



815.344.1300 mchenry
847.382.3366 barrington
847.336.6455 gurnee
www.edercasella.com

**ALDEN-HEBRON COMMUNITY CONSOLIDATED
UNIT SCHOOL DISTRICT NO. 19
STATE OF ILLINOIS**

ANNUAL FINANCIAL REPORT

JUNE 30, 2020

eder, casella & co

ALDEN-HEBRON COMMUNITY CONSOLIDATED
UNIT SCHOOL DISTRICT NO. 19
TABLE OF CONTENTS
JUNE 30, 2020

	PAGE
INDEPENDENT AUDITOR'S REPORT	1
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	4
BASIC FINANCIAL STATEMENTS	
Statement of Assets, Liabilities, and Fund Balances Arising from Cash Transactions – Regulatory Basis – All Funds and Account Groups	6
Statement of Revenue Received, Expenditures Disbursed, Other Sources (Uses), and Changes in Fund Balances – All Funds Except Agency Funds	8
Statement of Revenue Received – All Funds Except Agency Funds	9
Statement of Expenditures Disbursed – Budget to Actual	
Educational Fund	11
Operations and Maintenance Fund	15
Debt Services Fund	16
Transportation Fund	17
Illinois Municipal Retirement/Social Security Fund	18
Notes to Financial Statements	20
SUPPLEMENTAL FINANCIAL INFORMATION	
Schedule of Changes in Assets and Liabilities – Activity Funds	33
Computation of Operating Expense Per Pupil and Per Capita Tuition Charge	34



815.344.1300 mchenry
 847.382.3366 barrington
 847.336.6455 gurnee
 www.edercasella.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
 Alden-Hebron Community Consolidated Unit School District No. 19
 Hebron, Illinois

We have audited the accompanying basic financial statements of

Alden-Hebron Community Consolidated Unit School District No. 19

as of and for the year ended June 30, 2020, and the related notes to the 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 practices prescribed or permitted by the Illinois State Board of Education to demonstrate compliance with the Illinois State Board of Education's regulatory basis of accounting and budget laws as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

eder, Casella & CO

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the financial statements are prepared by Alden-Hebron Community Consolidated Unit School District No. 19 on the basis of accounting practices prescribed or permitted by the Illinois State Board of Education to demonstrate compliance with the Illinois State Board of Education's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Also as described in Note 1, Alden-Hebron Community Consolidated Unit School District No. 19 prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Alden-Hebron Community Consolidated Unit School District No. 19 as of June 30, 2020, or changes in financial position for the year then ended.

Unmodified Opinion on Regulatory Cash Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of Alden-Hebron Community Consolidated Unit School District No. 19 as of June 30, 2020, and the revenue it received and expenditures it paid for the year then ended, in accordance with the basis of accounting practices prescribed or permitted by the Illinois State Board of Education as described in Note 1.

Other Matters

Other Information

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

The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except for the average daily attendance figure included in the computation of operating expense per pupil and per capita tuition charges, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2020 on our consideration of Alden-Hebron Community Consolidated Unit School District No. 19's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Alden-Hebron Community Consolidated Unit School District No. 19's internal control over financial reporting and compliance.

Restriction on Use

This report is intended solely for the information and use of management, the Board of Education, others within the District, and the Illinois State Board of Education and is not intended to be and should not be used by anyone other than these specified parties.

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

McHenry, Illinois
September 25, 2020



815.344.1300 mchenry
847.382.3366 barrington
847.336.6455 gurnee
www.edercasella.com

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

To the Board of Education
Alden-Hebron Community Consolidated Unit School District No. 19
Hebron, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of

Alden-Hebron Community Consolidated Unit School District No. 19

as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Alden-Hebron Community Consolidated Unit School District No. 19's basic financial statements, and have issued our report thereon dated September 25, 2020. Our opinion was adverse because the financial statements are not prepared in accordance with generally accepted accounting principles. However, the financial statements were found to be fairly stated on the cash basis of accounting, in accordance with regulatory reporting requirements established by the Illinois State Board of Education, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Alden-Hebron Community Consolidated Unit School District No. 19's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Alden-Hebron Community Consolidated Unit School District No. 19's internal control. Accordingly, we do not express an opinion on the effectiveness of Alden-Hebron Community Consolidated Unit School District No. 19's internal control.

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

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

eder, casella & co

material weaknesses. We did identify certain deficiencies in internal control that we consider to be significant deficiencies. These deficiencies are as follows: inconsistent approval of payroll reports and lack of approval of p-card expenditures.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Alden-Hebron Community Consolidated Unit School District No. 19's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Alden-Hebron Community Consolidated Unit School District No. 19's Response to Findings

Alden-Hebron Community Consolidated Unit School District No. 19's response to the findings identified in our audit is described in the management letter. Alden-Hebron Community Consolidated Unit School District No. 19's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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


EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
September 25, 2020

BASIC FINANCIAL STATEMENTS

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS - REGULATORY BASIS
ALL FUNDS AND ACCOUNT GROUPS
AT JUNE 30, 2020

<u>ASSETS</u>	OPERATIONS AND MAINTENANCE		DEBT SERVICES		TRANSPOR- TATION		ILLINOIS MUNICIPAL RETIREMENT/ SOCIAL SECURITY		CAPITAL PROJECTS	
	EDUCATIONAL									
Cash and Cash Equivalents	\$ 3,220,416	\$ 683,372	\$ 134,943	\$ 510,341	\$ 49,514	\$ 42,014				
Other Receivables	9,996	1,938	-	2,612	4,323	-				
Land	-	-	-	-	-	-				
Building and Building Improvements	-	-	-	-	-	-				
Capitalized Equipment	-	-	-	-	-	-				
Amount Available in Debt Services Fund	-	-	-	-	-	-				
Amount to be Provided for Payment of Long-Term Debt	-	-	-	-	-	-				
Total Assets	\$ 3,230,412	\$ 685,310	\$ 134,943	\$ 512,953	\$ 53,837	\$ 42,014				
<u>LIABILITIES AND FUND BALANCE</u>										
LIABILITIES										
Current Liabilities										
Due to Activity Fund Organizations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Total Current Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Long -Term Liabilities										
Long-Term Debt Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Total Long-Term Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
FUND BALANCE										
Investment in General Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Fund Balance										
Unreserved										
Undesignated	3,230,412	685,310	134,943	512,953	53,837	42,014				
Total Fund Balance	\$ 3,230,412	\$ 685,310	\$ 134,943	\$ 512,953	\$ 53,837	\$ 42,014				
Total Liabilities and Fund Balance	\$ 3,230,412	\$ 685,310	\$ 134,943	\$ 512,953	\$ 53,837	\$ 42,014				

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS - REGULATORY BASIS
ALL FUNDS AND ACCOUNT GROUPS
AT JUNE 30, 2020

<u>ASSETS</u>	WORKING CASH	AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	TOTAL (MEMORANDUM ONLY)
Cash and Cash Equivalents	\$ 57,150	\$ 27,314	\$ -	\$ -	\$ 4,725,064
Other Receivables	-	-	-	-	18,869
Land	-	-	865,735	-	865,735
Building and Building Improvements	-	-	3,403,675	-	3,403,675
Capitalized Equipment	-	-	1,838,318	-	1,838,318
Amount Available in Debt Services Fund	-	-	-	134,943	134,943
Amount to be Provided for Payment of Long-Term Debt	-	-	-	314,560	314,560
	<u>-</u>	<u>-</u>	<u>-</u>	<u>314,560</u>	<u>314,560</u>
Total Assets	<u>\$ 57,150</u>	<u>\$ 27,314</u>	<u>\$ 6,107,728</u>	<u>\$ 449,503</u>	<u>\$ 11,301,164</u>
 <u>LIABILITIES AND FUND BALANCE</u>					
LIABILITIES					
Current Liabilities					
Due to Activity Fund Organizations	\$ -	\$ 27,314	\$ -	\$ -	\$ 27,314
Total Current Liabilities	<u>\$ -</u>	<u>\$ 27,314</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,314</u>
Long -Term Liabilities					
Long-Term Debt Payable	\$ -	\$ -	\$ -	\$ 449,503	\$ 449,503
Total Long-Term Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 449,503</u>	<u>\$ 449,503</u>
Total Liabilities	<u>\$ -</u>	<u>\$ 27,314</u>	<u>\$ -</u>	<u>\$ 449,503</u>	<u>\$ 476,817</u>
FUND BALANCE					
Investment in General Fixed Assets	\$ -	\$ -	\$ 6,107,728	\$ -	\$ 6,107,728
Fund Balance					
Unreserved					
Undesignated	57,150	-	-	-	4,716,619
Total Fund Balance	<u>\$ 57,150</u>	<u>\$ -</u>	<u>\$ 6,107,728</u>	<u>\$ -</u>	<u>\$ 10,824,347</u>
Total Liabilities and Fund Balance	<u>\$ 57,150</u>	<u>\$ 27,314</u>	<u>\$ 6,107,728</u>	<u>\$ 449,503</u>	<u>\$ 11,301,164</u>

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF REVENUE RECEIVED, EXPENDITURES DISBURSED, OTHER
SOURCES (USES), AND CHANGES IN FUND BALANCES -
ALL FUNDS EXCEPT AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	EDUCATIONAL	OPERATIONS AND MAINTENANCE	DEBT SERVICES	TRANSPOR- TATION	ILLINOIS MUNICIPAL RETIREMENT/ SOCIAL SECURITY	CAPITAL PROJECTS	WORKING CASH	TOTAL (MEMORANDUM ONLY)
REVENUE RECEIVED								
Local Sources	\$ 3,615,890	\$ 522,656	\$ 35,302	\$ 265,609	\$ 167,332	\$ 5,228	\$ -	\$ 4,612,017
State Sources	1,022,031	50,000	-	224,534	-	-	-	1,296,565
Federal Sources	435,310	-	-	-	-	-	-	435,310
On-Behalf Payments	2,359,933	-	-	-	-	-	-	2,359,933
	<u>\$ 7,433,164</u>	<u>\$ 572,656</u>	<u>\$ 35,302</u>	<u>\$ 490,143</u>	<u>\$ 167,332</u>	<u>\$ 5,228</u>	<u>\$ -</u>	<u>\$ 8,703,825</u>
EXPENDITURES DISBURSED								
Instruction	\$ 3,214,283	\$ -	\$ -	\$ -	\$ 69,599	\$ -	\$ -	\$ 3,283,882
Support Services	1,397,177	543,837	-	396,501	115,941	-	-	2,453,456
Community Services	291,928	-	-	-	5,152	-	-	297,080
Payments to Other Districts and Governmental Units	294,019	-	-	125	-	-	-	294,144
Debt Services	-	-	38,762	30,434	-	-	-	69,196
On-Behalf Payments	2,359,933	-	-	-	-	-	-	2,359,933
	<u>\$ 7,557,340</u>	<u>\$ 543,837</u>	<u>\$ 38,762</u>	<u>\$ 427,060</u>	<u>\$ 190,692</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,757,691</u>
EXCESS OR (DEFICIENCY) OF REVENUE RECEIVED OVER EXPENDITURES DISBURSED	\$ (124,176)	\$ 28,819	\$ (3,460)	\$ 63,083	\$ (23,360)	\$ 5,228	\$ -	\$ (53,866)
FUND BALANCE - JULY 1, 2019	3,354,588	656,491	138,403	449,870	77,197	36,786	57,150	4,770,485
FUND BALANCE - JUNE 30, 2020	<u>\$ 3,230,412</u>	<u>\$ 685,310</u>	<u>\$ 134,943</u>	<u>\$ 512,953</u>	<u>\$ 53,837</u>	<u>\$ 42,014</u>	<u>\$ 57,150</u>	<u>\$ 4,716,619</u>

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF REVENUE RECEIVED
ALL FUNDS EXCEPT AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

REVENUE RECEIVED	EDUCATIONAL	OPERATIONS AND MAINTENANCE	DEBT SERVICES	TRANSPOR- TATION	ILLINOIS MUNICIPAL RETIREMENT/ SOCIAL SECURITY	CAPITAL PROJECTS	WORKING CASH	TOTAL (MEMORANDUM ONLY)
Local Sources								
Ad Valorem Taxes Levied								
Designated Purpose Levies	\$ 2,988,496	\$ 522,656	\$ 35,302	\$ 262,888	\$ 86,484	\$ -	\$ -	\$ 3,895,826
Special Education Purpose Levy	259,528	-	-	-	-	-	-	259,528
FICA/Medicare Only Purposes Levy	-	-	-	-	68,278	-	-	68,278
Payments in Lieu of Taxes								
Corporate Personal Property Replacement Taxes	109,824	-	-	-	12,570	-	-	122,394
Tuition								
Regular Tuition from Pupils or Parents (In State)	34,838	-	-	-	-	-	-	34,838
Interest on Investments	29,924	-	-	-	-	-	-	29,924
Food Service								
Sales to Pupils - Lunch	16,295	-	-	-	-	-	-	16,295
Sales to Pupils - Breakfast	2,332	-	-	-	-	-	-	2,332
Sales to Pupils - Ala Carte	38,635	-	-	-	-	-	-	38,635
Sales to Pupils - Other	243	-	-	-	-	-	-	243
District/School Activity Income								
Admissions - Athletic	10,644	-	-	-	-	-	-	10,644
Admissions - Other	200	-	-	-	-	-	-	200
Fees	7,775	-	-	-	-	-	-	7,775
Book Store Sales	20	-	-	-	-	-	-	20
Other District/School Activity Revenue	13,742	-	-	-	-	-	-	13,742
Textbooks								
Rentals - Regular Textbook	31,676	-	-	-	-	-	-	31,676
Rentals - Summer School Textbook	3,535	-	-	-	-	-	-	3,535
Rentals - Adult/Continuing Education Textbook	1,959	-	-	-	-	-	-	1,959
Impact Fees From Municipal or County Governments	-	-	-	-	-	5,228	-	5,228
Drivers' Education Fees	500	-	-	-	-	-	-	500
Proceeds from Vendors' Contracts	25,461	-	-	-	-	-	-	25,461
Other Local Fees	40,263	-	-	2,721	-	-	-	42,984
Total Local Sources	\$ 3,615,890	\$ 522,656	\$ 35,302	\$ 265,609	\$ 167,332	\$ 5,228	\$ -	\$ 4,612,017

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF REVENUE RECEIVED
ALL FUNDS EXCEPT AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

REVENUE RECEIVED (Continued)	EDUCATIONAL	OPERATIONS AND MAINTENANCE	DEBT SERVICES	TRANSPOR- TATION	ILLINOIS MUNICIPAL RETIREMENT/ SOCIAL SECURITY	CAPITAL PROJECTS	WORKING CASH	TOTAL (MEMORANDUM ONLY)
State Sources								
Unrestricted Grants-In-Aid								
General State Aid - Sec. 18-8	\$ 581,133	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 581,133
Restricted Grants-In-Aid								
Special Education								
Private Facility Tuition	82,866	-	-	-	-	-	-	82,866
Orphanage - Individual	14,801	-	-	-	-	-	-	14,801
Secondary Program Improvement	3,318	-	-	-	-	-	-	3,318
State Free Lunch and Breakfast	1,022	-	-	-	-	-	-	1,022
Driver Education	2,583	-	-	-	-	-	-	2,583
Transportation								
Regular/Vocational	-	-	-	90,207	-	-	-	90,207
Special Education	-	-	-	134,327	-	-	-	134,327
Early Childhood - Block Grant	334,808	-	-	-	-	-	-	334,808
School Infrastructure - Maintenance Projects	-	50,000	-	-	-	-	-	50,000
Other Restricted Revenue from State Sources	1,500	-	-	-	-	-	-	1,500
Total State Sources	\$ 1,022,031	\$ 50,000	\$ -	\$ 224,534	\$ -	\$ -	\$ -	\$ 1,296,565
Federal Sources								
Federal Government through the State								
Title V								
Rural and Low Income Schools	\$ 34,433	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,433
Food Service								
National School Lunch Program	56,541	-	-	-	-	-	-	56,541
School Breakfast Program	13,509	-	-	-	-	-	-	13,509
Summer Food Service Admin/Program	21,462	-	-	-	-	-	-	21,462
Title I								
Low Income	93,780	-	-	-	-	-	-	93,780
Other	32,826	-	-	-	-	-	-	32,826
Title IV								
Safe and Drug Free Schools - Formula	10,000	-	-	-	-	-	-	10,000
Federal - Special Education								
Preschool - Flow Through	9,657	-	-	-	-	-	-	9,657
IDEA - Flow Through/Low Incidence	121,501	-	-	-	-	-	-	121,501
CTE								
Perkins - Title III E Tech Prep	3,715	-	-	-	-	-	-	3,715
Title III- English Language Acquisition	3,150	-	-	-	-	-	-	3,150
Title II - Teacher Quality	17,402	-	-	-	-	-	-	17,402
Medicaid Matching Funds - Administrative Outreach	8,429	-	-	-	-	-	-	8,429
Medicaid Matching Funds - Fee-For-Service Program	8,905	-	-	-	-	-	-	8,905
Total Federal Sources	\$ 435,310	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 435,310
Total Direct Revenue	\$ 5,073,231	\$ 572,656	\$ 35,302	\$ 490,143	\$ 167,332	\$ 5,228	\$ -	\$ 6,343,892

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET	ACTUAL
EXPENDITURES DISBURSED		
Instruction		
Regular Programs		
Salaries	\$ 1,577,685	\$ 1,571,222
Employee Benefits	393,095	364,268
Purchased Services	66,580	69,107
Supplies and Materials	96,810	107,273
Other Objects	1,500	1,500
	\$ 2,135,670	\$ 2,113,370
Special Education Programs		
Salaries	\$ 459,395	\$ 441,887
Employee Benefits	98,105	114,443
Purchased Services	4,800	4,701
Supplies and Materials	12,550	8,547
Capital Outlay	-	4,114
	\$ 574,850	\$ 573,692
CTE Programs		
Salaries	\$ 90,095	\$ 90,495
Employee Benefits	18,490	18,756
Purchased Services	1,055	955
Supplies and Materials	1,910	2,363
Capital Outlay	3,030	1,238
	\$ 114,580	\$ 113,807
Interscholastic Programs		
Salaries	\$ 120,150	\$ 117,439
Employee Benefits	12,510	14,279
Purchased Services	25,900	15,844
Supplies and Materials	10,000	9,749
Other Objects	8,500	7,064
	\$ 177,060	\$ 164,375
Driver's Education Programs		
Salaries	\$ 8,000	\$ 8,495
Employee Benefits	2,030	2,044
	\$ 10,030	\$ 10,539
Private Tuition - Other Objects		
Special Education Programs K-12	\$ 220,000	\$ 238,500
	\$ 220,000	\$ 238,500
Total Instruction	\$ 3,232,190	\$ 3,214,283
Support Services		
Pupils		
Attendance and Social Work Services		
Salaries	\$ 106,650	\$ 106,830
Employee Benefits	16,680	18,622
	\$ 123,330	\$ 125,452
Guidance Services		
Salaries	\$ 72,380	\$ 78,200
Employee Benefits	9,056	9,490
Purchased Services	2,500	617
	\$ 83,936	\$ 88,307

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET	ACTUAL
EXPENDITURES DISBURSED (Continued)		
Support Services (Continued)		
Pupils (Continued)		
Health Services		
Salaries	\$ 47,330	\$ 49,230
Employee Benefits	8,600	8,337
Purchased Services	100	-
Supplies and Materials	1,000	970
Capital Outlay	2,500	-
	\$ 59,530	\$ 58,537
Psychological Services		
Salaries	\$ 35,000	\$ 29,803
Employee Benefits	590	447
Purchased Services	200	-
Supplies and Materials	750	516
	\$ 36,540	\$ 30,766
Speech Pathology and Audiology Services		
Purchased Services	\$ 50,000	\$ 52,943
Supplies and Materials	250	-
	\$ 50,250	\$ 52,943
Total Support Services - Pupils	\$ 353,586	\$ 356,005
Instructional Staff		
Improvement of Instruction Services		
Employee Benefits	\$ 20,380	\$ 13,229
Purchased Services	12,300	15,542
Supplies and Materials	8,500	423
	\$ 41,180	\$ 29,194
Educational Media Services		
Salaries	\$ 112,830	\$ 113,237
Employee Benefits	7,375	17,128
Purchased Services	70,600	57,540
Supplies and Materials	34,100	52,860
Capital Outlay	-	1,665
	\$ 224,905	\$ 242,430
Assessment and Testing		
Purchased Services	\$ 9,190	\$ 9,665
Supplies and Materials	-	822
	\$ 9,190	\$ 10,487
Total Support Services - Instructional Staff	\$ 275,275	\$ 282,111
General Administration		
Board of Education Services		
Salaries	\$ 9,000	\$ 8,590
Employee Benefits	4,710	7,536
Purchased Services	74,300	54,928
Supplies and Materials	3,250	2,793
Other Objects	4,600	4,730
	\$ 95,860	\$ 78,577

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET	ACTUAL
EXPENDITURES DISBURSED (Continued)		
Support Services (Continued)		
General Administration (Continued)		
Executive Administration Services		
Salaries	\$ 116,000	\$ 114,477
Employee Benefits	24,525	26,226
Purchased Services	18,200	18,046
Supplies and Materials	40,100	36,438
Other Objects	2,300	1,139
	\$ 201,125	\$ 196,326
 Total Support Services - General Administration	 \$ 296,985	 \$ 274,903
 School Administration		
Office of the Principal Services		
Salaries	\$ 240,300	\$ 222,618
Employee Benefits	66,130	67,621
Purchased Services	13,250	2,510
Supplies and Materials	4,200	3,362
Other Objects	3,200	1,740
	\$ 327,080	\$ 297,851
 Total Support Services - School Administration	 \$ 327,080	 \$ 297,851
 Business		
Fiscal Services		
Salaries	\$ 38,000	\$ 36,744
Employee Benefits	10,210	10,124
Purchased Services	10,300	7,799
Supplies and Materials	1,500	715
Capital Outlay	1,200	1,169
	\$ 61,210	\$ 56,551
 Food Services		
Salaries	\$ 54,500	\$ 53,921
Employee Benefits	7,425	7,802
Purchased Services	2,400	1,390
Supplies and Materials	87,220	66,643
	\$ 151,545	\$ 129,756
 Total Support Services - Business	 \$ 212,755	 \$ 186,307
 Other Support Services		
Supplies and Materials	\$ 100	\$ -
Total Other Support Services	\$ 100	\$ -
 Total Support Services	 \$ 1,465,781	 \$ 1,397,177

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL
EDUCATIONAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET	ACTUAL
EXPENDITURES DISBURSED (Continued)		
Community Services		
Salaries	\$ 199,020	\$ 185,223
Employee Benefits	44,200	51,903
Purchased Services	13,940	8,783
Supplies and Materials	70,250	40,913
Capital Outlay	-	5,106
Total Community Services	\$ 327,410	\$ 291,928
Payments to Other Districts and Governmental Units		
Payments to Other Districts and Governmental Units (In-State)		
Payments for Special Education Programs		
Purchased Services	\$ 16,515	\$ 23,816
	\$ 16,515	\$ 23,816
Total Payments to Other Districts and Governmental Units (In-State)	\$ 16,515	\$ 23,816
Payments to Other Districts and Governmental Units-Tuition (In-State)		
Other Objects		
Payments for Special Education Programs	\$ 221,000	\$ 166,862
Payment for CTE Programs	110,000	103,341
Total Payments to Other Districts Governmental Units-Tuition (In-State)	\$ 331,000	\$ 270,203
Total Payments to Other Districts and Governmental Units	\$ 347,515	\$ 294,019
Total Direct Expenditures	\$ 5,372,896	\$ 5,197,407

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL
OPERATIONS AND MAINTENANCE FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET	ACTUAL
EXPENDITURES DISBURSED		
Support Services		
Business		
Operation and Maintenance of Plant Services		
Salaries	\$ 174,940	\$ 175,483
Employee Benefits	51,350	50,564
Purchased Services	175,700	191,785
Supplies and Materials	129,500	120,819
Capital Outlay	10,000	5,186
	\$ 541,490	\$ 543,837
Total Support Services - Business	\$ 541,490	\$ 543,837
Total Support Services	\$ 541,490	\$ 543,837
Provision for Contingencies	\$ 15,000	\$ -
Total Direct Expenditures	\$ 556,490	\$ 543,837

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL
DEBT SERVICES FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET	ACTUAL
EXPENDITURES DISBURSED		
Debt Services		
Interest		
Other Interest on Long-Term Debt		
Other Objects	\$ 18,765	\$ 18,762
Total Debt Services - Interest	\$ 18,765	\$ 18,762
Debt Services - Payment of Principal on Long-Term Debt		
Other Objects	\$ 20,000	\$ 20,000
Total Debt Services - Payment of Principal on Long-Term Debt	\$ 20,000	\$ 20,000
Total Debt Services	\$ 38,765	\$ 38,762
Total Direct Expenditures	\$ 38,765	\$ 38,762

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL
TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET	ACTUAL
EXPENDITURES DISBURSED		
Support Services		
Business		
Pupil Transportation Services		
Salaries	\$ 173,000	\$ 174,870
Employee Benefits	16,461	15,364
Purchased Services	62,940	71,953
Supplies and Materials	37,000	29,276
Capital Outlay	106,000	105,038
	\$ 395,401	\$ 396,501
Total Support Services - Business	\$ 395,401	\$ 396,501
Total Support Services	\$ 395,401	\$ 396,501
Payments to Other Districts and Governmental Units		
Payments to Other Districts and Governmental Units (In-State)		
Payments for Special Education Programs		
Purchased Services	\$ 3,000	\$ 125
Total Payments to Other Districts and Governmental Units (In-State)	\$ 3,000	\$ 125
Total Payments to Other Districts and Governmental Units	\$ 3,000	\$ 125
Debt Services		
Interest		
Interest on Long-Term Debt		
Other Objects	\$ 1,220	\$ 1,214
Payments of Principal on Long-Term Debt		
Other Objects	29,220	29,220
Total Debt Services	\$ 30,440	\$ 30,434
Total Direct Expenditures	\$ 428,841	\$ 427,060

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL
ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>BUDGET</u>	<u>ACTUAL</u>
EXPENDITURES DISBURSED		
Instruction		
Regular Programs		
Employee Benefits	\$ 27,115	\$ 29,982
Special Education Programs		
Employee Benefits	18,015	23,656
CTE Programs		
Employee Benefits	1,400	1,427
Interscholastic Programs		
Employee Benefits	21,635	14,402
Driver's Education Programs		
Employee Benefits	130	132
Total Instruction	<u>\$ 68,295</u>	<u>\$ 69,599</u>
Support Services		
Pupils		
Attendance and Social Work Services		
Employee Benefits	\$ 1,425	\$ 1,371
Guidance Services		
Employee Benefits	890	872
Health Services		
Employee Benefits	8,250	8,631
Psychological Services		
Employee Benefits	575	432
Total Supports Services - Pupils	<u>\$ 11,140</u>	<u>\$ 11,306</u>
Instructional Staff		
Educational Media Services		
Employee Benefits	\$ 9,990	\$ 10,218
Total Support Services - Instructional Staff	<u>\$ 9,990</u>	<u>\$ 10,218</u>
General Administration		
Board of Education Services		
Employee Benefits	\$ 1,480	\$ 1,531
Executive Administration Services		
Employee Benefits	8,920	7,336
Total Support Services - General Administration	<u>\$ 10,400</u>	<u>\$ 8,867</u>
School Administration		
Office of the Principal Services		
Employee Benefits	\$ 17,050	\$ 11,355
Total Support Services - School Administration	<u>\$ 17,050</u>	<u>\$ 11,355</u>

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL
ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGET	ACTUAL
EXPENDITURES DISBURSED (Continued)		
Support Services (Continued)		
Business		
Fiscal Services		
Employee Benefits	\$ 6,355	\$ 6,569
Operation and Maintenance of Plant Services		
Employee Benefits	27,645	30,835
Pupil Transportation Services		
Employee Benefits	25,940	27,590
Food Services		
Employee Benefits	8,670	9,201
Total Support Services - Business	\$ 68,610	\$ 74,195
Total Support Services	\$ 117,190	\$ 115,941
Community Services		
Employee Benefits	\$ 4,350	\$ 5,152
Total Community Services	\$ 4,350	\$ 5,152
Total Direct Expenditures	\$ 189,835	\$ 190,692

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

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT SCHOOL DISTRICT NO. 19
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Alden-Hebron Community Consolidated Unit School District No. 19's (District) accounting policies conform to the cash basis of accounting as defined by the Illinois State Board of Education Audit Guide.

A. Principles Used to Determine Scope of Entity

The reporting entity includes the governing board and all related organizations for which the District exercises oversight responsibility.

The District has developed criteria to determine whether outside agencies with activities which benefit its citizens, including joint agreements which serve pupils from numerous districts, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The joint agreements have been determined not to be part of the reporting entity after applying the manifesting of oversight, scope of public service and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the District does not control the assets, operations, or management of the joint agreements. In addition, the District is not aware of any entity which would exercise such oversight as to result in the District being considered a component unit of the entity.

B. Basis of Presentation – Fund Accounting

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and liabilities arising from cash transactions, fund balance, revenue received, and expenditures disbursed. The District maintains individual funds required by the State of Illinois.

These funds are grouped as required for reports filed with the Illinois State Board of Education. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types and account groups are used by the District:

Educational Fund - The Educational Fund is the general operating fund of the District. It is used to account for all transactions that are not specifically covered in another fund. Certain expenditures that must be charged to this fund include the direct costs of instructional programs, health and attendance services, lunch programs, all costs of administration and related insurance costs. Certain revenues that must be credited to this fund include educational tax levies, tuition, and textbook rentals. Special Education is included in this fund.

Operations and Maintenance Fund – The Operations and Maintenance Fund is used to account for all costs of maintaining, improving, or repairing school buildings and property, renting buildings and property for school purposes, or paying of premiums for insurance on school buildings. Operations of this fund are generally financed by a special tax levied for these purposes.

Debt Services Fund – The Debt Services Fund is used to account for all principal, interest, and administrative costs for debt payments. Operations of this fund are generally financed by a special tax levied for these purposes.

NOTES TO FINANCIAL STATEMENTS (Continued)

Transportation Fund – The Transportation Fund is used to account for the costs associated with transporting pupils for any purpose. Revenue received for transportation purposes from any source must be deposited into this fund, including property taxes levied and state grants received for these purposes.

Illinois Municipal Retirement/Social Security Fund – The Illinois Municipal Retirement/Social Security Fund is used to account for costs of providing retirement benefits under Illinois Municipal Retirement Fund and Social Security, if there are separate taxes levied for these purposes. If separate taxes are not levied for these purposes, then the payments shall be charged to the fund where the salaries are charged.

Capital Projects Fund – The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities and contributions and donations from private sources.

Working Cash Fund – The Working Cash Fund is used to account for a separate tax levied for working cash purposes and for any bonds sold for this purpose. Cash available in this fund may be loaned to any fund of the District.

Agency Fund – The Agency Fund is used to account for Student Activity Funds and Convenience Accounts, which are assets held by the District as an agent for the students and teachers. This fund is custodial in nature and does not involve the measurement of the results of operations. The amounts due to the Activity Fund organizations are equal to the assets.

General Fixed Assets Account Group – The General Fixed Assets Account Group is used to record physical assets of the District that have a long-term (i.e. more than one year) period of usefulness.

General Long-Term Debt Account Group – The General Long-Term Debt Account Group is used to record total bonded debt and other long-term debt of the District.

Measurement Focus

The financial statements of all funds, except the Agency Fund and two account groups, focus on the measurement of spending or “financial flow” and the determination of changes in financial position rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (cash receipts and other financing sources) and decreases (cash disbursements and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

General Fixed Assets and General Long-Term Debt Account Groups

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. Fixed assets used in operations are accounted for in the General Fixed Assets Account Group, rather than in the funds.

Long-term liabilities expected to be financed from funds are accounted for in the General Long-Term Debt Account Group, not in the funds. The two account groups are not “funds.” They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

C. Basis of Accounting

Basis of accounting refers to when revenues received and expenditures disbursed are recognized in the accounts and how they are reported in the financial statements. The District maintains its accounting records for all funds and account groups on the cash basis of accounting under guidelines prescribed by the Illinois State Board of Education. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the

NOTES TO FINANCIAL STATEMENTS (Continued)

disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

Proceeds from sales of bonds are included as other financing sources in the appropriate fund on the date received. Related bond principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group.

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

D. *Budgets and Budgetary Accounting*

The budget for all funds is prepared on the cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 105, Section 5/17-1 of the Illinois Compiled Statutes. The budget was passed on September 18, 2019.

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

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

1. Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.
5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

E. *Cash and Cash Equivalents and Investments*

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

Occasionally certain of the funds participating in the common bank accounts will incur overdrafts (deficits) in the account. Such overdrafts in effect constitute cash borrowed from other District funds and are, therefore, interfund loans which have not been authorized by School Board action. At June 30, 2020, no District fund had a cash overdraft.

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

NOTES TO FINANCIAL STATEMENTS (Continued)

Investments are stated at the lower of cost or market. Gains or losses on the sale of investments are recognized upon realization.

F. *Inventories*

It is the District's policy to charge all purchases of items for resale or supplies to expenditures when purchased. No inventory accounts are maintained to reflect the values of resale or supply items on hand.

G. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate. All other interfund transactions are treated as transfers.

H. *General Fixed Assets*

General fixed assets have been acquired for general governmental purposes. At the time of purchase, assets are recorded as disbursements in the funds and capitalized at cost, if over \$500, in the General Fixed Assets Account Group. Donated general fixed assets are stated at estimated fair market value as of the date of acquisition. Depreciation accounting is not considered applicable (except to determine the per capita tuition charge, which is calculated on a straight-line basis with useful lives of 50 years for Buildings, 20 years for Improvements Other than Buildings, and 5 to 10 years for Equipment).

I. *Governmental Fund Balances*

Governmental fund balances are reported as "reserved" because they are legally segregated for a specific future use. The remaining balances are "unreserved" fund balances. From time to time, the Board agrees to set aside or "designate" resources for future uses – such as for specific capital projects. These unreserved, designated balances are based on management's tentative plans and can be changed.

J. *Property Tax Calendar and Revenues*

Property taxes are levied each calendar year on all taxable real property located in the District on or before the last Tuesday in December. The 2019 tax levy was passed by the board on November 20, 2019. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year they are for and are payable in two installments early in June and early in September of the following calendar year. The District receives significant distributions of tax receipts within one month after these dates.

K. *Total Memorandum Only*

The "Total Memorandum Only" column represents the aggregation (by addition) of the line item amounts reported for each fund and account group. No consolidating or other eliminations were made in arriving at the totals; thus, they do not present consolidated information.

These totals are presented only to facilitate financial analysis and are not intended to reflect the financial position or results of operations of the District as a whole.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits with financial institutions are fully insured or collateralized by securities held in the District's name. The District is allowed to invest in securities as authorized by the School Code of Illinois, Chapter 30, Section 235/2 and 6; and Chapter 105, Section 5/8-7.

NOTES TO FINANCIAL STATEMENTS (Continued)

Investments

As of June 30, 2020, the District had the following investments and maturities:

Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	5-10	More Than 10
State Investment Pools	\$ 1,638,697	\$ 1,638,697	\$ -	\$ -	\$ -

The fair value of investments in the State Investment Pools is the same as the value of pool shares. The State Investment Pools are not SEC-registered but do have regulatory oversight through the State of Illinois.

Interest Rate Risk. The District's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State law limits investments based on credit risk. The District's investment policy further limits its investment choices to ensure that capital loss, whether from credit or market risk, is avoided. As of June 30, 2020, the District's investments were rated as follows:

Investment	Credit Rating	Rating Source
State Investment Pools	AAAm	Standard and Poor's

NOTE 3 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in General Fixed Assets follows:

	Balance			Balance
	July 1, 2019	Additions	Deletions	June 30, 2020
Land	\$ 865,735	\$ -	\$ -	\$ 865,735
Building and Building Improvements	3,403,675	-	-	3,403,675
Capitalized Equipment	1,783,331	123,508	68,521	1,838,318
	<u>\$ 6,052,741</u>	<u>\$ 123,508</u>	<u>\$ 68,521</u>	<u>\$ 6,107,728</u>

NOTE 4 - CHANGES IN GENERAL LONG-TERM DEBT

Changes in general long-term debt are summarized as follows:

	Balance			Balance
	July 1, 2019	Additions	Retirements	June 30, 2020
Lease Purchase Agreements	\$ 103,723	\$ -	\$ 29,220	\$ 74,503
General Obligation School Bond, Series 2010	395,000	-	20,000	375,000
	<u>\$ 498,723</u>	<u>\$ -</u>	<u>\$ 49,220</u>	<u>\$ 449,503</u>

The General Obligation School Bond is paid out of the Debt Service Fund and all lease purchase agreements are paid out of the Transportation Fund.

Long-term debt payable consisted of the following at June 30, 2020:

	Maturity	Interest	Face	Carrying
	Date	Rate	Amount	Amount
Lease Purchase Agreements	Variable	2.65% - 3.1%	\$ 291,302	\$ 74,503
General Obligation School Bond, Series 2010	9/28/2030	3.25%-4.75%	520,000	375,000

NOTES TO FINANCIAL STATEMENTS (Continued)

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

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 69,220	\$ 20,077	\$ 89,297
2022	55,283	17,564	72,847
2023	25,000	15,438	40,438
2024	30,000	14,250	44,250
2025	30,000	12,825	42,825
2026	35,000	11,400	46,400
2027	35,000	9,737	44,737
2028	40,000	8,075	48,075
2029	40,000	6,175	46,175
2030	45,000	4,275	49,275
2031	45,000	1,407	46,407
	<u>\$ 449,503</u>	<u>\$ 121,223</u>	<u>\$ 570,726</u>

NOTE 5 - INTERFUND LOANS

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

NOTE 6 - DEFICIT FUND BALANCE

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

NOTE 7 - PROPERTY TAXES

Taxes recorded in these financial statements are from the 2019 (\$2,191,028) and 2018 (\$2,032,604) tax levies. A summary of the past three years' assessed valuations, rates, and extensions follows:

Tax Year	2019		2018		2017	
	\$84,104,656		\$81,609,631		\$81,327,861	
Assessed Valuation	Rates	Extensions	Rates	Extensions	Rates	Extensions
Purpose						
Educational	3.8819	\$ 3,264,822	3.9096	\$ 3,190,644	3.8177	\$ 3,104,839
Special Education	0.3371	283,524	0.3395	277,082	0.3315	269,630
Operations and Maintenance	0.6789	570,982	0.6838	558,010	0.6677	543,003
Debt Service	0.0453	38,140	0.0468	38,140	0.0469	38,140
Transportation	0.3415	287,196	0.3439	280,671	0.3358	273,123
Municipal Retirement	0.1106	93,023	0.1150	93,871	0.1141	92,833
Social Security	0.0873	73,439	0.0908	74,109	0.0901	73,289
	<u>5.4826</u>	<u>\$ 4,611,126</u>	<u>5.5294</u>	<u>\$ 4,512,527</u>	<u>5.4038</u>	<u>\$ 4,394,858</u>

NOTE 8 - OVEREXPENDITURE OF BUDGET

For the year ended June 30, 2020, the following fund had expenditures which exceeded the budget:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess of Actual Over Budget</u>
Illinois Municipal Retirement/Social Security Fund	\$ 189,835	\$ 190,692	\$ 857

NOTE 9 - OPERATING LEASES, AS LESSEE

The District leases copiers under operating leases. Total lease expense for fiscal year 2020 was \$26,833. Annual requirements to cover outstanding lease agreements at June 30, 2020 are:

NOTES TO FINANCIAL STATEMENTS (Continued)

<u>Year Ending June 30</u>	<u>Amount</u>
2021	\$ 21,290
2022	13,530
2023	1,128
	<u>\$ 35,948</u>

NOTE 10 - RETIREMENT FUND COMMITMENTS

A. *Teachers' Retirement System of the State of Illinois*

General Information About the Pension Plan

Plan Description

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

TRS issues a publicly available financial report that can be obtained at <http://www.trsil.org/financial/cafrs/fy2018>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

Essentially all Tier I retirees receive an annual 3% increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of 3% of the original benefit or ½% of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

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

NOTES TO FINANCIAL STATEMENTS (Continued)

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2019 was 9.0% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-Behalf Contributions to TRS - The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2020, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$2,324,332 in pension contributions from the State of Illinois.

2.2 Formula Contributions - Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2020 were \$16,540.

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

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

For the year ended June 30, 2020, the District pension contribution was 10.66% of salaries paid from federal and special trust funds. For the year ended June 30, 2020, salaries totaling \$0 were paid from federal and special trust funds that required District contributions of \$0.

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. Additionally, beginning with the year ended June 30, 2019, employers will make a similar contribution for salary increases over 3 percent if members are not exempted by current collective bargaining agreements or contracts.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2020, the District paid \$7,389 to TRS for employer contributions due on salary increases in excess of 6%, \$1,216 for salary increases in excess of 3% and \$0 for sick leave days granted in excess of the normal annual allotment.

B. Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's

NOTES TO FINANCIAL STATEMENTS (Continued)

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

Benefits Provided

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

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

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

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

Employees Covered by Benefit Terms

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

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2019 was 9.37%. For the fiscal year ended June 30, 2020, the District contributed \$83,271 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

NOTES TO FINANCIAL STATEMENTS (Continued)

C. Social Security

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

NOTE 11 - POST EMPLOYMENT BENEFIT COMMITMENTS

A. Teacher Health Insurance Security Fund (THIS)

General Information About the OPEB Plan

Plan Description

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

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

Benefits Provided

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

- Teachers' Choice Health Plan (TCHP) benefit recipients can choose any physician or hospital for medical services; however, benefit recipients receive enhanced benefits, resulting in lower out-of-pocket costs, when receiving services from a TCHP in-network provider. TCHP has a nationwide network and includes CVS/Caremark for prescription drug benefits and Magellan Behavioral Health for behavioral health services.
- Health Maintenance Organizations (HMO) benefit recipients are required to stay within the health plan provider network. No out-of-network services are available. Benefit recipients will need to select a primary care physician (PCP) from a network of participating providers. The PCP will direct all healthcare services and make referrals to specialists and hospitalization.
- Open Access Plan (OAP) benefit recipients will have three tiers of providers from which to choose to obtain services. The benefit level is determined by the tier in which the healthcare provider is contracted.
 - Tier I offers a managed care network which provides enhanced benefits and operates like an HMO.
 - Tier II offers an expanded network of providers and is a hybrid plan operating like an HMO and PPO.

NOTES TO FINANCIAL STATEMENTS (Continued)

- Tier III covers all providers which are not in the managed care networks of Tiers I or II (i.e., out-of-network providers). Using Tier III can offer benefit recipients flexibility in selecting healthcare providers but involves higher out-of-pocket costs. Furthermore, benefit recipients who use out-of-network providers will be responsible for any amount that is over and above the charges allowed by the plan for services (i.e., allowable charges), which could result in substantial out-of-pocket costs. Benefit recipients enrolled in an OAP can mix and match providers and tiers.

Contributions

For the fiscal year ended June 30, 2020, the State Employees Group Insurance Act of 1971 (5 ILCS 375/6.6) requires that all active contributors of the TRS, who are not employees of a department, make contributions to the plan at a rate of 1.24% of salary and for every employer of a teacher to contribute an amount equal to .92% of each teacher's salary. The Department determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the Teachers' Health Insurance Security Fund (THIS), an amount equal to the amount certified by the Board of Trustees of TRS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer. Total employer contributions for the fiscal year ended June 30, 2020 were \$26,236.

On-Behalf Contributions to THIS. The State of Illinois makes employer benefit contributions on behalf of the District. For the year ended June 30, 2020, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net OPEB liability associated with the District, and the District recognized revenue and expenditures of \$35,601 in benefit contributions from the State of Illinois.

NOTE 12 - INTERFUND TRANSFERS

There were no interfund transfers during the year ended June 30, 2020.

NOTE 13 - JOINT VENTURES

A. Special Education District of McHenry County (SEDOM)

The District and ten 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	\$ 25,149
Fund Equity	10,001,202
	<u>\$ 10,026,351</u>
Revenues Received	\$ 7,363,502
Expenditures Disbursed	7,489,222
Net Increase/(Decrease) in Fund Balance	<u>\$ (125,720)</u>

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

NOTES TO FINANCIAL STATEMENTS (Continued)

B. Lake County Area Vocational System (LCAVS)

The District and seventeen other districts within Lake and McHenry Counties have entered into a joint agreement to provide vocational programs for member districts that are not offering these services individually. 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 LCAVS at June 30, 2019 (most recent information available) is as follows:

Assets	\$ 31,388,351
Liabilities	\$ 20,359
Fund Equity	31,367,992
	<u>\$ 31,388,351</u>
Revenues Received	\$ 10,645,000
Expenditures Disbursed	11,470,835
Net Increase/(Decrease) in Fund Balance	<u>\$ (825,835)</u>

Complete financial statements for LCAVS can be obtained from the Administrative Offices at 19525 W. Washington Street, Grayslake, Illinois 60030.

C. 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.

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	\$ -
Fund Equity	210,157
	<u>\$ 210,157</u>
Revenues Received	\$ 989,505
Expenditures Disbursed	1,098,402
Net Increase/(Decrease) in Fund Balance	<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.

NOTE 14 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The District is a member of the Collective Liability Insurance Cooperative (CLIC), a joint risk management pool of school districts through which property, general liability, automobile liability, crime, excess property, excess liability, and boiler and machinery coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

The relationship between the District and CLIC is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The District is contractually obligated to make all annual and supplementary contributions for CLIC, to report claims on a timely basis, cooperate with CLIC,

NOTES TO FINANCIAL STATEMENTS (Continued)

its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by CLIC. Members have a contractual obligation to fund any deficit of CLIC attributable to a membership year during which they were a member.

CLIC is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Board of Directors. CLIC also provides its members with risk management services, including the defense and settlement of claims, and establishes reasonable and necessary loss of reduction and prevention procedures to be followed by the members.

During the year ended June 30, 2020, there were no significant reductions in insurance coverage. Also, there have been no settlement amounts that have exceeded insurance coverage. The District is insured under a retrospectively-rated policy for workers' compensation coverage. Whereas, the initial premium may be adjusted based on actual experience, adjustments in premiums are recorded when paid or received. During the year ended June 30, 2020, there were no significant adjustments in premiums based on actual experience.

NOTE 15 - CONTINGENCIES

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

NOTE 16 - LEGAL DEBT LIMITATION

The Illinois School Code limits the amount of indebtedness to 13.8% of the most recent available equalized assessed valuation (EAV) of the District. The District's legal debt limitation is as follows:

2019 EAV	\$ 84,104,656
Rate	<u>13.8%</u>
Debt Margin	\$ 11,606,443
Current Debt	<u>449,503</u>
Remaining Debt Margin	<u>\$ 11,156,940</u>

NOTE 17 - SUBSEQUENT EVENTS

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

SUPPLEMENTAL FINANCIAL INFORMATION

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
 SCHOOL DISTRICT NO. 19
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 ACTIVITY FUNDS
 AT JUNE 30, 2020

	BALANCE JULY 1, 2019	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2020
A S S E T S				
Cash and Cash Equivalents	\$ 24,794	\$ 26,832	\$ 24,312	\$ 27,314
	\$ 24,794	\$ 26,832	\$ 24,312	\$ 27,314
L I A B I L I T I E S				
Amount Due to Activity				
Elementary School	\$ 2,814	\$ -	\$ 2,814	\$ -
Middle School/High School	21,980	26,832	21,498	27,314
	\$ 24,794	\$ 26,832	\$ 24,312	\$ 27,314

See Accompanying Independent Auditor's Report

ALDEN-HEBRON COMMUNITY CONSOLIDATED UNIT
SCHOOL DISTRICT NO. 19
COMPUTATION OF OPERATING EXPENSE PER PUPIL
AND PER CAPITA TUITION CHARGE
AT JUNE 30, 2020

OPERATING EXPENSE PER PUPIL	
EXPENDITURES:	
Education	\$ 5,197,407
Operations & Maintenance	543,837
Debt Service	38,762
Transportation	427,060
Illinois Municipal Retirement/Social Security Fund	190,692
Total Expenditures	\$ 6,397,758
LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:	
Special Education Programs K-12 - Private Tuition	\$ 238,500
Community Services	286,822
Total Payments to Other Govt Units	294,019
Capital Outlay	13,292
Capital Outlay	5,186
Debt Service - Payments of Principal on Long-Term Debt	20,000
Total Payments to Other Dist. & Govt Units	125
Debt Service - Payments of Principal on Long-Term Debt	29,220
Capital Outlay	105,038
Community Services	5,152
Total Deductions for OEOO Computation	\$ 997,354
Total Operating Expenses Regular K-12	5,400,404
9 Month ADA - Student Information System (SIS) in IWAS - preliminary ADA 2019-2020	374.00
Estimated OEPP	\$ 14,439.58
PER CAPITA TUITION CHARGE	
LESS OFFSETTING RECEIPTS/REVENUES:	
Total Food Service	\$ 57,505
Total District/School Activity Income	32,381
Rentals - Regular Textbooks	31,676
Other Local Fees	40,263
Total Special Education	97,667
Total Career and Technical Education	3,318
State Free Lunch & Breakfast	1,022
Driver Education	2,583
Total Transportation	224,534
School Infrastructure - Maintenance Projects	50,000
Other Restricted Revenue from State Sources	1,500
Total Title V	34,433
Total Food Service	91,512
Total Title I	126,606
Total Title IV	10,000
Fed - Spec Education - IDEA - Flow Through	121,501
Total CTE - Perkins	3,715
Title III - Language Inst Program - Limited Eng. (LIPLEP)	3,150
Title II - Teacher Quality	17,402
Medicaid Matching Funds - Administrative Outreach	8,429
Medicaid Matching Funds - Fee-for-Service Program	8,905
Special Education Contributions from EBF Funds	155,263
English Learning (Bilingual) Contributions from EBF Funds	16,055
Total Deductions for PCTC Computation	\$ 1,139,420
Net Operating Expense for Tuition Computation	4,260,984
Total Depreciation Allowance (from page 26, Line 18, Col I)	146,908
Total Allowance for PCTC Computation	4,407,892
9 Month ADA - Student Information System (SIS) in IWAS - preliminary ADA 2019-2020	374.00
Total Estimated PCTC	\$ 11,785.81

Unaudited