

LOCKPORT TOWNSHIP  
HIGH SCHOOL DISTRICT 205

LOCKPORT, ILLINOIS

ANNUAL FINANCIAL REPORT  
JUNE 30, 2020

**LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205**  
**LOCKPORT, ILLINOIS**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Lockport Township High School District 205  
Lockport, Illinois

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Lockport Township High School District 205 (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 the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position – modified cash basis of the governmental activities, each major fund and the aggregate remaining fund information of the District as of June 30, 2020, and the respective changes in financial position – modified cash basis, thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

## **Basis of Accounting**

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

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Management Discussion and Analysis, Other Information, Other Supplementary Information and Other Supplemental Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Management Discussion and Analysis and Other 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

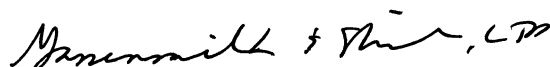
The Other Information and Other Supplemental Schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended June 30, 2019, which are not presented with the accompanying basic financial statements. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The combining and individual non-major fund financial statements, related to the 2019 financial statements, for the year ended June 30, 2019, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statements. The

information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2019 combining and individual non-major fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2020, on our consideration of the District's internal control over financial reporting and our tests of its compliance with provisions of laws, regulations, contracts and other matters. The purpose of that report is to describe the scope of 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 and compliance. The report is an internal part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.



Gassensmith & Michalesko, Ltd.  
Certified Public Accountants

Joliet, Illinois  
October 8, 2020



## **LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205**

### **Management's Discussion and Analysis For the Year ended June 30, 2020 (unaudited)**

As management of Lockport Township High School District 205, we offer the readers of the District's basic financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our basic financial statements and notes to the financial statements to enhance their understanding of the District's financial performance.

#### **Financial Highlights**

The assets of Lockport Township High School District 205 exceeded its liabilities at the close of the fiscal year by \$88.6 million (net position).

The District's total net position increased by approximately \$9.0 million for fiscal year 2020 as reported in the statement of activities.

As of the close of fiscal year 2020, the District's governmental funds reported combined ending fund balances of \$59.3 million, an increase of over \$2.6 million in comparison to the prior year.

At the end of fiscal year 2020, the unassigned fund balance was \$38.7 million which is 46.3% of the total governmental fund expenditures.

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

This discussion and analysis is intended to serve as an introduction to Lockport Township High School District 205's basic financial statements. Those statements are comprised of the following components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other information as well as combining and individual fund financial statements.

**District-wide Financial Statements** - These are designed to provide readers with a broad overview of the District's finances using the modified cash basis of accounting. This basis of accounting varies from accounting principles generally accepted in the United States of America. When using the modified cash basis of accounting, current assets and current liabilities arising from cash transactions are included on the statement of net position as well as year end balances of capital assets and long-term debt. The difference between the District's assets and liabilities is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of improvements or deterioration of the financial position of the District.

The statement of activities presents information that shows how the District's net position changed during the most recent fiscal year. The District recognizes revenues when received

## **LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205**

Management's Discussion and Analysis  
For the Year ended June 30, 2020  
(unaudited)

rather than when earned, and expenditures are recognized when paid, rather than when the obligation is incurred. Also included is activity related to the acquisition and depreciation of capital assets, as well as changes in long-term debt.

Both of the district-wide financial statements highlight the functions of Lockport Township High School District 205 that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include the following functions: instruction, support services, community services, payments to other governments, on-behalf payments made by the State and interest on debt.

The district-wide financial statements can be found on pages 16 and 17 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds** - Governmental funds are used to account for essentially the same functions reported as governmental activities in the district-wide financial statements. Governmental fund financial statements use the modified cash basis of accounting. The governmental fund accounting differs slightly from the district-wide accounting in that year-end asset and liability balances related to capital assets and long-term debt are not reported.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, differences in reporting exist. Both the governmental fund statement of assets, liabilities and fund balances and the governmental fund statement of revenues received, expenditures disbursed and changes in fund balances provide the readers of the financial statements with reconciliations to facilitate this comparison between governmental funds and governmental activities.

Lockport Township High School District 205 maintains five individual governmental funds. Information is presented separately in the governmental fund statement of assets, liabilities and fund balances and in the governmental statement of revenues received, expenditures disbursed, and changes in fund balances for the District's major funds. The District has 3 major funds, the General Fund, which is comprised of three accounts, the Educational Account, the Operations and Maintenance Account and the Working Cash Account, the Transportation Fund and the Capital Projects Fund. All other non-major governmental funds are combined and presented in one column.

## **LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205**

### **Management's Discussion and Analysis For the Year ended June 30, 2020 (unaudited)**

Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 18 through 23 of this report.

Fiduciary Funds - The District also maintains fiduciary funds in the form of agency funds, which are used to account for resources - exclusively cash - held by the District for the benefit of student groups. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the District's own programs. The fiduciary funds also use the modified cash basis of accounting. The fiduciary fund financial statement can be found on page 24 of this report.

Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The Notes to Financial Statements can be found on pages 25-62 of this report.

Other Information is presented concerning the District's General Fund budgetary schedule, the IMRF (Illinois Municipal Retirement Fund) and TRS (Teachers Retirement System) pension schedules and the other postemployment benefits schedule of funding progress. The District adopts an annual appropriated budget for all of its governmental funds. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget. The pension schedules have been provided to present the District's progress in funding its obligation to provide pension benefits to District employees. The other postemployment benefits schedule has been provided to present the District's progress in funding its obligation to provide benefits to District retirees. Other information can be found on pages 63 through 69 of this report.

Combining and individual fund statements and schedules are presented immediately following the other information. Combining and individual fund statements and schedules can be found on pages 70 through 98 of this report.

### **District-Wide Financial Analysis**

Statement of Net position - The following table reflects the condensed statement of net position. The District's combined net position is \$88.6 million. The largest portion of the District's net position reflects its investment in capital assets (e.g., land, buildings, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Management's Discussion and Analysis  
For the Year ended June 30, 2020  
(unaudited)

### Condensed Statement of Net Position as of June 30, 2020 and June 30, 2019

	Governmental Activities	
	<u>2020</u>	<u>2019</u>
Assets		
Current Assets	59,410,722	56,780,164
Capital Assets	<u>47,638,060</u>	<u>46,078,964</u>
Total Assets	<u><u>107,048,782</u></u>	<u><u>102,859,128</u></u>
Liabilities		
Current liabilities	35,107	13,040
Long-term liabilities	<u>18,441,461</u>	<u>23,293,920</u>
Total Liabilities	<u><u>18,476,568</u></u>	<u><u>23,306,960</u></u>
Net Position		
Invested in capital assets	38,033,060	34,993,964
Restricted	19,111,486	18,154,440
Unrestricted	<u>31,427,668</u>	<u>26,403,764</u>
Total Net Position	<u><u>88,572,214</u></u>	<u><u>79,552,168</u></u>
Total Liabilities and Net Position	<u><u>107,048,782</u></u>	<u><u>97,593,944</u></u>

Current assets consist primarily of cash and investments. Capital assets include land, buildings and improvements and equipment.

Long-term liabilities consist of bonds payable, compensated absences and other postemployment benefits. Other liabilities include payroll deductions payable.

The Statement of Net Position can be found on page 16 of this report.

Statement of Activities - The following table reflects the condensed statement of activities.

Net position increased \$9.0 million over the previous year. Revenues increased by approximately \$3.0 million during the current year, expenses decreased by approximately \$3.8 million.

# LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Management's Discussion and Analysis  
For the Year ended June 30, 2020  
(unaudited)

## Condensed Statement of Activities For the Years ended June 30,

	Governmental Activities	
	2020	2019
Receipts:		
Program Revenues		
Charges for services	1,860,192	2,215,469
Operating grants & contributions	5,173,085	4,904,293
On behalf revenue	19,376,477	16,911,375
Capital grants & contributions	66,273	97,670
General Revenues:		
Property taxes	50,073,256	49,403,734
Replacement taxes	958,184	875,348
EBF & other unrestricted grants	3,394,109	3,260,031
Investment earnings	820,352	993,345
Other general revenues	483,312	521,500
Total Receipts	82,205,240	79,182,765
Expenditures		
Instruction	25,634,455	34,305,004
Supporting services	25,952,785	23,544,444
Community services	409,215	589,489
Payments to other governments	1,219,730	1,117,216
On behalf payments	19,376,477	16,911,375
Debt service	592,532	534,718
Total Expenditures	73,185,194	77,002,246
Increase in Net Position	9,020,046	2,180,519
Beginning Net Position	79,552,168	77,371,649
Ending Net Position	88,572,214	79,552,168

## LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Management's Discussion and Analysis  
For the Year ended June 30, 2020  
(unaudited)

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

As noted earlier, Lockport Township High School District 205 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A financial analysis of the District's funds follows.

**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 a government'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 governmental funds reported combined ending fund balances of \$59.4 million an increase of \$2.6 million in comparison with the previous fiscal year. All funds had positive fund balances as of June 30, 2020.

Approximately 32% of the District's fund balance is restricted for various purposes, including \$7.8 million for operations & maintenance, \$7.3 million for transportation, \$796 thousand for future debt retirement, \$2.5 million for employee benefits, and \$647 thousand for future property acquisitions and capital projects.

The General Fund is the primary operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$38.7 million, which represents 56% of total General Fund expenditures. This means that without receiving any additional revenue, the District could fund more than six months of operating expenditures with the unassigned fund balance in the General Fund. The goal of the Board of Education is to maintain between six and twelve months of cash on hand as defined in the Financial Profile Summary of the Illinois State Board of Education Annual Financial Report.

The revenues and expenditures of the District's governmental funds are analyzed below.

#### *Revenues*

The most significant revenue source for all funds during fiscal year 2020 continues to be property taxes. The increase in property tax revenue from 2019 to 2020 was \$670 thousand and primarily due to the approximate 3% increase in the District's tax extension from calendar year 2018 to calendar year 2019.

Fiscal year 2018 was the first year that the District received funding from the new Evidence Based Funding (EBF) formula, which replaced the previous General State Aid formula. The

## **LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205**

Management's Discussion and Analysis  
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EBF formula includes provisions under which no school district will receive less funding than it did in the previous year and that distribute additional funds using a tier system. In 2020 District 205 received approximately \$134,000 in additional funds through the EBF formula as a Tier 2 District, resulting in a 4.1% increase in evidence based funding from 2019 to 2020. The increase in other restricted state grants is due to the District receiving a \$50,000 School Maintenance grant in June 2020 combined with increases in Special Education Orphanage funding and Regular Education Transportation funding in fiscal year 2020. Both SPED Orphanage and Regular Ed Transportation are reimbursement-based grants and therefore funds received in 2019-2020 increased due to increased expenditures in the 2018-19 school year.

Grant funding from federal sources increased 3.3% from 2019 to 2020 due primarily to the District's Special Education Department working to earn additional Medicaid Fee For Service Funds and Department of Human Services Funds by providing more Medicaid eligible services to students and making contacts with students during the mandatory COVID-19 school closures from March 2020 through the summer of 2020.

Replacement taxes or Corporate Personal Property Replacement Taxes (CPPRT) have increased approximately 9.5% from fiscal year 2019 to 2020. These taxes are dependent upon corporations' income and therefore vary from year to year. According to the Illinois Department of Revenue, replacement taxes distributed to taxing districts increased because of transfers from the Income Tax Refund Fund to the Personal Property Replacement Tax Fund and from corporate income tax to replacement tax after the annual reconciliation of tax payments. Earnings on investments have decreased significantly due to interest rates decreasing steadily throughout 2020.

Other local revenue decreased significantly as a direct result of the spring 2020 required school closures to prevent the spread of COVID-19. These closures resulted in the postponement of normal school fee collection procedures to summer 2020, the cancellation of the Fresh Start summer school program for incoming freshman, reduced contract revenue from the food service program since no lunches were sold from mid-March through the end of the 2019-20 school year, the cancellation of spring auditorium rentals, CWC programming, and spring field trips. All of these things resulted in less revenue to the District in fiscal year 2020.

Finally, on-behalf TRS and THIS payments represent the amount that the State of Illinois must pay to TRS on behalf of District 205. These payments fluctuate as they are based on actuarial computations by the Teachers' Retirement System.

## LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

### Management's Discussion and Analysis For the Year ended June 30, 2020 (unaudited)

Below is an analysis of revenues for the past two years for the governmental funds of the District.

#### Comparative Summary of Revenues -Governmental Funds for the Years ending June 30,

			Increase (Decrease)	
	2020	2019	2019 to 2020	% Change
Property taxes	50,073,256	49,403,734	669,522	1.4%
Replacement taxes	958,184	875,348	82,836	9.5%
Earnings on investments	820,352	993,345	(172,993)	-17.4%
Other local revenues	2,455,592	2,861,027	(405,435)	-14.2%
Evidence based funding	3,394,109	3,260,031	134,078	4.1%
Restricted state grants	3,353,178	3,160,310	192,868	6.1%
Restricted federal grants	1,774,092	1,717,595	56,497	3.3%
On-behalf payments	19,376,477	16,911,375	2,465,102	14.6%
Total	82,205,240	79,182,765	3,022,475	3.8%

#### *Expenditures*

Salaries and benefits remain the largest expenditures of the District, representing 50.8% of the fiscal year 2020 total expenditures. The split between salaries and benefits is about 80/20, with benefits making up about 20% of the total combined expenditure. Benefit expenditures consist of pension, health insurance, dental insurance, life insurance, Medicare and FICA.

The District's salaries increased approximately 2% from 2019 to 2020. This increase is due to the District hiring ten new teachers for the 2019-2020 school year combined with a contractual increase in salaries of approximately 3% and the net effect of nine teachers retiring at the end of fiscal year 2019 and replaced with less expensive, younger teachers. Employee benefits increased approximately 4% from 2019 to 2020. Benefits increased due to a combined effect of a 5% increase in health insurance, a 1.6% increase in dental insurance, more employees being enrolled in the lower cost high deductible health plan in 2020 than in 2019, and an increase in the District's IMRF rate from 9.39% for calendar year 2019 to 10.86% for calendar year 2020. The instructional expenditures increase of 4% is the direct result of the increases in salaries and benefits in 2019-20.



## LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Management's Discussion and Analysis  
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The Support Services expenditure increase of 10.2% is primarily due to the District's Athletic Field renovation project at the Edward Flink Field/Rotary Park complex. Community Service expenditures decreased more than 30% due to measures put in place to slow or stop the spread of COVID-19. On March 20, 2020 Governor Pritzker issued a Stay at Home order that required that the District close down completely for a period of time along with other businesses not deemed essential. Throughout the spring, additional guidance continued to recommend that schools remain closed for the rest of the 2019-2020 school year. As a result, many activities that would normally occur in the spring at the District's Community Wellness Center were canceled, resulting in significantly less community service expenditures. Payments to other governments increased due to a more LTHS students attending career and technical education programs through WILCO Area Career Center than in 2019. Debt service expenditures increased overall because the District issued new 2019 bonds in October 2019 to pay off the 2010 General Obligation Bonds, reducing the District's interest rate on its debt. Finally, as mentioned above, TRS and THIS On-Behalf payments increased due to annual adjustments.

The following is an analysis of expenditures, by function, for the past two years for the governmental funds of the District.

Comparative Summary of Expenditures-Governmental Funds  
for the Years Ending June 30,

	2020	2019	Increase (Decrease) 2019 to 2020	% Change
Instructional	31,010,703	29,787,166	1,223,537	4.1%
Support services	25,952,785	23,544,444	2,408,341	10.2%
Community services	409,215	589,489	(180,274)	-30.6%
Payments to other governments	1,219,730	1,117,216	102,514	9.2%
On-behalf payments	19,376,477	16,911,375	2,465,102	14.6%
Debt service - interest and fees	60,633	534,718	(474,085)	-88.7%
Debt service -principal	4,865,000	1,125,000	3,740,000	332.4%
Total	82,894,543	73,609,408	9,285,135	12.6%

### *General Fund Budgetary Highlights*

The District's budget is prepared in accordance with Illinois law and is based on accounting for transactions on the modified cash basis of accounting. A budget to actual schedule is provided as other information for the General Fund. A budget column is provided for the final budget adopted for fiscal year 2020.

## LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

### Management's Discussion and Analysis For the Year ended June 30, 2020 (unaudited)

Significant actual differences (amounts greater than \$150,000) from the final budget are discussed below, excluding on-behalf payments which are unknown at the time the budget is adopted.

<u>Expenditures</u>	<u>Budget</u>	<u>Actual</u>	<u>Reason for difference</u>
Instruction	31,108,325	30,419,688	District budgeted more for salaries and supplies and actual expenditures came in less than expected.
Support Services	18,753,647	18,016,510	District budgeted more for benefits and professional services and actual expenditures came in less than expected.

### Capital Asset and Long-Term Debt Activity

Capital Assets - The capital assets of the District are those used in the performance of general governmental functions. They are recorded at original cost, which is considerably less than their present replacement value. Lockport Township High School District 205's capital assets for its governmental activities at year end totaled \$47,638,060 (net of accumulated depreciation). Capital assets include land, buildings and improvements, construction-in-progress, intangible assets, and equipment. Depreciation charges of \$2,652,260 were expensed on the total capital assets during fiscal year 2020.

Additional information on the District's capital assets can be found in Note 5 on page 37 of this report.

Debt Administration - Total District long-term debt at year end was \$18,441,461. Additions during the year amounted to \$3,579,780, and \$8,432,239 was retired. The additions for 2020 primarily represent the issuance of \$3,385,000 General Obligation Limited Tax Refunding School Bonds, Series 2019. The 2019 bonds were issued in October 2019 to currently refund the outstanding balance on the Taxable General Obligation Limited School Bonds, Series 2010. The 2010 School Bonds were issued as "Build America Bonds" as authorized under the American Recovery and Reinvestment Act of 2009. Since the 2010 bonds were paid off with the 2019 bond proceeds, the District has received its last 35 percent interest Federal subsidy in December 2019 for the 2010 "Build America Bonds."

The year-end debt is comprised of the following: general obligation bonds payable, \$9,605,000; compensated absences, \$153,737; net pension liability IMRF \$3,014,733; net pension liability TRS \$2,468,009; and other postemployment benefits, \$3,199,982.

## LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Management's Discussion and Analysis  
For the Year ended June 30, 2020  
(unaudited)

The District has two general obligation bond issues outstanding. Series 2017 and Series 2019 issues are both limited tax school bonds. The entire amount of the general obligation issues are backed by the full faith and credit of the District through property taxes. Principal on the District's bonds is scheduled to be fully retired in fiscal year 2031.

The State statutes limit the amount of outstanding debt to 6.9% of assessed valuation. That would make the current debt limitation \$183,229,249, which is significantly higher than the District's general obligation debt.

Additional information on the District's long-term debt can be found in Note 6 on pages 38 through 40 of this report.

### **Conditions Expected to Have a Significant Effect on Financial Position**

As of fiscal year 2020, Lockport Township High School District 205 is in good financial health. In August 2019, after reviewing the District's finances, Moody's Investors Service assigned a rating of Aa1 to the District's Series 2019 bonds that were issued to refund the District's 2010 Bonds listed in these financial statements. This is the second highest rating that Moody's awards. To maintain this high level of financial health, District Administration, at the direction of the Board of Education, will continue to budget and spend conservatively according to the goals of the District. These actions will preserve the District's resources in the event items outside of District control threaten those resources.

The most significant outside influence on all Illinois public school districts, including LTHS, is legislative action that leads to increased expenditures or lost revenue. For example, if the state's pension obligation gets passed on to school districts, as has been discussed in legislative sessions for a few years now, a 1% shift in the Teachers' Retirement System pension cost from the State to school districts would cost District 205 approximately \$250,000. Tax freeze legislation is another example that would significantly affect LTHS finances. Setting the CPI at zero would cost LTHS approximately \$1,100,000 for a one-year freeze. A two-year freeze costs the District almost \$3 million because of the compounding effect a zero CPI has on the property tax levy computations. Lockport Township High School District 205 is in the best position possible to respond to either of these items individually. However, if both of them occur at the same time, educational programs may be impacted. While these topics have not been the focus of recent bills proposed by legislators so far this year, history has shown that they will resurface in the future.

## **LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205**

Management's Discussion and Analysis  
For the Year ended June 30, 2020  
(unaudited)

In February 2019, Governor Pritzker signed into law a new Illinois Minimum Wage Law. This law increases the Illinois minimum wage from \$8.25 per hour to \$15.00 per hour over a 5-year period. While most of the District's hourly employees already make more than \$15.00 per hour, this law will be a consideration in the next Educational Support Staff CBA to insure compliance with the new law.

Lockport Township High School District 205 still operates the original Central Campus building, which is over 100 years old. The District recently had a Structural Analysis of Central Campus performed. This report identified a number of items that will need to be addressed over the next few years for the District to continue housing students at Central Campus. The report identified thirty items and identified six of them as Priority I items and the rest as Priority II through V. The estimated cost of addressing the Priority I items is included in the budget for 2020-21. The Priority II through V items will need to be addressed in future budgets if the District wants to continue using Central Campus as an educational center. In July 2008 the District purchased 27 acres of property East of Cedar Road and North of 159th Street in Homer Township, Will County, Illinois. As the maintenance requirements of Central Campus increase, the District may want to consider the possible uses of the Cedar Road property as well.

Finally, the full extent of the impact of COVID-19 (Coronavirus) on the District is unknown at this time. Currently, the District has not suffered significant financial impact as a result of the virus, however the impact on our students and staff has been extreme. The District will continue to do what is best for its students, staff and community throughout the duration of the crisis presented by COVID-19, which may result in increased future expenditures. At this time, it is also unknown how this crisis will affect the financial health of the State of Illinois. The District may see reductions in state funding in fiscal year 2021-2022 due to COVID-19.

The administration of Lockport Township High School District 205 continues to monitor these concerns. For more information on District 205 please feel free to visit the web page at [www.lths.org](http://www.lths.org) or you may contact Stefanie Croix, Director of Business Services at [scroix@lths.org](mailto:scroix@lths.org).

### **Requests for Information**

This financial report is designed to provide a general overview of Lockport Township High School District 205's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Stefanie Croix, Director of Business Services, Lockport Township High School District 205, 1323 E. Seventh Street, Lockport, IL 60441.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Government-wide Financial Statement - Statement of Net Position -  
Modified Cash Basis

June 30, 2020

	Governmental Activities Primary Government
	<u>2020</u>
<u>Assets</u>	
Cash	18,795,136
Investments	40,615,586
Capital Assets not being depreciated	6,933,858
Capital Assets being depreciated, net of accumulated depreciation	<u>40,704,202</u>
Total Assets	<u>107,048,782</u>
<u>Liabilities</u>	
Current Liabilities	35,107
Due Within One Year	
General Obligation Bond Payable	1,200,000
Compensated Absences	153,737
Due in More Than One Year	
General Obligation Bond Payable	8,405,000
Net Pension Liability - IMRF	3,014,733
Net Pension Liability - TRS	2,468,009
Net OPEB Liability	<u>3,199,982</u>
Total Liabilities	<u>18,476,568</u>
<u>Net Position</u>	
Net investment in Capital Assets	38,033,060
Restricted for:	
Operations and Maintenance	7,828,804
Future Site Acquisitions and Capital Projects	795,880
Debt Service	647,117
Transportation of Students	7,305,698
Employee Benefits	2,533,987
Unrestricted	<u>31,427,668</u>
Total Net Position	<u>88,572,214</u>

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

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Government-wide Financial Statement-Statement of Activities -  
Modified Cash Basis  
For the Year Ended June 30, 2020

		Program Revenues			Net Revenues (Expenditures) and Changes in Net Position
	Expenditures	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction	25,634,455	1,483,292	2,762,845	-	(21,388,318)
Support Services	25,954,097	376,900	2,416,797	66,273	(23,094,127)
Community Services	409,215	-	-	-	(409,215)
Payments to Other Governments	1,219,730	-	-	-	(1,219,730)
On Behalf Payments	19,376,477	-	19,376,477	-	-
Debt Service	592,532	-	-	-	(592,532)
Total Governmental Activities	<u>73,186,506</u>	<u>1,860,192</u>	<u>24,556,119</u>	<u>66,273</u>	<u>(46,703,922)</u>
General Revenues:					
Property Taxes					50,073,256
Replacement Taxes					958,184
Evidence Based Funding and other unrestricted grants					3,394,109
Investment Earnings					820,352
Other General Revenues					<u>478,067</u>
Total General Revenues					<u>55,723,968</u>
Change in Net Position					9,020,046
Net Position Beginning of Year					79,552,168
Net Position End of Year					<u>88,572,214</u>

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

# LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

## Statement of Assets, Liabilities, and Fund Balances - Modified Cash Basis Governmental Funds June 30, 2020

	Major Funds		
	General Fund	Trans- portation Fund	Capital Projects Fund
<u>Assets</u>			
Cash	14,716,794	2,516,314	473,027
Investments	<u>31,812,565</u>	<u>5,031,445</u>	<u>199,606</u>
Total Assets	<u>46,529,359</u>	<u>7,547,759</u>	<u>672,633</u>
<u>Liabilities</u>			
Payroll Liabilities	<u>35,097</u>	<u>10</u>	<u>-</u>
Total Liabilities	<u>35,097</u>	<u>10</u>	<u>-</u>
<u>Fund Balances</u>			
Restricted Fund Balance	7,828,804	7,305,698	647,117
Assigned Fund Balance	-	242,051	25,516
Unassigned Fund Balance	<u>38,665,458</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>46,494,262</u>	<u>7,547,749</u>	<u>672,633</u>
Total Liabilities and Fund Balances	<u>46,529,359</u>	<u>7,547,759</u>	<u>672,633</u>

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

Non-major Governmental Funds	Total Governmental Funds	
	<u>2020</u>	<u>2019</u>
1,089,001	18,795,136	12,697,837
<u>3,571,970</u>	<u>40,615,586</u>	<u>44,082,327</u>
<u>4,660,971</u>	<u>59,410,722</u>	<u>56,780,164</u>
<u>-</u>	<u>35,107</u>	<u>13,040</u>
<u>-</u>	<u>35,107</u>	<u>13,040</u>
3,329,867	19,111,486	18,154,440
1,331,104	1,598,671	1,445,083
<u>-</u>	<u>38,665,458</u>	<u>37,167,601</u>
<u>4,660,971</u>	<u>59,375,615</u>	<u>56,767,124</u>
<u>4,660,971</u>	<u>59,410,722</u>	<u>56,780,164</u>

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



LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Reconciliation of Governmental Funds Statement of Assets, Liabilities, and Fund Balances to  
Statement of Net Position (Modified Cash Basis)

Governmental Funds

June 30, 2020

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Total Fund Balances - Governmental Funds	59,375,615
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Amounts reported for governmental activities in the  
Statement of Net Position are different because:

Capital assets used in governmental activities are not  
financial resources and therefore are not reported in  
the funds:

Capital assets	91,883,275	
Accumulated Depreciation	<u>(44,245,215)</u>	
Net Capital Assets		47,638,060

Some liabilities reported in the statement of net  
position do not require the use of current financial  
resources and therefore not reported as liabilities in  
governmental funds, these liabilities consist of:

General Obligation Bonds Payable	(9,605,000)	
Compensated Absences	(153,737)	
Other Postemployment Benefits	(3,199,982)	
Net Pension Liability - IMRF	(3,014,733)	
Net Pension Liability - TRS	<u>(2,468,009)</u>	
		<u>(18,441,461)</u>
Net Position of Governmental Activities		<u><u>88,572,214</u></u>

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

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Statement of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balances - (Modified Cash Basis)

Governmental Funds

For the Year Ended June 30, 2020

	Major Funds		
	General Fund	Trans- portation Fund	Capital Projects Fund
Revenues Received:			
Local Sources	47,730,321	2,998,601	66,279
State Sources	4,534,699	2,217,834	-
Federal Sources	1,732,022	-	-
On Behalf Payments	19,376,477	-	-
Total Revenues Received	<u>73,373,519</u>	<u>5,216,435</u>	<u>66,279</u>
Expenditures Disbursed:			
Current:			
Instructional	30,419,688	-	-
Support Services	18,017,821	4,513,014	2,249,536
Community Services	377,248	-	-
Payment to Other Schools	1,219,730	-	-
On Behalf Payments	19,376,477	-	-
Debt Service - Interest and Fees	-	-	-
Debt Service - Principal	-	-	-
Debt Service - Other	-	-	-
Total Expenditures Disbursed	<u>69,410,964</u>	<u>4,513,014</u>	<u>2,249,536</u>
Excess Revenues Received over (under)			
Expenditures Disbursed	3,962,555	703,421	(2,183,257)
Other Financing Sources (uses):			
Transfers in	-	-	2,249,536
Transfers (out)	(2,249,536)	-	-
Total Other Financing Sources (uses):	<u>(2,249,536)</u>	<u>-</u>	<u>2,249,536</u>
Net Change in Fund Balance	1,713,019	703,421	66,279
Fund balance, beginning of year	<u>44,781,243</u>	<u>6,844,328</u>	<u>606,354</u>
Fund balance, end of year	<u>46,494,262</u>	<u>7,547,749</u>	<u>672,633</u>

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

Non-major Funds	Total Governmental Funds	
	<u>2020</u>	<u>2019</u>
3,506,938	54,302,139	54,133,454
-	6,752,533	6,420,341
43,381	1,775,403	1,717,595
-	19,376,477	16,911,375
<u>3,550,319</u>	<u>82,206,552</u>	<u>79,182,765</u>
591,015	31,010,703	29,787,166
1,173,726	25,954,097	23,544,444
31,967	409,215	589,489
-	1,219,730	1,117,216
-	19,376,477	16,911,375
531,899	531,899	534,718
4,865,000	4,865,000	1,125,000
<u>60,633</u>	<u>60,633</u>	<u>-</u>
<u>7,254,240</u>	<u>83,427,754</u>	<u>73,609,408</u>
(3,703,921)	(1,221,202)	5,573,357
3,829,694	6,079,230	488,452
-	(2,249,536)	(488,452)
<u>3,829,694</u>	<u>3,829,694</u>	<u>-</u>
125,773	2,608,492	5,573,357
<u>4,535,198</u>	<u>56,767,123</u>	<u>51,193,766</u>
<u>4,660,971</u>	<u>59,375,615</u>	<u>56,767,123</u>

(continued)

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

# LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

## Reconciliation of Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances of Governmental Funds to Statement of Activities (Modified Cash Basis)

For the Year Ended June 30, 2020

Net change in Fund Balances - Governmental Funds	2,608,492
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Amounts reported for government activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures.

However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives as depreciation expense. This is the amount of expenditures capitalized in the current period.	4,255,924
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This is the proceeds of disposals	(44,569)
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This is the amount of depreciation recorded in the current period.	(2,652,260)
--	-------------

Issuance of new debt and premium, is revenue in Governmental Funds, but the issuance increased long-term liabilities in the statement of net positions	(3,385,000)
--	-------------

Repayment of debt principal, is an expenditure in Governmental Funds, but the repayment/refund reduced long-term liabilities in the statement of net position.	4,865,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.

Decrease in long-term compensated absences	22,895
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Increase in postemployment benefits	3,349,564
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Change in Net Position of Governmental Activities	9,020,046
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The Notes to Financial Statements are an integral part of this statement.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Statement of Fiduciary Assets and Liabilities (modified cash basis)

Fiduciary Funds

June 30, 2020

		<u>Student Activity Funds</u>	
		June 30	
		<u>2020</u>	<u>2019</u>
	<u>Assets</u>		
Cash		<u>298,868</u>	<u>338,549</u>
	<u>Liabilities</u>		
Due to Student Activity Organizations		<u>298,868</u>	<u>338,549</u>

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

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

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NOTE 1 Summary of Significant Accounting Policies

A. Reporting Entity

Lockport Township High School District 205 (District) is governed by the Board of Education and provides secondary education, transportation, cafeteria, building maintenance and general administrative services. In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity is made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The definition of a component unit is a legally separate organization for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The District is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District. The District also may be financially accountable if an organization is fiscally dependent on the District, regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government or (3) a jointly appointed board. There are no component units, as defined by GASB, which are included in the District's reporting entity. Also, the District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

B. Basis of Presentation

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

District-Wide Financial Statements

The statement of net assets and the statement of activities display information about the District as a whole. These statements include the governmental financial activities of the District. The District's fiduciary fund is excluded.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

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NOTE 1 Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

District-Wide Financial Statements (continued)

The statement of net assets presents the financial condition of the governmental activities of the District at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The fiduciary fund is reported in a separate statement.

Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with separate sets of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues received, expenditures disbursed and other financing sources and uses. The District maintains specific funds and fund types as required by 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. There are two categories of funds: governmental and fiduciary.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

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NOTE 1 Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

General Fund

The General Fund is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund is comprised of three accounts, the Educational Account, the Operations and Maintenance Account, and the Working Cash Account. The Educational Account records direct costs of instruction and related administration. The Operations and Maintenance Account reports all costs of maintaining, improving or repairing school buildings and property. The Working Cash Account accounts for financial resources held by the District to be used for temporary inter-fund loans to other funds/accounts.

Transportation Fund

The Transportation Fund, a special revenue fund, is used to account for the transportation of pupils. Revenue of this fund include property taxes, grants, user charges and investment earnings.

Capital Projects Fund

The Capital Projects Fund type is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The District's capital projects fund is named the Capital Projects Fund.

The other non-major governmental funds of the District account for property taxes and other resources, whose use is restricted to a particular purpose.

Special Revenue Funds

The Special Revenue Fund type is used to account for and report the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service or capital projects.



LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

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NOTE 1 Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

Special Revenue Funds (continued)

It consists of the Municipal Retirement/Social Security Fund, which accounts for the District's share of social security and retirement benefit costs for employees.

Debt Service Fund

The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Since there are no legal requirements or bond indentures, which mandate that a separate fund be established for each bond issue, the District maintains one fund for all debt issues..

Fiduciary Fund

Fiduciary fund reporting focuses on assets and liabilities. The District's only fiduciary fund is an agency fund, the Student Activity Fund. This fund accounts for assets held by the District as an agent for the students and teachers. The fund is custodial in nature and does not involve the measurement of results of operations. The amounts due to the activity fund organizations are equal to the assets.

C. Basis of Accounting / Measurement Focus

Fund Financial Statements - All governmental funds are accounted for using a modified cash basis of accounting measurement focus, which varies from accounting principles generally accepted in the United States of America. With this measurement focus, only current assets and current liabilities arising from cash transactions are included on the balance sheet. Accordingly, revenues are recognized when received rather than when earned, and expenditures are recognized when paid, rather than when the obligation is incurred. Consequently, property taxes and other revenues due, as well as amounts owed to vendors and suppliers are not included in the financial statements. Only assets representing a right to receive cash from a previous payment of cash are recorded as assets of a fund. In the same manner, only liabilities resulting from previous cash transactions are recorded as liabilities of a particular fund. This basis of accounting is in compliance with the Illinois Program Accounting Manual for Local Education Agencies.

District-Wide Financial Statements - The district-wide financial statements are prepared using the modified cash basis of accounting measurement focus. Under the modified cash basis, the District reports activity related to the acquisition, deprecia-

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

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NOTE 1 Summary of Significant Accounting Policies (continued)

C. Basis of Accounting / Measurement Focus (continued)

tion and year-end balances of capital assets, as well as year-end balances and related changes in long-term debt in its district-wide financial statements. Thus, the statement of net assets includes all current assets and current liabilities arising from cash transactions and all capital assets (net of accumulated depreciation) and long-term debt associated with the operation of the District.

Differences occur from the manner in which the governmental fund and the district-wide financial statements are prepared due to the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the district-wide statements and the statements for governmental funds.

The District has reported three categories of program revenues in the statement of activities (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the District's general revenues. For identifying the function to which program revenues pertain, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available, it is the District's policy to apply restricted resources first, then unrestricted resources as needed.

D. Assets, Liabilities and Equity:

Deposits and Investments

The Illinois statutes authorize the District to invest in U.S. Government, State of Illinois and municipal securities; certificates of deposit or time savings deposits insured by the FDIC; the Illinois School District Liquid Asset Fund; mortgage notes, bonds or debentures issued by the Federal Housing Administration; bonds and other obligations of the Federal National Mortgage Association; and certain short-term obligations of U.S. corporations.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

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NOTE 1 Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Equity: (continued)

In the selection of the authorized investment vehicles, deposits in any one financial institution shall not exceed 75% of the capital surplus/net worth of the institution as required by Section 8-7 of Chapter 122 of the Illinois School Code.

Cash deposits and investments are reported at cost.

Capital Assets

Capital assets used by governmental fund types of the District are recorded in the statement of net assets at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The District maintains a capitalization threshold of \$500. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	80 years
Site Improvements	20 years
Transportation Equipment	7-15 years
Intangible Assets	5 years
All Other Equipment	3-20 years

Long-Term Obligations

The District reports interest-bearing long-term debt of governmental funds at face value and non-interest bearing long-term debt at an accreted value in the statement of net position. Certain other governmental fund obligations not expected to be financed

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
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NOTE 1 Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Equity: (continued)

with current available financial resources are also reported in the statement of net assets. For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures.

Fund Balance

The District's fund balances are required to be reported using five separate classifications as listed below. The District may not necessarily utilize each classification in a given fiscal year. Note 10 provides details of fund balances.

*Nonspendable fund balance* - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact.

*Restricted fund balance* - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

*Committed fund balance* - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the District's highest level of decision-making authority, the Board of Education.

*Assigned fund balance* - Amounts that are constrained by the District's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the Board of Education, Superintendent, or another body (such as a Finance Committee), or by an official to whom that authority has been given. With the exception of the General Fund, assigned fund balance is the residual fund balance classification for all governmental funds with positive balances. Interest earnings assigned to a specific fund does not preclude the Board of Education from subsequently transferring interest earnings as allowed by 105 ILCS 5/10-22.44.

*Unassigned fund balance* - This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed or assigned.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
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NOTE 1 Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Equity: (continued)

Net Position.

Net position represents the difference between assets and liabilities. Net investment in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition/construction of those assets. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

E. Use of Resources Policy

The District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Committed, assigned, and unassigned amounts are considered to have been spent in that order when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. Expenditures incurred for a specifically identified purpose will reduce the specific identified classification of fund balance.

F. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could differ from those estimates.

NOTE 2 Stewardship, Compliance and Accountability

Budgetary Information

The budget is prepared on the modified cash basis of accounting for all governmental fund types, which is an acceptable method as prescribed by the Illinois Compiled Statutes and is the same basis that is used for financial reporting. This allows for comparability between budget and actual amounts. The budget appropriations lapse at the end of each fiscal year. The District follows these procedures in establishing the budgetary data reflected in the financial statements.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

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NOTE 2 Stewardship, Compliance and Accountability (continued)

Budgetary Information (continued)

The administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments. Prior to September 30, the budget is legally adopted through passage of a resolution. Formal budgetary integration is employed as a management control device during the year.

The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.

The Board of Education may amend the budget by the same procedures required of its original adoption. Budgeted amounts reflect the final budget approved by the Board.

NOTE 3 Deposits and Investments

Cash

The carrying amount of cash was \$12,700,560 at June 30, 2020, while the bank balances were \$13,013,256. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000, or collateralized with securities of the U.S. Government or with letters of credit issued by the Federal Home Loan Bank held in the District's name by financial institutions acting as the District's agent. The District also maintains cash on hand of \$3,800.

Certificates Of Deposit

Certificates of Deposit amounted to \$12,513,100 at June 30, 2020. In accordance with District policy, certificates of deposit were collateralized with securities of the U.S. Government. All investment collateral is held in safekeeping in the District's name by financial institutions acting as the District's agent. Collateral is priced to market semi-monthly and monitored regularly with additional collateral requested as necessary.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
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NOTE 3 Deposits and Investments (continued)

Investments

The investments which the District may purchase are limited by Illinois law to the following (1) securities which are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government Agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a Federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds and (8) money market mutual funds and certain other instruments.

Shares in the Illinois School District Liquid Asset Fund (ISDLAF) and the Illinois Funds represent investments in external investment pools; the fair value of the position in the pools is the same as the value of the pool shares. The Illinois Funds is regulated by the State of Illinois. The District also invests in the ISDLAF's Term Series pools. Each Term Series pool is comprised of statute allowable investments including bank deposit products, government securities, and municipal securities each having a designated maturity between 30 and 365 days.

The following schedule reports the costs and maturities (using the segmented time distribution method) for the District's investments at June 30, 2020.

Investment Description	Carrying Value (cost) 6/30/2020	Investment Maturities Less Than One Year	% of Total Investment	Credit Rating*
Illinois Funds Money Market	499,703	499,703	1.4%	AAAm
Illinois School District Liquid Asset Fund Plus (ISDLAF+)	5,889,941	5,889,941	17.1%	AAAm
Savings Deposit Account	28,102,487	28,102,487	81.5%	N/A
Total	<u>34,492,131</u>	<u>34,492,131</u>		

\*Credit ratings for the District's investments in debt securities as described by Standard & Poor's

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
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NOTE 3   Deposits and Investments (continued)

Interest Rate Risk

The District has a formal investment policy; however, the policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The District's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. The District's investment policy limits investments in short term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services and which mature not later than 180 days from the date of purchase; (ii) such purchases do not exceed 10% of the corporation's outstanding obligations and (iii) no more than one-third of the public agency's funds may be invested in short term obligations of corporations.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for District investment or any other high-quality, interest bearing security rated at least AA/ Aa by one or more standard rating service to include Standard & Poor's, Moody's, or Fitch. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization. The District is fully collateralized as of June 30, 2020.

The District places no limit on the amount the District may invest in any one issuer.



LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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NOTE 3 Deposits and Investments (continued)

Concentration of Credit Risk

The reconciliation of the amounts in this note to amounts in the financial statements is as follows:

Carrying Amount of Cash Per Note Above	\$ 12,700,559
Cash on Hand Per Note Above	3,800
Certificates of Deposit Per Above	12,513,100
Investments Per Note Above	34,492,131
	<hr/>
Total	\$ 59,709,590
	<hr/>
Cash Per Statement of Net Position	\$ 18,795,136
Investments Per Statement of Net Position	40,615,586
Cash Per Statement of Fiduciary Assets and Liabilities	298,868
	<hr/>
Total	\$ 59,709,590
	<hr/>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2020:  
ISDLAF+, ISDLAF+ Term Series, and Illinois Funds Money Market are all valued using quoted market prices (Level 1 inputs).

NOTE 4 Property Taxes

The District's property tax is levied each year, on all taxable real property located in the District, on or before the last day in December. The lien date for the levy is January 1. The Board of Education approved the 2019 tax levy on December 16, 2019. Property taxes are payable in two installments on June 1 and September 1 of the following year. The District receives significant distributions of tax receipts approximately one month after these due dates. The property tax revenue reflected in the financial statements represents the collections of the 2019 and prior property tax levies.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
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NOTE 5 Capital Assets

Activity related to capital assets for the year ended June 30, 2020 was as follows:

	<u>June 30, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2020</u>
Capital assets not being depreciated				
Land	5,066,897	-	-	5,066,897
Construction in progress	<u>179,873</u>	<u>2,249,536</u>	<u>562,448</u>	<u>1,866,961</u>
Total capital assets not being depreciated	<u>5,246,770</u>	<u>2,249,536</u>	<u>562,448</u>	<u>6,933,858</u>
Capital assets being depreciated				
Buildings	63,879,803	113,434	-	63,993,237
Improvements other than buildings	5,574,230	608,423	-	6,182,653
Food service equipment	292,592	35,686	-	328,278
Transportation equipment	4,627,662	561,275	445,680	4,743,257
Other equipment	<u>8,451,974</u>	<u>1,250,018</u>	<u>-</u>	<u>9,701,992</u>
Total capital assets being depreciated	<u>82,826,261</u>	<u>2,568,836</u>	<u>445,680</u>	<u>84,949,417</u>
Less accumulated depreciation for				
Buildings	30,301,714	1,491,544	-	31,793,258
Improvements other than buildings	3,085,129	250,025	-	3,335,154
Food service equipment	267,215	2,271	-	269,486
Transportation equipment	2,406,735	461,471	401,112	2,467,094
Other equipment	<u>5,933,274</u>	<u>446,949</u>	<u>-</u>	<u>6,380,223</u>
Total accumulated depreciation	<u>41,994,067</u>	<u>2,652,260</u>	<u>401,112</u>	<u>44,245,215</u>
Total capital assets being depreciated, net	<u>40,832,194</u>	<u>(83,424)</u>	<u>44,568</u>	<u>40,704,202</u>
Total capital assets, net of depreciation	<u>46,078,964</u>	<u>2,166,112</u>	<u>607,016</u>	<u>47,638,060</u>

Depreciation expense for the year was charged to instruction, support services, and community services in the amounts of \$1,550,800, \$1,092,873 and \$8,587, respectively.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
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NOTE 6 Long-Term Debt

During the year ended June 30, 2020, the following changes occurred in long-term debt:

	<u>July 1, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2020</u>	<u>Current Portion</u>
GO Bonds Series 2010	3,975,000	-	3,975,000	-	-
GO Bonds Series 2017	7,110,000	-	890,000	6,220,000	920,000
GO Bonds Series 2019	-	3,385,000	-	3,385,000	280,000
Total Bonded Debt	11,085,000	3,385,000	4,865,000	9,605,000	1,200,000
Compensated absences payable	176,632	153,737	176,632	153,737	153,737
Net pension liability IMRF	6,290,532	-	3,275,799	3,014,733	-
Net pension liability TRS	2,582,817	-	114,808	2,468,009	-
Other Post-employment benefits	3,158,939	41,043	-	3,199,982	-
Total Long-Term Debt	<u>23,293,920</u>	<u>3,579,780</u>	<u>8,432,239</u>	<u>18,441,461</u>	<u>1,353,737</u>

Debt outstanding at June 30, 2020 was as follows:

*Taxable General Obligation Limited Tax School Bonds Series 2010*

On December 9, 2010, the District issued \$4,235,000 in taxable general obligation limited tax school bonds (Build America Bonds – Direct Payment to Issuer) dated December 9, 2010, to increase the working cash account of the District and to construct and equip an addition to the Lockport East Campus High School and to pay certain costs associated with the issuance of the bonds. The Bonds were issued as authorized under the American Recovery and Reinvestment Act of 2009, which will provide for a Federal subsidy through a refundable tax credit to be paid to the District in an amount equal to 35 percent of the total interest payable to investors. The principal matures in varying amounts payable on January 1, 2019 through 2031. Interest is payable each January 1 and July 1 at rates that range from 4.75% to 6.875%. This bond was repaid during the year.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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NOTE 6 Long-Term Debt (continued)

*General Obligation Limited Tax School Bonds Series 2017*

On March 1, 2017 the District issued \$7,975,000 in general obligation limited tax school bonds dated March 1, 2017, to provide funds for construction projects. The principal matures in varying amounts payable on January 1, 2019 through 2027. Interest is payable each January 1 and July 1 at rates that range from 3.0% to 4.0%.

*General Obligation Limited Tax Refunding School Bonds Series 2019*

On October 3, 2019 the District issued \$3,385,000 in general obligation limited tax refunding school bonds dated October 3, 2019, to refund Bond Series 2010. The principal matures in varying amounts payable on January 1, 2021 through 2031. Interest is payable each January 1 and July 1 at rates that range from 3.0% to 5.0%.

Proceeds of \$3,761,494 of the Series 2019 Bond along with District cash on hand (after payment of \$64,032 for underwriting fees, insurance and other issuance costs) were used to provide for debt service payments on the above mentioned Series 2010 Bond. The District's refunding during the fiscal year resulted in a decrease in the District's total debt service payments by \$430,651.

Annual debt service requirements to maturity for the Taxable General Obligation Limited Tax School Bonds, Series 2017 are as follows:

Fiscal year ending			
June 30	Principal	Interest	Total
2021	920,000	220,400	1,140,400
2022	945,000	192,800	1,137,800
2023	975,000	164,450	1,139,450
2024	1,000,000	135,200	1,135,200
2025	1,045,000	95,200	1,140,200
2026-2027	1,335,000	53,400	1,388,400
	<u>6,220,000</u>	<u>861,450</u>	<u>7,081,450</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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NOTE 6 Long-Term Debt (continued)

Annual debt service requirements to maturity for the Taxable General Obligation Limited Tax School Bonds, Series 2019 are as follows:

Fiscal year ending	Principal	Interest	Total
June 30			
2021	280,000	145,150	425,150
2022	295,000	131,150	426,150
2023	310,000	116,400	426,400
2024	330,000	100,900	430,900
2025	115,000	84,400	199,400
2026-2030	1,645,000	266,300	1,911,300
2031	410,000	12,300	422,300
	<u>3,385,000</u>	<u>856,600</u>	<u>4,241,600</u>

At June 30, 2020, \$2,126,984 was available in the Debt Service Fund to service the above listed debt issues.

Compensated absences of \$153,737, represent amounts owed to employees for earned but unused vacation pay, which will be paid from the General and Transportation Funds.

Net Pension Liability represent actuarially determined pension benefits for District employees through the Illinois Municipal Retirement Fund (IMRF) and Teachers Retirement System (TRS) of Illinois (see Note 8). Other postemployment benefits (OPEB) payable represent the long-term portion of the actuarially determined net OPEB liability for healthcare insurance for eligible retirees and their dependents through the District's group health insurance plan (see Note 9.). The amounts will be paid from the General Fund.

NOTE 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 omissions; and workers' compensation for which the District carries commercial insurance. The amount of coverage has not decreased and settled claims have not exceeded stop loss coverage in the current year or any of the past three fiscal years.

The District has established a self-insurance program for health insurance purposes. The health insurance program is administered by the Lockport Area Benefit Plan (see note 14). Stop loss coverage has been purchased through a commercial carrier at \$175,000 annually per individual covered.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

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NOTE 8 Retirement Fund Commitments

The District contributes to two defined benefit pension plans: the Teachers Retirement System (TRS), and the Illinois Municipal Retirement Fund (IMRF). TRS is administered by the TRS board of trustees and is a cost sharing multiple employer plan. IMRF is administered by IMRF board of trustees and is an agent multiple-employer public employee retirement system. The benefits, benefit levels, employee contributions and employer contributions for both plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The aggregate employer recognized pension expense on a cash basis for the year ended June 30, 2020, was \$773,917.

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

**General Information about the Pension Plan**  
**Plan description**

The school 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 <https://www.trsil.org/financial/cafrs/fy2020>; by writing to TRS at 2815 West Washington Street, P O Box 19253, Springfield, IL 62794 or by calling (888) 678-3675, option 2.

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

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

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
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NOTES TO FINANCIAL STATEMENTS  
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Note #8    Retirement Fund Commitments: (continued)

A.        Teachers' Retirement System of the State of Illinois: (continued)

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

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

Contributions

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

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

**On behalf contributions to TRS.** The State of Illinois makes employer pension contributions on behalf of the district. For the year ended June 30, 2020, State of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective NPL associated with the employer, and the employer recognized revenue and expenditures of \$19,070,726 in pension contributions from the state of Illinois.

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Note #8    Retirement Fund Commitments: (continued)

A.            Teachers' Retirement System of the State of Illinois: (continued)

**2.2 formula contributions.** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2020 were \$143,013 and are deferred because they were paid after the June 30, 2019 measurement date.

**Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the district, there is a statutory requirement for the district to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 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 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2020, salaries totaling \$125,556 were paid from federal and special trust funds that required employer contributions of \$13,384.

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

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 \$9,379 to TRS for employer contributions due on salary increases in excess of 6 percent, \$10,373 for salary increases in excess of 3 percent and \$0 for sick leave days granted in excess of the normal annual allotment.



LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
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NOTE 8 Retirement Fund 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.**

At June 30, 2020, the employer reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The state's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the employer follows below:

Employer's proportionate share of the net pension liability	2,468,009
State's proportionate share of the net pension liability associated with the employer	<u>175,645,538</u>
<b>Total</b>	<u><u>178,113,547</u></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 employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2019, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2019, the employer's proportion was .00304 percent, which was an decrease (decrease) of (.0027 percent) from its proportion measured as of June 30, 2018.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
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NOTES TO FINANCIAL STATEMENTS  
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NOTE 8 Retirement Fund Commitments: (continued)

A. Teachers' Retirement System of the State of Illinois: (continued)

For the year ended June 30, 2020, the employer recognized pension expense of \$17,069. At June 30, 2020, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	40,469	-
Net difference between projected and actual earnings on pension plan investments	3,910	-
Changes of assumptions	55,300	47,373
Changes in proportion and differences between employer contributions and proportionate share of contributions	80,178	741,952
Employer contributions subsequent to the measurement date	<u>142,940</u>	<u>-</u>
Total	<u><u>322,797</u></u>	<u><u>789,325</u></u>

\$142,940 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

**Year ended June 30:**

2021	(141,535)
2022	(172,342)
2023	(181,081)
2024	(99,147)
2025	(15,364)

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
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NOTE 8 Retirement Fund Commitments: (continued)

A. Teachers' Retirement System of the State of Illinois: (continued)

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:

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

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

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

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NOTE 8 Retirement Fund Commitments: (continued)

A. Teachers' Retirement System of the State of Illinois: (continued)

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
U.S. equities large cap	15.0%	6.30%
U.S. equities small/mid cap	2.0%	7.70%
International equities developed	13.6%	7.00%
Emerging market equities	3.4%	9.50%
U.S. bonds core	8.0%	2.20%
U.S. bonds high yield	4.2%	4.00%
International debt developed	2.2%	1.10%
Emerging international debt	2.6%	4.40%
Real estate	16.0%	5.20%
Real return	4.0%	9.00%
Absolute return	14.0%	4.10%
Private equity	15.0%	9.70%
Total	<u>100%</u>	

Discount rate

At June 30, 2019, the discount rate used to measure the total pension liability was 7.00 percent, which was the same as the June 30, 2018 rate of 7.00 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

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NOTE 8 Retirement Fund Commitments: (continued)

A. Teachers' Retirement System of the State of Illinois: (continued)

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

**Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate**

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net pension liability	3,014,457	2,468,009	2,018,721

**TRS fiduciary net position**

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

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NOTE 8 Retirement Fund Commitments (continued)

B. THIS Fund:

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 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.

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

On behalf contributions to the THIS Fund.

The State of Illinois makes employer retiree health insurance contributions on behalf of the district. State contributions are intended to match contributions to the THIS Fund from active members which were 1.24 percent of pay during the year ended June 30, 2020. State of Illinois contributions were \$305,751, 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 percent during the year ended June 30, 2020. For the year ended June 30, 2020, the district paid \$226,847 to the THIS Fund, which was 100 percent of the required contribution.

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NOTE 8 Retirement Fund Commitments (continued)

B. THIS Fund (continued)

**Further information on the THIS Fund.**

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

C. Illinois Municipal Retirement Fund

**IMRF 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 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. The report is available for download at [www.imrf.org](http://www.imrf.org).

**Benefits Provided**

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

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NOTE 8 Retirement Fund Commitments: (continued)

C. Illinois Municipal Retirement Fund (continued)

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

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

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



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NOTE 8 Retirement Fund Commitments: (continued)

C. Illinois Municipal Retirement Fund (continued)

**Employees Covered by Benefit Terms**

At December 31, 2019, the following employees were covered by the benefit terms:

Number of	
Retirees and Beneficiaries	201
Inactive, Non-Retired Members	150
Active Members	210
Total	<u>561</u>
Covered Valuation Payroll	\$ 8,036,396

**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 9.42%. For the fiscal year ended June 30, 2020, the District contributed \$756,848 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.

**Net Pension Liability**

The District's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**Actuarial Assumptions**

The following are the methods and assumptions used to determine total pension liability at December 31, 2019:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.

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NOTE 8 Retirement Fund Commitments: (continued)

C. Illinois Municipal Retirement Fund (continued)

- **Salary Increases** were expected to be 3.35% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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NOTE 8 Retirement Fund Commitments: (continued)

C. Illinois Municipal Retirement Fund (continued)

**Actuarial Assumptions** (continued)

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

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38%	6.85%
International Equity	17%	6.75%
Fixed Income	27%	3.00%
Real Estate	8%	5.75%
Alternative Investments	9%	2.65-7.35%
Cash Equivalents	<u>1%</u>	2.25%
Total	100%	

**Single Discount Rate**

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

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and

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NOTE 8 Retirement Fund Commitments: (continued)

C. Illinois Municipal Retirement Fund (continued)

**Single Discount Rate** (continued)

2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.75%, and the resulting single discount rate is 7.25%.

**Changes in the Net Pension Liability**

	<b>Total Pension Liability (A)</b>	<b>Plan Fiduciary Net Position (B)</b>	<b>Net Pension Liability (A) - (B)</b>
<b>Balances at December 31, 2018</b>	39,221,003	32,930,471	6,290,532
<b>Changes for the year:</b>			-
Service Cost	821,303	-	821,303
Interest on the Total Pension Liability	2,798,014	-	2,798,014
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(490,667)	-	(490,667)
Changes of Assumptions	-	-	-
Contributions - Employer	-	756,848	(756,848)
Contributions - Employees	-	365,896	(365,896)
Net Investment Income	-	6,106,559	(6,106,559)
Benefit Payments, including Refunds of Employee Contributions	(2,076,818)	(2,076,818)	-
Other (Net Transfer)	-	(824,854)	824,854
<b>Net Changes</b>	<u>1,051,832</u>	<u>4,327,631</u>	<u>(3,275,799)</u>
<b>Balances at December 31, 2019</b>	<u><u>40,272,835</u></u>	<u><u>37,258,102</u></u>	<u><u>3,014,733</u></u>

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LOCKPORT, ILLINOIS  
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NOTE 8 Retirement Fund Commitments: (continued)

C. Illinois Municipal Retirement Fund (continued)

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	7,757,249	3,014,733	(878,281)

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

For the year ended June 30, 2020, the District recognized pension expense of \$1,573,974. At June 30, 2020, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	218,932	345,973
Changes of assumptions	400,102	160,764
Net difference between projected and actual earnings on pension plan investments	<u>2,622,986</u>	<u>4,193,771</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>3,242,020</u>	<u>4,700,508</u>
Pension contributions made subsequent to the measurement date	<u>429,008</u>	<u>-</u>
Total deferred amounts related to IMRF pension	<u>3,671,028</u>	<u>4,700,508</u>

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NOTE 8 Retirement Fund Commitments: (continued)

C. Illinois Municipal Retirement Fund (continued)

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

**Year ended December 31:**

2020	\$ (273,295)
2021	(482,724)
2022	54,249
2023	(756,718)
2024	-

NOTE 9 Postemployment Benefits other than Pensions

**Plan Description**

The District administers a single-employer defined benefit healthcare plan, the “Retiree Healthcare Benefit Program” or “the Plan”. The plan provides healthcare insurance for eligible retirees and their dependents through the District’s group health insurance plan, which covers both active and retired members, or through the Teacher’s Retirement Insurance Program (TRIP) which covers only retired members.

Benefit provisions are established through negotiations between the District and the unions representing District employees and are renegotiated each bargaining period. As of June 30, 2020, all retirees are eligible for benefits only until Medicare eligible. The Plan does not issue a stand-alone financial report.

**Funding Policy**

*Plan Description*

Contribution requirements are also negotiated between the District and union representatives. All plan funding is done on a pay-as-you-go basis.

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LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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NOTE 9 Postemployment Benefits other than Pensions (continued)

At June 30, 2020, the following employees were covered by the benefit terms:

Number of	
Retirees and Beneficiaries	60
Active Members	395
Total	<u>455</u>

The net other post-employment benefit liability (NOL) was measured on June 30, 2020.

**Actuarial Assumptions**

The following are the methods and assumptions used to determine total NOL as of June 30, 2020:

Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.50%
Salary Rate Increase	4.00%
Funded Ratio	0.00%
(Fiduciary Net Position as a percentage of Total OPEB Liability)	
Initial Health Care Cost Trend Rate	
-PPO Plan & PPO-HSA Plan	5.50%
-Dental Plan	2.00%
-TRIP Managed Care Plan	5.00%
Ultimate Health Care Cost Trend Rate	
-District Medical Plans	4.50%
-Dental Plan & TRIP Managed Care Plan	Not Applicable <sup>(1)</sup>
Fiscal Year the Ultimate Rate is Reached	Fiscal Year 2035

<sup>(1)</sup> Trend rates are constant for all years.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
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NOTE 9 Postemployment Benefits other than Pensions (continued)

**Discount Rate**

The discount rate under GASB 75 is required to be a blend of the long-term expected rate of return to the extent funded and the 20 year municipal bond rate. Specifically, an initial projection is made using the long-term ROR on irrevocable OPEB plan assets and, as long as the plan's net position and projected contributions associated with current participants are expected to fully cover projected benefit payments, this long-term rate may be used. For years in which the net position is not projected to cover projected benefit payments, the discount rate used is equal to the 20 year municipal bond yield or index. A single discount rate is then determined as a blend of the two rates, which produces the same discounted present value of benefits as the dual rate calculation. Since the District does not pre-fund plan liabilities, the discount rate used is equal to the 20 year municipal bond rate. This rate was 2.66% as of June 30, 2020.

**Reconciliation of Total OPEB Liability**

The Total OPEB Liability ("TOL") is the liability or obligation for benefits earned through the valuation date, based on certain actuarial methods and assumptions. The following represents a reconciliation of the TOL from the beginning of the Fiscal Year to the end of the Fiscal Year. The TOL as of June 30, 2020 is as follows:

	<b>Total OPEB Liability</b>
<b>Balances at June 30, 2019</b>	3,158,939
<b>Changes for the year:</b>	
Service Cost	167,161
Interest	84,734
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes of Assumptions	28,219
Contributions - Employer	-
Benefit payments	(243,755)
Other	<u>4,684</u>
Net Changes	<u>41,043</u>
<b>Balances at June 30, 2020</b>	<u><u>3,199,982</u></u>



LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
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NOTE 9 Postemployment Benefits other than Pensions (continued)

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

The following presents the Total OPEB Liability, calculated using a Single Discount Rate of 2.66%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net Pension Liability/(Asset)	2,989,245	3,199,982	3,425,076

Differences between expected and actual experience, assumption changes, and projected and actual earnings, are amortized over their respective periods as discussed in the prior section. The amounts left to be amortized in the future are reported as deferred inflows and outflows of resources. The table below summarizes the current balances of collective deferred inflows and outflows of resources along with the net recognition through annual expense over future years.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	867,238
Changes of assumptions	797,232	50,477
Net difference between projected and actual earnings on pension plan investments	-	-
Total	<u>797,232</u>	<u>917,715</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
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NOTE 9 Postemployment Benefits other than Pensions (continued)

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

2021	\$ (49,953)
2022	(49,953)
2023	(49,953)
2024	(49,953)
2025	(36,748)
Thereafter	116,076
	<u>\$ (120,484)</u>

NOTE 10 Fund Balances

Details of the District's fund balances by individual major fund and nonmajor funds in the aggregate are as follows:

	Major Funds			Non-Major	
Fund Balances:	General Fund	Transportation Fund	Capital Projects Fund	Governmental Fund	Governmental Fund
Restricted for:					
Operations & Maintenance	7,828,804	-	-	-	7,828,804
Debt Service	-	-	-	795,880	795,880
Transportation of students	-	7,305,698	-	-	7,305,698
Employee Benefits	-	-	-	2,533,987	2,533,987
Future site acquisitions and capital projects	-	-	647,117	-	647,117
Total restricted	7,828,804	7,305,698	647,117	3,329,867	19,111,486
Assigned to:					
Debt Service	-	-	-	1,331,104	1,331,104
Transportation of students	-	242,051	-	-	242,051
Capital projects	-	-	25,516	-	25,516
Total assigned	-	242,051	25,516	1,331,104	1,598,671
Unassigned	38,665,458	-	-	-	38,665,458
Total Fund Balances	<u>46,494,262</u>	<u>7,547,749</u>	<u>672,633</u>	<u>4,660,971</u>	<u>59,375,615</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
LOCKPORT, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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NOTE 11 Contingent Liabilities and Commitments

*Litigation*

The District is involved in litigation arising in the ordinary course of business. It is the opinion of management, based on consultation with counsel, that liabilities arising from these proceedings, if any, will not be material to the District's financial position.

*Grant Programs*

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government and the Illinois State Board of Education. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

NOTE 12 Operating Lease Agreements

The District leases equipment under operating lease agreements expiring through December 2026. Lease payments for the year ended June 30, 2020 totaled \$267,288. Future minimum lease payments are as follows:

**Year ending June 30:**

2021	\$ 255,394
2022	239,475
2023	214,015
2024	76,534
2025	44,058
2026	3,559

NOTE 13 Individual Fund Disclosures

All transfers are made to move monies between funds to finance operations and various programs in accordance with budgetary authorizations approved by the Board of Education. The General Fund made a routine transfer of \$2,249,536 to the Capital Projects Fund to assist in funding capital asset projects.

NOTE 14 Jointly Governed Organization

The District, in conjunction with two other area school districts, a fire district, and a park district have created the Lockport Area Benefit Plan (LABP). The LABP's board of directors is composed of one member from each of the five participating districts. The District's employees in the plan represent approximately 65% of the total plan participation. The LABP charges its members a portion of the monthly premiums from the health insurance provider. For the year ended June 30, 2020 the LABP paid \$8,789,117 in health insurance related expenditures. The District paid \$6,830,353 for its share of the health care premiums during the year ended June 30, 2020.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Budgetary Comparison Schedule  
Schedule of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balance - Budget and Actual  
General Fund

For the year ended June 30, 2020

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues Received			
Local Sources	47,716,711	47,730,321	13,610
State Sources	4,468,900	4,534,699	65,799
Federal Sources	1,693,609	1,732,022	38,413
On-Behalf Payments	17,100,000	19,376,477	2,276,477
Total Revenues Received	70,979,220	73,373,519	2,394,299
Expenditures Disbursed			
Current:			
Instruction	31,108,325	30,419,688	688,637
Support Services	18,753,647	18,017,821	735,826
Community Services	446,833	377,248	69,585
Payments to Other Governments	1,235,452	1,219,730	15,722
On-Behalf Payments	17,100,000	19,376,477	(2,276,477)
Contingency	-	-	-
Total Expenditures Disbursed	68,644,257	69,410,964	(766,707)
Excess of Revenues Received Over Expenditures Disbursed	2,334,963	3,962,555	1,627,592
Other Financing Sources (Uses)			
Transfers Out	(2,249,536)	(2,249,536)	-
Total Other Financing Sources (Uses)	(2,249,536)	(2,249,536)	-
Net Change in Fund Balance	85,427	1,713,019	1,627,592
Fund Balance, Beginning of Year		44,781,243	
Fund Balance, End of Year		46,494,262	

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Budgetary Comparison Schedule  
 Schedule of Revenues Received, Expenditures Disbursed  
 and Changes in Fund Balance - Budget and Actual  
 Transportation Fund  
 For the year ended June 30, 2020

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues Received			
Local Sources	2,984,095	2,998,601	14,506
State Sources	1,675,151	2,217,834	542,683
Federal Sources	-	-	-
Total Revenues Received	<u>4,659,246</u>	<u>5,216,435</u>	<u>557,189</u>
Expenditures Disbursed			
Current:			
Support Services	<u>4,656,825</u>	<u>4,513,014</u>	<u>143,811</u>
Total Expenditures Disbursed	<u>4,656,825</u>	<u>4,513,014</u>	<u>143,811</u>
Net Change in Fund Balance	<u>2,421</u>	<u>703,421</u>	<u>701,000</u>
Fund Balance, Beginning of Year		<u>6,844,327</u>	
Fund Balance, End of Year		<u>7,547,748</u>	

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY  
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
(Dollar amounts in thousands)

	6/30/19*	6/30/18*	6/30/17*	6/30/16*	6/30/15*
Employer's proportion of the net pension liability	0.00304%	0.00331%	0.00447%	0.00419%	0.00448%
Employer's proportionate share of the net pension liability	\$ 2,468,009	\$ 2,582,817	\$ 3,413,931	\$ 3,308,290	\$ 2,933,028
State's proportionate share of the net pension liability associated with the employer	175,645,538	176,933,774	169,521,108	177,162,740	138,423,670
Total	\$ 178,113,547	\$ 179,516,591	\$ 172,935,039	\$ 180,471,030	\$ 141,356,698
Employer's covered-employee payroll	\$ 24,657,335	\$ 23,740,076	\$ 23,730,592	\$ 22,897,579	\$ 22,173,641
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	10.0%	10.9%	14.4%	14.4%	13.2%
Plan fiduciary net position as a percentage of the total pension	39.6%	40.0%	39.3%	36.4%	41.5%

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
Teachers' Retirement System of the State of Illinois  
(Dollar amounts in thousands)

Statutorily-required contribution	143,013	148,919	184,094	131,913	155,270
Contributions in relation to the statutorily-required contribution:	(143,013)	(148,919)	(184,094)	(131,913)	(155,270)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered-employee payroll	24,657,335	23,740,076	23,730,592	22,897,579	22,173,641
Contributions as a percentage of covered-employee payroll	0.58%	0.63%	0.78%	0.58%	0.70%

Notes to other Information

Changes of assumptions

For the 2019, 2018, 2017, and 2016 measurement year, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit, but the rates of increase in the 2018 measurement year were slightly higher. For the 2015 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

SCHEDULES OF OTHER INFORMATION - IMRF  
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Calendar Years  
(schedule to be built prospectively from 2014)

Calendar year ending December 31,	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Total Pension Liability</b>										
Service Cost	821,303	773,748	809,379	834,002	785,637	817,814				
Interest on the Total Pension Liability	2,798,014	2,667,929	2,628,638	2,549,741	2,399,540	2,165,653				
Benefit Changes	-	-	-	-	-	-				
Difference between Expected and Actual Experience	(490,667)	558,386	(7,794)	(770,956)	279,617	208,195				
Assumption Changes	-	1,020,464	(1,103,838)	(120,890)	79,379	1,275,894				
Benefit Payments and Refunds	<u>(2,076,718)</u>	<u>(1,970,075)</u>	<u>(1,599,311)</u>	<u>(1,529,008)</u>	<u>(1,414,687)</u>	<u>(1,242,954)</u>				
<b>Net Change in Total Pension Liability</b>	1,051,932	3,050,452	727,074	962,889	2,129,486	3,224,602				
<b>Total Pension Liability - Beginning</b>	<u>39,221,003</u>	<u>36,170,551</u>	<u>35,443,477</u>	<u>34,480,588</u>	<u>32,351,102</u>	<u>29,126,500</u>				
<b>Total Pension Liability - Ending (a)</b>	<u>40,272,935</u>	<u>39,221,003</u>	<u>36,170,551</u>	<u>35,443,477</u>	<u>34,480,588</u>	<u>32,351,102</u>				
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	756,848	873,216	876,419	903,449	902,755	832,825				
Employee Contributions	365,896	349,351	344,207	347,492	332,457	320,246				
Pension Plan Net Investment Income	6,106,559	(1,724,751)	5,157,872	1,984,184	142,949	1,625,790				
Benefit payments and Refunds	(2,076,718)	(1,970,075)	(1,599,311)	(1,529,008)	(1,414,687)	(1,242,954)				
Other	<u>(824,854)</u>	<u>831,779</u>	<u>(544,702)</u>	<u>(1,623)</u>	<u>(11,088)</u>	<u>446,447</u>				
<b>Net Change in Plan Fiduciary Net Position</b>	4,327,731	(1,640,480)	4,234,485	1,704,494	(47,614)	1,982,354				
<b>Plan Fiduciary Net Position - Beginning</b>	<u>32,930,471</u>	<u>34,570,951</u>	<u>30,336,466</u>	<u>28,631,972</u>	<u>28,679,586</u>	<u>26,697,232</u>				
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>37,258,202</u>	<u>32,930,471</u>	<u>34,570,951</u>	<u>30,336,466</u>	<u>28,631,972</u>	<u>28,679,586</u>				
<b>Net Pension Liability (Asset) - Ending (a) - (b)</b>	3,014,733	6,290,532	1,599,600	5,107,011	5,848,616	3,671,516				
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	92.51%	83.96%	95.58%	85.59%	83.04%	88.65%				
<b>Current Valuation Payroll</b>	8,036,396	7,763,364	7,568,382	7,411,388	7,388,335	6,881,126				
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	37.51%	81.03%	21.14%	68.91%	79.16%	53.36%				

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

MULTIYEAR SCHEDULE OF EMPLOYER CONTRIBUTIONS - IMRF

LAST 10 CALENDAR YEARS  
(schedule to be built prospectively from 2014)

<u>Calendar Year Ending December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a % of Covered Valuation Payroll</u>
2014	818,854	832,825	(13,971)	6,881,126	12.10%
2015	896,205	902,755	(6,550)	7,388,335	12.22%
2016	903,448	903,449	(1)	7,411,388	12.19%
2017	876,419	876,419	-	7,568,382	11.58%
2018	873,378	873,216	162	7,763,364	11.25%
2019	754,618	756,848	(2,230)	8,036,396	9.42%

(Schedule to be built prospectively from 2014)



# LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

## NOTES TO SCHEDULE OF CONTRIBUTIONS - IMRF

### SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 CONTRIBUTION RATE\*

#### Valuation Date

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

#### Methods and Assumptions Used to Determine 2019 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age = Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 24-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 19 years for most employers (three employers were financed over 28 years and four others were financed over 29 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014 - 2016.
Mortality	For non-disabled retirees , an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees , an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives . For active members , an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

#### Other Information

Notes There were no benefit changes during the year.

\*Based on Valuation Assumptions used in the December 31, 2017 actuarial valuation.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
WILL COUNTY, ILLINOIS  
SCHEDULES OF OTHER SUPPLEMENTARY INFORMATION - OPEB  
MULTIYEAR SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

(schedule to be built prospectively from 2017)

Fiscal year ending June 30,	<u>2019</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Total OPEB Liability</b>										
Service Cost	167,161	161,660	129,254	125,146						
Interest on the Total Pension Liability	84,734	90,287	133,791	126,255						
Benefit Changes	-	-	-	(1,439,849)						
Difference between Expected and Actual Experience	-	(10,942)	(176,058)	(123,115)						
Assumption Changes	28,219	394,484	60,690	(12,423)						
Benefit Payments	(243,755)	(269,918)	-	(212,619)						
Other changes	<u>4,684</u>	<u>86,119</u>	<u>-</u>	<u>618,080</u>						
<b>Net Change in Total Pension Liability</b>	<b>41,043</b>	<b>451,690</b>	<b>147,677</b>	<b>(918,525)</b>						
<b>Total Pension Liability - Beginning</b>	<u><b>3,158,939</b></u>	<u><b>2,707,249</b></u>	<u><b>2,559,572</b></u>	<u><b>3,478,097</b></u>						
<b>Total Pension Liability - Ending (a)</b>	<u><b>3,199,982</b></u>	<u><b>3,158,939</b></u>	<u><b>2,707,249</b></u>	<u><b>2,559,572</b></u>						
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	-	-	-	-						
Net Investment Income	-	-	-	-						
Benefit payments	-	-	-	-						
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>						
<b>Net Change in Plan Fiduciary Net Position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>						
<b>Plan Fiduciary Net Position - Beginning</b>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>						
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>						
<b>Net OPEB Liability (Asset) - Ending (a) - (b)</b>	<b>3,199,982</b>	<b>3,158,939</b>	<b>2,707,249</b>	<b>2,559,572</b>						
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>						
<b>Current Valuation Payroll</b>	<b>24,657,335</b>	<b>23,740,076</b>	<b>23,740,076</b>	<b>23,983,333</b>						
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	<b>12.98%</b>	<b>13.31%</b>	<b>11.40%</b>	<b>10.67%</b>						

## **MAJOR GOVERNMENTAL FUNDS**

### **General Fund**

**Educational Account** - To account for most of the instructional and administrative aspects of the District's operations.

**Operation and Maintenance Account** - To account for operations, repairs and maintenance of District property.

**Working Cash Account** - To account for financial resources held by the District that may be temporarily loaned to other funds.

### **Transportation Fund**

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

### **Capital Projects Fund**

To account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, the District maintains the following Capital Projects Fund:

**Capital Projects Fund** - To account for school construction projects financed through debt issues, government grants and developer contributions.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND

Schedule of Assets, Liabilities and Fund Balances by Account

June 30, 2020

(With comparative totals as of June 30, 2019)

	Educational Fund	Operations & Maintenance Fund	Working Cash Fund	Totals	
				2020	2019
<u>Assets</u>					
Cash	11,759,822	2,816,152	140,820	14,716,794	9,676,408
Investments	24,964,117	5,848,448	1,000,000	31,812,565	35,117,865
Total Assets	<u>36,723,939</u>	<u>8,664,600</u>	<u>1,140,820</u>	<u>46,529,359</u>	<u>44,794,273</u>
<u>Liabilities</u>					
Payroll liabilities	<u>35,013</u>	<u>84</u>	<u>-</u>	<u>35,097</u>	<u>13,030</u>
Total liabilities	<u>35,013</u>	<u>84</u>	<u>-</u>	<u>35,097</u>	<u>13,030</u>
<u>Fund Balance</u>					
Restricted	-	7,828,804	-	7,828,804	7,613,642
Unassigned	<u>36,688,926</u>	<u>835,712</u>	<u>1,140,820</u>	<u>38,665,458</u>	<u>37,167,601</u>
Total Fund balance	<u>36,688,926</u>	<u>8,664,516</u>	<u>1,140,820</u>	<u>46,494,262</u>	<u>44,781,243</u>
Total Liabilities and Fund Balance	<u>36,723,939</u>	<u>8,664,600</u>	<u>1,140,820</u>	<u>46,529,359</u>	<u>44,794,273</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND

Schedule of Revenues Received, Expenditures Disbursed,  
and Changes in Fund Balance by Account  
For the Fiscal Year Ended June 30, 2020

	Educational <u>Fund</u>	Operations & Maintenance <u>Fund</u>	Working Cash <u>Fund</u>
Revenues Received:			
Local Revenues	38,739,061	8,991,260	-
State Revenues	4,484,699	50,000	-
Federal Revenues	1,732,022	-	-
On Behalf Payments	<u>19,341,920</u>	<u>34,557</u>	<u>-</u>
Total Revenues Received	<u>64,297,702</u>	<u>9,075,817</u>	<u>-</u>
Expenditures Disbursed:			
Current:			
Instruction	30,419,688	-	-
Support Services	11,580,897	6,436,924	-
Community Services	377,248	-	-
Payments to Other Schools	1,219,730	-	-
On Behalf Payments	<u>19,341,920</u>	<u>34,557</u>	<u>-</u>
Total Expenditures Disbursed	<u>62,939,483</u>	<u>6,471,481</u>	<u>-</u>
Excess Revenues Received over (under)			
Expenditures Disbursed	<u>1,358,219</u>	<u>2,604,336</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers (out)	<u>-</u>	<u>(2,249,536)</u>	<u>-</u>
Net Change in Fund Balances	<u>1,358,219</u>	<u>354,800</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>35,330,707</u>	<u>8,309,716</u>	<u>1,140,820</u>
Fund Balance, End of Year	<u>36,688,926</u>	<u>8,664,516</u>	<u>1,140,820</u>

<u>Intrafund Eliminations</u>	<u>Totals</u>	
	<u>2020</u>	<u>2019</u>
-	47,730,321	47,438,278
-	4,534,699	4,414,897
-	1,732,022	1,631,922
-	19,376,477	16,911,375
-	73,373,519	70,396,472
-	30,419,688	29,194,663
-	18,017,821	17,125,031
-	377,248	550,478
-	1,219,730	1,117,216
-	19,376,477	16,911,375
-	69,410,964	64,898,763
-	3,962,555	5,497,709
-	-	-
-	(2,249,536)	(488,452)
-	1,713,019	5,009,257
-	44,781,243	39,771,986
-	46,494,262	44,781,243

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND - EDUCATIONAL ACCOUNT

Schedule of Assets, Liabilities and Fund Balance

June 30, 2020

(With comparative totals as of June 30, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	11,759,822	6,927,630
Investments	<u>24,964,117</u>	<u>28,416,023</u>
Total Assets	<u><u>36,723,939</u></u>	<u><u>35,343,653</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Payroll Deductions payable	<u>35,013</u>	<u>12,946</u>
Total Liabilities	<u><u>35,013</u></u>	<u><u>12,946</u></u>
Fund Balance		
Unassigned	<u>36,688,926</u>	<u>35,330,707</u>
Total Fund Balances	<u><u>36,688,926</u></u>	<u><u>35,330,707</u></u>
Total Liabilities and Fund Balance	<u><u>36,723,939</u></u>	<u><u>35,343,653</u></u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND - EDUCATIONAL ACCOUNT

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Revenues Received:					
Local Sources:					
Property Taxes	35,581,781	35,300,766	35,333,659	32,893	35,943,722
CPP Replacement Taxes	994,741	939,925	939,925	-	853,800
Other Payments in Lieu of Taxes	1,174	1,174	963	(211)	1,175
Earnings on Investments	398,610	501,675	499,228	(2,447)	650,535
Food Services	266,000	266,000	263,223	(2,777)	269,839
Tuition	120,000	72,740	74,950	2,210	124,495
Textbook Rentals/Resale	-	-	85	85	318
Pupil Activities	1,401,434	1,325,434	1,286,333	(39,101)	1,396,470
Other Local Revenues	463,911	342,911	340,695	(2,216)	550,447
Total Local Sources	39,227,651	38,750,625	38,739,061	(488,590)	39,790,801
State Programs:					
Evidence Based Funding	3,389,813	3,389,813	3,394,109	4,296	3,260,031
Special Education - Private Facility Tuition	781,285	755,274	755,274	-	799,163
Special Education - Funding for Children	-	-	-	-	-
Special Education - Personnel	-	-	-	-	-
Special Education - Orphanage - Individual	189,686	150,977	177,838	26,861	174,665
Special Education - Orphanage - Summer Individual	5,000	5,000	7,164	2,164	4,999
Special Education - Summer School	-	-	-	-	-
CTE - Secondary Program Improvement (CTEI)	84,487	84,487	88,727	4,240	82,276
CTE - Agriculture Education	4,069	4,069	4,069	-	1,703
Bilingual Ed - Downstate - TPI and TBE	-	-	-	-	-
State Free Lunch & Breakfast	1,700	1,700	1,765	65	2,387
Drivers Educations	74,800	74,800	52,973	(21,827)	75,087
Other Restricted State Sources	2,780	2,780	2,780	-	14,586
Total State Programs	4,533,620	4,468,900	4,484,699	15,799	4,414,897
Federal Programs:					
Title I - Low Income	352,671	352,671	325,069	(27,602)	295,515
Title II - Teacher Quality	93,743	93,743	98,396	4,653	52,051
Title IV - Safe & Drug Free Schools	20,991	20,991	32,515	11,524	18,651
Special Education IDEA Room and Board	46,000	51,000	51,059	59	29,970
Special Education - IDEA Flow Through	617,010	617,010	636,427	19,417	739,558
CTE - Other	65,287	65,287	61,047	(4,240)	85,692
Medicaid Matching Funds - Administrative Outreach	33,000	33,000	32,773	(227)	34,340
Medicaid Matching Funds - Fee-for-Service Program	150,000	225,000	233,251	8,251	168,337
Other Restricted Revenue from Federal Sources	179,432	234,907	261,485	26,578	207,808
Total Federal Programs	1,558,134	1,693,609	1,732,022	38,413	1,631,922
On Behalf Payments	16,929,000	16,929,000	19,341,920	2,412,920	16,874,770
Total Revenues Received	62,248,405	61,842,134	64,297,702	2,455,568	62,712,390



LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND - EDUCATIONAL ACCOUNT

Statement of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Expenditures Disbursed:					
Instruction					
Regular Programs:					
Salaries	13,779,899	13,665,269	13,595,223	70,046	13,053,312
Employee Benefits	2,680,712	2,682,113	2,632,725	49,388	2,541,465
Purchased Services	1,069,835	916,735	888,092	28,643	826,121
Supplies	800,698	765,139	722,354	42,785	723,444
Capital Outlay	169,100	153,100	93,257	59,843	100,805
Other Objects	12,350	12,350	10,532	1,818	12,954
Termination Benefits	645	645	645	-	4,486
Total Regular Programs	18,513,239	18,195,351	17,942,828	252,523	17,262,587
Special Education Programs:					
Salaries	4,618,626	4,552,434	4,362,605	189,829	4,453,120
Employee Benefits	807,857	807,857	922,312	(114,455)	843,793
Purchased Services	157,000	157,000	150,554	6,446	192,307
Supplies	26,700	26,700	26,927	(227)	38,671
Capital Outlay	11,300	11,300	30,806	(19,506)	9,720
Termination Benefits	-	-	-	-	4,535
Total Special Education Programs	5,621,483	5,555,291	5,493,204	62,087	5,542,146
Remedial Programs:					
Salaries	217,830	217,830	130,324	87,506	132,251
Employee Benefits	5,418	5,418	1,585	3,833	1,594
Purchased Services	33,600	33,600	19,500	14,100	-
Supplies	2,307	2,307	1,856	451	1,643
Total Remedial	259,155	259,155	153,265	105,890	135,488
CTE Programs:					
Salaries	1,885,036	1,886,636	1,871,198	15,438	1,637,232
Benefits	368,164	368,164	331,144	37,020	314,344
Purchased Services	51,500	51,500	44,285	7,215	27,485
Supplies	136,173	136,173	122,746	13,427	121,304
Capital Outlay	32,551	32,551	70,762	(38,211)	48,847
Other Objects	8,500	8,500	7,663	837	6,601
Total CTE Programs	2,481,924	2,483,524	2,447,798	35,726	2,155,813

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND - EDUCATIONAL ACCOUNT

Statement of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2020  
(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Interscholastic Programs:					
Salaries	1,731,331	1,731,331	1,680,629	50,702	1,575,224
Benefits	71,281	71,281	71,286	(5)	42,114
Purchased Services	277,650	277,650	206,883	70,767	256,715
Supplies	264,600	264,600	200,265	64,335	183,545
Capital Outlay	24,500	24,500	135,876	(111,376)	52,228
Other Objects	85,400	85,400	107,618	(22,218)	96,997
Total Interscholastic	2,454,762	2,454,762	2,402,557	52,205	2,206,823
Summer School Programs:					
Salaries	177,705	177,705	119,431	58,274	150,262
Benefits	7,924	7,924	5,544	2,380	8,872
Purchased Services	250	250	-	250	-
Supplies	7,000	7,000	1,785	5,215	8,071
Total Summer School Programs	192,879	192,879	126,760	66,119	167,205
Gifted Programs					
Salaries	15,284	15,284	6,860	8,424	14,429
Benefits	79	79	241	(162)	82
Purchased Services	116,000	116,000	96,219	19,781	105,615
Supplies	5,000	5,000	3,578	1,422	2,484
Capital Outlay	-	-	-	-	2,000
Total Gifted Programs	136,363	136,363	106,898	29,465	124,610
Driver's Education Programs					
Salaries	100,000	100,000	45,990	54,010	86,210
Benefits	1,500	1,500	614	886	1,067
Purchased Services	1,000	1,000	-	1,000	824
Other Objects	-	-	-	-	-
Total Driver's Education Programs	102,500	102,500	46,604	55,896	88,101
Regular K-12 Programs - Private Tuition	40,000	64,000	63,244	756	30,312
Special Education Programs K-12	1,700,000	1,650,000	1,630,326	19,674	1,474,488
CTE Programs - Private Tuition	14,500	14,500	6,204	8,296	7,090
Total Instructional	31,516,805	31,108,325	30,419,688	688,637	29,194,663

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND - EDUCATIONAL ACCOUNT

Statement of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2020  
(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Support Services					
Support Services - Pupils					
Attendance & Social Work Services					
Salaries	608,471	623,171	625,591	(2,420)	702,256
Employee Benefits	197,341	197,341	187,377	9,964	147,228
Termination Benefits	-	-	-	-	-
Total Attendance & Social Work Services	805,812	820,512	812,968	7,544	849,484
Guidance Services					
Salaries	1,248,778	1,332,978	1,333,193	(215)	1,420,014
Employee Benefits	290,903	290,903	310,725	(19,822)	275,522
Purchased Services	29,200	29,200	22,467	6,733	5,064
Supplies	14,000	14,000	14,832	(832)	9,934
Capital Outlay	2,000	2,000	4,316	(2,316)	952
Other Objects	750	750	150	600	419
Termination Benefits	-	-	-	-	-
Total Guidance Services	1,585,631	1,669,831	1,685,683	(15,852)	1,711,905
Health Service:					
Salaries	143,832	165,832	163,006	2,826	134,005
Employee Benefits	18,162	18,162	14,495	3,667	15,623
Purchased Services	3,000	3,000	276	2,724	8,765
Supplies	-	-	9,351	(9,351)	-
Total Health Service	164,994	186,994	187,128	(134)	158,393
Psychological Services					
Salaries	186,693	186,693	186,169	524	180,528
Employee Benefits	45,132	45,132	25,245	19,887	44,287
Purchased Services	3,000	3,000	-	3,000	188
Supplies	500	500	1,106	(606)	443
Other Objects	250	250	250	-	-
Total Psychological Services	235,575	235,575	212,770	22,805	225,446
Speech Pathology & Audiology Services					
Salaries	162,104	162,104	158,745	3,359	132,740
Employee Benefits	41,311	41,311	45,066	(3,755)	35,446
Total Speech Pathology & Audiology Services	203,415	203,415	203,811	(396)	168,186

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND - EDUCATIONAL ACCOUNT

Statement of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2020  
(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Other Support Service - Pupils					
Purchased Services	15,500	15,500	16,894	(1,394)	15,222
Supplies	17,500	17,500	15,327	2,173	13,579
Total Other Support Service - Pupils	33,000	33,000	32,221	779	28,801
Instruction Improvement:					
Salaries	297,413	305,363	320,788	(15,425)	153,211
Employee Benefits	84,043	86,543	88,365	(1,822)	55,311
Purchased Services	183,308	180,808	156,043	24,765	89,684
Supplies	13,853	13,853	17,486	(3,633)	8,636
Capital Outlay	-	-	-	-	-
Other Objects	12,140	12,140	3,520	8,620	4,463
Termination Benefits	-	-	-	-	130,762
Total Instruction Improvement	590,757	598,707	586,202	12,505	442,067
Educational Media Services:					
Salaries	274,282	273,282	272,086	1,196	263,978
Employee Benefits	49,674	49,674	44,479	5,195	48,479
Purchased Services	23,150	23,150	20,303	2,847	18,992
Supplies	27,630	27,630	27,562	68	27,710
Capital Outlay	1,000	1,000	-	1,000	6,137
Other Objects	500	500	424	76	272
Total Educational Media Services	376,236	375,236	364,854	10,382	365,568
Assessment & Testing:					
Salaries	75,586	75,586	76,280	(694)	74,534
Employee Benefits	24,224	24,224	25,134	(910)	23,894
Purchased Services	79,909	79,909	25,348	54,561	22,821
Supplies	10,500	10,500	4,224	6,276	3,293
Total Assessment & Testing	190,219	190,219	130,986	59,233	124,542
Board of Education Services:					
Salaries	4,500	7,000	3,818	3,182	3,840
Purchased Services	798,005	648,005	598,601	49,404	596,720
Supplies	7,000	7,000	3,343	3,657	4,547
Other Objects	17,750	17,750	15,897	1,853	16,706
Total Board of Education Services	827,255	679,755	621,659	58,096	621,813
Executive Administration Services					
Salaries	273,742	273,742	273,996	(254)	341,606
Employee Benefits	69,292	69,292	63,132	6,160	48,414
Purchased Services	3,000	3,000	3,803	(803)	1,504
Supplies	6,000	6,000	7,653	(1,653)	5,108
Other Objects	8,000	8,000	5,177	2,823	7,066
Termination Benefits	83,849	83,849	83,848	1	3,079
Total Executive Administration Services	443,883	443,883	437,609	6,274	406,777

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND - EDUCATIONAL ACCOUNT

Statement of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Special Area Administration Services					
Salaries	201,148	209,148	205,373	3,775	192,657
Employee Benefits	32,726	32,726	32,854	(128)	26,995
Purchased Services	60,500	39,800	43,617	(3,817)	33,025
Supplies	1,000	1,000	955	45	354
Other Objects	1,500	1,500	150	1,350	816
Termination Benefits	-	-	814	(814)	-
Total Executive Administration Services	296,874	284,174	283,763	411	253,847
Office of the Principal Services:					
Salaries	1,072,459	1,072,459	1,045,941	26,518	1,061,581
Employee Benefits	281,954	283,069	265,483	17,586	266,959
Purchased Services	13,050	13,050	6,852	6,198	4,056
Supplies	46,000	46,000	46,233	(233)	32,880
Capital Outlay	5,350	5,350	3,313	2,037	1,763
Other Objects	2,500	2,500	2,060	440	2,245
Termination Benefits	1,482	1,482	2,601	(1,119)	-
Total Office of the Principal Services:	1,422,795	1,423,910	1,372,483	51,427	1,369,484
Other Support Services					
Salaries	731,908	721,908	721,283	625	933,795
Employee Benefits	175,386	175,386	129,196	46,190	146,078
Purchased Services	2,250	2,250	3,946	(1,696)	2,084
Supplies	5,000	5,000	2,582	2,418	2,937
Total Other Support Services	914,544	904,544	857,007	47,537	1,084,894
Direction of Business Support Services					
Salaries	231,240	231,240	229,928	1,312	223,350
Employee Benefits	50,396	50,395	49,795	600	48,111
Purchased Services	10,000	10,000	9,087	913	24,928
Other Objects	1,085	1,085	2,224	(1,139)	1,085
Termination Benefits	-	-	-	-	-
Total Direction of Business Support Services	292,721	292,720	291,034	1,686	297,474
Fiscal Services:					
Salaries	269,123	292,123	288,119	4,004	261,370
Employee Benefits	75,353	75,353	76,234	(881)	69,305
Purchased Services	157,500	186,080	163,925	22,155	100,096
Supplies	5,000	5,000	2,815	2,185	2,657
Capital Outlay	3,000	3,000	-	3,000	-
Other Objects	-	-	325	(325)	594
Termination Benefits	-	-	-	-	-
Total Fiscal Services	509,976	561,556	531,418	30,138	434,022

## LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

## GENERAL FUND - EDUCATIONAL ACCOUNT

Statement of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Operation & Maintenance of Plant Services					
Salaries	234,836	243,536	236,574	6,962	-
Employee Benefits	2,542	-	-	-	-
Total Operation & Maintenance of Plant Services	237,378	243,536	236,574	6,962	-
Pupil Transportation Services					
Purchased Services	9,848	9,848	21,884	(12,036)	14,197
Total Pupil Transportation Services	9,848	9,848	21,884	(12,036)	14,197
Food Services:					
Purchased Services	11,500	11,500	8,830	2,670	8,764
Supplies	353,500	353,500	357,402	(3,902)	330,695
Capital Outlay	32,000	32,000	26,677	5,323	-
Total Food Services	397,000	397,000	392,909	4,091	339,459
Internal Services:					
Salaries	3,000	5,000	5,730	(730)	1,635
Employee Benefits	45	45	86	(41)	25
Total Internal Services	3,045	5,045	5,816	(771)	1,660
Information Services:					
Salaries	125,340	129,640	125,862	3,778	73,704
Employee Benefits	30,744	30,744	30,756	(12)	22,371
Purchased Services	108,200	108,200	49,361	58,839	34,282
Supplies	4,000	4,000	1,422	2,578	1,774
Other Objects	1,000	1,000	589	411	341
Termination Benefits	-	-	-	-	5,140
Total Information Services	269,284	273,584	207,990	65,594	137,612
Staff Services:					
Salaries	270,605	277,205	272,757	4,448	277,270
Employee Benefits	55,466	55,466	54,202	1,264	64,098
Purchased Services	113,120	90,120	68,062	22,058	39,324
Supplies	15,000	15,000	17,256	(2,256)	14,788
Capital Outlay	1,000	1,000	-	1,000	-
Other Objects	3,500	3,500	-	3,500	3,163
Termination Benefits	-	-	-	-	1,544
Total Staff Services	458,691	442,291	412,277	30,014	400,187

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND - EDUCATIONAL ACCOUNT

Statement of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2020  
(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Data Processing Services					
Salaries	668,712	668,712	654,881	13,831	651,567
Employee Benefits	212,315	212,315	195,678	16,637	202,699
Purchased Services	537,525	532,525	452,392	80,133	487,652
Supplies	75,000	75,000	80,729	(5,729)	44,860
Capital Outlay	300,000	300,000	303,955	(3,955)	389,748
Other Objects	-	-	1,019	(1,019)	-
Termination Benefits	-	-	3,197	(3,197)	-
Total Data Processing Services	1,793,552	1,788,552	1,691,851	96,701	1,776,526
Other Support Services:	1,250	1,250	-	1,250	575
Total Support	12,063,735	12,065,137	11,580,897	484,240	11,212,919
Community Services					
Salaries	312,601	271,601	259,618	11,983	389,149
Employee Benefits	55,012	55,012	54,981	31	59,547
Purchased Services	24,200	15,700	6,058	9,642	41,568
Supplies	39,520	30,520	15,189	15,331	41,092
Capital Outlay	52,500	52,500	24,002	28,498	-
Other Objects	21,500	21,500	17,400	4,100	15,470
Termination Benefits	-	-	-	-	3,652
Total Community Services	505,333	446,833	377,248	69,585	550,478
Payments to Other Districts & Government Units					
Regular Programs	13,000	13,000	6,815	6,185	12,456
Special Education	900,000	900,000	890,463	9,537	815,380
CTE Programs	315,000	322,452	322,452	-	289,380
Total Payments to Other Schools	1,228,000	1,235,452	1,219,730	15,722	1,117,216
Provision for Contingencies	-	-	-	-	-
Total Direct Expenditures Disbursed	45,313,873	44,855,747	43,597,563	1,258,184	42,075,276
On Behalf Payments	16,929,000	16,929,000	19,341,920	(2,412,920)	16,874,770
Total Expenditures Disbursed	62,242,873	61,784,747	62,939,483	(1,154,736)	58,950,046
Excess of Revenues Received over (under)					
Expenditures Disbursed	5,532	57,387	1,358,219	1,300,832	3,762,344
Fund Balance, Beginning of Year			35,330,707		31,568,363
Fund Balance, End of Year			36,688,926		35,330,707

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205  
GENERAL FUND - OPERATIONS AND MAINTENANCE ACCOUNT  
Schedule of Assets, Liabilities and Fund Balance  
June 30, 2020  
(With comparative totals as of June 30, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	2,816,152	1,607,958
Investments	<u>5,848,448</u>	<u>6,701,842</u>
Total Assets	<u><u>8,664,600</u></u>	<u><u>8,309,800</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Payroll Deductions payable	<u>84</u>	<u>84</u>
Total Liabilities	<u><u>84</u></u>	<u><u>84</u></u>
Fund Balance		
Restricted	7,828,804	7,613,642
Unassigned	<u>835,712</u>	<u>696,074</u>
Total Fund Balances	<u><u>8,664,516</u></u>	<u><u>8,309,716</u></u>
Total Liabilities and Fund Balance	<u><u>8,664,600</u></u>	<u><u>8,309,800</u></u>



LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND - OPERATIONS AND MAINTENANCE ACCOUNT  
 Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance  
 Budget and Actual (Modified Cash Basis)  
 For the Fiscal Year Ended June 30, 2020  
 (With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Revenues Received:					
Local Sources:					
Property Taxes	8,539,650	8,455,756	8,464,447	8,691	7,121,323
Earnings on Investments	93,772	138,916	139,638	722	141,705
Other Local Revenue	456,576	370,414	387,175	16,761	362,476
Total Local Sources	9,089,998	8,965,086	8,991,260	26,174	7,625,504
State Sources:					
Other State Grants	-	-	50,000	50,000	-
Total State Sources	-	-	50,000	50,000	-
On-Behalf Payments from State	171,000	171,000	34,557	(136,443)	36,605
Total Revenues Received	9,260,998	9,136,086	9,075,817	(60,269)	7,662,109
Expenditures Disbursed:					
Operation/Maintenance of Plant:					
Support Services					
Salaries	2,766,416	2,816,416	2,751,924	64,492	2,673,578
Employee Benefits	830,120	831,820	814,507	17,313	746,003
Purchased Services	1,207,370	1,147,370	1,045,507	101,863	924,220
Supplies and Materials	1,100,800	1,060,800	1,011,507	49,293	1,019,401
Capital Outlay	836,554	816,054	795,979	20,075	531,601
Other Objects	1,050	1,050	1,330	(280)	560
Termination Benefits	15,000	15,000	16,170	(1,170)	16,749
Total Support Services	6,757,310	6,688,510	6,436,924	251,586	5,912,112
On-Behalf Payments	171,000	171,000	34,557	136,443	36,605
Provision for Contingencies	-	-	-	-	-
Total Expenditures Disbursed	6,928,310	6,859,510	6,471,481	388,029	5,948,717
Excess of Revenues Received over (under) Expenditures Disbursed	2,332,688	2,276,576	2,604,336	327,760	1,713,392
Other Financing Sources (Uses):					
Abatement of Working Cash Fund	-	-	-	-	-
Transfer of Other Revenues Pledged to Pay for Capital Projects	(2,331,224)	(2,249,538)	(2,249,536)	(2)	(488,452)
Total Other Financing Sources (Uses):	(2,331,224)	(2,249,538)	(2,249,536)	(2)	(488,452)
Net Change in Fund Balance	1,464	27,038	354,800	327,758	1,224,940
Fund Balance, Beginning of Year			8,309,716		7,084,776
Fund Balance, End of Year			8,664,516		8,309,716

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND - WORKING CASH ACCOUNT

Schedule of Assets and Fund Balance

June 30, 2020

(With comparative totals as of June 30, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	140,820	1,140,820
Investments	<u>1,000,000</u>	<u>-</u>
Total Assets	<u>1,140,820</u>	<u>1,140,820</u>
Fund Balance		
Unassigned	<u>1,140,820</u>	<u>1,118,848</u>
Total Fund Balances	<u>1,140,820</u>	<u>1,118,848</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

GENERAL FUND - WORKING CASH ACCOUNT

Schedule of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Revenues Received:					
Earnings on investments	<u>1,000</u>	<u>1,000</u>	-	(1,000)	21,973
Total Revenues Received	<u>1,000</u>	<u>1,000</u>	-	(1,000)	21,973
Expenditures Disbursed	<u>-</u>	<u>-</u>	-	-	-
Total Expenditures Disbursed	<u>-</u>	<u>-</u>	-	-	-
Excess of Revenues Received over (under) Expenditures Disbursed	<u>1,000</u>	<u>1,000</u>	-	-	21,973
Other Financing Sources (Uses):					
Abolishment or Abatement of the Working Cash Fund	<u>-</u>	<u>-</u>	-	-	-
Net Change in Fund Balance	<u>1,000</u>	<u>1,000</u>	-	(1,000)	21,973
Fund Balance, Beginning of Year			<u>1,140,820</u>		<u>1,118,847</u>
Fund Balance, End of Year			<u>1,140,820</u>		<u>1,140,820</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

TRANSPORTATION FUND  
Schedule of Assets and Fund Balance

June 30, 2020

(with comparative totals as of June 30, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	2,516,314	1,524,513
Investments	<u>5,031,445</u>	<u>5,319,825</u>
Total Assets	<u>7,547,759</u>	<u>6,844,338</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Payroll Deductions payable	<u>10</u>	<u>11</u>
Total Liabilities	<u>10</u>	<u>11</u>
Fund Balance		
Restricted	7,305,698	6,701,187
Assigned	<u>242,051</u>	<u>143,141</u>
Total Fund Balance	<u>7,547,749</u>	<u>6,844,328</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

TRANSPORTATION FUND  
Schedule of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balance  
Budget and Actual (Modified Cash Basis)  
For the Fiscal Year Ended June 30, 2020  
(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Revenues Received					
Local Sources:					
Property Taxes	2,900,240	2,865,406	2,868,917	3,511	2,926,220
Transportation Fees	37,000	23,510	28,913	5,403	56,632
Earnings on Investments	73,076	92,917	98,910	5,993	79,543
Refund Prior Years' Expenditures	1,000	1,000	1,278	278	1,053
Payments of Surplus Moneys from TIF Districts	1,262	1,262	493	(769)	849
Other Local Revenue	-	-	90	90	50
Total Local Sources	3,012,578	2,984,095	2,998,601	14,506	3,064,347
State Sources:					
Special Education - Orphanage	73,650	73,650	73,650	-	9,323
Regular Transportation Aid	743,772	744,190	804,811	60,621	798,940
Special Education Aid	1,324,581	857,311	1,339,373	482,062	1,197,181
Total State Sources	2,142,003	1,675,151	2,217,834	542,683	2,005,444
Federal Sources:					
Flow-Through from Federal Sources	-	-	-	-	-
Total Revenues Received	5,154,581	4,659,246	5,216,435	557,189	5,069,791
Expenditures Disbursed					
Transportation Salaries	1,530,842	1,374,342	1,340,496	33,846	1,426,854
Employee Benefits	495,612	499,992	471,147	28,845	474,430
Purchased Services	2,274,540	2,046,580	1,975,406	71,174	2,009,443
Supplies & Materials	361,000	262,715	252,509	10,206	328,033
Capital Outlay	478,496	459,696	459,629	67	513,289
Other Objects	13,500	13,500	8,708	4,792	6,832
Provision for contingencies	-	-	-	-	-
Total Expenditures Disbursed	5,153,990	4,656,825	4,513,014	143,811	4,758,881
Excess of Revenues Received over (under)					
Expenditures Disbursed	591	2,421	703,421	701,000	310,910
Fund Balance, Beginning of Year			6,844,328		6,533,418
Fund Balance, End of Year			7,547,749		6,844,328

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

CAPITAL PROJECTS FUND

Schedule of Assets, Liabilities and Fund Balance

Arising from Cash Transactions

June 30, 2020

(With Comparative Figures for 2019)

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	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	473,027	606,354
Investments	<u>199,606</u>	<u>-</u>
Total Assets	<u>672,633</u>	<u>606,354</u>
FUND BALANCE		
Restricted	647,117	580,844
Assigned	<u>25,516</u>	<u>25,510</u>
Total Fund balance	<u>672,633</u>	<u>606,354</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

CAPITAL PROJECTS FUND  
Schedule of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Revenues Received:					
Local Sources					
Earnings on investments	-	-	6	6	6,110
Other revenue from local sources	<u>70,000</u>	<u>70,000</u>	<u>66,273</u>	<u>(3,727)</u>	<u>97,670</u>
Total Local Sources	<u>70,000</u>	<u>70,000</u>	<u>66,279</u>	<u>(3,721)</u>	<u>103,780</u>
State Sources					
School infrastructure - Maintenance Grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue Received	<u>70,000</u>	<u>70,000</u>	<u>66,279</u>	<u>(3,721)</u>	<u>103,780</u>
Expenditures Disbursed					
Support Services:					
Facilities Acquisition and Construction Services					
Purchased Services	-	-	-	-	-
Capital Outlay	<u>2,331,224</u>	<u>2,249,538</u>	<u>2,249,536</u>	<u>2</u>	<u>489,210</u>
Total Expenditures Disbursed	<u>2,331,224</u>	<u>2,249,538</u>	<u>2,249,536</u>	<u>2</u>	<u>489,210</u>
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	<u>(2,261,224)</u>	<u>(2,179,538)</u>	<u>(2,183,257)</u>	<u>(3,719)</u>	<u>(385,430)</u>
Other Financing Source					
Transfers in (out)	<u>2,331,224</u>	<u>2,249,538</u>	<u>2,249,536</u>	<u>(2)</u>	<u>488,452</u>
Net change in Fund Balance	<u>70,000</u>	<u>70,000</u>	<u>66,279</u>	<u>(3,721)</u>	<u>103,022</u>
Fund Balance, Beginning of Year			<u>606,354</u>		<u>503,332</u>
Fund Balance, End of Year			<u>672,633</u>		<u>606,354</u>

## **NONMAJOR OVERNMENTAL FUNDS**

### **Special Revenue Fund**

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects, the District maintains the following Special Revenue Fund:

**Municipal Retirement/Social Security Fund** - To account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund as well as Medicare for employees who are members of the Teachers' Retirement System and FICA and Medicare for all other employees.

### **Debt Service Fund**

**Debt Service Fund** - To account for the receipt of property taxes and other monies in order to pay principal and interest on bonded indebtedness.



LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Nonmajor Governmental Funds  
Combining Statement of Assets and Fund Balance

June 30, 2020

(With comparative totals as of June 30, 2019)

	Special Revenue Fund		Totals	
	Municipal Retirement/ Social Security Fund	Debt Service Fund	2020	2019
ASSETS				
Cash	930,306	158,695	1,089,001	890,562
Investments	1,603,681	1,968,289	3,571,970	3,644,637
Total Assets	<u>2,533,987</u>	<u>2,126,984</u>	<u>4,660,971</u>	<u>4,535,199</u>
Fund Balance				
Restricted	2,533,987	795,880	3,329,867	3,258,767
Assigned	<u>-</u>	<u>1,331,104</u>	<u>1,331,104</u>	<u>1,276,432</u>
Total Fund Balances	<u>2,533,987</u>	<u>2,126,984</u>	<u>4,660,971</u>	<u>4,535,199</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

NONMAJOR GOVERNMENTAL FUNDS

Combining Statement of Revenues Received, Expenditures Disbursed,  
and Changes in Fund Balance by Account  
For the Fiscal Year Ended June 30, 2020

	<u>Special Revenue Fund</u>		
	<u>Municipal Retirement/ Social Security Fund</u>	<u>Debt Services Fund</u>	<u>Totals 2020</u>
Revenues Received:			
Local Revenues	1,927,907	1,579,031	3,506,938
State Revenues	-	-	-
Federal Revenues	2,325	41,056	43,381
Total Revenues Received	<u>1,930,232</u>	<u>1,620,087</u>	<u>3,550,319</u>
Expenditures Disbursed:			
Current:			
Instruction	591,015	-	591,015
Support Services	1,173,726	-	1,173,726
Debt Service - Interest and Fees	-	531,899	531,899
Debt Service - Principal	-	4,865,000	4,865,000
Debt Service - Other	-	60,633	60,633
Community Services	31,967	-	31,967
Total Expenditures Disbursed	<u>1,796,708</u>	<u>5,457,532</u>	<u>7,254,240</u>
Excess Revenues Received over (under) Expenditures Disbursed	<u>133,524</u>	<u>(3,837,445)</u>	<u>(3,703,921)</u>
Other Financing Sources			
Transfers in (out)	<u>-</u>	<u>3,829,694</u>	<u>3,829,694</u>
Net Change in Fund Balances	133,524	(7,751)	125,773
Fund Balance, Beginning of Year	<u>2,400,463</u>	<u>2,134,735</u>	<u>4,535,198</u>
Fund Balance, End of Year	<u>2,533,987</u>	<u>2,126,984</u>	<u>4,660,971</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

Schedule of Assets and Fund Balance Arising  
from Cash Transactions  
June 30, 2020  
(With comparative totals as of June 30, 2019)

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	<u>Assets</u>	<u>2020</u>	<u>2019</u>
Cash		930,306	400,326
Investments		<u>1,603,681</u>	<u>2,000,137</u>
Total Assets		<u>2,533,987</u>	<u>2,400,463</u>
 <u>Fund Balance</u>			
Restricted Fund balance		<u>2,533,987</u>	<u>2,400,463</u>
Total Fund balance		<u>2,533,987</u>	<u>2,400,463</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance  
Budget and Actual (Modified Cash Basis)  
For the Fiscal Year Ended June 30, 2020  
(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Revenues Received:					
Local Sources:					
Property Taxes	1,887,106	1,872,905	1,874,632	1,727	1,854,263
Corporate Personal Property Replacement Taxes	18,259	18,259	18,259	-	21,548
Earning on Investments	27,859	27,859	34,548	6,689	53,874
Payments of Surplus Moneys from TIF Districts	391	391	468	77	384
Total Local Sources	<u>1,933,615</u>	<u>1,919,414</u>	<u>1,927,907</u>	<u>8,493</u>	<u>1,930,069</u>
Federal Sources:					
Title I - Low Income	<u>2,187</u>	<u>2,187</u>	<u>2,325</u>	<u>138</u>	<u>1,795</u>
Total Revenue Received	<u>1,935,802</u>	<u>1,921,601</u>	<u>1,930,232</u>	<u>8,631</u>	<u>1,931,864</u>
Expenditures Disbursed:					
Instruction Employee Benefits					
Regular Programs	226,083	226,083	223,277	2,806	221,747
Special Education	272,301	272,301	253,955	18,346	253,701
Remedial and Supplemental Programs - K-12	5,145	5,145	11,361	(6,216)	11,433
CTE Programs	36,347	36,347	34,688	1,659	31,581
Interscholastic Programs	74,491	74,491	65,096	9,395	69,440
Summer School Programs	2,916	2,916	1,883	1,033	2,602
Gifted Programs	77	77	94	(17)	759
Driver's Education Programs	1,450	1,450	661	789	1,240
Total Instruction Employee Benefits	<u>618,810</u>	<u>618,810</u>	<u>591,015</u>	<u>27,795</u>	<u>592,503</u>
Supporting Services Employee Benefits					
Supporting Services Pupils					
Attendance & Social Work Services	42,865	42,865	41,435	1,430	40,756
Guidance Services	41,751	41,751	40,025	1,726	40,575
Health Services	16,268	16,268	19,005	(2,737)	15,032
Psychological Services	2,707	2,707	2,611	96	2,483
Speech Pathology & Audiology Services	2,350	2,350	2,129	221	1,800
Total Supporting Services Pupils	<u>105,941</u>	<u>105,941</u>	<u>105,205</u>	<u>736</u>	<u>100,646</u>
Supporting Services: Instructional Staff					
Improvement of Instruction Services	13,362	13,362	13,697	(335)	12,903
Educational Media Services	12,948	12,948	15,906	(2,958)	15,893
Assessment & Testing	11,943	11,943	11,562	381	11,484
Total Supporting Services: Instructional Staff	<u>38,253</u>	<u>38,253</u>	<u>41,165</u>	<u>(2,912)</u>	<u>40,280</u>
Supporting Services: General Administration					
Board of Education Services	833	833	681	152	690
Executive Administration Services	13,927	13,927	13,429	498	14,265
Service Area Administrative Services	9,204	9,204	10,117	(913)	8,601
Total Supporting Services: General Administration	<u>23,964</u>	<u>23,964</u>	<u>24,227</u>	<u>(263)</u>	<u>23,556</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance  
Budget and Actual (Modified Cash Basis)  
For the Fiscal Year Ended June 30, 2020  
(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance With Budget	2019
Supporting Services: School Administration					
Office of the Principal Services	67,351	67,351	60,798	6,553	63,699
Other Support Services - School Administration	72,564	72,564	24,433	48,131	60,286
Total Supporting Services: School Administration	139,915	139,915	85,231	54,684	123,985
Supporting Services: Business					
Direction of Business Support Services	14,775	14,775	13,572	1,203	13,300
Fiscal Services	50,034	50,034	48,773	1,261	43,141
Operation & Maintenance of Plant Services	468,874	468,874	477,832	(8,958)	434,989
Pupil Transportation Services	270,167	256,167	226,090	30,077	248,263
Internal Service	45	45	79	(34)	23
Total Supporting Services: Business	803,895	789,895	766,346	23,549	739,716
Supporting Services: Central					
Information Services	23,201	23,200	22,048	1,152	13,162
Staff Services	18,946	18,946	19,445	(499)	20,086
Data Processing Services	123,778	123,778	110,059	13,719	109,892
Total Supporting Services: Central	165,925	165,924	151,552	14,372	143,140
Total Support Services - Employee Benefits	1,277,893	1,263,892	1,173,726	90,166	1,171,323
Community Services - Employee Benefits	38,810	38,810	31,967	6,843	39,011
Total Expenditures Disbursed	1,935,513	1,921,512	1,796,708	124,804	1,802,837
Net change in fund balance	289	89	133,524	133,435	129,027
Fund Balance, Beginning of Year			2,400,463		2,271,436
Fund Balance, End of Year			2,533,987		2,400,463

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Debt Service Fund

Schedule of Assets and Fund Balance

June 30, 2020

(With comparative totals as of June 30, 2019)

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	158,695	490,235
Investments	<u>1,968,289</u>	<u>1,644,500</u>
Total Assets	<u><u>2,126,984</u></u>	<u><u>2,134,735</u></u>
Fund Balance		
Restricted	795,880	858,303
Assigned	<u>1,331,104</u>	<u>1,276,432</u>
Total Fund Balances	<u><u>2,126,984</u></u>	<u><u>2,134,735</u></u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

DEBT SERVICE FUND

Statement of Revenues Received, Expenditures Disbursed  
and Changes in Fund Balance

Budget and Actual (Modified Cash Basis)

For the Fiscal Year Ended June 30, 2020

(With Comparative Figures for 2019)

	Original Budget	Final Budget	2020	Variance with Budget	2019
Revenues Received					
Local Sources:					
Property Taxes	1,543,042	1,529,184	1,530,638	1,454	1,557,031
Payments of Surplus Moneys from TIF Districts	310	310	371	61	344
Earnings on Investments	41,782	44,740	48,022	3,282	39,605
Total Local Sources	1,585,134	1,574,234	1,579,031	4,797	1,596,980
Federal Sources:					
Build America Bond Interest Reimbursement	40,925	40,925	41,056	131	83,878
Total Revenues Received	1,626,059	1,615,159	1,620,087	4,928	1,680,858
Expenditures Disbursed					
Debt Services					
Interest on Long-Term Debt	570,116	531,899	531,899	-	534,718
Debt Service - Payments of Principal on Long-Term Debt	4,865,000	4,865,000	4,865,000	-	1,125,000
Debt Service Other	64,032	60,634	60,633	1	-
Total Expenditures Disbursed	5,499,148	5,457,533	5,457,532	1	1,659,718
Excess of Revenues Received over (under) Expenditures Disbursed	(3,873,089)	(3,842,374)	(3,837,445)	(4,929)	21,140
Other Financing Sources (Uses)					
Bond Proceeds	-	3,385,000	3,385,000	-	-
Bond Premium	-	444,694	444,694	-	-
Total Other Financing Sources	-	3,829,694	3,829,694	-	-
Net Change in Fund Balance	(3,873,089)	(12,680)	(7,751)	(4,929)	21,140
Fund Balance, Beginning of Year			2,134,735		2,113,595
Fund Balance, End of Year			2,126,984		2,134,735

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

AGENCY FUND

Schedule of Cash Receipts, Cash Disbursements and Ending Balance

Agency Funds - Student Activity Funds

For the Fiscal Year Ended June 30, 2020

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	<u>June 30, 2019</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>June 30, 2020</u>
ASSETS				
Cash	<u>338,549</u>	<u>454,789</u>	<u>494,470</u>	<u>298,868</u>
Total Assets	<u>338,549</u>	<u>454,789</u>	<u>494,470</u>	<u>298,868</u>
LIABILITIES				
Due to Activity Fund Organizations:				
District Office	6,272	-	460	5,812
Student Activity	269,836	251,639	305,299	216,176
Athletic Boosters	<u>62,441</u>	<u>203,150</u>	<u>188,711</u>	<u>76,880</u>
Total Liabilities	<u>338,549</u>	<u>454,789</u>	<u>494,470</u>	<u>298,868</u>



LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Legal Debt Margin

For the Fiscal Year Ended June 30, 2020

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Assessed Valuation - 2019 Tax Year	<u>2,655,496,358</u>
Statutory Debt Limitation (6.9% of Assessed Valuation)	183,229,249
Less Applicable Debt:	
Remaining Original Face Value of Bonds	
2017 General Obligation Bonds	6,220,000
2019 General Obligation Bonds	<u>3,385,000</u>
	<u>9,605,000</u>
Legal Debt Margin	<u>173,624,249</u>

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Assessed Valuations	<u>2,655,496,358</u>	<u>2,538,484,623</u>	<u>2,440,960,022</u>	<u>2,312,974,084</u>
Tax Rates:				
Educational	1.3350	1.4575	1.4526	1.4727
Operations & Maintenance	0.3527	0.3143	0.2594	0.2880
Bond & Interest	0.0590	0.0619	0.0643	0.0680
Transportation	0.1425	0.0822	0.1588	0.1068
IMRF	0.0355	0.0324	0.0347	0.0443
Social Security	<u>0.0346</u>	<u>0.0457</u>	<u>0.0370</u>	<u>0.0503</u>
Totals	<u>1.9593</u>	<u>1.9940</u>	<u>2.0068</u>	<u>2.0301</u>
Tax Extensions:				
Educational	35,450,876	36,998,413	35,457,386	34,063,169
Operations & Maintenance	9,365,936	7,978,457	6,331,850	6,661,366
Bond & Interest	1,566,743	1,571,322	1,569,537	1,572,822
Transportation	3,784,082	2,086,634	3,876,245	2,470,256
IMRF	942,701	822,469	847,013	1,024,648
Social Security	<u>918,802</u>	<u>1,160,088</u>	<u>903,155</u>	<u>1,163,426</u>
Totals	<u>52,029,140</u>	<u>50,617,383</u>	<u>48,985,186</u>	<u>46,955,687</u>
Tax Collections as of June 30, 2020	<u>25,543,435</u>	<u>50,494,670</u>	<u>48,853,524</u>	<u>46,868,342</u>
Percentage collected	49.1%	99.8%	99.7%	99.8%

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<u>2,212,775,634</u>	<u>2,166,171,700</u>	<u>2,209,833,942</u>	<u>2,317,621,777</u>	<u>2,476,919,522</u>	<u>2,616,236,540</u>
1.5297	1.4896	1.4751	1.3067	1.2532	1.1591
0.2313	0.3191	0.2829	0.3028	0.1948	0.1918
0.0710	0.0702	0.2985	0.3042	0.2718	0.2458
0.1742	0.1297	0.1110	0.1208	0.1218	0.0996
0.0370	0.0448	0.0369	0.0433	0.0349	0.0313
<u>0.0402</u>	<u>0.0429</u>	<u>0.0393</u>	<u>0.0401</u>	<u>0.0373</u>	<u>0.0330</u>
<u>2.0834</u>	<u>2.0963</u>	<u>2.2437</u>	<u>2.1179</u>	<u>1.9138</u>	<u>1.7606</u>
33,848,829	32,267,293	32,597,260	30,284,365	31,040,756	30,324,798
5,118,150	6,912,254	6,251,620	7,017,759	4,825,039	5,017,942
1,571,071	1,520,652	6,596,354	7,050,205	6,732,267	6,430,709
3,854,655	2,809,525	2,452,916	2,799,687	3,016,888	2,605,772
818,727	970,445	815,429	1,003,530	864,445	818,882
<u>889,536</u>	<u>929,288</u>	<u>868,465</u>	<u>929,366</u>	<u>923,891</u>	<u>863,358</u>
<u>46,100,968</u>	<u>45,409,457</u>	<u>49,582,044</u>	<u>49,084,912</u>	<u>47,403,286</u>	<u>46,061,461</u>
<u>45,925,786</u>	<u>45,274,260</u>	<u>49,376,670</u>	<u>48,494,438</u>	<u>47,256,570</u>	<u>45,895,404</u>
99.6%	99.7%	99.6%	98.8%	99.7%	99.6%

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  
Lockport Township High School District 205  
Lockport, 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 Lockport Township High School District 205 (District) as of and for the year ended June 30, 2020, and have issued our report thereon dated October 8, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District'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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and

To the Board of Education  
Lockport Township High School District 205

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.

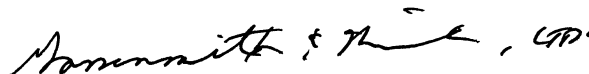
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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



Gassensmith & Michalesko, Ltd.  
Certified Public Accountants

October 8, 2020

Independent Auditor's Report on Compliance  
for Each Major Program and on Internal Control over  
Compliance Required by the Uniform Guidance

To the Board of Education  
Lockport Township High School District 205  
Lockport, Illinois

***Report on Compliance for Each Major Federal Program***

We have audited Lockport Township High School District 205's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements

To the Board of Education  
Lockport Township High School District 205

referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

### ***Report on Internal Control over Compliance***

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

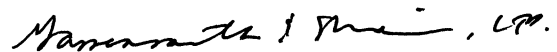
To the Board of Education  
Lockport Township High School District 205

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

#### **Report of Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of 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. We issued our report thereon dated October 8, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Gassensmith & Michalesko, Ltd.  
Certified Public Accountants

Joliet, Illinois  
October 8, 2020



**LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205**  
**56-099-2050-17**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ending June 30, 2020**

Federal Grantor/Pass-Through Grantor  Program or Cluster Title and Major Program Designation	CFDA Number <sup>2</sup> (A)	ISBE Project #  (1st 8 digits) or Contract # <sup>3</sup> (B)	Receipts/Revenues		Expenditure/Disbursements <sup>4</sup>				Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/18-6/30/19 (C)	Year 7/1/19-6/30/20 (D)	Year 7/1/18-6/30/19 (E)	Year 7/1/18-6/30/19 Pass through to Subrecipients	Year 7/1/19-6/30/20 (F)	Year 7/1/19-6/30/20 Pass through to Subrecipients			
<b>US DEPARTMENT OF EDUCATION:</b>											
<i>Flow-Through from the Illinois State Board of Education:</i>											
Title I - Low Income	84.010A	20-4300-00	-	169,468	-	-	190,538	-	-	190,538	394,241
Title I - Low Income	84.010A	19-4300-00	135,469	157,926	209,237	-	84,157	-	-	293,394	375,082
<i>Special Education Cluster:</i>											
IDEA Flow-through (M)	84.027A	20-4620	-	575,704	-	-	631,830	-	-	631,830	650,828
IDEA Flow-through	84.027A	19-4620	573,112	60,723	633,835	-	-	-	-	633,835	633,914
IDEA Room & Board (M)		19-4625-XC		51,059			51,059			51,059	51,059
IDEA Room & Board	84.027A	18-4625	29,270	-	29,270	-		-	-	29,270	29,970
<i>Special Education Cluster:</i>			602,382	687,486	663,105	-	682,889	-	-	1,345,994	n/a
Title II - Teachers Quality	84.367A	20-4932	-	69,110	-	-	84,398	-	-	84,398	146,913
Title II - Teachers Quality	84.367A	19-4932	15,011	29,286	15,680	-	28,617	-	-	44,297	119,295
Title IVA Student Support & Academic Enrich	84.424A	20-4400	-	21,909	-	-	23,648	-	-	23,648	23,648
Title IVA Student Support & Academic Enrich	84.424A	19-4400	18,651	10,606	27,669	-	1,588	-	-	29,257	29,257
<b>Total Flow-through from the Illinois State Board of Education</b>			771,513	1,145,791	915,691	-	1,095,835	-	-	2,011,526	n/a
<b>Flow Through from Three Rivers Education for Employment System:</b>											
Perkins Title LLC	84.048A	20-4745	-	61,047	-	-	61,252	-	-	61,252	65,287
Perkins Title LLC	84.048A	19-4745	85,692	-	85,695	-	-	-	-	85,695	n/a
<b>Total Flow-through from Three Rivers Education for Employment System</b>			85,692	61,047	85,695	-	61,252	-	-	146,947	n/a
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			857,205	1,206,838	1,001,386	-	1,157,087	-	-	2,158,473	n/a
<b>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>											
<i>Flow-through from the Illinois Department of Healthcare &amp; Family Services:</i>											
Medicaid Administrative Outreach	93.778	2020	-	32,773	-	-	45,271	-	-	45,271	n/a
Medicaid Administrative Outreach	93.778	2019	34,340	-	34,340	-	-	-	-	34,340	n/a
<b>TOTAL U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>			34,340	32,773	34,340	-	45,271	-	-	79,611	n/a
<b>U.S. DEPARTMENT OF DEFENSE</b>											
<i>Flow-through from AFOATS/JRR:</i>											
A.F.R.O.T.C.	12.400	20-4998	-	48,802	-	-	48,802	-	-	48,802	n/a
A.F.R.O.T.C.	12.400	19-4998	67,799	-	67,799	-	-	-	-	67,799	n/a
<b>TOTAL U.S. DEPARTMENT OF DEFENSE</b>			67,799	48,802	67,799	-	48,802	-	-	116,601	n/a
<b>TOTAL FEDERAL AWARDS</b>			959,344	1,288,413	1,103,525	-	1,251,160	-	-	2,434,296	n/a

• (M) Program was audited as a major program as defined by §200.518.  
The accompanying notes are an integral part of this schedule.

## LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

### Notes to Schedule of Expenditures of Federal Awards June 30, 2020

#### Note 1      Accounting Basis

The schedule of expenditures of federal awards includes the federal grant activity of the Lockport Township High School District 205 (District), and is presented on the modified cash basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), therefore some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. The District has elected not to use the 10 percent de minimus indirect cost rate as allowed under the uniform guidance.

#### *Reconciliation Of Schedule of Expenditures Of Federal Awards To Basic Financial Statements*

Revenues Per Schedule of Expenditures Of Federal Awards	\$1,288,413
Add-Medicaid Fees-For-Service Program	233,251
Add-ORS Fees-For-Service Program	212,683
Add-Build America Bonds Interest	41,056
Total Federal Revenues Per Basic Financial Statements	<u>\$1,775,403</u>

#### Note 2      Subrecipients, Insurance, and Loans

Of the federal expenditures in the schedule, the District did not provide any federal awards to subrecipients. The District did not have any federal insurance in effect during the year, and did not have any federal loans or loan guarantees outstanding at the year end.

## LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

### Summary of Findings and Questionable Costs June 30, 2020

#### A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the modified cash basis financial statements of the District for the year ended June 30, 2020.

#### INTERNAL CONTROL OVER FINANCIAL REPORTING

2. No material weaknesses were disclosed during the audit of the financial statements. No significant deficiencies that are considered to be material weaknesses were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the combined financial statements of the District were disclosed during the audit.

#### INTERNAL CONTROL OVER MAJOR PROGRAMS

4. No material weaknesses were disclosed during the audit of compliance over major federal award programs. No significant deficiencies that are considered to be material weaknesses were disclosed during the audit of compliance over major federal award programs.
5. The Auditor's Report on Compliance for the major federal award programs for the District expresses an unqualified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for the District.

#### IDENTIFICATION OF MAJOR PROGRAMS

7. The program tested as major was IDEA Flowthrough (84.027A).
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The District was not determined to be a low-risk auditee.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

Summary of Findings and Questionable Costs  
June 30, 2020

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

There were no financial statement findings reported for the fiscal year ended June 30, 2020.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD  
PROGRAMS AUDIT

There were no federal award findings reported for the fiscal year ended June 30, 2020.

LOCKPORT TOWNSHIP HIGH SCHOOL DISTRICT 205

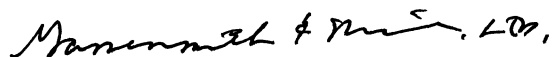
Summary Schedule of Prior Audit Findings  
June 30, 2020

There are no prior audit findings that affected federally funded programs.

To the Board of Education  
Lockport Township High School District 205  
Lockport, Illinois

*Independent Auditor's Report on Supplementary Information*

We have audited the basic financial statements of Lockport Township High School District 205 (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. We issued our report thereon dated October 8, 2020, which contained unmodified opinions on those basic financial statements. Our audit was conducted for the purpose of forming opinions on those financial statements that collectively comprise the basic financial statements. The accompanying Consolidated Year-End Financial Report is presented for purposes of additional analysis as required by the Illinois Grant Authority and Transparency Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.



Gassensmith & Michalesko, Ltd.  
Certified Public Accountants

October 8, 2020

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

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<b>Grantee Name</b>	Lockport Township High School
<b>ID Numbers</b>	AUDIT:22352    Grantee:671998    DUNS:040890758    FEIN:366005691
<b>Audit Period</b>	7/1/2019 - 6/30/2020
<b>Submitted</b>	10/10/2020; Stefanie Croix; Director of Business Services/CSBO; scoix@lths.org; 815-588-8117
<b>Accepted</b>	
<b>Program Count</b>	8

<b>All Programs Total</b>				
<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Personal Services (Salaries and Wages)	0.00	99,404.00	32,429,562.00	32,528,966.00
Fringe Benefits	0.00	0.00	15,718,668.00	15,718,668.00
Travel	0.00	0.00	0.00	0.00
Equipment	0.00	10,650.00	4,181,455.00	4,192,105.00
Supplies	0.00	0.00	2,943,123.00	2,943,123.00
Contractual Services	0.00	0.00	5,902,872.00	5,902,872.00
Consultant (Professional Services)	0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00	0.00
Occupancy - Rent and Utilities	0.00	0.00	0.00	0.00
Research and Development	0.00	0.00	0.00	0.00
Telecommunications	0.00	0.00	0.00	0.00
Training and Education	0.00	0.00	0.00	0.00
Direct Administrative Costs	0.00	0.00	0.00	0.00
Miscellaneous Costs	0.00	0.00	10,758,354.00	10,758,354.00
All Grant Specific Categories	0.00	1,141,105.55	0.00	1,141,105.55
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>1,251,159.55</b>	<b>71,934,034.00</b>	<b>73,185,193.55</b>
Indirect Costs	0.00	0.00	0.00	0.00
<b>TOTAL EXPENDITURES</b>	<b>0.00</b>	<b>1,251,159.55</b>	<b>71,934,034.00</b>	<b>73,185,193.55</b>

**Illinois Grant Accountability and Transparency  
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<b>State Agency</b>	Department Of Healthcare And Family Services (478)
<b>Program Name</b>	Medical Assistance Program (478-00-0251)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
1st Quarter (Jul.-Sept.) Admin. Expenditures	0.00	8,233.97	0.00	8,233.97
2nd Quarter (Oct.-Dec.) Admin. Expenditures	0.00	9,125.24	0.00	9,125.24
3rd Quarter (Jan.-Mar.) Admin. Expenditures	0.00	15,967.47	0.00	15,967.47
4th Quarter (Apr.-Jun.) Admin. Expenditures	0.00	11,943.87	0.00	11,943.87
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>45,270.55</b>	<b>0.00</b>	<b>45,270.55</b>



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<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Agricultural Education (586-18-1015)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
	0.00	0.00	0.00	0.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Fed - Sp Ed - IDEA - Flow Through (586-64-0417)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	0.00	631,830.00	0.00	631,830.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>631,830.00</b>	<b>0.00</b>	<b>631,830.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

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<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Fed - Sp Ed - IDEA - Room and Board (586-82-1466) <i>This program was added by the grantee</i>
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Revenues-Grant Projects during the Audit Period	0.00	51,059.00	0.00	51,059.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>51,059.00</b>	<b>0.00</b>	<b>51,059.00</b>

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<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Title I - Low Income (586-44-0414)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	0.00	190,538.00	0.00	190,538.00
Prior year project lapse expends in CY	0.00	84,157.00	0.00	84,157.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>274,695.00</b>	<b>0.00</b>	<b>274,695.00</b>

**Illinois Grant Accountability and Transparency  
Consolidated Year-End Financial Report**

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<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Title II - Teacher Quality (586-43-0430)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	0.00	84,398.00	0.00	84,398.00
Prior year project lapse expends in CY	0.00	28,617.00	0.00	28,617.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>113,015.00</b>	<b>0.00</b>	<b>113,015.00</b>

**Illinois Grant Accountability and Transparency  
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<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Title IV Safe and Drug Free Formula (Inactive) (586-18-0421)
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
	0.00	0.00	0.00	0.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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<b>State Agency</b>	State Board Of Education (586)
<b>Program Name</b>	Title IVA Student Support and Academic Enrichment (586-44-1588) <i>This program was added by the grantee</i>
<b>Program Limitations</b>	No
<b>Mandatory Match</b>	No
<b>Indirect Cost Rate</b>	0.00 Base:

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Expenditure-Grant Projects during the Audit Period	0.00	23,648.00	0.00	23,648.00
Prior year project lapse expends in CY	0.00	1,588.00	0.00	1,588.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>25,236.00</b>	<b>0.00</b>	<b>25,236.00</b>

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<b>Program Name</b>	Other grant programs and activities
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<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Personal Services (Salaries and Wages)	0.00	99,404.00	0.00	99,404.00
Equipment	0.00	10,650.00	0.00	10,650.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>110,054.00</b>	<b>0.00</b>	<b>110,054.00</b>



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<b>Program Name</b>	All other costs not allocated
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<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Personal Services (Salaries and Wages)	0.00	0.00	32,429,562.00	32,429,562.00
Fringe Benefits	0.00	0.00	15,718,668.00	15,718,668.00
Equipment	0.00	0.00	4,181,455.00	4,181,455.00
Supplies	0.00	0.00	2,943,123.00	2,943,123.00
Contractual Services	0.00	0.00	5,902,872.00	5,902,872.00
Miscellaneous Costs	0.00	0.00	10,758,354.00	10,758,354.00
<b>TOTAL DIRECT EXPENDITURES</b>	<b>0.00</b>	<b>0.00</b>	<b>71,934,034.00</b>	<b>71,934,034.00</b>