

DUPAGE COUNTY SCHOOL DISTRICT 45

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

DUPAGE COUNTY SCHOOL DISTRICT 45

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FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

September 27, 2019

Members of the Board of Education
DuPage School District 45
Villa Park, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the DuPage School District 45, Illinois, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the DuPage School District 45, Illinois, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the DuPage School District 45, Illinois', basic financial statements. The combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2019

The discussion and analysis of DuPage County School District 45 (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2019. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

FINANCIAL HIGHLIGHTS

- In total, Government-wide net position increased by \$351,419, due to decreased in total OPEB liabilities and net pension liabilities.
- General revenues accounted for \$45,244,432 in revenue or 65.0% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$24,310,511 or 35.0% of total revenues of \$69,554,943.
- The District had \$69,203,524 in expenses related to government activities. However, only \$24,310,511 of these expenses were offset by program specific charges and grants.
- Revenues for fiscal year 2019 (FY19), as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances, were \$69,554,943, inclusive of on-behalf payments to the Teacher's Retirement System. Expenditures for FY19 were \$71,255,357, also inclusive on State of Illinois payments to the Teachers Retirement System.
- The Illinois Teacher's Retirement System receives on-behalf pension and post-retirement health insurance programs from the State of Illinois for District 45 certified staff. In FY19, \$19,032,105 was included in the total revenues and expenditures of District 45 representing the State of Illinois contributions.
- Actual revenues received in FY19 for the General Fund, exclusive of the State of Illinois on-behalf payment to the Teachers Retirement System, was \$39,352,330. Actual expenditures exclusive of on-behalf contributions were \$39,043,372 in FY19.
- The District decreased the total outstanding long-term debt by 5.1%. As of June 30, 2019, total outstanding debt was \$32,289,984.
- The District increased beginning net position by \$3,662,859 due to prior year capital assets which were not recognized.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 14 - 16) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements begin on page 17. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the government.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2019

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the District's finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 14 - 16 of this report.

The Statement of Net Position reports information on all of the District's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the District's property tax base and the condition of the District's infrastructure, is needed to assess the overall health of the District.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2019

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Operations and Maintenance Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Debt Service Fund, Fire Prevention and Life Safety Fund, and the Site and Construction Fund, all of which are considered to be major funds.

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

The basic governmental fund financial statements can be found on pages 17 - 22 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 23 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 - 65 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's Retiree's Health Plan, Teacher's Retirement and I.M.R.F employee pension obligations and budgetary comparison schedules for the General Fund and major special revenue funds. Required supplementary information can be found on pages 66 - 90 of this report. Combining and individual fund statements and schedules can be found on pages 91 - 109 of this report.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, liabilities/deferred inflows exceeded assets/deferred outflows by (\$7,646,247).

	Net Position	
	2019	2018
Current/Other Assets	\$ 64,023,446	62,753,096
Capital Assets	42,448,396	37,822,763
Total Assets	106,471,842	100,575,859
Deferred Outflows	6,487,408	6,359,496
Total Assets/Deferred Outflows	112,959,250	106,935,355
Long-Term Debt	66,531,821	69,550,255
Other Liabilities	6,958,865	4,610,044
Total Liabilities	73,490,686	74,160,299
Deferred Inflows	47,114,811	44,435,581
Total Liabilities/Deferred Inflows	120,605,497	118,595,880
Net Position		
Investment in Capital Assets	10,213,282	4,557,875
Restricted	6,198,114	5,698,775
Unrestricted	(24,057,643)	(21,917,175)
Total Net Position	(7,646,247)	(11,660,525)

A large portion of the District's net position, \$10,213,282, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$6,198,114, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining amount deficit amount of \$24,057,643, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Change in Net Position	
	2019	2018
Revenues		
Program Revenues		
Charges for Services	\$ 517,732	518,618
Operating Grants/Contrib.	23,792,779	23,463,547
General Revenues		
Taxes	37,498,236	36,517,289
General State Aid	5,918,426	5,672,390
Other General Revenues	1,827,770	1,439,975
Total Revenues	<u>69,554,943</u>	<u>67,611,819</u>
Expenses		
Instruction	46,295,155	46,654,641
Support Services	21,684,261	21,937,846
Community Services	120,768	144,761
Interest and Fees	1,103,340	1,216,885
Total Expenses	<u>69,203,524</u>	<u>69,954,133</u>
Change in Net Position	351,419	(2,342,314)
Net Position - Beginning as Restated	<u>(7,997,666)</u>	<u>(9,318,211)</u>
Net Position - Ending	<u>(7,646,247)</u>	<u>(11,660,525)</u>

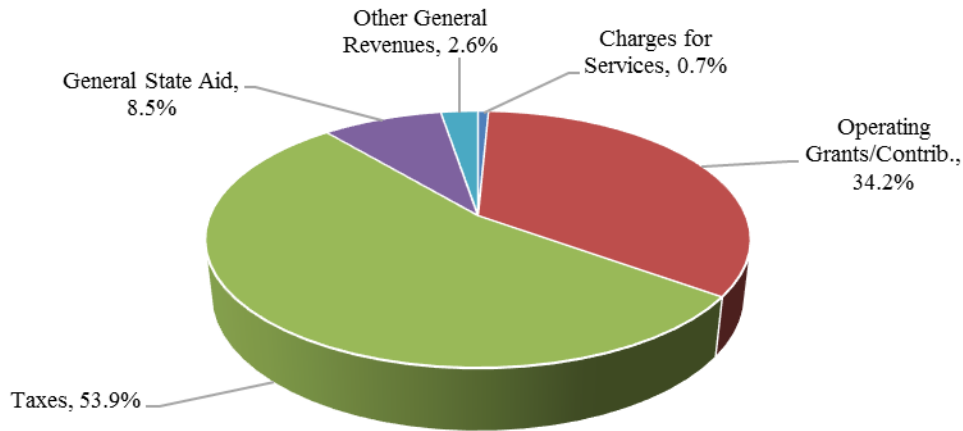
Net position of the District's governmental activities increased by 4.4 percent (a restated (\$7,997,666) in 2018 compared to (\$7,646,247) in 2019). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled (\$24,057,643) at June 30, 2019.

DUPAGE COUNTY SCHOOL DISTRICT 45

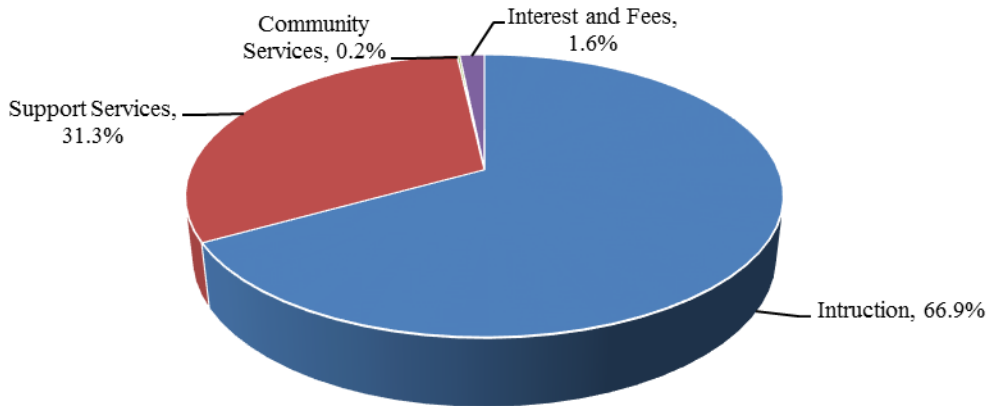
Management’s Discussion and Analysis
June 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

District-Wide Revenues by Source



District-Wide Expenses by Function



Revenues for governmental activities totaled \$69,554,943, while the cost of all governmental functions totaled \$69,203,524. This results in surplus of \$351,419. In 2018, expenses of \$69,954,133 exceeded revenues of \$67,611,819, resulting in a deficit of \$2,342,314. The deficit in FY18 is due primarily to the implementation of GASB Statement number 75 which required a change in the calculation of the net OPEB liability for Teachers’ Health Insurance Security. The surplus in FY19 is due to the net pension and total OPEB liabilities decreasing compared to prior year.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2019

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

The District's governmental funds reported combining ending fund balances of \$21,378,397, which \$14,590,908, or 68.3 percent, of the fund balance constitutes unassigned fund balance.

Actual revenues, excluding on-behalf payments, for FY19 were \$50,522,838 representing approximately 99.9 percent of the total budgeted FY19 revenues. Actual expenditures, excluding on-behalf payments, totaled \$52,223,252 representing approximately 101.4 percent of the total budgeted FY19 expenditures. Expenditures were monitored closely during the year, which resulted in the expenditures being slightly above budget. Property taxes accounted for the largest portion of the District's revenues, contributing 73.6 percent of total revenues. The remainder of revenues came from other local, state, and federal grant sources.

The total cost of all the District's programs was \$52,223,252, with the majority, 47.4 percent of expenditures dedicated to instructing and caring for the students and student transportation. The remaining amount of District expenditures was split among district leadership and business services, building operation and non-operational support such as debt service, pension and other payroll taxes, and tort liability and life safety capital improvements.

The District uses capital improvement and replacement schedule for curriculum, facility improvement and technology. Each schedule allows for replacement of instructional materials and equipment as necessary so the District does not experience deferred maintenance or replacement issues.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2019

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund is the District's largest budgeted fund and consists of the Educational, Tort Immunity and Judgment, and Working Cash accounts. The General Fund's budgeted revenues, exclusive of on behalf payments, were more than actual revenues, exclusive of on behalf payments, of \$39,352,330 by \$316,643. Actual expenditures, exclusive of on behalf payments, of \$39,043,372, were less than budgeted expenditures, exclusive of on behalf payments, of \$39,115,327 by \$71,955.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental and business type activities as of June 30, 2019 was \$42,448,396 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, equipment and transportation equipment.

	Capital Assets - Net of Depreciation	
	2019	2018
Land	\$ 1,689,568	1,689,568
Buildings	40,124,658	39,519,005
Equipment	440,370	139,468
Transportation Equipment	193,800	137,581
Total	<u>42,448,396</u>	<u>41,485,622</u>

This year's major additions included:

Buildings and Improvements	\$ 1,927,119
Equipment	365,322
Transportation Equipment	<u>112,545</u>
	<u>2,404,986</u>

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2019

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

The District decreased debt by \$1,733,620 during the fiscal year with a total outstanding debt of \$32,289,984. At the end of FY19, the District had a debt limit of \$74,456,548.

	Long-Term Debt Outstanding	
	2019	2018
General Obligation Bonds	\$ 32,289,984	34,023,604

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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

Local property taxes are the primary revenue source for District 45. The annual increase in property tax is generally limited to the lesser of 5% or the increase in the CPI from the preceding year.

Interest income has increased due to increased interest rates as well as increased reserves. We have increased next year's budget accordingly to reflect this additional revenue. In addition, with new home construction, the impact fees received has improved as well. For several years, the impact fees were flat. This past few years we have seen a significant recovery in this area and the District has budgeted accordingly for next year.

We continue to watch the impact of changes to state funding and remain cognizant of any changes that may occur. The State of Illinois approved an Evidence Based Funding Model for fiscal year 2017-2018.

District 45 staff continue to work collaboratively to improve student achievement through identifying learning targets linked to Evidence Based Funding Model and Illinois state learning standards and the District Strategic and Tactical Plans, integrate technology as an effective learning tool, provide effective professional development for staff, and redesign teaching methods to provide a wider variety of instruction focused on meeting individual students learning needs, abilities, interests through differentiation and a constructivist model.

In the interest of ensuring the safety of all students and staff the District continuously reviews the physical structure of the District. The District has put all physical structures and equipment on preventative maintenance schedules in order to assure that life spans of structures and equipment are closely monitored. This year we were able to complete a large project requiring one-time expenditures.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2019

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

The coming year the District will finalize the Master Facility Plan process. The resulting Master Facility Plan will provide a working document for Educational Adequacy, Physical Assessment, costs estimates based on committed results and recommendations.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to DuPage County School District 45, 255 W. Vermont Street, Villa Park, Illinois 60181.

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Fiduciary Fund

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

DUPAGE COUNTY SCHOOL DISTRICT 45

**Statement of Net Position
June 30, 2019**

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 43,735,590
Receivables - Net of Allowances	
Property Taxes	18,734,685
Intergovernmental	963,796
Prepays	<u>589,375</u>
Total Current Assets	<u>64,023,446</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	1,689,568
Depreciable	79,170,879
Accumulated Depreciation	<u>(38,412,051)</u>
Total Noncurrent Assets	<u>42,448,396</u>
Total Assets	<u>106,471,842</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - THIS	2,358,287
Deferred Items - TRS	684,793
Deferred Items - IMRF	2,823,035
Loss on Refunding	<u>621,293</u>
Total Deferred Outflows of Resources	<u>6,487,408</u>
Total Assets and Deferred Outflows of Resources	<u>112,959,250</u>

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

	<u>Governmental Activities</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 1,902,121
Payroll Deductions Payable	3,080,131
Current Portion of Long-Term Debt	<u>1,976,613</u>
Total Current Liabilities	<u>6,958,865</u>
Noncurrent Liabilities	
Compensated Absences	165,674
Total OPEB Liability - THIS	25,732,449
Total OPEB Liability - Retiree's Health Plan	323,234
Net Pension Liability - TRS	2,918,938
Net Pension Liability - IMRF	5,804,059
General Obligation Bonds - Net	<u>31,587,467</u>
Total Noncurrent Liabilities	<u>66,531,821</u>
Total Liabilities	<u>73,490,686</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	37,662,797
Deferred Items - THIS	6,095,567
Deferred Items - Retiree's Health Plan	101,505
Deferred Items - TRS	2,948,381
Deferred Items - IMRF	<u>306,561</u>
Total Deferred Inflows of Resources	<u>47,114,811</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>120,605,497</u>
NET POSITION	
Net Investment in Capital Assets	10,213,282
Restricted	
Educational	127,553
Tort Immunity	185,562
Operations and Maintenance	2,032,146
Student Transportation	840,297
Retirement Benefits	2,138,578
Debt Service	870,577
Fire Prevention and Life Safety	2,799
Site and Construction	602
Unrestricted (Deficit)	<u>(24,057,643)</u>
 Total Net Position	 <u>(7,646,247)</u>

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Statement of Activities

For the Fiscal Year Ended June 30, 2019

	Expenses	Program Revenues		(Expenses)/
		Charges for Services	Operating Grants/ Contributions	Revenues Governmental Activities
Governmental Activities				
Instruction				
Regular Programs	\$ 14,598,410	-	-	(14,598,410)
Special Programs	8,218,393	-	2,235,129	(5,983,264)
Other Instructional Programs	4,446,247	-	80,235	(4,366,012)
State Retirement Contributions	19,032,105	-	19,032,105	-
Support Services				
Pupils	3,620,521	-	-	(3,620,521)
Instructional Staff	3,575,007	-	144,654	(3,430,353)
General Administration	1,071,232	-	-	(1,071,232)
School Administration	2,694,898	-	-	(2,694,898)
Business	2,424,629	517,732	1,135,360	(771,537)
Transportation	2,920,087	-	1,165,296	(1,754,791)
Operations and Maintenance	3,583,298	-	-	(3,583,298)
Central	1,794,589	-	-	(1,794,589)
Community Services	120,768	-	-	(120,768)
Interest and Fees	1,103,340	-	-	(1,103,340)
Total Governmental Activities	69,203,524	517,732	23,792,779	(44,893,013)
General Revenues				
Taxes				
Real Estate Taxes, Levied for General Purposes				32,450,813
Real Estate Taxes, Levied for Specific Purposes				1,808,242
Real Estate Taxes, Levied for Debt Service				2,931,591
Personal Property Replacement Taxes				307,590
State Aid-Formula Grants				5,918,426
Investment Income				842,515
Miscellaneous				985,255
				<u>45,244,432</u>
Change in Net Position				351,419
Net Position - Beginning as Restated				<u>(7,997,666)</u>
Net Position - Ending				<u><u>(7,646,247)</u></u>

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Balance Sheet - Governmental Funds

June 30, 2019

See Following Page

DUPAGE COUNTY SCHOOL DISTRICT 45**Balance Sheet - Governmental Funds
June 30, 2019**

		Special Revenue	
	General	Operations and Maintenance	Transportation
ASSETS			
Cash and Investments	\$ 31,751,116	3,641,801	1,248,109
Receivables - Net of Allowances			
Property Taxes	14,403,448	1,576,058	590,889
Intergovernmental	675,437	-	288,359
Prepays	556,313	33,022	40
Total Assets	47,386,314	5,250,881	2,127,397
LIABILITIES			
Accounts Payable	57,487	17,325	99,182
Salaries and Wages Payable	2,912,885	-	-
Total Liabilities	2,970,372	17,325	99,182
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	28,955,606	3,168,388	1,187,878
Total Liabilities and Deferred Inflows of Resources	31,925,978	3,185,713	1,287,060
FUND BALANCES			
Nonspendable	556,313	33,022	40
Restricted	313,115	2,032,146	840,297
Unassigned	14,590,908	-	-
Total Fund Balances	15,460,336	2,065,168	840,337
Total Liabilities, Deferred Inflows of Resources and Fund Balances	47,386,314	5,250,881	2,127,397

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

Municipal Retirement/ Social Security	Debt Service	Capital Projects		Totals
		Fire Prevention and Life Safety	Site and Construction	
3,031,660	2,331,376	2,799	1,728,729	43,735,590
718,419	1,445,871	-	-	18,734,685
-	-	-	-	963,796
-	-	-	-	589,375
<u>3,750,079</u>	<u>3,777,247</u>	<u>2,799</u>	<u>1,728,729</u>	<u>64,023,446</u>
-	-	-	1,728,127	1,902,121
167,246	-	-	-	3,080,131
167,246	-	-	1,728,127	4,982,252
<u>1,444,255</u>	<u>2,906,670</u>	<u>-</u>	<u>-</u>	<u>37,662,797</u>
<u>1,611,501</u>	<u>2,906,670</u>	<u>-</u>	<u>1,728,127</u>	<u>42,645,049</u>
-	-	-	-	589,375
2,138,578	870,577	2,799	602	6,198,114
-	-	-	-	14,590,908
<u>2,138,578</u>	<u>870,577</u>	<u>2,799</u>	<u>602</u>	<u>21,378,397</u>
<u>3,750,079</u>	<u>3,777,247</u>	<u>2,799</u>	<u>1,728,729</u>	<u>64,023,446</u>

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

DUPAGE COUNTY SCHOOL DISTRICT 45

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

June 30, 2019

Total Governmental Fund Balances \$ 21,378,397

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. 42,448,396

Deferred Outflows/Inflows of Resources related to the pension/OPEB plans not reported in the funds.

Deferred Items - THIS	(3,737,280)
Deferred Items - Retiree's Health Plan	(101,505)
Deferred Items - TRS	(2,263,588)
Deferred Items - IMRF	2,516,474

Long-term liabilities are not due and payable in the current
period and therefore are not reported in the funds.

Compensated Absences	(207,093)
Total OPEB Liability - THIS	(25,732,449)
Total OPEB Liability - Retiree's Health Plan	(323,234)
Net Pension Liability - TRS	(2,918,938)
Net Pension Liability - IMRF	(5,804,059)
General Obligation Bonds Payable - Net	(33,522,661)
Unamortized Loss on Refunding	<u>621,293</u>

Net Position of Governmental Activities (7,646,247)

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

DUPAGE COUNTY SCHOOL DISTRICT 45

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2019**

See Following Page

DUPAGE COUNTY SCHOOL DISTRICT 45

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2019

	Special Revenue		
	General	Operations and Maintenance	Transportation
Revenues			
Property Taxes	\$ 27,906,077	3,095,883	1,590,555
Corporate Personal Property Replacement Taxes	-	184,554	-
State Aid	6,546,400	-	1,165,296
Federal Aid	2,967,404	-	-
Investment Income	695,281	41,756	24,154
Other	1,237,168	250,400	15,419
On Be-Half Payments	19,032,105	-	-
Total Revenues	58,384,435	3,572,593	2,795,424
Expenditures			
Current			
Instruction			
Regular Programs	13,745,532	-	-
Special Programs	6,008,780	-	-
Other Instructional Programs	4,334,821	-	-
Support Services			
Pupils	3,252,589	-	-
Instructional Staff	2,438,148	-	-
General Administration	1,023,249	-	-
School Administration	2,565,216	-	-
Business	1,904,248	332,669	-
Transportation	-	-	2,802,631
Operations and Maintenance	-	3,382,989	-
Pupil Transportation Services	-	-	-
Food Services	-	-	-
Central	1,431,142	-	-
Community Services	113,476	-	-
Payments to Other Districts and Govt. Units	1,860,849	-	-
Debt Service			
Principal Retirement	-	-	-
Interest and Other	-	-	-
Capital Outlay	365,322	-	78,873
On Be-Half Payments	19,032,105	-	-
Total Expenditures	58,075,477	3,715,658	2,881,504
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	308,958	(143,065)	(86,080)
Other Financing Sources (Uses)			
Disposal of Capital Assets	150	-	-
Transfers In	27,115	2,463,091	-
Transfers Out	(2,463,091)	(2,161,362)	-
	(2,435,826)	301,729	-
Net Change in Fund Balances	(2,126,868)	158,664	(86,080)
Fund Balances - Beginning	17,587,204	1,906,504	926,417
Fund Balances - Ending	15,460,336	2,065,168	840,337

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

Municipal Retirement/ Social Security	Debt Service	Capital Projects		Totals
		Fire Prevention and Life Safety	Site and Construction	
1,666,540	2,931,591	-	-	37,190,646
123,036	-	-	-	307,590
-	-	-	-	7,711,696
-	-	-	-	2,967,404
51,588	27,115	2,619	2	842,515
-	-	-	-	1,502,987
-	-	-	-	19,032,105
1,841,164	2,958,706	2,619	2	69,554,943
226,841	-	-	-	13,972,373
348,764	-	-	-	6,357,544
111,426	-	-	-	4,446,247
112,920	-	-	-	3,365,509
78,275	-	-	-	2,516,423
42,214	-	-	-	1,065,463
129,682	-	-	-	2,694,898
48,152	-	-	2,161,362	4,446,431
-	-	-	-	2,802,631
306,840	-	-	-	3,689,829
3,521	-	-	-	3,521
22,135	-	-	-	22,135
83,505	-	-	-	1,514,647
7,292	-	-	-	120,768
-	-	-	-	1,860,849
-	1,820,000	-	-	1,820,000
-	1,079,789	-	-	1,079,789
-	-	-	-	444,195
-	-	-	-	19,032,105
1,521,567	2,899,789	-	2,161,362	71,255,357
319,597	58,917	2,619	(2,161,360)	(1,700,414)
-	-	-	-	150
-	-	-	2,161,362	4,651,568
-	(27,115)	-	-	(4,651,568)
-	(27,115)	-	2,161,362	150
319,597	31,802	2,619	2	(1,700,264)
1,818,981	838,775	180	600	23,078,661
2,138,578	870,577	2,799	602	21,378,397

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

DUPAGE COUNTY SCHOOL DISTRICT 45

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

For the Fiscal Year Ended June 30, 2019

Net Change in Fund Balances - Total Governmental Funds \$ (1,700,264)

Amounts reported for Governmental Activities in the Statement of Activities
are different because:

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

Capital Outlays	2,404,986
Depreciation Expense	(1,442,212)

Deferred (Inflows)/Outflows of Resources related to pensions/OPEB are not reported in the funds.

Change in Deferred Items - THIS	(3,181,064)
Change in Deferred Items - Retiree's Health Plan	(79,013)
Change in Deferred Items - TRS	(2,114,215)
Change in Deferred Items - IMRF	3,581,717

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

Decrease to Compensated Absences Payable	8,979
Decrease to Total OPEB Liability - THIS	1,924,057
Decrease to Total OPEB Liability - Retiree's Health Plan	61,054
Decrease to Net Pension Liability - TRS	2,788,643
(Increase) to Net Pension Liability - IMRF	(3,697,698)
Retirement of Long-Term Debt	1,733,620
Amortization of Bond Premium	125,210
Amortize Loss on Refunding	<u>(62,381)</u>

Changes in Net Position of Governmental Activities 351,419

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

DUPAGE COUNTY SCHOOL DISTRICT 45

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

	<u>Student Activity, Convenience Accounts, and Other Agency Funds</u>
ASSETS	
Cash and Investments	<u>\$ 69,918</u>
LIABILITIES	
Due to Activity Fund Organizations	<u>69,918</u>

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DuPage County School District 45 (the “District”) operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended.

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

REPORTING ENTITY

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

BASIS OF PRESENTATION

Government-Wide Statements

The District’s basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District’s major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District’s operating activities are all considered governmental activities, that is, activities normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered business-type activities.

In the government-wide Statement of Net Position, both the governmental activities column is (a) presented on a consolidated basis, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District’s net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

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

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

Fund Financial Statements

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

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

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

Governmental Funds

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

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Governmental Funds – Continued

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes, other than those accounted for in the Debt Service Fund, Capital Projects Funds or Fiduciary Funds. The District maintains three major special revenue funds. The Operations and Maintenance Fund is used to accounts for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes. The Transportation Fund is used to account for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants. The Municipal Retirement/Social Security Fund is used to account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for non-certified employees. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

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

Capital Projects Funds are used to account for the financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities. The Fire Prevention and Life Safety Fund, a major fund, is used to account for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes. The Site and Construction Fund, also a major fund, is used to account for the financial resources to be used for the acquisition or construction of, and/or addition to, major capital facilities.

Fiduciary Funds

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

Agency Funds include Student Activity Funds, Convenience Accounts and Other Agency Funds. These funds are custodial in nature and do not present results of operations or have a measurement focus. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational or cultural purposes. Convenience Accounts account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fiduciary Funds – Continued

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, the governmental activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus is used.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The accounting objectives of the "economic resources" measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

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

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means that the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenue to be available if they are collected within 60 days after year-end, except for state and federal grants which are considered to be available if collected within 180 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmatured principal and interest on general long-term debt are recognized when due; and certain compensated absences, claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

On-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the state to the Teachers’ Retirement System) have been recognized in the financial statements.

Property taxes, replacement taxes, certain state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and recognized as revenue at that time.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until earned.

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

Cash and Investments

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

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Interfund Receivables, Payables and Activity

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

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

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

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

Buildings and Improvements	40 Years
Equipment	5 - 20 Years
Transportation Equipment	5 - 20 Years

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in the financial statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation leave will be made at rates in effect when the benefits are used. Accumulated vacation leave liabilities at June 30, 2019 are determined on the basis of current salary rates and include salary related payments. Upon termination or retirement, employees do not receive compensation for any unused sick leave; therefore, no liability is recorded at June 30, 2019.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Net Position

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

Net Investment in Capital Assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Except for the exclusion of on-behalf payments from other governments, discussed below, the budgeted amounts for the governmental funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

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

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds, except the Fire Prevention and Life Safety Fund.
6. All budget appropriations lapse at the end of the fiscal year.

During the fiscal year ended June 30, 2019, no supplemental budget appropriations were made.

The Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds includes “on-behalf” payments received and made for the amounts contributed by the State of Illinois for the employer’s share of the Teachers Retirement System pension. The District does not budget for these amounts in the Educational Accounts of the General Fund.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

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

Fund	Excess
Transportation	\$ 343,189
Site and Construction	999,362

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

Deposits. At year-end, the carrying amount of the District's deposits for governmental activities totaled \$36,490,031 and the bank balances totaled \$40,875,342.

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

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1 to 5
Certificates of Deposit	\$ 3,345,559	3,345,559	-
ISDLAF+	3,900,000	3,900,000	-
	<u>7,245,559</u>	<u>7,245,559</u>	<u>-</u>

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

- Certificates of Deposit of \$3,345,559 are valued using quoted market prices (Level 2 inputs)
- ISDLAF+ of \$3,900,000 which is measured at net asset value per share as determined by the pool

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy states that investments in corporate paper are further restricted and cannot comprise more than ten percent of the total investment portfolio. At year-end, the District's investment in ISDLAF+ was not rated.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District's investment policy seeks to ensure preservation of capital in the District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the policy requires the District investment portfolio to be sufficiently liquid to enable the District to meet all operating requirements as they come due. A portion of the portfolio is required to be invested in readily available funds to ensure appropriate liquidity. The District's investment in ISDLAF+ has an average maturity of less than one year.

Custodial Credit Risk – Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2019, the bank balance of the District's deposits with financial institutions totaled \$40,875,342; this entire amount was insured through FDIC insurance.

Custodial Credit Risk – Investments. For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy does not address custodial credit risk for investments. At year end, the District investments in ISDLAF+ were not subject to custodial credit risk.

PROPERTY TAXES

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2018 levy resolution was approved during the December 17, 2018 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner to real property on January 1 in any year is liable for taxes of that year.

The tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the approval of the voters of the District.

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES – Continued

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments: the first due on March 1 and the second due on or after August 1 or 30 days after the second installment tax bill is mailed. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill. Property taxes are normally collected by the District within 60 days of the due date.

The 2018 property tax levy is recognized as a receivable in the fiscal year 2019, net of estimated uncollectible amounts approximating 1% and less amounts already received. The District considers that the first installment of the 2018 levy is to be used to finance operations in fiscal year 2019. The District has determined that the second installment of the 2018 levy is to be used to finance operations in fiscal year 2019 and has included the corresponding receivable as a deferred inflow of resources.

PERSONAL PROPERTY REPLACEMENT TAXES

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

INTERFUND TRANSFERS

During the year, the Board of Education transferred \$27,115 in interest earned in the Debt Service Fund to the General Fund (Educational Accounts) and transferred \$301,729 from the General Fund (Working Cash Accounts) to the Operations and Maintenance Fund.

Also, during the year, the Board of Education authorized the abatement of a portion of the General Fund (Working Cash Accounts), thereby transferring fund balance of \$2,161,362 to the Operations and Maintenance Fund.

In addition, the Operations and Maintenance Fund transferred \$2,161,362 to the Site and Construction Fund for Board of Education approved capital project purposes.

State law allows for the above transfers.

JOINT AGREEMENTS

The District is a member of the School Association for Special Education (SASED), a joint agreement that provides certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances as Restated	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 1,689,568	-	-	1,689,568
Depreciable Capital Assets				
Buildings and Improvements	66,496,826	1,927,119	-	68,423,945
Equipment	8,627,653	365,322	-	8,992,975
Transportation Equipment	1,641,414	112,545	-	1,753,959
	<u>76,765,893</u>	<u>2,404,986</u>	-	<u>79,170,879</u>
Less Accumulated Depreciation				
Buildings and Improvements	26,977,821	1,321,466	-	28,299,287
Equipment	8,488,185	64,420	-	8,552,605
Transportation Equipment	1,503,833	56,326	-	1,560,159
	<u>36,969,839</u>	<u>1,442,212</u>	-	<u>38,412,051</u>
Total Net Depreciable Capital Assets	<u>39,796,054</u>	<u>962,774</u>	-	<u>40,758,828</u>
Total Net Capital Assets	<u>41,485,622</u>	<u>962,774</u>	-	<u>42,448,396</u>

Depreciation expense was charged to governmental activities as follows:

Pupils	\$ 240,849
Instructional Staff	1,058,584
General Administration	5,769
Transportation	113,935
Operations and Maintenance	<u>23,075</u>
	<u>1,442,212</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

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

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Limited Capital Appreciation School Bonds of 2004 - Due in annual installment of \$1,380,000 to \$1,670,000 plus semi-annual interest at 3.80% to 4.60% through December 1, 2019.	\$ 2,818,604	86,380	1,550,000	1,354,984
General Obligation School Bonds of 2012 - Due in annual installment of \$2,180,000 to \$2,425,000 plus semi-annual interest at 3.50% to 4.00% through January 1, 2032.	9,200,000	-	-	9,200,000
General Obligation School Bonds of 2015 - Due in annual installment of \$2,525,000 to \$2,730,000 plus semi-annual interest at 3.25% to 4.00% through January 1, 2035.	7,880,000	-	-	7,880,000
General Obligation Limited Tax Refunding School Bonds of 2016 - Due in annual installment of \$115,000 to \$985,000 plus semi-annual interest at 2.00% to 2.10% through January 1, 2027.	6,515,000	-	-	6,515,000
General Obligation Limited Tax Refunding School Bonds of 2017 - Due in annual installment of \$270,000 to \$1,925,000 plus semi-annual interest at 2.30% to 5.00% through January 1, 2028.	7,610,000	-	270,000	7,340,000
	<u>34,023,604</u>	<u>86,380</u>	<u>1,820,000</u>	<u>32,289,984</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. At year-end the legal debt margin is as follows:

Assessed Valuation - 2018	<u>\$ 1,079,080,407</u>
Legal Debt Limit - 6.9% of Assessed Value	74,456,548
Amount of Debt Applicable to Limit	<u>(32,289,984)</u>
Legal Debt Margin	<u>42,166,564</u>

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 216,072	8,979	17,958	207,093	41,419
Total OPEB Liability					
THIS	27,656,506	-	1,924,057	25,732,449	-
Retiree's Health Plan	384,288	-	61,054	323,234	-
Net Pension Liability					
TRS	5,707,581	-	2,788,643	2,918,938	-
IMRF	2,106,361	3,697,698	-	5,804,059	-
General Obligation Bonds	34,023,604	86,380	1,820,000	32,289,984	1,809,984
Plus: Unamortized Premium	1,357,887	-	125,210	1,232,677	125,210
	<u>71,452,299</u>	<u>3,793,057</u>	<u>6,736,922</u>	<u>68,508,434</u>	<u>1,976,613</u>

The obligations for the compensated absences, the total OPEB liabilities, and the net pension liability for TRS will be repaid from the General Fund (Educational Accounts). The net pension liability for IMRF will be repaid by the Districts Municipal Retirement/Social Security Fund. The general obligation bonds are being liquidated by the Debt Service Fund.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Defeased Debt

In prior years, the government defeased general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payment on the old bonds. Since the requirements which normally satisfy defeasance, have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Defeased bonds of \$1,275,000 remain outstanding as of the date of this report.

Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities	
	General Obligation	
	Bonds	
	Principal	Interest
2020	\$ 1,809,984	2,427,073
2021	1,490,000	1,040,539
2022	1,535,000	992,289
2023	1,585,000	942,189
2024	1,630,000	890,289
2025	1,685,000	836,289
2026	1,745,000	780,389
2027	1,805,000	721,396
2028	1,925,000	692,194
2029	2,180,000	645,994
2030	2,255,000	569,694
2031	2,340,000	487,950
2032	2,425,000	400,200
2033	2,525,000	303,200
2034	2,625,000	202,200
2035	2,730,000	97,200
Totals	<u>32,289,984</u>	<u>12,029,085</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION

Net Position Classifications

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 42,448,396
Plus:	
Unamortized Loss on Refunding	621,293
Limited Capital Appreciation School Bonds of 2004 - Accretion Portion	666,254
Less Capital Related Debt:	
Limited Capital Appreciation School Bonds of 2004	(1,354,984)
General Obligation School Bonds of 2012	(9,200,000)
General Obligation School Bonds of 2015	(7,880,000)
General Obligation Limited Tax Refunding School Bonds of 2016	(6,515,000)
General Obligation Limited Tax Refunding School Bonds of 2017	(7,340,000)
Unamortized Premium	<u>(1,232,677)</u>
Net Investment in Capital Assets	<u><u>10,213,282</u></u>

Fund Balance Classifications

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

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

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

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

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION – Continued

Fund Balance Classifications – Continued

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

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

Minimum Fund Balance Policy. The District’s fund balance policy states that the General Fund should maintain a minimum fund balance equal to 25% of budgeted operating expenditures.

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

	Special Revenue				Capital Projects			Totals
	General	Operations and Maintenance	Transportation	Municipal Retirement/Social Security	Debt Service	Fire Prevention and Life Safety	Site and Construction	
Fund Balances								
Nonspendable								
Prepays	\$ 556,313	33,022	40	-	-	-	-	589,375
Restricted								
Educational	127,553	-	-	-	-	-	-	127,553
Tort Immunity	185,562	-	-	-	-	-	-	185,562
Operations and Maintenance	-	2,032,146	-	-	-	-	-	2,032,146
Student Transportation	-	-	840,297	-	-	-	-	840,297
Retirement Benefits	-	-	-	2,138,578	-	-	-	2,138,578
Debt Service	-	-	-	-	870,577	-	-	870,577
Fire Prevention and Life Safety	-	-	-	-	-	2,799	-	2,799
Site and Construction	-	-	-	-	-	-	602	602
	<u>313,115</u>	<u>2,032,146</u>	<u>840,297</u>	<u>2,138,578</u>	<u>870,577</u>	<u>2,799</u>	<u>602</u>	<u>6,198,114</u>
Unassigned	14,590,908	-	-	-	-	-	-	14,590,908
Total Fund Balances	<u>15,460,336</u>	<u>2,065,168</u>	<u>840,337</u>	<u>2,138,578</u>	<u>870,577</u>	<u>2,799</u>	<u>602</u>	<u>21,378,397</u>

Net Position Restatement

Beginning net position was restated to correct an error in the recognition of capital assets in the prior year. The following is a summary of net position as originally reported and as restated.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION – Continued

Net Position Restatement – Continued

Net Position	As Reported	As Restated	Increase
Governmental Activities	\$ (11,660,525)	(7,997,666)	3,662,859

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims, theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the Collective Liability Insurance Cooperative (CLIC) for property damage, injury claims, and worker's compensation claims. The District pays annual premiums to the pool for insurance coverage. The arrangement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pool. Settled claims has not exceeded coverage for the past three years.

Complete financial statements for CLIC can be obtained from its Treasurer, 624 Kenilworth, Grayslake, Illinois 60030.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. Settled claims have not exceeded commercial insurance coverage for the past three fiscal years.

CONTINGENT LIABILITIES

Litigation

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

State and Federal Aid Contingencies

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Teachers' Health Insurance Security Fund

Plan Description

The District participates in the Teachers' Health Insurance Security (THIS) fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the Teachers' Retirement System (TRS).

Benefits Provided. The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 required all active contributors to TRS, who are not employees of the State, to contribute to the THIS Fund.

A 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, 2019. State of Illinois contributions were \$252,611, and the District recognized revenue and expenditures of this amount during the year. State contributions intended to match active member contributions during the years ended June 30, 2018 and 2017 were 1.18 and 1.12 percent of pay, respectively. State contributions on behalf of the District's employees were \$273,191 and \$252,894, respectively.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers' Health Insurance Security Fund – Continued

Plan Description – Continued

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, 2019, and 0.88 and 0.84 percent during the years ended June 30, 2018 and 2017, respectively. For the year ended June 30, 2019, the District paid \$187,421 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2018 and 2017, the District paid \$203,735 and \$189,670 to the THIS Fund, respectively, which was 100 percent of the required contribution.

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

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

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

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers' Health Insurance Security Fund – Continued

Plan Description – Continued

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

Single Discount Rate

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

Since the THIS fund is financed on a pay-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 3.56 percent as of June 30, 2017, and 3.62 percent as of June 30, 2018.

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

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

	1% Decrease (2.62%)	Current Discount Rate (3.62%)	1% Increase (4.62%)
Employer's Proportionate Share of the OPEB Liability	\$ 30,940,436	25,732,449	21,621,348

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers’ Health Insurance Security Fund – Continued

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

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Employer’s Proportionate Share of the OPEB Liability	\$ 20,864,923	25,732,449	32,290,389

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

At June 30, 2019, the District reported a liability for its proportionate share of the net OPEB liability that reflected a reduction for State OPEB support provided to the District. The collective net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of that date. The District’s proportion of the collective net OPEB liability was based on a projection of the District’s long-term share of contributions to the OPEB plan relative to the projected contributions of the District, actuarially determined. At June 30, 2018, the District’s proportion was 0.097672 percent, which was an decrease of 0.008906 from its proportion measured as of June 30, 2017 (0.106578 percent). The State’s support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follow:

Employer's Proportionate Share of the Net OPEB Liability	\$ 25,732,449
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>34,925,505</u>
Total	<u><u>60,657,954</u></u>

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers’ Health Insurance Security Fund – Continued

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

For the year ending June 30, 2019, the District recognized OPEB expense of \$252,611 and revenue of \$252,611 for support provided by the State. For the year ending June 30, 2019, the District recognized OPEB expense of \$1,444,428. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ -	(92,328)	(92,328)
Net Difference Between Projected and Actual Earnings on Pension Investments	-	(790)	(790)
Changes of Assumptions	-	(3,747,077)	(3,747,077)
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	2,170,866	(2,255,372)	(84,506)
Total Pension Expense to be Recognized in Future Periods	2,170,866	(6,095,567)	(3,924,701)
Employer Contributions Subsequent to the Measurement Date	187,421	-	187,421
Totals	<u>2,358,287</u>	<u>(6,095,567)</u>	<u>(3,737,280)</u>

\$187,421 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District’s OPEB expense as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2020	\$ (677,634)
2021	(677,634)
2022	(677,634)
2023	(677,563)
2024	(677,414)
Thereafter	<u>(536,822)</u>
Total	<u>(3,924,701)</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

RETIREE’S HEALTH PLAN

General Information about the OPEB Plan

Plan Description. The District’s defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the District. RBP is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. The plan provides medical benefits for eligible retirees and their spouses through the District’s medical plan which covers both active and retired members. Benefit provisions are established through collective bargaining agreements for certificated retirees, the District provides a defined benefit to be used toward TRS premiums until the retiree becomes eligible for Medicare benefits, or until the retiree reaches age 70. The amount is \$100 per month for administrators and \$40 per month for teachers. Non-Certified retirees and their dependents may continue coverage with the District until age 65 by contributing the active’s full monthly premium. District 45, DuPage County has the authority to establish and amend benefit provisions of these OPEB benefit plans. The Retiree Health Plan does not issue a publicly available financial report.

Employees Covered by Benefit Terms. As of June 30, 2019, the measurement date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	18
Inactive Employees Entitled to but not yet Receiving Benefits	-
Active Employees	<u>249</u>
Total	<u><u>267</u></u>

Total OPEB Liability

The District’s OPEB liability was measured as June 30, 2019 and was determined by an actuarial valuation as of that date.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

RETIREE’S HEALTH PLAN – Continued

Total OPEB Liability – Continued

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

Inflation	2.50%
Salary Increases	3.50%
Discount Rate	3.50%
Healthcare Cost Trend Rates	8.0% decreasing to an ultimate rate of 4.0% for 2035 and later years.
Retirees' Share of Benefit-Related Costs	Non-Certificated employees contribute the blended average employee group cost.

The municipal bond index rate used for this valuation was changed from 3.56% as of July 1, 2017 to 3.87%, which is the published rate as of June 30, 2018 for the Fidelity General Obligation 20-year bond index. The discount rate as of June 30, 2019 is 3.50%.

Mortality rates were based on the RP-2014 Combined Healthy Mortality Table, projected with scale MP-2018 fully generationally.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2018 - June 30, 2019.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

RETIREE’S HEALTH PLAN – Continued

Changes in the Total OPEB Liability

Balances at June 30, 2018	<u>\$ 384,288</u>
Changes for the Year:	
Service Cost	23,640
Interest on the Total Pension Liability	14,638
Differences Between Expected and Actual Experience of the Total Pension Liability	(64,774)
Changes of Assumptions	(22,459)
Benefit Payments	(12,099)
Other Changes	<u>-</u>
Net Changes	<u>(61,054)</u>
Balances at June 30, 2019	<u><u>323,234</u></u>

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

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

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB Liability	\$ 349,639	323,234	298,545

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

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

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

RETIREE’S HEALTH PLAN – Continued

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

	1% Decrease	Healthcare Cost-Trend Rate	1% Increase
Total OPEB Liability	\$ 307,971	323,234	340,936

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

For the year ended June 30, 2019, the District recognized pension expense of \$30,058. At June 30, 2019, the District would have reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ -	(60,537)	(60,537)
Changes of Assumptions	-	(40,968)	(40,968)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-
Total Deferred Amounts Related to OPEB	-	(101,505)	(101,505)

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

Fiscal Year	Net Deferred (Inflows) of Resources
2020	\$ (8,220)
2021	(8,220)
2022	(8,220)
2023	(8,220)
2024	(8,220)
Thereafter	(60,405)
Total	(101,505)

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS

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

Teachers' Retirement System

Plan Descriptions, Provisions and Funding Policies

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can only be made by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for TRS's administration. TRS issues a publicly available financial report that can be obtained at <http://www.trsil.org/financial/cafrs/fy2018>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling 888.678.3675, option 2.

Benefits Provided

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

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System – Continued

Benefits Provided – Continued

Essentially all Tier 1 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 2 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 will begin in 2019 and will be funded by bonds issued by the state of Illinois.

Contributions

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

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

On Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2019, State of Illinois contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$18,779,494 in pension contributions from the State. For the years ended June 30, 2018 and June 30, 2017, the employer recognized revenue and expenditures of \$17,484,860 and \$17,193,410, respectively, in pension contributions from the State.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System – Continued

Contributions – 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 years ended June 30, 2019, 2018 and 2017 were \$118,157, \$134,280 and \$130,963, respectively, and are deferred because they were paid after the June 30, 2018 and June 30, 2017 measurement date.

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

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

For the fiscal year ended June 30, 2019, the employer pension contribution was 9.85 percent of salaries paid from federal and special trust funds. For the fiscal year ended June 30, 2019 salaries totaling \$86,605 were paid from federal and special trust funds that required employer contributions of \$8,531. These contributions are deferred because they were paid after the June 30, 2018 measurement date. For the fiscal year ended June 30, 2018 and June 30, 2017, required District contributions were \$4,298 and \$252,447, respectively.

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System – Continued

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2019, the employer paid \$0 to TRS for employer contributions due on salary increases in excess of 3 percent \$0 for contributions on salaries in excess of the Governor's statutory salary and \$0 for sick leave days granted in excess of the normal annual allotment. For the year ended June 30, 2018, the District made no payments to TRS for employer contributions due on salary increases in excess of 6 percent and made no payments for sick leave days granted in excess of the normal annual allotment.

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

Employer's Proportionate Share of the Net Pension Liability	\$ 2,918,938
State's Proportionate Share of the Net Pension Liability Associated with the Employer	<u>199,959,513</u>
Total	<u><u>202,878,451</u></u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 and rolled forward to June 30, 2018. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2018, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2018, the employer's proportion was 0.0037 percent, which was a decrease of 0.0038 percent from its proportion measured as of June 30, 2017, which was 0.0075%.

For the year ended June 30, 2019, the employer recognized pension expense of \$18,779,494 and revenue of \$18,779,494 for support provided by the state.

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers’ Retirement System – Continued

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

At June 30, 2019, 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	Total
Differences Between Expected and Actual Experience	\$ 58,665	(636)	58,029
Net Difference Between Projected and Actual Earnings on Pension Investments	-	(8,937)	(8,937)
Changes of Assumptions	128,023	(82,729)	45,294
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	371,418	(2,856,079)	(2,484,661)
Total Pension Expense to be Recognized in Future Periods	558,106	(2,948,381)	(2,390,275)
Employer Contributions Subsequent to the Measurement Date	126,687	-	126,687
Total Deferred Amounts Related to TRS	<u>684,793</u>	<u>(2,948,381)</u>	<u>(2,263,588)</u>

\$126,687 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2020.

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

Fiscal Year	Net Deferred (Inflows) of Resources
2020	\$ (319,387)
2021	(651,820)
2022	(673,646)
2023	(519,031)
2024	(226,391)
	<u>(2,390,275)</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System – Continued

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

Actuarial Assumptions

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

Inflation:	2.50 Percent
Salary Increases:	Varies by Amount of Service Credit
Investment Rate of Return:	7.00 Percent, Net of Pension Plan Investment Expense, Including Inflation

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

The long-term 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:

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System – Continued

Actuarial Assumptions – Continued

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large Cap	15.00%	6.70%
U.S. Small/Mid Cap	2.00%	7.90%
International Equities Developed	13.60%	7.00%
Emerging Market Equities	3.40%	9.40%
U.S. Bonds Core	8.00%	2.20%
U.S. Bonds High Yield	4.20%	4.40%
Internatioanl Debt Developed	2.20%	1.30%
Emerging International Debt	2.60%	4.50%
Real Estate	16.00%	5.40%
Real Return	4.00%	1.80%
Absolute Return	14.00%	3.90%
Private Equity	15.00%	10.20%
Total	<u>100.00%</u>	

Discount Rate

At June 30, 2018, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2017 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions and state contributions will be made at the current statutorily-required rates.

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

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers’ Retirement System – Continued

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 one percentage-point lower or one percentage-point higher than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's Proportionate Share of the Net Pension Liability	\$ 3,579,802	2,918,938	2,386,744

TRS Fiduciary Net Position

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

Illinois Municipal Retirement Fund (IMRF)

Plan Description

Plan Administration. 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. 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. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description – Continued

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

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

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

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

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

Inactive Plan Members Currently Receiving Benefits	179
Inactive Plan Members Entitled to but not yet Receiving Benefits	220
Active Plan Members	<u>165</u>
Total	<u><u>564</u></u>

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description – Continued

Contributions. As set by statute, the District’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended June 30, 2019, the District’s contribution was 11.38% of covered payroll.

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

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

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

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description – Continued

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

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

Discount Rate

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

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 9,622,613	5,804,059	2,633,708

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2017	\$ 29,277,916	27,171,555	2,106,361
Changes for the year:			
Service Cost	615,746	-	615,746
Interest on the Total Pension Liability	2,166,106	-	2,166,106
Differences Between Expected and Actual Experience of the Total Pension Liability	125,460	-	125,460
Changes of Assumptions	847,412	-	847,412
Contributions - Employer	-	721,255	(721,255)
Contributions - Employees	-	277,108	(277,108)
Net Investment Income	-	(1,488,698)	1,488,698
Benefit Payments, including Refunds of Employee Contributions	(1,408,745)	(1,408,745)	-
Other (Net Transfer)	-	547,361	(547,361)
Net Changes	2,345,979	(1,351,719)	3,697,698
Balances at December 31, 2018	31,623,895	25,819,836	5,804,059

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the year ended June 30, 2019, the District recognized pension expense of \$805,365. At June 30, 2019, the District 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	Total
Differences Between Expected and Actual Experience	\$ 252,407	-	252,407
Changes of Assumptions	544,624	(306,561)	238,063
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	1,705,781	-	1,705,781
Total Pension Expense to be			
Recognized in Future Periods	2,502,812	(306,561)	2,196,251
Pension Contributions made Subsequent to the			
Measurement Date	320,223	-	320,223
Total Deferred Amounts Related to IMRF	<u>2,823,035</u>	<u>(306,561)</u>	<u>2,516,474</u>

\$320,223 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2020.

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

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:

Fiscal Year	Net Deferred Outflows of Resources
2020	\$ 767,726
2021	513,651
2022	208,533
2023	706,341
2024	-
Thereafter	-
Total	<u>2,196,251</u>

SUBSEQUENT EVENT

On August 13, 2019, the District issued \$2,765,000 of General Obligation Limited School Tax Bonds, due in annual installments of \$320,000 to \$460,000, plus interest at 4.00% to 5.00% through January 1, 2027.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions
Teacher's Health Insurance Security Fund
- Schedule of Employer's Proportionate Share of the Collective Net OPEB Liability
Teacher's Health Insurance Security Fund
- Schedule of Changes in the Employer's Total OPEB Liability and Related Ratios
Retiree's Health Plan
- Schedule of Employer's Proportionate Share of the Net Pension Liability and Employer Contributions
Teachers' Retirement System
- Schedule of Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedule
General Fund
Operations and Maintenance – Special Revenue Fund
Transportation – Special Revenue Fund
Municipal Retirement/Social Security – Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information – Except for the exclusion of on-behalf payments from other governments, the budgeted amounts are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

DUPAGE COUNTY SCHOOL DISTRICT 45

Teacher's Health Insurance Security Fund

Required Supplementary Information

Schedule of Employer Contributions

June 30, 2019

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 203,735	\$ 203,735	\$ -	\$ 23,151,744	0.88%
2019	187,421	187,421	-	20,371,841	0.92%

Note:

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Teacher's Health Insurance Security Fund

Required Supplementary Information

Notes to the Schedule of Employer Contributions

June 30, 2019

Notes to the Schedule of Employer Contributions

Valuation Date June 30, 2017

Measurement Date June 30, 2018

Sponsor's Fiscal Year End June 30, 2019

Methods and Assumptions Used to Determine Actuarial Liability and Contributions:

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

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

Asset Valuation Method Market Value

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

Inflation 2.75%

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

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

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

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

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

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Teacher's Health Insurance Security Fund

Required Supplementary Information

Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability

June 30, 2019

	<u>6/30/18</u>	<u>6/30/19</u>
Employer's Proportion of the Net OPEB Liability	0.1065780%	0.0976720%
Employer's Proportionate Share of the Net OPEB Liability	\$ 27,656,506	25,732,449
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>36,319,926</u>	<u>34,925,505</u>
Total	<u>63,976,432</u>	<u>60,657,954</u>
Covered Payroll	\$ 23,151,744	20,371,841
Employer's Proportionate Share of the Net OPEB Liability as a % of its Covered Payroll	119.46%	126.31%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	(0.17%)	(0.07%)

Notes:

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

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Retiree's Health Plan

**Schedule of Changes in the Employer's OPEB Liability and Related Ratios
June 30, 2019**

	2017	2018	2019
Total OPEB Liability			
Service Cost	\$ 20,475	20,475	23,640
Interest	11,370	13,101	14,638
Differences Between Expected and Actual Experience	-	-	(64,774)
Change of Assumptions	(17,117)	(9,505)	(22,459)
Benefit Payments	(15,583)	(15,583)	(12,099)
Net Change in Total OPEB Liability	(855)	8,488	(61,054)
OPEB Liability - Beginning	376,655	375,800	384,288
OPEB Liability - Ending	375,800	384,288	323,234
Covered Payroll	\$ 16,954,487	17,547,894	14,941,763
Total OPEB Liability as a Percentage of Covered Payroll	2.22%	2.19%	2.16%

Note:

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

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

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

Fiscal Year	Medical
2020	7.75%
2021	7.50%
2022	7.25%
2023	7.00%
2024	6.75%
2025	6.50%
2026	6.25%
2027	6.00%
2028	5.75%
2029	5.50%
2030	5.25%
2031	5.00%
2032	4.75%
2033	4.50%
2034	4.25%
Ultimate	4.00%

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Teachers' Retirement System

**Required Supplementary Information
Schedule of the Employer's Proportionate Share of the Net Pension Liability and
Employer Contributions
June 30, 2019**

	<u>2015*</u>
Employer's Proportion of the Net Pension Liability	0.0059%
Employer's Proportionate Share of the Net Pension Liability	\$ 3,620,149
State's Proportionate Share of the Net Pension Liability Associated with the Employer	<u>128,483,985</u>
Total	<u><u>132,104,134</u></u>
Covered-Employee Payroll	\$ 21,545,784
Employer's Proportionate Share of the Net Pension Liability as a % of its Covered-Employee Payroll	16.78%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	43.00%
 * The amounts presented were determined as of the prior fiscal-year end.	
Contractually-Required Contribution	\$ 317,132
Contributions in Relation to the Contractually-Required Contribution	<u>274,539</u>
Contribution Deficiency/(Excess)	<u><u>(42,593)</u></u>
Covered Payroll	21,545,784
Contributions as a % of Covered Payroll	1.27%

Notes:

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

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

For the 2014 measurement year, the assumed investment rate of return was also 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. However, salary increases were assumed to vary by age.

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

2016*	2017*	2018*	2019*
0.0090%	0.0085%	0.0075%	0.0037%
5,915,870	6,722,768	5,707,581	2,918,938
139,623,126	175,074,777	177,664,206	199,959,513
145,538,996	181,797,545	183,371,787	202,878,451
22,253,999	22,579,785	23,151,744	20,371,841
26.58%	29.80%	24.65%	14.33%
41.50%	36.40%	39.30%	40.00%
316,553	383,410	138,578	126,687
329,741	320,984	175,002	139,751
13,188	(62,426)	36,424	13,064
22,253,999	22,579,785	23,151,744	20,371,841
1.48%	1.42%	0.76%	0.69%

DUPAGE COUNTY SCHOOL DISTRICT 45

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
June 30, 2019**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 585,300	\$ 585,303	\$ 3	\$ 5,125,225	11.42%
2016	642,539	653,956	11,417	5,431,435	12.04%
2017	663,803	663,486	(317)	5,606,445	11.83%
2018	668,329	668,329	-	5,686,121	11.75%
2019	689,834	689,834	-	6,061,430	11.38%

Notes to the Required Supplementary Information:

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

Note:

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
June 30, 2019**

	<u>12/31/14</u>
Total Pension Liability	
Service Cost	\$ 599,633
Interest	1,700,936
Differences Between Expected and Actual Experience	(40,400)
Change of Assumptions	1,072,538
Benefit Payments, Including Refunds of Member Contributions	<u>(1,079,359)</u>
Net Change in Total Pension Liability	2,253,348
Total Pension Liability - Beginning	<u>22,919,016</u>
Total Pension Liability - Ending	<u><u>25,172,364</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 585,303
Contributions - Members	230,679
Net Investment Income	1,325,310
Benefit Payments, Including Refunds of Member Contributions	(1,079,359)
Other (Net Transfer)	<u>(95,155)</u>
Net Change in Plan Fiduciary Net Position	966,778
Plan Net Position - Beginning	<u>21,858,078</u>
Plan Net Position - Ending	<u><u>22,824,856</u></u>
Employer's Net Pension Liability	<u><u>\$ 2,347,508</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.67%
Covered Payroll	\$ 5,125,225
Employer's Net Pension Liability as a Percentage of Covered Payroll	45.80%

Note:

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

12/31/2015	12/31/16	12/31/17	12/31/18
599,733	621,641	615,687	615,746
1,862,701	1,984,090	2,097,490	2,166,106
392,066	204,552	486,676	125,460
61,653	(97,349)	(908,894)	847,412
(1,206,108)	(1,264,914)	(1,343,472)	(1,408,745)
1,710,045	1,448,020	947,487	2,345,979
25,172,364	26,882,409	28,330,429	29,277,916
26,882,409	28,330,429	29,277,916	31,623,895
653,956	663,486	687,782	721,255
244,364	259,606	290,163	277,108
113,355	1,561,796	4,250,246	(1,488,698)
(1,206,108)	(1,264,914)	(1,343,472)	(1,408,745)
198,939	(5,221)	(757,279)	547,361
4,506	1,214,753	3,127,440	(1,351,719)
22,824,856	22,829,362	24,044,115	27,171,555
22,829,362	24,044,115	27,171,555	25,819,836
4,053,047	4,286,314	2,106,361	5,804,059
84.92%	84.87%	92.81%	81.65%
5,431,435	5,606,445	5,960,029	6,040,669
74.62%	76.45%	35.34%	96.08%

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
General Levy	\$ 27,397,173	27,397,173	27,365,966	(31,207)
Tort Immunity	290,923	290,923	290,592	(331)
Special Education Levy	249,804	249,804	249,519	(285)
Summer School - Tuition from				
Pupils or Parents (in State)	20,000	20,000	22,635	2,635
Investment Income	406,850	406,850	695,281	288,431
Sales to Pupils - Lunch	255,000	255,000	237,843	(17,157)
Sales to Pupils - A la Carte	6,500	6,500	11,530	5,030
Sales to Adults	1,300	1,300	1,665	365
Admissions - Athletic	13,000	13,000	14,227	1,227
Fees	97,700	97,700	109,026	11,326
Other Pupil Activity Revenue	7,500	7,500	24,752	17,252
Rentals - Regular Textbook	135,000	135,000	118,689	(16,311)
Contributions and Donations				
from Private Sources	105,000	105,000	19,234	(85,766)
Refund of Prior Years' Expenditures	50,000	50,000	467,594	417,594
Other	30,000	30,000	209,973	179,973
Total Local Sources	29,065,750	29,065,750	29,838,526	772,776
State Sources				
General State Aid	5,918,359	5,918,359	5,918,426	67
Special Education				
Private Facility Tuition	228,235	228,235	199,828	(28,407)
Orphanage - Individual	32,415	32,415	48,517	16,102
Bilingual Education - Downstate - TPI and TBE	451,021	451,021	-	(451,021)

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues - Continued				
State Sources - Continued				
State Free Lunch and Breakfast	\$ 7,500	7,500	9,669	2,169
Early Childhood - Block Grant	361,501	361,501	369,960	8,459
IL Library Grant	4,675	4,675	-	(4,675)
Total State Sources	7,003,706	7,003,706	6,546,400	(457,306)
Federal Sources				
National School Lunch Program	615,000	615,000	597,935	(17,065)
School Breakfast Program	125,500	125,500	121,914	(3,586)
Title I - Low Income	566,983	566,983	574,586	7,603
Federal - Special Education				
Preschool Flow-Through	30,941	30,941	33,298	2,357
Federal - Special Education - IDEA				
Flow-Through/Low Incident	816,218	816,218	945,242	129,024
Room and Board	-	-	63,698	63,698
Title III - Language Inst. Program -				
Limited English	101,905	101,905	80,235	(21,670)
Title II - Teacher Quality	139,684	139,684	144,654	4,970
Medicaid Matching Funds				
Administration Outreach	90,000	90,000	80,796	(9,204)
Fee-For-Service Program	480,000	480,000	325,046	(154,954)
Total Federal Sources	2,966,231	2,966,231	2,967,404	1,173
Total Direct Revenues	39,035,687	39,035,687	39,352,330	316,643
On Be-Half Revenues	-	-	19,032,105	19,032,105
Total Revenues	39,035,687	39,035,687	58,384,435	19,348,748

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures				
Instruction				
Regular Programs				
Salaries	\$ 11,492,501	11,492,501	12,254,355	(761,854)
Employee Benefits	680,709	680,709	972,044	(291,335)
Purchased Services	16,225	16,225	83,964	(67,739)
Supplies and Materials	747,073	747,073	411,113	335,960
Capital Outlay	-	-	71,217	(71,217)
Other Objects	2,420	2,420	2,527	(107)
Non-Capitalized Equipment	85,470	85,470	21,529	63,941
Total Regular Programs	13,024,398	13,024,398	13,816,749	(792,351)
Pre-K Programs				
Salaries	473,325	473,325	453,133	20,192
Employee Benefits	68,993	68,993	5,959	63,034
Purchased Services	3,374	3,374	1,346	2,028
Supplies and Materials	768	768	3,148	(2,380)
Total Pre-K Programs	546,460	546,460	463,586	82,874
Special Education Programs				
Salaries	4,734,284	4,734,284	4,850,171	(115,887)
Employee Benefits	587,219	587,219	449,873	137,346
Purchased Services	21,115	21,115	17,319	3,796
Supplies and Materials	42,637	42,637	54,338	(11,701)
Non-Capitalized Equipment	5,000	5,000	-	5,000
Total Special Education Programs	5,390,255	5,390,255	5,371,701	18,554
Remedial and Supplemental Programs K-12				
Salaries	1,017,133	1,017,133	861,478	155,655
Employee Benefits	82,733	82,733	45,321	37,412
Total Remedial and Supplemental Programs	1,099,866	1,099,866	906,799	193,067

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Instruction - Continued				
Remedial and Supplemental Programs Pre-K				
Salaries	\$ 329,721	329,721	263,557	66,164
Employee Benefits	62,008	62,008	50,031	11,977
Purchased Services	18,820	18,820	9,705	9,115
Termination Benefits	-	-	2,446	(2,446)
Total Remedial and Supplemental Programs Pre-K	410,549	410,549	325,739	84,810
Interscholastic Programs				
Salaries	129,813	129,813	137,635	(7,822)
Employee Benefits	1,947	1,947	498	1,449
Purchased Services	9,500	9,500	6,425	3,075
Supplies and Materials	35,000	35,000	44,491	(9,491)
Other Objects	2,000	2,000	3,420	(1,420)
Total Interscholastic Programs	178,260	178,260	192,469	(14,209)
Summer School Programs				
Salaries	97,900	97,900	94,740	3,160
Employee Benefits	1,469	1,469	180	1,289
Purchased Services	300	300	266	34
Supplies and Materials	303	303	557	(254)
Total Summer School Programs	99,972	99,972	95,743	4,229
Gifted Programs				
Salaries	176,918	176,918	264,310	(87,392)
Employee Benefits	25,146	25,146	20,805	4,341
Purchased Services	-	-	189	(189)
Supplies and Materials	13,500	13,500	13,566	(66)
Total Gifted Programs	215,564	215,564	298,870	(83,306)
Bilingual Programs				
Salaries	2,292,275	2,292,275	1,800,399	491,876
Employee Benefits	221,180	221,180	214,900	6,280

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Instruction - Continued				
Bilingual Programs - Continued				
Purchased Services	\$ 31,460	31,460	16,704	14,756
Supplies and Materials	55,633	55,633	19,612	36,021
Total Bilingual Programs	2,600,548	2,600,548	2,051,615	548,933
Special Education Programs K-12 Private Institution				
Other Objects	500,000	500,000	637,079	(137,079)
Total Instruction	24,065,872	24,065,872	24,160,350	(94,478)
Support Services				
Pupils				
Attendance and Social Work Services				
Salaries	762,853	762,853	732,960	29,893
Employee Benefits	98,014	98,014	57,745	40,269
Purchased Services	-	-	183	(183)
Supplies and Materials	5,000	5,000	1,055	3,945
Non-Capitalized Equipment	1,500	1,500	-	1,500
Total Attendance and Social Work	867,367	867,367	791,943	75,424
Guidance Services				
Salaries	199,581	199,581	201,842	(2,261)
Employee Benefits	18,076	18,076	18,996	(920)
Total Guidance Services	217,657	217,657	220,838	(3,181)
Health Services				
Salaries	520,520	520,520	505,823	14,697
Employee Benefits	61,853	61,853	33,516	28,337
Purchased Services	24,675	24,675	11,207	13,468

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Pupils - Continued				
Health Services - Continued				
Supplies and Materials	\$ 11,000	11,000	11,699	(699)
Capital Outlay	-	-	14,163	(14,163)
Total Health Services	618,048	618,048	576,408	41,640
Psychological Services				
Salaries	279,520	279,520	446,912	(167,392)
Employee Benefits	49,176	49,176	26,993	22,183
Purchased Services	5,300	5,300	1,770	3,530
Supplies and Materials	6,000	6,000	3,047	2,953
Non-Capitalized Equipment	1,500	1,500	-	1,500
Total Psychological Services	341,496	341,496	478,722	(137,226)
Speech Pathology and Audiology Services				
Salaries	1,091,748	1,091,748	1,023,941	67,807
Employee Benefits	128,835	128,835	82,844	45,991
Purchased Services	10,300	10,300	83,614	(73,314)
Supplies and Materials	10,000	10,000	8,442	1,558
Non-Capitalized Equipment	1,500	1,500	-	1,500
Total Speech Pathology Audiology	1,242,383	1,242,383	1,198,841	43,542
Total Pupils	3,286,951	3,286,951	3,266,752	20,199
Instructional Staff				
Improvement of Instructional Services				
Salaries	872,636	872,636	959,065	(86,429)
Employee Benefits	109,296	109,296	89,128	20,168
Purchased Services	404,392	404,392	521,583	(117,191)
Supplies and Materials	72,550	72,550	44,043	28,507
Other Objects	11,500	11,500	8,314	3,186
Total Improvement Instructional Service	1,470,374	1,470,374	1,622,133	(151,759)

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Instructional Staff - Continued				
Educational Media Services				
Salaries	\$ 500,557	500,557	475,936	24,621
Employee Benefits	58,256	58,256	46,906	11,350
Purchased Services	-	-	46	(46)
Supplies and Materials	113,280	113,280	103,829	9,451
Non-Capitalized Equipment	2,000	2,000	651	1,349
Total Educational Media Services	674,093	674,093	627,368	46,725
Assessment and Testing				
Salaries	107,240	107,240	108,440	(1,200)
Employee Benefits	21,929	21,929	16,787	5,142
Purchased Services	1,460	1,460	1,460	-
Supplies and Materials	71,000	71,000	61,960	9,040
Total Assessment and Testing	201,629	201,629	188,647	12,982
Total Instructional Staff	2,346,096	2,346,096	2,438,148	(92,052)
General Administration				
Board of Education Services				
Salaries	30,313	30,313	106,812	(76,499)
Employee Benefits	11,246	11,246	394	10,852
Purchased Services	64,800	64,800	63,196	1,604
Supplies and Materials	16,000	16,000	13,293	2,707
Other Objects	12,705	12,705	7,569	5,136
Total Board of Education Services	135,064	135,064	191,264	(56,200)
Executive Administration Services				
Salaries	326,409	326,409	404,972	(78,563)
Employee Benefits	72,672	72,672	49,528	23,144
Purchased Services	21,900	21,900	17,724	4,176
Supplies and Materials	13,400	13,400	8,916	4,484
Other Objects	3,600	3,600	4,280	(680)

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
General Administration - Continued				
Executive Administration Services - Continued				
Non-Capitalized Equipment	\$ 15,500	15,500	5,368	10,132
Total Executive Administration Services	453,481	453,481	490,788	(37,307)
Special Area Administration Services				
Purchased Services	-	-	2,043	(2,043)
Tort Immunity Services				
Purchased Services	391,140	391,140	339,154	51,986
Total General Administration	979,685	979,685	1,023,249	(43,564)
School Administration				
Office of the Principal Services				
Salaries	2,235,982	2,235,982	2,066,245	169,737
Employee Benefits	558,773	558,773	498,971	59,802
Total School Administration	2,794,755	2,794,755	2,565,216	229,539
Business				
Direction of Business Support Services				
Salaries	376,707	376,707	381,574	(4,867)
Employee Benefits	56,828	56,828	39,974	16,854
Purchased Services	22,460	22,460	34,197	(11,737)
Supplies and Materials	43,679	43,679	48,370	(4,691)
Other Objects	3,000	3,000	3,202	(202)
Total Fiscal Services	502,674	502,674	507,317	(4,643)

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Business - Continued				
Operation and Maintenance of Plant Services				
Purchased Services	\$ -	-	8,459	(8,459)
Supplies and Materials	700	700	404	296
Total Operations and Maintenance of Plant Services	700	700	8,863	(8,163)
Pupil Transportation Services				
Purchased Services	3,000	3,000	1,765	1,235
Food Services				
Salaries	185,053	185,053	179,837	5,216
Employee Benefits	-	-	9,831	(9,831)
Purchased Services	782,564	782,564	659,399	123,165
Supplies and Materials	11,000	11,000	193,029	(182,029)
Non-Capitalized Equipment	2,500	2,500	5,513	(3,013)
Total Food Services	981,117	981,117	1,047,609	(66,492)
Internal Services				
Purchased Services	254,110	254,110	317,913	(63,803)
Supplies and Materials	24,315	24,315	20,781	3,534
Total Internal Services	278,425	278,425	338,694	(60,269)
Total Business	1,765,916	1,765,916	1,904,248	(138,332)
Central				
Planning, Research, Development, and Evaluation Services				
Supplies and Materials	-	-	20,000	(20,000)
Information Services				
Salaries	70,741	70,741	69,066	1,675
Employee Benefits	5,623	5,623	25	5,598
Purchased Services	720	720	433	287
Supplies and Materials	3,460	3,460	2,558	902

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Central - Continued				
Information Services - Continued				
Other Objects	\$ 250	250	835	(585)
Termination Benefits	-	-	7,586	(7,586)
Total Information Services	80,794	80,794	80,503	291
Staff Services				
Salaries	231,542	231,542	213,017	18,525
Employee Benefits	64,570	64,570	40,130	24,440
Purchased Services	12,960	12,960	12,255	705
Supplies and Materials	16,200	16,200	49,018	(32,818)
Termination Benefits	10,000	10,000	15,177	(5,177)
Total Staff Services	335,272	335,272	329,597	5,675
Data Processing Services				
Salaries	283,016	283,016	302,167	(19,151)
Employee Benefits	47,485	47,485	38,359	9,126
Purchased Services	50,150	50,150	39,433	10,717
Supplies and Materials	544,639	544,639	503,793	40,846
Capital Outlay	261,000	261,000	279,942	(18,942)
Non-Capitalized Equipment	135,700	135,700	117,290	18,410
Total Data Processing Services	1,321,990	1,321,990	1,280,984	41,006
Total Central	1,738,056	1,738,056	1,711,084	26,972
Total Support Services	12,911,459	12,911,459	12,908,697	2,762
Community Services				
Salaries	63,553	63,553	51,770	11,783
Employee Benefits	938	938	356	582
Purchased Services	44,566	44,566	39,508	5,058
Supplies and Materials	14,435	14,435	21,842	(7,407)
Total Community Services	123,492	123,492	113,476	10,016

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Payments to Other Districts and Governmental Units				
Payments for Regular Programs				
Purchased Services	\$ -	-	10,275	(10,275)
Payments for Special Education Programs				
Purchased Services	1,023,504	1,023,504	1,075,245	(51,741)
Other Objects	841,000	841,000	775,329	65,671
Total Payments for Special Education Programs	1,864,504	1,864,504	1,850,574	13,930
Total Payments to Other Districts and Governmental Units	1,864,504	1,864,504	1,860,849	3,655
Provision for Contingencies				
Other Objects	150,000	150,000	-	150,000
Total Direct Expenditures	39,115,327	39,115,327	39,043,372	71,955
On Be-Half Payments	-	-	19,032,105	(19,032,105)
Total Expenditures	39,115,327	39,115,327	58,075,477	(18,960,150)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(79,640)	(79,640)	308,958	388,598
Other Financing Sources (Uses)				
Disposal of Capital Assets	-	-	150	150
Transfers In	175,000	175,000	27,115	(147,885)
Transfers Out	-	-	(2,463,091)	(2,463,091)
	175,000	175,000	(2,435,826)	(2,610,826)
Net Change in Fund Balance	95,360	95,360	(2,126,868)	(2,222,228)
Fund Balance - Beginning			17,587,204	
Fund Balance - Ending			15,460,336	

DUPAGE COUNTY SCHOOL DISTRICT 45

Operations and Maintenance - Special Revenue Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
General Levy	\$ 3,099,414	3,099,414	3,095,883	(3,531)
Personal Property Replacement Taxes	200,000	200,000	184,554	(15,446)
Investment Income	10,000	10,000	41,756	31,756
Rentals	100,000	100,000	98,382	(1,618)
Contributions and Donations from				
Private Sources	13,250	13,250	-	(13,250)
Refund of Prior Years' Expenditures	-	-	761	761
Other	202,500	202,500	151,257	(51,243)
Total Revenues	3,625,164	3,625,164	3,572,593	(52,571)
Expenditures				
Support Services				
Business				
Facilities Acquisition and Construction Services				
Purchased Services	269,500	269,500	222,248	47,252
Supplies and Materials	160,000	160,000	8,801	151,199
Capital Outlay	139,100	139,100	95,435	43,665
Non-Capitalized Equipment	-	-	6,185	(6,185)
Total Facilities Acquisition and Construction Services	568,600	568,600	332,669	235,931
Operation and Maintenance of Plant Services				
Salaries	1,802,579	1,802,579	1,668,119	134,460
Employee Benefits	237,855	237,855	221,901	15,954
Purchased Services	621,950	621,950	639,547	(17,597)
Supplies and Materials	778,900	778,900	702,167	76,733
Capital Outlay	46,000	46,000	34,171	11,829
Other Objects	900	900	-	900

DUPAGE COUNTY SCHOOL DISTRICT 45

Operations and Maintenance - Special Revenue Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Business - Continued				
Operation and Maintenance of Plant Services - Continued				
Non-Capitalized Equipment	\$ 40,850	40,850	93,852	(53,002)
Termination Benefits	-	-	23,232	(23,232)
Total Operation and Maintenance of Plant Svc.	<u>3,529,034</u>	<u>3,529,034</u>	<u>3,382,989</u>	<u>146,045</u>
Provision for Contingencies				
Other	<u>50,000</u>	<u>50,000</u>	-	<u>50,000</u>
Total Expenditures	<u>4,147,634</u>	<u>4,147,634</u>	<u>3,715,658</u>	<u>431,976</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(522,470)</u>	<u>(522,470)</u>	<u>(143,065)</u>	<u>379,405</u>
Other Financing Sources (Uses)				
Transfers In	1,704,472	1,704,472	2,463,091	758,619
Transfers Out	<u>(1,182,000)</u>	<u>(1,182,000)</u>	<u>(2,161,362)</u>	<u>(979,362)</u>
	<u>522,472</u>	<u>522,472</u>	<u>301,729</u>	<u>(220,743)</u>
Net Change in Fund Balance	<u>2</u>	<u>2</u>	158,664	<u>158,662</u>
Fund Balance - Beginning			<u>1,906,504</u>	
Fund Balance - Ending			<u>2,065,168</u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Transportation - Special Revenue Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
General Levy	\$ 1,592,369	1,592,369	1,590,555	(1,814)
Regular Transportation Fees Other Districts	18,000	18,000	14,838	(3,162)
Regular Transportation Fees Other Sources	12,000	12,000	581	(11,419)
Investment Income	5,750	5,750	24,154	18,404
Total Local Sources	<u>1,628,119</u>	<u>1,628,119</u>	<u>1,630,128</u>	<u>2,009</u>
State Sources				
Transportation - Regular/Vocational	374,527	374,527	245,409	(129,118)
Transportation - Special Education	1,111,944	1,111,944	919,887	(192,057)
Total State Sources	<u>1,486,471</u>	<u>1,486,471</u>	<u>1,165,296</u>	<u>(321,175)</u>
Total Revenues	<u>3,114,590</u>	<u>3,114,590</u>	<u>2,795,424</u>	<u>(319,166)</u>
Expenditures				
Support Services				
Business				
Pupil Transportation Services				
Salaries	30,023	30,023	34,123	(4,100)
Employee Benefits	1,680	1,680	1,201	479
Purchased Services	2,396,452	2,396,452	2,742,183	(345,731)
Supplies and Materials	30,000	30,000	25,124	4,876
Capital Outlay	80,000	80,000	78,873	1,127
Other	200	200	-	200
Total Expenditures	<u>2,538,355</u>	<u>2,538,355</u>	<u>2,881,504</u>	<u>(343,149)</u>
Exces (Deficiency) of Revenues Over (Under) Expenditures	576,235	576,235	(86,080)	(662,315)
Other Financing (Uses)				
Transfers Out	(501,972)	(501,972)	-	501,972
Net Change in Fund Balance	<u>74,263</u>	<u>74,263</u>	(86,080)	<u>(160,343)</u>
Fund Balance - Beginning			<u>926,417</u>	
Fund Balance - Ending			<u>840,337</u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Municipal Retirement/Social Security - Special Revenue Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
General Levy	\$ 398,863	398,863	398,409	(454)
Social Security/Medicare Only Levy	1,269,577	1,269,577	1,268,131	(1,446)
Corporate Personal Property				
Replacement Taxes	130,000	130,000	123,036	(6,964)
Investment Income	25,500	25,500	51,588	26,088
Total Revenues	1,823,940	1,823,940	1,841,164	17,224
Expenditures				
Instruction				
Regular Programs	180,600	180,600	226,841	(46,241)
Pre-K Programs	15,500	15,500	29,418	(13,918)
Special Education Programs	410,460	410,460	336,752	73,708
Remedial and Supplemental Programs K-12	16,250	16,250	12,012	4,238
Remedial and Supplemental Programs Pre-K	17,640	17,640	13,913	3,727
Interscholastic Programs	1,950	1,950	2,418	(468)
Summer School Programs	10,200	10,200	8,476	1,724
Gifted Programs	-	-	3,628	(3,628)
Bilingual Programs	65,250	65,250	53,573	11,677
Total Instruction	717,850	717,850	687,031	30,819
Support Services				
Pupils				
Attendance and Social Work Services	11,650	11,650	11,695	(45)
Guidance Services	2,650	2,650	2,800	(150)
Health Services	91,225	91,225	78,339	12,886
Psychological Services	6,600	6,600	6,209	391
Speech Pathology and Audiology Services	16,250	16,250	13,877	2,373
Total Pupils	128,375	128,375	112,920	15,455
Instructional Staff				
Improvement of Instructional Staff	31,550	31,550	25,187	6,363
Educational Media Services	56,825	56,825	51,339	5,486
Assessment and Testing	1,775	1,775	1,749	26
Total Instructional Staff	90,150	90,150	78,275	11,875

DUPAGE COUNTY SCHOOL DISTRICT 45

Municipal Retirement/Social Security - Special Revenue Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
General Administration				
Board of Education Services	\$ 4,050	4,050	3,803	247
Executive Administration Services	40,250	40,250	38,411	1,839
Total General Administration	44,300	44,300	42,214	2,086
School Administration				
Office of the Principal Services	147,825	147,825	129,682	18,143
Business				
Direction of Business Support Services	68,225	68,225	48,152	20,073
Operations and Maintenance of				
Plant Services	345,850	345,850	306,840	39,010
Pupil Transportation Services	4,350	4,350	3,521	829
Food Services	19,175	19,175	22,135	(2,960)
Total Business	437,600	437,600	380,648	56,952
Central				
Information Services	13,750	13,750	14,396	(646)
Staff Services	1,500	1,500	12,683	(11,183)
Data Processing Services	55,175	55,175	56,426	(1,251)
Total Central	70,425	70,425	83,505	(13,080)
Total Support Services	918,675	918,675	827,244	91,431
Community Services	6,925	6,925	7,292	(367)
Total Expenditures	1,643,450	1,643,450	1,521,567	121,883
Net Change in Fund Balance	180,490	180,490	319,597	139,107
Fund Balance - Beginning			1,818,981	
Fund Balance - Ending			2,138,578	

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – General Fund Subfunds
- Budgetary Comparison Schedules – General Fund Subfunds
- Schedule of Changes in Assets and Liabilities – Agency Fund
- Consolidated Year-End Financial Report

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

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

Operations and Maintenance Fund

The Operations and Maintenance Fund is used to account for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes.

Transportation Fund

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

Municipal Retirement/Social Security Fund

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

DEBT SERVICE FUND

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

CAPITAL PROJECTS FUNDS

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

Fire Protection and Life Safety Fund

The Fire Protection and Life Safety Fund is used to account for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes.

Site and Construction Fund

The Site and Construction Fund is used to account for the financial resources to be used for the acquisition or construction of, and/or addition to, major capital facilities.

FIDUCIARY FUNDS

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

AGENCY FUNDS

Student Activity, Convenience Accounts, and Other Agency Funds

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Debt Service Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
General Levy	\$ 2,934,934	2,934,934	2,931,591	(3,343)
Investment Income	8,000	8,000	27,115	19,115
Total Revenues	<u>2,942,934</u>	<u>2,942,934</u>	<u>2,958,706</u>	<u>15,772</u>
Expenditures				
Debt Service				
Payments on Long Term Debt				
Principal Payments on Long Term Debt	1,078,341	1,078,341	1,820,000	(741,659)
Interest and Other	1,832,248	1,832,248	1,079,789	752,459
Total Expenditures	<u>2,910,589</u>	<u>2,910,589</u>	<u>2,899,789</u>	<u>10,800</u>
Exces (Deficiency) of Revenues Over (Under) Expenditures	32,345	32,345	58,917	26,572
Other Financing (Uses)				
Transfers Out	<u>(8,000)</u>	<u>(8,000)</u>	<u>(27,115)</u>	<u>(19,115)</u>
Net Change in Fund Balance	<u>24,345</u>	<u>24,345</u>	31,802	<u>7,457</u>
Fund Balance - Beginning			<u>838,775</u>	
Fund Balance - Ending			<u>870,577</u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Site and Construction - Capital Projects Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
Investment Income	\$ -	-	2	2
Expenditures				
Support Services				
Business				
Facilities Acquisition and Construction Services				
Supplies and Materials	162,000	162,000	117,575	44,425
Capital Outlay	1,000,000	1,000,000	2,043,787	(1,043,787)
Total Expenditures	1,162,000	1,162,000	2,161,362	(999,362)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,162,000)	(1,162,000)	(2,161,360)	(999,360)
Other Financing Sources				
Transfers In	1,182,000	1,182,000	2,161,362	979,362
Net Change in Fund Balance	20,000	20,000	2	(19,998)
Fund Balance - Beginning			600	
Fund Balance - Ending			602	

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund - by Accounts

**Combining Balance Sheet
June 30, 2019**

	Educational Accounts	Tort Immunity and Judgment Accounts	Working Cash Accounts	Totals
ASSETS				
Cash and Investments	\$ 27,455,506	321,818	3,973,792	31,751,116
Receivables - Net of Allowances				
Property Taxes	14,280,700	122,748	-	14,403,448
Intergovernmental	675,437	-	-	675,437
Prepays	422,536	133,777	-	556,313
Total Assets	42,834,179	578,343	3,973,792	47,386,314
LIABILITIES				
Accounts Payable	45,246	12,241	-	57,487
Salaries and Wages Payable	2,912,885	-	-	2,912,885
Total Liabilities	2,958,131	12,241	-	2,970,372
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	28,708,843	246,763	-	28,955,606
Total Liabilities and Deferred Inflows of Resources	31,666,974	259,004	-	31,925,978
FUND BALANCES				
Nonspendable	422,536	133,777	-	556,313
Restricted	127,553	185,562	-	313,115
Unassigned	10,617,116	-	3,973,792	14,590,908
Total Fund Balances	11,167,205	319,339	3,973,792	15,460,336
Total Liabilities, Deferred Inflows of Resources and Fund Balances	42,834,179	578,343	3,973,792	47,386,314

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund - by Accounts

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2019**

	Educational Accounts	Tort Immunity and Judgment Accounts	Working Cash Accounts	Totals
Revenues				
Property Taxes	\$ 27,615,485	290,592	-	27,906,077
State Aid	6,546,400	-	-	6,546,400
Federal Aid	2,967,404	-	-	2,967,404
Investment Income	386,887	6,665	301,729	695,281
Other	1,224,086	13,082	-	1,237,168
On Be-Half	19,032,105	-	-	19,032,105
Total Revenues	57,772,367	310,339	301,729	58,384,435
Expenditures				
Current				
Instruction				
Regular Programs	13,745,532	-	-	13,745,532
Special Programs	6,008,780	-	-	6,008,780
Other Instructional Programs	4,334,821	-	-	4,334,821
Support Services				
Pupils	3,252,589	-	-	3,252,589
Instructional Staff	2,438,148	-	-	2,438,148
General Administration	684,095	339,154	-	1,023,249
School Administration	2,565,216	-	-	2,565,216
Business	1,904,248	-	-	1,904,248
Central	1,431,142	-	-	1,431,142
Community Services	113,476	-	-	113,476
Payments to Other Districts and				
Government Units	1,860,849	-	-	1,860,849
Capital Outlay	365,322	-	-	365,322
On Be-Half Expenditures	19,032,105	-	-	19,032,105
Total Expenditures	57,736,323	339,154	-	58,075,477
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	36,044	(28,815)	301,729	308,958
Other Financing Sources (Uses)				
Disposal of Capital Assets	150	-	-	150
Transfers In	27,115	-	-	27,115
Transfers Out	-	-	(2,463,091)	(2,463,091)
	27,265	-	(2,463,091)	(2,435,826)
Net Change in Fund Balances	63,309	(28,815)	(2,161,362)	(2,126,868)
Fund Balances - Beginning	11,103,896	348,154	6,135,154	17,587,204
Fund Balances - Ending	11,167,205	319,339	3,973,792	15,460,336

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
General Levy	\$ 27,397,173	27,397,173	27,365,966	(31,207)
Special Education Levy	249,804	249,804	249,519	(285)
Summer School - Tuition from				
Pupils or Parents (in State)	20,000	20,000	22,635	2,635
Investment Income	215,000	215,000	386,887	171,887
Sales to Pupils - Lunch	255,000	255,000	237,843	(17,157)
Sales to Pupils - A la Carte	6,500	6,500	11,530	5,030
Sales to Adults	1,300	1,300	1,665	365
Admissions - Athletic	13,000	13,000	14,227	1,227
Fees	97,700	97,700	109,026	11,326
Other District/School Activity Revenue	7,500	7,500	24,752	17,252
Rentals - Regular Textbook	135,000	135,000	118,689	(16,311)
Contributions and Donations from				
Private Sources	105,000	105,000	19,234	(85,766)
Refund of Prior Years' Expenditures	50,000	50,000	454,512	404,512
Other	30,000	30,000	209,973	179,973
Total Local Sources	28,582,977	28,582,977	29,226,458	643,481
State Sources				
General State Aid	5,918,359	5,918,359	5,918,426	67
Special Education				
Private Facility Tuition	228,235	228,235	199,828	(28,407)
Orphanage - Individual	32,415	32,415	48,517	16,102
Bilingual Education - Downstate - TPI and TBE	451,021	451,021	-	(451,021)
State Free Lunch and Breakfast	7,500	7,500	9,669	2,169
Early Childhood - Block Grant	361,501	361,501	369,960	8,459
IL Library Grant	4,675	4,675	-	(4,675)
Total State Sources	7,003,706	7,003,706	6,546,400	(457,306)

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues - Continued				
Federal Sources				
National School Lunch Program	\$ 615,000	615,000	597,935	(17,065)
School Breakfast Program	125,500	125,500	121,914	(3,586)
Title I - Low Income	566,983	566,983	574,586	7,603
Federal - Special Education				
Preschool Flow-Through	30,941	30,941	33,298	2,357
Federal - Special Education - IDEA				
Flow-Through/Low Incident Room and Board	816,218	816,218	945,242	129,024
	-	-	63,698	63,698
Title III - Language Inst. Program - Limited English				
	101,905	101,905	80,235	(21,670)
Title II - Teacher Quality	139,684	139,684	144,654	4,970
Medicaid Matching Funds				
Administration Outreach	90,000	90,000	80,796	(9,204)
Fee-For-Service Program	480,000	480,000	325,046	(154,954)
Total Federal Sources	2,966,231	2,966,231	2,967,404	1,173
 Total Direct Revenues	 38,552,914	 38,552,914	 38,740,262	 187,348
 On Be-Half Revenues	 -	 -	 19,032,105	 19,032,105
 Total Revenues	 38,552,914	 38,552,914	 57,772,367	 19,219,453
Expenditures				
Instruction				
Regular Programs				
Salaries	11,492,501	11,492,501	12,254,355	(761,854)
Employee Benefits	680,709	680,709	972,044	(291,335)
Purchased Services	16,225	16,225	83,964	(67,739)
Supplies and Materials	747,073	747,073	411,113	335,960
Capital Outlay	-	-	71,217	(71,217)
Other	2,420	2,420	2,527	(107)
Non-Capitalized Equipment	85,470	85,470	21,529	63,941
Total Regular Programs	13,024,398	13,024,398	13,816,749	(792,351)

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Instruction - Continued				
Pre-K Programs				
Salaries	\$ 473,325	473,325	453,133	20,192
Employee Benefits	68,993	68,993	5,959	63,034
Purchased Services	3,374	3,374	1,346	2,028
Supplies and Materials	768	768	3,148	(2,380)
Total Pre-K Programs	546,460	546,460	463,586	82,874
Special Education Programs				
Salaries	4,734,284	4,734,284	4,850,171	(115,887)
Employee Benefits	587,219	587,219	449,873	137,346
Purchased Services	21,115	21,115	17,319	3,796
Supplies and Materials	42,637	42,637	54,338	(11,701)
Non-Capitalized Equipment	5,000	5,000	-	5,000
Total Special Education Programs	5,390,255	5,390,255	5,371,701	18,554
Remedial and Supplemental Programs K-12				
Salaries	1,017,133	1,017,133	861,478	155,655
Employee Benefits	82,733	82,733	45,321	37,412
Total Remedial and Supplemental Programs K-12	1,099,866	1,099,866	906,799	193,067
Remedial and Supplemental Programs Pre-K				
Salaries	329,721	329,721	263,557	66,164
Employee Benefits	62,008	62,008	50,031	11,977
Purchased Services	18,820	18,820	9,705	9,115
Termination Benefits	-	-	2,446	(2,446)
Total Remedial and Supplemental Programs Pre-K	410,549	410,549	325,739	84,810
Interscholastic Programs				
Salaries	129,813	129,813	137,635	(7,822)
Employee Benefits	1,947	1,947	498	1,449
Purchased Services	9,500	9,500	6,425	3,075

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Instruction - Continued				
Interscholastic Programs - Continued				
Supplies and Materials	\$ 35,000	35,000	44,491	(9,491)
Other Objects	2,000	2,000	3,420	(1,420)
Total Interscholastic Programs	178,260	178,260	192,469	(14,209)
Summer School Programs				
Salaries	97,900	97,900	94,740	3,160
Employee Benefits	1,469	1,469	180	1,289
Purchased Services	300	300	266	34
Supplies and Materials	303	303	557	(254)
Total Summer School Programs	99,972	99,972	95,743	4,229
Gifted Programs				
Salaries	176,918	176,918	264,310	(87,392)
Employee Benefits	25,146	25,146	20,805	4,341
Purchased Services	-	-	189	(189)
Supplies and Materials	13,500	13,500	13,566	(66)
Total Gifted Programs	215,564	215,564	298,870	(83,306)
Bilingual Programs				
Salaries	2,292,275	2,292,275	1,800,399	491,876
Employee Benefits	221,180	221,180	214,900	6,280
Purchased Services	31,460	31,460	16,704	14,756
Supplies and Materials	55,633	55,633	19,612	36,021
Total Bilingual Programs	2,600,548	2,600,548	2,051,615	548,933
Special Education Programs K-12 Private Institution				
Other Objects	500,000	500,000	637,079	(137,079)
Total Instruction	24,065,872	24,065,872	24,160,350	(94,478)

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services				
Pupils				
Attendance and Social Work Services				
Salaries	\$ 762,853	762,853	732,960	29,893
Employee Benefits	98,014	98,014	57,745	40,269
Purchased Services	-	-	183	(183)
Supplies and Materials	5,000	5,000	1,055	3,945
Non-Capitalized Equipment	1,500	1,500	-	1,500
Total Attendance and Social Work	867,367	867,367	791,943	75,424
Guidance Services				
Salaries	199,581	199,581	201,842	(2,261)
Employee Benefits	18,076	18,076	18,996	(920)
Total Guidance Services	217,657	217,657	220,838	(3,181)
Health Services				
Salaries	520,520	520,520	505,823	14,697
Employee Benefits	61,853	61,853	33,516	28,337
Purchased Services	24,675	24,675	11,207	13,468
Supplies and Materials	11,000	11,000	11,699	(699)
Capital Outlay	-	-	14,163	(14,163)
Total Health Services	618,048	618,048	576,408	41,640
Psychological Services				
Salaries	279,520	279,520	446,912	(167,392)
Employee Benefits	49,176	49,176	26,993	22,183
Purchased Services	5,300	5,300	1,770	3,530
Supplies and Materials	6,000	6,000	3,047	2,953
Non-Capitalized Equipment	1,500	1,500	-	1,500
Total Psychological Services	341,496	341,496	478,722	(137,226)
Speech Pathology and Audiology Services				
Salaries	1,091,748	1,091,748	1,023,941	67,807
Employee Benefits	128,835	128,835	82,844	45,991
Purchased Services	10,300	10,300	83,614	(73,314)

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Pupils - Continued				
Speech Pathology and Audiology Services - Continued				
Supplies and Materials	\$ 10,000	10,000	8,442	1,558
Non-Capitalized Equipment	1,500	1,500	-	1,500
Total Speech Pathology and Audiology Services	1,242,383	1,242,383	1,198,841	43,542
Total Pupils	3,286,951	3,286,951	3,266,752	20,199
Instructional Staff				
Improvement of Instructional Services				
Salaries	872,636	872,636	959,065	(86,429)
Employee Benefits	109,296	109,296	89,128	20,168
Purchased Services	404,392	404,392	521,583	(117,191)
Supplies and Materials	72,550	72,550	44,043	28,507
Other Objects	11,500	11,500	8,314	3,186
Total Improvement Instructional Service	1,470,374	1,470,374	1,622,133	(151,759)
Educational Media Services				
Salaries	500,557	500,557	475,936	24,621
Employee Benefits	58,256	58,256	46,906	11,350
Purchased Services	-	-	46	(46)
Supplies and Materials	113,280	113,280	103,829	9,451
Non-Capitalized Equipment	2,000	2,000	651	1,349
Total Educational Media Services	674,093	674,093	627,368	46,725
Assessment and Testing				
Salaries	107,240	107,240	108,440	(1,200)
Employee Benefits	21,929	21,929	16,787	5,142
Purchased Services	1,460	1,460	1,460	-
Supplies and Materials	71,000	71,000	61,960	9,040
Total Assessment and Testing	201,629	201,629	188,647	12,982
Total Instructional Staff	2,346,096	2,346,096	2,438,148	(92,052)

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
General Administration				
Board of Education Services				
Salaries	\$ 30,313	30,313	106,812	(76,499)
Employee Benefits	11,246	11,246	394	10,852
Purchased Services	64,800	64,800	63,196	1,604
Supplies and Materials	16,000	16,000	13,293	2,707
Other Objects	12,705	12,705	7,569	5,136
Total Board of Education Services	135,064	135,064	191,264	(56,200)
Executive Administration Services				
Salaries	326,409	326,409	404,972	(78,563)
Employee Benefits	72,672	72,672	49,528	23,144
Purchased Services	21,900	21,900	17,724	4,176
Supplies and Materials	13,400	13,400	8,916	4,484
Other Objects	3,600	3,600	4,280	(680)
Non-Capitalized Equipment	15,500	15,500	5,368	10,132
Total Executive Administration Services	453,481	453,481	490,788	(37,307)
Special Area Administration Services				
Purchased Services	-	-	2,043	(2,043)
Total General Administration	588,545	588,545	684,095	(95,550)
School Administration				
Office of the Principal Services				
Salaries	2,235,982	2,235,982	2,066,245	169,737
Employee Benefits	558,773	558,773	498,971	59,802
Total School Administration	2,794,755	2,794,755	2,565,216	229,539

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Business				
Direction of Business Support Services				
Salaries	\$ 376,707	376,707	381,574	(4,867)
Employee Benefits	56,828	56,828	39,974	16,854
Purchased Services	22,460	22,460	34,197	(11,737)
Supplies and Materials	43,679	43,679	48,370	(4,691)
Other Objects	3,000	3,000	3,202	(202)
Total Direction of Business Support	502,674	502,674	507,317	(4,643)
Operation and Maintenance of Plant Services				
Purchased Services	-	-	8,459	(8,459)
Supplies and Materials	700	700	404	296
Total Operations and Maintenance of Plant Services	700	700	8,863	(8,163)
Pupil Transportation Services				
Purchased Services	3,000	3,000	1,765	1,235
Food Services				
Salaries	185,053	185,053	179,837	5,216
Employee Benefits	-	-	9,831	(9,831)
Purchased Services	782,564	782,564	659,399	123,165
Supplies and Materials	11,000	11,000	193,029	(182,029)
Non-Capitalized Equipment	2,500	2,500	5,513	(3,013)
Total Food Services	981,117	981,117	1,047,609	(66,492)

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Business - Continued				
Internal Services				
Purchased Services	\$ 254,110	254,110	317,913	(63,803)
Supplies and Materials	24,315	24,315	20,781	3,534
Total Internal Services	278,425	278,425	338,694	(60,269)
Total Business	1,765,916	1,765,916	1,904,248	(138,332)
Central				
Planning, Research, Development, and Evaluation Services				
Supplies and Materials	-	-	20,000	(20,000)
Information Services				
Salaries	70,741	70,741	69,066	1,675
Employee Benefits	5,623	5,623	25	5,598
Purchased Services	720	720	433	287
Supplies and Materials	3,460	3,460	2,558	902
Other Objects	250	250	835	(585)
Termination Benefits	-	-	7,586	(7,586)
Total Information Services	80,794	80,794	80,503	291
Staff Services				
Salaries	231,542	231,542	213,017	18,525
Employee Benefits	64,570	64,570	40,130	24,440
Purchased Services	12,960	12,960	12,255	705
Supplies and Materials	16,200	16,200	49,018	(32,818)
Termination Benefits	10,000	10,000	15,177	(5,177)
Total Staff Services	335,272	335,272	329,597	5,675
Data Processing Services				
Salaries	283,016	283,016	302,167	(19,151)
Employee Benefits	47,485	47,485	38,359	9,126
Purchased Services	50,150	50,150	39,433	10,717
Supplies and Materials	544,639	544,639	503,793	40,846
Capital Outlay	261,000	261,000	279,942	(18,942)

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Central - Continued				
Data Processing Services - Continued				
Non-Capitalized Equipment	\$ 135,700	135,700	117,290	18,410
Total Data Processing Services	1,321,990	1,321,990	1,280,984	41,006
Total Central	1,738,056	1,738,056	1,711,084	26,972
Total Support Services	12,520,319	12,520,319	12,569,543	(49,224)
Community Services				
Salaries	63,553	63,553	51,770	11,783
Employee Benefits	938	938	356	582
Purchased Services	44,566	44,566	39,508	5,058
Supplies and Materials	14,435	14,435	21,842	(7,407)
Total Community Services	123,492	123,492	113,476	10,016
Payments to Other Districts and Governmental Units				
Payments for Regular Programs				
Purchased Services	-	-	10,275	(10,275)
Payments for Special Education Programs				
Purchased Services	1,023,504	1,023,504	1,075,245	(51,741)
Other Objects	841,000	841,000	775,329	65,671
Total Payments for Special Education Programs	1,864,504	1,864,504	1,850,574	13,930
Total Payments to Other Districts and Governmental Units	1,864,504	1,864,504	1,860,849	3,655
Provision for Contingencies				
Other	150,000	150,000	-	150,000
Total Direct Expenditures	38,724,187	38,724,187	38,704,218	19,969

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
On Be-Half Payments	\$ -	-	19,032,105	(19,032,105)
Total Expenditures	38,724,187	38,724,187	57,736,323	(19,012,136)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(171,273)	(171,273)	36,044	207,317
Other Financing Sources				
Disposal of Capital Assets	-	-	150	150
Transfers In	175,000	175,000	27,115	(147,885)
	175,000	175,000	27,265	(147,735)
Net Change in Fund Balance	<u>3,727</u>	<u>3,727</u>	63,309	<u>59,582</u>
Fund Balance - Beginning			<u>11,103,896</u>	
Fund Balance - Ending			<u>11,167,205</u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Tort Immunity and Judgment Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
Tort Immunity Levy	\$ 290,923	290,923	290,592	(331)
Investment Income	4,350	4,350	6,665	2,315
Refund of Prior Years' Expenditures	-	-	13,082	13,082
Total Revenues	<u>295,273</u>	<u>295,273</u>	<u>310,339</u>	<u>15,066</u>
Expenditures				
Support Services				
General Administration				
Workers' Compensation or Workers' Occupational Disease Act Payments				
Purchased Services	165,731	165,731	139,520	26,211
Unemployment Insurance Payments				
Purchased Services	30,000	30,000	11,451	18,549
Risk Management				
Purchased Services	-	-	50	(50)
Legal Services				
Purchased Services	75,000	75,000	56,274	18,726
Property Insurance				
Purchased Services	113,380	113,380	131,859	(18,479)
Vehicle Insurance				
Purchased Services	7,029	7,029	-	7,029
Total Expenditures	<u>391,140</u>	<u>391,140</u>	<u>339,154</u>	<u>51,986</u>
Net Change in Fund Balance	<u>(95,867)</u>	<u>(95,867)</u>	(28,815)	<u>67,052</u>
Fund Balance - Beginning			<u>348,154</u>	
Fund Balance - Ending			<u>319,339</u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Working Cash Accounts - General Fund

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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
Investment Income	\$ 187,500	187,500	301,729	114,229
Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	187,500	187,500	301,729	114,229
Other Financing (Uses)				
Transfers Out	(1,369,500)	(1,369,500)	(2,463,091)	(1,093,591)
Net Change in Fund Balance	<u>(1,182,000)</u>	<u>(1,182,000)</u>	(2,161,362)	<u>(979,362)</u>
Fund Balance - Beginning			<u>6,135,154</u>	
Fund Balance - Ending			<u><u>3,973,792</u></u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Student Activity, Convenience Accounts, and Other Agency Funds - Agency Fund

**Schedule of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2019**

	Beginning			Ending
	Balances	Additions	Deductions	Balances
ASSETS				
Cash and Investments	\$ 111,844	41,946	83,872	69,918
LIABILITIES				
Due to Activity Fund Organizations				
Ardmore	9,141	496	5,304	4,333
North	4,337	1,976	6,229	84
Schafer	10,201	1,052	6,143	5,110
Stevenson	3,017	14	72	2,959
Westmore	6,556	3,229	6,778	3,007
York Center	13,542	38	133	13,447
Jackson	26,106	16,519	32,318	10,307
Jefferson	26,347	17,779	26,026	18,100
Blazers/Inst. Music	8,206	735	456	8,485
Special Education	109	-	109	-
Other	4,282	108	304	4,086
Total Liabilities	111,844	41,946	83,872	69,918

DUPAGE COUNTY SCHOOL DISTRICT 45

**Consolidated Year-End Financial Report
June 30, 2019**

CSFA #	Program Name	State	Federal	Other	Totals
478-00-0251	Medical Assistance Program	\$ -	80,796	-	80,796
586-18-0406	School Breakfast Program	-	121,914	-	121,914
586-18-0407	National School Lunch Program	-	597,935	-	597,935
586-18-0428	English Lanuage Acquisition State Grants	-	-	-	-
586-18-0521	General State/Aid/Evidence-Based Funding	5,918,426	-	-	5,918,426
586-18-0523	Illinois Free Lunch and Breakfast	9,667	-	-	9,667
586-18-0534	Special Education - Private Tuition	199,828	-	-	199,828
586-18-0540	Transportation - Regular and Vocational	245,409	-	-	245,409
586-18-0541	Special Education - Private Tuition	919,887	-	-	919,887
586-18-0868	Early Childhood Block Grant	369,960	-	-	369,960
586-44-0414	Title I Grants to Local Educational Agencies	-	574,586	-	574,586
586-44-1082	Title I Grants to Local Education Agencies	-	-	-	-
586-47-0430	Improving Teach Quality State Grants	-	144,654	-	144,654
586-57-0420	Federal - Special Education Pre-School Flow Through	-	33,298	-	33,298
586-64-0417	Special Education - Grants to States	-	945,242	-	945,242
586-82-1466	Special Education - IDEA Part B Sec 611 Flow Through - Room and Board	-	63,698	-	63,698
	Other Grant Programs and Activities	-	80,235	373,563	453,798
	All Other Costs Not Allocated	-	-	58,524,426	58,524,426
	Totals	7,663,177	2,642,358	58,897,989	69,203,524

SUPPLEMENTAL SCHEDULES

DUPAGE COUNTY SCHOOL DISTRICT 45

**Tax Rates and Extensions - Five Year Summary of Assessed Valuations
June 30, 2019**

	2014	2015	2016	2017	2018
Assessed Valuation	\$ 898,269,289	918,266,067	974,747,854	1,027,997,939	1,079,080,407
Tax Rates					
Educational	2.9175	2.9300	2.7664	2.6651	2.6638
Tort Immunity	0.0390	0.0416	0.0406	0.0283	0.0231
Special Education	0.0195	0.0222	0.0254	0.0243	0.0237
Operations and Maintenance	0.3473	0.3400	0.3395	0.3015	0.2966
Bond and Interest	0.3056	0.3171	0.2830	0.2855	0.2721
Transportation	0.1736	0.1750	0.1622	0.1549	0.1112
Municipal Retirement	0.1253	0.1388	0.1293	0.0388	0.0362
Social Security	0.0373	0.0388	0.0406	0.1235	0.0990
Total Tax Rates	3.9651	4.0035	3.7870	3.6219	3.5257
Tax Extensions					
Educational	\$ 26,207,007	26,372,750	26,442,953	27,397,173	28,120,835
Tort Immunity	350,325	374,439	388,080	290,923	243,872
Special Education	175,163	199,821	242,789	249,804	255,742
Operations and Maintenance	3,119,689	3,060,319	3,245,150	3,099,414	3,200,552
Bond and Interest	2,745,111	2,854,198	2,705,088	2,934,934	2,936,178
Transportation	1,559,395	1,575,164	1,550,407	1,592,369	1,628,332
Municipal Retirement	1,125,531	1,249,330	1,235,929	398,863	390,627
Social Security	335,054	349,236	388,080	1,269,577	1,268,999
Total Tax Extensions	35,617,275	36,035,257	36,198,476	37,233,057	38,045,137

DUPAGE COUNTY SCHOOL DISTRICT 45

Schedule of Long-Term Debt Requirements

**Limited Capital Appreciation School Bonds of 2004
June 30, 2019**

Date of Issue	February 10, 2004
Date of Maturity	December 1, 2019
Authorized Issue	\$10,860,000
Denomination of Bonds	\$5,000
Interest Rates	3.80% - 4.60%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	Bank of New York

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Original Principal	Accretion	Currently Payable	Future Accretion	Totals
2020	\$ 688,730	666,254	1,354,984	-	1,354,984

DUPAGE COUNTY SCHOOL DISTRICT 45

Schedule of Long-Term Debt Requirements

General Obligation School Bonds of 2012

June 30, 2019

Date of Issue	June 29, 2012
Date of Maturity	January 1, 2032
Authorized Issue	\$9,200,000
Denomination of Bonds	\$5,000
Interest Rates	3.50% - 4.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ -	342,794	342,794
2021	-	342,794	342,794
2022	-	342,794	342,794
2023	-	342,794	342,794
2024	-	342,794	342,794
2025	-	342,794	342,794
2026	-	342,794	342,794
2027	-	342,794	342,794
2028	-	342,794	342,794
2029	2,180,000	342,794	2,522,794
2030	2,255,000	266,494	2,521,494
2031	2,340,000	184,750	2,524,750
2032	2,425,000	97,000	2,522,000
	<u>9,200,000</u>	<u>3,976,184</u>	<u>13,176,184</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

Schedule of Long-Term Debt Requirements

General Obligation School Bonds of 2015

June 30, 2019

Date of Issue	April 28, 2018
Date of Maturity	January 1, 2035
Authorized Issue	\$7,880,000
Denomination of Bonds	\$5,000
Interest Rates	3.25% - 4.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ -	303,200	303,200
2021	-	303,200	303,200
2022	-	303,200	303,200
2023	-	303,200	303,200
2024	-	303,200	303,200
2025	-	303,200	303,200
2026	-	303,200	303,200
2027	-	303,200	303,200
2028	-	303,200	303,200
2029	-	303,200	303,200
2030	-	303,200	303,200
2031	-	303,200	303,200
2032	-	303,200	303,200
2033	2,525,000	303,200	2,828,200
2034	2,625,000	202,200	2,827,200
2035	2,730,000	97,200	2,827,200
	<hr/>	<hr/>	<hr/>
	7,880,000	4,544,200	12,424,200

DUPAGE COUNTY SCHOOL DISTRICT 45

Schedule of Long-Term Debt Requirements

General Obligation Limited Tax Refunding School Bonds of 2016

June 30, 2019

Date of Issue	October 26, 2016
Date of Maturity	January 1, 2027
Authorized Issue	\$6,630,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 2.10%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ -	131,285	131,285
2021	880,000	122,485	1,002,485
2022	895,000	104,735	999,735
2023	915,000	86,635	1,001,635
2024	925,000	68,235	993,235
2025	950,000	49,485	999,485
2026	965,000	30,335	995,335
2027	985,000	10,342	995,342
	<u>6,515,000</u>	<u>603,537</u>	<u>7,118,537</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

Schedule of Long-Term Debt Requirements

**General Obligation Limited Tax Refunding School Bonds of 2017
June 30, 2019**

Date of Issue	October 18, 2017
Date of Maturity	January 1, 2028
Authorized Issue	\$7,610,000
Denomination of Bonds	\$5,000
Interest Rates	2.30% - 5.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ 455,000	294,810	749,810
2021	610,000	272,060	882,060
2022	640,000	241,560	881,560
2023	670,000	209,560	879,560
2024	705,000	176,060	881,060
2025	735,000	140,810	875,810
2026	780,000	104,060	884,060
2027	820,000	65,060	885,060
2028	1,925,000	46,200	1,971,200
	<u>7,340,000</u>	<u>1,550,180</u>	<u>8,890,180</u>