



**HARVARD COMMUNITY UNIT
SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year June 30, 2020



SIKICH.COM

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HARVARD, ILLINOIS
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HARVARD, ILLINOIS

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Harvard Community Unit School District #50
Harvard, Illinois

We have audited the accompanying financial statements of the governmental activities and each major fund of Harvard Community Unit School District #50 (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 did not audit the financial statements of the Special Education District of McHenry County (SEDOM) or McHenry County Cooperative for Employment Education. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for SEDOM and McHenry County Cooperative for Employment Education, is based on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Harvard Community Unit School District #50, as of June 30, 2020, 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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information identified in the accompanying 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also issued a report dated November 12, 2020, 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 the 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.

Sikich LLP

Naperville, Illinois
November 12, 2020

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

HARVARD COMMUNITY UNIT SCHOOL DISTRICT NO. 50

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

The Management's Discussion and Analysis of Harvard Community Unit School District No. 50's (District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2020. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at June 30, 2020 by \$12,954,786 (net position). Of this amount, \$10,647,017 is net investment in capital assets and \$10,640,985 is restricted net position. This results in a negative unrestricted net position of \$(8,333,216).
- The District's net position increased by \$2,399,271 from current activities.
- At June 30, 2020, the District's governmental funds reported combined ending fund balances of \$25,012,182, an increase of \$2,643,796 in comparison with the prior year.

Overview of the Financial Statements

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

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

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

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

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

The government-wide financial statements can be found on pages 4 through 6 of this report.

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

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

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

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Operations and Maintenance, Debt Services, Transportation, Illinois Municipal Retirement/Social Security, Capital Projects, and Fire Prevention and Safety Funds, 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 statement has been provided for each fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 7 through 11 of this report.

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

The basic fiduciary fund financial statement can be found on page 13 of this report.

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

The notes to the financial statements can be found on pages 14 through 49 of this report.

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

Required supplementary information can be found on pages 50 through 69 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$12,954,786 at the close of the most recent fiscal year.

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

Harvard Community Unit School District No. 50's Net Position at Year-End

	Governmental Activities	
	FY 2020	FY 2019
Assets		
Current and Other Assets	\$ 44,216,762	\$ 40,766,463
Capital Assets	33,039,071	34,131,649
Total Assets	\$ 77,255,833	\$ 74,898,112
Deferred Outflows of Resources		
Deferred Pension Expense	\$402,135	\$ 1,163,810
Deferred Employer Pension Contributions	212,019	269,211
Deferred OPEB Expense	3,247,725	1,596,490
Deferred Employer OPEB Contributions	100,185	37,744
Total Deferred Outflows of Resources	\$ 3,962,064	\$ 3,067,255
Liabilities		
Other Liabilities	\$ 2,577,716	\$ 2,220,922
Long-Term Debt Outstanding	44,023,065	43,925,506
Total Liabilities	\$ 46,600,781	\$ 46,146,428
Deferred Inflows of Resources		
Unavailable Revenue - Property Taxes	\$ 16,623,295	\$ 16,244,016
Deferred Pension Revenue	2,307,230	2,689,831
Deferred OPEB Revenue	2,731,805	2,329,577
Total Deferred Inflows of Resources	\$ 21,662,330	\$ 21,263,424
Net Position		
Net Investment in Capital Assets	\$ 10,647,017	\$ 10,839,893
Restricted	10,640,985	7,493,655
Unrestricted	(8,333,216)	(7,778,033)
Total Net Position	\$ 12,954,786	\$ 10,555,515

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

An additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the District has a negative unrestricted net position.

The District's net position increased by \$2,399,271 during the current fiscal year.

Governmental Activities. Governmental activities increased the District's net position by \$2,399,271. Key elements of this increase are as follows:

Harvard Community Unit School District No. 50's Change in Net Position

	Governmental Activities	
	FY 2020	FY 2019
Revenues:		
Program Revenues		
Charges for Services	\$ 311,072	\$ 332,303
Operating Grants and Contributions	17,875,057	15,835,180
Capital Grants and Contributions	-	-
General Revenues:		
Property Taxes	16,367,692	15,789,808
Other Taxes	676,818	618,304
Other	18,000,207	16,413,887
Total Revenues	<u>53,230,846</u>	<u>\$ 48,989,482</u>
Expenses:		
Instruction	\$ 28,732,798	\$ 27,216,967
Support Services	20,861,608	19,491,781
Other	1,237,169	1,238,838
Total Expenses	<u>\$ 50,831,575</u>	<u>\$ 47,947,586</u>
Increase in Net Position	\$2,399,271	\$1,041,896
Net Position - Beginning	10,555,515	9,363,134
Net Position Adjustment	-	150,485
Net Position - Ending	<u>\$ 12,954,786</u>	<u>\$ 10,555,515</u>

The District's total revenue increased \$4,241,364 compared to the prior year. Significant revenue increase included an increase in Evidence-Based Funding of \$1,692,899 from the prior year.

The District's total expenses increased by \$2,883,989 (6%) compared to the prior year. Significant expense increases include the increase in Other Instructional Programs of \$2,158,336 from the prior year.

Financial Analysis of the District's Funds

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

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

As of the end of the current fiscal year, the District's seven governmental funds reported combined ending fund balances of \$25,012,182 an increase of \$2,643,796 from the prior fiscal year.

The General Fund is the chief operating fund of the District. At June 30, 2020, unassigned fund balance was \$10,830,858. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 25.7% of total General Fund expenditures. The General Fund's balance increased by \$1,320,186 in comparison with the prior year. This increase is due to lower expenses due to school closures from COVID-19.

The Operations and Maintenance Fund's balance increased by \$495,766 in comparison with the prior year. This increase is mainly due to lower expenses due to school closures from COVID-19.

The Debt Services Fund's balance increased by \$22,187 in comparison with the prior year. This increase in fund balance is due a reduction in expenses relating to interest on bond payments.

The Transportation Fund's balance increased by \$384,027 in comparison with the prior year. This increase is mainly due to an increase in State Aid revenue.

The Illinois Municipal Retirement/Social Security Fund's balance decreased by \$57,773 in comparison with the prior year. This decrease is mainly due to an increased IMRF employer rate.

The Capital Project Fund's balance increased by \$342,714 in comparison with the prior year. This increase in fund balance is due to decrease in capital outlay expenditures.

The Fire Prevention and Life Safety Fund's balance increased by \$136,689 in comparison with the prior year. This increase is mainly due to an increase in State Aid revenue

General Fund Budgetary Highlights

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

- The difference between budgeted revenues and actual revenues was \$109,968 (unfavorable) and was mainly due to a decrease in revenues as a result of COVID-19 impact on the district.
- The difference between budgeted expenditures and actual expenditures was \$1,354,598 (favorable) and was mainly due to a decrease in expenses as a result of COVID-19 impact on the district.

Capital Asset and Debt Administration

Capital Assets. At June 30, 2020 the District had invested \$33,039,071 net of accumulated depreciation) in a broad range of capital assets, including land, building and building improvements, site improvements and infrastructure, and capitalized equipment. Total depreciation expense for the year was \$1,978,374.

Harvard Community Unit School District No. 50's Capital Assets at Year-End
(net of depreciation)

	Governmental Activities	
	2020	2019
Land	\$ 581,019	\$ 581,019
Building and Building Improvements	29,971,449	30,320,830
Improvements Other Than Buildings	1,572,512	2,157,989
Equipment Other Than Food Service	792,651	886,460
Food Services Equipment	12,978	12,076
Construction in Progress	108,462	173,275
Total	\$ 33,039,071	\$ 34,131,649

Additional information on the District's capital assets can be found in note 3 on page 23 of this report.

Long-Term Debt. At June 30, 2020 the District's long-term debt obligations consisted of general obligation bonds as listed below:

Harvard Community Unit School District No. 50's Outstanding Debt

	Governmental Activities	
	2020	2019
General Obligation Bonds	\$ 21,650,000	\$ 23,045,000

Additional information on the District's long-term debt can be found in note 4 on pages 24 and 25 of this report.

Economic Factors and Next Year's Budget

The 2018 tax levy was used to fund the District's operations in fiscal year 2020(July 1 through June 30). The 2018 equalized assessed valuation (EAV) was \$246,867,638. This represents an increase of \$20,316,113 (9%) over the prior year. Continued increases in the EAV will have a positive impact on the District.

Factors Bearing on the District's Future

- Uncertainty and apprehension in the state financing.
- Unknown impact on Districts from COVID-19.

Requests for Information

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

Harvard Community Unit School District No. 50
401 N. Division Street
Harvard, IL 60033

BASIC FINANCIAL STATEMENTS

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

STATEMENT OF NET POSITION

June 30, 2020

	Governmental Activities
ASSETS	
Cash	\$ 12,276,849
Investments	22,094,168
Receivables (net of allowance for uncollectibles)	
Property taxes	8,616,997
Intergovernmental	846,594
Other	91,082
Inventory	17,894
Prepaid items	273,178
Capital assets	
Land	689,481
Depreciable building, property and equipment, net	32,349,590
Total assets	77,255,833
DEFERRED OUTFLOWS OF RESOURCES	
Pension items - TRS	212,019
Pension items - IMRF	402,135
OPEB items - District plan	100,185
OPEB items - THIS	3,247,725
Total deferred outflows of resources	3,962,064
Total assets and deferred outflows of resources	81,217,897
LIABILITIES	
Accounts payable	406,387
Salaries and wages payable	1,977,949
Accrued interest payable	63,805
Unearned revenue	129,575
Long-term liabilities	
Due within one year	1,932,831
Due after one year	42,090,234
Total liabilities	46,600,781
DEFERRED INFLOWS OF RESOURCES	
Pension items - TRS	1,726,923
Pension items - IMRF	580,307
OPEB items - District plan	411,516
OPEB items - THIS	2,320,289
Property taxes levied for subsequent years	16,623,295
Total deferred inflows of resources	21,662,330
Total liabilities and deferred inflows of resources	68,263,111

(This statement is continued on the following page.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

STATEMENT OF NET POSITION (Continued)

June 30, 2020

	<u>Governmental Activities</u>
NET POSITION	
Net investment in capital assets	\$ 10,647,017
Restricted for	
Child nutrition program	2,117,779
Capital projects	174,727
Operations and maintenance	5,682,626
Tort	275,929
FICA	102,107
Fire prevention and safety	32,098
Debt service	170,266
Transportation	2,085,453
Unrestricted (deficit)	<u>(8,333,216)</u>
TOTAL NET POSITION	<u><u>\$ 12,954,786</u></u>

See accompanying notes to financial statements.

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2020

FUNCTIONS AND PROGRAMS	Program Revenues				Net (Expense)
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Primary Governmental Activities
PRIMARY GOVERNMENT					
Governmental Activities					
Instruction					
Regular programs	\$ 14,373,022	\$ 289,129	\$ 8,568,042	\$ -	\$ (5,515,851)
Pre-K programs	750,306	-	245,302	-	(505,004)
Special programs	6,046,218	21,943	3,171,514	-	(2,852,761)
Other instructional programs	7,563,252	-	2,522,295	-	(5,040,957)
Support services					
Pupils	4,338,961	-	1,364,662	-	(2,974,299)
Instructional staff	1,882,997	-	457,037	-	(1,425,960)
General administration	2,345,445	-	608,894	-	(1,736,551)
School administration	2,569,058	-	876,096	-	(1,692,962)
Business	8,246,866	-	-	-	(8,246,866)
Central	1,475,077	-	61,215	-	(1,413,862)
Other	3,204	-	-	-	(3,204)
Community services	237,294	-	-	-	(237,294)
Payments to other governments	349,330	-	-	-	(349,330)
Interest and fees	650,545	-	-	-	(650,545)
Total governmental activities	50,831,575	311,072	17,875,057	-	(32,645,446)
TOTAL PRIMARY GOVERNMENT	\$ 50,831,575	\$ 311,072	\$ 17,875,057	\$ -	(32,645,446)
General Revenues					
Property taxes					
Replacement taxes					
State aid - formula grants, grants and contributions					
Investment earnings					
Other general revenues					
Total					
					16,367,692
					676,818
					17,419,412
					380,100
					200,695
					35,044,717
CHANGE IN NET POSITION					2,399,271
NET POSITION, JULY 1					10,555,515
NET POSITION, JUNE 30					\$ 12,954,786

See accompanying notes to financial statements.

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2020

	General	Operations and Maintenance	Debt Service
ASSETS			
Cash	\$ 4,809,348	\$ 4,627,238	\$ 536,307
Investments	16,474,947	2,062,638	709,308
Receivables			
Property taxes, net	5,694,079	863,598	1,157,042
Interfund loans	2,294,914	-	-
Intergovernmental	509,979	-	-
Other	91,082	-	-
Inventory	17,894	-	-
Prepaid items	264,562	4,261	-
	\$ 30,156,805	\$ 7,557,735	\$ 2,402,657
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 226,093	\$ 155,213	\$ -
Salaries and wages payable	1,972,371	3,947	-
Interfund payables	-	-	-
Unearned revenue	79,575	50,000	-
	2,278,039	209,160	-
DEFERRED INFLOWS OF RESOURCES			
Property taxes levied for subsequent years	10,984,382	1,665,949	2,232,391
Unavailable grant revenue	67,374	-	-
	11,051,756	1,665,949	2,232,391
	13,329,795	1,875,109	2,232,391
FUND BALANCES			
Nonspendable	282,456	-	-
Restricted for			
Child nutrition program	2,117,779	-	-
Capital projects	-	-	-
Operations and maintenance	-	5,682,626	-
Tort	275,929	-	-
FICA	-	-	-
Fire prevention and safety	-	-	-
Debt service	-	-	170,266
Transportation	-	-	-
Assigned for			
Working cash	3,319,988	-	-
Unassigned (deficit)	10,830,858	-	-
	16,827,010	5,682,626	170,266
	\$ 30,156,805	\$ 7,557,735	\$ 2,402,657

Transportation	Municipal Retirement/ Social Security	Capital Projects	Fire Prevention and Safety	Total
\$ 1,746,516	\$ 383,325	\$ 174,115	\$ -	\$ 12,276,849
520,263	-	-	2,327,012	22,094,168
534,507	367,771	-	-	8,616,997
-	-	-	-	2,294,914
336,003	-	612	-	846,594
-	-	-	-	91,082
-	-	-	-	17,894
4,355	-	-	-	273,178
\$ 3,141,644	\$ 751,096	\$ 174,727	\$ 2,327,012	\$ 46,511,676
\$ 25,081	\$ -	\$ -	\$ -	\$ 406,387
-	1,631	-	-	1,977,949
-	-	-	2,294,914	2,294,914
-	-	-	-	129,575
25,081	1,631	-	2,294,914	4,808,825
1,031,110	709,463	-	-	16,623,295
-	-	-	-	67,374
1,031,110	709,463	-	-	16,690,669
1,056,191	711,094	-	2,294,914	21,499,494
-	-	-	-	282,456
-	-	-	-	2,117,779
-	-	174,727	-	174,727
-	-	-	-	5,682,626
-	-	-	-	275,929
-	102,107	-	-	102,107
-	-	-	32,098	32,098
-	-	-	-	170,266
2,085,453	-	-	-	2,085,453
-	-	-	-	3,319,988
-	(62,105)	-	-	10,768,753
2,085,453	40,002	174,727	32,098	25,012,182
\$ 3,141,644	\$ 751,096	\$ 174,727	\$ 2,327,012	\$ 46,511,676

See accompanying notes to financial statements.

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

June 30, 2020

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 25,012,182
Amounts reported for governmental activities in the statement of net position are different because:	
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet	33,039,071
Revenues in the statement of activities that do not provide current financial resources are unavailable in the funds	67,374
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	402,135
Deferred inflows of resources	(580,307)
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Teachers' Retirement System of the State of Illinois are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	212,019
Deferred inflows of resources	(1,726,923)
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Teachers' Health Insurance Security Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	3,247,725
Deferred inflows of resources	(2,320,289)
Differences between expected and actual experiences and assumptions changes are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	100,185
Deferred inflows of resources	(411,516)
Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, therefore, is not recognized in the governmental funds balance sheet	(63,805)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position	
General obligation bonds	(21,650,000)
Unamortized bond premium	(742,063)
Net OPEB liability	(714,447)
Total OPEB liability - THIS	(18,317,173)
Net pension liability - IMRF	(716,730)
Net pension liability - TRS	(1,623,186)
Compensated absences	(259,466)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 12,954,786

See accompanying notes to financial statements.

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2020

	General	Operations and Maintenance	Debt Service
REVENUES			
Property taxes	\$ 10,775,410	\$ 1,634,623	\$ 2,198,596
Corporate personal property replacement taxes	361,818	200,000	-
State aid	28,794,354	1,300,000	-
Federal aid	2,824,902	-	-
Investment income	320,763	15,927	4,964
Other	494,701	45,450	-
Total revenues	43,571,948	3,196,000	2,203,560
EXPENDITURES			
Current			
Instruction			
Regular programs	14,008,142	-	-
Pre-K programs	707,958	-	-
Special programs	5,764,797	-	-
Other instructional programs	7,360,678	-	-
Support services			
Pupils	4,177,189	-	-
Instructional staff	1,850,568	-	-
General administration	2,267,431	-	-
School administration	2,461,091	-	-
Business	1,368,568	2,700,234	-
Central	1,378,050	-	-
Other support services	3,204	-	-
Community services	208,754	-	-
Intergovernmental			
Payments to other districts and government units	349,330	-	-
Debt service			
Principal	-	-	1,395,000
Interest	-	-	786,373
Capital outlay	315,438	-	-
Total expenditures	42,221,198	2,700,234	2,181,373
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,350,750	495,766	22,187
OTHER FINANCING SOURCES (USES)			
Loss on sale of asset	(30,564)	-	-
Total other financing sources (uses)	(30,564)	-	-
NET CHANGE IN FUND BALANCE	1,320,186	495,766	22,187
FUND BALANCES (DEFICIT), JULY 1	15,506,824	5,186,860	148,079
FUND BALANCES, JUNE 30	\$ 16,827,010	\$ 5,682,626	\$ 170,266

Transportation	Municipal Retirement/ Social Security	Capital Projects	Fire Prevention and Safety	Total
\$ 1,042,068	\$ 716,995	\$ -	\$ -	\$ 16,367,692
-	115,000	-	-	676,818
1,344,663	-	821,657	104,591	32,365,265
-	-	-	-	2,824,902
6,348	-	-	32,098	380,100
-	4,356	4,188	-	548,695
2,393,079	836,351	825,845	136,689	53,163,472
-	144,544	-	-	14,152,686
-	22,493	-	-	730,451
-	135,375	-	-	5,900,172
-	88,319	-	-	7,448,997
-	84,359	-	-	4,261,548
-	10,075	-	-	1,860,643
-	41,338	-	-	2,308,769
-	60,920	-	-	2,522,011
2,009,052	210,422	483,131	-	6,771,407
-	74,295	-	-	1,452,345
-	-	-	-	3,204
-	21,984	-	-	230,738
-	-	-	-	349,330
-	-	-	-	1,395,000
-	-	-	-	786,373
-	-	-	-	315,438
2,009,052	894,124	483,131	-	50,489,112
384,027	(57,773)	342,714	136,689	2,674,360
-	-	-	-	(30,564)
-	-	-	-	(30,564)
384,027	(57,773)	342,714	136,689	2,643,796
1,701,426	97,775	(167,987)	(104,591)	22,368,386
\$ 2,085,453	\$ 40,002	\$ 174,727	\$ 32,098	\$ 25,012,182

See accompanying notes to financial statements.

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2020

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 2,643,796
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceed depreciation expense in the current period	
Capital asset additions	935,745
Depreciation expense	(1,978,374)
The loss on disposal of capital assets does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds	
	(49,949)
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources are not a source or use of financial resources	
	(112,939)
The change in the Teachers' Retirement System of the State of Illinois net pension liability and deferred outflows/inflows of resources are not a source or use of financial resources	
	537,139
The change in the Teachers' Health Insurance Security Fund total OPEB liability and deferred outflows/inflows of resources are not a source or use of financial resources	
	(1,095,565)
The change in the net OPEB liability and deferred outflows of resources are not a source or use of financial resources	
	(20,052)
Certain revenue included in the statement of activities does not provide current financial resources and, therefore, is deferred in the governmental fund statements	
	67,374
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal on the government-wide statement of activities	
	1,395,000
Governmental funds report the effects of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	
Interest payable	3,056
Bond premium	132,772
Compensated absences	(58,732)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 2,399,271

See accompanying notes to financial statements.

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND**

June 30, 2020

	<u>Student Activity Fund</u>
ASSETS	
Cash and investments	\$ 112,075
Investments	<u>8,799</u>
TOTAL ASSETS	<u><u>\$ 120,874</u></u>
LIABILITIES	
Due to students groups	<u>\$ 120,874</u>
TOTAL LIABILITIES	<u><u>\$ 120,874</u></u>

See accompanying notes to financial statements.

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Harvard School District #50 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

a. Nature of Operations

The District Board of Education (the Board) is the level of government that has governance responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of the District. The Board receives funding from local, state and federal government sources and must comply with requirements of these funding source entities. Board members are elected by the public and have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. Based on these criteria, the District is considered a primary government and there are no other organizations or agencies whose financial statements should be combined or discretely presented with these basic financial statements.

b. Reporting Entity

Accounting principles generally accepted in the United States of America require that the financial reporting entity include (1) the primary government, (2) organizations for which the primary district is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by governmental accounting standards have been considered and there are no agencies or entities which should be presented with the District.

c. Fund Accounting

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

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Fund Accounting (Continued)

Funds are classified into the following categories: governmental and fiduciary.

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds), the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds) and the management of funds held in trust where the interest earnings can be used for governmental services (permanent fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund. The District has no permanent funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The District's fiduciary funds consist of agency funds which are used to account for assets that the District holds on behalf of others as their agent.

Separate financial statements are provided for governmental funds and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The District uses three departmental accounts to summarize its operating fund activities: the Educational Account, the Tort Account and the Working Cash Account.

The Special Revenue Funds (Operations and Maintenance Fund, Transportation Fund and Illinois Municipal Retirement/Social Security Fund) are used to account for the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The Transportation Fund and Illinois Municipal Retirement/Social Security Fund did not meet the criteria for inclusion as a major fund; however, the District has elected to report them as such.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Fund Accounting (Continued)

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

The Capital Projects Fund and Fire Prevention and Safety Fund are used to account for financial resources that are restricted, committed or assigned to expenditures for the acquisition or construction of capital facilities and other capital assets. The Capital Projects did not meet the criteria for inclusion as a major fund; however, the District has elected to report it as such.

d. Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of material interfund activity other than interfund sales and services has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support. The District has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and shared revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Indirect expenses not allocated to functions are reported separately. Interest on general long-term debt is considered such an indirect expense. Depreciation expense is specifically identified by function and is included in the direct expenses of each function.

e. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are prepared 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 (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days is used for property taxes and most other revenues). The District recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related liability is incurred.

Principal and interest on general long-term debt are recorded as expenditures become due.

Those revenues susceptible to accrual are property taxes, charges for services, intergovernmental and interest on investments.

The District reports unearned and unavailable revenue on its financial statements. Unavailable revenues arise when potential revenue does not meet the available criteria for recognition in the current period for governmental funds. Unearned revenues also arise when resources are received by the District before it has legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the District has a legal claim to the resources by meeting all eligibility requirements, the liability for unearned revenue is removed from the financial statements and revenue is recognized. Unavailable revenue results from property taxes being levied and reported as a receivable before the period for which the taxes are levied.

The Agency Fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

f. Cash and Investments

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, cash in depository accounts and short-term, highly liquid investment instruments with original maturities of three months or less from the date of acquisition, which are stated at cost.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Cash and Investments (Continued)

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District held no investments to measure at fair value at June 30, 2020.

g. Property Taxes

Property taxes are recognized as a receivable at the time they are levied, and the current taxes receivable represent the 2019 levy and prior levies still uncollected, if any.

Property taxes are levied in December of each year and attach as an enforceable lien on the property as of the preceding January 1. The original 2019 tax levy was adopted on December 18, 2019. Taxes from the 2019 levy are intended to finance the expenditures for the year ended June 30, 2021, and accordingly, the entire tax levy has been deferred as of June 30, 2020. Property taxes are collected by the Boone and McHenry County Collector, who in turn remits to the District its respective share. Taxes levied in one year become due and payable by the taxpayers in two installments in March and September during the following year.

The 2020 tax levy, which attached as an enforceable lien on property as of January 1, 2020, has not been recorded as a receivable as of June 30, 2020 as the tax has not yet been levied by the District and will not be levied until December 2020 and, therefore, the levy is not measurable at June 30, 2020.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Inventories and Vocational Projects

Inventories and vocational projects are valued at the lower of cost or market. Inventories consist of expendable supplies held for consumption and are valued at the average cost first-in/first-out (FIFO) method. The cost of governmental fund type inventories is recorded as expenditures when consumed rather than purchased. Vocational projects consist of real property purchased for the purpose of constructing homes in conjunction with vocational programs. When completed, the District sells the homes. These assets are included in the inventory amount on the statement of net position.

i. Capital Assets

Capital assets are defined as assets with an initial cost of \$500 or more with an estimated useful life greater than one year. Capital assets are recorded at cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at acquisition value at the date of donation. Land and construction in progress are not depreciated by the District.

The estimated useful life is management’s estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Assets	Years
Buildings	50
Land improvements	20
Furniture, equipment and vehicles	5-10

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

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Compensated Absences/Other

District employees earn vacation days and these vacation days may be taken at any time during the year subsequent to the year they were earned. The vacation days earned is dependent on the type of position and length of service. The District's liability for the vested compensated absences/other and salary related payments are reported in the government-wide financial statements. The General Fund and Operations and Maintenance Fund liquidate the liabilities pertaining to their employees.

All full-time employees receive various numbers of sick days per years based on the collective bargaining agreements or policies in place. These days may accumulate to an unlimited number of days. Sick leave does not vest and, therefore, is recognized only when used.

l. Long-Term Liabilities

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as deferred amounts on refunding, are deferred and amortized over the life of the bond. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are recognized during the current period.

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

m. Net Position/Fund Balances

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or which are legally or contractually required to be maintained intact.

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities or from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the Board, which is considered the District's highest level of decision-making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Net Position/Fund Balances (Continued)

Currently, the Board has not delegated the authority to assign fund balances. Any residual fund balance in the General Fund and any deficit fund balance of any other governmental fund is reported as unassigned.

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the District considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets.

None of the restricted net position or restricted fund balance results from enabling legislation adopted by the District.

n. Use of Estimates

The preparation of financial statements in conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results may differ from those estimates.

o. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the District has delayed the implementation of GASB Statement No. 84, *Fiduciary Activities* to June 30, 2021.

2. DEPOSITS AND INVESTMENTS

The District's investment policy authorizes the District to make deposits/invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, credit union shares, repurchase agreements, commercial paper rated with the three highest classifications by at least two standard rating services and the Illinois School District Liquid Asset Fund Plus.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Certain district funds maintain their cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, rate of return and diversification.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District’s deposits may not be returned to it. The District’s investment policy requires all amounts deposited or invested with financial institutions be either covered by federal depository insurance or collateral, preferably held by a third party, in the District’s name, in an amount equal to the amount of deposits in excess of depository insurance coverage.

Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the District’s investment policy prefers that all security transactions that are exposed to custodial credit risk are processed with the underlying investments held by a third party custodian.

The District’s investment policy does not limit investment maturities as a means of managing its exposure to fair value losses from increasing interest rates.

Credit risk for investments is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. The District’s investment policy seeks to minimize credit risk by requiring investments in securities allowed under the investment policy.

Concentration of credit risk for investments is the risk that the District has a high percentage of their investments invested in one type of investment. The District’s investment policy does not further limit its investment choices beyond the Illinois School Code.

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District’s investment policy does not address interest rate risk.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CAPITAL ASSETS

Changes in capital assets during the year ended June 30, 2020 are as follows:

	Beginning Balances, as Reclassified	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 581,019	\$ -	\$ -	\$ 581,019
Construction in progress	173,275	567,201	632,014	108,462
Total capital assets not being depreciated	<u>754,294</u>	<u>567,201</u>	<u>632,014</u>	<u>689,481</u>
Capital assets being depreciated				
Land improvements	2,778,091	701,822	-	3,479,913
Buildings	29,201,292	-	-	29,201,292
Building improvements	17,847,229	25,995	-	17,873,224
Equipment	5,604,308	272,741	2,656,830	3,220,219
Food services equipment	135,118	-	35,988	99,130
Total capital assets being depreciated	<u>55,566,038</u>	<u>1,000,558</u>	<u>2,692,818</u>	<u>53,873,778</u>
Less accumulated depreciation for				
Capital assets being depreciated				
Land improvements	1,750,482	156,919	-	1,907,401
Buildings	11,949,969	655,671	-	12,605,640
Building improvements	3,517,122	980,305	-	4,497,427
Equipment	4,855,874	184,138	2,612,444	2,427,568
Food services equipment	115,236	1,341	30,425	86,152
Total accumulated depreciation	<u>22,188,683</u>	<u>1,978,374</u>	<u>2,642,869</u>	<u>21,524,188</u>
Total capital assets being depreciated, net	<u>33,377,355</u>	<u>(977,816)</u>	<u>49,949</u>	<u>32,349,590</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 34,131,649</u>	<u>\$ (410,615)</u>	<u>\$ 681,963</u>	<u>\$ 33,039,071</u>

Depreciation expense was charged to governmental activities as follows:

Business - Facilities Acquisition and Construction	<u>\$ 1,978,374</u>
TOTAL	<u>\$ 1,978,374</u>

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT

a. General Obligation Bonds

General obligation bonds consisted of the following at June 30, 2020:

	Date of Issuance	Maturity Date	Interest Rate	Face Amount	Carrying Amount
General obligation bonds					
Series 2015	9/26/2015	11/1/2025	0.80% to 4.00%	\$ 7,220,000	\$ 6,735,000
Series 2016	2/11/2016	11/1/2028	2.00% to 4.00%	7,780,000	7,380,000
Series 2017A	8/29/2017	11/1/2036	2.00% to 4.00%	1,725,000	1,580,000
Series 2017B	8/29/2017	11/1/2036	2.00% to 4.00%	2,190,000	2,010,000
Series 2018	9/26/2018	11/1/2029	3.00% to 5.00%	4,845,000	3,945,000

b. Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2020:

	Beginning Balances	Additions	Reductions	Ending Balances	Current Portion
General obligation bonds	\$ 23,045,000	\$ -	\$ 1,395,000	\$ 21,650,000	\$ 1,480,000
Unamortized bond premium and discount	874,835	-	132,772	742,063	-
Net pension liability - TRS	1,523,408	99,778	-	1,623,186	-
Net pension liability - IMRF	1,676,974	-	960,244	716,730	-
Net OPEB liability - District	1,043,470	-	329,023	714,447	43,717
Net OPEB Liability - THIS	15,561,085	2,756,088	-	18,317,173	149,648
Compensated absences	200,734	259,466	200,734	259,466	259,466
TOTAL	\$ 43,925,506	\$ 3,115,332	\$ 3,017,773	\$ 44,023,065	\$ 1,932,831

The obligation for net pension liabilities and net OPEB liabilities will be paid from the General and Municipal Retirement/Social Security Funds.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

c. Future Debt Service Requirements

A summary of the future debt service requirements to amortize the remaining outstanding general obligation bonds as of June 30, 2020 is as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 1,480,000	\$ 750,826	\$ 2,230,826
2022	1,570,000	716,148	2,286,148
2023	1,670,000	671,738	2,341,738
2024	1,785,000	614,800	2,399,800
2025	1,905,000	547,535	2,452,535
2026-2030	11,510,000	1,500,256	13,010,256
2031-2035	1,190,000	222,004	1,412,004
2036-2037	540,000	21,800	561,800
TOTAL	\$ 21,650,000	\$ 5,045,107	\$ 26,695,107

d. Legal Debt Margin

The June 30, 2020 remaining legal debt limit of the District was \$14,815,687 based upon 13.80% of its 2019 equalized assessed valuation of \$264,244,109, resulting in a legal debt margin of \$36,465,687. Total debt applicable to the limit was \$21,650,000, which includes the outstanding general obligation bonds.

5. RETIREMENT PLAN COMMITMENTS

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

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

Plan Description

The District participates in the TRS. TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration. TRS issues a publicly available financial report that can be obtained at <http://trsil.org/financial/cafrs/fy2019>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

TRS provides retirement, disability and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with ten years, or age 55 with 20 years. The benefit is determined by the average of the four highest years of creditable earnings within the last ten years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.20% of final average salary up to a maximum of 75% with 34 years of service.

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

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

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

Benefits Provided (Continued)

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

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2019, was 9% 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 makes employer pension contributions on behalf of the District. For the year ended June 30, 2020, state contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability (NPL) associated with the employer, and the employer recognized revenue and expenditures of \$12,542,634 in pension contributions from the State.

2.2 Formula Contributions

Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2020 were \$93,406 and are deferred because they were paid after the June 30, 2019 measurement date.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

Federal and Special Trust Fund Contributions

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

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

For the year ended June 30, 2020, the employer pension contribution was 10.66% of salaries paid from federal and special trust funds. For the year ended June 30, 2020, salaries totaling \$227,607 were paid from federal and special trust funds that required employer contributions of \$24,263. These contributions are deferred because they were paid after the June 30, 2019 measurement date.

Employer Retirement Cost Contributions

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2020, the employer paid \$49 to TRS for employer contributions due on salary increases in excess of 6% and \$0 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2019, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the District were as follow:

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

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

District's proportionate share of the net pension liability	\$ 1,623,186
State's proportionate share of the net pension liability associated with the District	<u>115,520,395</u>
TOTAL	<u>\$ 117,143,581</u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 and rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2019, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2019, the employer's proportion was 0.0020012612%, which was an increase of 0.0000467915% from its proportion measured as of June 30, 2018 (0.0019544697%).

For the year ended June 30, 2020, the employer recognized pension expense of \$12,542,634 and revenue of \$12,542,634 for support provided by the State. At June 30, 2020, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 26,616	\$ -
Net difference between projected and actual earnings on pension plan investments	2,571	-
Assumption changes	36,370	31,157
Changes in proportion and differences between employer contributions and proportionate share of contributions	28,793	1,695,766
District contributions subsequent to the measurement date	<u>117,669</u>	-
TOTAL	<u>\$ 212,019</u>	<u>\$ 1,726,923</u>

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

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

\$117,669 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ (638,803)
2022	(531,892)
2023	(331,868)
2024	(133,338)
2025	<u>3,328</u>
 TOTAL	 <u>\$ (1,632,573)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

In the June 30, 2019 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are based on a fully generational basis using projection table MP-2017. In the June 30, 2018 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.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

Actuarial Assumptions (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap	15.00%	6.30%
U.S. equities small/mid cap	2.00%	7.70%
International equities developed	13.60%	7.00%
Emerging market equities	3.40%	9.50%
U.S. bonds core	8.00%	2.20%
U.S. bonds high yield	4.20%	4.00%
International debt developed	2.20%	1.10%
Emerging international debt	2.60%	4.40%
Real estate	16.00%	5.20%
Real return	4.00%	1.80%
Absolute return	14.00%	4.10%
Private equity	15.00%	9.70%
TOTAL	100.00%	

Discount Rate

At June 30, 2019, the discount rate used to measure the total pension liability was 7%, which was the same as the June 30, 2018 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, district contributions and state contributions will be made at the current statutorily required rates.

5. RETIREMENT PLAN COMMITMENTS (Continued)

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

Discount Rate (Continued)

Based on those assumptions, TRS' fiduciary net position at June 30, 2019 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier 1's liability is partially funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate.

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Employer's proportionate share of the net pension liability	\$ 1,982,580	\$ 1,623,186	\$ 1,327,693

TRS Fiduciary Net Position

Detailed information about the TRS' fiduciary net position as of June 30, 2019 is available in the separately issued TRS Comprehensive Annual Financial Report.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases and death benefits to plan members and beneficiaries. The employer plan is affiliated with IMRF, an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information (RSI). That report may be obtained at www.imrf.org.

Plan Administration

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2019, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	113
Inactive employees entitled to but not yet receiving benefits	189
Active employees	<u>139</u>
 TOTAL	 <u><u>441</u></u>

5. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Benefits Provided

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the year ended June 30, 2020 was 7.75% of covered payroll.

Actuarial Assumptions

The District's net pension liability was measured as of December 31, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Actuarial valuation date	December 31, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Price inflation	2.50%
Salary increases	3.35% to 14.25%
Investment rate of return	7.25%
Asset valuation method	Market value

For nondisabled 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 2014). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled 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.

Single Discount Rate

A single discount rate of 7.25% was used to measure the total pension liability. The projection of cash flows used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that district contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2019	\$ 12,257,307	\$ 10,580,333	\$ 1,676,974
Changes for the period			
Service cost	401,961	-	401,961
Interest	879,850	-	879,850
Difference between expected and actual experience	106,343	-	106,343
Changes in assumptions	-	-	-
Employer contributions	-	305,112	(305,112)
Employee contributions	-	189,502	(189,502)
Net investment income	-	1,977,354	(1,977,354)
Benefit payments and refunds	(644,840)	(644,840)	-
Other (net transfer)	-	(123,570)	123,570
Net changes	743,314	1,703,558	(960,244)
BALANCES AT DECEMBER 31, 2019	\$ 13,000,621	\$ 12,283,891	\$ 716,730

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2020, the District recognized pension expense of \$765,831.

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 86,725	\$ 45,246
Assumption changes	138,756	49,965
Net difference between projected and actual earnings on pension plan investments	-	485,096
Employer contributions after the measurement date	176,654	-
TOTAL	<u>\$ 402,135</u>	<u>\$ 580,307</u>

\$176,654 reported as deferred outflows of resources resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending 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:

<u>Year Ending June 30,</u>	
2021	\$ (72,117)
2022	(96,411)
2023	57,743
2024	(244,041)
2025	-
Thereafter	-
TOTAL	<u>\$ (354,826)</u>

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the District calculated using the discount rate of 7.25% as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 2,403,781	\$ 716,730	\$ (667,109)

6. OTHER POSTEMPLOYMENT BENEFITS

a. Retirees Health Plan

Plan Description

The District's other postemployment benefits (OPEB) plan is a single-employer defined benefit healthcare plan that is administered by the District. The District provides postemployment benefits for eligible participants enrolled in the District sponsored plan. Benefits are provided in the form of an explicit subsidy where the District contributes towards the retiree premiums and an implicit rate subsidy under which retirees that have not yet reached age 65 receive health insurance coverage by paying a combined retiree/active rate. Benefit provisions are established through contractual agreements and may only be amended through negotiations with the Board. The plan does not issue a separate, publicly available report. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The activity of the plan is reported in the District's General Fund.

Benefits Provided

The District provides continued health insurance coverage at the blended employee rate to all eligible retirees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. In addition, the District provides a reimbursement benefit to aid with premium costs for certain eligible retirees, which creates an explicit subsidy.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

Membership

At June 30, 2020, membership consisted of:

Retirees and beneficiaries currently receiving benefits	8
Active employees	<u>415</u>
 TOTAL	 <u><u>423</u></u>
 Participating employers	 <u>1</u>

Total OPEB Liability

The District's total OPEB liability of \$714,447 was measured as of June 30, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability at June 30, 2020, as determined by an actuarial valuation as of June 30, 2020, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Market value
Salary increases	2.50%
Discount rate	2.21%
Healthcare cost trend rates	5% - 6%

The discount rate was based on the 20-year municipal bond yield at June 30, 2020.

Mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table for Males or Females, as appropriate. These rates are improved generationally using MP-2016 Improvement rates.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JULY 1, 2019	\$ 1,043,470
Changes for the period	
Service cost	44,099
Interest	36,004
Difference between expected and actual experience	(435,334)
Changes in benefit terms	-
Changes in assumptions	69,925
Benefit payments	<u>(43,717)</u>
Net changes	<u>(329,023)</u>
BALANCES AT JUNE 30, 2020	<u>\$ 714,447</u>

There were changes in assumptions related to the discount rate, inflation rate, payroll increases, mortality rates, mortality improvement rates, retirement rates, termination rates, and disability rates since the prior measurement date.

Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the District calculated using the discount rate of 2.21% as well as what the District total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.21%) or 1 percentage point higher (3.21%) than the current rate:

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	\$ 778,689	\$ 714,447	\$ 656,240

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 5% to 6% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (4% to 5%) or 1 percentage point higher (6% to 7%) than the current rate:

	1% Decrease (4% to 5%)	Current Healthcare Rate (5% to 6%)	1% Increase (6% to 7%)
Total OPEB liability	\$ 644,190	\$ 714,447	\$ 800,536

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

For the year ended June 30, 2020, the District recognized OPEB expense of \$63,769. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 411,516
Changes of assumptions	100,185	-
TOTAL	<u>\$ 100,185</u>	<u>\$ 411,516</u>

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

<u>Year Ending</u> <u>June 30,</u>	
2021	\$ (16,334)
2022	(16,334)
2023	(16,334)
2024	(16,334)
2025	(16,334)
Thereafter	<u>(229,661)</u>
 TOTAL	 <u>\$ (311,331)</u>

b. Teacher Health Insurance Security Fund of the State of Illinois

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the City of Chicago. The THIS Fund provides medical, prescription and behavioral health benefits, but it does not provide vision, dental or life insurance benefits to annuitants of TRS of the State. 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 the THIS Fund and amendments to the plan can be made only by legislative action with the Governor’s approval. The plan is administered by the Illinois Department of Central Management Services (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.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

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

- On-behalf contributions to the THIS Fund - The State makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.24% of pay during the year ended June 30, 2020. State contributions were \$199,696 and the District recognized revenue and expenditures of this amount during the year.
- Employer contributions to the THIS Fund - The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.92% during the year ended June 30, 2020. For the year ended June 30, 2020, the District paid \$148,162 to the THIS Fund, which was 100% of the required contribution.

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.”

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, rolled forward to June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.50%
Salary increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption
Investment rate of return	0%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Actual trend used for fiscal year 2019. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.31% is added to non-Medicare costs on and after 2022 to account for the Excise Tax.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

Actuarial Assumptions (Continued)

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

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Since the THIS Fund is financed on a pay-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 3.62% as of June 30, 2018, and 3.13% as of June 30, 2019.

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

The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.13%) or 1 percentage point higher (4.13%) than the current discount rate:

	1% Decrease (2.13%)	Current Discount Rate (3.13%)	1% Increase (4.13%)
Employer's proportionate share of the collective net OPEB liability	\$ 22,023,890	\$ 18,317,173	\$ 15,389,662

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

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

The following table shows the District's net OPEB liability as of June 30, 2019, using current trend rates and sensitivity trend rates that are either 1 percentage point higher or lower. The key trend rates are 8% in 2020 decreasing to an ultimate trend rate of 4.81% in 2027 for non-Medicare coverage and 9% in 2020 decreasing to an ultimate trend rate of 4.50% in 2027 for Medicare coverage.

	1% Decrease ^a	Current Discount Rate	1% Increase ^b
Employer's proportionate share of the collective net OPEB liability	\$ 14,798,782	\$ 18,317,173	\$ 23,069,205

^a *One percentage point decrease in healthcare trend rates are 7% in 2020 decreasing to an ultimate rate of 3.81% in 2027 for non-Medicare coverage and 8% in 2020 decreasing to an ultimate trend rate of 3.50% in 2027 for Medicare coverage.*

^b *One percentage point increase in healthcare trend rates are 9% in 2020 decreasing to an ultimate trend rate of 5.81% in 2027, for non-Medicare coverage and 10% in 2020 decreasing to an ultimate trend rate of 5.50% in 2027 for Medicare coverage.*

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

At June 30, 2020, the District disclosed a liability for its proportionate share of the net OPEB liability that reflected a reduction for state OPEB support provided to the District. The collective net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of that date. The District proportion of the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of the District, actuarially determined. At June 30, 2019, the District's proportion was 0.066181%, which was an increase of 0.007116% from its proportion measured as of June 30, 2018 (0.059065%). The State's support and total are for disclosure purposes only.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

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

The amount recognized by the District as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the District were as follows:

Employer's proportionate share of the net OPEB liability	\$ 18,317,173
State's proportionate share of the net OPEB liability associated with the employer	<u>24,803,727</u>
TOTAL	<u>\$ 43,120,900</u>

For the year ended June 30, 2020, the District recognized OPEB expense of \$199,696 and revenue of \$199,696 for support provided by the State. At June 30, 2020, the District disclosed deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 303,959
Changes of assumptions	6,944	2,009,745
Net difference between projected and actual earnings on OPEB plan investments	-	600
Changes in the proportion and differences between employer contributions and proportionate share of contributions	3,092,619	5,985
Employer contributions subsequent to the measurement date	<u>148,162</u>	-
TOTAL	<u>\$ 3,247,725</u>	<u>\$ 2,320,289</u>

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

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

\$148,162 disclosed as deferred outflows of resources related to OPEB resulting from the District's contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2021. Other amounts disclosed as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year Ended June 30,	
2021	\$ 93,116
2022	93,116
2023	93,116
2024	93,116
2025	93,116
Thereafter	<u>313,694</u>
TOTAL	<u><u>\$ 779,274</u></u>

7. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omission; injuries to employees; and natural disasters. The District purchases commercial insurance to handle these risks of loss. During fiscal year 2020, there was no significant reduction in insurance coverage for any category. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

8. COMMITMENTS AND CONTINGENCIES

a. Grantor Agencies

Federal and state grants-in-aid received by the District are subject to audit and adjustment by grantor agencies. If grant revenues are received for expenditures which are subsequently disallowed, the District may be required to repay the revenues. In the opinion of management, liabilities resulting from such disallowed expenditures, if any, will not be material.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. COMMITMENTS AND CONTINGENCIES (Continued)

b. Litigation

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

9. JOINT VENTURES

a. Special Education District of McHenry County (SEDOM)

The District and 16 other districts within McHenry County have entered into a joint agreement to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the management council.

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

Assets	\$ 10,026,351
Liabilities	<u>25,149</u>
NET POSITION	<u><u>\$ 10,001,202</u></u>
Revenues received	\$ 7,363,502
Expenditures disbursed	<u>7,489,222</u>
NET INCREASE (DECREASE) IN NET POSITION	<u><u>\$ (125,720)</u></u>

Complete financial statements for SEDOM can be obtained from the Administrative Offices at 1200 Claussen Drive, Woodstock, Illinois 60098.

b. McHenry County Cooperative for Employment Education

The District and eight other districts within McHenry County have entered into a joint agreement to provide vocational education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the Board of Control.

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. JOINT VENTURES (Continued)

b. McHenry County Cooperative for Employment Education (Continued)

A summary of financial condition (cash basis) of McHenry County Cooperative for Employment Education at June 30, 2019 (most recent information available) is as follows:

Assets	\$ 210,157
Liabilities	<u>-</u>
 FUND EQUITY	 <u>\$ 210,157</u>
 Revenues received	 \$ 989,505
Expenditures disbursed	<u>1,098,402</u>
 NET INCREASE (DECREASE) IN NET POSITION	 <u>\$ (108,897)</u>

Complete financial statements for McHenry County Cooperative for Employment Education can be obtained from the Administrative Offices at 2200 North Seminary Ave., Suite 207, Woodstock, Illinois 60098.

10. INDIVIDUAL FUND DISCLOSURES

Due from/to other funds at June 30, 2020 consisted of the following:

	Due From	Due To
General Fund	\$ -	\$ 2,294,914
Fire Prevention and Safety Fund	<u>2,294,914</u>	<u>-</u>
 TOTAL	 <u>\$ 2,294,914</u>	 <u>\$ 2,294,914</u>

All due from/to balances are to fund temporary cash shortfalls.

REQUIRED SUPPLEMENTARY INFORMATION

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Educational property taxes	\$ 9,197,960	\$ 9,089,264	\$ (108,696)
Special education property taxes	1,569,369	1,553,892	(15,477)
Working cash property taxes	102,253	101,245	(1,008)
Tort property taxes	31,310	31,009	(301)
Corporate personal property replacement taxes	225,000	361,818	136,818
Regular - tuition from pupils or parents	-	198,083	198,083
Special education - tuition from other districts	-	21,943	21,943
Interest	70,000	320,763	250,763
Sales to pupils - lunch	500	782	282
Sales to pupils - breakfast	200	-	(200)
Sales to pupils - a la carte	250	-	(250)
Sales to adults	-	527	527
Admission - athletics	42,000	12,693	(29,307)
Admission - other	-	750	750
Rentals - regular textbooks	103,000	-	(103,000)
Fees	64,700	48,131	(16,569)
Other District/school activity revenue	-	185	185
Drivers' education fees	8,000	15,329	7,329
Refund of prior year expenses	-	295	295
Impact fees from municipal or county governments	-	7,137	7,137
Other local fees	5,000	1,175	(3,825)
Other	100,000	150,742	50,742
Total local sources	<u>11,519,542</u>	<u>11,915,763</u>	<u>396,221</u>
Flow-through revenue from one District to another District			
Flow-through revenue from state sources	-	21,815	21,815
Flow-through revenue from federal sources	-	15,114	15,114
Total flow-through revenue from one District to another District	<u>-</u>	<u>36,929</u>	<u>36,929</u>
State sources			
General state aid	15,215,301	15,193,164	(22,137)
Special education - private facility tuition	60,000	181,958	121,958
Special education - orphanage - individual	-	40,942	40,942
CTE - secondary program improvement (CTEI)	45,000	22,593	(22,407)
CTE - agriculture education	3,000	5,173	2,173
State free lunch and breakfast	22,000	20,486	(1,514)
Driver's education	22,000	21,832	(168)
Early childhood - block grant	555,000	448,226	(106,774)
Other restricted revenue from state sources	101,550	169,184	67,634
Total state sources	<u>16,023,851</u>	<u>16,103,558</u>	<u>79,707</u>
Federal sources			
Title V - rural education initiative (REI)	-	12,748	12,748
National school lunch program	1,045,000	759,864	(285,136)
School breakfast program	500,000	342,701	(157,299)
Summer food service	-	201,359	201,359
Food service - other	-	94,660	94,660
Title I - low income	750,000	303,034	(446,966)
School improvement grant	-	35,633	35,633

(This schedule is continued on the following pages.)

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
 GENERAL FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES (Continued)			
Federal sources (Continued)			
Title IV - safe and drug free schools	\$ -	\$ 11,981	\$ 11,981
Federal special education - preschool flow through	18,300	19,443	1,143
Federal special education - IDEA flow through	625,127	588,713	(36,414)
Federal special education - room and board	4,000	80,434	76,434
CTE - Perkins - title III E - tech prep	30,000	-	(30,000)
CTE - other	-	20,216	20,216
Title III - immigrant education program (IEP)	-	1,115	1,115
Title III - language inst program - limited eng (LIPLEP)	94,300	86,562	(7,738)
Title II - teacher quality	-	34,218	34,218
Medicaid matching funds - administrative outreach	-	48,738	48,738
Medicaid matching funds - fee-for-service program	250,000	111,472	(138,528)
Other restricted revenues from federal sources	131,000	72,011	(58,989)
Total federal sources	3,447,727	2,824,902	(622,825)
Total revenues	30,991,120	30,881,152	(109,968)
EXPENDITURES			
Instruction			
Regular programs			
Salaries	7,155,255	7,271,423	116,168
Employee benefits	1,145,697	1,273,917	128,220
Purchased services	201,350	180,227	(21,123)
Supplies and materials	585,750	489,247	(96,503)
Capital outlay	-	9,432	9,432
Other objects	6,300	1,386	(4,914)
Noncapitalized equipment	225,000	65,587	(159,413)
Total regular programs	9,319,352	9,291,219	(28,133)
Pre-K programs			
Salaries	296,800	377,402	80,602
Employee benefits	36,935	68,475	31,540
Purchased services	15,000	8,328	(6,672)
Supplies and materials	6,000	8,446	2,446
Noncapitalized equipment	10,000	-	(10,000)
Total Pre-K programs	364,735	462,651	97,916
Special education programs			
Salaries	2,422,186	2,529,712	107,526
Employee benefits	458,360	420,288	(38,072)
Purchased services	51,000	14,924	(36,076)
Supplies and materials	64,500	8,572	(55,928)
Noncapitalized equipment	5,000	-	(5,000)
Total special education programs	3,001,046	2,973,496	(27,550)

(This schedule is continued on the following pages.)

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Instruction (Continued)			
Special education programs - Pre-K			
Salaries	\$ -	\$ 197,158	\$ 197,158
Employee benefits	-	30,719	30,719
Purchased services	-	1,402	1,402
Supplies and materials	-	4,294	4,294
Noncapitalized equipment	-	5,437	5,437
Total special education programs - Pre-K	-	239,010	239,010
Remedial and supplemental programs			
Salaries	280,000	86,738	(193,262)
Employee benefits	34,400	14,046	(20,354)
Purchased services	50,000	52,954	2,954
Supplies and materials	9,500	8,659	(841)
Total remedial and supplemental programs	373,900	162,397	(211,503)
Remedial and supplemental programs - Pre-K			
Supplies and materials	-	1,239	1,239
Total remedial and supplemental programs - Pre-K	-	1,239	1,239
CTE programs			
Salaries	534,438	537,970	3,532
Employee benefits	53,062	67,138	14,076
Purchased services	32,000	8,756	(23,244)
Supplies and materials	35,500	33,872	(1,628)
Capital outlay	15,000	81,339	66,339
Noncapitalized equipment	15,000	14,936	(64)
Total CTE programs	685,000	744,011	59,011
Interscholastic programs			
Salaries	510,453	503,313	(7,140)
Employee benefits	20,830	68,308	47,478
Purchased services	113,900	98,487	(15,413)
Supplies and materials	108,310	83,563	(24,747)
Capital outlay	-	1,525	1,525
Other objects	4,000	4,565	565
Noncapitalized equipment	48,500	31,252	(17,248)
Total interscholastic programs	805,993	791,013	(14,980)
Summer school programs			
Salaries	50,000	113,441	63,441
Employee benefits	800	10,628	9,828
Purchased services	200	-	(200)
Supplies and materials	1,000	809	(191)
Total summer school programs	52,000	124,878	72,878

(This schedule is continued on the following pages.)

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
 GENERAL FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Instruction (Continued)			
Driver's education programs			
Salaries	\$ 80,000	\$ 72,288	\$ (7,712)
Employee benefits	11,332	13,141	1,809
Purchased services	1,200	998	(202)
Supplies and materials	2,500	1,966	(534)
Capital outlay	-	10,000	10,000
Total driver's education programs	<u>95,032</u>	<u>98,393</u>	<u>3,361</u>
Bilingual programs			
Salaries	1,431,237	2,653,584	1,222,347
Employee benefits	184,480	443,432	258,952
Purchased services	2,000	17,755	15,755
Supplies and materials	5,000	43,089	38,089
Total bilingual programs	<u>1,622,717</u>	<u>3,157,860</u>	<u>1,535,143</u>
Special education programs K-12 private tuition			
Other objects	450,000	559,839	109,839
Total special education programs K-12 private tuition	<u>450,000</u>	<u>559,839</u>	<u>109,839</u>
Total instruction	<u>16,769,775</u>	<u>18,606,006</u>	<u>1,836,231</u>
Support services			
Pupils			
Attendance and social work services			
Salaries	724,590	611,713	(112,877)
Employee benefits	128,542	96,674	(31,868)
Purchased services	20,000	5,000	(15,000)
Total attendance and social work services	<u>873,132</u>	<u>713,387</u>	<u>(159,745)</u>
Guidance services			
Salaries	203,639	302,370	98,731
Employee benefits	18,764	39,906	21,142
Purchased services	50,000	70,519	20,519
Supplies and materials	2,200	1,216	(984)
Total guidance services	<u>274,603</u>	<u>414,011</u>	<u>139,408</u>

(This schedule is continued on the following pages.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Pupils (Continued)			
Health services			
Salaries	\$ 184,894	\$ 205,939	\$ 21,045
Employee benefits	42,512	28,330	(14,182)
Purchased services	10,600	2,370	(8,230)
Supplies and materials	7,000	6,402	(598)
Other objects	-	146	146
Noncapitalized equipment	4,000	-	(4,000)
Total health services	249,006	243,187	(5,819)
Psychological services			
Salaries	174,200	179,164	4,964
Employee benefits	24,382	24,982	600
Purchased services	2,000	9,847	7,847
Other objects	-	3,584	3,584
Total psychological services	200,582	217,577	16,995
Speech pathology and audiology services			
Salaries	450,000	542,499	92,499
Employee benefits	48,664	61,103	12,439
Purchased services	61,200	150,123	88,923
Other objects	-	853	853
Total speech pathology and audiology services	559,864	754,578	194,714
Other support services - pupils			
Salaries	-	257,872	257,872
Employee benefits	-	23,069	23,069
Purchased services	-	184,766	184,766
Supplies and materials	-	4,052	4,052
Total support services - pupils	-	469,759	469,759
Total pupils	2,157,187	2,812,499	655,312
Instructional staff			
Improvement of instructional services			
Salaries	371,320	528,097	156,777
Employee benefits	11,095	55,516	44,421
Purchased services	750,500	407,290	(343,210)
Supplies and materials	31,000	4,390	(26,610)
Other objects	-	14,048	14,048
Total improvement of instructional services	1,163,915	1,009,341	(154,574)

(This schedule is continued on the following pages.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Instructional staff (Continued)			
Educational media services			
Salaries	\$ 216,321	\$ 174,153	\$ (42,168)
Employee benefits	27,564	27,629	65
Purchased services	18,077	50,416	32,339
Supplies and materials	52,900	52,010	(890)
Capital outlay	-	26,050	26,050
Other objects	-	530	530
Total educational media services	314,862	330,788	15,926
Assessment and testing			
Salaries	5,000	910	(4,090)
Employee benefits	150	325	175
Purchased services	100,125	44,539	(55,586)
Supplies and materials	-	33,668	33,668
Total assessment and testing	105,275	79,442	(25,833)
Total instructional staff	1,584,052	1,419,571	(164,481)
Board of Education services			
Salaries	33,100	1,800	(31,300)
Employee benefits	22,395	-	(22,395)
Purchased services	311,400	63,518	(247,882)
Supplies and materials	-	137	137
Total Board of Education services	366,895	65,455	(301,440)
Executive administration services			
Salaries	407,200	449,759	42,559
Employee benefits	26,000	68,228	42,228
Purchased services	13,729	311,831	298,102
Supplies and materials	31,200	5,421	(25,779)
Other objects	17,000	11,511	(5,489)
Noncapitalized equipment	2,000	713	(1,287)
Total executive administration services	497,129	847,463	350,334
General administration			
Special area administration services			
Salaries	369,340	485,236	115,896
Employee benefits	30,966	33,262	2,296
Purchased services	-	65,476	65,476
Supplies and materials	-	37,759	37,759
Other objects	-	1,180	1,180
Noncapitalized equipment	-	7,803	7,803
Total special area administration services	400,306	630,716	230,410

(This schedule is continued on the following pages.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
General administration (Continued)			
Workers' compensation			
Purchased services	\$ 70,000	\$ 90,735	\$ 20,735
Total workers' compensation	70,000	90,735	20,735
Unemployment insurance payments			
Purchased services	15,000	24,155	9,155
Total unemployment insurance payments	15,000	24,155	9,155
Total general administration	1,349,330	1,658,524	309,194
School administration			
Office of the principal services			
Salaries	1,112,327	1,148,810	36,483
Employee benefits	144,915	182,173	37,258
Purchased services	5,600	7,394	1,794
Supplies and materials	22,840	12,803	(10,037)
Other objects	-	2,217	2,217
Total office of the principal services	1,285,682	1,353,397	67,715
Other support services - school administration			
Salaries	112,200	199,119	86,919
Employee benefits	11,200	31,632	20,432
Purchased services	-	503	503
Supplies and materials	-	5	5
Other objects	-	361	361
Total support services - school administration	123,400	231,620	108,220
Total school administration	1,409,082	1,585,017	175,935
Business			
Direction of business support services			
Salaries	120,562	123,768	3,206
Employee benefits	7,400	10,393	2,993
Purchased services	-	784	784
Total direction of business support services	127,962	134,945	6,983
Fiscal services			
Salaries	214,500	142,749	(71,751)
Employee benefits	30,425	24,228	(6,197)
Purchased services	32,200	30,175	(2,025)
Supplies and materials	15,600	27,589	11,989
Other objects	2,000	1,414	(586)
Total fiscal services	294,725	226,155	(68,570)

(This schedule is continued on the following pages.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Business (Continued)			
Food service			
Purchased services	\$ 1,112,000	\$ 998,111	\$ (113,889)
Supplies and materials	3,900	9,357	5,457
Capital outlay	-	13,861	13,861
Noncapitalized equipment	19,000	-	(19,000)
Total food service	<u>1,134,900</u>	<u>1,021,329</u>	<u>(113,571)</u>
Total business	<u>1,557,587</u>	<u>1,382,429</u>	<u>(175,158)</u>
Central			
Direction of central support services			
Salaries	10,000	-	(10,000)
Employee benefits	200	-	(200)
Total direction of central support services	<u>10,200</u>	<u>-</u>	<u>(10,200)</u>
Planning, research, development and evaluation services			
Purchased services	5,000	-	(5,000)
Total planning, research, development and evaluation services	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Information services			
Salaries	111,925	76,031	(35,894)
Employee benefits	66	7,903	7,837
Purchased services	43,700	20,371	(23,329)
Supplies and materials	2,000	4,636	2,636
Other objects	500	195	(305)
Noncapitalized equipment	5,000	-	(5,000)
Total information services	<u>163,191</u>	<u>109,136</u>	<u>(54,055)</u>
Staff services			
Salaries	-	94,180	94,180
Employee benefits	-	28,948	28,948
Purchased services	18,000	64,700	46,700
Supplies and materials	2,000	29,437	27,437
Capital outlay	-	6,580	6,580
Other objects	2,000	1,726	(274)
Noncapitalized equipment	5,000	559	(4,441)
Total staff services	<u>27,000</u>	<u>226,130</u>	<u>199,130</u>

(This schedule is continued on the following pages.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Central (Continued)			
Data processing services			
Salaries	\$ 328,083	\$ 319,779	\$ (8,304)
Employee benefits	62,650	56,706	(5,944)
Purchased services	529,775	246,201	(283,574)
Supplies and materials	80,000	285,312	205,312
Capital outlay	150,000	181,651	31,651
Other objects	2,000	-	(2,000)
Noncapitalized equipment	670,000	80,153	(589,847)
Total data processing services	1,822,508	1,169,802	(652,706)
Total central	2,027,899	1,505,068	(522,831)
Other support services			
Salaries	80,320	-	(80,320)
Employee benefits	66	-	(66)
Purchased services	19,000	-	(19,000)
Supplies and materials	25,744	3,204	(22,540)
Total other support services	125,130	3,204	(121,926)
Total support services	10,210,267	10,366,312	156,045
Community services			
Salaries	-	147,278	147,278
Employee benefits	-	21,407	21,407
Purchased services	-	16,683	16,683
Supplies and materials	-	23,386	23,386
Total community services	-	208,754	208,754
Payments to other districts and governmental units			
Payments for special education programs			
Purchased services	190,000	-	(190,000)
Total payments for special education programs	190,000	-	(190,000)
Other payments to in-state governmental units			
Purchased services	75,000	47,045	(27,955)
Total other payments to in-state governmental units	75,000	47,045	(27,955)
Payments for special education programs - tuition			
Other objects	-	284,307	284,307
Total payments for special education programs - tuition	-	284,307	284,307

(This schedule is continued on the following page.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Payments to other districts and governmental units (Continued)			
Payments for community college programs - tuition			
Purchased services	\$ -	\$ 17,978	\$ 17,978
Total payments for community college programs - tuition	-	17,978	17,978
Total payments to other districts and governmental units	265,000	349,330	84,330
Provision for contingencies	3,639,958	-	(3,639,958)
Total expenditures	30,885,000	29,530,402	(1,354,598)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	106,120	1,350,750	1,244,630
OTHER FINANCING SOURCES (USES)			
Loss on sale of asset	-	(30,564)	(30,564)
Total other financing sources (uses)	-	(30,564)	(30,564)
NET CHANGE IN FUND BALANCE (BUDGETARY BASIS)	<u>\$ 106,120</u>	1,320,186	<u>\$ 1,214,066</u>
ADJUSTMENTS TO BUDGETARY BASIS			
On-behalf revenues		12,690,796	
On-behalf expenditures		<u>(12,690,796)</u>	
NET CHANGE IN FUND BALANCE (GAAP BASIS)		1,320,186	
FUND BALANCE, JULY 1		<u>15,506,824</u>	
FUND BALANCE, JUNE 30		<u><u>\$ 16,827,010</u></u>	

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Six Fiscal Years

FISCAL YEAR ENDED JUNE 30,	2015	2016	2017	2018	2019	2020
Actuarially determined contribution	\$ 263,260	\$ 318,738	\$ 293,167	\$ 335,969	\$ 342,593	\$ 326,446
Contributions in relation to the actuarially determined contribution	<u>265,478</u>	<u>318,738</u>	<u>293,167</u>	<u>336,455</u>	<u>342,593</u>	<u>326,446</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ (2,218)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (486)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,624,729	\$ 3,296,155	\$ 3,228,709	\$ 3,738,507	\$ 4,188,706	\$ 4,211,062
Contributions as a percentage of covered payroll	10.11%	9.67%	9.08%	9.00%	8.18%	7.75%

Notes to Required Supplemental Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and price inflation of 2.50%.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

Last Six Fiscal Years

FISCAL YEAR ENDED JUNE 30,	2015	2016	2017	2018	2019	2020
Actuarially determined contribution	\$ 234,288	\$ 248,849	\$ 217,791	\$ 178,707	\$ 105,045	\$ 117,669
Contributions in relation to the actuarially determined contribution	234,288	248,849	217,791	178,707	105,045	117,669
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 10,947,397	\$ 11,162,099	\$ 12,476,880	\$ 14,001,644	\$ 15,742,587	\$ 16,537,656
Contributions as a percentage of covered payroll	2.14%	2.23%	1.75%	1.28%	0.67%	0.71%

Notes to Required Supplemental Information

Changes of assumptions: For the 2019, 2018, 2017 and 2016 measurement years, the assumed investment rate of return was 7.00%, including an inflation rate of 2.50% and a real return of 4.50%. Salary increases were assumed to vary by service credit. For the 2015 measurement year, the assumed investment rate of return was 7.50%, including an inflation rate of 3.00% and a real return of 4.50%. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ended June 30, 2014. For the 2014 measurement year, the assumed investment rate of return was also 7.50%, including an inflation rate of 3.00% and a real return of 4.50%. However, salary increases were assumed to vary by age.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' HEALTH INSURANCE SECURITY FUND**

Last Three Fiscal Years

FISCAL YEAR ENDED JUNE 30,	2018	2019	2020
Statutorily required contribution	\$ 111,781	\$ 143,010	\$ 148,162
Contributions in relation to the statutorily required contribution	111,781	143,010	148,162
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 14,284,736	\$ 15,742,587	\$ 16,104,520
Contributions as a percentage of covered payroll	0.78%	0.91%	0.92%

Notes to Required Supplemental Information

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented or as many years as is available.

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015
TOTAL PENSION LIABILITY		
Service cost	\$ 307,096	\$ 289,929
Interest	648,284	704,183
Differences between expected and actual experience	(166,003)	621,658
Changes in assumptions	394,224	13,013
Benefit payments, including refunds of member contributions	(414,169)	(445,222)
Net change in total pension liability	769,432	1,183,561
Total pension liability - beginning	8,697,324	9,466,756
TOTAL PENSION LIABILITY - ENDING	\$ 9,466,756	\$ 10,650,317
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 265,478	\$ 318,738
Contributions - member	119,327	148,327
Net investment income	530,811	46,163
Benefit payments, including refunds of member contributions	(414,169)	(445,222)
Other (net transfer)	3,679	(92,141)
Net change in plan fiduciary net position	505,126	(24,135)
Plan fiduciary net position - beginning	8,716,505	9,221,631
PLAN FIDUCIARY NET POSITION - ENDING	\$ 9,221,631	\$ 9,197,496
EMPLOYER'S NET PENSION LIABILITY	\$ 245,125	\$ 1,452,821
Plan fiduciary net position as a percentage of the total pension liability	97.41%	86.36%
Covered payroll	\$ 2,624,729	\$ 3,296,155
Employer's net pension liability as a percentage of covered payroll	9.34%	44.08%

Notes to Required Supplemental Information

Changes in assumptions related to the discount rate were made in 2018.

Changes in assumptions related to inflation rates, salary rates and mortality were made in 2017 and 2018.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

	2016	2017	2018	2019
\$	362,808	\$ 350,847	\$ 366,574	\$ 401,961
	793,852	820,150	846,524	879,850
	(302,207)	91,254	(114,084)	106,343
	(13,387)	(357,510)	349,858	-
	(465,782)	(531,370)	(590,537)	(644,840)
	375,284	373,371	858,335	743,314
	10,650,317	11,025,601	11,398,972	12,257,307
\$	11,025,601	\$ 11,398,972	\$ 12,257,307	\$ 13,000,621
\$	293,167	\$ 336,455	\$ 359,381	\$ 305,112
	153,193	161,173	178,690	189,502
	623,439	1,718,526	(623,674)	1,977,354
	(465,782)	(531,370)	(590,537)	(644,840)
	(50,359)	(264,148)	84,683	(123,570)
	553,658	1,420,636	(591,457)	1,703,558
	9,197,496	9,751,154	11,171,790	10,580,333
\$	9,751,154	\$ 11,171,790	\$ 10,580,333	\$ 12,283,891
\$	1,274,447	\$ 227,182	\$ 1,676,974	\$ 716,730
	88.44%	98.01%	86.32%	94.49%
\$	3,228,709	\$ 3,512,251	\$ 3,965,964	\$ 4,162,504
	39.47%	6.47%	42.28%	17.22%

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY AND RELATED RATIOS
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Last Six Fiscal Years

MEASUREMENT DATE JUNE 30,	2014	2015
District's proportion of the net pension liability	0.00656690%	0.00710110%
District's proportionate share of the net pension liability	\$ 3,996,503	\$ 4,652,441
State's proportionate share of the net pension liability associated with the District	<u>68,879,845</u>	<u>74,458,911</u>
TOTAL	<u>\$ 72,876,348</u>	<u>\$ 79,111,352</u>
District's covered payroll	\$ 13,306,335	\$ 10,947,397
District's proportionate share of the net pension liability associated with the employer as a percentage of its covered payroll	547.68%	722.65%
Plan fiduciary net position as a percentage of the total pension liability	42.95%	41.50%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

2016	2017	2018	2019
0.00563610%	0.00433760%	0.00195447%	0.00200126%
\$ 4,448,937	\$ 3,313,835	\$ 1,523,408	\$ 1,623,186
96,438,438	98,521,192	104,359,848	115,520,395
\$ 100,887,375	\$ 101,835,027	\$ 105,883,256	\$ 117,143,581
\$ 11,162,099	\$ 12,476,880	\$ 14,001,644	\$ 15,742,587
903.84%	816.19%	756.22%	744.12%
36.40%	39.30%	40.00%	39.60%

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Three Fiscal Years

MEASUREMENT DATE JUNE 30,	2018	2019	2020
TOTAL OPEB LIABILITY			
Service cost	\$ 53,379	\$ 55,445	\$ 44,099
Interest	33,870	36,028	36,004
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	(435,334)
Changes of assumptions	-	41,402	69,925
Benefit payments	(22,280)	(40,698)	(43,717)
Net change in total OPEB liability	64,969	92,177	(329,023)
Total OPEB liability - beginning	886,324	951,293	1,043,470
TOTAL OPEB LIABILITY - ENDING	\$ 951,293	\$ 1,043,470	\$ 714,447
Covered payroll	\$ 17,795,913	\$ 20,632,057	\$ 20,463,410
Employer's total OPEB liability as a percentage of covered payroll	5.35%	5.06%	3.49%

There were changes in assumptions related to the discount rate made in 2019.

There were changes in assumptions related to the discount rate, inflation rate, payroll increases, mortality rates, mortality improvement rates, retirement rates, termination rates and disability rates in 2020.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
COLLECTIVE NET OPEB LIABILITY AND RELATED RATIOS
TEACHER'S HEALTH INSURANCE SECURITY FUND

Last Three Fiscal Years

MEASUREMENT DATE JUNE 30,	2017	2018	2019
District's proportion of the collective net OPEB liability	0.057846%	0.059065%	0.066181%
District's proportionate share of the collective net OPEB liability	\$ 15,010,769	\$ 15,561,085	\$ 18,317,173
State's proportionate share of the collective net OPEB liability associated with the District	<u>19,712,894</u>	<u>20,895,101</u>	<u>24,803,727</u>
TOTAL	<u>\$ 34,723,663</u>	<u>\$ 36,456,186</u>	<u>\$ 43,120,900</u>
Plan's fiduciary net position as a percentage of the total pension liability	(0.17%)	(0.07%)	0.25%
District's covered payroll	\$ 12,476,880	\$ 14,001,644	\$ 15,742,587
Proportionate of the collective net OPEB liability associated with employer as a percentage of its covered payroll	278.30%	260.37%	273.91%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2020

1. BUDGETS AND BUDGETARY ACCOUNTING

The District follows procedures mandated by Illinois State law and District board policy to establish the budgetary data reflected in its financial statements. The budget was passed on September 18, 2019. The modified accrual basis budgeted amounts in this report are the result of full compliance with the following procedures:

For each fund, total fund expenditures may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

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

- a. Prior to July 1, the Superintendent submits to the Board a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted to obtain taxpayer comments.
- c. Prior to October 1, the budget is legally adopted through passage of resolution.
- d. Formal budgetary integration is employed as a management control device during the year for the General, Operations and Maintenance, Debt Service, Transportation, Municipal Retirement/Social Security, Capital Projects, and Fire Prevention and Safety funds.
- e. The Board of Education may make transfers between the various items in any fund not exceeding in aggregate 10% of the total of such fund as set forth in the budget.
- f. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

2. EXCESS EXPENDITURES OVER APPROPRIATIONS

The following fund over expended appropriations in fiscal year 2020:

Fund	Appropriations	Expenditures	Excess
Debt Service	\$ 2,180,999	\$ 2,181,373	\$ (374)
Transportation	1,856,000	2,009,052	(331,559)

SUPPLEMENTARY INFORMATION

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

COMBINING BALANCE SHEET
GENERAL FUND - BY ACCOUNT

June 30, 2020

	Educational Accounts	Working Cash Accounts	Tort Accounts	Total
ASSETS				
Cash	\$ 3,795,644	\$ 699,866	\$ 313,838	\$ 4,809,348
Investments	13,803,199	2,671,748	-	16,474,947
Receivables				
Property taxes, net	5,622,539	55,565	15,975	5,694,079
Interfund loans	2,294,914	-	-	2,294,914
Intergovernmental	509,979	-	-	509,979
Interest	91,082	-	-	91,082
Inventory	17,894	-	-	17,894
Prepaid items	264,562	-	-	264,562
	\$ 26,399,813	\$ 3,427,179	\$ 329,813	\$ 30,156,805
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 202,954	\$ -	\$ 23,139	\$ 226,093
Salaries and wages payable	1,972,371	-	-	1,972,371
Unearned revenue	79,575	-	-	79,575
	2,254,900	-	23,139	2,278,039
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent years	10,846,446	107,191	30,745	10,984,382
Unavailable grant revenue	67,374	-	-	67,374
	10,913,820	107,191	30,745	11,051,756
	13,168,720	107,191	53,884	13,329,795
FUND BALANCES				
Nonspendable	282,456	-	-	282,456
Restricted				
Child nutrition program	2,117,779	-	-	2,117,779
Tort	-	-	275,929	275,929
Assigned for working cash	-	3,319,988	-	3,319,988
Unassigned	10,830,858	-	-	10,830,858
	13,231,093	3,319,988	275,929	16,827,010
	\$ 26,399,813	\$ 3,427,179	\$ 329,813	\$ 30,156,805

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GENERAL FUND - BY ACCOUNT

For the Year Ended June 30, 2020

	Educational Accounts	Working Cash Accounts	Tort Accounts	Total
REVENUES				
Property taxes	\$ 10,643,156	\$ 101,245	\$ 31,009	\$ 10,775,410
Corporate personal property replacement taxes	361,818	-	-	361,818
State aid	28,794,354	-	-	28,794,354
Federal aid	2,824,902	-	-	2,824,902
Investment income	286,510	34,253	-	320,763
Other	494,406	-	295	494,701
Total revenues	43,405,146	135,498	31,304	43,571,948
EXPENDITURES				
Current				
Instruction				
Regular programs	14,008,142	-	-	14,008,142
Pre-K programs	707,958	-	-	707,958
Special programs	5,764,797	-	-	5,764,797
Other instructional programs	7,360,678	-	-	7,360,678
Support services				
Pupils	4,177,189	-	-	4,177,189
Instructional staff	1,850,568	-	-	1,850,568
General administration	2,152,541	-	114,890	2,267,431
School administration	2,461,091	-	-	2,461,091
Business	1,368,568	-	-	1,368,568
Central	1,378,050	-	-	1,378,050
Other support services	3,204	-	-	3,204
Community services	208,754	-	-	208,754
Intergovernmental	349,330	-	-	349,330
Capital outlay	315,438	-	-	315,438
Total expenditures	42,106,308	-	114,890	42,221,198
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,298,838	135,498	(83,586)	1,350,750
OTHER FINANCING SOURCES (USES)				
Loss on sale of asset	(30,564)	-	-	(30,564)
Total other financing sources (uses)	(30,564)	-	-	(30,564)
NET CHANGE IN FUND BALANCES	1,268,274	135,498	(83,586)	1,320,186
FUND BALANCES, JULY 1	11,962,819	3,184,490	359,515	15,506,824
FUND BALANCES, JUNE 30	\$ 13,231,093	\$ 3,319,988	\$ 275,929	\$ 16,827,010

(See independent auditor's report.)

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Educational property taxes	\$ 9,197,960	\$ 9,089,264	\$ (108,696)
Special education property taxes	1,569,369	1,553,892	(15,477)
Corporate personal property replacement taxes	225,000	361,818	136,818
Regular - tuition from pupils or parents	-	198,083	198,083
Special education - tuition from other districts	-	21,943	21,943
Interest on investments	60,000	286,510	226,510
Sales to pupils - lunch	500	782	282
Sales to pupils - breakfast	200	-	(200)
Sales to pupils - a la carte	250	-	(250)
Sales to adults	-	527	527
Admission - athletics	42,000	12,693	(29,307)
Admission - other	-	750	750
Rentals - regular textbooks	103,000	-	(103,000)
Fees	64,700	48,131	(16,569)
Other district/school activity revenue	-	185	185
Driver's education fees	8,000	15,329	7,329
Impact fees from municipal or county governments	-	7,137	7,137
Other local fees	5,000	1,175	(3,825)
Other local revenue	100,000	150,742	50,742
Total local sources	11,375,979	11,748,961	372,982
Flow-through revenues from one district to another district			
Flow-through revenue from state sources	-	21,815	21,815
Flow-through revenue from federal sources	-	15,114	15,114
Total flow-through revenue from one district to another district	-	36,929	36,929
State sources			
Evidence based funding formula	15,215,301	15,193,164	(22,137)
Special education - private facility tuition	60,000	181,958	121,958
Special education - orphanage - individual	-	40,942	40,942
CTE - secondary program improvement (CTEI)	45,000	22,593	(22,407)
CTE - agriculture education	3,000	5,173	2,173
CTE - other	12,000	-	(12,000)
State free lunch and breakfast	22,000	20,486	(1,514)
Driver's education	22,000	21,832	(168)
Early childhood - block grant	555,000	448,226	(106,774)
Other restricted revenue from state sources	101,550	169,184	67,634
Total state sources	16,035,851	16,103,558	67,707

(This schedule is continued on the following pages.)

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES (Continued)			
Federal sources			
Title V - Rural education initiative (REI)	\$ -	\$ 12,748	\$ 12,748
National school lunch program	1,045,000	759,864	(285,136)
School breakfast program	500,000	342,701	(157,299)
Summer food service	-	201,359	201,359
Food service - other	-	94,660	94,660
Title I - low income	750,000	303,034	(446,966)
School improvement grant	-	35,633	35,633
Title IV - safe and drug free schools	-	11,981	11,981
Federal special education - preschool flow-through	18,300	19,443	1,143
Federal special education - IDEA - flow-through	625,127	588,713	(36,414)
Federal special education - IDEA - room and board	4,000	80,434	76,434
CTE - Perkins - title IIIE - tech prep	30,000	-	(30,000)
CTE - other	-	20,216	20,216
Title III - immigrant education program (IEP)	-	1,115	1,115
Title III - language inst program - limited eng (LIPLEP)	94,300	86,562	(7,738)
Title II - teacher quality	-	34,218	34,218
Medicaid matching funds - administrative outreach	-	48,738	48,738
Medicaid matching funds - fee-for-service program	250,000	111,472	(138,528)
Other restricted revenues from federal sources	131,000	72,011	(58,989)
	<u>3,447,727</u>	<u>2,824,902</u>	<u>(622,825)</u>
Total federal sources			
	<u>3,447,727</u>	<u>2,824,902</u>	<u>(622,825)</u>
Total revenues	<u>30,859,557</u>	<u>30,714,350</u>	<u>(145,207)</u>
EXPENDITURES			
Instruction			
Regular programs			
Salaries	7,155,255	7,271,423	116,168
Employee benefits	1,145,697	1,273,917	128,220
Purchased services	201,350	180,227	(21,123)
Supplies and materials	585,750	489,247	(96,503)
Capital outlay	-	9,432	9,432
Other objects	6,300	1,386	(4,914)
Noncapitalized equipment	225,000	65,587	(159,413)
	<u>9,319,352</u>	<u>9,291,219</u>	<u>(28,133)</u>
Total regular programs			
	<u>9,319,352</u>	<u>9,291,219</u>	<u>(28,133)</u>
Pre-K programs			
Salaries	296,800	377,402	80,602
Employee benefits	36,935	68,475	31,540
Purchased services	15,000	8,328	(6,672)
Supplies and materials	6,000	8,446	2,446
Noncapitalized equipment	10,000	-	(10,000)
	<u>364,735</u>	<u>462,651</u>	<u>97,916</u>
Total Pre-K programs			
	<u>364,735</u>	<u>462,651</u>	<u>97,916</u>

(This schedule is continued on the following pages.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Instruction (Continued)			
Special education programs			
Salaries	\$ 2,422,186	\$ 2,529,712	\$ 107,526
Employee benefits	458,360	420,288	(38,072)
Purchased services	51,000	14,924	(36,076)
Supplies and materials	64,500	8,572	(55,928)
Noncapitalized equipment	5,000	-	(5,000)
Total special education programs	<u>3,001,046</u>	<u>2,973,496</u>	<u>(27,550)</u>
Special education programs - Pre-K			
Salaries	-	197,158	197,158
Employee benefits	-	30,719	30,719
Purchased services	-	1,402	1,402
Supplies and materials	-	4,294	4,294
Noncapitalized equipment	-	5,437	5,437
Total special education programs - Pre-K	<u>-</u>	<u>239,010</u>	<u>239,010</u>
Remedial and supplemental programs K-12			
Salaries	280,000	86,738	(193,262)
Employee benefits	34,400	14,046	(20,354)
Purchased services	50,000	52,954	2,954
Supplies and materials	9,500	8,659	(841)
Total remedial and supplemental programs K-12	<u>373,900</u>	<u>162,397</u>	<u>(211,503)</u>
Remedial and supplemental programs - Pre-K			
Supplies and materials	-	1,239	1,239
Total remedial and supplemental programs - Pre-K	<u>-</u>	<u>1,239</u>	<u>1,239</u>
CTE programs			
Salaries	534,438	537,970	3,532
Employee benefits	53,062	67,138	14,076
Purchased services	32,000	8,756	(23,244)
Supplies and materials	35,500	33,872	(1,628)
Capital outlay	15,000	81,339	66,339
Other objects	-	40	40
Noncapitalized equipment	15,000	14,936	(64)
Total CTE programs	<u>685,000</u>	<u>744,051</u>	<u>59,051</u>

(This schedule is continued on the following pages.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Instruction (Continued)			
Interscholastic programs			
Salaries	\$ 510,453	\$ 503,313	\$ (7,140)
Employee benefits	20,830	68,308	47,478
Purchased services	113,900	98,487	(15,413)
Supplies and materials	108,310	83,563	(24,747)
Capital outlay	-	1,525	1,525
Other objects	4,000	4,565	565
Noncapitalized equipment	48,500	31,252	(17,248)
Total interscholastic programs	805,993	791,013	(14,980)
Summer school programs			
Salaries	50,000	113,441	63,441
Employee benefits	800	10,628	9,828
Purchased services	200	-	(200)
Supplies and materials	1,000	809	(191)
Total summer school programs	52,000	124,878	72,878
Driver's education programs			
Salaries	80,000	72,288	(7,712)
Employee benefits	11,332	13,141	1,809
Purchased services	1,200	998	(202)
Supplies and materials	2,500	1,966	(534)
Capital outlay	-	10,000	10,000
Total driver's education programs	95,032	98,393	3,361
Bilingual programs			
Salaries	1,431,237	2,653,584	1,222,347
Employee benefits	184,480	443,432	258,952
Purchased services	2,000	17,755	15,755
Supplies and materials	5,000	43,089	38,089
Total bilingual programs	1,622,717	3,157,860	1,535,143
Special education programs K-12 private tuition			
Other objects	450,000	559,839	109,839
Total special education programs K-12 private tuition	450,000	559,839	109,839
Total instruction	16,769,775	18,606,046	1,836,271

(This schedule is continued on the following pages.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services			
Pupils			
Attendance and social work services			
Salaries	\$ 724,590	\$ 611,713	\$ (112,877)
Employee benefits	128,542	96,674	(31,868)
Purchased services	20,000	5,000	(15,000)
Total attendance and social work services	873,132	713,387	(159,745)
Guidance services			
Salaries	203,639	302,370	98,731
Employee benefits	18,764	39,906	21,142
Purchased services	50,000	70,519	20,519
Supplies and materials	2,200	1,216	(984)
Total guidance services	274,603	414,011	139,408
Health services			
Salaries	184,894	205,939	21,045
Employee benefits	42,512	28,330	(14,182)
Purchased services	10,600	2,370	(8,230)
Supplies and materials	7,000	6,402	(598)
Other objects	-	146	146
Noncapitalized equipment	4,000	-	(4,000)
Total health services	249,006	243,187	(5,819)
Psychological services			
Salaries	174,200	179,164	4,964
Employee benefits	24,382	24,982	600
Purchased services	2,000	9,847	7,847
Supplies and materials	-	3,584	3,584
Total psychological services	200,582	217,577	16,995
Speech pathology and audiology services			
Salaries	450,000	542,499	92,499
Employee benefits	48,664	61,103	12,439
Purchased services	61,200	150,123	88,923
Other objects	-	853	853
Total speech pathology and audiology services	559,864	754,578	194,714

(This schedule is continued on the following pages.)

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Pupils (Continued)			
Other support services - pupils			
Salaries	\$ -	\$ 257,872	\$ 257,872
Employee benefits	-	23,069	23,069
Purchased services	-	184,766	184,766
Supplies and materials	-	4,052	4,052
Total other support services - pupils	-	469,759	469,759
Total pupils	2,157,187	2,812,499	655,312
Instructional staff			
Improvement of instructional services			
Salaries	371,320	528,097	156,777
Employee benefits	11,095	55,516	44,421
Purchased services	750,500	407,290	(343,210)
Supplies and materials	31,000	4,390	(26,610)
Other objects	-	14,048	14,048
Total improvement of instructional services	1,163,915	1,009,341	(154,574)
Educational media services			
Salaries	216,321	174,153	(42,168)
Employee benefits	27,564	27,629	65
Purchased services	18,077	50,416	32,339
Supplies and materials	52,900	52,010	(890)
Capital outlay	-	26,050	26,050
Other objects	-	530	530
Total educational media services	314,862	330,788	15,926
Assessment and testing			
Salaries	5,000	910	(4,090)
Employee benefits	150	325	175
Purchased services	100,125	44,539	(55,586)
Supplies and materials	-	33,668	33,668
Total assessment and testing	105,275	79,442	(25,833)
Total instructional staff	1,584,052	1,419,571	(164,481)

(This schedule is continued on the following pages.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
General administration			
Board of Education services			
Salaries	\$ 33,100	\$ 1,800	\$ (31,300)
Employee benefits	22,395	-	(22,395)
Purchased services	311,400	63,518	(247,882)
Supplies and materials	-	137	137
Total Board of Education services	366,895	65,455	(301,440)
Executive administration services			
Salaries	407,200	449,759	42,559
Employee benefits	26,000	68,228	42,228
Purchased services	13,729	311,831	298,102
Supplies and materials	31,200	5,421	(25,779)
Other objects	17,000	11,511	(5,489)
Noncapitalized equipment	2,000	713	(1,287)
Total executive administration services	497,129	847,463	350,334
Special area administration services			
Salaries	369,340	485,236	115,896
Employee benefits	30,966	33,262	2,296
Purchased services	-	65,476	65,476
Supplies and materials	-	37,759	37,759
Other objects	-	1,180	1,180
Noncapitalized equipment	-	7,803	7,803
Total special area administration services	400,306	630,716	230,410
Total general administration	1,264,330	1,543,634	279,304
School administration			
Office of the principal services			
Salaries	1,112,327	1,148,770	36,443
Employee benefits	144,915	182,173	37,258
Purchased services	5,600	7,394	1,794
Supplies and materials	22,840	12,803	(10,037)
Other objects	-	2,217	2,217
Total office of the principal services	1,285,682	1,353,357	67,675

(This schedule is continued on the following pages.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
School administration (Continued)			
Other support services - school administration			
Salaries	\$ 112,200	\$ 199,119	\$ 86,919
Employee benefits	11,200	31,632	20,432
Purchased services	-	503	503
Supplies and materials	-	5	5
Other objects	-	361	361
Total support services - school administration	123,400	231,620	108,220
Total school administration	1,409,082	1,584,977	175,895
Business			
Direction of business support services			
Salaries	120,562	123,768	3,206
Employee benefits	7,400	10,393	2,993
Purchased services	-	784	784
Total direction of business support services	127,962	134,945	6,983
Fiscal services			
Salaries	214,500	142,749	(71,751)
Employee benefits	30,425	24,228	(6,197)
Purchased services	32,200	30,175	(2,025)
Supplies and materials	15,600	27,589	11,989
Other objects	2,000	1,414	(586)
Total fiscal services	294,725	226,155	(68,570)
Food services			
Purchased services	1,112,000	998,111	(113,889)
Supplies and materials	3,900	9,357	5,457
Capital outlay	-	13,861	13,861
Noncapitalized equipment	19,000	-	(19,000)
Total food service	1,134,900	1,021,329	(113,571)
Total business	1,557,587	1,382,429	(175,158)
Central			
Direction of central support services			
Salaries	10,000	-	(10,000)
Employee benefits	200	-	(200)
Total direction of central support services	10,200	-	(10,200)

(This schedule is continued on the following pages.)

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
 EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Central (Continued)			
Planning, research, development and evaluation services			
Purchased services	\$ 5,000	\$ -	\$ (5,000)
Total planning, research, development and evaluation services	5,000	-	(5,000)
Information services			
Salaries	111,925	76,031	(35,894)
Employee benefits	66	7,903	7,837
Purchased services	43,700	20,371	(23,329)
Supplies and materials	2,000	4,636	2,636
Other objects	500	195	(305)
Noncapitalized equipment	5,000	-	(5,000)
Total information services	163,191	109,136	(54,055)
Staff services			
Salaries	-	94,180	94,180
Employee benefits	-	28,948	28,948
Purchased services	18,000	64,700	46,700
Supplies and materials	2,000	29,437	27,437
Capital outlay	-	6,580	6,580
Other objects	2,000	1,726	(274)
Noncapitalized equipment	5,000	559	(4,441)
Total staff services	27,000	226,130	199,130
Data processing services			
Salaries	328,083	319,779	(8,304)
Employee benefits	62,650	56,706	(5,944)
Purchased services	529,775	246,201	(283,574)
Supplies and materials	80,000	285,312	205,312
Capital outlay	150,000	181,651	31,651
Other objects	2,000	-	(2,000)
Noncapitalized equipment	670,000	80,153	(589,847)
Total data processing services	1,822,508	1,169,802	(652,706)
Total central	2,027,899	1,505,068	(522,831)

(This schedule is continued on the following pages.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support Services (Continued)			
Other support services			
Salaries	\$ 80,320	\$ -	\$ (80,320)
Employee benefits	66	-	(66)
Purchased services	19,000	-	(19,000)
Supplies and materials	25,744	3,204	(22,540)
Total other support services	125,130	3,204	(121,926)
Total support services	10,125,267	10,251,382	126,115
Community services			
Salaries	-	147,278	147,278
Employee benefits	-	21,407	21,407
Purchased services	-	16,683	16,683
Supplies and materials	-	23,386	23,386
Total community services	-	208,754	208,754
Payments to other districts and governmental units			
Payments for special education programs			
Purchased services	190,000	-	(190,000)
Total payments for special education programs	190,000	-	(190,000)
Other payments to in-state governmental units			
Purchased services	75,000	47,045	(27,955)
Total other payments to in-state governmental units	75,000	47,045	(27,955)
Payments for special education programs - tuition			
Other objects	-	284,307	284,307
Total payments for special education programs - tuition	-	284,307	284,307
Payments for community college programs - tuition			
Other objects	-	17,978	17,978
Total payments for community college programs - tuition	-	17,978	17,978
Total payments to other districts and governmental units	265,000	349,330	84,330

(This schedule is continued on the following page.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Provision for contingencies	\$ 3,639,958	\$ -	\$ (3,639,958)
Total expenditures	<u>30,800,000</u>	<u>29,415,512</u>	<u>(1,384,488)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>59,557</u>	<u>1,298,838</u>	<u>1,239,281</u>
OTHER FINANCING SOURCES (USES)			
Loss on sale of asset	<u>-</u>	<u>(30,564)</u>	<u>(30,564)</u>
Total other financing sources (uses)	<u>-</u>	<u>(30,564)</u>	<u>(30,564)</u>
NET CHANGE IN FUND BALANCE (BUDGETARY BASIS)	<u>\$ 59,557</u>	<u>1,268,274</u>	<u>\$ 1,208,717</u>
ADJUSTMENTS TO BUDGETARY BASIS			
On-behalf revenue		12,690,796	
On-behalf expenditures		<u>(12,690,796)</u>	
NET CHANGE IN FUND BALANCE (GAAP BASIS)		1,268,274	
FUND BALANCE, JULY 1		<u>11,962,819</u>	
FUND BALANCE, JUNE 30		<u>\$ 13,231,093</u>	

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WORKING CASH ACCOUNTS**

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 102,253	\$ 101,245	\$ (1,008)
Interest on investments	10,000	34,253	24,253
Total local sources	112,253	135,498	23,245
Total revenues	112,253	135,498	23,245
EXPENDITURES			
None	-	-	-
Total expenditures	-	-	-
NET CHANGE IN FUND BALANCE	\$ 112,253	135,498	\$ 23,245
FUND BALANCE, JULY 1		3,184,490	
FUND BALANCE, JUNE 30		\$ 3,319,988	

(See independent auditor's report.)

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 TORT ACCOUNTS

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 31,310	\$ 31,009	\$ (301)
Refund of prior year expenses	-	295	295
Total local sources	31,310	31,304	(6)
Total revenues	31,310	31,304	(6)
EXPENDITURES			
Support services			
General administration			
Workers' compensation			
Purchased services	70,000	90,735	20,735
Total workers' compensation	70,000	90,735	20,735
Unemployment insurance payments			
Purchased services	15,000	24,155	9,155
Total unemployment insurance payments	15,000	24,155	9,155
Total support services - general administration	85,000	114,890	29,890
Total expenditures	85,000	114,890	29,890
NET CHANGE IN FUND BALANCE	\$ (53,690)	(83,586)	\$ (29,896)
FUND BALANCE, JULY 1		359,515	
FUND BALANCE, JUNE 30		\$ 275,929	

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (under)
REVENUES			
Local sources			
Property taxes	\$ 1,650,906	\$ 1,634,623	\$ (16,283)
Corporate personal property replacement taxes	200,000	200,000	-
Interest on investments	10,000	15,927	5,927
Fees	8,500	10,925	2,425
Rentals	12,000	1,725	(10,275)
Contributions and donations from private sources	1,000	-	(1,000)
Other local revenue	50,000	32,800	(17,200)
	1,932,406	1,896,000	(36,406)
State sources			
Evidence based funding formula	1,300,000	1,300,000	-
	1,300,000	1,300,000	-
	3,232,406	3,196,000	(36,406)
EXPENDITURES			
Support services			
Business			
Operation and maintenance of plant services			
Salaries	1,127,344	1,143,139	15,795
Employee benefits	204,316	187,059	(17,257)
Purchased services	616,900	597,525	(19,375)
Supplies and materials	463,500	534,690	71,190
Capital outlay	775,000	217,838	(557,162)
Other objects	600	273	(327)
Noncapitalized equipment	42,000	19,710	(22,290)
	3,229,660	2,700,234	(529,426)
Total operation and maintenance of plant services	3,229,660	2,700,234	(529,426)
Total support services - business	3,229,660	2,700,234	(529,426)
Total expenditures	3,229,660	2,700,234	(529,426)
NET CHANGE IN FUND BALANCE	\$ 2,746	495,766	\$ 493,020
FUND BALANCE, JULY 1		5,186,860	
FUND BALANCE, JUNE 30		\$ 5,682,626	

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND**

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 2,180,000	\$ 2,198,596	\$ 18,596
Interest on investments	1,000	4,964	3,964
Total local sources	2,181,000	2,203,560	22,560
Total revenues	2,181,000	2,203,560	22,560
EXPENDITURES			
Debt service			
Payments on long-term debt			
Interest on long-term debt	785,999	786,373	374
Principal payments on long-term debt	1,395,000	1,395,000	-
Total payments on long-term debt	2,180,999	2,181,373	374
Total expenditures	2,180,999	2,181,373	374
NET CHANGE IN FUND BALANCE	\$ 1	22,187	\$ 22,186
FUND BALANCE, JULY 1		148,079	
FUND BALANCE, JUNE 30		\$ 170,266	

(See independent auditor's report.)

HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 TRANSPORTATION FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 1,052,454	\$ 1,042,068	\$ (10,386)
Investment income	4,000	6,348	2,348
Other local revenues	5,000	-	(5,000)
	1,061,454	1,048,416	(13,038)
State sources			
Transportation - regular	850,000	913,417	63,417
Transportation - special education	250,000	431,246	181,246
	1,100,000	1,344,663	244,663
Total revenues	2,161,454	2,393,079	231,625
EXPENDITURES			
Support services			
Business			
Pupil transportation services			
Purchased services	1,851,000	2,001,543	329,232
Supplies and materials	5,000	7,509	2,327
	1,856,000	2,009,052	331,559
Total support services - business	1,856,000	2,009,052	331,559
Total expenditures	1,856,000	2,009,052	331,559
NET CHANGE IN FUND BALANCE	\$ 305,454	384,027	\$ (99,934)
FUND BALANCE, JULY 1		1,701,426	
FUND BALANCE, JUNE 30		\$ 2,085,453	

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 356,937	\$ 322,548	\$ (34,389)
FICA/Medicare only property taxes	367,207	394,447	27,240
Corporate personal property replacement taxes	115,000	115,000	-
Other local revenue	-	4,356	4,356
	<hr/>	<hr/>	<hr/>
Total local sources	839,144	836,351	(2,793)
	<hr/>	<hr/>	<hr/>
Total revenues	839,144	836,351	(2,793)
EXPENDITURES			
Instruction			
Regular programs	149,691	144,544	(5,147)
Pre-K programs	18,600	22,493	3,893
Special education programs	199,950	135,375	(64,575)
Special education programs - Pre-K	-	12,179	12,179
Remedial and supplemental programs - K-12	16,500	11,652	(4,848)
CTE programs	5,900	6,709	809
Interscholastic programs	28,670	18,140	(10,530)
Summer school programs	3,000	2,173	(827)
Driver's education programs	1,250	1,047	(203)
Bilingual programs	24,870	36,419	11,549
	<hr/>	<hr/>	<hr/>
Total instruction	448,431	390,731	(57,700)
Support services			
Pupils			
Attendance and social work services	39,420	9,514	(29,906)
Guidance services	3,220	7,611	4,391
Health services	19,600	26,033	6,433
Psychological services	2,650	2,535	(115)
Speech pathology and audiology services	6,550	7,382	832
Other support services	-	31,284	31,284
	<hr/>	<hr/>	<hr/>
Total pupils	71,440	84,359	(18,365)
Instructional staff			
Improvement of instructional services	440	7,615	7,175
Educational media services	2,320	2,442	122
Assessment and testing	140	18	(122)
	<hr/>	<hr/>	<hr/>
Total instructional staff	2,900	10,075	7,297

(This schedule is continued on the following page.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

For the Year Ended June 30, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
EXPENDITURES (Continued)			
Support services (Continued)			
General administration			
Board of education services	\$ 1,395	\$ 295	\$ (1,100)
Executive administration services	14,300	17,857	3,557
Special area administration services	15,450	23,186	7,736
Total general administration	<u>31,145</u>	<u>41,338</u>	<u>10,193</u>
School administration			
Office of principal services	64,820	57,954	(6,866)
Office support services - school administration	1,850	2,966	1,116
Total school administration	<u>66,670</u>	<u>60,920</u>	<u>(5,750)</u>
Business			
Direction of business support services	2,000	19,054	17,054
Fiscal services	33,000	20,626	(12,374)
Operation and maintenance of plant services	179,000	170,742	(8,258)
Total business	<u>214,000</u>	<u>210,422</u>	<u>(3,578)</u>
Central			
Direction of central support services	40	-	(40)
Information services	10,000	11,977	1,977
Staff services	-	13,886	13,886
Data processing services	56,450	48,432	(8,018)
Total central	<u>66,490</u>	<u>74,295</u>	<u>7,805</u>
Total support services	<u>452,645</u>	<u>481,409</u>	<u>(2,398)</u>
Community services	<u>6,450</u>	<u>21,984</u>	<u>15,534</u>
Total expenditures	<u>907,526</u>	<u>894,124</u>	<u>(44,564)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (68,382)</u>	<u>(57,773)</u>	<u>\$ 41,771</u>
FUND BALANCE, JULY 1		<u>97,775</u>	
FUND BALANCE, JUNE 30		<u>\$ 40,002</u>	

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Other local revenue	\$ -	\$ 4,188	\$ 4,188
Total local sources	-	4,188	4,188
State sources			
Evidence based funding formula	855,970	821,657	(34,313)
Total state sources	855,970	821,657	(34,313)
Total revenues	855,970	825,845	(30,125)
EXPENDITURES			
Support services			
Business			
Facilities acquisition and construction services			
Purchased services	212,843	22,524	(190,319)
Capital outlay	643,129	460,607	(182,522)
Total facilities acquisition and construction services	855,972	483,131	(372,841)
Total support services - business	855,972	483,131	(372,841)
Total expenditures	855,972	483,131	(372,841)
NET CHANGE IN FUND BALANCE	\$ (2)	342,714	\$ 342,716
FUND BALANCE (DEFICIT), JULY 1		(167,987)	
FUND BALANCE, JUNE 30		\$ 174,727	

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FIRE PREVENTION AND SAFETY FUND

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Investment income	\$ 10,000	\$ 32,098	\$ 22,098
Total local sources	10,000	32,098	22,098
State sources			
Evidence based funding formula	-	104,591	104,591
Total state sources	-	104,591	104,591
Total revenues	10,000	136,689	126,689
EXPENDITURES			
None	-	-	-
Total expenditures	-	-	-
NET CHANGE IN FUND BALANCE	\$ 10,000	136,689	\$ 126,689
FUND BALANCE (DEFICIT), JULY 1		(104,591)	
FUND BALANCE, JUNE 30		\$ 32,098	

(See independent auditor's report.)

FIDUCIARY FUND

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND**

For the Year Ended June 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2019
ASSETS				
Cash and cash equivalents	\$ 120,825	\$ 182,683	\$ 191,433	\$ 112,075
Investments	8,622	177	-	8,799
TOTAL ASSETS	\$ 157,841	\$ 182,860	\$ 191,433	\$ 120,874
LIABILITIES				
Due to student organizations				
Washington	\$ 4	\$ 2,008	\$ 740	\$ 1,272
Crosby	5,174	9,884	8,578	6,480
Jefferson	6,798	28,168	23,014	11,952
Junior high	13,027	6,658	11,911	7,774
High school	114,204	119,549	119,491	114,262
District wide	(9,760)	16,593	27,699	(20,866)
TOTAL LIABILITIES	\$ 157,841	\$ 182,860	\$ 191,433	\$ 120,874

(See independent auditor's report.)

**HARVARD COMMUNITY UNIT SCHOOL DISTRICT #50
HARVARD, ILLINOIS**

ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR END FINANCIAL REPORT

For the Year Ended June 30, 2020

CSFA Number	Program Name	State	Federal	Other	Total
478-00-0251	Medical Assistance Program	\$ -	\$ 57,357	\$ -	\$ 57,357
586-13-0427	Title V - Rural Education Initiative	-	12,748	-	12,748
586-18-0406	School Breakfast Program	-	342,701	-	342,701
586-18-0407	National School Lunch Program	-	759,865	-	759,865
586-18-0428	Title III Immigrant Education Programs - Lang Inst Prog - Limited Eng LIPLEP	-	86,562	-	86,562
586-18-0520	Early Childhood Block Grant	-	-	-	-
586-18-0868	Early Childhood Block Grant	448,226	-	-	448,226
586-44-0414	Title I - Low Income	-	303,034	-	303,034
586-47-0429	Mathematics and Science Partnerships	-	-	-	-
	Other grant programs and activities	-	1,244,051	-	1,244,051
	All other costs not allocated	1,806,832	-	45,770,199	47,577,031
	TOTAL	<u>\$ 2,255,058</u>	<u>\$ 2,806,318</u>	<u>\$ 45,770,199</u>	<u>\$ 50,831,575</u>

(See independent auditor's report.)