				
Disposal of Capital Assets	-	-	-	1,831
Debt Issuance	14,000,000	12,446,511	(1,553,489)	-
Premium on Debt Issuance	-	1,558,202	1,558,202	-
Transfers In	96,800	109,335	12,535	44,951
Transfers Out	(21,883,976)	(21,908,116)	(24,140)	(82,127)
	(7,787,176)	(7,794,068)	(6,892)	(35,345)
Net Change in Fund Balances	(7,595,853)	(7,105,388)	490,465	2,684,367
Fund Balances - Beginning		35,329,582		32,645,215
Fund Balances - Ending		28,224,194		35,329,582

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**General Fund - by Accounts****Combining Balance Sheet - Modified Cash Basis****June 30, 2019**

	Educational	Operations and Maintenance	Working Cash	Totals
ASSETS				
Cash and Investments	\$ 25,145,832	2,338,191	802,615	28,286,638
Receivables - Net of Allowances				
Other	2,081	-	-	2,081
Total Assets	25,147,913	2,338,191	802,615	28,288,719
LIABILITIES				
Deposits Payable	3,425	61,100	-	64,525
FUND BALANCES				
Restricted	-	2,277,091	802,615	3,079,706
Unassigned	25,144,488	-	-	25,144,488
Total Funds Balances	25,144,488	2,277,091	802,615	28,224,194
Total Liabilities and Fund Balances	25,147,913	2,338,191	802,615	28,288,719

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

General Fund - by Accounts

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis For the Fiscal Year Ended June 30, 2019

	Educational	Operations and Maintenance	Working Cash	Totals
Revenues				
Local Sources				
Property Taxes	\$ 22,696,446	2,225,420	3,825	24,925,691
Personal Property Replacement Taxes	318,719	-	-	318,719
Earnings on Investments	546,457	60,525	109,515	716,497
Other	715,692	43,427	-	759,119
State Sources				
Evidence Based Funding Formula	1,252,273	-	-	1,252,273
Grants-in-Aid	460,288	-	-	460,288
Federal Sources				
Grants-in-Aid	1,061,307	-	-	1,061,307
Total Direct Revenues	27,051,182	2,329,372	113,340	29,493,894
On Behalf Payments - State of Illinois	10,926,580	-	-	10,926,580
Total Revenues	37,977,762	2,329,372	113,340	40,420,474
Expenditures				
Current				
Instruction	16,789,093	-	-	16,789,093
Support Services	7,923,929	2,400,189	-	10,324,118
Community Services	72,435	-	-	72,435
Payments to Other Districts and Government Units	1,619,568	-	-	1,619,568
Total Direct Expenditures	26,405,025	2,400,189	-	28,805,214
On Be-Half Expenditures	10,926,580	-	-	10,926,580
Total Expenditures	37,331,605	2,400,189	-	39,731,794
Excess (Deficiency) of Revenues Over (Under) Expenditures	646,157	(70,817)	113,340	688,680
Other Financing Sources (Uses)				
Debt Issuance	-	-	12,446,511	12,446,511
Premium on Debt Issuance	-	-	1,558,202	1,558,202
Transfers In	109,335	-	-	109,335
Transfers Out	(1,287,176)	(1,500,000)	(19,120,940)	(21,908,116)
	(1,177,841)	(1,500,000)	(5,116,227)	(7,794,068)
Net Change in Fund Balances	(531,684)	(1,570,817)	(5,002,887)	(7,105,388)
Fund Balances - Beginning	25,676,172	3,847,908	5,805,502	35,329,582
Fund Balances - Ending	25,144,488	2,277,091	802,615	28,224,194

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Modified Cash Basis****For the Fiscal Year Ended June 30, 2019****(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)**

	2019			
	Budget		Variance with	2018
	Original	Actual	Final Budget	Actual
	and Final			
Revenues				
Local Sources				
General Levy	\$ 18,432,300	18,040,584	(391,716)	20,103,420
Special Education Levy	4,624,100	4,655,862	31,762	3,822,813
Personal Property				
Replacement Taxes	293,000	318,719	25,719	292,799
Earnings on Investments	428,900	546,457	117,557	174,894
Food Services	221,250	261,694	40,444	236,213
Pupil Activities	85,500	95,446	9,946	98,150
Textbooks	172,500	173,783	1,283	178,585
Contributions and Donations				
from Private Sources	10,000	6,837	(3,163)	15,571
Impact Fees	5,500	49,599	44,099	32,830
Refund of Prior Year Expenditures	50,000	73,639	23,639	107,725
Drivers Education Fees	20,000	19,706	(294)	22,886
Payments from Other Districts	25,000	34,201	9,201	27,064
Other Local Revenues	500	787	287	-
Total Local Sources	24,368,550	24,277,314	(91,236)	25,112,950
State Sources				
General State Aid	1,252,273	1,252,273	-	1,250,547
Special Education				
Private Facility Tuition	274,461	260,776	(13,685)	345,428
Funding for Children Requiring				
Special Ed Services	-	-	-	96,715
Personnel	-	-	-	186,030
Orphanage - Individual	226,858	136,172	(90,686)	154,016
Orphanage - Summer Individual	6,344	24,617	18,273	14,225
Summer School	-	-	-	2,066
Vocational Education	6,640	6,475	(165)	6,526

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Modified Cash Basis - Continued****For the Fiscal Year Ended June 30, 2019****(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)**

	2019			2018 Actual
	Budget Original and Final	Actual	Variance with Final Budget	
Revenues - Continued				
State Sources - Continued				
Bilingual Ed - Downstate - TPI and TBE	\$ -	-	-	13,281
State Free Lunch and Breakfast	1,412	2,248	836	1,877
Drivers Education	31,182	26,336	(4,846)	31,461
Other	3,665	3,664	(1)	899
Total State Sources	1,802,835	1,712,561	(90,274)	2,103,071
Federal Sources				
National School Lunch Program	136,342	155,606	19,264	158,219
Title I - Low Income	180,923	196,766	15,843	141,888
Title IV - Safe and Drug Free Schools	4,561	4,561	-	-
Federal - Special Education				
Preschool Flow-Through	11,857	11,050	(807)	11,985
Federal - Special Education				
IDEA Flow-Through	491,431	475,155	(16,276)	492,903
Federal - Special Education - IDEA				
Room and Board	-	-	-	8,993
CTE - Perkins				
Title IIIIE - Tech Prep	6,366	6,232	(134)	6,252
McKinney Education for Homeless				
Children	5,000	1,507	(3,493)	-
Title II - Teacher Quality	84,124	52,810	(31,314)	40,099
Medicaid Matching Funds				
Administrative Outreach	33,000	34,540	1,540	42,658
Fee-for-Service Program	85,000	123,080	38,080	138,627
Total Federal Sources	1,038,604	1,061,307	22,703	1,041,624
Total Direct Revenue	27,209,989	27,051,182	(158,807)	28,257,645

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Modified Cash Basis - Continued****For the Fiscal Year Ended June 30, 2019****(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)**

	2019			2018 Actual
	Budget Original and Final	Actual	Variance with Final Budget	
Revenues - Continued				
On Behalf Payments	\$ 11,215,000	10,926,580	(288,420)	10,673,226
Total Revenues	38,424,989	37,977,762	(447,227)	38,930,871
Expenditures				
Instruction				
Regular Programs				
Salaries	8,036,900	7,894,845	142,055	7,771,459
Employee Benefits	2,305,680	2,296,059	9,621	2,298,108
Purchased Services	157,630	124,788	32,842	135,791
Supplies and Materials	476,625	366,472	110,153	465,918
Other Objects	20,550	15,360	5,190	14,332
Non-Capitalized Equipment	140,082	145,568	(5,486)	65,126
Total Regular Programs	11,137,467	10,843,092	294,375	10,750,734
Pre-K Programs				
Salaries	55,100	52,513	2,587	51,535
Employee Benefits	11,840	15,715	(3,875)	14,864
Purchased Services	1,600	1,207	393	1,526
Supplies and Materials	1,500	1,590	(90)	1,629
Total Pre-K Programs	70,040	71,025	(985)	69,554
Special Education Programs				
Salaries	1,864,500	1,832,155	32,345	1,774,643
Employee Benefits	761,050	727,177	33,873	752,818
Purchased Services	43,800	27,101	16,699	41,206
Supplies and Materials	26,500	17,889	8,611	19,409
Capital Outlay	5,400	5,395	5	-
Non-Capitalized Equipment	15,450	12,477	2,973	6,787
Termination Benefits	-	-	-	450
Total Special Education Programs	2,716,700	2,622,194	94,506	2,595,313

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Modified Cash Basis - Continued****For the Fiscal Year Ended June 30, 2019****(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)**

	2019			2018 Actual
	Budget Original and Final	Actual	Variance with Final Budget	
Expenditures - Continued				
Instruction - Continued				
Special Educationl Programs Pre-K				
Salaries	\$ 157,300	159,238	(1,938)	169,940
Employee Benefits	61,330	54,446	6,884	60,673
Purchased Services	800	67	733	334
Supplies and Materials	3,000	2,626	374	3,265
Total Special Education Programs Pre-K	222,430	216,377	6,053	234,212
Remedial and Supplemental Programs K-12				
Salaries	309,300	303,577	5,723	275,896
Employee Benefits	75,510	111,960	(36,450)	110,190
Purchased Services	-	-	-	14
Supplies and Materials	96,445	33,974	62,471	91,974
Total Remedial and Supplemental Programs K-12	481,255	449,511	31,744	478,074
CTE Programs				
Salaries	233,400	229,193	4,207	210,698
Employee Benefits	60,260	69,628	(9,368)	60,594
Purchased Services	4,500	2,599	1,901	240
Supplies and Materials	24,406	20,872	3,534	29,909
Non-Capitalized Equipment	2,900	3,365	(465)	305
Total CTE Programs	325,466	325,657	(191)	301,746
Interscholastic Programs				
Salaries	517,900	522,161	(4,261)	537,781
Employee Benefits	62,450	53,198	9,252	54,067
Purchased Services	113,300	99,221	14,079	98,522
Supplies and Materials	88,700	74,238	14,462	73,325

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Educational Account - General Fund

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

Modified Cash Basis - Continued

For the Fiscal Year Ended June 30, 2019

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)

	2019			2018 Actual
	Budget Original and Final	Actual	Variance with Final Budget	
Expenditures - Continued				
Instruction - Continued				
Interscholastic Programs - Continued				
Capital Outlay	\$ 6,500	6,450	50	5,587
Other Objects	30,500	26,995	3,505	23,845
Non-Capitalized Equipment	8,030	8,596	(566)	3,526
Total Interscholastic Programs	827,380	790,859	36,521	796,653
Summer School Programs				
Salaries	41,700	13,361	28,339	42,545
Employee Benefits	4,330	527	3,803	2,822
Supplies and Materials	1,900	681	1,219	-
Total Summer School Programs	47,930	14,569	33,361	45,367
Gifted Programs				
Salaries	46,700	46,417	283	58,836
Employee Benefits	400	368	32	3,555
Supplies and Materials	1,500	394	1,106	1,496
Total Gifted Programs	48,600	47,179	1,421	63,887
Driver's Education Programs				
Salaries	89,000	97,123	(8,123)	189,112
Employee Benefits	39,980	20,071	19,909	45,972
Purchased Services	3,275	1,383	1,892	755
Supplies and Materials	3,500	2,553	947	2,612
Other Objects	125	-	125	100
Termination Benefits	2,075	2,075	-	-
Total Driver's Education Programs	137,955	123,205	14,750	238,551

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Modified Cash Basis - Continued****For the Fiscal Year Ended June 30, 2019****(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)**

	2019			2018 Actual
	Budget Original and Final	Actual	Variance with Final Budget	
Expenditures - Continued				
Instruction - Continued				
Bilingual Programs				
Salaries	\$ 229,900	219,299	10,601	268,268
Employee Benefits	73,240	66,861	6,379	75,717
Purchased Services	700	401	299	175
Supplies and Materials	3,200	789	2,411	2,476
Non-Capitalized Equipment	-	-	-	717
Total Bilingual Programs	307,040	287,350	19,690	347,353
Special Education Programs Pre-K				
Other Objects	1,079,000	989,155	89,845	1,078,702
Summer School Program - Private Tuition				
Other Objects	500	470	30	-
Truants Alternative/Optional Ed Programs				
Other Objects	7,000	8,450	(1,450)	3,885
Total Instruction	17,408,763	16,789,093	619,670	17,004,031
Support Services				
Pupils				
Attendance and Social Work Services				
Salaries	289,700	287,049	2,651	283,413
Employee Benefits	101,810	100,856	954	98,156
Purchased Services	16,820	8,507	8,313	13,003
Supplies and Materials	900	539	361	2,073
Non-Capitalized Equipment	730	726	4	717
Total Attendance and Social Work	409,960	397,677	12,283	397,362

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Educational Account - General Fund

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

Modified Cash Basis - Continued

For the Fiscal Year Ended June 30, 2019

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)

	2019			2018 Actual
	Budget Original and Final	Actual	Variance with Final Budget	
Expenditures - Continued				
Support Services - Continued				
Pupils - Continued				
Guidance Services				
Salaries	\$ 259,500	258,659	841	342,182
Employee Benefits	36,830	51,993	(15,163)	77,796
Purchased Services	7,200	3,978	3,222	5,476
Supplies and Materials	3,400	2,194	1,206	3,037
Other Objects	500	80	420	324
Non-Capitalized Equipment	2,705	2,695	10	3,020
Total Guidance Services	310,135	319,599	(9,464)	431,835
Health Services				
Salaries	308,300	307,041	1,259	297,777
Employee Benefits	84,750	67,595	17,155	83,351
Purchased Services	17,900	10,696	7,204	14,338
Supplies and Materials	8,000	5,801	2,199	7,849
Non-Capitalized Equipment	2,230	726	1,504	-
Total Health Services	421,180	391,859	29,321	403,315
Psychological Services				
Salaries	301,700	318,227	(16,527)	291,081
Employee Benefits	75,660	93,280	(17,620)	74,568
Purchased Services	1,700	317	1,383	11,211
Supplies and Materials	3,000	844	2,156	763
Non-Capitalized Equipment	730	726	4	-
Total Psychological Services	382,790	413,394	(30,604)	377,623

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Modified Cash Basis - Continued****For the Fiscal Year Ended June 30, 2019****(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)**

	2019			2018 Actual
	Budget Original and Final	Actual	Variance with Final Budget	
Expenditures - Continued				
Support Services - Continued				
Pupils - Continued				
Speech Pathology and Audiology Services				
Salaries	\$ 277,900	271,973	5,927	264,371
Employee Benefits	52,720	60,454	(7,734)	56,512
Purchased Services	4,600	3,504	1,096	2,660
Supplies and Materials	2,750	2,225	525	2,491
Total Speech Pathology Audiology Services	337,970	338,156	(186)	326,034
Other Support Services				
Salaries	83,700	78,972	4,728	78,413
Employee Benefits	120	290	(170)	48
Supplies and Materials	1,500	1,040	460	3,331
Non-Capitalized Equipment	1,000	-	1,000	-
Total Other Support Services	86,320	80,302	6,018	81,792
Total Pupils	1,948,355	1,940,987	7,368	2,017,961
Instructional Staff				
Improvement of Instructional Services				
Salaries	300,900	295,926	4,974	309,796
Employee Benefits	84,410	85,716	(1,306)	95,494
Purchased Services	136,505	73,066	63,439	75,011
Supplies and Materials	10,857	6,296	4,561	2,874
Total Improvement of Instructional Services	532,672	461,004	71,668	483,175

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Modified Cash Basis - Continued****For the Fiscal Year Ended June 30, 2019****(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)**

	2019			2018 Actual
	Budget Original and Final	Actual	Variance with Final Budget	
Expenditures - Continued				
Support Services - Continued				
Instructional Staff - Continued				
Educational Media Services				
Salaries	\$ 393,500	471,792	(78,292)	429,310
Employee Benefits	79,410	74,492	4,918	83,811
Purchased Services	44,475	36,981	7,494	46,692
Supplies and Materials	66,772	60,846	5,926	54,030
Other Objects	615	260	355	259
Non-Capitalized Equipment	2,530	1,486	1,044	1,311
Total Educational Media Services	587,302	645,857	(58,555)	615,413
Assessment and Testing				
Salaries	-	-	-	914
Purchased Services	39,465	27,480	11,985	32,317
Supplies and Materials	4,500	1,935	2,565	1,271
Total Assessment and Testing	43,965	29,415	14,550	34,502
Total Instructional Staff	1,163,939	1,136,276	27,663	1,133,090
General Administration				
Board of Education Services				
Salaries	30,900	29,390	1,510	36,034
Employee Benefits	10,010	9,270	740	58,088
Purchased Services	54,200	42,064	12,136	37,255
Supplies and Materials	7,000	6,478	522	4,992
Capital Outlay	5,000	-	5,000	-
Other Objects	12,000	11,971	29	11,849
Non-Capitalized Equipment	10,000	3,610	6,390	1,118
Total Board of Education Services	129,110	102,783	26,327	149,336

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Modified Cash Basis - Continued****For the Fiscal Year Ended June 30, 2019****(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)**

	2019			
	Budget		Variance with	2018
	Original and Final	Actual		
Expenditures - Continued				
Support Services - Continued				
General Administration - Continued				
Executive Administration Services				
Salaries	\$ 244,300	237,413	6,887	258,069
Employee Benefits	74,660	67,457	7,203	99,415
Purchased Services	5,500	4,698	802	4,622
Supplies and Materials	5,500	6,120	(620)	2,286
Other Objects	2,000	1,761	239	2,415
Non-Capitalized Equipment	6,500	2,105	4,395	1,196
Total Executive Administration Services	338,460	319,554	18,906	368,003
Special Area Administration Services				
Salaries	186,100	184,395	1,705	185,893
Employee Benefits	54,570	70,586	(16,016)	60,338
Purchased Services	5,380	3,719	1,661	3,293
Supplies and Materials	2,000	1,971	29	1,563
Other Objects	500	380	120	130
Non-Capitalized Equipment	1,800	775	1,025	-
Termination Benefits	7,776	7,775	1	-
Total Special Area Administration Services	258,126	269,601	(11,475)	251,217
Tort Immunity Services				
Purchased Services	256,100	254,990	1,110	230,853
Total General Administration	981,796	946,928	34,868	999,409

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Modified Cash Basis - Continued****For the Fiscal Year Ended June 30, 2019****(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)**

	2019			2018 Actual
	Budget Original and Final	Actual	Variance with Final Budget	
Expenditures - Continued				
Support Services - Continued				
School Administration				
Office of the Principal Services				
Salaries	\$ 1,493,600	1,486,064	7,536	1,440,472
Employee Benefits	478,340	582,368	(104,028)	584,618
Purchased Services	62,750	37,523	25,227	57,039
Supplies and Materials	24,475	18,772	5,703	12,852
Capital Outlay	-	-	-	9,650
Other Objects	4,800	3,344	1,456	3,271
Non-Capitalized Equipment	18,975	14,715	4,260	12,263
Termination Benefits	-	2,173	(2,173)	-
Total School Administration	2,082,940	2,144,959	(62,019)	2,120,165
Business				
Direction of Business Support Services				
Salaries	104,700	104,644	56	95,240
Employee Benefits	20,680	19,986	694	20,346
Purchased Services	2,100	1,331	769	1,667
Supplies and Materials	1,000	392	608	168
Other Objects	600	570	30	565
Non-Capitalized Equipment	1,000	-	1,000	-
Total Direction of Business Support Services	130,080	126,923	3,157	117,986

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Educational Account - General Fund

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

Modified Cash Basis - Continued

For the Fiscal Year Ended June 30, 2019

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)

	2019			2018 Actual
	Budget Original and Final	Actual	Variance with Final Budget	
Expenditures - Continued				
Support Services - Continued				
Business - Continued				
Fiscal Services				
Salaries	\$ 175,100	165,734	9,366	190,100
Employee Benefits	51,040	52,626	(1,586)	59,587
Purchased Services	37,500	27,207	10,293	32,910
Supplies and Materials	9,500	8,035	1,465	6,310
Other Objects	500	150	350	340
Non-Capitalized Equipment	2,000	1,549	451	717
Total Fiscal Services	275,640	255,301	20,339	289,964
Food Services				
Purchased Services	327,000	336,920	(9,920)	320,599
Supplies and Materials	2,500	320	2,180	2,258
Non-Capitalized Equipment	5,000	-	5,000	-
Total Food Services	334,500	337,240	(2,740)	322,857
Total Business	740,220	719,464	20,756	730,807
Central				
Information Services				
Salaries	60,200	75,752	(15,552)	68,586
Employee Benefits	1,120	1,083	37	879
Purchased Services	20,900	29,425	(8,525)	18,029
Supplies and Materials	1,800	1,628	172	1,908
Other Objects	300	320	(20)	-
Non-Capitalized Equipment	1,000	1,689	(689)	2,422
Total Information Services	85,320	109,897	(24,577)	91,824

Educational Account - General Fund

Modified Cash Basis - Continued

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)

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LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Educational Account - General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Modified Cash Basis - Continued****For the Fiscal Year Ended June 30, 2019****(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)**

	2019			2018 Actual
	Budget Original and Final	Actual	Variance with Final Budget	
Expenditures - Continued				
Community Services				
Salaries	\$ 1,760	1,706	54	-
Employee Benefits	12,618	838	11,780	9,675
Purchased Services	76,439	60,935	15,504	51,857
Supplies and Materials	18,036	8,956	9,080	5,404
Total Community Services	108,853	72,435	36,418	66,936
Payments to Other Districts and Governmental Units				
Payments for Special Education Programs				
Purchased Services	212,000	193,809	18,191	188,057
Payments for CTE Programs				
Purchased Services	3,000	2,770	230	2,771
Other Objects	2,500	1,300	1,200	3,500
Total Payments for CTE Programs	5,500	4,070	1,430	6,271
Payments for Regular Programs - Tuition				
Other Objects	25,500	9,530	15,970	13,680
Payments for Special Education Programs Programs - Tuition				
Other Objects	1,124,350	1,324,932	(200,582)	1,313,111
Payments for CTE Programs - Tuition				
Other Objects	85,000	87,227	(2,227)	85,433

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Educational Account - General Fund

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

Modified Cash Basis - Continued

For the Fiscal Year Ended June 30, 2019

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)

	2019			2018
	Budget		Variance with	
	Original	Actual	Final Budget	Actual
	and Final			
Expenditures - Continued				
Payments to Other Districts and				
Governmental Units - Continued				
Total Payments to				
Other Districts and				
Governmental Units	\$ 1,452,350	1,619,568	(167,218)	1,606,552
Total Direct Expenditures	26,983,486	26,405,025	578,461	26,480,233
On Be-Half Payments	11,215,000	10,926,580	288,420	10,673,226
Total Expenditures	38,198,486	37,331,605	866,881	37,153,459
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	226,503	646,157	419,654	1,777,412
Other Financing Sources (Uses)				
Disposal of Capital Assets	-	-	-	1,831
Transfers In	96,800	109,335	12,535	44,951
Transfers Out	(1,287,176)	(1,287,176)	-	(37,176)
	(1,190,376)	(1,177,841)	12,535	9,606
Net Change in Fund Balance	<u>(963,873)</u>	(531,684)	<u>432,189</u>	1,787,018
Fund Balance - Beginning		<u>25,676,172</u>		<u>23,889,154</u>
Fund Balance - Ending		<u>25,144,488</u>		<u>25,676,172</u>

Operations and Maintenance Account - General Fund

Modified Cash Basis

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)

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LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Operations and Maintenance Account - General Fund

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

Modified Cash Basis

For the Fiscal Year Ended June 30, 2019

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)

	2019			
	Budget		Variance with	2018
	Original	Actual	Final Budget	Actual
	and Final			
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (134,980)	(70,817)	86,481	894,041
Other Financing (Uses) Transfers Out	(1,500,000)	(1,500,000)	-	-
Net Change in Fund Balance	<u>(1,634,980)</u>	(1,570,817)	<u>86,481</u>	894,041
Fund Balance - Beginning		<u>3,847,908</u>		<u>2,953,867</u>
Fund Balance - Ending		<u>2,277,091</u>		<u>3,847,908</u>

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Working Cash Account - General Fund

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

Modified Cash Basis

For the Fiscal Year Ended June 30, 2019

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)

	2019			2018
	Budget		Variance with	
	Original	Actual	Final Budget	Actual
	and Final			
Revenues				
Taxes				
General Levy	\$ 3,000	3,825	825	3,308
Earnings on Investments	96,800	109,515	12,715	44,951
Total Revenues	99,800	113,340	13,540	48,259
Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	99,800	113,340	13,540	48,259
Other Financing Sources (Uses)				
Debt Issuance	14,000,000	12,446,511	(1,553,489)	-
Premium on Debt Issuance	-	1,558,202	1,558,202	-
Transfers Out	(19,096,800)	(19,120,940)	(24,140)	(44,951)
	(5,096,800)	(5,116,227)	(19,427)	(44,951)
Net Change in Fund Balance	<u>(4,997,000)</u>	(5,002,887)	<u>(5,887)</u>	3,308
Fund Balance - Beginning		<u>5,805,502</u>		<u>5,802,194</u>
Fund Balance - Ending		<u>802,615</u>		<u>5,805,502</u>

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Capital Projects Fund

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

Modified Cash Basis

For the Fiscal Year Ended June 30, 2019

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)

	2019			2018
	Budget		Variance with	
	Original	Actual	Final Budget	Actual
	and Final			
Revenues				
Local Sources				
Earnings on Investments	\$ 200,200	175,536	(24,664)	113,196
Refund of Prior Year Expenditures	-	549	549	-
Total Revenues	200,200	176,085	(24,115)	113,196
Expenditures				
Support Services				
Business				
Facilities Acquisition				
and Construction				
Purchased Services	80,000	88,118	(8,118)	2,940
Capital Outlay	26,950,000	25,228,968	1,721,032	3,719,406
	27,030,000	25,317,086	1,712,914	3,722,346
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(26,829,800)	(25,141,001)	1,688,799	(3,609,150)
Other Financing Sources				
Transfers In	21,750,000	21,761,605	11,605	-
Net Change in Fund Balance	<u>(5,079,800)</u>	(3,379,396)	<u>1,700,404</u>	(3,609,150)
Fund Balance - Beginning		<u>11,978,837</u>		<u>15,587,987</u>
Fund Balance - Ending		<u>8,599,441</u>		<u>11,978,837</u>

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Nonmajor Governmental Funds****Combining Balance Sheet - Modified Cash Basis****June 30, 2019**

	Special Revenue				
	Transportation	Municipal Retirement/ Social Security	Tort Immunity	Debt Service	Totals
ASSETS					
Cash and Investments	\$ 1,978,239	691,447	-	1,520,977	4,190,663
LIABILITIES					
None	-	-	-	-	-
FUND BALANCES					
Restricted	1,978,239	691,447	-	1,520,977	4,190,663
Total Liabilities and Fund Balances	1,978,239	691,447	-	1,520,977	4,190,663

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis For the Fiscal Year Ended June 30, 2019

	Special Revenue				
	Municipal				
	Transportation	Retirement/ Social Security	Tort Immunity	Debt Services	Totals
Revenues					
Local Sources					
Property Taxes	\$ 1,266,835	932,869	3,825	1,081,964	3,285,493
Personal Property					
Replacement Taxes	-	24,749	-	-	24,749
Earnings on Investments	-	10,869	1	42,753	53,623
Other	106,293	-	-	-	106,293
State Sources					
Grants-in-Aid	743,390	-	-	-	743,390
Total Revenues	2,116,518	968,487	3,826	1,124,717	4,213,548
Expenditures					
Instruction	-	336,022	-	-	336,022
Support Services	1,995,736	498,106	3,826	-	2,497,668
Community	-	25	-	-	25
Debt Service					
Principal Retirement	-	-	-	1,477,864	1,477,864
Interest and Fiscal Charges	-	-	-	194,239	194,239
Other	-	-	-	202,591	202,591
Total Expenditures	1,995,736	834,153	3,826	1,874,694	4,708,409
Excess (Deficiency) of Revenues Over (Under) Expenditures	120,782	134,334	-	(749,977)	(494,861)
Other Financing Sources					
Debt Issuance	-	-	-	193,489	193,489
Transfers In	-	-	-	37,176	37,176
	-	-	-	230,665	230,665
Net Change in Fund Balances	120,782	134,334	-	(519,312)	(264,196)
Fund Balances - Beginning	1,857,457	557,113	-	2,040,289	4,454,859
Fund Balances - Ending	1,978,239	691,447	-	1,520,977	4,190,663

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Transportation - Special Revenue Fund

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

Modified Cash Basis

For the Fiscal Year Ended June 30, 2019

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)

	2019			
	Budget			
	Original		Variance with	2018
	and Final	Actual	Final Budget	Actual
Revenues				
Local Sources				
General Levy	\$ 1,260,500	1,266,835	6,335	662,444
Transportation Fees				
Regular Transportation Fees from Other Districts	30,000	39,270	9,270	28,212
Special Education Transportation Fees from Other Districts	1,000	26,070	25,070	10,474
Earnings on Investments	31,000	40,953	9,953	16,337
Total Local Sources	1,322,500	1,373,128	50,628	717,467
State Sources				
Special Education				
Personnel	-	61,759	61,759	-
Orphanage - Summer	-	4,953	4,953	-
Transportation - Regular/Vocational	287,677	273,819	(13,858)	220,717
Transportation - Special Education	406,700	402,859	(3,841)	419,166
Total State Sources	694,377	743,390	49,013	639,883
Total Revenues	2,016,877	2,116,518	99,641	1,357,350
Expenditures				
Support Services				
Business				
Pupil Transportation Services				
Salaries	39,900	46,888	(6,988)	39,935
Employee Benefits	1,550	1,426	124	1,429
Purchased Services	2,041,850	1,946,039	95,811	1,799,812
Supplies and Materials	2,000	1,383	617	998
Capital Outlay	100,000	-	100,000	-
Total Expenditures	2,185,300	1,995,736	189,564	1,842,174
Net Change in Fund Balance	(168,423)	120,782	289,205	(484,824)
Fund Balance - Beginning		1,857,457		2,342,281
Fund Balance - Ending		1,978,239		1,857,457

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Municipal Retirement/Social Security - Special Revenue Fund

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

Modified Cash Basis

For the Fiscal Year Ended June 30, 2019

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)

	2019			
	Budget	Actual	Variance with Final Budget	2018
	Original and Final			Actual
Revenues				
Local Sources				
General Levy	\$ 346,850	348,457	1,607	363,169
Social Security/Medicare Only Levy	483,350	584,412	101,062	402,991
Personal Property				
Replacement Taxes	25,000	24,749	(251)	24,693
Earnings on Investments	9,200	10,869	1,669	3,944
Total Revenues	864,400	968,487	104,087	794,797
Expenditures				
Instruction - Employee Benefits				
Regular Programs	140,090	132,218	7,872	126,796
Special Education Programs	174,720	162,045	12,675	159,148
Other Programs	41,100	41,759	(659)	44,818
Total Instruction	355,910	336,022	19,888	330,762
Support Services - Employee Benefits				
Pupils	42,320	40,994	1,326	41,674
Instructional Staff	25,740	26,841	(1,101)	27,171
General Administration	27,050	24,732	2,318	32,237
School Administration	79,560	76,575	2,985	80,140
Business	260,070	254,755	5,315	262,000
Central	72,930	74,209	(1,279)	61,365
Total Support Services	507,670	498,106	9,564	504,587
Community Services	-	25	(25)	-
Total Expenditures	863,580	834,153	29,427	835,349
Net Change in Fund Balance	820	134,334	133,514	(40,552)
Fund Balance - Beginning		557,113		597,665
Fund Balance - Ending		691,447		557,113

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Tort Immunity - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Modified Cash Basis****For the Fiscal Year Ended June 30, 2019****(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)**

	2019			
	Budget		Variance with	2018
	Original	Actual	Final Budget	Actual
	and Final			
Revenues				
Local Sources				
General Levy	\$ 3,000	3,825	825	3,308
Earnings on Investments	-	1	1	-
Total Revenues	3,000	3,826	826	3,308
Expenditures				
Support Services				
Purchased Services	3,000	3,826	(826)	3,308
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning		-		-
Fund Balance - Ending		-		-

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Debt Services Fund

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

Modified Cash Basis

For the Fiscal Year Ended June 30, 2019

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2018)

	2019			2018
	Budget		Variance with	
	Original	Actual	Final Budget	Actual
	and Final			
Revenues				
Local Sources				
General Levy	\$ 1,473,250	1,081,964	(391,286)	1,528,407
Earnings on Investments	34,000	42,753	8,753	14,211
Total Revenues	1,507,250	1,124,717	(382,533)	1,542,618
Expenditures				
Debt Service				
Principal Retirement	1,477,866	1,477,864	2	1,444,180
Interest and Fiscal Charges	460,633	194,239	266,394	77,242
Other	85,500	202,591	(117,091)	250
Total Expenditures	2,023,999	1,874,694	149,305	1,521,672
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(516,749)	(749,977)	(233,228)	20,946
Other Financing Sources				
Debt Issuance	-	193,489	193,489	-
Transfers In	37,176	37,176	-	37,176
	37,176	230,665	193,489	37,176
Net Change in Fund Balance	<u>(479,573)</u>	(519,312)	<u>(39,739)</u>	58,122
Fund Balance - Beginning		<u>2,040,289</u>		<u>1,982,167</u>
Fund Balance - Ending		<u>1,520,977</u>		<u>2,040,289</u>

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Student Activity, Convenience Accounts, and Other Agency Funds - Agency Fund****Schedule of Changes in Assets and Liabilities - Modified Cash Basis****For the Fiscal Year Ended June 30, 2019**

	Beginning Balances	Additions	Deductions	Ending Balances
ASSETS				
Cash and Investments	\$ 107,775	308,479	315,250	101,004
LIABILITIES				
Due to Activity Fund Organizations				
Schiesher School	\$ 7,096	12,612	13,474	6,234
Tate Woods School	1,127	5,049	4,134	2,042
Lisle Junior High School	16,966	29,209	31,923	14,252
Lisle High School	82,586	261,609	265,719	78,476
Total Liabilities	107,775	308,479	315,250	101,004

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Consolidated Year-End Financial Report****June 30, 2019**

CSFA #	Program Name	State	Federal	Other	Totals
478-00-0251	Medical Assistance Program	\$ -	34,540	-	34,540
586-18-0407	National School Lunch Program	-	155,607	-	155,607
586-44-0414	Title I - Low Income	-	196,766	-	196,766
586-44-1588	Title IVA - Student Support and Academic Enrichment	-	4,561	-	4,561
586-47-0430	Title II - Teacher Quality	-	52,810	-	52,810
	Other Grant Programs and Activities	-	518,275	2,579,032	3,097,307
	All Other Costs Not Allocated	-	-	40,429,322	40,429,322
	Totals	-	962,559	43,008,354	43,970,913

SUPPLEMENTAL SCHEDULES

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Summary of Assessed Valuations, Tax Rates and Extensions - Last Five Tax Levy Years
June 30, 2019**

	2014	2015	2016	2017	2018
Assessed Valuation	\$ 540,881,753	550,516,709	586,428,685	599,211,843	615,726,142
Tax Rates					
Educational	3.9717	3.9674	3.5562	3.1812	2.9733
Operations and Maintenance	0.6676	0.0006	0.5080	0.5191	0.5035
Debt Service	0.2800	0.2763	0.2580	0.2530	0.1202
Transportation	0.2040	0.3367	0.0848	0.1340	0.2923
Municipal Retirement	0.0613	0.0728	0.0611	0.0603	0.0585
Working Cash	0.0005	0.0006	0.0005	0.0006	0.0007
Social Security	0.0705	0.0783	0.0677	0.0670	0.1300
Tort Immunity	0.0005	0.0006	0.0005	0.0006	0.0007
Special Education	0.0408	0.5459	0.4657	0.7946	0.7920
Total Tax Rates	5.2969	5.2792	5.0025	5.0104	4.8712
Tax Extensions					
Educational	\$ 21,482,200	21,841,200	20,854,577	19,062,127	18,307,385
Operations and Maintenance	3,610,927	3,303	2,979,058	3,110,509	3,100,181
Debt Service	1,514,469	1,521,078	1,512,986	1,516,006	740,103
Transportation	1,103,399	1,853,590	497,292	802,944	1,799,768
Municipal Retirement	331,561	400,776	358,308	361,325	360,200
Working Cash	2,704	3,303	2,932	3,595	4,310
Social Security	381,322	431,055	397,012	401,472	800,444
Tort Immunity	2,704	3,303	2,932	3,595	4,310
Special Education	220,680	3,005,271	2,730,998	4,761,337	4,876,551
Total Tax Extensions	28,649,966	29,062,879	29,336,095	30,022,910	29,993,252
Total Tax Collections	\$ 28,606,126	29,034,540	29,295,902	29,182,905	14,781,253
Percentage Collected	99.85%	99.90%	99.86%	97.20%	49.28%

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Schedule of Long-Term Debt Requirements

General Obligation Limited School Bonds of 2010

June 30, 2019

Date of Issue	December 7, 2010
Date of Maturity	December 30, 2019
Amount of Original Issue	\$4,895,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 3.00%
Interest Dates	December 30 and June 30
Principal Maturity Date	December 30
Payable at	Wells Fargo Bank, National Association

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2020	\$ 555,000	8,325	563,325

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202

Schedule of Long-Term Debt Requirements

General Obligation Limited Refunding Tax School Bonds of 2015

June 30, 2019

Date of Issue	December 15, 2015
Date of Maturity	December 30, 2019
Amount of Original Issue	\$3,345,000
Denomination of Bonds	\$5,000
Interest Rate	1.49%
Interest Dates	December 30 and June 30
Principal Maturity Date	December 30
Payable at	Wells Fargo Bank, National Association

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2020	\$ 730,000	5,438	735,438

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202**Schedule of Long-Term Debt Requirements****General Obligation Limited Tax School Bonds of 2019****June 30, 2019**

Date of Issue	March 22, 2019
Date of Maturity	December 30, 2030
Amount of Original Issue	\$12,640,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% - 5.00%
Interest Dates	December 30 and June 30
Principal Maturity Date	December 30
Payable at	Wells Fargo Bank, National Association

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2020	\$ 170,000	571,000	741,000
2021	930,000	543,500	1,473,500
2022	980,000	495,750	1,475,750
2023	1,025,000	445,625	1,470,625
2024	1,080,000	393,000	1,473,000
2025	1,130,000	337,750	1,467,750
2026	1,190,000	279,750	1,469,750
2027	1,250,000	218,750	1,468,750
2028	1,310,000	161,300	1,471,300
2029	1,365,000	107,800	1,472,800
2030	1,420,000	52,100	1,472,100
2031	790,000	11,850	801,850
	<u>12,640,000</u>	<u>3,618,175</u>	<u>16,258,175</u>