

**COOK COUNTY SCHOOL DISTRICT NO. 92  
BROADVIEW, ILLINOIS  
ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2019**

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## Independent Auditor's Report

Board of Education  
Cook County School District No. 92  
Broadview, Illinois 60155

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cook County School District No. 92 (the "District"), Broadview, 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

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

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

### ***Opinion***

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining

fund information of Cook County School District No. 92, Broadview, Illinois, as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Prior-Year Comparative Information***

We have previously audited the District's 2018 financial statements, and we expressed qualified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated December 11, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2018 (not presented herein), and have issued our report dated December 11, 2018, which contained qualified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The supplementary information as listed in the table of contents for the year ended June 30, 2018 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2018 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in

accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2018.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Evans, Marshall & Pease, P.C.*

Evans, Marshall & Pease, P.C.  
Certified Public Accountants

December 6, 2019  
Rolling Meadows, IL  
(12)



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

Board of Education  
Cook County School District No. 92  
Broadview, Illinois 60155

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Cook County School District No. 92 as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Cook County School District No. 92's financial statements, and have issued our report thereon dated December 6, 2019.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Cook County School District No. 92's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cook County School District No. 92's internal control. Accordingly, we do not express an opinion on the effectiveness of Cook County School District No. 92's internal control.

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

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

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Cook County School District No. 92's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Evans, Marshall & Pease, P.C.*

Evans, Marshall & Pease, P.C.  
Certified Public Accountants

December 6, 2019  
Rolling Meadows, Illinois



**REQUIRED SUPPLEMENTARY INFORMATION**  
**Management's Discussion and Analysis**



The management's discussion and analysis of Cook County School District 92's (the "District") financial performance provides an overall review of the District's financial activities 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**

- The District's total government-wide assets increased by \$218,481. Net position at June 30, 2019, is \$12,768,780.
- The District reported combined ending fund balances of \$12,604,009, an increase of \$202,452 in comparison with the prior year.
- The District made debt service payments in the amount of \$383,339. See Note 6 for more information.
- The District made capital outlay expenditures for improvements and equipment in the amount of \$280,201. See Note 4 for more information.

### **Overview of the Financial Statements**

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

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

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

#### *Government-wide financial statements*

The government-wide financial statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The *Statement of Net Position* includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenditures are accounted for in the *Statement of Activities* regardless of when cash is received or disbursed. Both statements are prepared using the accrual basis of accounting.

The two government-wide statements report the District's net position and how it has changed. Net position, the difference between the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether the financial position is improving or deteriorating, respectively.
- To assess the District's overall health, additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities need to be considered.

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

*Fund financial statements*

The District's fund financial statements provide more detailed information about the District's funds. Funds are independent fiscal entities used to account for specific sources of funding and spending on particular programs. Some funds are required by state law such as Educational and Transportation and others the District establishes to manage and control monies for particular purposes.

The District's categories of funds:

- Governmental funds – most of the District's basic services are included in the governmental funds, which generally focus on: 1) how cash and other financial assets that can be readily converted to cash flow in and out; and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or less financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the bottom of the governmental funds statements explains the relationship between them.
- Fiduciary funds – the District is the trustee, or fiduciary, for assets that belong to others, such as student activity funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance operations.
- The District maintains no proprietary funds.

The District currently maintains nine individual governmental funds and accounts. 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 (which includes the Educational Account and the Working Cash Account), Operations and Maintenance Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Tort Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Safety Fund, all of which are considered to be major funds.

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

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

*Notes to basic financial statements*

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

*Other information*

In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* concerning the District's operations presented to supplement the basic financial statements and progress in funding related to the Teachers' Retirement System, Illinois Municipal Retirement Fund, and Other Post-Employment Benefits. The *Supplementary Information* provides additional analysis derived from and relate directly to the underlying accounting and other records used to prepare the financial statements.

**Financial Analysis of the District as a Whole**

*Statement of Net Position:* The following summary data is compared with data from the preceding year. The following provides a summary of the District's Statement of Net Position as of June 30, 2019, and 2018:

	<b>Governmental Activities</b>		<b>% Change</b>
	<b>2019</b>	<b>2018</b>	
<b>Assets:</b>			
Current and other assets	\$ 13,215,017	\$ 12,959,115	1.97%
Capital assets	8,350,892	8,530,692	-2.11%
<b>Total Assets</b>	<b>21,565,909</b>	<b>21,489,807</b>	<b>0.35%</b>
<b>Deferred Outflows of Resources:</b>			
Pensions	1,600,077	268,530	495.87%
Other post-employment benefits	555,885	262,077	112.11%
<b>Total Deferred Outflows of Resources</b>	<b>2,155,962</b>	<b>530,607</b>	<b>306.32%</b>
<b>Liabilities:</b>			
Other liabilities	199,835	252,039	-20.71%
Non-current liabilities	6,392,847	4,907,344	30.27%
<b>Total Liabilities</b>	<b>6,592,682</b>	<b>5,159,383</b>	<b>27.78%</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenue - property tax	3,198,620	3,035,682	5.37%
Pensions	670,366	928,213	-27.78%
Other post-employment benefits	491,423	346,837	41.69%
<b>Total Deferred Inflows of Resources</b>	<b>4,360,409</b>	<b>4,310,732</b>	<b>1.15%</b>
<b>Net Position:</b>			
Net investment in capital assets	6,745,951	6,586,571	2.42%
Restricted	3,072,586	2,888,921	6.36%
Unrestricted	2,950,243	3,074,807	-4.05%
<b>Total Net Position</b>	<b>\$ 12,768,780</b>	<b>\$ 12,550,299</b>	<b>1.74%</b>

*Total Net Position:* Please note that the amounts reported for governmental activities in the audit statement are different from the summary tables above because (1) capital assets used in governmental activities are not financial resources, as they are in business, and are not reported as assets in governmental funds. (2) long-term liabilities, including bonds payable and capital leases are not due in the current period and therefore not reported as liabilities in the funds. The result is that the total net position for governmental activities is \$12,768,780.

*Restricted Net Position:* A portion of the District's total net position is considered restricted. The District's restricted net position results from portions of governmental funds that are restricted, committed, or assigned, or in any other way, limit the availability of fund resources for future use. The Operations and Maintenance Fund, Transportation Fund, and Municipal Retirement/Social Security Fund are special revenue funds; by law, funds held in a special revenue fund are restricted to the purpose of the fund. The Net Position of the Debt Service Fund (less interest payable), Tort Fund, Capital Projects Fund, and Fire Prevention and Safety Fund are also restricted for expenditures disbursed for specified purposes.

The funds have a restricted balance as follows: Operations and Maintenance Fund, \$336,416; Transportation Fund, \$230,601; Municipal Retirement/Social Security Fund, \$1,123,264; Debt Service Fund, \$231,007; Tort Fund, \$678,108; Fire Prevention and Safety Fund, \$390,814; and Capital Projects

Cook County School District 92  
Management's Discussion and Analysis  
For the Year Ended June 30, 2019

Fund, \$82,376. The District's total restricted net position at the end of the fiscal year totaled \$3,072,586. There were no significant changes affecting restrictions, commitments, or other limitations to the availability of fund resources for future use.

The following is a summary of the District's changes in net position for the year ending June 30, 2019, and 2018:

	<b>Governmental Activities</b>			
	<b>2019</b>	<b>Percentage of Total</b>	<b>2018</b>	<b>Percentage of Total</b>
<b>Revenues:</b>				
Program Revenues:				
Charges for services	\$ 86,555	0.56%	\$ 113,768	1.32%
Operating grants and contributions	7,925,901	51.25%	654,848	7.59%
General Revenues:				
Property taxes	5,931,447	38.35%	5,787,198	67.06%
Personal property replacement taxes	213,941	1.38%	192,254	2.23%
Payments of surplus moneys from TIF districts	-	0.00%	642,562	7.45%
Evidence based funding formula	1,078,603	6.97%	1,066,475	12.36%
Earnings on investments	206,880	1.34%	104,671	1.21%
Gain on investments	-	0.00%	5,116	0.06%
Other	22,738	0.15%	62,895	0.73%
<b>Total Revenues</b>	<b>15,466,065</b>	<b>100.00%</b>	<b>8,629,787</b>	<b>100.00%</b>
<b>Expenses:</b>				
Current:				
Instruction	10,286,516	67.46%	3,530,483	43.06%
Support services	3,434,243	22.52%	3,224,067	39.33%
Community services	38,738	0.25%	20,749	0.25%
Payments to other governmental units	953,422	6.25%	951,716	11.61%
Debt service - interest and other	74,664	0.49%	87,496	1.07%
Depreciation - unallocated	460,001	3.02%	383,881	4.68%
<b>Total Expenses</b>	<b>15,247,584</b>	<b>100.00%</b>	<b>8,198,392</b>	<b>100.00%</b>
<b>Change in Net Position</b>	<b>218,481</b>		<b>431,395</b>	
<b>Net Position, July 1 - as previously reported</b>	12,550,299		14,898,341	
<b>Prior Period Adjustments</b>				
Other post-employment benefit expenses	-		(2,779,437)	
<b>Net Position, July 1 - as restated</b>	12,550,299		12,118,904	
<b>Net Position - Ending</b>	<b>\$ 12,768,780</b>		<b>\$ 12,550,299</b>	

Changes in Net Position: The District's combined net position increased to \$12,768,780 in fiscal year 2019.

The District's total revenues were \$15,466,065 for governmental activities. Local taxes (predominantly real estate taxes) were \$6,145,388 or 39.73%. Charges for services were \$86,555 or 0.56%. State and federal funding and grants were \$7,925,901 or 51.25% of the total. Evidence based funding formula was \$1,078,603 or 6.97%.

To get a true picture of the District's revenue, expenses and balances the "on-behalf" payment by the state to the Teachers' Retirement System (TRS) and Teachers' Health Insurance Security (THIS) Fund must be discounted. This amount totaled \$6,830,307 in fiscal year 2019. Please note that the District was over-reported on the 2017 financials, resulting in a negative state allocation of state on-behalf retirement expense in the 2018 year. Please see Note 7 for more information.

Total costs for all governmental programs totaled \$15,247,584, and \$8,417,277 when excluding the on-behalf payment. Expenses are predominantly related to instruction, instructional support services, and maintenance of the physical plant. Expenses remained relatively stable in comparison to the prior year, when excluding the on-behalf payments. Expenses related to instruction services not including the on-behalf payment decreased by \$74,274 to total \$3,456,209 in the fiscal year ended June 30, 2019. Support service expenses increased by \$210,176.

### **Financial Analysis of the District's Funds**

The financial performance of the District reflects the financial climate of the country as a whole and Illinois in particular. Expenditures and revenues are monitored carefully. Financial updates and projections are shared with the Board of Education regularly. Account balances for all funds are at a healthy level for the year ended June 30, 2019. The governmental funds reported combined fund balances of \$12,604,009, which is an increase of \$202,452 in comparison to the prior year.

#### General Fund (Educational and Working Cash Accounts)

- Fund balance increased by \$19,981, resulting in an ending fund balance of \$9,526,464.

#### Operations and Maintenance Fund

- Fund balance increased by \$53,000, resulting in an ending fund balance of \$336,416.

#### Transportation Fund

- Fund balance decreased to an ending balance of \$230,601, a decrease of \$166,688.

#### Municipal Retirement/Social Security Fund

- Fund balance increased by \$142,901, resulting in an ending balance of \$1,123,264.

#### Tort Fund

- Fund balance increased by \$205,557, resulting in an ending balance of \$678,108.

#### Debt Service Fund

- Fund balance decreased by \$6,743, resulting in an ending fund balance of \$235,966.

#### Capital Projects Fund

- Fund balance decreased by \$129,020, resulting in an ending fund balance of \$82,376.

#### Fire Prevention and Safety Fund

- Fund balance increased by \$85,464, resulting in an ending fund balance of \$390,814.

### Budgetary Information

For the year ended June 30, 2019, actual expenditures exceeded budgeted expenditures in the General Fund (Educational and Working Cash Accounts) by \$6,853,077 due to unbudgeted State On-behalf Retirement expenditures of \$6,830,307; Operations and Maintenance Fund by \$74,057; the Transportation Fund by \$39,282; the Tort Fund by \$6,803; the Debt Service Fund by \$43,191; and in the Fire Prevention and Safety Fund by \$2,078. The excess of actual expenditures over budgeted expenditures were funded by available fund balances and transfers from other funds.

### Capital Assets and Debt Administration

#### *Capital assets*

At the end of fiscal 2019, the District had compiled a total investment in capital assets of \$8,350,892, net of accumulated depreciation. The District invested in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$460,001.

<b>Capital Assets (net of depreciation)</b>		
<b>Governmental Activities</b>	<b>2019</b>	<b>2018</b>
Land	\$ 314,014	\$ 314,014
Construction in progress	37,529	-
Equipment	343,917	391,649
Land improvements	209,519	138,180
Buildling and improvements	7,445,913	7,686,849
<b>Total</b>	<b>\$ 8,350,892</b>	<b>\$ 8,530,692</b>

More detailed information about capital assets can be found in Note 4 of the basic financial statements.

#### *Long-term debt*

The District retired \$383,339 in bonds and capital leases in fiscal 2019. At the end of fiscal 2019, the District had \$6,392,847 in general obligation bonds and other long-term debt outstanding with \$380,147 due within the next fiscal year.

<b>Outstanding Long-Term Debt</b>		
<b>Governmental Activities</b>	<b>2019</b>	<b>2018</b>
General obligation bonds	\$ 1,530,000	\$ 1,875,000
Capital leases	74,941	69,121.00
Compensated absences	-	28,506
Pensions	1,504,434	35,730
Other post-employment benefits	3,283,472	2,898,987
<b>Total</b>	<b>\$ 6,392,847</b>	<b>\$ 4,907,344</b>

More detailed information on long-term debt can be found in Note 6 of the basic financial statements.



### **Factors Bearing on the District's Future**

The District's financial status is impacted by tax cap limitations, property tax appeals on residential and commercial parcels within the taxing boundaries, and the current state of the economy. The current evidence-based funding formula model has given the District an additional \$15,000 to \$20,000 of new revenue and does anticipate slight increases moving forward based on current District tiered status. There continues to be a threat of a state-wide property tax freeze and the potential of shifting a portion of the State's pension cost to school districts.

The persistent weakness of the State's economy is a growing concern. The District's second major source of revenue comes from the State; the State's inability to adequately fund education is more questionable now than at any time in recent memory. State aid categorical collections are still inconsistent and untimely resulting in unpredictability with budgeted and actual revenue amounts. This will continue to be an issue until the State's financial problems are resolved.

Salary and benefit cost increases are exceeding the general rate of inflation. This trend is anticipated to continue for the District for fiscal year 2019 and beyond. These costs present a major concern to Administration and the Board of Education.

The Facilities Assessment and Life Safety Survey conducted during fiscal 2013, identified \$1.53 million in life safety projects that will need to be completed over the next 10 years. The District has used local funding to address the items identified in the survey. The District will continue to address the remaining items identified in the survey to bring the school building into compliance.

The District's Board of Education, administration and staff will need to continue to investigate ways to be more efficient and effective in attempting to reduce expenditures and increase revenues to maintain the District's financial recognition profile score through the Illinois State Board of Education (ISBE).

### **Requests for Information**

The financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about the report, or need additional financial information, contact the District's business office: Cook County School District 92, Mr. Scott Beranek, Chief School Business Official, 2400 South 18<sup>th</sup> Avenue, Broadview, IL. 60155.

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## **BASIC FINANCIAL STATEMENTS**



COOK COUNTY SCHOOL DISTRICT NO. 92  
STATEMENT OF NET POSITION  
JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS AS OF JUNE 30, 2018

	Governmental Activities	
	2019	2018
<b>ASSETS</b>		
Cash and investments	\$ 9,850,839	\$ 9,813,833
Receivables (net of allowance for uncollectibles):		
Interest	58,940	30,159
Property taxes	3,198,620	3,035,682
Replacement taxes	34,230	32,757
Intergovernmental	44,731	19,272
Prepaid items	27,657	27,412
Capital assets not being depreciated:		
Land	314,014	314,014
Construction in progress	37,529	-
Capital assets, net of accumulated depreciation		
Land improvements	209,519	138,180
Building and improvements	7,445,913	7,686,849
Equipment	343,917	391,649
<b>Total Assets</b>	<b>21,565,909</b>	<b>21,489,807</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pensions	1,600,077	268,530
Other post-employment benefits	555,885	262,077
<b>Total Deferred Outflows of Resources</b>	<b>2,155,962</b>	<b>530,607</b>
<b>LIABILITIES</b>		
Accounts payable	202,199	246,954
Salaries and wages payable	-	4,097
Payroll deductions payable	(7,323)	(5,165)
Interest payable	4,959	6,153
Non-Current Liabilities:		
Due within one year	380,147	375,228
Due in more than one year	6,012,700	4,532,116
<b>Total Liabilities</b>	<b>6,592,682</b>	<b>5,159,383</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue - property taxes	3,198,620	3,035,682
Pensions	670,366	928,213
Other post-employment benefits	491,423	346,837
<b>Total Deferred Inflows of Resources</b>	<b>4,360,409</b>	<b>4,310,732</b>
<b>NET POSITION</b>		
Net investment in capital assets	6,745,951	6,586,571
Restricted	3,072,586	2,888,921
Unrestricted	2,950,243	3,074,807
<b>Total Net Position</b>	<b>\$ 12,768,780</b>	<b>\$ 12,550,299</b>

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

COOK COUNTY SCHOOL DISTRICT NO. 92  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

Functions/ Programs	Expenses Disbursed	Charges for Services	Program Revenues		Governmental Activities	
			Operating Grants and Contributions	Capital Grants and Contributions	2019	2018
					Net (Expense) Revenue and Changes in Net Position	
<b>Governmental Activities:</b>						
Instruction:						
Regular programs	\$ 2,608,756	\$ 31,219	\$ 512,723	\$ -	\$ (2,064,814)	\$ (2,324,941)
Pre-K programs	278,485	-	-	-	(278,485)	(374,389)
Special programs	308,824	-	51,065	-	(257,759)	(239,691)
Other instructional programs	260,144	39,817	75,272	-	(145,055)	(216,161)
State on-behalf retirement	6,830,307	-	6,830,307	-	-	-
Support services:						
Pupils	298,055	-	-	-	(298,055)	(255,064)
Instructional staff	411,558	-	49,752	-	(361,806)	(147,739)
General administration	704,997	-	-	-	(704,997)	(722,386)
School administration	365,043	-	-	-	(365,043)	(355,177)
Business	648,728	-	363,838	-	(284,890)	(358,909)
Operations and maintenance	575,851	7,746	-	-	(568,105)	(679,742)
Transportation	161,251	7,773	42,944	-	(110,534)	(70,408)
Central	261,341	-	-	-	(261,341)	(235,962)
Other support services	7,419	-	-	-	(7,419)	(5,365)
Community services	38,738	-	-	-	(38,738)	(20,749)
Payments to other governmental units	953,422	-	-	-	(953,422)	(951,716)
Debt service:						
Interest	74,164	-	-	-	(74,164)	(87,046)
Other	500	-	-	-	(500)	(450)
Depreciation - unallocated	460,001	-	-	-	(460,001)	(383,881)
<b>Total Governmental Activities</b>	<b>\$ 15,247,584</b>	<b>\$ 86,555</b>	<b>\$ 7,925,901</b>	<b>\$ -</b>	<b>(7,235,128)</b>	<b>(7,429,776)</b>
<b>GENERAL REVENUE</b>						
Taxes:						
Property taxes, levied for general purposes					5,526,182	5,361,596
Property taxes, levied for debt service					405,265	425,602
Personal property replacement taxes					213,941	192,254
Payments of surplus moneys from TIF Districts					-	642,562
Evidence based funding formula					1,078,603	1,066,475
Interest on investments					206,880	104,671
Gain on investments					-	5,116
Other					22,738	62,895
Total General Revenues					7,453,609	7,861,171
Change in Net Position					218,481	431,395
Net Position - July 1, as previously reported					12,550,299	14,898,341
Prior Period Adjustment:						
Other post-employment benefit expenses					-	(2,779,437)
Net Position - July 1, as restated					12,550,299	12,118,904
Net Position - June 30					<u>\$12,768,780</u>	<u>\$12,550,299</u>

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

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COOK COUNTY SCHOOL DISTRICT NO. 92  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2019

WITH SUMMARIZED COMPARATIVE ACTUAL AMOUNTS AS OF JUNE 30, 2018

	General Fund	Operations and Maintenance Fund	Debt Service Fund	Transportation Fund
<b>ASSETS</b>				
Cash and investments	\$ 7,550,361	\$ 143,482	\$ 45,289	\$ 184,844
Receivables (net of allowance for uncollectibles):				
Interest	45,766	754	911	1,913
Property taxes	2,262,209	270,408	218,109	50,061
Replacement taxes	34,230	-	-	-
Intergovernmental	31,945	-	-	12,786
Prepaid items	-	-	-	-
<b>Total Assets</b>	<b>\$ 9,924,511</b>	<b>\$ 414,644</b>	<b>\$ 264,309</b>	<b>\$ 249,604</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 110,851	\$ 42,956	\$ -	\$ 12,349
Salaries and wages payable	-	-	-	-
Other liabilities	(6,959)	(16)	-	-
<b>Total Liabilities</b>	<b>103,892</b>	<b>42,940</b>	<b>-</b>	<b>12,349</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	294,155	35,288	28,343	6,654
<b>Total Deferred Inflows of Resources</b>	<b>294,155</b>	<b>35,288</b>	<b>28,343</b>	<b>6,654</b>
<b>FUND BALANCE</b>				
Nonspendable	-	-	-	-
Restricted	-	336,416	235,966	230,601
Unassigned	9,526,464	-	-	-
<b>Total Fund Balance</b>	<b>9,526,464</b>	<b>336,416</b>	<b>235,966</b>	<b>230,601</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 9,924,511</b>	<b>\$ 414,644</b>	<b>\$ 264,309</b>	<b>\$ 249,604</b>

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



Municipal Retirement/ Social Security Fund	Capital Projects Fund	Tort Fund	Fire Prevention and Safety Fund	Total	
				2019	2018
\$ 990,002	\$ 81,411	\$ 502,048	\$ 353,402	\$ 9,850,839	\$ 9,813,833
4,920	965	2,063	1,648	58,940	30,159
146,854	-	207,260	43,719	3,198,620	3,035,682
-	-	-	-	34,230	32,757
-	-	-	-	44,731	19,272
-	-	27,657	-	27,657	27,412
<u>\$ 1,141,776</u>	<u>\$ 82,376</u>	<u>\$ 739,028</u>	<u>\$ 398,769</u>	<u>\$ 13,215,017</u>	<u>\$ 12,959,115</u>
\$ -	\$ -	33,965	\$ 2,078	\$ 202,199	\$ 246,954
-	-	-	-	-	4,097
(348)	-	-	-	(7,323)	(5,165)
(348)	-	33,965	2,078	194,876	245,886
18,860	-	26,955	5,877	416,132	311,672
18,860	-	26,955	5,877	416,132	311,672
-	-	27,657	-	27,657	27,412
1,123,264	82,376	650,451	390,814	3,049,888	2,867,662
-	-	-	-	9,526,464	9,506,483
1,123,264	82,376	678,108	390,814	12,604,009	12,401,557
<u>\$ 1,141,776</u>	<u>\$ 82,376</u>	<u>\$ 739,028</u>	<u>\$ 398,769</u>	<u>\$ 13,215,017</u>	<u>\$ 12,959,115</u>

COOK COUNTY SCHOOL DISTRICT 92  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2019

Total fund balances-governmental funds (Exhibit C) \$ 12,604,009

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

When capital assets that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets of the District as a whole:

Cost of capital assets:		
Land	\$ 314,014	
Construction in progress	37,529	
Land improvements	418,363	
Buildings and improvements	12,201,983	
Equipment	<u>2,048,040</u>	
Total cost of capital assets	15,019,929	
Accumulated depreciation	<u>(6,669,037)</u>	
Net capital assets		8,350,892

Certain revenues receivable by the District and recognized in the governmental funds balance sheet do not provide current financial resources and are unearned in the statement of net position, as follows:

Property tax revenues	(2,782,488)	
Pensions	(670,366)	
Other post-employment benefits	<u>(491,423)</u>	(3,944,277)

Deferred charges included in the statement of net position are not available to be paid with current period revenues and therefore are not recognized in the governmental funds balance sheet.

Pensions	1,600,077	
Other post-employment benefits	<u>555,885</u>	2,155,962

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. All liabilities, both current and long-term, are reported in the statement of net position.

Bonds payable	(1,530,000)	
Capital leases payable	(74,941)	
Pensions	(1,504,434)	
Other post-employment benefits	(3,283,472)	
Interest payable	<u>(4,959)</u>	<u>(6,397,806)</u>

Net position of governmental activities (Exhibit A) \$ 12,768,780

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

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COOK COUNTY SCHOOL DISTRICT 92  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2019

WITH SUMMARIZED COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	Operations and Maintenance Fund	Debt Service Fund	Transportation Fund
<b>REVENUES:</b>				
Local Sources:				
General tax levy	\$ 3,932,400	\$ 507,596	\$ 405,985	\$ 40,648
Special education levy	328,515	-	-	-
FICA/Medicare levy	-	-	-	-
Personal property replacement taxes	199,691	-	-	-
Interest on investments	159,421	2,100	3,328	6,346
Gain on investments	-	-	-	-
Sales to adults	-	-	-	-
Fees	31,219	-	-	-
Donations and contributions	-	-	-	-
Refund of prior years' expenditures	22,738	7,746	-	7,706
Payment of surplus moneys from TIF districts	-	-	-	-
Other	39,884	-	-	-
State Sources:				
Evidence based funding formula	1,078,603	-	-	-
Special education - private facility tuition	35,266	-	-	-
Special education - orphanage	15,799	-	-	-
Bilingual education - downstate - TPI	-	-	-	-
Transportation - special education	-	-	-	42,944
State free lunch and breakfast	6,120	-	-	-
Early childhood - block grant	299,409	-	-	-
Other	57,322	-	-	-
On-behalf retirement	6,830,307	-	-	-
Federal Sources:				
National school lunch	227,373	-	-	-
School breakfast program	107,403	-	-	-
Commodities	15,729	-	-	-
Fresh fruit and vegetables	7,213	-	-	-
Title I - low income	208,014	-	-	-
Title I - school improvement	5,300	-	-	-
Title IVA - student support and academic enrichment	17,950	-	-	-
Title II - teacher quality	16,223	-	-	-
Medicaid matching funds - fee for service	33,529	-	-	-
Medicaid matching funds - administrative outreach	-	-	-	-
<b>Total Revenues</b>	<b>13,675,428</b>	<b>517,442</b>	<b>409,313</b>	<b>97,644</b>

Municipal Retirement/ Social Security Fund	Capital Projects Fund	Tort Fund	Fire Prevention and Safety Fund	Total	
				2019	2018
\$ 147,840	\$ -	\$ 397,528	\$ 81,573	\$ 5,513,570	\$ 5,428,885
-	-	-	-	328,515	333,779
147,840	-	-	-	147,840	315,840
14,250	-	-	-	213,941	192,254
18,560	3,352	7,804	5,969	206,880	104,671
-	-	-	-	-	5,116
-	-	-	-	-	18
-	-	-	-	31,219	51,500
-	-	-	-	-	1,521
-	-	-	-	38,190	111,157
-	-	-	-	-	642,562
-	-	-	-	39,884	12,467
-	-	-	-	1,078,603	1,066,475
-	-	-	-	35,266	57,112
-	-	-	-	15,799	22,975
-	-	-	-	-	10,372
-	-	-	-	42,944	18,715
-	-	-	-	6,120	2,830
-	-	-	-	299,409	68,190
-	-	-	-	57,322	-
-	-	-	-	6,830,307	-
-	-	-	-	227,373	166,431
-	-	-	-	107,403	73,022
-	-	-	-	15,729	18,185
-	-	-	-	7,213	24,850
-	-	-	-	208,014	144,952
-	-	-	-	5,300	-
-	-	-	-	17,950	7,800
-	-	-	-	16,223	11,520
-	-	-	-	33,529	-
-	-	-	-	-	27,894
<u>328,490</u>	<u>3,352</u>	<u>405,332</u>	<u>87,542</u>	<u>15,524,543</u>	<u>8,921,093</u>

(Continued)

COOK COUNTY SCHOOL DISTRICT 92  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2019

WITH SUMMARIZED COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	Operations and Maintenance Fund	Debt Service Fund	Transportation Fund
<b>EXPENDITURES:</b>				
Current:				
Instruction:				
Regular programs	\$ 2,490,290	\$ -	\$ -	\$ -
Pre-K programs	259,309	-	-	-
Special programs	289,860	-	-	-
Other instructional programs	247,400	-	-	-
State on-behalf retirement	6,830,307	-	-	-
Support Services:				
Pupils	295,443	-	-	-
Instructional staff	408,210	-	-	-
General administration	496,165	-	-	-
School administration	360,899	-	-	-
Business	578,272	-	-	-
Operations and maintenance	-	575,421	-	-
Transportation	-	-	-	161,251
Central	246,939	-	-	-
Other support services	7,419	-	-	-
Community services	38,616	-	-	-
Payments to other governmental units	808,478	39,863	-	105,081
Debt Service:				
Principal	-	-	383,339	-
Interest	-	-	75,358	-
Other	-	-	500	-
Capital Outlay	64,691	83,325	-	-
<b>Total Expenditures</b>	<b>13,422,298</b>	<b>698,609</b>	<b>459,197</b>	<b>266,332</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over Expenditures</b>	<b>253,130</b>	<b>(181,167)</b>	<b>(49,884)</b>	<b>(168,688)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	200,000	43,141	-
Transfers out	(233,149)	(9,992)	-	-
Capital leases	-	44,159	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(233,149)</b>	<b>234,167</b>	<b>43,141</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>19,981</b>	<b>53,000</b>	<b>(6,743)</b>	<b>(168,688)</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>9,506,483</b>	<b>283,416</b>	<b>242,709</b>	<b>399,289</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 9,526,464</b>	<b>\$ 336,416</b>	<b>\$ 235,966</b>	<b>\$ 230,601</b>

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

Municipal Retirement/ Social Security Fund	Capital Projects Fund	Tort Fund	Fire Prevention and Safety Fund	Total	
				2019	2018
\$ 42,507	\$ -	\$ -	\$ -	\$ 2,532,797	\$ 2,345,176
10,478	-	-	-	269,787	341,808
9,312	-	-	-	299,172	288,520
4,777	-	-	-	252,177	222,520
-	-	-	-	6,830,307	-
1,630	-	-	-	297,073	250,101
1,955	-	-	-	410,165	184,347
12,708	-	199,775	-	708,648	710,851
14,260	-	-	-	375,159	336,657
68,208	187	-	-	646,667	634,275
-	-	-	2,078	577,499	678,846
-	-	-	-	161,251	129,876
19,754	-	-	-	266,693	229,678
-	-	-	-	7,419	5,365
-	-	-	-	38,616	20,749
-	-	-	-	953,422	951,716
-	-	-	-	383,339	363,353
-	-	-	-	75,358	88,059
-	-	-	-	500	450
-	132,185	-	-	280,201	522,916
<u>185,589</u>	<u>132,372</u>	<u>199,775</u>	<u>2,078</u>	<u>15,366,250</u>	<u>8,305,263</u>
<u>142,901</u>	<u>(129,020)</u>	<u>205,557</u>	<u>85,464</u>	<u>158,293</u>	<u>615,830</u>
-	-	-	-	243,141	544,423
-	-	-	-	(243,141)	(544,423)
-	-	-	-	44,159	59,010
-	-	-	-	44,159	59,010
142,901	(129,020)	205,557	85,464	202,452	674,840
980,363	211,396	472,551	305,350	12,401,557	11,726,717
<u>\$ 1,123,264</u>	<u>\$ 82,376</u>	<u>\$ 678,108</u>	<u>\$ 390,814</u>	<u>\$ 12,604,009</u>	<u>\$ 12,401,557</u>

(Continued)

COOK COUNTY SCHOOL DISTRICT 92  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019

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Total net change in fund balances-governmental funds (Exhibit D)		\$ 202,452
For modified accrual purposes tax collections made within 60 days after year end are included as revenue in the fiscal year. However, for accrual basis these collections are not recognized until the subsequent year end.		(58,478)
When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net position decreases by the amount of depreciation expense charged for the year. Capital outlays for items below the District's capitalization policy limits and repairs and maintenance are expensed.		
Depreciation expense	\$ (460,001)	
Capital outlay	<u>280,201</u>	
Capital outlay in excess of depreciation expense		(179,800)
The issuance of long-term debt (e.g. bonds or capital leases) provides current financial resources to governmental funds but are recorded as long-term liabilities in the Statement of Net Position.		
Capital leases		(44,159)
Repayment of debt principal is recorded as an expenditure in governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities. The District debt was reduced by principal payments made to bond and note holders.		383,339
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The expenses include the changes in:		
Interest payable	1,194	
Pensions	120,690	
Other post-employment benefits	(235,263)	
Compensated absences	<u>28,506</u>	
		<u>(84,873)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 218,481</u>

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



COOK COUNTY SCHOOL DISTRICT 92  
AGENCY FUNDS  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
JUNE 30, 2019

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WITH COMPARATIVE ACTUAL AMOUNTS AS OF JUNE 30, 2018

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	<u>2019</u>	<u>2018</u>
ASSETS		
Cash	<u>\$ 28,558</u>	<u>\$ 23,753</u>
Total Assets	<u><u>\$ 28,558</u></u>	<u><u>\$ 23,753</u></u>
LIABILITIES		
Due to student groups	<u>\$ 28,558</u>	<u>\$ 23,753</u>
Total Liabilities	<u><u>\$ 28,558</u></u>	<u><u>\$ 23,753</u></u>

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

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Cook County School District No. 92 (the “District”) operates as a public school system governed by an elected Board of Education. The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the significant accounting policies, consistently applied in the preparation of the accompanying financial statements is described below.

**A. The Reporting Entity**

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

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

The District is a member of the following Joint Venture organization:

Proviso Area for Exceptional Children (PAEC) (See Note 9)

**B. Basis of Presentation**

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

*Government-Wide Financial Statements (GWFS)*

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) tuition and fees and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

*Governmental Funds Financial Statements*

The accounts of the District are organized and operated on the basis of funds. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating

COOK COUNTY SCHOOL DISTRICT NO. 92  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

compliance with finance-related and contractual provisions. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

**Governmental Fund Types**

General Fund – The General Fund, which consists of the legally mandated Educational Account and the Working Cash Account is the general operating fund of the District and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in other funds. 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 and federal government aid. The Working Cash Account accounts for financial resources held by the District to be used as temporary interfund loans for working capital requirements to the Educational Account and the Special Revenue Fund's Operations and Maintenance and Transportation Funds. Loans by the Working Cash Account to other funds must be repaid within one year.

As allowed by the School Code of Illinois, this account may be permanently abolished and become a part of the General Fund or it may be partially abated to the Educational Account, Special Revenue Funds, Debt Service Funds, or the Fire Prevention and Safety Fund.

Special Revenue Funds – The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes and include the Operations and Maintenance Fund, Transportation Fund, the Municipal Retirement/Social Security Fund, and the Tort Fund. Special Revenue Funds do not include the Debt Service Fund, Capital Projects Funds, or Fiduciary Funds.

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

Capital Projects Funds – The Capital Projects Funds include the Capital Projects Fund and the Fire Prevention and Safety Fund. The Capital Projects Fund accounts for construction projects and renovations financed through serial bond issues or local property taxes levied specifically for such purposes. The Fire Prevention and Safety Fund accounts for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes.

**Fiduciary Fund Types (not included in government-wide statements)**

Agency Funds – The Agency Funds (including Student Activity Funds) account for assets held by the District in a trustee capacity or as an agent for student organizations and employees. These funds are custodial in nature (assets equals liabilities) and do not involve measurement focus of the results of operations.

**Major and Non-major Funds**

An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the District, is considered major by the District or meets the following criteria:

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenditures of that individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and:

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

- b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures of the individual governmental or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

**The District has elected to treat all funds as major.**

The funds classified as major are as follows:

General Fund – see above for description.

Operations and Maintenance Fund – accounts for expenditures made for the repair and maintenance of the District's building and property. Revenue consists primarily of local property taxes.

Debt Services Fund – accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue source is local property taxes levied specifically for debt service.

Transportation Fund – accounts for all revenues and expenditures related to student transportation to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund – accounts 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-certificated employees. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

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

Tort Fund – accounts for financial resources to be used for activity relating to insurance and risk management.

Fire Prevention and Safety Fund – accounts for capital expenditures related to fire prevention and safety concerns.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Therefore, when program expenses are incurred, both restricted and unrestricted net assets may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

Agency Funds (not included in government-wide statements) – include Student Activity Funds, and Other Agency Funds. These funds are custodial in nature and do 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.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

*Government-Wide financial statements*

The government-wide financial statements are reported using the "economic resources" measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when measurable and available.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

*Fund financial statements*

Governmental fund financial statements are reported using the “current financial resources” measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both “measurable and available”. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers property tax revenues available if they are collected within 60 days after year-end. All other state and federal revenues are measurable and available if they are vouchered by the Illinois State Board of Education on or before June 30, 2019, which are normally collected within 60 days of year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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 and Teachers’ Health Insurance Security Fund) have been recognized in the financial statements.

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

**D. Equity Classifications/Fund Balance Reporting**

*Government-Wide Reporting*

Equity is classified as net position displayed in three components: Net Investment in Capital Assets, Restricted Net Position, and Unrestricted Net Position.

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 less any unspent debt proceeds.

Restricted Net Position – Consists of net assets with constraints placed on their 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 legislation.

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

Unless specifically identified, expenditures reduce restricted resources first, then unrestricted resources as they are needed.

*Governmental Fund Balance Reporting*

Governmental fund balances are classified into five major classifications: Nonspendable, Restricted, Committed, Assigned and Unassigned.

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. The nonspendable fund balance consists of prepaids in the Tort Fund of \$27,657.

Restricted – The restricted balance classification refers to amounts that are subject to restrictions, not controlled by the District. Items such as restrictions imposed by creditors (such as debt covenants), grantors, contributions or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special revenue funds are by definition restricted for

COOK COUNTY SCHOOL DISTRICT NO. 92  
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JUNE 30, 2019

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

those specified purposes. Restricted fund balance totals \$3,049,888. The District has several revenue sources received within different funds that fall into these categories:

- Special Education – revenues and the related expenditures of this restricted tax levy are accounted for in the Educational Account. Expenditures exceeded revenues for this purpose, resulting in no restricted fund balance.
- State grants – proceeds from state grants and the related expenditures have been included in the Educational Account and the Transportation Fund. At June 30, 2019, expenditures exceeded revenues from state grants, resulting in no restricted fund balance.
- Federal grants – proceeds from federal grants and the related expenditures have been included in the Educational Account. At June 30, 2019, expenditures exceeded revenues from federal grants, resulting in no restricted fund balance.
- Social Security – expenditures and related expenditures of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. At June 30, 2019, expenditures disbursed exceeded revenue received, resulting in no restricted fund balance.

Committed – the committed fund balance refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the school board. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit that amount. The formal action required to modify, rescind, or commit fund balance is by formal resolution of the school board to allocate funds to a specific project. There are no committed fund balance designations.

Assigned – the assigned fund balance classification refers to amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Assignments may take place after the end of the reporting period. There are no assigned fund balance designations.

Unassigned – the unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund (\$9,526,464).

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

The General Fund and any other fund with a negative fund balance are considered to be unassigned. All special revenue funds are deemed to be “restricted” and prepaid expenses are reported as “non-spendable”.

**E. Assets, Deferred Inflows/Outflows, Liabilities and Net Position or Equity**

Deposits and Investments

Investments of the District, for which the Proviso Township School Treasurer's Office maintains accounting records, are in the custody of the Treasurer, except for imprest funds, which are in the custody of the District. The Treasurer maintains cash accounts for each Fund of the District and invests excess cash. These investments are in the name of the Treasurer.

Income is distributed monthly based on each district's contribution to the purchase of such securities. Investments are stated at cost which equals fair value.

COOK COUNTY SCHOOL DISTRICT NO. 92  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

Receivables

In government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends. Major receivable balances are shown on the exhibits. In fund financial statements, material receivables in governmental funds include revenue accruals that are both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis.

Prepaid Items

The District's prepaid items are accounted for using the consumption method. Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items. At June 30, 2019, \$27,657 is from prepaid insurance policies. These amounts are reported as non-spendable fund balances in the governmental funds.

Capital Assets

Capital assets, which include land, buildings and improvements, and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized.

Buildings and improvements, land improvements and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20-50
Equipment	5-15

In the fund financial statements, fixed assets are accounted for as capital outlay expenditures upon acquisition. No depreciation is recorded in the fund financial statements.

Long-Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations (capital leases) are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Issuance costs are recognized as an expense in the period incurred. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of new debt issued is reported as other financing sources. Premiums received on new 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 in the year of issuance.



COOK COUNTY SCHOOL DISTRICT NO. 92  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualifies for this category – pensions and other post-employment benefits reported in the government-wide statement of position (\$1,600,077 pensions and \$555,885 other post-employment benefits). This result is from the differences between expected and actual experience, the net differences projected and actual investment earnings on plan investments, changes of assumptions, and changes in proportion and differences between contributions and proportion share of contributions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. The first is unavailable revenue; it is reported in both the government-wide (gw) statement of position and in the governmental funds (gf) balance sheet (\$3,198,620 gw, \$416,132 gf). The item for unavailable revenue is from property taxes. The second and third items are pensions (\$670,366) and other post-employment benefits (\$491,423). These results are from differences between expected and actual experience, the net differences projected and actual investment earnings on plan investments, changes of assumptions, and changes in proportion and differences between contributions and proportion share of contributions. These items amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Program Revenues

Amounts reported as program revenues include 1) Tuition and fees and 2) Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. All taxes, including those dedicated for specific purposes, are reported as general revenues rather as program revenues.

Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the extent required by Illinois law in the Municipal Retirement/Social Security Fund with the balance allocated to funds at the discretion of the District.

Eliminations and Reclassifications

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

Comparative Data

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2018, from which such summarized information was derived.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial

COOK COUNTY SCHOOL DISTRICT NO. 92  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 – CASH AND INVESTMENTS**

Under Illinois Compiled Statutes, the Proviso Township School Treasurer is the lawful custodian of all school funds. The Treasurer is appointed by the Township School Trustees, an independent elected body, to serve the school districts in the Township. The Treasurer is the direct recipient of property taxes, replacement taxes and most state and federal aid and disburses school funds upon lawful order of the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below. For these purposes, the Treasurer is permitted to combine monies from more than one fund of a single district and to combine monies of more than one district to the township. Monies combined under these circumstances as well as investment earnings are accounted for separately for each fund and/or district.

Cash and investments, other than the student activity, imprest funds and petty cash, are part of a common pool for all school districts and cooperatives within the township. The Treasurer maintains records which segregate the cash and investment balance by district or cooperative. Income from investments is distributed annually based on the District's percentage participation in the pool. The Treasurer's investment policies are established by the District's Board of Education prescribed by the *Illinois School Code* and the *Illinois Compiled Statutes*.

Categorization by risk category is not determinable for all cash and investments pooled by a separate legal governmental agency (Treasurer). Further information regarding collateralization of investments and insurance is available from the Treasurer's financial statements. As of June 30, 2019, the amount of pooled cash and investments held by the Proviso Township School Treasurer and allocated to the District was \$9,813,019. The remaining \$37,820 consists of imprest (\$5,000), P-Cards (\$32,520) and petty cash (\$300) for total cash of \$9,850,839.

Deposits of the student activity fund, which are held in the District's custody, consist of cash held in financial institutions.

**Custodial Credit Risk – Student Activity**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2019, \$28,558 held in bank accounts of the District is covered by collateral or FDIC coverage.

**Investments**

*Interest Rate Risk:* The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates. As of June 30, 2019, the weighted average maturity (in years) is 1.10 for the investment pool.

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

- Securities issued or guaranteed by the United States.
- Interest-bearing accounts of banks and Savings and Loan Associations are insured up to \$250,000 by the Federal Deposit Insurance Corporation.
- Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500,000,000 rated in the three highest classifications by at least two rating agencies.
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.

COOK COUNTY SCHOOL DISTRICT NO. 92  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 2 – CASH AND INVESTMENTS (Cont'd)**

- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- The Illinois Funds or Illinois School District Liquid Asset Fund Plus.
- Repurchase agreements which meet instrument transaction requirements of Illinois law.

*Concentration of Credit Risk:* The District places no limit on the amount the District may invest in any one issuer.

**NOTE 3 – PROPERTY TAXES**

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the Proviso Township School Treasurer for the use of the District, its share of collections. Property taxes are levied each year on all taxable real property located in the District on or before the last Tuesday in December. The adoption date for the 2018 tax levy was November 20, 2018, and the adoption date for the 2017 tax levy was November 21, 2017. Taxes attach as an enforceable lien on property on January 1 and are due and payable in two installments. The first installment is due on March 1. The due date of the second installment varies and can occur in September, October, or November. The first installment is an estimated bill, and is 55 percent of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill.

A summary of the past two years' assessed valuation, tax rates, and extensions are as follows:

Tax Year	2018		2017	
	\$100,315,763		\$102,674,699	
	Rates	Extensions	Rates	Extensions
Educational	4.2021	\$ 4,215,369	3.5895	\$ 3,685,508
Special Education	0.3559	357,000	0.3384	347,451
Operations and Maintenance	0.5500	551,737	0.4713	483,905
Bond and Interest	0.4434	444,839	0.4320	443,579
Transportation	0.1017	102,000	0.2380	244,365
Municipal Retirement	0.1495	150,000	0.3151	323,527
Social Security/Medicare	0.1495	150,000	0.3151	323,527
Working Cash	0.0449	45,000	0.0424	43,534
Liability Insurance	0.4217	423,000	0.4010	411,725
Life Safety	0.0887	89,000	0.0841	86,349
Totals	<u>6.5074</u>	<u>\$ 6,527,945</u>	<u>6.2269</u>	<u>\$ 6,393,470</u>

During the year, the County Assessor's office settled claims by various taxpayers in the District regarding their property's assessed value. The District was required to refund the excess taxes collected on the higher assessed value to the taxpayers.

Based upon collection histories, the District has provided an allowance for uncollectible real property taxes equivalent to 1 percent of the current levy. All property taxes receivable over one year old have been written off. At June 30, 2019, real property taxes receivable less the allowance for uncollectible real property taxes are as follows:

Property taxes receivable	\$ 3,263,899
Less: allowance for uncollectible taxes	<u>(65,279)</u>
Property taxes receivable, net	<u>\$ 3,198,620</u>

COOK COUNTY SCHOOL DISTRICT NO. 92  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019

**NOTE 4 – CAPITAL ASSETS**

A summary of changes in capital assets follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
<u>Governmental Activities</u>				
Capital assets, not being depreciated:				
Land	\$ 314,014	\$ -	\$ -	\$ 314,014
Construction in progress	-	37,529	-	37,529
Total capital assets, not being depreciated	314,014	37,529	-	351,543
Capital assets, being depreciated:				
Land improvements	328,356	90,007	-	418,363
Building and improvements	12,198,910	3,073	-	12,201,983
Equipment	1,898,448	149,592	-	2,048,040
Total capital assets, being depreciated	14,425,714	242,672	-	14,668,386
Accumulated depreciation:				
Land improvements	190,176	18,668	-	208,844
Building and improvements	4,512,061	244,009	-	4,756,070
Equipment	1,506,799	197,324	-	1,704,123
Total accumulated depreciation	6,209,036	460,001	-	6,669,037
Net Depreciable Capital Assets	8,216,678	(217,329)	-	7,999,349
Net Total Capital Assets	<u>\$ 8,530,692</u>	<u>\$ (179,800)</u>	<u>\$ -</u>	<u>\$ 8,350,892</u>

Depreciation expense of \$460,001 was unallocated.

**NOTE 5 – INTERFUND TRANSFERS**

**Interfund Transfers**

The District transferred \$200,000 from the Working Cash Fund to the Operations and Maintenance Fund for operations. The District transferred \$33,149 from the Educational Account and \$9,992 from the Operations and Maintenance Fund to the Debt Service Fund for capital lease payments.

Interfund transfers are used to (1) move revenues from the fund in which statute or budget requires collection to the fund that statute or budget requires expenditure, and (2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

COOK COUNTY SCHOOL DISTRICT NO. 92  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2019

**NOTE 6 – LONG-TERM OBLIGATIONS**

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2019:

Governmental Activities	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Due Within One Year
<b>Bonds Payable:</b>					
03/15/2003 GO Bonds	\$ 1,875,000	\$ -	\$ 345,000	\$ 1,530,000	\$ 360,000
Total Bonds Payable	<u>1,875,000</u>	<u>-</u>	<u>345,000</u>	<u>1,530,000</u>	<u>360,000</u>
<b>Capital Leases:</b>					
Educational/Online Resources	19,050	-	19,050	-	-
(6) ImageRunner Copiers	50,071	-	11,178	38,893	11,691
Mitel office phone system	-	44,159	8,111	36,048	8,456
Capital Leases Payable	<u>69,121</u>	<u>44,159</u>	<u>38,339</u>	<u>74,941</u>	<u>20,147</u>
Subtotal - Debt	<u>1,944,121</u>	<u>44,159</u>	<u>383,339</u>	<u>1,604,941</u>	<u>380,147</u>
Net Pension Liability	35,730	1,468,704		1,504,434	-
Other Post-Employment Benefits	-	3,283,472	-	3,283,472	-
Total Long-Term Liabilities	<u>\$ 1,979,851</u>	<u>\$ 4,796,335</u>	<u>\$ 383,339</u>	<u>\$ 6,392,847</u>	<u>\$ 380,147</u>

**Bonds Payable**

On March 15, 2003, the District issued \$5,850,000 in general obligation bonds with interest rates of 2.5% to 4.5%. At June 30, 2019, \$1,530,000 remains outstanding.

**Capital Leases Payable**

On July 1, 2016, the District entered into a lease/purchase agreement with American Capital Financial Services for the purchase of educational and online resources totaling \$57,049. This lease is to be paid in annual amounts of \$20,078 at a simple interest rate of 5.583%. At June 30, 2019, the balance was paid in full.

On August 15, 2017, the District entered into a lease/purchase agreement with Canon financial Services for the purchase of (3) ImageRunner Advance 6555 copiers, (1) ImageRunner C7565 copier, (1) ImageRunner advance 8595, and (1) ImageRunner Advance 6575 copier, totaling \$59,010. This lease is to be paid in monthly payments of \$1,100 at a nominal annual rate of 4.495%. At June 30, 2019, \$38,893 remains outstanding.

On February 1, 2018, the District entered into a lease/purchase agreement with American Capital Financial Services, Inc. for the purchase of a Mitel MiVoice Office Phone System with Assorted Accessories totaling \$44,159. This lease is to be paid in annual amounts of \$9,956 at a simple interest rate of 4.260%. At June 30, 2019, \$36,048 remains outstanding.

**Annual Debt Service Requirements**

As of June 30, 2019, the annual debt service requirements to service bonds payable and capital leases payable are:

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**NOTE 6 – LONG-TERM OBLIGATIONS (Cont'd)**

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 380,147	\$ 59,501	\$ 439,648
2021	396,044	43,670	439,714
2022	411,980	26,712	438,692
2023	416,770	9,029	425,799
Total	<u>\$ 1,604,941</u>	<u>\$ 138,912</u>	<u>\$ 1,743,853</u>

General obligation bonds are liquidated by the Debt Service Fund. Capital leases are liquidated with the general revenues of the Educational Account which are transferred to the Debt Service Fund, in which expenditures are recorded. Pensions and compensated absences are liquidated by the General Fund.

**Legal Debt Margin**

The Illinois School Code limits the amount of bond indebtedness to 6.9 percent of equalized assessed valuation. Based on the 2018 assessed valuation of \$100,315,763, the legal debt margin is \$6,921,788. At June 30, 2019, the outstanding bonded debt to which the legal debt margin applies is \$1,604,941, leaving an available borrowing power of \$5,316,847.

**NOTE 7 – RETIREMENT FUND COMMITMENTS**

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

**General Information about the Pension Plan**

*Plan Description*

The employer participates in the Teachers' Retirement System (TRS) of the State of Illinois. 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 nonannuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the system's administration.

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

*Benefits Provided*

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

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

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**NOTE 7 – RETIREMENT SYSTEMS (Cont'd)**

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2020. Public Act 100-0587, enacted 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 contribution rates are specified in 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 \$6,830,307 in pension contributions from the State of Illinois.

**2.2 formula contributions.** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2019, were \$18,592, and are deferred because they were paid after the June 30, 2018, measurement date.

**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 \$-0- (were paid from federal and special trust funds that required employer contributions of \$-0-. These contributions are deferred because they were paid after the June 30, 2018, measurement date.

**Employer retirement 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.

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**NOTE 7 – RETIREMENT SYSTEMS (Cont'd)**

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 \$-0- to TRS for employer contributions due on salary increases in excess of 6 percent, \$-0- for salary increases in excess of 3 percent and \$-0- for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2019, 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 disclosure 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:

Employer's proportionate share of the net pension liability	\$ 1,055,472
State's proportionate share of the net pension liability associated with the employer	<u>72,304,230</u>
Total	<u><u>\$ 73,359,702</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 projected contributions of all participating TRS employers and the state during that period. At June 30, 2018, the employer's proportion was .001 percent, which was an increase of .001 percent from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the employer recognized pension expense of \$6,864,792 and revenue of \$6,790,559 for support provided by the state. At June 30, 2019, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods</i>		
Differences between expected and actual experience	\$ 21,213	\$ 230
Net difference between projected and actual earnings on pension plan investments	-	3,232
Changes of assumptions	46,293	29,914
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>1,058,667</u>	<u>457,068</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>1,126,173</u>	<u>490,444</u>
<i>Pension contributions made subsequent to the measurement date</i>		
	<u>18,592</u>	<u>-</u>
Total	<u><u>\$ 1,144,765</u></u>	<u><u>\$ 490,444</u></u>

\$18,592 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



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**NOTE 7 – RETIREMENT SYSTEMS (Cont'd)**

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:

Year Ending June 30,	Net Deferred Outflows (Inflows) Of Resources
2020	\$ 107,597
2021	134,251
2022	86,973
2023	203,502
2024	103,405
Total	\$ 635,728

*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:

<b>Inflation</b>	2.50 percent
<b>Salary increases</b>	Varies by amount of service credit
<b>Investment rate of return</b>	7.00 percent, net of pension plan investment expense, including inflation

In the June 30, 2018, actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully-generational basis using projection table MP-2017. The same assumptions were used 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. equities large cap	15.0%	6.7%
U.S. equities small/mid cap	2.0%	7.9%
International equities developed	13.6%	7.0%
Emerging market equities	3.4%	9.4%
U.S. bonds core	8.0%	2.2%
U.S. bonds high yield	4.2%	4.4%
International debt developed	2.2%	1.3%
Emerging international debt	2.6%	4.5%
Real estate	16.0%	5.4%
Real return	4.0%	1.8%
Absolute return	14.0%	3.9%
Private equity	15.0%	10.2%
Total	100.0%	

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**NOTE 7 – RETIREMENT SYSTEMS (Cont'd)**

*Discount Rate*

At June 30, 2018, the discount rate used to measure the total pension liability was 7.0 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 of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, 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 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) 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	\$ 1,294,436	\$ 1,055,472	\$ 863,033

*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*.

**B. Illinois Municipal Retirement Fund (IMRF)**

**IMRF Plan Description**

The employer's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The employer's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information (RSI). The report is available for download at [www.imrf.org](http://www.imrf.org).

**Benefits Provided**

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs.

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**NOTE 7 – RETIREMENT SYSTEMS (Cont'd)**

Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011, (the ECO plan was closed to new participants after that date).

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

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

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

**Employees Covered by Benefit Terms**

As of December 31, 2018, the following employees were covered by the benefit terms:

December 31,	<u>2018</u>
Retirees and Beneficiaries currently receiving benefits	21
Inactive Plan Members entitled to but not yet receiving benefits	56
Active Plan Members	<u>22</u>
Total	<u><u>99</u></u>

**Contributions**

As set by statute, the employer's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer's annual required contribution rate for calendar year 2018 was 9.91%. For the fiscal year ended June 30, 2019, the employer contributed \$73,654 to the plan. The employer also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Net Pension Liability**

The employer'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.

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**NOTE 7 – RETIREMENT SYSTEMS (Cont'd)**

**Actuarial Assumptions**

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

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.50%.
- Salary Increases were expected to be 3.39% to 14.25%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the experience-based table of rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study of the period 2014 to 2016.
- For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015); the IMRF-specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015); the IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- 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:

Asset Class	Portfolio Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	37%	7.15%
International Equity	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	
Private Equity		8.50%
Hedge Funds		5.50%
Commodities		3.20%
Cash Equivalents	1%	2.50%
Total	100%	

COOK COUNTY SCHOOL DISTRICT NO. 92  
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**NOTE 7 – RETIREMENT SYSTEMS (Cont'd)**

**Single Discount Rate**

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

difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 3.71%; and the resulting single discount rate is 7.25%.

**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	\$ 3,222,752	\$ 3,187,022	\$ 35,730
Changes for the year:			
Service Cost	72,546	-	72,546
Interest on the Total Pension Liability	237,380	-	237,380
Differences Between Expected and Actual Experience of the Total Pension Liability	1,642	-	1,642
Changes of Assumptions	88,681	-	88,681
Contributions - Employer	-	73,654	(73,654)
Contributions - Employees	-	33,445	(33,445)
Net Investment Income	-	(177,237)	177,237
Benefits Payments, including Refunds of Employee Contributions	(187,909)	(187,909)	-
Other (Net Transfer)	-	57,155	(57,155)
Net Changes	<u>212,340</u>	<u>(200,892)</u>	<u>413,232</u>
Balances at December 31, 2018	<u>\$ 3,435,092</u>	<u>\$ 2,986,130</u>	<u>\$ 448,962</u>

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Total Pension Liability	\$ 3,833,224	\$ 3,435,092	\$ 3,102,845
Plan Fiduciary Net Position	<u>2,986,130</u>	<u>2,986,130</u>	<u>2,986,130</u>
Net Pension Liability	<u>\$ 847,094</u>	<u>\$ 448,962</u>	<u>\$ 116,715</u>

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**NOTE 7 – RETIREMENT SYSTEMS (Cont'd)**

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

For the year ended June 30, 2019, the employer recognized pension expense of \$68,278. At June 30, 2019, the employer reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<i>Deferred amounts to be recognized in pension expense in future periods</i>		
Differences between expected and actual experience	\$ 954	\$ -
Changes of assumptions	45,780	226
Net difference between projected and actual earnings on pension plan investments	<u>374,489</u>	<u>179,696</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>421,223</u>	<u>179,922</u>
<i>Pension contributions made subsequent to the measurement date</i>	<u>34,089</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u><u>\$ 455,312</u></u>	<u><u>\$ 179,922</u></u>

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

<u>Year Ending December 31</u>	<u>Net Deferred Outflows (Inflows) Of Resources</u>
2019	\$ 106,315
2020	28,732
2021	23,177
2022	83,077
2023	-
Thereafter	-
Total	<u><u>\$ 241,301</u></u>

**C. Aggregate Pension Amounts**

For the year ended June 30, 2019, aggregate pension amounts are as follows:

	<u>TRS</u>	<u>IMRF</u>	<u>Total</u>
Deferred Outflows of Resources	\$ 1,144,765	\$ 455,312	\$ 1,600,077
Net Pension Liability	1,055,472	448,962	1,504,434
Deferred Inflows of Resources	490,444	179,922	670,366
Pension Expense, Net of State Support	74,233	68,278	142,511

**D. Social Security/Medicare**

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "non-participating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security/Medicare.

**NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS**

**A. Teachers’ Health Insurance Security (THIS) Fund**

**General Information about the Plan**

*Plan Description*

The employer participates in the Teachers’ 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.

*Benefits Provided*

The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers’ Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state- administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of 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.

*Contributions*

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

- *On-Behalf Contributions to the THIS Fund*

The State of Illinois makes employer retiree health insurance contributions on behalf of the employer. 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 \$39,748, and the employer recognized revenue and expenditures of this amount during the year.

- *Employer Contributions to the THIS Fund*

The employer also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.92 percent during the year ended June 30, 2019. For the year ended June 30, 2019, the employer paid \$29,490 to the THIS Fund, which was 100 percent of the required contribution. The contributions are deferred because they were paid after the June 30, 2018 measurement date.

**THIS Liabilities, THIS Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to THIS**

At June 30, 2019, the employer reported a liability for its proportionate share of the net THIS liability (first amount shown below). The state’s support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net THIS liability, the related state support, and the total portion of the net THIS liability that was associated with the employer were as follows:

Employer's proportionate share of the net THIS liability	\$ 3,283,472
State's proportionate share of the net THIS liability associated with the employer	<u>4,408,995</u>
Total	<u><u>\$ 7,692,467</u></u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019

**NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (Cont’d)**

The net THIS liability was measured as of June 30, 2018, and the total THIS liability used to calculate the net THIS 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 THIS liability was based on the employer’s share of contributions to THIS for the measurement year ended June 30, 2018, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2018, the employer’s proportion was 0.012463 percent, which was an increase of 0.001291 percent from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the employer recognized THIS expense of \$235,263 and revenue of \$-0- for support provided by the state. At June 30, 2019, the employer reported deferred outflows of resources and deferred inflows of resources related to THIS from the following sources:

Deferred Amounts Related to THIS	Outflows of Resources	Inflows of Resources
<i>Deferred amounts to be recognized in THIS expense in future periods</i>		
Differences between expected and actual experience	\$ -	\$ 11,781
Net difference between projected and actual earnings on pension plan investments	-	101
Changes of assumptions	-	478,129
Changes in proportion and differences between employer contributions and proportionate share of contributions	526,395	1,412
Total deferred amounts to be recognized in THIS expense in future periods	526,395	491,423
<i>THIS contributions made subsequent to the measurement date</i>	29,490	-
Total	\$ 555,885	\$ 491,423

\$29,490 reported as deferred outflows of resources related to THIS resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the THIS 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 THIS will be recognized in THIS expense as follows:

Year Ending June 30,	Net Deferred Outflows (Inflows) Of Resources
2020	\$ 6,038
2021	6,038
2022	6,038
2023	6,038
2024	6,036
Thereafter	4,784
Total	\$ 34,972

*Actuarial Assumptions*

The total THIS liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified:

<b>Inflation</b>	2.75 percent
<b>Salary increases</b>	varies by amount of service credit



COOK COUNTY SCHOOL DISTRICT NO. 92  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2019

**NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (Cont’d)**

**Investment rate of return** 0.00 percent, net of THIS plan investment expense, including inflation

**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 costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend rate of 4.50%. Additional trend rate of 0.36% is added to non-Medicare costs on and after 2022 to account for Excise Tax.

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

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

Given the significant benefit payable, negative asset value and pay-as-you-go funding policy, the long-term expected rate of return assumption was set at zero.

*Discount Rate*

The State, school districts and active members contribute 1.24 percent, 0.92 percent, 1.24 percent of pay, respectively for fiscal year 2018. Retirees contribute a percentage of the premium rate. The State also contributes an additional amount to cover plan costs in excess of contributions and investment income. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.56 percent at June 30, 2017, and 3.62 percent at June 30, 2018, was used to measure the total THIS liability.

*Sensitivity of the Employer’s Proportionate Share of the Net THIS Liability to Changes in the Discount Rate*

The following presents the employer’s proportionate share of the net THIS liability calculated using the discount rate of 3.62 percent, as well as what the employer’s proportionate share of the net THIS liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.62 percent) or 1-percentage-point higher (4.62 percent) than the current rate.

	1% Decrease (2.62%)	Current Discount Rate (3.62%)	1% Increase (4.62%)
Employer's proportionate share of the net THIS liability	\$ 3,948,014	\$ 3,283,472	\$ 2,758,896

*Sensitivity of the Employer’s Proportionate Share of the Net THIS Liability to Changes in the Health Care Trend Rate*

The following presents the employer’s proportionate share of the net THIS liability calculated using an initial health care cost trend rate of 8.00% as well as what the plan’s net THIS liability would be if it were calculated using a Trend Rate that is 1% lower or 1% higher:

COOK COUNTY SCHOOL DISTRICT NO. 92  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2019

**NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (Cont’d)**

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Employer's proportionate share of the net THIS liability	\$ 2,662,375	\$ 3,283,472	\$ 4,120,271

**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”.

**B. Retiree Healthcare Plan**

The District does not provide post-employment medical insurance benefits (OPEB) for retired employees, as no formal post-employment benefit plan has been established. The District’s implicit cost is equal to the difference between current premium levels and what those premiums would be if retirees were not included. The implicit cost cannot presently be determined; however, management believes that this amount is immaterial.

**NOTE 9 – JOINT VENTURE – PROVISO AREA FOR EXCEPTIONAL CHILDREN (PAEC)**

The District is a member of Proviso Area for Exceptional Children (PAEC), a joint agreement that provides certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because it does not exercise control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, this joint agreement is not included as component unit of the District.

Complete financial statements for PAEC can be obtained from the Administrative Offices at 1000 Van Buren Street, Maywood, Illinois 60153.

**NOTE 10 – RISK MANAGEMENT**

The District has purchased insurance from various insurance risk pools (see Notes 11 and 12). Risks covered include general liability, workers compensation, and other. Premiums have been reported as expenditures in appropriate funds. There were no significant changes in insurance coverage from the prior year and the amount of settlements did not exceed insurance coverage for the last three years.

**NOTE 11 – SCHOOL EMPLOYEES LOSS FUND (SELF)**

The District is a member of SELF, which has been formed to reduce local school districts’ workers’ compensation costs. SELF is controlled by a Board of Directors which is composed of representatives designated by each school district. The day-to-day operations of SELF are managed through an Executive Board elected by the Board of Directors. Each member district has a financial responsibility for annual membership contributions, which are calculated to provide for administrative expenses, specific and aggregate excess insurance coverage, and the funding of a portion of anticipated losses and loss adjustment expenses to be borne by the membership are those which must be incurred prior to the attachment of excess insurance coverage.

Complete financial statements for SELF can be obtained from their accountant at Two Pierce Place, Itasca, Illinois 60143.

COOK COUNTY SCHOOL DISTRICT NO. 92  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019

**NOTE 12 – SUBURBAN SCHOOL COOPERATIVE INSURANCE POOL (SSCIP)**

The District is a member of SSCIP, which has been formed to provide casualty, property and liability protections and to administer some or all insurance coverages and protection other than health, life and accident coverages procured by the member districts. SSCIP is controlled by a Board of Directors which is composed of representatives designated by each member. The day-to-day operations of SSCIP are managed through an Executive Board elected by the Board of Directors. It is intended, by the creation of SSCIP to allow a member District to equalize annual fluctuations in insurance costs by establishing a program whereby reserves may be created and temporary deficits of individual districts covered and to ultimately equalize the risks and stabilize the costs of providing casualty, property and liability protections. If, during the fiscal year, the funds on hand in the account of SSCIP are not sufficient to pay expenses of administration, the Board of Directors shall require supplementary payment from all members. Such payment shall be made in the same proportion as prior payments during the year to SSCIP.

Complete financial statements for SSCIP can be obtained from their accountant at Two Pierce Place, Itasca, Illinois 60143.

**NOTE 13 – STATE AND FEDERAL AID CONTINGENCIES**

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

**NOTE 14 – SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or available to be issued. There are two types of subsequent events: recognized (events that relate to conditions present at the balance sheet date) and non-recognized (events or conditions that did not exist at the balance sheet date but arose after that date).

There have been no recognized or non-recognized subsequent events that have occurred between June 30, 2019, and the date of this audit report requiring disclosure in the financial statements.

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**REQUIRED SUPPLEMENTARY INFORMATION**



COOK COUNTY SCHOOL DISTRICT NO. 92  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
 MOST RECENT FISCAL YEARS

Fiscal year ending June 30,*	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability	0.001354%	0.000000%	0.000665%	0.000455%	0.000763%
Employer's proportionate share of the net pension liability	\$ 1,055,472	\$ -	\$ 524,829	\$ 298,055	\$ 464,621
State's proportionate share of the net pension liability associated with the employer	72,304,230	-	32,572,004	18,988,131	27,840,035
<b>Total</b>	<b><u>\$ 73,359,702</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 33,096,833</u></b>	<b><u>\$ 19,286,186</u></b>	<b><u>\$ 28,304,656</u></b>
Employer's covered-employee payroll	\$ 2,939,809	\$ 2,576,415	\$ 2,366,140	\$ 2,105,977	\$ 2,216,053
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	35.90%	0.00%	22.18%	14.15%	20.97%
Plan fiduciary net position as a percentage of the total pension liability	40.00%	39.30%	36.40%	41.50%	43.00%

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

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

COOK COUNTY SCHOOL DISTRICT NO. 92  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
 MOST RECENT FISCAL YEARS

Fiscal year ending June 30,	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually-required contribution	\$ 18,592	\$ 17,051	\$ 14,943	\$ 13,724	\$ 12,215
Contributions in relation to the contractually- required contribution	<u>72,199</u>	<u>58,634</u>	<u>53,741</u>	<u>44,527</u>	<u>31,002</u>
Contribution deficiency (excess)	<u>\$ (53,607)</u>	<u>\$ (41,583)</u>	<u>\$ (38,798)</u>	<u>\$ (30,803)</u>	<u>\$ (18,787)</u>
Employer's covered-employee payroll	\$ 3,205,451	\$ 2,939,809	\$ 2,576,415	\$ 2,366,140	\$ 2,105,977
Contributions as a percentage of covered- employee payroll	2.25%	1.99%	2.09%	1.88%	1.47%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.



COOK COUNTY SCHOOL DISTRICT NO. 92  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
MOST RECENT CALENDAR YEARS

Calendar year ending December 31,	2018	2017	2016	2015	2014
Total pension liability					
Service cost	\$ 72,546	\$ 74,052	\$ 90,472	\$ 79,414	\$ 85,001
Interest on the total pension liability	237,380	232,276	224,338	207,729	198,133
Difference between expected and actual experience	1,642	51,410	(31,802)	128,979	(81,727)
Changes of assumption	88,681	(110,434)	(7,088)	3,421	121,158
Benefit payments, including refunds of employee contributions	<u>(187,909)</u>	<u>(169,079)</u>	<u>(170,651)</u>	<u>(227,985)</u>	<u>(148,269)</u>
Net change in total pension liability	212,340	78,225	105,269	191,558	174,296
Total pension liability - beginning	<u>3,222,752</u>	<u>3,144,527</u>	<u>3,039,258</u>	<u>2,847,700</u>	<u>2,673,404</u>
Total pension liability - ending (A)	<u>\$ 3,435,092</u>	<u>\$ 3,222,752</u>	<u>\$ 3,144,527</u>	<u>\$ 3,039,258</u>	<u>\$ 2,847,700</u>
Plan fiduciary net position					
Contributions - employer	\$ 73,654	\$ 65,060	\$ 82,198	\$ 89,418	\$ 75,083
Contributions - employees	33,445	30,254	36,551	34,333	30,969
Net investment income	(177,237)	505,353	185,221	12,805	151,547
Benefit payments, including refunds of employee contributions	(187,909)	(169,079)	(170,651)	(227,985)	(148,269)
Other (net transfer)	<u>57,155</u>	<u>(52,463)</u>	<u>8,188</u>	<u>144,614</u>	<u>(1,605)</u>
Net change in plan fiduciary net position	(200,892)	379,125	141,507	53,185	107,725
Plan fiduciary net position - beginning	3,187,022	2,807,897	2,666,390	2,613,205	2,505,480
Plan fiduciary net position - ending (B)	<u>\$ 2,986,130</u>	<u>\$ 3,187,022</u>	<u>\$ 2,807,897</u>	<u>\$ 2,666,390</u>	<u>\$ 2,613,205</u>
Net pension liability/(asset) - ending (A) - (B)	<u>\$ 448,962</u>	<u>\$ 35,730</u>	<u>\$ 336,630</u>	<u>\$ 372,868</u>	<u>\$ 234,495</u>
Plan fiduciary net position as a percentage of total pension liability	86.93%	98.89%	89.29%	87.73%	91.77%
Covered valuation payroll	\$ 743,228	\$ 663,879	\$ 776,912	\$ 762,963	\$ 688,205
Net pension liability as a percentage of covered valuation payroll	60.41%	5.38%	43.33%	48.87%	34.07%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

COOK COUNTY SCHOOL DISTRICT NO. 92  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 ILLINOIS MUNICIPAL RETIREMENT FUND  
 MOST RECENT CALENDAR YEARS

Calendar Year Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2018	\$ 73,654	\$ 73,654	\$ -	\$ 743,228	9.91%
2017	65,060	65,060	-	663,879	9.80%
2016	82,197	82,198	(1)	776,912	10.58%
2015	89,419	89,418	1	762,963	11.72%
2014	75,093	75,083	10	688,296	10.91%

**Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2018 Contribution Rate\***

**Valuation Date:**

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

**Methods and Assumptions Used to Determine 2018 Contribution Rates:**

*Actuarial Cost Method:* Aggregate entry age normal

*Amortization Method:* Level percentage of payroll, closed

*Remaining Amortization Period:* Non-Taxing bodies: 10 year rolling period.  
 Taxing bodies (Regular, SLEP and ECO groups): 25 year closed period  
 Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.  
 SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 21 years for most employers (two employers were financed over 30 years).

*Asset Valuation Method:* 5-year smoothed market; 20% corridor

*Wage Growth:* 3.50%

*Price Inflation:* 2.75% - Approximate; No explicit price inflation assumption is used in this valuation

*Salary Increases:* 3.75% to 14.50%, including inflation

*Investment Rate of Return:* 7.50%

*Retirement Age:* Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013

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

**Other Information:**

Notes There were no benefit changes during the year.

\*Based on Valuation Assumptions used in the December 31, 2016, actuarial valuation; note two year lag between valuation and rate setting.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

COOK COUNTY SCHOOL DISTRICT NO. 92  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE THIS LIABILITY  
 OTHER POST-EMPLOYMENT BENEFITS - TEACHERS' HEALTH INSURANCE SECURITY FUND  
 MOST RECENT FISCAL YEARS

---

Fiscal year ending June 30,*	<u>2019</u>	<u>2018</u>
Employer's proportion of the net THIS liability	0.012463%	0.011172%
Employer's proportionate share of the net THIS liability	\$ 3,283,472	\$ 2,898,987
State's proportionate share of the net pension liability associated with the employer	<u>4,408,995</u>	<u>3,807,090</u>
Total	<u>\$ 7,692,467</u>	<u>\$ 6,706,077</u>
Employer's covered-employee payroll	\$ 2,939,809	\$ 2,576,415
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	111.69%	112.52%
Plan fiduciary net position as a percentage of the total THIS liability	-0.07%	-0.17%

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

COOK COUNTY SCHOOL DISTRICT NO. 92  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 OTHER POST-EMPLOYMENT BENEFITS - TEACHERS' HEALTH INSURANCE SECURITY FUND  
 MOST RECENT FISCAL YEARS

---

Fiscal year ending June 30,	2019	2018
Contractually-required contribution	\$ 29,490	\$ 25,870
Contributions in relation to the contractually-required contribution	29,490	25,870
Contribution deficiency (excess)	\$ -	\$ -
Employer's covered-employee payroll	\$ 3,205,451	\$ 2,939,809
Contributions as a percentage of covered-employee payroll	0.92%	0.88%

COOK COUNTY SCHOOL DISTRICT NO. 92  
GENERAL FUND  
COMBINING BALANCE SHEET  
JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS AS OF JUNE 30, 2018

	2019		2018	
	Educational Account	Working Cash Account	General Fund	General Fund
<b>ASSETS</b>				
Cash and investments	\$ 6,284,249	\$ 1,266,112	\$ 7,550,361	\$ 7,878,206
Receivables (net of allowance for uncollectibles):				
Interest	38,445	7,321	45,766	24,504
Property taxes	2,240,181	22,028	2,262,209	1,935,567
Personal property replacement taxes	34,230	-	34,230	32,757
Intergovernmental	31,945	-	31,945	14,588
<u>Total Assets</u>	<u>\$ 8,629,050</u>	<u>\$ 1,295,461</u>	<u>\$ 9,924,511</u>	<u>\$ 9,885,622</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 110,851	\$ -	\$ 110,851	\$ 181,125
Salaries payable	-	-	-	4,097
Payroll liabilities	(6,959)	-	(6,959)	(4,821)
<u>Total Liabilities</u>	<u>103,892</u>	<u>-</u>	<u>103,892</u>	<u>180,401</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	291,326	2,829	294,155	198,738
<u>Total Deferred Inflows of Resources</u>	<u>291,326</u>	<u>2,829</u>	<u>294,155</u>	<u>198,738</u>
<b>FUND BALANCE</b>				
Unassigned	8,233,832	1,292,632	9,526,464	9,506,483
<u>Total Fund Balance</u>	<u>8,233,832</u>	<u>1,292,632</u>	<u>9,526,464</u>	<u>9,506,483</u>
<u>Total Liabilities, Deferred Inflows of Resources and Fund Balances</u>	<u>\$ 8,629,050</u>	<u>\$ 1,295,461</u>	<u>\$ 9,924,511</u>	<u>\$ 9,885,622</u>

COOK COUNTY SCHOOL DISTRICT 92  
GENERAL FUND  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019			2018	
	Original and Final Budget	Educational Account	Working Cash Account	Total	Actual
<b>REVENUES:</b>					
Local Sources:					
General tax levy	\$ 4,022,244	\$ 3,891,000	\$ 41,400	\$ 3,932,400	\$ 3,533,980
Special education levy	326,705	328,515	-	328,515	333,779
Personal property replacement taxes	190,000	199,691	-	199,691	160,691
Interest on investments	74,000	134,779	24,642	159,421	84,962
Gain on investments	-	-	-	-	5,116
Sales to adults	-	-	-	-	18
Fees	47,000	31,219	-	31,219	51,500
Donations and contributions	-	-	-	-	1,521
Refund of prior years' expenditures	40,000	22,738	-	22,738	61,374
Payment of surplus moneys from TIF districts	-	-	-	-	642,562
Other	7,500	39,884	-	39,884	12,400
State Sources:					
Evidence based funding formula	1,058,127	1,078,603	-	1,078,603	1,066,475
Special education - private facility tuition	50,000	35,266	-	35,266	57,112
Special education - orphanage	-	15,799	-	15,799	22,975
CTE - technical education - tech prep	400	-	-	-	-
Bilingual education - downstate - TPI	-	-	-	-	10,372
State free lunch and breakfast	2,200	6,120	-	6,120	2,830
Early childhood - block grant	120,000	299,409	-	299,409	68,190
Other revenue	28,000	57,322	-	57,322	-
On-behalf retirement	-	6,830,307	-	6,830,307	-
Federal Sources:					
National school lunch	175,000	227,373	-	227,373	166,431
School breakfast program	55,000	107,403	-	107,403	73,022
Commodities	-	15,729	-	15,729	18,185
Fresh fruit and vegetables	-	7,213	-	7,213	24,850
Title I - low income	200,000	208,014	-	208,014	144,952
Title I - school improvement	-	5,300	-	5,300	-
Title IVA - student support and academic enrichment	-	17,950	-	17,950	7,800
Title II - teacher quality	20,000	16,223	-	16,223	11,520
Medicaid matching funds - fee for service	-	33,529	-	33,529	-
Medicaid matching funds - administrative outreach	25,000	-	-	-	27,894
<b>Total Revenues</b>	<b>6,441,176</b>	<b>13,609,386</b>	<b>66,042</b>	<b>13,675,428</b>	<b>6,590,511</b>

(Continued)

COOK COUNTY SCHOOL DISTRICT 92  
GENERAL FUND  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019			2018	
	Original and Final Budget	Educational Account	Working Cash Account	Total	Actual
EXPENDITURES:					
Current:					
Instruction					
Regular programs	\$ 2,595,000	\$ 2,490,290	\$ -	\$ 2,490,290	\$ 2,304,382
Regular programs - Pre-K	323,993	259,309	-	259,309	331,528
Special programs	301,658	289,860	-	289,860	278,186
Other instructional programs	237,158	247,400	-	247,400	218,991
State on-behalf retirement	-	6,830,307	-	6,830,307	-
Support services					
Pupils	212,580	295,443	-	295,443	248,532
Instructional staff	297,258	408,210	-	408,210	183,460
General administration	533,237	496,165	-	496,165	483,086
School administration	357,354	360,899	-	360,899	326,990
Business	527,224	578,272	-	578,272	563,716
Central	326,759	246,939	-	246,939	210,455
Other support services	-	7,419	-	7,419	5,365
Community services	17,000	38,616	-	38,616	20,749
Payments to other governmental units	805,000	808,478	-	808,478	829,482
Capital Outlay	35,000	64,691	-	64,691	131,405
<u>Total Expenditures</u>	<u>6,569,221</u>	<u>13,422,298</u>	<u>-</u>	<u>13,422,298</u>	<u>6,136,327</u>
<u>Excess (Deficiency) of Revenues</u>					
<u>Over (Under) Expenditures</u>	<u>(128,045)</u>	<u>187,088</u>	<u>66,042</u>	<u>253,130</u>	<u>454,184</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	-	(33,149)	(200,000)	(233,149)	(544,423)
Capital leases	-	-	-	-	59,010
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>(33,149)</u>	<u>(200,000)</u>	<u>(233,149)</u>	<u>(485,413)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (128,045)</u>	153,939	(133,958)	19,981	(31,229)
FUND BALANCE - BEGINNING OF YEAR		8,079,893	1,426,590	9,506,483	9,537,712
FUND BALANCE - END OF YEAR		<u>\$ 8,233,832</u>	<u>\$ 1,292,632</u>	<u>\$ 9,526,464</u>	<u>\$ 9,506,483</u>

COOK COUNTY SCHOOL DISTRICT 92  
EDUCATIONAL ACCOUNT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Over (Under) Budget	2018
	Original and Final Budget	Actual		Actual
<b>REVENUES</b>				
Local Sources				
General tax levy	\$ 3,978,263	\$ 3,891,000	\$ (87,263)	\$ 3,492,539
Special education levy	326,705	328,515	1,810	333,779
Personal property replacement taxes	190,000	199,691	9,691	160,691
Interest on investments	60,000	134,779	74,779	69,390
Gain on investments	-	-	-	5,116
Sales to adults	-	-	-	18
Fees	47,000	31,219	(15,781)	51,500
Donations and contributions	-	-	-	1,521
Refund of prior years' expenditures	40,000	22,738	(17,262)	61,374
Payment of surplus moneys from TIF districts	-	-	-	642,562
Other	7,500	39,884	32,384	12,400
<b>Total Local Sources</b>	<b>4,649,468</b>	<b>4,647,826</b>	<b>(1,642)</b>	<b>4,830,890</b>
State Sources				
Evidence based funding formula	1,058,127	1,078,603	20,476	1,066,475
Special education - private facility tuition	50,000	35,266	(14,734)	57,112
Special education - orphanage	-	15,799	15,799	22,975
CTE - secondary program improvement	400	-	(400)	-
Bilingual education - downstate - TPI	-	-	-	10,372
State free lunch and breakfast	2,200	6,120	3,920	2,830
Early childhood - block grant	120,000	299,409	179,409	68,190
Other revenue	28,000	57,322	29,322	-
On-behalf retirement	-	6,830,307	6,830,307	-
<b>Total State Sources</b>	<b>1,258,727</b>	<b>8,322,826</b>	<b>7,064,099</b>	<b>1,227,954</b>
Federal Sources				
National school lunch	175,000	227,373	52,373	166,431
School breakfast program	55,000	107,403	52,403	73,022
Commodities	-	15,729	15,729	18,185
Fresh fruit and vegetables	-	7,213	7,213	24,850
Title I - low income	200,000	208,014	8,014	144,952
Title I - school improvement	-	5,300	5,300	-
Title IVA - student support and academic enrichment	-	17,950	17,950	7,800
Title II - teacher quality	20,000	16,223	(3,777)	11,520
Medicaid matching funds - fees	-	33,529	33,529	-
Medicaid matching funds - administrative outreach	25,000	-	(25,000)	27,894
<b>Total Federal Sources</b>	<b>475,000</b>	<b>638,734</b>	<b>163,734</b>	<b>474,654</b>
<b>Total Revenues</b>	<b>6,383,195</b>	<b>13,609,386</b>	<b>7,226,191</b>	<b>6,533,498</b>

(Continued)



COOK COUNTY SCHOOL DISTRICT 92  
EDUCATIONAL ACCOUNT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Over (Under) Budget	2018
	Original and Final Budget	Actual		Actual
<b>EXPENDITURES</b>				
Instruction				
Regular Programs				
Salaries	\$ 1,927,464	\$ 1,870,914	\$ (56,550)	\$ 1,837,939
Employee benefits	289,286	317,953	28,667	324,349
On-behalf payments	-	6,830,307	6,830,307	-
Purchased services	76,250	67,951	(8,299)	73,492
Supplies and materials	301,500	233,330	(68,170)	68,469
Other objects	500	142	(358)	133
Total	<u>2,595,000</u>	<u>9,320,597</u>	<u>6,725,597</u>	<u>2,304,382</u>
Pre-K Programs				
Salaries	251,600	214,293	(37,307)	244,950
Employee benefits	52,893	30,240	(22,653)	36,626
Purchased services	8,500	3,229	(5,271)	14,111
Supplies and materials	11,000	9,522	(1,478)	35,841
Non-capitalized equipment	-	2,025	2,025	-
Total	<u>323,993</u>	<u>259,309</u>	<u>(64,684)</u>	<u>331,528</u>
Special Education Programs				
Salaries	251,161	237,791	(13,370)	235,007
Employee benefits	47,997	40,233	(7,764)	39,695
Purchased services	2,000	7,784	5,784	3,027
Supplies and materials	500	3,872	3,372	457
Other objects	-	180	180	-
Total	<u>301,658</u>	<u>289,860</u>	<u>(11,798)</u>	<u>278,186</u>
Interscholastic Programs:				
Salaries	80,000	87,633	7,633	84,310
Employee benefits	1,022	466	(556)	447
Purchased services	7,500	5,704	(1,796)	6,478
Supplies and materials	7,500	5,896	(1,604)	6,600
Total	<u>96,022</u>	<u>99,699</u>	<u>3,677</u>	<u>97,835</u>
Summer School Programs				
Salaries	62,500	42,010	(20,490)	36,747
Employee benefits	730	215	(515)	205
Purchased services	500	28,578	28,078	-
Supplies and materials	250	31	(219)	39
Total	<u>63,980</u>	<u>70,834</u>	<u>6,854</u>	<u>36,991</u>

(Continued)

COOK COUNTY SCHOOL DISTRICT 92  
EDUCATIONAL ACCOUNT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Over (Under) Budget	2018
	Original and Final Budget	Actual		Actual
EXPENDITURES (Cont'd)				
Gifted Programs				
Salaries	\$ 64,156	\$ -	\$ (64,156)	\$ -
Employee benefits	12,850	-	(12,850)	-
Supplies and materials	150	-	(150)	-
Total	<u>77,156</u>	<u>-</u>	<u>(77,156)</u>	<u>-</u>
Bilingual Programs				
Salaries	-	64,156	64,156	62,439
Employee benefits	-	12,642	12,642	21,628
Supplies and materials	-	69	69	98
Total	<u>-</u>	<u>76,867</u>	<u>76,867</u>	<u>84,165</u>
Total Instruction	<u>3,457,809</u>	<u>10,117,166</u>	<u>6,659,357</u>	<u>3,133,087</u>
Support Services				
Attendance and Social Work Services				
Salaries	53,694	53,694	-	51,358
Employee benefits	10,297	18,637	8,340	15,768
Purchased services	-	-	-	460
Supplies and materials	100	81	(19)	-
Total	<u>64,091</u>	<u>72,412</u>	<u>8,321</u>	<u>67,586</u>
Guidance Services				
Purchased services	-	36,967	36,967	-
Supplies and materials	-	352	352	-
Total	<u>-</u>	<u>37,319</u>	<u>37,319</u>	<u>-</u>
Health Services				
Purchased services	65,000	104,054	39,054	95,911
Supplies and materials	3,000	324	(2,676)	3,526
Total	<u>68,000</u>	<u>104,378</u>	<u>36,378</u>	<u>99,437</u>
Psychological Services				
Salaries	59,754	59,754	-	58,155
Employee benefits	10,385	9,962	(423)	11,343
Purchased services	-	1,000	1,000	-
Supplies and materials	100	116	16	2,045
Total	<u>70,239</u>	<u>70,832</u>	<u>593</u>	<u>71,543</u>

(Continued)

COOK COUNTY SCHOOL DISTRICT 92  
EDUCATIONAL ACCOUNT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Over (Under) Budget	2018
	Original and Final Budget	Actual		Actual
<b>EXPENDITURES (Cont'd)</b>				
Other Support Services				
Salaries	\$ 1,000	\$ -	\$ (1,000)	\$ -
Purchased services	6,500	5,801	(699)	5,120
Supplies and materials	2,750	4,701	1,951	4,846
Total	10,250	10,502	252	9,966
Total - Pupil	212,580	295,443	82,863	248,532
Improvement of Instruction Services				
Salaries	80,000	102,899	22,899	6,925
Employee benefits	38,001	32,357	(5,644)	4,789
Purchased services	80,000	126,667	46,667	85,329
Supplies and material	11,000	3,723	(7,277)	-
Total	209,001	265,646	56,645	97,043
Educational Media Services				
Salaries	66,769	56,769	(10,000)	55,250
Employee benefits	10,488	11,945	1,457	11,326
Supplies and materials	2,000	65,635	63,635	9,796
Total	79,257	134,349	55,092	76,372
Assessment and Testing Services				
Purchased services	9,000	8,215	(785)	10,045
Total	9,000	8,215	(785)	10,045
Total - Instructional Staff	297,258	408,210	110,952	183,460
General Administration:				
Board of Education Services:				
Salaries	2,060	6,713	4,653	1,867
Purchased services	117,500	72,519	(44,981)	84,516
Supplies and materials	7,500	4,842	(2,658)	9,737
Other objects	10,000	26,087	16,087	10,882
Non-capitalized equipment	-	2,676	2,676	-
Total	137,060	112,837	(24,223)	107,002

COOK COUNTY SCHOOL DISTRICT 92  
EDUCATIONAL ACCOUNT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Over (Under) Budget	2018
	Original and Final Budget	Actual		Actual
<b>EXPENDITURES (Cont'd)</b>				
Executive Administration Services:				
Salaries	\$ 175,071	\$ 172,123	\$ (2,948)	\$ 172,878
Employee benefits	43,847	43,120	(727)	43,526
Purchased services	15,000	14,248	(752)	8,415
Supplies and materials	2,500	14,715	12,215	14,490
Capital outlay	-	-	-	1,832
Other objects	2,500	2,620	120	1,774
<b>Total</b>	<b>238,918</b>	<b>246,826</b>	<b>7,908</b>	<b>242,915</b>
General Administration:				
Special Area Administration Services:				
Salaries	119,137	105,547	(13,590)	97,344
Employee benefits	35,122	30,446	(4,676)	35,853
Purchased services	1,750	509	(1,241)	1,804
Supplies and materials	500	-	(500)	-
Other objects	750	-	(750)	-
<b>Total</b>	<b>157,259</b>	<b>136,502</b>	<b>(20,757)</b>	<b>135,001</b>
<b>Total General Administration</b>	<b>533,237</b>	<b>496,165</b>	<b>(37,072)</b>	<b>484,918</b>
School Administration:				
Office of the Principal Services:				
Salaries	270,263	276,968	6,705	241,901
Employee benefits	71,091	70,998	(93)	71,994
Purchased services	6,500	9,102	2,602	5,903
Supplies and materials	7,500	1,362	(6,138)	6,393
Other objects	2,000	784	(1,216)	799
Non-capitalized equipment	-	1,685	1,685	-
<b>Total</b>	<b>357,354</b>	<b>360,899</b>	<b>3,545</b>	<b>326,990</b>
<b>Total School Administration</b>	<b>357,354</b>	<b>360,899</b>	<b>3,545</b>	<b>326,990</b>
Business:				
Direction of Business Support Services:				
Salaries	55,500	114,629	59,129	-
Employee benefits	10,218	24,197	13,979	-
Purchased services	5,750	3,518	(2,232)	66,730
Supplies and materials	1,200	2,333	1,133	682
Other objects	1,000	1,170	170	150
<b>Total</b>	<b>73,668</b>	<b>145,847</b>	<b>72,179</b>	<b>67,562</b>

(Continued)

COOK COUNTY SCHOOL DISTRICT 92  
EDUCATIONAL ACCOUNT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Over (Under) Budget	2018
	Original and Final Budget	Actual		Actual
<b>EXPENDITURES (Cont'd)</b>				
Fiscal Services:				
Salaries	\$ 97,842	\$ 69,047	\$ (28,795)	\$ 107,574
Employee benefits	24,980	7,742	(17,238)	8,017
Purchased services	13,350	11,022	(2,328)	8,420
Supplies and materials	500	832	332	401
Total	136,672	88,643	(48,029)	124,412
Food Services:				
Salaries	100,000	102,012	2,012	103,329
Employee benefits	8,500	10,050	1,550	8,858
Purchased services	186,250	192,010	5,760	230,832
Supplies and materials	3,000	16,655	13,655	23,853
Capital outlay	-	-	-	13,283
Total	297,750	320,727	22,977	380,155
Business:				
Internal Services:				
Purchased services	4,134	-	(4,134)	-
Supplies and materials	15,000	23,055	8,055	4,870
Capital outlay	-	-	-	59,010
Total	19,134	23,055	3,921	63,880
Total Business	527,224	578,272	51,048	636,009
Central:				
Information Services:				
Purchased services	6,500	7,400	900	2,296
Total	6,500	7,400	900	2,296
Staff Services:				
Salaries	50,000	3,365	(46,635)	-
Employee benefits	9,800	1,212	(8,588)	-
Purchased services	-	36,030	36,030	-
Supplies and materials	-	8,218	8,218	-
Non-capitalized equipment	-	1,800	1,800	-
Total	59,800	50,625	(9,175)	-

COOK COUNTY SCHOOL DISTRICT 92  
EDUCATIONAL ACCOUNT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Over (Under) Budget	2018
	Original and Final Budget	Actual		Actual
<b>EXPENDITURES (Cont'd)</b>				
Data Processing Services:				
Salaries	\$ 86,620	\$ 90,269	\$ 3,649	\$ 85,016
Employee benefits	19,839	19,839	-	20,508
Purchased services	9,000	6,680	(2,320)	10,409
Supplies and materials	135,000	72,126	(62,874)	77,159
Capital outlay	35,000	64,691	29,691	57,280
Non-capitalized equipment	10,000	-	(10,000)	15,067
<b>Total</b>	<b>295,459</b>	<b>253,605</b>	<b>(41,854)</b>	<b>265,439</b>
<b>Total Central</b>	<b>361,759</b>	<b>311,630</b>	<b>(50,129)</b>	<b>267,735</b>
Other Support Services:				
Supplies and materials	-	139	139	855
Other	-	7,280	7,280	4,510
<b>Total Other Support Services</b>	<b>-</b>	<b>7,419</b>	<b>7,419</b>	<b>5,365</b>
Community Services:				
Salaries	-	13,991	13,991	-
Purchased services	7,500	22,218	14,718	12,753
Supplies and materials	9,500	2,407	(7,093)	7,996
<b>Total Community Services</b>	<b>17,000</b>	<b>38,616</b>	<b>21,616</b>	<b>20,749</b>
Payments to Other Governmental Units:				
Payments for Special Education:				
Purchased services	10,000	3,459	(6,541)	1,653
Other	760,000	749,409	(10,591)	781,359
<b>Total</b>	<b>770,000</b>	<b>752,868</b>	<b>(17,132)</b>	<b>783,012</b>
Other payments to in-state governmental units:				
Purchased services	-	55,610	55,610	46,470
Other objects	35,000	-	-	-
<b>Total</b>	<b>35,000</b>	<b>55,610</b>	<b>55,610</b>	<b>46,470</b>
<b>Total Payments to Other Governmental Units</b>	<b>805,000</b>	<b>808,478</b>	<b>38,478</b>	<b>829,482</b>
<b>Total Expenditures</b>	<b>6,569,221</b>	<b>13,422,298</b>	<b>6,888,077</b>	<b>6,136,327</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(186,026)</b>	<b>187,088</b>	<b>338,114</b>	<b>397,171</b>

(Continued)

COOK COUNTY SCHOOL DISTRICT 92  
EDUCATIONAL ACCOUNT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Over (Under) Budget	2018
	Original and Final Budget	Actual		Actual
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ -	\$ (33,149)	\$ (33,149)	\$ (32,423)
Capital leases	-	-	-	59,010
Total Other Financing Sources (Uses)	<u>-</u>	<u>(33,149)</u>	<u>(33,149)</u>	<u>26,587</u>
NET CHANGE IN FUND BALANCE	<u>\$ (186,026)</u>	153,939	<u>\$ 304,965</u>	423,758
FUND BALANCE - BEGINNING OF YEAR		<u>8,079,893</u>		<u>7,656,135</u>
FUND BALANCE - END OF YEAR		<u>\$ 8,233,832</u>		<u>\$ 8,079,893</u>

COOK COUNTY SCHOOL DISTRICT 92  
 WORKING CASH ACCOUNT  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		2018	
	Original and Final Budget	Actual	Over (Under) Budget	Actual
<b>REVENUES</b>				
Local Sources				
General tax levy	\$ 43,981	\$ 41,400	\$ (2,581)	\$ 41,441
Interest on investments	14,000	24,642	10,642	15,572
Total Local Sources	<u>57,981</u>	<u>66,042</u>	<u>8,061</u>	<u>57,013</u>
<u>Total Revenues</u>	<u>57,981</u>	<u>66,042</u>	<u>8,061</u>	<u>57,013</u>
<b>EXPENDITURES</b>				
<u>Total Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Excess of Revenues Over Expenditures</u>	<u>57,981</u>	<u>66,042</u>	<u>8,061</u>	<u>57,013</u>
<b>OTHER FINANCING (USES)</b>				
Transfers out	-	(200,000)	(200,000)	(512,000)
<u>Total Other Financing (Uses)</u>	<u>-</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>(512,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 57,981</u>	<u>(133,958)</u>	<u>\$ (191,939)</u>	<u>(454,987)</u>
FUND BALANCE - BEGINNING OF YEAR		<u>1,426,590</u>		<u>1,881,577</u>
FUND BALANCE - END OF YEAR		<u>\$ 1,292,632</u>		<u>\$ 1,426,590</u>



COOK COUNTY SCHOOL DISTRICT 92  
OPERATIONS AND MAINTENANCE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		2018	
	Original and Final Budget	Actual	Over (Under) Budget	Actual
<b>REVENUES</b>				
Local Sources				
General tax levy	\$ 485,028	\$ 507,596	\$ 22,568	\$ 461,232
Interest on investments	3,000	2,100	(900)	3,339
Refund of prior years' expenditures	2,000	7,746	5,746	9,097
<b>Total Local Sources</b>	<b>490,028</b>	<b>517,442</b>	<b>27,414</b>	<b>473,668</b>
<b>Total Revenues</b>	<b>490,028</b>	<b>517,442</b>	<b>27,414</b>	<b>473,668</b>
<b>EXPENDITURES</b>				
Support Services				
Facilities Acquisition and Construction Services				
Purchased services	-	-	-	24,958
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,958</b>
Operations and Maintenance of Plant Service				
Salaries	196,005	191,384	(4,621)	190,067
Employee benefits	51,547	46,832	(4,715)	61,959
Purchased services	114,200	127,357	13,157	195,090
Supplies and materials	146,300	207,523	61,223	206,772
Capital outlay	87,500	83,325	(4,175)	29,646
Non-capitalized equipment	-	2,325	2,325	-
<b>Total</b>	<b>595,552</b>	<b>658,746</b>	<b>63,194</b>	<b>683,534</b>
<b>Total Support Services</b>	<b>595,552</b>	<b>658,746</b>	<b>63,194</b>	<b>708,492</b>
Payments to Other Governmental Units				
Purchased services	29,000	39,863	10,863	36,608
<b>Total Payments to Other Governmental Units</b>	<b>29,000</b>	<b>39,863</b>	<b>10,863</b>	<b>36,608</b>
<b>Total Expenditures</b>	<b>624,552</b>	<b>698,609</b>	<b>74,057</b>	<b>745,100</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>(134,524)</b>	<b>(181,167)</b>	<b>(46,643)</b>	<b>(271,432)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	150,000	200,000	50,000	-
Transfers out	-	(9,992)	(9,992)	-
Capital leases	-	44,159	44,159	-
<b>Total Other Financing Sources (Uses)</b>	<b>150,000</b>	<b>234,167</b>	<b>84,167</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 15,476</b>	<b>53,000</b>	<b>\$ (46,643)</b>	<b>(271,432)</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>		<b>283,416</b>		<b>554,848</b>
<b>FUND BALANCE - END OF YEAR</b>		<b>\$ 336,416</b>		<b>\$ 283,416</b>

COOK COUNTY SCHOOL DISTRICT 92  
TRANSPORTATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		2018	
	Original and Final Budget	Actual	Over (Under) Budget	Actual
<b>REVENUES</b>				
Local Sources				
General tax levy	\$ 231,710	\$ 40,648	\$ (191,062)	\$ 212,842
Interest on investments	4,000	6,346	2,346	3,817
Refund of prior years' expenditures	4,000	7,706	3,706	40,686
Other	-	-	-	67
Total Local Sources	<u>239,710</u>	<u>54,700</u>	<u>(185,010)</u>	<u>257,412</u>
State Sources				
Transportation - special education	<u>12,000</u>	<u>42,944</u>	<u>30,944</u>	<u>18,715</u>
Total State Sources	<u>12,000</u>	<u>42,944</u>	<u>30,944</u>	<u>18,715</u>
Total Revenues	<u>251,710</u>	<u>97,644</u>	<u>(154,066)</u>	<u>276,127</u>
<b>EXPENDITURES</b>				
Support Services				
Pupil Transportation Services				
Purchased services	<u>127,050</u>	<u>161,251</u>	<u>34,201</u>	<u>129,876</u>
Total Support Services	<u>127,050</u>	<u>161,251</u>	<u>34,201</u>	<u>129,876</u>
Payments to Other Governmental Units				
Purchased services	<u>100,000</u>	<u>105,081</u>	<u>5,081</u>	<u>85,626</u>
Total Payments to Other Governmental Units	<u>100,000</u>	<u>105,081</u>	<u>5,081</u>	<u>85,626</u>
Total Expenditures	<u>227,050</u>	<u>266,332</u>	<u>39,282</u>	<u>215,502</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>24,660</u>	<u>(168,688)</u>	<u>(193,348)</u>	<u>60,625</u>
<b>OTHER FINANCING (USES)</b>				
Transfers out	<u>(150,000)</u>	<u>-</u>	<u>150,000</u>	<u>-</u>
Total Other Financing (Uses)	<u>(150,000)</u>	<u>-</u>	<u>150,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (125,340)</u></u>	<u>(168,688)</u>	<u><u>\$ (43,348)</u></u>	<u>60,625</u>
FUND BALANCE - BEGINNING OF YEAR		<u>399,289</u>		<u>338,664</u>
FUND BALANCE - END OF YEAR		<u><u>\$ 230,601</u></u>		<u><u>\$ 399,289</u></u>

COOK COUNTY SCHOOL DISTRICT 92  
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Over (Under) Budget	2018
	Original and Final Budget	Actual		Actual
<b>REVENUES</b>				
Local Sources				
General tax levy	\$ 288,566	\$ 147,840	\$ (140,726)	\$ 315,840
FICA/Medicare Levy	-	147,840	147,840	315,840
Personal property replacement taxes	-	14,250	14,250	31,563
Interest on investments	3,500	18,560	15,060	4,767
Total Local Sources	292,066	328,490	36,424	668,010
<u>Total Revenues</u>	<u>292,066</u>	<u>328,490</u>	<u>36,424</u>	<u>668,010</u>
<b>EXPENDITURES</b>				
Instruction				
Regular programs	47,505	42,507	(4,998)	40,794
Pre-K programs	11,221	10,478	(743)	10,280
Special education programs	12,582	9,312	(3,270)	10,334
Interscholastic programs	2,797	2,741	(56)	2,077
Summer school programs	2,952	1,319	(1,633)	755
Bilingual programs	930	717	(213)	697
Total Instruction	77,987	67,074	(10,913)	64,937
Support Services				
Attendance and social work services	779	774	(5)	735
Psychological services	866	856	(10)	834
Improvement of instruction services	1,160	1,302	142	96
Educational media services	968	653	(315)	791
Board of education services	368	1,109	741	286
Executive administration services	10,528	9,300	(1,228)	10,675
Special area administrative service	4,737	2,299	(2,438)	1,407
Office of the principal services	13,989	14,260	271	9,667
Direction of business support services	5,348	1,661	(3,687)	-
Fiscal services	12,892	11,638	(1,254)	17,330
Operations and maintenance of plant services	34,928	41,488	6,560	39,680
Food services	17,820	13,421	(4,399)	13,549
Staff services	-	536	536	-
Data processing services	14,179	19,218	5,039	19,223
Total Support Services	118,562	118,515	(47)	114,273
<u>Total Expenditures</u>	<u>196,549</u>	<u>185,589</u>	<u>(10,960)</u>	<u>179,210</u>

(Continued)

COOK COUNTY SCHOOL DISTRICT 92  
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		2018	
	Original and Final Budget	Actual	Over (Under) Budget	Actual
NET CHANGE IN FUND BALANCE	<u>\$ 95,517</u>	142,901	<u>\$ 47,384</u>	488,800
FUND BALANCE - BEGINNING OF YEAR		<u>980,363</u>		<u>491,563</u>
FUND BALANCE - END OF YEAR		<u>\$ 1,123,264</u>		<u>\$ 980,363</u>

COOK COUNTY SCHOOL DISTRICT 92  
TORT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Over (Under) Budget	2018
	Original and Final Budget	Actual		Actual
REVENUES				
Local Sources				
General tax levy	\$ 227,805	\$ 397,528	\$ 169,723	\$ 399,999
Interest on investments	1,600	7,804	6,204	2,049
Total Local Sources	229,405	405,332	175,927	402,048
<u>Total Revenues</u>	229,405	405,332	175,927	402,048
EXPENDITURES				
Support Services				
General Administration				
Workers' compensation	22,972	22,972	-	14,835
Unemployment insurance	15,000	7,217	(7,783)	54,579
Insurance payments	55,000	55,068	68	130,981
Legal	100,000	114,518	14,518	15,002
Total Support Services	192,972	199,775	6,803	215,397
<u>Total Expenditures</u>	192,972	199,775	6,803	215,397
NET CHANGES IN FUND BALANCE	\$ 36,433	205,557	\$ 169,124	186,651
FUND BALANCE - BEGINNING OF YEAR		472,551		285,900
FUND BALANCE - END OF YEAR		\$ 678,108		\$ 472,551

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COOK COUNTY SCHOOL DISTRICT NO. 92  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2019

**NOTE 1 – TEACHERS’ RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (TRS)**

*Changes of Assumptions*

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

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 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.

**NOTE 2 – TEACHERS’ HEALTH INSURANCE SECURITY (THIS) FUND**

*Changes of Assumptions*

The discount rate was changed from 3.56 percent at June 30, 2017, to 3.62 percent at June 30, 2018. The healthcare trend assumption was updated base on claim and enrollment experience through June 30 2017, projected plan cost for plan year end June 30, 2018, premium changes through plan year end 2019, and expectation of future trend increases after June 30, 2018. The Excise Tax trend adjustment was updated base on available premium and enrollment information as of June 30, 2018. Per capita claim costs for plan year end June 30, 2018, were updated based on projected claims and enrollment experience through June 30, 2018, and update premium rates through plan year 2019. Healthcare plan participation rates by plan were updated base on observed experience.

Amounts reported in 2016 reflect an investment rate of return of 7.00%, an inflation rate of 2.50% and salary increases that vary by amount of service credit. Amounts reported in 2015 reflect an investment rate of return of 7.50%, an inflation rate of 3.00% and real return of 4.50%, and salary increases that vary by service credit. In 2014, assumptions used were an investment rate of return of 7.50%, and inflation rate of 3.00% and real return of 4.50%, and salary increases of 5.75%.

**NOTE 3 – BUDGETARY PROCESS**

The District follows procedures mandated by Illinois State law and District Board policy to establish the budgetary data reflected in its financial statements. The original and final budget was passed September 18, 2018. The modified accrual basis budgeted amounts in this report are the result of full compliance with the following procedures:

The budget lapses at the end of each fiscal year.

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

1. Prior to July 1, the superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.

COOK COUNTY SCHOOL DISTRICT NO. 92  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2019

**NOTE 3 – BUDGETARY PROCESS (Cont'd)**

5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

*EXPENDITURES IN EXCESS OF BUDGET*

For the year ended June 30, 2019, actual expenditures exceeded budgeted expenditures in the General Fund (Educational and Working Cash Accounts) by \$6,853,077 due to unbudgeted State On-behalf Retirement expenditures of \$6,830,307; Operations and Maintenance Fund by \$74,057; the Transportation Fund by \$39,282; the Tort Fund by \$6,803; the Debt Service Fund by \$43,191; and in the Fire Prevention and Safety Fund by \$2,078. The excess of actual expenditures over budgeted expenditures were funded by available fund balances and transfers from other funds.

*BUDGET AND BOOK BASIS OF ACCOUNTING*

The major differences between the budgetary basis and the modified accrual basis are as follows:

Revenues (primarily property tax revenues) are recorded when received in cash on the budgetary basis; they are recorded when susceptible to accrual on the modified accrual basis.

Expenditures (primarily payroll expenditures) are recorded when cash is disbursed as determined by the date of the check on the budgetary basis; they are recorded when the liability is incurred on the modified accrual basis.

Adjustments necessary to convert the results of operations and fund balances as of June 30, 2019 on the modified accrual basis for governmental funds to the budgetary basis are as follows:



COOK COUNTY SCHOOL DISTRICT NO. 92  
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
 JUNE 30, 2019

**NOTE 3 – BUDGETARY PROCESS (Cont'd)**

Net Changes in Fund Balances as of June 30, 2019		
Modified accrual basis:		
General Fund	\$	19,981
Operations and Maintenance Fund		53,000
Transportation Fund		(6,743)
Municipal Retirement/Social Security Fund		(168,688)
Tort Fund		142,901
Debt Service Fund		(129,020)
Capital Projects Fund		205,557
Fire Prevention and Safety Fund		85,464
	\$	202,452
Due to revenues:		
Received in cash during year but accrued as receivables, net of deferred revenue (modified accrual) at June 30, 2018		2,833,610
Accrued as receivables net of deferred revenue (modified accrual) at June 30, 2019, but not recognized in budget		(2,948,046)
Due to expenditures:		
Paid in cash during year but accrued as liability (modified accrual) at June 30, 2018		(245,886)
Accrued as liability (modified accrual) at June 30, 2019, but not recognized in budget		194,876
Budgetary basis	\$	37,006

Fund Balance as of June 30, 2019	
Modified accrual basis	\$ 12,604,009
Due to revenues:	
Accrued as receivables net of deferred revenue (modified accrual) at June 30, 2019 but not recognized in budget	(2,948,046)
Due to expenditures:	
Accrued as liability (modified accrual) at June 30, 2019 but not recognized in budget	194,876
Budgetary basis	\$ 9,850,839

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**SUPPLEMENTARY INFORMATION**



COOK COUNTY SCHOOL DISTRICT 92  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		2018	
	Original and Final Budget	Actual	Over (Under) Budget	Actual
<b>REVENUES</b>				
Local Sources				
General tax levy	\$ 414,602	\$ 405,985	\$ (8,617)	\$ 422,707
Interest on investments	1,250	3,328	2,078	1,483
Total Local Sources	<u>415,852</u>	<u>409,313</u>	<u>(6,539)</u>	<u>424,190</u>
<u>Total Revenues</u>	<u>415,852</u>	<u>409,313</u>	<u>(6,539)</u>	<u>424,190</u>
<b>EXPENDITURES</b>				
Debt Service				
Interest	70,556	75,358	4,802	88,059
Principal	345,000	383,339	38,339	363,353
Other	450	500	50	450
Total Debt Service	<u>416,006</u>	<u>459,197</u>	<u>43,191</u>	<u>451,862</u>
<u>Total Expenditures</u>	<u>416,006</u>	<u>459,197</u>	<u>43,191</u>	<u>451,862</u>
<u>(Deficiency) of Revenues Over (Under) Expenditures</u>	<u>(154)</u>	<u>(49,884)</u>	<u>(49,730)</u>	<u>(27,672)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	43,141	43,141	32,423
Total Other Financing Sources	<u>-</u>	<u>43,141</u>	<u>43,141</u>	<u>32,423</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (154)</u>	<u>(6,743)</u>	<u>\$ (6,589)</u>	<u>4,751</u>
FUND BALANCE - BEGINNING OF YEAR		<u>242,709</u>		<u>237,958</u>
FUND BALANCE - END OF YEAR		<u>\$ 235,966</u>		<u>\$ 242,709</u>

COOK COUNTY SCHOOL DISTRICT 92  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		2018	
	Original and Final Budget	Actual	Over (Under) Budget	Actual
<b>REVENUES</b>				
Local Sources				
Interest on investments	\$ 100	\$ 3,352	\$ 3,252	\$ 1,922
Total Local Sources	100	3,352	3,252	1,922
<u>Total Revenues</u>	100	3,352	3,252	1,922
<b>EXPENDITURES</b>				
Support Services				
Facilities Acquisition and Construction				
Purchased services	16,000	187	(15,813)	-
Capital outlay	150,000	132,185	(17,815)	361,865
Total Support Services	166,000	132,372	(17,815)	361,865
<u>Total Expenditures</u>	166,000	132,372	(17,815)	361,865
<u>Excess (Deficiency) of Revenues     Over (Under) Expenditures</u>	(165,900)	(129,020)	21,067	(359,943)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	-	512,000
<u>Total Other Financing Sources</u>	-	-	-	512,000
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (165,900)</u>	(129,020)	<u>\$ 21,067</u>	152,057
<b>FUND BALANCE - BEGINNING OF YEAR</b>		211,396		59,339
<b>FUND BALANCE - END OF YEAR</b>		<u>\$ 82,376</u>		<u>\$ 211,396</u>

COOK COUNTY SCHOOL DISTRICT 92  
FIRE PREVENTION AND SAFETY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019		Over (Under) Budget	2018
	Original and Final Budget	Actual		Actual
<b>REVENUES</b>				
Local Sources				
General tax levy	\$ 87,682	\$ 81,573	\$ (6,109)	\$ 82,285
Interest on investments	1,750	5,969	4,219	2,332
Total Local Sources	<u>89,432</u>	<u>87,542</u>	<u>(1,890)</u>	<u>84,617</u>
<u>Total Revenues</u>	<u>89,432</u>	<u>87,542</u>	<u>(1,890)</u>	<u>84,617</u>
<b>EXPENDITURES</b>				
Support Services				
Facilities Acquisition and Construction				
Purchased services	-	2,078	2,078	-
Total Support Services	-	2,078	2,078	-
<u>Total Expenditures</u>	-	<u>2,078</u>	<u>2,078</u>	-
NET CHANGE IN FUND BALANCE	<u>\$ 89,432</u>	85,464	<u>\$ (3,968)</u>	84,617
FUND BALANCE - BEGINNING OF YEAR		<u>305,350</u>		<u>220,733</u>
FUND BALANCE - END OF YEAR		<u>\$ 390,814</u>		<u>\$ 305,350</u>

COOK COUNTY SCHOOL DISTRICT 92  
 AGENCY FUNDS - STUDENT ACTIVITY FUNDS  
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
 FOR THE YEAR ENDED JUNE 30, 2019

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
<b>ASSETS</b>				
Cash	\$ 23,753	\$ 4,863	\$ 58	\$ 28,558
Total Assets	<u>\$ 23,753</u>	<u>\$ 4,863</u>	<u>\$ 58</u>	<u>\$ 28,558</u>
<b>LIABILITIES</b>				
Due to Activity Fund Organizations				
MSMFA-Darryl Bogg	\$ 207	\$ -	\$ -	\$ 207
Field trips	19,451	4,863	58	24,256
Band parents	1,692	-	-	1,692
Student council	1,712	-	-	1,712
7th Grade treasuries	200	-	-	200
NJHS Band	217	-	-	217
Pop machine	274	-	-	274
Total Liabilities	<u>\$ 23,753</u>	<u>\$ 4,863</u>	<u>\$ 58</u>	<u>\$ 28,558</u>



COOK COUNTY SCHOOL DISTRICT 92  
 FIVE YEAR SUMMARY OF ASSESSED VALUATIONS,  
 TAX RATES, EXTENSIONS AND COLLECTIONS  
 JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2018

	2018	2017
ASSESSED VALUATION	\$ 100,315,763	\$ 102,674,699
TAX RATES		
Educational	4.2021	3.5895
Tort immunity	0.4217	0.4010
Special education	0.3559	0.3384
Operations and maintenance	0.5500	0.4713
Bond and interest	0.4434	0.4320
Transportation	0.1017	0.2380
Municipal retirement	0.1495	0.3151
Social security	0.1495	0.3151
Working cash	0.0449	0.0424
Fire prevention and safety	0.0887	0.0841
Total	6.5074	6.2269
TAX EXTENSION		
Educational	\$ 4,215,369	\$ 3,685,508
Tort immunity	423,000	411,725
Special education	357,000	347,451
Operations and maintenance	551,737	483,905
Bond and interest	444,839	443,579
Transportation	102,000	244,365
Municipal retirement	150,000	323,527
Social security	150,000	323,527
Working cash	45,000	43,534
Fire prevention and safety	89,000	86,349
Total	\$ 6,527,945	\$ 6,393,470
TAX COLLECTIONS:		
Year ended June 30,		
2018	\$ -	\$ 3,293,854
2019	3,264,046	2,926,230
Total	\$ 3,264,046	\$ 6,220,084
Percentage of Total Levy Collected to June 30, 2019	50.00%	97.29%

COOK COUNTY SCHOOL DISTRICT 92  
OPERATING COST AND TUITION CHARGES  
FOR THE YEAR ENDED JUNE 30, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2018

	2019	2018
<b>OPERATING COST PER PUPIL</b>		
Average Daily Attendance (ADA):	385.90	354.89
Operating Costs:		
Educational	\$ 6,576,262	\$ 6,118,142
Operations and maintenance	698,609	745,100
Debt service	459,197	451,862
Transportation	266,332	215,502
Municipal retirement/social security	185,589	179,210
Tort	199,775	215,397
Subtotal	8,385,764	7,925,213
Less Revenues/Expenditures of Non-regular Programs:		
Pre-K	267,762	341,808
Summer school	72,153	37,746
Capital outlay	148,016	161,051
Non-capitalized equipment	10,511	15,067
Debt principal retired	383,339	363,353
Community services	38,616	20,749
Payments to other governmental units	953,422	951,716
Subtotal	1,873,819	1,891,490
Operating costs	6,511,945	6,033,723
Operating Cost Per Pupil - Based on ADA	\$ 16,875	\$ 17,002
<b>TUITION CHARGE</b>		
Operating costs	\$ 6,511,945	\$ 6,033,723
Less - revenues from specific programs, such as Special education or lunch programs	811,675	619,991
Net operating costs	5,700,270	5,413,732
Depreciation allowance	461,052	385,388
Allowable Tuition Costs	\$ 6,161,322	\$ 5,799,120
Tuition Charge Per Pupil - based on ADA	\$ 15,966	\$ 16,341

COOK COUNTY SCHOOL DISTRICT 92  
 SCHEDULE OF BONDS OUTSTANDING  
 JUNE 30, 2019

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Date of Issue: March 15, 2003  
 Principal due each year: December 1  
 Interest dates: June 1 and December 1  
 Type: General Obligation Bonds  
 Interest Rates: 2.50% - 4.50%  
 Paying Agent: LaSalle National Bank

Fiscal Year Ended June 30,	Principal	Interest	Total Debt Service
2020	\$ 360,000	\$ 56,456	\$ 416,456
2021	375,000	41,522	416,522
2022	390,000	25,500	415,500
2023	405,000	8,607	413,607
TOTAL	<u>\$ 1,530,000</u>	<u>\$ 132,085</u>	<u>\$ 1,662,085</u>

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