

**Mundelein Consolidated High School
District 120**

Annual Financial Report

Year Ended June 30, 2020

Mundelein Consolidated High School District 120
 ANNUAL FINANCIAL REPORT
 For the Year Ended June 30, 2020

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MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
Mundelein Consolidated High School District 120
Mundelein, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mundelein Consolidated High School District 120, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Mundelein Consolidated High School District 120's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

The District's 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.

Auditors' Responsibility

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

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

(Continued)

Auditors' Responsibility (Continued)

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 Mundelein Consolidated High School District 120, as of June 30, 2020, 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 on pages 5 through 13, the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois pension data on pages 71 through 77, the other postemployment benefits data on page 78 through 80, budgetary comparison schedules and notes to the required supplementary information on pages 81 through 104 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit for the year ended June 30, 2020 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Mundelein Consolidated High School District 120's basic financial statements. The other schedules listed in the table of contents as supplementary financial information and other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

(Continued)

Other Information (Continued)

The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information for the year ended June 30, 2020 has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2020 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information for the year ended June 30, 2020, is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2020.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Mundelein Consolidated High School District 120, as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated November 15, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The audit was conducted for the purpose of forming audit opinions on the financial statements that collectively comprise the Mundelein Consolidated High School District 120's basic financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund and Debt Service Fund with comparative amounts for the year ended June 30, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund and Debt Service Fund have been subjected to the auditing procedures applied in the audit of the 2019 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 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund and Debt Service Fund are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2019.

Other Information (Continued)

The other supplemental information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2021 on our consideration of Mundelein Consolidated High School District 120's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Mundelein Consolidated High School District 120's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.



Certified Public Accountants

Deerfield, Illinois
January 20, 2021

**Mundelein Consolidated High School District 120
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

The Management Discussion and Analysis of Mundelein Consolidated High School District 120 (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2020. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (the "MD&A") and is included in this analysis.

Financial Highlights

- As of June 30, 2020, the total assets and deferred outflows of the District exceeded its total liabilities and deferred inflows, resulting in a net position balance of \$21,817,173.
- The District's net position was \$19,102,288 as of June 30, 2019. The difference between the prior year balance and the current net position balance on June 30, 2020, of \$21,817,173 is \$2,714,885.
- At the close of the 2019-20 fiscal year, the District's governmental funds reported a combined ending fund balance of \$15,757,518 which reflects a decrease of \$823,466 in comparison with the prior year. The combined fund balance was \$16,580,984, as of June 30, 2019.

Overview of the Financial Statements

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

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the financial statements

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

Government-wide financial statements

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

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

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

**Mundelein Consolidated High School District 120
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Overview of the Financial Statements (Continued)

Government-wide financial statements (Continued)

These statements include all assets, deferred outflows, liabilities, and deferred inflows using the accrual basis of accounting. This basis of accounting considers all revenues available when they are collectible within the current period or soon enough thereafter to pay the liabilities of the current period. Expenditures are recorded when the related liability is incurred, except for unmatured principal and interest on general long-term debt and certain compensated absences, claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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

Fund financial statements

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

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

The District maintains six 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 (includes the Educational, Tort Immunity and Judgment, and Working Cash Accounts), Operations and Maintenance, Debt Service, Transportation, Municipal Retirement/Social Security, and Capital Projects Funds, all of which are considered to be major funds. The District adopts an annual budget for each of the funds listed above. Budgetary comparison schedules have been provided for each fund to demonstrate compliance with this budget.

**Mundelein Consolidated High School District 120
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Overview of the Financial Statements (Continued)

Fund financial statements (Continued)

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

Notes to the financial statements

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

Other information

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the Mundelein Consolidated High School District 120, total assets and deferred outflows exceeded total liabilities and deferred inflows by \$21,817,173 at the close of the most recent fiscal year. The unrestricted net deficit on June 30, 2020 was (\$14,290,241). This figure is \$2,137,472 less than the prior year unrestricted net position of (\$16,427,713).

Total revenues for the District were \$57,547,221 in fiscal year 2020 (full accrual), an increase of \$2,977,017 from the prior fiscal year. The increase results primarily from state retirement on-behalf contributions and property taxes.

Total expenditures on governmental activities for the District were \$54,832,336 in fiscal year 2020 (full accrual), a decrease of \$3,411,823 from the prior fiscal year. This decrease was primarily due to a change in the THIS estimate in the current year.

**Mundelein Consolidated High School District 120
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Government-Wide Financial Analysis (Continued)

THIS employs a methodology to allocate the District's proportionate share of the OPEB liability based on actual contributions the District makes to the plan in a fiscal year and this allocation is re-measured annually. The OPEB liability as a whole is a significant accounting estimate that takes into account several assumptions and allocations. As a result of the timing of actual contributions versus contractual contributions to the Plan, a catch-up adjustment was made to the District's proportionate share of its OPEB liability and as a result related deferred outflows (an increase of \$2,760,167) and deferred inflows (an increase of \$363,061) were impacted which caused a decrease to OPEB expense of \$2,397,106 which was recorded as a change in estimate in the 2020 statement of activities. This adjustment had no impact on the statement of revenues, expenditures and changes in fund balances for the year ended June 30, 2020. (Note E-1a)

Statement of Net Position

(Millions of dollars)

	<u>2020</u>	<u>2019</u>
Current Assets	\$ 53.806	\$ 53.890
Capital Assets, net	46.783	48.571
Total Assets	100.589	102.461
Deferred outflows related to pensions and other postemployment benefits	6.220	3.200
Total Deferred Outflows	6.220	3.200
Current Liabilities	1.862	2.034
Long-term Liabilities	39.101	41.536
Total Liabilities	40.963	43.570
Property taxes levied for a future period	35.758	35.003
Deferred inflows related to pensions and other postemployment benefits	8.271	7.986
Total Deferred Inflows	44.029	42.989
Net investment in capital assets	33.032	32.792
Restricted	3.075	2.738
Unrestricted	(14.290)	(16.428)
Total Net Position	\$ 21.817	\$ 19.102

**Mundelein Consolidated High School District 120
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Government-Wide Financial Analysis (Continued)

*Statement of Activities- Full Accrual
(Millions of dollars)*

	<u>2020</u>	<u>2019</u>
Revenues		
Program Revenues		
Charges for Services	\$ 1.356	\$ 0.897
Capital, Operating Grants and Contributions	17.690	16.032
Total Program Revenues	19.046	16.929
General Revenues		
Property Taxes	35.257	34.343
Replacement Taxes	0.351	0.324
Operating grants and contributions not restricted	2.089	2.025
Investment earnings	0.678	0.731
Miscellaneous	0.126	0.218
Total General Revenues	38.501	37.641
 Total Revenue	 57.547	 54.570
 Expenses		
Instruction	38.773	40.804
Support Services	14.962	16.404
Community Services	0.035	0.043
Nonprogrammed Charges	0.663	0.465
Interest and Fees	0.399	0.528
Total Expenses	54.832	58.244
 Change in Net Position	 \$ 2.715	 \$ (3.674)

Financial Analysis of the District's Funds

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

At the end of the most recent fiscal year, the District's governmental funds reported a total combined ending fund balance of \$15,757,518. The unassigned fund balance component is \$12,683,191 and the restricted fund balance component is \$3,074,327.

**Mundelein Consolidated High School District 120
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Financial Analysis of the District's Funds (Continued)

General Fund (Educational, Working Cash, and Tort Immunity and Judgment Accounts):

Educational Account – The greatest variety and the largest volume of transactions are recorded in the Educational Account because the Educational Account covers expenditures that include the direct costs of all instruction, special education, interscholastic athletics and clubs, tuition-based programs, adult education, technology, guidance, social work, support services, administration, staff training, and security. Certain revenues that must be credited to this Fund include educational tax levies, tuition, state and federal grants and aid, and student fee revenue.

- At the end of fiscal year 2020, the Educational Account had a fund balance of \$12,005,174. The fund balance as of June 30, 2019 was \$13,115,996. This difference reflects a decrease in the fund balance of \$1,110,822.

Working Cash Account – If a separate tax is levied for working cash purposes or if bonds are sold for this purpose, this Fund is created. Interfund loans from the Working Cash Fund may be made to any fund for which taxes are levied.

- At the end of fiscal year 2020, the Working Cash Account had a fund balance of \$752,433. The fund balance as of June 30, 2019 was \$732,650. This difference reflects an increase in the fund balance of \$19,783.

Tort Immunity and Judgment Account – This fund is required if taxes are levied or bonds sold for tort immunity or tort judgment purposes. Property taxes assigned to this fund were used to pay premiums for a) Workers' Compensation insurance, b) Property/Liability/Auto/Boiler Mechanical/School Board Legal Liability insurances, and c) Unemployment claims.

- At the end of fiscal year 2020, the Tort Immunity and Judgment Account had a fund balance of \$48,091. The fund balance as of June 30, 2019 was \$7,093. The difference reflects an increase in the fund balance of \$40,998.

Operations and Maintenance Fund – All costs of maintaining, cleaning, improving, or repairing school buildings and mechanical systems and grounds, and rental of buildings and property for school purposes, are reported in the Operations and Maintenance Fund. The facilities services contract costs, as well as salaries and insurance benefit costs of any District maintenance employees, as well as all costs of electricity, natural gas, water, telephone service, fuel, and maintenance and grounds equipment are included in the Operations and Maintenance Fund.

- At the end of fiscal year 2020, the Operations and Maintenance Fund had a fund balance of \$2,059,463. The fund balance as of June 30, 2019 was \$1,840,071. This difference reflects an increase in the fund balance of \$219,392.

**Mundelein Consolidated High School District 120
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Financial Analysis of the District's Funds (Continued)

Transportation Fund – The costs of student transportation services are accounted for in the Transportation Fund and include the costs of the District's contractual services for regular and special education routes, field trips, and athletic and club trips. The expense for fuel and for purchase and maintenance of the District's multi-function white buses and vans are also included. Monies received for transportation purposes include the tax levy and state reimbursements for regular and special education transportation.

- At the end of fiscal year 2020, the Transportation Fund had a fund balance of \$779,619. The fund balance as of June 30, 2019 was \$760,482. This difference reflects an increase in the fund balance of \$19,137.

Municipal Retirement/Social Security Fund – This Fund consists of two separate tax levies, one for the purpose of providing resources for the District's share of retirement benefits for support staff employees covered by the Illinois Municipal Retirement Fund, and a separate levy for the purpose of providing resources for the District's share of Social Security and Medicare-only payments for covered employees.

- At the end of fiscal year 2020, the Municipal Retirement/Social Security Fund had a deficit fund balance of \$74,416. The fund balance as of June 30, 2019 was a deficit of \$7,394. The difference reflects a decrease in the fund balance of \$67,022.

Debt Service Fund – Bonds are generally issued to finance the construction of buildings and large capital projects and may be issued for other purposes. Taxes are levied to provide cash to retire these bonds and to pay the interest on them. To protect the bondholders, these tax collections are made independently by the county clerk and must be accounted for in the Debt Service Fund. Debt certificate payments are also made from this Fund with monies transferred from the Operations and Maintenance Fund.

- At the end of fiscal year 2020, the Debt Service Fund had a fund balance of \$187,154. The fund balance as of June 30, 2019 was \$132,086. This difference reflects an increase in the fund balance of \$55,068. This fund balance may only be used to pay the principal and interest on the District's outstanding bonded debt.

Capital Projects Fund – This fund is required to account for costs associated with large building projects including the architectural and construction management expenses associated with these projects. The most recent, completed project undertaken was the new classroom addition.

- At the end of fiscal year 2020, the Capital Projects Fund had a fund balance of \$0. The fund balance as of June 30, 2019 was \$0.

The District's total revenues were \$50,803,635 (modified accrual). Approximately 74.4% of total governmental fund revenues come from local sources (property taxes, replacement taxes, interest, and other), 1.4% from federal sources, 7.1% from state sources, excluding TRS / THIS on-behalf contributions, and 17.1% of revenues are calculated to be paid directly to TRS by the state (for more detailed information see Note E, Pension Liabilities – Teachers' Retirement System of the State of Illinois).

**Mundelein Consolidated High School District 120
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

2019-20 Budgetary Highlights

Annual budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for budgeting the revenues and expenditures related to “on behalf payments” made by the State of Illinois related to pensions. All annual unencumbered appropriations lapse at fiscal year-end. The budget is prepared by fund, function, and object, and this format conforms to Illinois State Board of Education presentation guidelines.

The 2019-20 budget included the first year of shared administrative services with Mundelein Elementary School District 75.

Capital Assets and Debt Administration

Capital assets

As of June 30, 2020, the District had \$46.782 million invested in capital assets (net of depreciation), including land, construction in progress, buildings, improvements, and equipment. As of June 30, 2019, the District had \$48.571 million invested in capital assets. Additional information on the District’s capital assets can be found in the notes to the financial statements (Note F).

Capital Assets (net of depreciation) <i>(in thousands of dollars)</i>		
	<u>2020</u>	<u>2019</u>
Land & Construction in Progress	\$10.558	\$10.558
Buildings	33.101	34.906
Improvements Other Than Buildings	1.457	1.557
Equipment and Transportation		
Equipment	<u>1.666</u>	<u>1.550</u>
Total	<u>\$46.782</u>	<u>\$48.571</u>

**Mundelein Consolidated High School District 120
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2020**

Capital Assets and Debt Administration (Continued)

Long-term debt

As of June 30, 2020, the District had \$39.101 million in total long-term debt. This is a decrease of \$2.435 million compared to the previous fiscal year. Additional information regarding the District's long-term liabilities can be found in the notes to the financial statements (Note G). A summary of long-term debt is listed below:

Outstanding Long-Term Debt <i>(in thousands of dollars)</i>		
	<u>2020</u>	<u>2019</u>
General obligation and capital appreciation bonds (including unamortized premiums)	\$13.650	\$16.686
Debt Certificates	0.920	1.130
Other Postemployment Benefits	20.098	18.371
Compensated Absences	0.028	0.005
IMRF Net Pension Obligation	2.598	3.448
TRS Net Pension Obligation	<u>1.807</u>	<u>1.896</u>
TOTAL	<u>\$39.101</u>	<u>\$41.536</u>

Factors Bearing on the District's Future

The state of Illinois has had substantial budget issues related to structural deficits for many years. Given the pandemic's deleterious effect on revenues to the state, the District anticipates significant cuts to state funding for education in the future. The District is also concerned about pension cost shifts to local school districts as a state budget solution.

The direct and indirect impacts of the COVID-19 pandemic on the District's enrollment, vendors, operations, and financing arrangements are currently unknown, except as mentioned below, as is the duration and severity of any impacts that the District may experience. Additionally, tax payers in Lake County have been given the option to pay their property taxes in four installments (June, August, September and November), as opposed to two installments in 2020 (June and September), which may affect the timing of the District receiving those property taxes, and overall cash flows. While the District's evaluation is ongoing, management is currently unable to quantify the full effects that this pandemic will have on its operations, cash flows, and financial position; however, they may be significant. No adjustments have been made to these financial statements as a result of this uncertainty.

The information that is presented includes all items that management is aware of as of the date of this auditors' report.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

Mundelein Consolidated High School District 120
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
June 30, 2020

ASSETS

Cash and investments	\$ 32,479,249
Receivables (net of allowance for uncollectibles):	
Interest	245,599
Property taxes	20,273,795
Replacement taxes	50,016
Intergovernmental	660,364
Other current assets	97,509
Capital assets:	
Land	10,557,916
Depreciable buildings, property, and equipment, net	<u>36,224,589</u>
Total assets	<u>100,589,037</u>

DEFERRED OUTFLOW OF RESOURCES

Deferred outflows related to pensions	1,862,708
Deferred outflows related to other postemployment benefits (See Note E-1a)	<u>4,357,115</u>
Total deferred outflows	<u>6,219,823</u>

LIABILITIES

Accounts payable	810,377
Salaries and wages payable	881,938
Interest payable	42,279
Unearned revenue	126,947
Long-term liabilities:	
Due within one year	3,127,551
Due after one year	<u>35,973,595</u>
Total liabilities	<u>40,962,687</u>

DEFERRED INFLOW OF RESOURCES

Property taxes levied for a future period	35,757,586
Deferred inflows related to pensions	1,743,008
Deferred inflows related to other postemployment benefits (See Note E-1a)	<u>6,528,406</u>
Total deferred inflows	<u>44,029,000</u>

NET POSITION

Net investment in capital assets	33,031,912
Restricted For:	
Operations and maintenance	2,075,990
Debt service	162,725
Student transportation	787,798
Tort immunity	48,989
Unrestricted	<u>(14,290,241)</u>
Total net position	<u>\$ 21,817,173</u>

The accompanying notes are an integral part of this statement.

Mundelein Consolidated High School District 120

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2020

Functions / Programs	Expenses (see Note E-1a)	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 14,052,518	\$ 599,224	\$ 816,608	\$ (12,636,686)
Special programs	6,328,360	-	734,926	(5,593,434)
Other instructional programs	3,130,242	37,705	237,204	(2,855,333)
State retirement contributions	15,261,898	-	15,261,898	-
Support services:				
Pupils	2,678,058	-	21,964	(2,656,094)
Instructional staff	899,038	-	62,292	(836,746)
General administration	929,496	-	-	(929,496)
School administration	2,064,609	-	-	(2,064,609)
Business	1,454,826	683,938	12,120	(758,768)
Transportation	1,628,986	-	542,896	(1,086,090)
Operations and maintenance	3,444,251	34,756	-	(3,409,495)
Central	1,862,502	-	-	(1,862,502)
Other supporting services	52	-	-	(52)
Community services	35,190	-	-	(35,190)
Nonprogrammed charges -				
excluding special education	663,354	-	-	(663,354)
Interest and fees	398,956	-	-	(398,956)
Total governmental activities	<u>\$ 54,832,336</u>	<u>\$ 1,355,623</u>	<u>\$ 17,689,908</u>	<u>(35,786,805)</u>

General revenues:

Taxes:

Real estate taxes, levied for general purposes	26,303,775
Real estate taxes, levied for specific purposes	5,554,471
Real estate taxes, levied for debt service	3,399,094
Personal property replacement taxes	350,771
State aid-formula grants	2,089,471
Investment earnings	677,769
Miscellaneous	126,339
Total general revenues	<u>38,501,690</u>

Change in net position (See Note E-1a)	2,714,885
Net position, beginning of year	<u>19,102,288</u>
Net position, end of year	<u>\$ 21,817,173</u>

The accompanying notes are an integral part of this statement.

Mundelein Consolidated High School District 120

Governmental Funds

BALANCE SHEET

June 30, 2020

	General	Operations and Maintenance	Transportation
ASSETS			
Cash and investments	\$ 25,446,065	\$ 3,480,426	\$ 1,414,521
Receivables (net of allowance for uncollectibles):			
Interest	187,218	19,959	9,877
Property taxes	15,171,591	1,568,087	875,077
Replacement taxes	50,016	-	-
Intergovernmental	520,101	-	134,763
Other current assets	97,117	-	-
Total assets	\$ 41,472,108	\$ 5,068,472	\$ 2,434,238
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 480,547	\$ 226,793	\$ 103,037
Salaries and wages payable	881,938	-	-
Unearned school fees	126,947	-	-
Total liabilities	1,489,432	226,793	103,037
DEFERRED INFLOWS			
Unavailable interest revenue	155,028	16,527	8,179
Unavailable grant revenue	263,295	-	-
Property taxes levied for a future period	26,758,655	2,765,689	1,543,403
Total deferred inflows	27,176,978	2,782,216	1,551,582
FUND BALANCES			
Restricted	48,091	2,059,463	779,619
Unassigned	12,757,607	-	-
Total fund balance (deficit)	12,805,698	2,059,463	779,619
Total liabilities, deferred inflows, and fund balance (deficit)	\$ 41,472,108	\$ 5,068,472	\$ 2,434,238

The accompanying notes are an integral part of this statement.

Municipal Retirement / Soc. Sec.	Debt Service	Total
\$ 493,440	\$ 1,644,797	\$ 32,479,249
6,988	21,557	245,599
745,613	1,913,427	20,273,795
-	-	50,016
5,500	-	660,364
<u>392</u>	<u>-</u>	<u>97,509</u>
<u>\$ 1,251,933</u>	<u>\$ 3,579,781</u>	<u>\$ 53,806,532</u>
\$ -	\$ -	\$ 810,377
-	-	881,938
<u>-</u>	<u>-</u>	<u>126,947</u>
<u>-</u>	<u>-</u>	<u>1,819,262</u>
5,787	17,850	203,371
5,500	-	268,795
<u>1,315,062</u>	<u>3,374,777</u>	<u>35,757,586</u>
<u>1,326,349</u>	<u>3,392,627</u>	<u>36,229,752</u>
-	187,154	3,074,327
<u>(74,416)</u>	<u>-</u>	<u>12,683,191</u>
<u>(74,416)</u>	<u>187,154</u>	<u>15,757,518</u>
<u>\$ 1,251,933</u>	<u>\$ 3,579,781</u>	<u>\$ 53,806,532</u>

Mundelein Consolidated High School District 120
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2020

Total fund balances - governmental funds \$ 15,757,518

Amounts reported for governmental activities in the statement of net position are different because:

Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds. 46,782,505

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:

Deferred outflows of resources related to pensions 1,862,708

Deferred inflows of resources related to pensions (1,743,008)

Deferred outflows and inflows of resources related to other postemployment benefits (OPEB) are applicable to future periods and, therefore, are not reported in the governmental funds:

Deferred outflows of resources related to OPEB 4,357,115

Deferred inflows of resources related to OPEB (6,528,406)

Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, therefore, is not recognized in the governmental funds. (42,279)

Certain interest and grant receivables are not available to pay for current expenditures and are unavailable in the governmental funds. 472,166

Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds.

General obligation bonds	\$ (11,660,000)	
Capital appreciation bonds	(1,349,646)	
Unamortized bond premiums	(640,812)	
Debt certificates	(920,000)	
Compensated absences	(27,551)	
IMRF net pension liability	(2,597,545)	
TRS net pension liability	(1,806,842)	
RHP total other postemployment benefit liability	(429,856)	
THIS net other postemployment benefit liability	<u>(19,668,894)</u>	<u>(39,101,146)</u>

Net position of governmental activities \$ 21,817,173

The accompanying notes are an integral part of this statement.

Mundelein Consolidated High School District 120

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)

For the Year Ended June 30, 2020

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
Revenues				
Property taxes	\$ 26,488,569	\$ 3,085,347	\$ 1,118,397	\$ 1,165,933
Replacement taxes	330,431	-	-	20,340
State aid	11,664,542	40,016	542,896	39,500
Federal aid	715,595	-	-	-
Interest	542,007	57,829	28,583	20,220
Other	1,342,881	139,081	-	-
Total revenues	41,084,025	3,322,273	1,689,876	1,245,993
Expenditures				
Current:				
Instruction:				
Regular programs	13,136,914	-	-	220,132
Special programs	4,912,692	-	-	211,698
Other instructional programs	3,150,236	-	-	194,042
State retirement contributions	8,667,520	-	-	-
Support services:				
Pupils	2,791,253	-	-	86,640
Instructional staff	895,509	-	-	30,972
General administration	840,369	-	-	119,155
School administration	2,060,021	-	-	79,420
Business	1,251,653	103,852	-	104,302
Transportation	-	-	1,628,986	-
Operations and maintenance	672,332	2,430,754	-	149,569
Central	1,365,868	-	-	116,639
Other supporting services	52	-	-	-
Community services	35,370	-	-	446
Nonprogrammed charges	2,242,559	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	111,718	320,475	41,753	-
Total expenditures	42,134,066	2,855,081	1,670,739	1,313,015
Excess (deficiency) of revenues over expenditures	(1,050,041)	467,192	19,137	(67,022)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers (out)	-	(247,800)	-	-
Total other financing sources (uses)	-	(247,800)	-	-
Net change in fund balance (deficit)	(1,050,041)	219,392	19,137	(67,022)
Fund balance (deficit), beginning of year	13,855,739	1,840,071	760,482	(7,394)
Fund balance (deficit), end of year	\$ 12,805,698	\$ 2,059,463	\$ 779,619	\$ (74,416)

The accompanying notes are an integral part of this statement.

<u>Debt Service</u>	<u>Total</u>
\$ 3,399,094	\$ 35,257,340
-	350,771
-	12,286,954
-	715,595
62,374	711,013
-	1,481,962
<u>3,461,468</u>	<u>50,803,635</u>
-	13,357,046
-	5,124,390
-	3,344,278
-	8,667,520
-	2,877,893
-	926,481
-	959,524
-	2,139,441
-	1,459,807
-	1,628,986
-	3,252,655
-	1,482,507
-	52
-	35,816
-	2,242,559
3,090,000	3,090,000
564,200	564,200
-	473,946
<u>3,654,200</u>	<u>51,627,101</u>
(192,732)	(823,466)
247,800	247,800
-	(247,800)
<u>247,800</u>	<u>-</u>
55,068	(823,466)
<u>132,086</u>	<u>16,580,984</u>
<u>\$ 187,154</u>	<u>\$ 15,757,518</u>

Mundelein Consolidated High School District 120

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS) OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended June 30, 2020

Net change in fund balances - total governmental funds	\$	(823,466)
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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. This is the amount by which depreciation expense exceeds capital outlay in the current period.

Capital outlay	\$	474,809	
Depreciation expense		(2,263,006)	(1,788,197)

Changes in deferred outflows and inflows of resources related to other postemployment benefits are reported only in the statement of activities:

Deferred outflows and inflows of resources related to RHP OPEB	24,374
Deferred outflows and inflows of resources related to THIS OPEB	3,774,727

Changes in deferred outflows and inflows or resources related to pensions are reported only in the statement of activities:

Deferred outflows and inflows of resources related to IMRF pension	(934,549)
Deferred outflows and inflows of resources related to TRS pension	(130,864)

Accrued interest reported in the statement of activities does not require the use of current financial resources, and, therefore, is not reported as expenditures in the governmental funds. 9,088

Certain interest and grant revenues included in the statement of activities do not provide current financial resources and, therefore, are deferred in the fund statements. 149,208

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources:

Principal repayments			
General obligation bonds	\$	2,170,000	
Capital appreciation bonds		710,000	
Debt certificates		210,000	
Accretion on capital appreciation bonds		(84,817)	
Amortization of bond premiums		240,973	
Compensated absences, net		(22,880)	
IMRF pension liability, net		850,044	
TRS pension liability, net		89,246	
RHP other postemployment benefit liability, net		(29,748)	
THIS other postemployment benefit liability, net		(1,698,254)	2,434,564

Change in net position of governmental activities	\$	2,714,885
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The accompanying notes are an integral part of this statement.

Mundelein Consolidated High School District 120

Agency Fund

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

June 30, 2020

	Student Activity Fund
<hr/>	
ASSETS	
Cash and investments	\$ <u>387,686</u>
LIABILITIES	
Due to student groups	\$ <u>387,686</u>

The accompanying notes are an integral part of this statement.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Mundelein Consolidated High School District 120 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units, hereinafter referred to as generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

1. Reporting Entity

The District is located in Lake County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all personnel, budgetary, taxing, and debt matters.

The District includes all funds of its operations that are controlled by or dependent upon the District as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will, and fiscal dependency. The accompanying financial statements include only the funds of the District, as there are no organizations for which it has financial accountability.

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

2. Fund Accounting

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

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

Governmental funds are used to account for the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (debt service funds), and the acquisition or construction of major capital facilities (capital project fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund. The District considers all governmental funds to be major.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Fund Accounting (Continued)

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District.

3. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes, intergovernmental revenues and local fees.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

a. General Fund

The *General Fund* includes the Educational Account, the Working Cash Account, and the Tort Immunity and Judgment Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources, held by the District, to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid upon collection of property taxes in the fund(s) loaned to. As allowed by the School Code of Illinois, this Fund may be permanently abolished and become part of the Educational Account or it may be partially abated to any fund in need, as long as the District maintains a balance in the Working Cash Account of at least .05% of the District's current Equalized Assessed Valuation. The Tort Immunity and Judgment Account is used to account for revenues derived from a specific property tax levy and expenditures of these monies is for risk management activities.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements (Continued)

b. Special Revenue Funds

The special revenue funds are used to account for and report the proceeds of specific revenue sources (other than those accounted for in the Debt Service, Capital Projects, or Fiduciary Funds) that are legally restricted to expenditures for specified purposes.

Each of the District's special revenue funds has been established as a separate fund in accordance with the fund structure required by the state of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's special revenue funds is as follows:

Operations and Maintenance Fund - is used for all revenues and expenditures made for operations, repair, and maintenance of the District's building and land. Revenues consist primarily of local property taxes.

Transportation Fund - accounts for all revenue and expenditures made for student transportation. Revenues are derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund - accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for noncertified employees. Revenues to finance contributions are derived primarily from local property taxes and personal property replacement taxes.

c. Debt Service Fund

The Debt Service Fund - is used for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue sources are local property taxes levied specifically for debt service and transfers from other funds.

d. Capital Projects Fund

The Capital Projects Fund - accounts for financial resources to be used for the acquisition or construction of major capital facilities. Revenues are derived from grant proceeds, and transfers from other funds.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements (Continued)

e. Fiduciary Fund

The Fiduciary Fund - accounts for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

Student Activity Funds (Agency Fund) - are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. 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. They account for activities such as student yearbook, student clubs and council, and scholarships.

Convenience accounts - account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc. The convenience accounts are included in student activity accounts.

4. Fund Balance

In the fund financial statements, governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash, such as prepaid items or inventories. As of June 30, 2020, the District has no nonspendable fund balance.

b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, or laws and regulations of other governments, or are imposed by law through enabling legislation. Special revenue funds, as well as debt service funds and capital projects funds are by definition restricted for those specified purposes.

c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. As of June 30, 2020, the District has no committed fund balance.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Fund Balance (Continued)

- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegates the authority to assign amounts to be used for specific purposes. The Board of Education delegated this authority to the Business Manager. As of June 30, 2020, the District has no assigned fund balance.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

Governmental fund balances reported on the fund financial statements at June 30, 2020 are as follows:

The restricted fund balance in the General Fund is comprised of \$48,091, representing the remaining unspent portion of the restricted tort immunity levy. The remaining restricted fund balances are for the purpose of the restricted funds as described in Note A-3.

5. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and additions are recorded when earned, and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Mundelein Consolidated High School District 120
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Governmental funds are used to account for the District's general governmental activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "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 be used to pay liabilities of the current period. The District considers property tax revenues and most other revenues available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if vouchered by year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences, claims, and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, personal property replacement taxes, interest, and intergovernmental revenue associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. The District defers property taxes collected in the current year related to the most recent tax levy. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports unearned and unavailable revenue on its financial statements. Unearned and unavailable revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability or deferred inflow of resources for unearned or unavailable revenue is removed from the balance sheet and revenue is recognized. Governmental Funds also defer revenue recognition in connection with resources received, but not yet earned.

The fiduciary fund statements are reported using the accrual basis of accounting.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position / fund balance that applies to a future period. At June 30, 2020, the District has deferred outflows of resources related to pensions and other postemployment benefits. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting period. At June 30, 2020, the District reported deferred inflows of resources related to pensions, other postemployment benefits, property taxes levied for a future period, and unavailable grant and interest revenue.

7. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles, except that the District does not budget for on-behalf contributions from the State of Illinois for the employer's share of the Teachers' Retirement System Pension and Teachers' Health Insurance Security Fund (see budget reconciliation in the Notes to the Required Supplementary Information). Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

8. Deposits and Investments

Investments are stated at fair value. Changes in fair value are included in investment income.

9. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the Municipal Retirement/Social Security Fund, with the balance allocated at the discretion of the District.

10. Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, equipment, and transportation equipment are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of \$2,500 or more. Such assets are recorded at historical cost or estimated historical cost at the date purchased or constructed. Donated assets are recorded at acquisition value at the date of donation.

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Capital Assets (Continued)

Depreciation of capital assets is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	30 - 40
Improvements other than buildings	20
Equipment	5 - 20
Transportation equipment	8

11. Accumulated Unpaid Vacation and Sick Pay

Vacation benefits are granted to employees in varying amounts to specified maximums depending on tenure with the District. Vacation can accumulate for carryover up to 20 days. At June 30, 2020, accumulated unpaid vacation pay was \$27,551. Future payments will be made from the same fund where the employee's salary is recorded.

Sick leave is accumulated from year to year without limit, but it is not paid upon termination.

Due to the nature of the policies on sick leave, and the fact that any liability is contingent upon future events and cannot be reasonably estimated, no liability is provided in the financial statements for accumulated unpaid sick leave.

12. 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 and losses on refunding of bonds are deferred and amortized over the life of the applicable bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount or loss on refunding. Bond issuance costs are expensed as the costs are incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, losses on refunding, and 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 cost, whether or not withheld from actual proceeds, are reported as debt service expenditures.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Pensions and Other Postemployment Benefits

For purposes of measuring the net pension liability and other postemployment benefits liability, deferred outflows of resources and deferred inflows of resources related to pensions and other post employment benefits (OPEB), and pension expense, information about the fiduciary net position of the pension/OPEB plan and additions to/deductions from the pension/OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are stated at fair value.

14. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements, and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

15. Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position are either: (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, (2) imposed by law through constitutional provisions, or (3) imposed by enabling legislation. The District's restricted net position was restricted as a result of enabling legislation.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as the resources are needed.

NOTE B - DEPOSITS AND INVESTMENTS

The District's investment policy is in line with State Statutes. The investments that the District may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) interest-bearing savings accounts, interest-bearing certificates of deposit or time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; (4) short-term discount obligations of corporations organized in the United States with assets exceeding \$500,000,000; (5) interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation or school district; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

Mundelein Consolidated High School District 120
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

At June 30, 2020, the District's cash and investments consisted of the following:

	Government- wide	Fiduciary	Total
Cash and investments	\$ 32,479,249	\$ 387,686	\$ 32,866,935

For disclosure purposes, this amount is classified into components as follows:

	Total
Deposits with financial institutions*	\$ 9,196,651
Illinois School District Liquid Asset Fund Plus (ISDLAF+)	18,693,812
Other investments (US Treasury Securities / Negotiable CDs)	4,976,472
	\$ 32,866,935

*includes accounts held in demand and savings accounts, but primarily consists of non-negotiable certificates of deposit and money market savings accounts, which are valued at cost.

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. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs. The District's investments detailed in the interest rate risk table below are measured using the market valuation method and level 2 valuation inputs.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

1. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, a periodic review of the investment portfolio is performed to ensure performance is consistent with the safety, liquidity, rate of return, diversification and overall performance the District needs. Maturity information on other investments is shown in the table below.

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	More than 10
Negotiable certificates of deposit	\$ 494,568	\$ -	\$ 494,568	\$ -	\$ -
U.S. Treasury Securities*	4,481,904	-	4,481,904	-	-
TOTAL	\$ 4,976,472	\$ -	\$ 4,976,472	\$ -	\$ -

The following investment is measured at net asset value (NAV):

		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
ISDLAF+	\$ 18,693,812	n/a	Daily	1 day

*U.S. Treasury Securities are valued at the closing price of similar instruments with comparable durations reported on the active market on which individual securities are traded.

2. Credit Risk

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit pooled investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees, elected from participating members. The trust is not registered with the SEC as an investment company. Investments are rated AAAM and are valued at share price, which is the price for which the investment could be sold.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

3. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District's Investment Officer to meet the District's ongoing need for safety, liquidity, and rate of return.

4. Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by providing that all deposits in excess of FDIC insurable limits may be secured by collateral to protect against an event of default or failure of the financial institution holding the funds. At June 30, 2020, the bank balances of the District's deposits with financial institutions totaling \$9,948,501 were fully insured or collateralized. The District's investment instruments are either held by the District or by the District's agent.

With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government 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 limits the exposure to investment custodial credit risk by requiring that all investments be secured by private insurance or collateral.

NOTE C - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on December 3, 2019. 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 tax year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations: individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

The County Clerk adds the Equalized Assessed Valuation of all real property in the District to the valuation of property assessed directly by the state (to which the Equalization Factor is not applied) to arrive at the base amount (the Assessment Base) used to calculate the annual tax rates, as described above. The Equalized Assessed Valuation for the extension for the 2019 tax levy was \$1,451,347,009.

Property taxes are collected by the Lake County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE C - PROPERTY TAXES RECEIVABLE (Continued)

The portion of the 2019 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectible amounts of 1%. The District considers that the 2019 levy is to be used to finance operations in fiscal 2021. Therefore, the entire 2019 levy, including amounts collected in fiscal 2020, has been reported as property taxes levied for a future period in the accompanying financial statements.

NOTE D - PENSION LIABILITIES

1. Teachers' Retirement System of the State of Illinois

General Information About the Pension Plan

Plan Description

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

TRS issues a publicly available financial report that can be obtained at www.trsil.org/financial/cafrs/fy2019; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

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

General Information About the Pension Plan (Continued)

Benefits Provided (Continued)

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. 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 I members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier I and II members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

Contributions

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

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

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

General Information About the Pension Plan (Continued)

Contributions (Continued)

On-behalf Contributions to TRS

The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2020, State of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenses of \$13,961,772 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$8,433,667 in the General Fund based on the current financial resources measurement basis.

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2020, were \$109,383 and are deferred because they were paid after the June 30, 2019 measurement date.

Federal and Special Trust Fund Contributions

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

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

For the year ended June 30, 2020, the employer pension contribution was 10.66 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2020, salaries totaling \$8,338 were paid from federal and special trust funds that required employer contributions of \$889.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

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

General Information About the Pension Plan (Continued)

Contributions (Continued)

Early 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 District is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

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

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

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

District's proportionate share of the net pension liability	\$ 1,806,842
State's proportionate share of the net pension liability associated with the District	<u>128,590,958</u>
Total	<u><u>\$ 130,397,800</u></u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018, and rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2019, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2019, the District's proportion was 0.0022276941 percent, which was a decrease of 0.000204908 percent from its proportion measured as of June 30, 2018.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

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

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

For the year ended June 30, 2020, the District recognized the following pension expense/expenditures and revenue pertaining to the District's employees:

	Governmental Activities	General Fund
State on-behalf contributions - revenue and expense/expenditure	\$ 13,961,772	\$ 8,433,667
District TRS pension expense	149,330	109,383
Total TRS expense/expenditure	\$ 14,111,102	\$ 8,543,050

At June 30, 2020, 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
Differences between expected and actual experience	\$ 29,627	\$ -
Change of assumptions	40,486	34,682
Net difference between projected and actual earnings on pension plan investments	2,862	-
Changes in proportion and differences between District contributions and proportionate share of contributions	138,109	352,353
Total deferred amounts to be recognized in pension expense in future periods	211,084	387,035
District contributions subsequent to the measurement date	109,383	-
Total deferred amounts related to pensions	\$ 320,467	\$ 387,035

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

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

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

The District reported \$109,383 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year ended June 30:	Net Deferred Inflows of Resources
2021	\$ 28,692
2022	108,784
2023	15,960
2024	10,869
2025	11,646
	<u>\$ 175,951</u>

Actuarial Assumptions

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

Inflation	2.50 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, 2019 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, 2018 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2014.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

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

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

Actuarial Assumptions (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equities large cap	15.0	6.3 %
U.S. equities small/mid cap	2.0	7.7
International equities developed	13.6	7.0
Emerging market equities	3.4	9.5
U.S. bonds core	8.0	2.2
U.S. bonds high yield	4.2	4.0
International debt developed	2.2	1.1
Emerging international debt	2.6	4.4
Real estate	16.0	5.2
Commodities (real return)	4.0	1.8
Hedge funds (absolute return)	14.0	4.1
Private equity	15.0	9.7
Total	<u>100.00 %</u>	

Discount Rate

At June 30, 2019, the discount rate used to measure the total pension liability was 7.00 percent, which was the same as the June 30, 2018 rate. 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.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

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

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

Discount Rate (Continued)

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

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

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

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 2,206,899	\$ 1,806,842	\$ 1,477,915

TRS Fiduciary Net Position

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund

Plan Description

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

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP).

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.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Employees Covered by Benefit Terms

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

Retirees and beneficiaries currently receiving benefits	94
Inactive plan members entitled to but not yet receiving benefits	107
Active plan members	<u>106</u>
Total	<u><u>307</u></u>

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2019 was 10.7%. For the fiscal year ended June 30, 2020 the District contributed \$544,896 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

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

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Inflation Rate	2.50%
Salary Increases	3.35% to 14.25%
Investment Rate of Return	7.25%

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Retirement Age	Experience-based table of rates, specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, the 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 projections 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.
Long-term Expected Rate of Return	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:

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Long-term Expected Rate of Return	Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
	Domestic equity	37%	5.75%
	International equity	18%	6.50%
	Fixed income	28%	3.25%
	Real estate	9%	5.20%
	Alternative investments	7%	3.60% - 7.60%
	Cash	1%	1.85%
	Total	<u>100%</u>	

Single Discount Rate

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

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

For the purpose of the most recent valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 2.75% (based on the daily rate closest to but not later than the measurement date of the "20-Year Municipal GO AA index"), and the resulting single discount rate is 7.25%.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Changes in Net Pension Liability

The following table shows the components of the change in the District's net pension liability for the calendar year ended December 31, 2019:

	<u>Total Pension Liability (A)</u>	<u>Plan Fiduciary Net Position (B)</u>	<u>Net Pension Liability (A) - (B)</u>
Balances at December 31, 2018	\$ 13,830,798	\$ 10,383,209	\$ 3,447,589
Changes for the year:			
Service cost	466,582	-	466,582
Interest on the total pension liability	992,764	-	992,764
Difference between expected and actual experience of the total pension liability	349,917	-	349,917
Changes of assumptions	-	-	-
Contributions - employer	-	519,917	(519,917)
Contributions - employees	-	218,657	(218,657)
Net investment income	-	1,929,063	(1,929,063)
Benefit payments, including refunds of employee contributions	(741,577)	(741,577)	-
Other (net transfer)	-	(8,330)	8,330
Net changes	<u>1,067,686</u>	<u>1,917,730</u>	<u>(850,044)</u>
Balances at December 31, 2019	<u>\$ 14,898,484</u>	<u>\$ 12,300,939</u>	<u>\$ 2,597,545</u>

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

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

	<u>1% Lower (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Higher (8.25%)</u>
Net pension liability	\$ 4,423,099	\$ 2,597,545	\$ 1,091,830

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

For the year ended June 30, 2020 the District recognized pension expense of \$633,339. At June 30, 2020, the District reported, deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 258,464	\$ -
Change of assumptions	127,183	18,519
Net difference between projected and actual earnings on pension plan investments	<u>859,549</u>	<u>1,337,454</u>
 Total deferred amounts to be recognized in pension expense in the future periods	 <u>1,245,196</u>	 <u>1,355,973</u>
 Pension contributions made subsequent to the measurement date	 <u>297,045</u>	 <u>-</u>
 Total deferred amounts related to pensions	 <u><u>\$ 1,542,241</u></u>	 <u><u>\$ 1,355,973</u></u>

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

The District reported \$297,045 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2021.

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

Year Ended June 30,	Net Deferred Outflows (Inflows) of Resources
2021	\$ 84,788
2022	(30,618)
2023	70,392
2024	(235,339)
2025	-
Total	\$ <u>(110,777)</u>

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE D - PENSION LIABILITIES (Continued)

3. Summary of Pension Items

Below is a summary of the various pension items:

	<u>TRS</u>	<u>IMRF</u>	<u>Total</u>
Deferred outflows of resources:			
Employer contributions	\$ 109,383	\$ 297,045	\$ 406,428
Experience	29,627	258,464	288,091
Assumptions	40,486	127,183	167,669
Proportionate share	138,109	-	138,109
Investments	2,862	859,549	862,411
	<u>\$ 320,467</u>	<u>\$ 1,542,241</u>	<u>\$ 1,862,708</u>
Net pension liability	<u>\$ 1,806,842</u>	<u>\$ 2,597,545</u>	<u>\$ 4,404,387</u>
Pension expense	<u>\$ 14,111,102</u>	<u>\$ 633,339</u>	<u>\$ 14,744,441</u>
Deferred inflows of resources:			
Investments	\$ -	\$ 1,337,454	\$ 1,337,454
Assumptions	34,682	18,519	53,201
Proportionate share	352,353	-	352,353
	<u>\$ 387,035</u>	<u>\$ 1,355,973</u>	<u>\$ 1,743,008</u>

4. Social Security/Medicare

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

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS

1. Teachers' Health Insurance Security (THIS)

General Information about the Other Postemployment Plan

Plan Description

The District participates in the Teacher Health Insurance Security Fund (THIS), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago.

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

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

Benefits Provided

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

Contributions

On behalf contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. In the fund financial statements, the State contributions are intended to match contributions to the THIS Fund from active members, which were 1.24 percent of pay during the year ended June 30, 2020. In the government-wide financial statements, State of Illinois contributions also include a proportional allocation of the State's OPEB expense (based on the portion of the District's share of the expense compared to all School Districts in aggregate). For the year ended June 30, 2020, the District recognized revenue and expenses of \$1,300,126 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$233,853 in the General Fund based on the current financial resources measurement basis for State of Illinois contributions on behalf of the District's employees.

Mundelein Consolidated High School District 120
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. **Teachers' Health Insurance Security (THIS)** (Continued)

General Information about the Other Postemployment Plan (Continued)

Contributions (Continued)

District contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.92 percent during the year ended June 30, 2020. For the year ended June 30, 2020, the District paid \$173,504 to the THIS Fund, which was 100 percent of the required contribution. These amounts are deferred because they were paid after the June 30, 2019 measurement date.

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

Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for state OPEB support provided to the District. 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 follows:

District's proportionate share of the net OPEB liability	\$ 19,668,894
State's estimated proportionate share of the net OPEB liability associated with the District*	<u>26,634,192</u>
Total	<u><u>\$ 46,303,086</u></u>

* The State's proportionate share of the net OPEB liability (NOL) associated with the District is not available in the actuarial report and therefore the amount reported above is an estimate calculated by allocating the State's total NOL for the entire plan (per the actuary) based on the District's proportionate share of the NOL to all the school districts participating in the Plan. Additionally, the amounts included below related to sensitivity of the healthcare rate, discount rate and amortization of deferred inflows and outflows are based on a similar allocation methodology.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018, and rolled forward to June 30, 2019. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2019, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2019, the District's proportion was 0.071065 percent, which was an increase of 0.002855 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized the following for OPEB expense (benefit)/expenditure and revenue pertaining to the District's employees:

	<u>Governmental Activities</u>	<u>General Fund</u>
State on-behalf contributions - OPEB revenue and expense/expenditure	\$ 1,300,126	\$ 233,853
District OPEB pension expense	1,023,660	173,504
Effects of change in estimate (see Note E-1a)	<u>(2,397,106)</u>	<u>-</u>
Total OPEB expense (benefit)/expenditure	<u>\$ (73,320)</u>	<u>\$ 407,357</u>

Mundelein Consolidated High School District 120
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. **Teachers' Health Insurance Security (THIS)** (Continued)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 326,390.00
Change of assumptions	7,457	2,254,696
Net difference between projected and actual earnings on OPEB plan investments	-	644.00
Changes in proportion and differences between District contributions and proportionate share of contributions	4,086,579	3,849,284
Total deferred amounts to be recognized in OPEB expense in future periods	4,094,036	6,431,014
District contributions subsequent to the measurement date	173,504	-
Total deferred amounts related to OPEB	\$ 4,267,540	\$ 6,431,014

The District reported \$173,504 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2021. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

Year ending June 30:	Net Deferred Inflows (Outflows) of Resources
2021	\$ 615,065
2022	615,065
2023	615,014
2024	614,908
2025	385,760
Thereafter	(508,834)
Total	\$ 2,336,978

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability.
Contribution Policy	Benefits are financed on a pay-as-you basis. Contribution rates are defined by statute. For fiscal year end June 30, 2019, contribution rates are 1.24% of pay for active members, 0.92% of pay for school districts, and 1.24% 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 Model	Market Value
Investment rate of return	0.00%, net of OPEB plan investment expense, including inflation, for all plan years.
Inflation	2.50%
Salary increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018, 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-2017.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

Actuarial Assumptions (Continued)

Healthcare Trend Rate	Actual trend used for fiscal year 2019. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare cost and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.31% 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.

Discount Rate

The State, the District and active members contribute 1.24 percent, 0.92 percent, 1.24 percent of pay, respectively for fiscal year 2019. Retirees contribute a percentage of the premium rate. The State also contributes an additional amount to cover plan costs in excess of contributions and investment income. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.62 percent at June 30, 2018, and 3.13 percent at June 30, 2019, was used to measure the total OPEB liability. The decrease in the single discount rate, from 3.62 percent to 3.13 percent, caused the total OPEB liability for the entire plan to increase by approximately \$2,296 million as of June 30, 2019.

Investment Return

During plan year end June 30, 2019, the trust earned \$397,000 in interest, and the market value of assets at June 30, 2019, is \$68 million. Given the low asset value and pay-as-you-go funding policy, the investment return assumption was set to zero.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

Money-Weighted Rate of Return

The annual money-weighted rate of return was estimated based on monthly investment performance, net of investment expenses, adjusted for changing amounts actually invested. The annual money-weighted rate of return was 2.038% for plan year end June 30, 2019, and 1.301% for plan year end June 30, 2018.

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

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 3.13 percent, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.13 percent) or 1-percentage-point higher (4.13 percent) than the current rate:

	1% Decrease (2.13%)	Current Discount (3.13%)	1% Increase (4.13%)
District's proportionate share of the net OPEB liability	\$ 23,649,149	\$ 19,668,894	\$ 16,525,346

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Trend Rate

The following table shows the District's net OPEB liability as of June 30, 2019, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower. The key trend rates are 8.00% in 2020 decreasing to an ultimate trend rate of 4.81% in 2027, for non-Medicare coverage, and 9.00% in 2020 decreasing to an ultimate trend rate of 4.50% in 2027 for Medicare coverage.

	1% Decrease*	Current Healthcare Trend Rate	1% Increase**
District's proportionate share of the net OPEB liability	\$ 15,890,862	\$ 19,668,894	\$ 24,771,603

* One percentage point decrease in healthcare trend rates are 7.00% in 2020 decreasing to an ultimate trend rate of 3.81% in 2027, for non-Medicare coverage, and 8.00% in 2020 decreasing to an ultimate trend rate of 3.50% in 2027 for Medicare coverage.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Trend Rate (Continued)

** One percentage point increase in healthcare trend rates are 9.00% in 2020 decreasing to an ultimate trend rate of 5.81% in 2027, for non-Medicare coverage, and 10.00% in 2020 decreasing to an ultimate trend rate of 5.50% in 2027 for Medicare coverage.

1.a Change in Estimate

THIS employs a methodology to allocate the District's proportionate share of the OPEB liability based on actual contributions the District makes to the plan in a fiscal year and this allocation is re-measured annually. The OPEB liability as a whole is a significant accounting estimate that takes into account several assumptions and allocations. As a result of the timing of actual contributions versus contractual contributions to the Plan, a catch-up adjustment was made to the District's proportionate share of its OPEB liability and as a result related deferred outflows (an increase of \$2,760,167) and deferred inflows (an increase of \$363,061) were impacted which caused a decrease to OPEB expense of \$2,397,106 which was recorded as a change in estimate in the 2020 statement of activities. This adjustment had no impact on the statement of revenues, expenditures and changes in fund balances for the year ended June 30, 2020.

2. Retiree Health Plan (RHP)

Plan Description

The District administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The benefits, benefit levels, employee contributions and employer contributions are governed by the District and may be amended by the District through its employment contracts. The plan does not issue a separate financial report.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

Benefits Provided

The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement, provided they are on the group health insurance plan at the time of retirement. To be eligible, certified employees and administrators must have at least 20 years of service with the District. For medical coverage, employees receive a reimbursement for their Teachers' Retirement Insurance Program ("TRIP") health insurance premium for the first two years following retirement. In order to receive the bonus, a receipt of the premium payments must be provided to the District for reimbursement up to \$2,750 per year. To be eligible, IMRF employees must meet the IMRF requirements for participation. For medical coverage, employees and dependents may continue coverage into retirement on the District medical plan on a pay-all basis.

Employees Covered by Benefit Terms

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

Actives fully eligible to retire	277
Actives not yet fully eligible to retire	-
Retirees	<u>3</u>
Total	<u><u>280</u></u>

Contributions

Retirees have the option of choosing from an HMO or PPO plan through the District. Premiums for the plan are set by the Board of Education. Currently, the District contributes 0 percent to 100 percent to postemployment benefits, which varies for different employee groups. For fiscal year 2020, the District contributed \$0 toward the cost of the postemployment benefits for retirees, which was 0% of covered payroll.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Total OPEB Liability

The total OPEB liability was determined by an actuarial valuation performed as of June 30, 2020 using the following actuarial methods and assumptions:

Actuarial valuation date	June 30, 2020
Measurement date	June 30, 2020
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation	3.00%
Discount rate	2.66%
Salary rate increase	4.00%
Healthcare trend rate	2.54% initial - HMO 4.00% ultimate - HMO 2.39% initial - PPO 4.50% ultimate - PPO

Mortality rates IMRF Employees and Retirees: Rates from the December 31, 2019 IMRF Actuarial Valuation Report.

Active Employees - RP 2014 Employee Mortality Table for both males and females with 2-dimensional, fully generational improvements using the MP-2017 Mortality Improvement Scale.

Retirees - IMRF-specific mortality rates with 2-dimensional, fully generational improvements using the MP-2017 Mortality Improvement Scale projected from 2015. The rates were developed from the RP-2014 Blue Collar Mortality Table with adjustments to match current IMRF experience.

TRS Employees and Retirees: Rates from the June 30, 2019 Teachers' Retirement System Actuarial Valuation Report.

Active Employees - RP-2014 White Collar Employee Tables projected generationally with Scale MP-2017, with female and male rates multiplied by 104% for all ages.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

Changes in the Total OPEB Liability (Continued)

Mortality rates (Continued)	<u>Retirees</u> - RP-2014 White Collar Annuitant Tables projected generationally with Scale MP-2017, with female rates multiplied by 70% for ages under 78 and 110% for ages 78 to 114, and male rates multiplied by 94% for ages under 81 and 110% for ages 81 to 114.
Election at retirement	100% of Certified Employees & Administrators are assumed to elect the District's TRIP contribution at retirement. 20% of IMRF employees are assumed to elect coverage continuation on the District plans at retirement.
Marital status	40% of IMRF employees electing coverage continuation are assumed to be married and to elect spousal coverage with males three years older than females. Actual spouse data was used for current retirees.

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
Balances at July 1, 2019	\$ 400,108	\$ -	\$ 400,108
Changes for the year:			
Service cost	28,758	-	28,758
Interest on the total OPEB liability	10,705	-	10,705
Difference between the expected and actual experience of the total OPEB liability	(48,198)	-	(48,198)
Changes of assumptions and other inputs	12,401	-	12,401
Benefit payments, including the implicit rate subsidy	(32,817)	-	(32,817)
Other changes	58,899	-	58,899
Net changes	29,748	-	29,748
Balance at June 30, 2020	\$ 429,856	\$ -	\$ 429,856

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

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

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

	1% Lower (1.66%)	Current Discount Rate (2.66%)	1% Higher (3.66%)
Total OPEB liability	\$ 455,538	\$ 429,856	\$ 405,474

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the plan's net OPEB liability, calculated using a Healthcare Trend Rate range of 2.39%-4.50%, as well as what the plan's net OPEB liability would be if it were calculated using a Healthcare Trend Rate range that is 1% lower or 1% higher than the current range:

	1% Lower (varies)	Current Healthcare Rate (varies)	1% Higher (varies)
Total OPEB liability	\$ 410,005	\$ 429,856	\$ 453,599

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

For the year ended June 30, 2020 the District recognized OPEB expense of \$38,191. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in OPEB Expense in Future Periods		
Differences between expected and actual experience	\$ -	\$ 44,001
Change in assumptions	89,575	53,391
Total deferred amounts to be recognized in OPEB expense in the future periods	\$ 89,575	\$ 97,392

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE E - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

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

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

Year Ended June 30,	Net Deferred Inflows of Resources
2021	\$ 1,271
2022	1,271
2023	1,271
2021	1,271
2025	1,271
Thereafter	<u>1,462</u>
Total	<u>\$ 7,817</u>

3. Summary of OPEB Items

Below is a summary of the various OPEB items at June 30, 2020:

	<u>THIS</u>	<u>RHP</u>	<u>Total</u>
Deferred outflows of resources			
Employer contributions	\$ 173,504	\$ -	\$ 173,504
Assumptions	7,457	89,575	97,032
Proportionate share	<u>4,086,579</u>	<u>-</u>	<u>4,086,579</u>
	<u>\$ 4,267,540</u>	<u>\$ 89,575</u>	<u>\$ 4,357,115</u>
OPEB liability	<u>\$ 19,668,894</u>	<u>\$ 429,856</u>	<u>\$ 20,098,750</u>
OPEB expense/(benefit)	<u>\$ (73,320)</u>	<u>\$ 38,191</u>	<u>\$ (35,129)</u>
Deferred inflows of resources:			
Assumptions	\$ 2,254,696	\$ 53,391	\$ 2,308,087
Experience	326,390	44,001	370,391
Investments	644	-	644
Proportionate share	<u>3,849,284</u>	<u>-</u>	<u>3,849,284</u>
	<u>\$ 6,431,014</u>	<u>\$ 97,392</u>	<u>\$ 6,528,406</u>

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE F - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Capital assets, not being depreciated				
Land	\$ 10,557,916	\$ -	\$ -	\$ 10,557,916
Capital assets, being depreciated				
Buildings	63,670,324	10,500	-	63,680,824
Improvements other than buildings	3,278,277	17,517	-	3,295,794
Equipment	7,763,540	405,039	15,761	8,152,818
Transportation equipment	308,822	41,753	-	350,575
Total capital assets, being depreciated	75,020,963	474,809	15,761	75,480,011
Less accumulated depreciation for:				
Buildings	28,764,663	1,815,168	-	30,579,831
Improvements other than buildings	1,721,606	116,800	-	1,838,406
Equipment	6,234,350	323,347	15,761	6,541,936
Transportation equipment	287,558	7,691	-	295,249
Total accumulated depreciation	37,008,177	2,263,006	15,761	39,255,422
Total capital assets being depreciated, net	38,012,786	(1,788,197)	-	36,224,589
Governmental activities capital assets, net	\$ 48,570,702	\$ (1,788,197)	\$ -	\$ 46,782,505

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities	
General Government	
Regular programs	\$ 1,697,253
Business services	22,629
Operations and maintenance	181,038
Central	362,086
	\$ 2,263,006

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE G - LONG-TERM LIABILITIES

1. Changes in General Long-term Liabilities

During the year ended June 30, 2020, changes in long-term liabilities were as follows:

	Balance July 1, 2019	Accretion / Additions	Reductions	Balance June 30, 2020
Bonds payable:				
General obligation bonds	\$ 13,830,000	\$ -	\$ 2,170,000	\$ 11,660,000
Capital appreciation bonds	1,974,829	84,817	710,000	1,349,646
Add unamortized premium	881,785	-	240,973	640,812
Debt certificates	1,130,000	-	210,000	920,000
IMRF net pension liability	3,447,589	1,817,593	2,667,637	2,597,545
TRS net pension liability	1,896,088	177,468	266,714	1,806,842
RHP total other postemployment benefit liability	400,108	110,763	81,015	429,856
THIS net other postemployment benefit liability	17,970,640	2,120,949	422,695	19,668,894
Compensated absences	4,671	61,113	38,233	27,551
 Total long-term liabilities- governmental activities	 \$ 41,535,710	 \$ 4,372,703	 \$ 6,807,267	 \$ 39,101,146

	Due Within One Year
Bonds payable:	
General obligation bonds	\$ 2,175,000
Capital appreciation bonds	710,000
Debt certificates	215,000
Compensated absences	27,551
 Total long-term liabilities - governmental activities	 \$ 3,127,551

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE G - LONG-TERM LIABILITIES (Continued)

2. Bonds Payable

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

<u>Purpose</u>	<u>Interest Rates</u>	<u>Carrying Amount</u>	<u>Face Amount</u>
2002 Limited Tax Capital Appreciation School Bonds	3.60% - 5.19%	\$ 1,349,646	\$ 1,420,000
2014 General Obligation Limited School Bonds	3.00% - 5.00%	4,250,000	4,250,000
2015 General Obligation Limited School Bonds	3.00% - 5.00%	<u>7,410,000</u>	<u>7,410,000</u>
		<u>\$ 13,009,646</u>	<u>\$ 13,080,000</u>

At June 30, 2020, the District's future cash flow requirements for retirement of bond principal and interest was as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 2,885,000	\$ 427,575	\$ 3,312,575
2022	3,030,000	347,650	3,377,650
2023	3,190,000	156,925	3,346,925
2024	<u>3,975,000</u>	<u>208,750</u>	<u>4,183,750</u>
	<u>\$ 13,080,000</u>	<u>\$ 1,140,900</u>	<u>\$ 14,220,900</u>

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$187,154 in the Debt Service Fund to service the outstanding bonds payable.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2020, the statutory debt limit for the District was \$100,142,944, of which \$86,213,298 is fully available.

Mundelein Consolidated High School District 120
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE G - LONG-TERM LIABILITIES (Continued)

3. Debt Certificates

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
2014 General Obligation Limited Tax Refunding Debt Certificates	3.00% - 4.00%	\$ <u><u>920,000</u></u>

Annual debt service requirements to maturity for debt certificates are as follows for governmental-type activities:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 215,000	\$ 31,425	\$ 246,425
2022	225,000	23,700	248,700
2023	235,000	14,500	249,500
2024	<u>245,000</u>	<u>4,900</u>	<u>249,900</u>
	<u>\$ 920,000</u>	<u>\$ 74,525</u>	<u>\$ 994,525</u>

Principal and interest payments on the debt certificates will be repaid from the Debt Service Fund with funding provided by the Operations and Maintenance Fund.

NOTE H - OPERATING LEASES

The District is entered into various lease agreements (copiers and vehicles) with terms of 3 to 5 years with payments ranging from \$272 - \$285 per month through October 2021. Total costs for such leases was \$6,399 for the year ended June 30, 2020. Future lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2021	\$ 3,264
2022	<u>1,088</u>
	<u>\$ 4,352</u>

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE I - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases coverage against such risks. To protect the District from such risks, the District participates in the Collective Liability Insurance Cooperative (CLIC) public entity risk pool for property damage and injury claims. The arrangements with the pool provide 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 resulting from these risks have not exceeded pool insurance coverage in any of the past three fiscal years.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. There have been no significant reductions in insurance coverage from coverage in the prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE J - JOINT AGREEMENTS

1. Special Education District of Lake County (SEDOL)

The District is a member of the Special Education District of Lake County (SEDOL) joint agreement that provides certain special education services to residents of many school districts. It is also a member of the risk management pool listed above (Note I). Total amounts paid under the terms of the joint agreement and for services provided were approximately \$194,000. 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 required to be included as component units of the District.

2. Lake County Area Vocational System (LCAVS)

The District and other districts within Lake and McHenry Counties have entered into a joint agreement to provide vocational programs for member districts that are not offering these services individually. Each member district has a financial responsibility for annual and special assessments, as established by the management council. Total amounts paid under the terms of the joint agreement were approximately \$343,000 for the year ended June 30, 2020. The District believes that, because it does not control the selection 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 board, this joint agreement is not required to be included as a component unit of the District.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE K - INTERFUND TRANSFERS

The District transferred \$210,000 from the Operations and Maintenance Fund to the Debt Service Fund. The amounts transferred represent funds transferred to pay principal on the District's debt certificates.

The District transferred \$37,800 from the Operations and Maintenance Fund to the Debt Service Fund. The amount transferred represents funds transferred to pay interest on the District's debt certificates.

NOTE L - CONTINGENCIES

1. Litigation

The District is a defendant in two matters related to alleged abuse by former employees of the District. Although the outcome of these lawsuits is not presently determinable, it is possible that the outcome could have an adverse effect on the financial condition of the District. The District carries insurance to mitigate its exposure to such matters. The District is also subject to various other litigation and claims in the normal course of business. Although the outcome of these matters is not presently determinable, the resolution of these matters, should the outcome be unfavorable, is not expected by management to be significant.

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

3. COVID-19

The direct and indirect impacts of the COVID-19 pandemic on the District's enrollment, vendors, operations, and financing arrangements are currently unknown, except as mentioned below, as is the duration and severity of any impacts that the District may experience. Additionally, tax payers in Lake County have been given the option to pay their property taxes in four installments (June, August, September and November), as opposed to two installments in 2020 (June and September), which may affect the timing of the District receiving those property taxes, and overall cash flows. While the District's evaluation is ongoing, management is currently unable to quantify the full effects that this pandemic will have on its operations, cash flows, and financial position; however, they may be significant. No adjustments have been made to these financial statements as a result of this uncertainty.

Mundelein Consolidated High School District 120

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

NOTE M - DEFICIT FUND BALANCE

At June 30, 2020, the Municipal Retirement/Social Security Fund has a deficit fund balance of \$74,416. District management expects to fund this deficit through future property tax revenues.

NOTE N - SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 20, 2021, the date that these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the statement of net position / balance sheet date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Mundelein Consolidated High School District 120

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MOST RECENT CALENDAR YEARS

Illinois Municipal Retirement Fund
Six Most Recent Fiscal Years

	2020	2019	2018
Total pension liability			
Service cost	\$ 466,582	\$ 371,621	\$ 362,082
Interest on the total pension liability	992,764	949,548	925,299
Benefit changes	-	-	-
Difference between expected and actual experience of the total pension liability	349,917	28,812	179,894
Assumption changes	-	361,967	(442,971)
Benefit payments and refunds	(741,577)	(711,966)	(699,546)
Net change in total pension liability	1,067,686	999,982	324,758
Total pension liability, beginning	13,830,798	12,830,816	12,506,058
Total pension liability, ending	\$ <u>14,898,484</u>	\$ <u>13,830,798</u>	\$ <u>12,830,816</u>
Plan fiduciary net position			
Contributions, employer	\$ 519,917	\$ 508,286	\$ 449,714
Contributions, employee	218,657	193,151	158,474
Net investment income (loss)	1,929,063	(590,867)	1,700,367
Benefit payments, including refunds of employee contributions	(741,577)	(711,966)	(699,546)
Other (net transfer)	(8,330)	(31,956)	(212,677)
Net change in plan fiduciary net position	1,917,730	(633,352)	1,396,332
Plan fiduciary net position, beginning	10,383,209	11,016,561	9,620,229
Plan fiduciary net position, ending	\$ <u>12,300,939</u>	\$ <u>10,383,209</u>	\$ <u>11,016,561</u>
Net pension liability	\$ <u>2,597,545</u>	\$ <u>3,447,589</u>	\$ <u>1,814,255</u>
Plan fiduciary net position as a percentage of the total pension liability	82.57 %	75.07 %	85.86 %
Covered valuation payroll	\$ 4,859,042	\$ 4,109,182	\$ 3,521,649
Net pension liability as a percentage of covered valuation payroll	53.46 %	83.90 %	51.52 %

Note: The District implemented GASB 68 beginning with it's fiscal year ended June 30, 2015 therefore 10 years of information is not available.

Note: Actuarial valuations are as of December 31, which is six months prior to the end of the fiscal year.

	<u>2017</u>		<u>2016</u>		<u>2015</u>
\$	338,908	\$	296,366	\$	280,125
	886,375		847,384		762,877
	-		-		-
	(44,600)		17,611		197,812
	(55,271)		-		539,198
	<u>(663,202)</u>		<u>(656,739)</u>		<u>(599,238)</u>
	462,210		504,622		1,180,774
	<u>12,043,848</u>		<u>11,539,226</u>		<u>10,358,452</u>
\$	<u><u>12,506,058</u></u>	\$	<u><u>12,043,848</u></u>	\$	<u><u>11,539,226</u></u>

\$	473,129	\$	411,553	\$	373,732
	144,639		124,629		114,338
	626,686		43,602		503,925
	(663,202)		(656,739)		(599,238)
	<u>(44,207)</u>		<u>379,408</u>		<u>71,319</u>
	537,045		302,453		464,076
	<u>9,083,184</u>		<u>8,780,731</u>		<u>8,316,655</u>
\$	<u><u>9,620,229</u></u>	\$	<u><u>9,083,184</u></u>	\$	<u><u>8,780,731</u></u>
\$	<u><u>2,885,829</u></u>	\$	<u><u>2,960,664</u></u>	\$	<u><u>2,758,495</u></u>

76.92 % 75.42 % 76.09 %

\$ 3,214,399 \$ 2,769,534 \$ 2,535,128

89.78 % 106.90 % 108.81 %

Mundelein Consolidated High School District 120

MULTIYEAR SCHEDULE OF CONTRIBUTIONS

Illinois Municipal Retirement Fund

Six Most Recent Fiscal Years

Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2020	\$ 519,917	* \$ 519,917	\$ -	\$ 4,859,042	10.70 %
2019	499,266	508,286	(9,020)	4,109,182	12.37
2018	449,715	449,714	1	3,521,649	12.77
2017	473,160	473,129	31	3,214,399	14.72
2016	411,553	411,553	-	2,769,534	14.86
2015	373,733	373,732	1	2,535,128	14.74

* Estimated based on contribution rate of 10.70% and covered valuation payroll of \$4,859,042.

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 therefore 10 years of information is not available.

Mundelein Consolidated High School District 120
MULTIYEAR SCHEDULE OF DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
Teachers' Retirement System of the State of Illinois
Six Most Recent Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.0022276941 %	0.0024326027 %	0.0022546649 %
District's proportionate share of the net pension liability	\$ 1,806,842	\$ 1,896,088	\$ 1,722,522
State's proportionate share of the net pension liability associated with the District	<u>128,590,958</u>	<u>129,889,990</u>	<u>118,581,962</u>
Total	<u>\$ 130,397,800</u>	<u>\$ 131,786,078</u>	<u>\$ 120,304,484</u>
District's covered-employee payroll	\$ 17,682,281	\$ 16,722,270	\$ 15,960,786
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	10.22 %	11.34 %	10.79 %
Plan fiduciary net position as a percentage of the total pension liability	39.60 %	40.00 %	39.30 %

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pension liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 therefore 10 years of information is not available.

<u>2017</u>	<u>2016</u>	<u>2015</u>
0.0030377837 %	0.0026692237 %	0.0024132573 %
\$ 2,397,906	\$ 1,748,610	\$ 1,468,667
<u>122,138,379</u>	<u>93,420,818</u>	<u>87,487,936</u>
<u>\$ 124,536,285</u>	<u>\$ 95,169,428</u>	<u>\$ 88,956,603</u>
\$ 15,372,024	\$ 14,543,792	\$ 14,095,401
15.60 %	12.02 %	10.42 %
36.40 %	41.50 %	43.00 %

Mundelein Consolidated High School District 120
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
 Teachers' Retirement System of the State of Illinois
Six Most Recent Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 102,557	\$ 96,989	\$ 98,978
Contributions in relation to the contractually required contribution	<u>100,887</u>	<u>101,072</u>	<u>92,891</u>
Contribution deficiency (excess)	<u>\$ 1,670</u>	<u>\$ (4,083)</u>	<u>\$ 6,087</u>
District's covered-employee payroll	\$ 18,859,093	\$ 17,682,281	\$ 16,722,270
Contributions as a percentage of covered-employee payroll	0.53 %	0.57 %	0.56 %

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pension liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 therefore 10 years of information is not available.

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 102,501	\$ 100,343	\$ 91,601
<u>117,644</u>	<u>93,529</u>	<u>86,104</u>
\$ <u><u>(15,143)</u></u>	\$ <u><u>6,814</u></u>	\$ <u><u>5,497</u></u>
\$ 15,960,786	\$ 15,372,024	\$ 14,543,792
0.74 %	0.61 %	0.59 %

Mundelein Consolidated High School District 120
MULTIYEAR SCHEDULE OF CHANGES IN TOTAL OTHER POST RETIREMENT BENEFITS
(OPEB) LIABILITY AND RELATED RATIOS
Retiree Health Plan
Three Most Recent Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability			
Service cost	\$ 28,758	\$ 22,726	\$ 22,110
Interest on the total OPEB liability	10,705	11,479	11,364
Difference between expected and actual experience of the total OPEB liability	(48,198)	-	-
Assumption changes	12,401	5,133	(32,173)
Benefit payments and refunds	(32,817)	(48,469)	(56,234)
Other (net transfer)	58,899	(205)	(11,912)
Net change in total OPEB liability	29,748	(9,336)	(66,845)
Total OPEB liability, beginning	400,108	409,444	476,289
Total OPEB liability, ending	<u>\$ 429,856</u>	<u>\$ 400,108</u>	<u>\$ 409,444</u>
Plan fiduciary net position			
Contributions, employer	\$ -	\$ -	\$ -
Contributions, employee	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	-	-	-
Other (net transfer)	-	-	-
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position, beginning	-	-	-
Plan fiduciary net position, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability	<u>\$ 429,856</u>	<u>\$ 400,108</u>	<u>\$ 409,444</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00 %	0.00 %	0.00 %
Covered valuation payroll	\$ 21,646,801	\$ 18,976,596	\$ 18,976,596
Net OPEB liability as a percentage of covered valuation payroll	1.99 %	2.11 %	2.16 %

Note: The District implemented GASB 75 beginning with its fiscal year ended June 30, 2018; therefore 10 years of information is not available.

Mundelein Consolidated High School District 120
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY
Teachers' Health Insurance Security Fund
Three Most Recent Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability	0.0710650 %	0.0682110 %	0.0693810 %
District's proportionate share of the net OPEB liability	\$ 19,668,894	\$ 17,970,640	\$ 18,004,087
State's proportionate share of the net OPEB liability associated with the District	<u>26,934,192</u>	<u>24,130,694</u>	<u>23,643,840</u>
Total	<u>\$ 46,603,086</u>	<u>\$ 42,101,334</u>	<u>\$ 41,647,927</u>
District's covered-employee payroll	\$ 17,682,281	\$ 16,722,270	\$ 15,960,786
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	1.112 %	1.075 %	1.128 %
Plan fiduciary net position as a percentage of the total OPEB liability	0.25 %	-0.07 %	-0.17 %

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

Mundelein Consolidated High School District 120
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Health Insurance Security Fund
Three Most Recent Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 162,677	\$ 147,156	\$ 134,071
Contributions in relation to the contractually required contribution	<u>160,692</u>	<u>147,156</u>	<u>134,071</u>
Contribution deficit	<u><u>\$ (1,985)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
District's covered-employee payroll	\$ 18,859,093	\$ 17,682,281	\$ 16,722,270
Contributions as a percentage of covered-employee payroll	0.01 %	0.01 %	0.01 %

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
General levy	\$ 25,920,457	\$ 25,920,457	\$ 25,977,981	\$ 57,524	\$ 25,318,378
Special education levy	509,496	509,496	510,588	1,092	537,689
Corporate personal property replacement taxes	350,000	350,000	330,431	(19,569)	307,112
Summer school tuition from pupils or parents	85,000	85,000	37,705	(47,295)	93,380
Interest on investments	425,950	425,950	542,007	116,057	479,667
Admissions - athletic	24,500	24,500	32,520	8,020	27,328
Fees	425,000	425,000	426,011	1,011	455,732
Book store sales	2,500	2,500	1,071	(1,429)	1,460
Other district/school activity revenue	173,500	173,500	138,055	(35,445)	173,169
Other - textbooks	4,500	4,500	1,567	(2,933)	4,907
Services provided other districts	673,699	673,699	683,938	10,239	111,145
Other	5,000	5,000	22,014	17,014	10,579
Total local sources	<u>28,599,602</u>	<u>28,599,602</u>	<u>28,703,888</u>	<u>104,286</u>	<u>27,520,546</u>
State sources					
Evidence Based Funding Formula	2,082,415	2,082,415	2,089,471	7,056	2,024,787
Special Education - Private Facility Tuition	250,000	250,000	362,839	112,839	225,853
Special Education - Orphanage - Individual	-	-	-	-	166,672
Special Education - Summer School	1,250	1,250	-	(1,250)	-
CTE - Secondary Program Improvement (CTEI)	32,651	32,651	32,651	-	54,757
Driver Education	45,000	45,000	37,458	(7,542)	51,923
Adult Education (from ICCB)	467,760	428,260	474,603	46,343	398,301
Other restricted revenue from state sources	1,400	1,400	-	(1,400)	1,484
Total state sources	<u>2,880,476</u>	<u>2,840,976</u>	<u>2,997,022</u>	<u>156,046</u>	<u>2,923,777</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Federal sources					
Other restricted grants-in-aid received directly from the Federal Govt.	\$ -	\$ 10,000	\$ 49,072	\$ 39,072	\$ -
Special Milk Program	15,000	15,000	12,120	(2,880)	15,419
Title I - Low Income	234,302	258,223	215,975	(42,248)	226,686
Title IV - Student Support & Academic Enrichment Grant	20,834	32,753	21,964	(10,789)	16,486
Federal Special Education - IDEA Flow Through	320,092	351,871	330,730	(21,141)	341,942
Federal Special Education - IDEA Room & Board	150,000	150,000	28,786	(121,214)	54,007
Federal Special Education - CTE - Perkins-Title III E Tech Prep	-	-	-	-	-
CTE - Other	16,902	16,902	16,902	-	16,902
Federal - Adult Education	228,795	223,295	-	(223,295)	187,675
Title III - Instruction for English Learners & Immigrant Students	-	-	-	-	524
Title III - English Language Acquisition	14,200	14,200	5,199	(9,001)	6,671
Title II - Teacher Quality	41,761	54,977	22,276	(32,701)	49,509
Medicaid Matching Funds - Administrative Outreach	-	-	12,571	12,571	-
Medicaid Matching Funds - Fee-For-Service Program	50,000	50,000	-	(50,000)	19,496
Total federal sources	<u>1,091,886</u>	<u>1,177,221</u>	<u>715,595</u>	<u>(461,626)</u>	<u>935,317</u>
Total revenues	<u>32,571,964</u>	<u>32,617,799</u>	<u>32,416,505</u>	<u>(201,294)</u>	<u>31,379,640</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Expenditures					
Instruction					
Regular programs					
Salaries	\$ 10,911,965	\$ 10,935,522	\$ 10,563,720	\$ 371,802	\$ 10,543,899
Employee benefits	1,734,000	1,739,000	1,978,236	(239,236)	1,662,572
Purchased services	99,250	99,250	80,222	19,028	71,233
Supplies and materials	447,784	466,572	382,283	84,289	422,117
Capital outlay	45,000	45,000	17,561	27,439	32,239
Other objects	12,500	12,500	16,137	(3,637)	7,158
Non-capitalized equipment	176,000	158,500	116,316	42,184	217,882
Total	<u>13,426,499</u>	<u>13,456,344</u>	<u>13,154,475</u>	<u>301,869</u>	<u>12,957,100</u>
Special education programs					
Salaries	3,988,635	4,000,630	4,116,638	(116,008)	3,685,139
Employee benefits	678,300	678,300	640,690	37,610	599,757
Purchased services	91,000	91,000	105,761	(14,761)	99,056
Supplies and materials	23,700	23,700	48,126	(24,426)	87,780
Capital outlay	12,000	12,000	7,897	4,103	-
Non-capitalized equipment	-	-	-	-	2,108
Total	<u>4,793,635</u>	<u>4,805,630</u>	<u>4,919,112</u>	<u>(113,482)</u>	<u>4,473,840</u>
Remedial and Supplemental programs K-12					
Salaries	4,000	4,000	1,331	2,669	3,880
Employee benefits	-	-	146	(146)	389
Total	<u>4,000</u>	<u>4,000</u>	<u>1,477</u>	<u>2,523</u>	<u>4,269</u>
Adult/continuing education programs					
Salaries	570,011	378,000	411,127	(33,127)	409,008
Employee benefits	7,606	29,500	16,171	13,329	20,677
Purchased services	-	3,500	2,600	900	1,450
Supplies and materials	113,493	240,555	171,461	69,094	153,831
Total	<u>691,110</u>	<u>651,555</u>	<u>601,359</u>	<u>50,196</u>	<u>584,966</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
CTE programs					
Supplies and materials	\$ -	\$ 5,230	\$ 5,230	\$ -	\$ 1,086
Capital outlay	<u>49,553</u>	<u>44,323</u>	<u>45,081</u>	<u>(758)</u>	<u>47,926</u>
Total	<u>49,553</u>	<u>49,553</u>	<u>50,311</u>	<u>(758)</u>	<u>49,012</u>
Interscholastic programs					
Salaries	1,419,260	1,419,260	1,525,933	(106,673)	1,519,097
Employee benefits	56,000	56,000	66,751	(10,751)	79,519
Purchased services	185,500	185,500	172,222	13,278	178,626
Supplies and materials	123,000	123,000	108,197	14,803	117,123
Other objects	58,850	58,850	52,467	6,383	56,684
Non-capitalized equipment	<u>25,000</u>	<u>25,000</u>	<u>24,442</u>	<u>558</u>	<u>22,122</u>
Total	<u>1,867,610</u>	<u>1,867,610</u>	<u>1,950,012</u>	<u>(82,402)</u>	<u>1,973,171</u>
Summer school programs					
Salaries	120,000	120,000	89,741	30,259	139,488
Employee benefits	2,250	2,250	5,162	(2,912)	8,797
Purchased services	2,200	2,200	12,600	(10,400)	8,505
Supplies and materials	<u>5,050</u>	<u>5,050</u>	<u>11,389</u>	<u>(6,339)</u>	<u>9,037</u>
Total	<u>129,500</u>	<u>129,500</u>	<u>118,892</u>	<u>10,608</u>	<u>165,827</u>
Bilingual programs					
Salaries	364,500	365,500	410,752	(45,252)	385,297
Employee benefits	62,180	62,180	52,996	9,184	45,203
Purchased services	-	676	-	676	2,468
Supplies and materials	<u>15,000</u>	<u>15,800</u>	<u>10,854</u>	<u>4,946</u>	<u>16,106</u>
Total	<u>441,680</u>	<u>444,156</u>	<u>474,602</u>	<u>(30,446)</u>	<u>449,074</u>
Total instruction	<u>21,403,587</u>	<u>21,408,348</u>	<u>21,270,240</u>	<u>138,108</u>	<u>20,657,259</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Support services					
Pupils					
Attendance and social work services					
Salaries	\$ 573,800	\$ 573,800	\$ 573,160	\$ 640	\$ 541,147
Employee benefits	73,380	73,380	70,022	3,358	50,419
Supplies and materials	<u>350</u>	<u>350</u>	<u>45</u>	<u>305</u>	<u>136</u>
Total	<u>647,530</u>	<u>647,530</u>	<u>643,227</u>	<u>4,303</u>	<u>591,702</u>
Guidance services					
Salaries	1,057,400	1,057,400	1,082,336	(24,936)	1,070,808
Employee benefits	166,400	166,400	141,111	25,289	160,987
Purchased services	49,000	52,000	34,242	17,758	39,519
Supplies and materials	31,000	31,000	19,135	11,865	25,453
Other objects	<u>1,000</u>	<u>1,000</u>	<u>685</u>	<u>315</u>	<u>525</u>
Total	<u>1,304,800</u>	<u>1,307,800</u>	<u>1,277,509</u>	<u>30,291</u>	<u>1,297,292</u>
Health services					
Salaries	217,500	217,500	235,141	(17,641)	206,620
Employee benefits	31,920	31,920	35,835	(3,915)	28,114
Purchased services	5,250	5,250	1,395	3,855	7,775
Supplies and materials	<u>3,000</u>	<u>3,000</u>	<u>1,091</u>	<u>1,909</u>	<u>2,844</u>
Total	<u>257,670</u>	<u>257,670</u>	<u>273,462</u>	<u>(15,792)</u>	<u>245,353</u>
Psychological services					
Salaries	312,700	312,700	261,754	50,946	223,699
Employee benefits	39,065	39,065	36,784	2,281	35,766
Purchased services	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>30,048</u>
Total	<u>361,765</u>	<u>361,765</u>	<u>298,538</u>	<u>63,227</u>	<u>289,513</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Speech pathology and audiology services					
Salaries	\$ 259,750	\$ 259,750	\$ 260,835	\$ (1,085)	\$ 127,203
Employee benefits	32,600	32,600	37,573	(4,973)	21,773
Purchased services	<u>2,000</u>	<u>2,000</u>	<u>250</u>	<u>1,750</u>	<u>44,341</u>
Total	<u>294,350</u>	<u>294,350</u>	<u>298,658</u>	<u>(4,308)</u>	<u>193,317</u>
Total pupils	<u>2,866,115</u>	<u>2,869,115</u>	<u>2,791,394</u>	<u>77,721</u>	<u>2,617,177</u>
Instructional staff					
Improvement of instruction services					
Salaries	366,951	369,982	370,234	(252)	371,610
Employee benefits	55,315	55,315	61,093	(5,778)	57,960
Purchased services	79,954	91,200	68,659	22,541	105,110
Supplies and materials	21,609	22,193	10,783	11,410	16,275
Other objects	9,250	10,250	6,193	4,057	8,287
Non-capitalized equipment	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Total	<u>534,079</u>	<u>549,940</u>	<u>516,962</u>	<u>32,978</u>	<u>559,242</u>
Educational media services					
Salaries	288,501	288,501	284,574	3,927	271,834
Employee benefits	29,850	29,850	24,156	5,694	29,647
Supplies and materials	<u>38,100</u>	<u>38,100</u>	<u>36,836</u>	<u>1,264</u>	<u>34,885</u>
Total	<u>356,451</u>	<u>356,451</u>	<u>345,566</u>	<u>10,885</u>	<u>336,366</u>
Assessment and testing					
Salaries	15,000	15,000	214	14,786	15,584
Employee benefits	-	-	-	-	196
Purchased services	20,000	20,000	32,767	(12,767)	18,408
Supplies and materials	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>1,790</u>
Total	<u>37,000</u>	<u>37,000</u>	<u>32,981</u>	<u>4,019</u>	<u>35,978</u>
Total instructional staff	<u>927,530</u>	<u>943,391</u>	<u>895,509</u>	<u>47,882</u>	<u>931,586</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
General administration					
Board of education services					
Salaries	\$ 62,040	\$ 62,040	\$ 64,418	\$ (2,378)	\$ 60,231
Employee benefits	7,130	7,130	8,206	(1,076)	7,936
Purchased services	203,500	203,500	224,810	(21,310)	262,397
Supplies and materials	14,000	14,000	7,846	6,154	11,234
Other objects	10,000	10,000	8,261	1,739	12,382
Total	<u>296,670</u>	<u>296,670</u>	<u>313,541</u>	<u>(16,871)</u>	<u>354,180</u>
Executive administration services					
Salaries	340,272	340,272	406,216	(65,944)	296,461
Employee benefits	60,700	60,700	54,046	6,654	54,900
Purchased services	5,000	5,000	249	4,751	2,647
Supplies and materials	5,000	5,000	1,753	3,247	4,860
Other objects	3,000	3,000	2,716	284	1,701
Non-capitalized equipment	2,500	2,500	-	2,500	5,819
Total	<u>416,472</u>	<u>416,472</u>	<u>464,980</u>	<u>(48,508)</u>	<u>366,388</u>
Tort immunity services					
Purchased services	164,049	164,049	146,875	17,174	161,893
Total	<u>164,049</u>	<u>164,049</u>	<u>146,875</u>	<u>17,174</u>	<u>161,893</u>
Total general administration	<u>877,191</u>	<u>877,191</u>	<u>925,396</u>	<u>(48,205)</u>	<u>882,461</u>
School administration					
Office of the principal services					
Salaries	1,004,531	1,004,531	985,675	18,856	958,971
Employee benefits	167,140	167,140	165,944	1,196	154,781
Purchased services	111,000	111,000	73,933	37,067	99,046
Supplies and materials	68,500	68,500	63,496	5,004	79,899
Other objects	16,000	16,000	12,047	3,953	9,691
Total	<u>1,367,171</u>	<u>1,367,171</u>	<u>1,301,095</u>	<u>66,076</u>	<u>1,302,388</u>

(Continued)

Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Other support services - school administration					
Salaries	\$ 645,000	\$ 645,000	\$ 655,176	\$ (10,176)	\$ 630,305
Employee benefits	108,000	108,000	99,355	8,645	102,183
Purchased services	4,500	4,500	4,231	269	2,587
Other objects	500	500	164	336	89
Total	<u>758,000</u>	<u>758,000</u>	<u>758,926</u>	<u>(926)</u>	<u>735,164</u>
Total school administration	<u>2,125,171</u>	<u>2,125,171</u>	<u>2,060,021</u>	<u>65,150</u>	<u>2,037,552</u>
Business					
Direction of business support services					
Salaries	204,001	204,001	204,001	-	194,495
Employee benefits	25,950	25,950	27,365	(1,415)	36,351
Purchased services	81,500	81,500	90,911	(9,411)	93,502
Supplies and materials	1,000	1,000	516	484	3,114
Other objects	1,200	1,200	615	585	1,345
Non-capitalized equipment	1,000	1,000	-	1,000	6,644
Total	<u>314,651</u>	<u>314,651</u>	<u>323,408</u>	<u>(8,757)</u>	<u>335,451</u>
Fiscal services					
Salaries	509,624	509,624	513,892	(4,268)	445,704
Employee benefits	93,360	93,360	107,604	(14,244)	100,083
Purchased services	3,000	3,000	2,676	324	3,251
Supplies and materials	5,000	5,000	3,320	1,680	4,278
Other objects	500	500	-	500	-
Total	<u>611,484</u>	<u>611,484</u>	<u>627,492</u>	<u>(16,008)</u>	<u>553,316</u>

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Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Operation and maintenance of plant services					
Salaries	\$ 428,728	\$ 428,728	\$ 442,590	\$ (13,862)	\$ 434,128
Employee benefits	87,360	87,360	74,374	12,986	75,724
Purchased services	147,000	147,000	61,408	85,592	143,599
Supplies and materials	7,000	7,000	3,921	3,079	6,714
Non-capitalized equipment	<u>12,000</u>	<u>12,000</u>	<u>5,012</u>	<u>6,988</u>	<u>15,189</u>
Total	<u>682,088</u>	<u>682,088</u>	<u>587,305</u>	<u>94,783</u>	<u>675,354</u>
Pupil transportation services					
Purchased services	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>-</u>
Total	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>-</u>
Food services					
Purchased services	2,000	2,000	44,384	(42,384)	1,865
Supplies and materials	500	500	1,747	(1,247)	-
Non-capitalized equipment	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>650</u>
Total	<u>4,500</u>	<u>4,500</u>	<u>46,131</u>	<u>(41,631)</u>	<u>2,515</u>
Internal services					
Salaries	40,675	40,675	41,069	(394)	38,802
Employee benefits	7,410	7,410	543	6,867	6,592
Purchased services	160,000	160,000	188,264	(28,264)	174,059
Supplies and materials	<u>-</u>	<u>-</u>	<u>24,746</u>	<u>(24,746)</u>	<u>-</u>
Total	<u>208,085</u>	<u>208,085</u>	<u>254,622</u>	<u>(46,537)</u>	<u>219,453</u>
Total business	<u>1,822,308</u>	<u>1,822,308</u>	<u>1,838,958</u>	<u>(16,650)</u>	<u>1,786,089</u>

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Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Data processing services					
Salaries	\$ 598,760	\$ 598,760	\$ 644,473	\$ (45,713)	\$ 485,820
Employee benefits	109,630	109,630	93,608	16,022	67,225
Purchased services	184,176	186,000	137,058	48,942	154,678
Supplies and materials	105,000	105,000	82,487	22,513	60,590
Capital outlay	50,000	50,000	41,179	8,821	17,508
Non-capitalized equipment	<u>395,000</u>	<u>395,000</u>	<u>408,242</u>	<u>(13,242)</u>	<u>376,175</u>
Total central	<u>1,442,566</u>	<u>1,444,390</u>	<u>1,407,047</u>	<u>37,343</u>	<u>1,161,996</u>
Other supporting services					
Supplies and materials	<u>500</u>	<u>500</u>	<u>52</u>	<u>448</u>	<u>-</u>
Total	<u>500</u>	<u>500</u>	<u>52</u>	<u>448</u>	<u>-</u>
Total support services	<u>10,061,381</u>	<u>10,082,066</u>	<u>9,918,377</u>	<u>163,689</u>	<u>9,416,861</u>
Community services					
Salaries	7,060	7,915	4,344	3,571	9,703
Employee benefits	-	-	685	(685)	788
Purchased services	27,039	36,215	17,471	18,744	22,591
Supplies and materials	15,879	22,900	12,006	10,894	9,237
Capital outlay	<u>-</u>	<u>900</u>	<u>864</u>	<u>36</u>	<u>-</u>
Total	<u>49,978</u>	<u>67,930</u>	<u>35,370</u>	<u>32,560</u>	<u>42,319</u>

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Mundelein Consolidated High School District 120
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Payments to other districts and government units					
Payments for regular programs					
Other objects	\$ 30,000	\$ 30,000	\$ 78,930	\$ (48,930)	\$ 53,625
Total	<u>30,000</u>	<u>30,000</u>	<u>78,930</u>	<u>(48,930)</u>	<u>53,625</u>
Payments for special education programs					
Other objects	1,203,000	1,303,000	1,579,205	(276,205)	1,357,655
Total	<u>1,203,000</u>	<u>1,303,000</u>	<u>1,579,205</u>	<u>(276,205)</u>	<u>1,357,655</u>
Payments for CTE education programs					
Other objects	275,000	275,000	355,702	(80,702)	278,775
Total	<u>275,000</u>	<u>275,000</u>	<u>355,702</u>	<u>(80,702)</u>	<u>278,775</u>
Payments for regular programs - tuition					
Other objects	205,000	205,000	228,722	(23,722)	132,932
Total payments to other districts and other government units	<u>1,713,000</u>	<u>1,813,000</u>	<u>2,242,559</u>	<u>(429,559)</u>	<u>1,822,987</u>
Total expenditures	<u>33,227,946</u>	<u>33,371,344</u>	<u>33,466,546</u>	<u>(95,202)</u>	<u>31,939,426</u>
Net change to fund balance	<u>\$ (655,982)</u>	<u>\$ (753,545)</u>	(1,050,041)	<u>\$ (296,496)</u>	(559,786)
Fund balance, beginning of year			<u>13,855,739</u>		<u>14,415,525</u>
Fund balance, end of year			<u>\$ 12,805,698</u>		<u>\$ 13,855,739</u>

(Concluded)

Mundelein Consolidated High School District 120
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
General levy	\$ 3,078,747	\$ 3,078,747	\$ 3,085,347	\$ 6,600	\$ 3,177,206
Interest on investments	50,000	50,000	57,829	7,829	52,615
Rentals	83,250	83,250	34,756	(48,494)	29,940
Contributions and donations from private sources	125,000	125,000	98,691	(26,309)	188,160
Other	<u>15,000</u>	<u>15,000</u>	<u>5,634</u>	<u>(9,366)</u>	<u>19,353</u>
Total local sources	<u>3,351,997</u>	<u>3,351,997</u>	<u>3,282,257</u>	<u>(69,740)</u>	<u>3,467,274</u>
State sources					
Other restricted revenue from state sources	<u>75,000</u>	<u>75,000</u>	<u>40,016</u>	<u>(34,984)</u>	<u>26,999</u>
Total revenues	<u>3,426,997</u>	<u>3,426,997</u>	<u>3,322,273</u>	<u>(104,724)</u>	<u>3,494,273</u>
Expenditures					
Support services					
Facilities acquisition and construction services					
Capital outlay	-	-	-	-	1,212
Other objects	<u>103,852</u>	<u>103,852</u>	<u>103,852</u>	<u>-</u>	<u>103,511</u>
Total	<u>103,852</u>	<u>103,852</u>	<u>103,852</u>	<u>-</u>	<u>104,723</u>

(Continued)

Mundelein Consolidated High School District 120
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Operation and maintenance of plant services					
Salaries	\$ 352,950	\$ 352,950	\$ 393,235	\$ (40,285)	\$ 345,897
Employee benefits	72,780	72,780	78,312	(5,532)	64,934
Purchased services	1,153,200	1,153,200	1,127,447	25,753	1,672,528
Supplies and materials	632,500	632,500	599,263	33,237	588,766
Capital outlay	30,000	15,000	320,475	(305,475)	22,973
Other objects	142,500	142,500	150,983	(8,483)	145,125
Non-capitalized equipment	<u>125,000</u>	<u>125,000</u>	<u>81,514</u>	<u>43,486</u>	<u>118,343</u>
Total	<u>2,508,930</u>	<u>2,493,930</u>	<u>2,751,229</u>	<u>(257,299)</u>	<u>2,958,566</u>
Total expenditures	<u>2,612,782</u>	<u>2,597,782</u>	<u>2,855,081</u>	<u>(257,299)</u>	<u>3,063,289</u>
Excess of revenues over expenditures	<u>814,215</u>	<u>829,215</u>	<u>467,192</u>	<u>(362,023)</u>	<u>430,984</u>
Other financing uses					
Transfer to Debt Service Fund for principal on debt certificates	(210,000)	(210,000)	(210,000)	-	(265,000)
Transfer to Debt Service Fund for interest on debt certificates	(37,800)	(37,800)	(37,800)	-	(44,025)
Transfer to Capital Projects Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(656,023)</u>
Total other financing uses	<u>(247,800)</u>	<u>(247,800)</u>	<u>(247,800)</u>	<u>-</u>	<u>(965,048)</u>
Net change in fund balance	<u>\$ 566,415</u>	<u>\$ 581,415</u>	219,392	<u>\$ (362,023)</u>	(534,064)
Fund balance, beginning of year			<u>1,840,071</u>		<u>2,374,135</u>
Fund balance, end of year			<u>\$ 2,059,463</u>		<u>\$ 1,840,071</u>

(Concluded)

Mundelein Consolidated High School District 120
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
General levy	\$ 1,116,004	\$ 1,116,004	\$ 1,118,397	\$ 2,393	\$ 941,426
Interest on investments	<u>20,000</u>	<u>20,000</u>	<u>28,583</u>	<u>8,583</u>	<u>24,983</u>
Total local sources	<u>1,136,004</u>	<u>1,136,004</u>	<u>1,146,980</u>	<u>10,976</u>	<u>966,409</u>
State sources					
Transportation - Regular and Vocational	50,000	50,000	80,251	30,251	48,224
Transportation - Special Education	<u>500,000</u>	<u>500,000</u>	<u>462,645</u>	<u>(37,355)</u>	<u>504,266</u>
Total state sources	<u>550,000</u>	<u>550,000</u>	<u>542,896</u>	<u>(7,104)</u>	<u>552,490</u>
Total revenues	<u>1,686,004</u>	<u>1,686,004</u>	<u>1,689,876</u>	<u>3,872</u>	<u>1,518,899</u>
Expenditures					
Support services					
Business					
Pupil transportation services					
Purchased services	1,696,000	1,611,000	1,569,194	41,806	1,628,714
Supplies and materials	110,000	75,000	59,792	15,208	103,116
Capital outlay	<u>-</u>	<u>10,000</u>	<u>41,753</u>	<u>(31,753)</u>	<u>-</u>
Total expenditures	<u>1,806,000</u>	<u>1,696,000</u>	<u>1,670,739</u>	<u>25,261</u>	<u>1,731,830</u>
Net change in fund balance	<u>\$ (119,996)</u>	<u>\$ (9,996)</u>	19,137	<u>\$ 29,133</u>	(212,931)
Fund balance, beginning of year			<u>760,482</u>		<u>973,413</u>
Fund balance, end of year			<u>\$ 779,619</u>		<u>\$ 760,482</u>

Mundelein Consolidated High School District 120
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
General levy	\$ 591,718	\$ 591,718	\$ 508,550	\$ (83,168)	\$ 488,815
Special education levy	-	-	84,024	84,024	95,985
Social security/Medicare only levy	572,133	572,133	573,359	1,226	537,689
Corporate personal property replacement taxes	20,000	20,000	20,340	340	17,289
Interest on investments	<u>12,000</u>	<u>12,000</u>	<u>20,220</u>	<u>8,220</u>	<u>17,721</u>
Total local sources	<u>1,195,851</u>	<u>1,195,851</u>	<u>1,206,493</u>	<u>10,642</u>	<u>1,157,499</u>
State sources					
Adult Education (from ICCB)	<u>-</u>	<u>39,500</u>	<u>39,500</u>	<u>-</u>	<u>-</u>
Total state sources	<u>-</u>	<u>39,500</u>	<u>39,500</u>	<u>-</u>	<u>-</u>
Federal sources					
Federal - Adult Education	<u>-</u>	<u>5,500</u>	<u>-</u>	<u>(5,500)</u>	<u>-</u>
Total federal sources	<u>-</u>	<u>5,500</u>	<u>-</u>	<u>(5,500)</u>	<u>-</u>
Total revenues	<u>1,195,851</u>	<u>1,240,851</u>	<u>1,245,993</u>	<u>5,142</u>	<u>1,157,499</u>

(Continued)

Mundelein Consolidated High School District 120
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Expenditures					
Instruction					
Regular programs	\$ 242,000	\$ 242,000	\$ 220,132	\$ 21,868	\$ 230,469
Special education programs	159,600	159,600	259,050	(99,450)	224,139
Remedial and supplemental programs K-12	-	-	35	(35)	209
Adult/continuing education programs	54,600	54,600	52,293	2,307	56,089
Interscholastic programs	93,250	93,250	74,066	19,184	82,270
Summer school programs	3,000	3,000	1,659	1,341	4,462
Bilingual programs	<u>18,400</u>	<u>18,400</u>	<u>18,637</u>	<u>(237)</u>	<u>18,110</u>
Total instruction	<u>570,850</u>	<u>570,850</u>	<u>625,872</u>	<u>(55,022)</u>	<u>615,748</u>
Support services					
Pupils					
Attendance and social work services	26,350	26,350	25,140	1,210	24,594
Guidance services	27,300	27,300	24,769	2,531	25,056
Health services	20,900	20,900	29,507	(8,607)	24,799
Psychological services	3,700	3,700	3,637	63	3,088
Speech pathology and audiology services	<u>1,550</u>	<u>1,550</u>	<u>3,587</u>	<u>(2,037)</u>	<u>1,736</u>
Total pupils	<u>79,800</u>	<u>79,800</u>	<u>86,640</u>	<u>(6,840)</u>	<u>79,273</u>
Instructional staff					
Improvement of instruction services	9,500	9,500	15,532	(6,032)	15,291
Educational media services	7,350	7,350	15,424	(8,074)	17,661
Assessment and testing	<u>-</u>	<u>-</u>	<u>16</u>	<u>(16)</u>	<u>625</u>
Total instructional staff	<u>16,850</u>	<u>16,850</u>	<u>30,972</u>	<u>(14,122)</u>	<u>33,577</u>

(Continued)

Mundelein Consolidated High School District 120
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
General administration					
Board of education services	\$ 97,256	\$ 97,256	\$ 95,711	\$ 1,545	\$ 109,087
Executive administration services	19,500	19,500	23,357	(3,857)	18,348
Special area administrative services	-	-	87	(87)	462
Total general administration	<u>116,756</u>	<u>116,756</u>	<u>119,155</u>	<u>(2,399)</u>	<u>127,897</u>
School administration					
Office of Principal Services	69,400	69,400	70,329	(929)	69,753
Other support services - school administration	<u>9,000</u>	<u>9,000</u>	<u>9,091</u>	<u>(91)</u>	<u>8,690</u>
Total school administration	<u>78,400</u>	<u>78,400</u>	<u>79,420</u>	<u>(1,020)</u>	<u>78,443</u>
Business					
Direction of business support services	3,000	3,000	2,955	45	2,816
Fiscal services	70,000	70,000	93,829	(23,829)	81,665
Operation and maintenance of plant services	151,100	151,100	149,569	1,531	142,144
Internal services	<u>7,350</u>	<u>7,350</u>	<u>7,518</u>	<u>(168)</u>	<u>7,289</u>
Total business	<u>231,450</u>	<u>231,450</u>	<u>253,871</u>	<u>(22,421)</u>	<u>233,914</u>
Central					
Data processing services	<u>98,000</u>	<u>98,000</u>	<u>116,639</u>	<u>(18,639)</u>	<u>88,590</u>
Total central	<u>98,000</u>	<u>98,000</u>	<u>116,639</u>	<u>(18,639)</u>	<u>88,590</u>
Total support services	<u>621,256</u>	<u>621,256</u>	<u>686,697</u>	<u>(65,441)</u>	<u>641,694</u>
Community services	<u>85</u>	<u>85</u>	<u>446</u>	<u>(361)</u>	<u>140</u>
Total expenditures	<u>1,192,191</u>	<u>1,192,191</u>	<u>1,313,015</u>	<u>(120,824)</u>	<u>1,257,582</u>

(Continued)

Mundelein Consolidated High School District 120
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Net change in fund balance	<u>\$ 3,660</u>	<u>\$ 48,660</u>	(67,022)	<u>\$ (115,682)</u>	(100,083)
Fund balance (deficit), beginning of year			<u>(7,394)</u>		<u>92,689</u>
Fund deficit, end of year			<u>\$ (74,416)</u>		<u>\$ (7,394)</u>

(Concluded)

Mundelein Consolidated High School District 120

Notes to the Required Supplementary Information

June 30, 2020

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

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

- a) Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) Prior to October 1, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- e) The Board of Education may amend the budget by the same procedures required of its original adoption.
- f) 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 a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- g) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on September 10, 2019, and as amended by the Board of Education on June 16, 2020.
- h) All budget appropriations lapse at the end of the fiscal year.

2. BUDGET RECONCILIATION

The statement of revenues, expenditures, and changes in fund balance - governmental funds (GAAP basis) 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 and the Teachers' Health Insurance Security Fund OPEB. The District does not budget for these amounts. The differences between the budget and GAAP basis are as follows:

	<u>Revenues</u>	<u>Expenditures</u>
General fund - budgetary basis	\$ 32,416,505	\$ 33,466,546
To adjust for on-behalf payments received	8,667,520	-
To adjust for on-behalf payments made	-	8,667,520
	<u>\$ 41,084,025</u>	<u>\$ 42,134,066</u>

Mundelein Consolidated High School District 120

Notes to the Required Supplementary Information

June 30, 2020

3. EXPENDITURES IN EXCESS OF FINAL BUDGETS

The following funds had expenditures in excess of budgets at June 30, 2020:

<u>Fund</u>	<u>Variance</u>
General	\$ 95,202
Operations and Maintenance	257,299
Municipal Retirement / Social Security	120,824
Debt Service	50

4. CHANGES OF ASSUMPTIONS - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

For the 2019, 2018, 2017, and 2016 measurement years, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.50 percent and a real return of 4.50%. Salary increases were assumed to vary by service credit, but the rates of increase in the 2018 measurement year were slightly higher.

For the 2015 and 2014 measurement years, the assumed investment rate of return was 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 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.

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 IMRF CONTRIBUTION RATE*

Valuation Date:

Notes

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

Mundelein Consolidated High School District 120

Notes to the Required Supplementary Information

June 30, 2020

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 IMRF CONTRIBUTION RATE* (Continued)

Methods and Assumptions Used to Determine the 2019 Contribution Rate:

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

Other Information:

Notes There were no benefit changes during the year.

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

Mundelein Consolidated High School District 120

Notes to the Required Supplementary Information

June 30, 2020

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 IMRF CONTRIBUTION RATE* (Continued)

Change in Assumptions:

For the 2019 and 2018 measurement years, the assumed investment rate of return was 7.25 percent, including an inflation rate of 2.50 percent and a real return of 4.75%.

For the 2017, 2016, 2015 and 2014 measurement years, the assumed investment rate of return was 7.50 percent, including an inflation rate of 2.50 percent and a real return of 5.00%.

6. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 THIS CONTRIBUTION RATE

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of June 30 each year, 12 months prior to the fiscal year in which contributions are reported.
Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Fiscal Year End	June 30, 2020

Methods and Assumptions Used to Determine the 2019 Contribution Rate:

Actuarial Cost Method	Aggregate Entry Age Normal
Asset Valuation Method	Market value
Investment Rate of Return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Single equivalent discount rate	3.13%
Price Inflation	2.50%
Salary Increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018, 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-2017.

Mundelein Consolidated High School District 120

Notes to the Required Supplementary Information

June 30, 2020

6. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2019 THIS CONTRIBUTION RATE (Continued)

Methods and Assumptions Used to Determine the 2019 Contribution Rate: (Continued)

Healthcare Cost Trend Rates	Actual trend used for fiscal year 2019. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare cost and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.31% 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.

Change in Assumptions:

The Discount Rate was changed from 3.62% used in the Fiscal Year 2019 valuation to 3.13%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

7. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2020 RHP CONTRIBUTION RATE

Valuation Date:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2020
Fiscal Year End	June 30, 2020

Methods and Assumptions Used to Determine the 2020 Contribution Rate:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Straight-line
Remaining Amortization Period	11.49 years
Municipal Bond Index	2.66%
Asset Valuation Method	Market value
Investment Rate of Return	Not applicable
Price Inflation	3.00%
Salary Increases	4.00%

Mundelein Consolidated High School District 120

Notes to the Required Supplementary Information

June 30, 2020

7. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2020 RHP CONTRIBUTION RATE (Continued)

Methods and Assumptions Used to Determine the 2020 Contribution Rate: (Continued)

Retirement Rates	IMRF Employees: Rates from the December 31, 2019 IMRF Actuarial Valuation Report. TRS Employees: Rates from the June 30, 2019 Teachers' Retirement System Actuarial Valuation Report.
Election at Retirement	100% of Certified Employees & Administrators are assumed to elect the District's TRIP contribution at retirement. 20% of IMRF employees are assumed to elect coverage continuation on the District plans at retirement.
Mortality	<p>IMRF Employees and Retirees: Rates from the December 31, 2019 IMRF Actuarial Valuation Report.</p> <p><u>Active Employees</u> - RP 2014 Employee Mortality Table for both males and females with 2-dimensional, fully generational improvements using the MP-2017 Mortality Improvement Scale.</p> <p><u>Retirees</u> - IMRF-specific mortality rates with 2-dimensional, fully generational improvements using the MP-2017 Mortality Improvement Scale projected from 2015. The rates were developed from the RP-2014 Blue Collar Mortality Table with adjustments to match current IMRF experience.</p> <p>TRS Employees and Retirees: Rates from the June 30, 2019 Teachers' Retirement System Actuarial Valuation Report.</p> <p><u>Active Employees</u> - RP-2014 White Collar Employee Tables projected generationally with Scale MP-2017, with female and male rates multiplied by 104% for all ages.</p> <p><u>Retirees</u> - RP-2014 White Collar Annuitant Tables projected generationally with Scale MP-2017, with female rates multiplied by 70% for ages under 78 and 110% for ages 78 to 114, and male rates multiplied by 94% for ages under 81 and 110% for ages 81 to 114.</p>
Healthcare Cost Trend Rates	2.39, Initial 4.50, Ultimate

Change in Assumptions:

The Discount Rate was changed from 2.79% used in the Fiscal Year 2019 valuation to 2.66%, which is the S&P Municipal Bond 20 Year High-Grade Rate Index as of June 30, 2020.

SUPPLEMENTARY FINANCIAL INFORMATION

Mundelein Consolidated High School District 120

General Fund

COMBINING BALANCE SHEET

June 30, 2020

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Total
ASSETS				
Cash and investments	\$ 24,566,382	\$ 127,270	\$ 752,413	\$ 25,446,065
Receivables (net of allowance for uncollectibles):				
Interest	186,019	1,084	115	187,218
Property taxes	15,067,673	103,918	-	15,171,591
Replacement taxes	50,016	-	-	50,016
Intergovernmental	520,101	-	-	520,101
Other current assets	<u>97,117</u>	<u>-</u>	<u>-</u>	<u>97,117</u>
Total assets	<u>\$ 40,487,308</u>	<u>\$ 232,272</u>	<u>\$ 752,528</u>	<u>\$ 41,472,108</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 480,547	\$ -	\$ -	\$ 480,547
Salaries and wages payable	881,938	-	-	881,938
Unearned school fees	<u>126,947</u>	<u>-</u>	<u>-</u>	<u>126,947</u>
Total liabilities	<u>1,489,432</u>	<u>-</u>	<u>-</u>	<u>1,489,432</u>
DEFERRED INFLOWS				
Unavailable interest revenue	154,035	898	95	155,028
Unavailable grant revenue	263,295	-	-	263,295
Property taxes levied for a future period	<u>26,575,372</u>	<u>183,283</u>	<u>-</u>	<u>26,758,655</u>
Total deferred inflows	<u>26,992,702</u>	<u>184,181</u>	<u>95</u>	<u>27,176,978</u>
FUND BALANCES				
Restricted	-	48,091	-	48,091
Unassigned	<u>12,005,174</u>	<u>-</u>	<u>752,433</u>	<u>12,757,607</u>
Total fund balance	<u>12,005,174</u>	<u>48,091</u>	<u>752,433</u>	<u>12,805,698</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 40,487,308</u>	<u>\$ 232,272</u>	<u>\$ 752,528</u>	<u>\$ 41,472,108</u>

Mundelein Consolidated High School District 120

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2020

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Total
Revenues				
Property taxes	\$ 26,284,325	\$ 184,794	\$ 19,450	\$ 26,488,569
Replacement taxes	330,431	-	-	330,431
State aid	11,664,542	-	-	11,664,542
Federal aid	715,595	-	-	715,595
Interest	538,595	3,079	333	542,007
Other	<u>1,342,881</u>	<u>-</u>	<u>-</u>	<u>1,342,881</u>
Total revenues	<u>40,876,369</u>	<u>187,873</u>	<u>19,783</u>	<u>41,084,025</u>
Expenditures				
Current:				
Instruction:				
Regular programs	13,136,914	-	-	13,136,914
Special programs	4,912,692	-	-	4,912,692
Other instructional programs	3,150,236	-	-	3,150,236
State retirement contributions	8,667,520	-	-	8,667,520
Support services:				
Pupils	2,791,253	-	-	2,791,253
Instructional staff	895,509	-	-	895,509
General administration	778,521	61,848	-	840,369
School administration	2,060,021	-	-	2,060,021
Business	1,251,653	-	-	1,251,653
Operations and maintenance	587,305	85,027	-	672,332
Central	1,365,868	-	-	1,365,868
Other supporting services	52	-	-	52
Community services	35,370	-	-	35,370
Nonprogrammed charges	2,242,559	-	-	2,242,559
Debt service:				
Capital outlay	<u>111,718</u>	<u>-</u>	<u>-</u>	<u>111,718</u>
Total expenditures	<u>41,987,191</u>	<u>146,875</u>	<u>-</u>	<u>42,134,066</u>
Net change in fund balance	(1,110,822)	40,998	19,783	(1,050,041)
Fund balance, beginning of year	<u>13,115,996</u>	<u>7,093</u>	<u>732,650</u>	<u>13,855,739</u>
Fund balance, end of year	<u>\$ 12,005,174</u>	<u>\$ 48,091</u>	<u>\$ 752,433</u>	<u>\$ 12,805,698</u>

Mundelein Consolidated High School District 120
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2020
With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local sources					
General levy	\$ 3,391,843	\$ 3,391,843	\$ 3,399,094	\$ 7,251	\$ 3,245,984
Interest on investments	<u>40,000</u>	<u>40,000</u>	<u>62,374</u>	<u>22,374</u>	<u>54,405</u>
Total revenues	<u>3,431,843</u>	<u>3,431,843</u>	<u>3,461,468</u>	<u>29,625</u>	<u>3,300,389</u>
Expenditures					
Debt service					
Debt services - interest					
Bonds and other - interest	<u>851,250</u>	<u>851,250</u>	<u>561,875</u>	<u>289,375</u>	<u>658,650</u>
Total debt service - interest	<u>851,250</u>	<u>851,250</u>	<u>561,875</u>	<u>289,375</u>	<u>658,650</u>
Principal payments on long-term debt	<u>2,800,625</u>	<u>2,800,625</u>	<u>3,090,000</u>	<u>289,375</u>	<u>2,915,000</u>
Other debt service					
Other objects	<u>-</u>	<u>-</u>	<u>2,325</u>	<u>(2,325)</u>	<u>2,325</u>
Total	<u>-</u>	<u>-</u>	<u>2,325</u>	<u>(2,325)</u>	<u>2,325</u>
Total debt service	<u>3,651,875</u>	<u>3,651,875</u>	<u>3,654,200</u>	<u>(2,325)</u>	<u>3,575,975</u>
Provision for contingencies	<u>2,275</u>	<u>2,275</u>	<u>-</u>	<u>2,275</u>	<u>-</u>
Total expenditures	<u>3,654,150</u>	<u>3,654,150</u>	<u>3,654,200</u>	<u>(50)</u>	<u>3,575,975</u>
Deficiency of revenues over expenditures	<u>(222,307)</u>	<u>(222,307)</u>	<u>(192,732)</u>	<u>29,575</u>	<u>(275,586)</u>

(Continued)

Mundelein Consolidated High School District 120
 Debt Service Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2020
 With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020		Actual	Variance	2019 Actual
	Original Budget	Final Budget		From Final Budget	
Other financing sources					
Transfer to pay principal on debt certificates	\$ 210,000	\$ 210,000	\$ 37,800	\$ 172,200	\$ 44,025
Transfer to pay interest on debt certificates	<u>37,800</u>	<u>37,800</u>	<u>210,000</u>	<u>(172,200)</u>	<u>265,000</u>
Total other financing sources	<u>247,800</u>	<u>247,800</u>	<u>247,800</u>	<u>-</u>	<u>309,025</u>
Net change in fund balance	<u>\$ 25,493</u>	<u>\$ 25,493</u>	55,068	<u>\$ 29,575</u>	33,439
Fund balance, beginning of year			<u>132,086</u>		<u>98,647</u>
Fund balance, end of year			<u>\$ 187,154</u>		<u>\$ 132,086</u>

(Concluded)

Mundelein Consolidated High School District 120

Capital Projects Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL

For the Year Ended June 30, 2020

With Comparative Actual Amounts for the Year Ended June 30, 2019

	2020			Variance From Final Budget	2019 Actual
	Original Budget	Final Budget	Actual		
Revenues					
State sources					
School Infrastructure - Maintenance Projects	\$ -	\$ -	\$ -	\$ -	\$ 838,544
Total revenues	-	-	-	-	838,544
Expenditures					
Support services					
Facilities acquisition and construction services					
Purchased services	-	-	-	-	4,152
Total expenditures	-	-	-	-	4,152
Excess of revenues over expenditures	-	-	-	-	834,392
Other financing sources					
Transfer from Operations and Maintenance					
Fund	-	-	-	-	656,023
Total other financing sources	-	-	-	-	656,023
Net change in fund balance	\$ -	\$ -	-	\$ -	1,490,415
Fund deficit, beginning of year				-	(1,490,415)
Fund balance, end of year				\$ -	\$ -

Mundelein Consolidated High School District 120
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
For the Year Ended June 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
Assets				
Cash and cash equivalents	\$ 409,108	\$ 547,712	\$ 569,134	\$ 387,686
Total assets	<u>\$ 409,108</u>	<u>\$ 547,712</u>	<u>\$ 569,134</u>	<u>\$ 387,686</u>
Liabilities				
Due to student groups				
Band Camp	\$ 13,709	\$ 13,420	18,970	\$ 8,159
Baseball Camp	5,663	1,440	3,975	3,128
Basketball Camp-Boys	13,969	3,524	12,295	5,198
Cheerleading Camp	4,643	2,107	5,682	1,068
Dance Team Camp	(5,950)	8,836	2,726	160
Football Camp	13,831	6,105	15,627	4,309
Basketball Camp-Girls	5,704	474	2,354	3,824
Softball Camp	2,156	2,471	2,174	2,453
Gymnastics Camp-Girls	1,637	405	536	1,506
Lacrosse Camp - Boys	1,406	815	1,905	316
Soccer Camp-Both	3,556	5,141	6,901	1,796
Tennis Camp	2,302	1,213	2,278	1,237
Volleyball Camp-Both	7,642	1,451	6,885	2,208
Wrestling Camp	(1,870)	295	120	(1,695)
Swimming Camp-Both	(85)	-	-	(85)
Cross Country-Camp-Both	1,875	798	556	2,117
Diving Camp	220	450	670	-
Golf Camp-Girls	565	345	659	251
Vocal Music Camp	2,600	2,115	-	4,715
Throw Camp	32	-	-	32
Gymnastics Camp - Boys	353	-	-	353
Track-Speed Camp	520	-	-	520
Water Polo Camp-Boys	2,601	805	3,602	(196)
Water Polo Camp-Girls	1,395	680	1,895	180
Water Polo Camp - Youth	300	2,127	756	1,671
Guard Camp	60	420	-	480
Volleyball - Fundraiser	7,310	3,335	10,637	8
Lacrosse Camp - Girls	(239)	180	-	(59)
Strength Training Summer Camp	1,906	-	8,877	(6,971)
Gymnastics-Bob Bohl Invite	9,093	4,600	2,577	11,116
Soccer Sectionals-Girls	100	-	-	100

(Continued)

Mundelein Consolidated High School District 120
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
For the Year Ended June 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
Liabilities (Continued)				
Due to student groups (Continued)				
Basketball-Boys-Thanksgiving	\$ 2,778	\$ 4,910	\$ 221	\$ 7,467
Basketball-Girls-Holiday	100	-	-	100
Basketball-Girls-Thanksgiving	2,452	4,968	948	6,472
Golf-Boys-Jv Invite	553	-	2,141	(1,588)
Golf-Boys-Jv Quad	838	2,859	637	3,060
Golf-Boys-Varsity Invite	795	2,500	1,173	2,122
Golf-Girls-Varsity Invite	-	460	-	460
Gymnastics-Girls-Jv Invite	160	460	934	(314)
Gymnastics-Girls-Lake Cou Conf	47	-	-	47
Soccer-Girls-Jv Quad	1,758	128	-	1,886
Tennis-Boys-Mustang Invite	100	-	-	100
Tennis-Girls-Jv-Quad	245	180	-	425
Nsc Tournament	100	-	-	100
Waterpolo-Both-P/L Invite	350	2,780	2,191	939
Waterpolo-Girls-Mini	1,610	2,145	43	3,712
Wrestling-Jv/V Quad	1,885	330	-	2,215
Golf-Boys-Hawthorn Invite	500	1,276	-	1,776
Ihsa Tournament - Girls	17	750	435	332
Ihsa Tournament - Boys	2,407	13,104	11,849	3,662
Dance Invite	1,025	2,016	2,016	1,025
Academic Scholarship	6,773	15,657	11,702	10,728
Ap Exams	943	-	-	943
Jerri Craven Memorial Fund	9,781	2,090	4,224	7,647
Student Assistance	306	1,165	295	1,176
Interact	805	-	-	805
Voices/Joe Flynn Memorial	(27)	-	-	(27)
Distinguished Alumni	2,746	680	-	3,426
Mustang Parent Club	1,951	2,442	1,405	2,988
Super Seniors	400	-	-	400
Interest Earned	13,876	5,957	1,847	17,986
Field Trips	1,175	537	440	1,272
Mhs Booster Club	1,547	399	399	1,547
Staff Convenience Account	4,242	596	1,570	3,268
Coke - Sponsorship Funding	2,545	-	912	1,633
MHS Ceaf	1,883	3,500	2,858	2,525

(Continued)

Mundelein Consolidated High School District 120
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
For the Year Ended June 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
Liabilities (Continued)				
Due to student groups (Continued)				
Poetry Slam Team	\$ 114	\$ -	\$ -	\$ 114
Lifesource Scholarship	622	2,000	2,087	535
Mundelein Art Fest Scholarship	500	1,000	1,000	500
Tshirt Purchase	352	350	-	702
Concession Sales	2,836	41,363	23,157	21,042
Leadercast	50	-	-	50
Wellness University	14,938	10,575	2,207	23,306
Stem	400	-	297	103
Transition Center	-	274	-	274
Cultural Fair	-	242	-	242
Fbla-Art Dept	78	-	-	78
Fbla-General	13,296	40,497	54,040	(247)
Art Club	461	17	-	478
Band General	11,464	12,367	23,104	727
Band - Fund Raiser	3,627	-	-	3,627
Broadcasting	3,739	897	2,020	2,616
Chess Club	22	-	-	22
French Club	318	-	-	318
Yearbook	3,762	482	878	3,366
Mock Trial	42	-	-	42
Nhs	465	642	1,120	(13)
Orchesis	562	1,361	393	1,530
Helping Heroes Of America	178	853	778	253
Sadd	336	-	-	336
Student Leadership	9,281	49,022	42,084	16,219
Thespians	30,501	14,691	26,595	18,597
Vocal Music	5,251	34,998	27,921	12,328
Activity Specials	3,070	-	-	3,070
Economics Club	2,421	10,249	10,132	2,538
Black Student Union	54	828	558	324
Gay-Straight Alliance	251	-	-	251
Best Buddies	(111)	678	-	567
Robotics Club	2,071	5,361	3,412	4,020
After School Coalition	-	1,000	-	1,000
Temas Latinos	241	-	-	241

(Continued)

Mundelein Consolidated High School District 120
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
For the Year Ended June 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
Liabilities (Continued)		-	-	
Due to student groups (Continued)				
Puertas	\$ 1,784	\$ 2,526	\$ 2,348	\$ 1,962
Music Invite	1,212	7,650	2,317	6,545
Mundelein Superintendents	34	-	-	34
Stand Up Coalition	132	-	-	132
Click, Operation	2,263	-	-	2,263
Link Crew	108	-	-	108
Mhs Drink Oasis	11	220	934	(703)
Newspaper	658	150	118	690
Wellness Club	60	-	-	60
Byte Club	73	-	15	58
Business Incubator	9,694	8,829	5,661	12,862
Asian Culture Club	227	24	-	251
Avid	153	242	-	395
Spanish Club	39	-	-	39
Book Club	-	-	56	(56)
Debate Club	-	681	501	180
Educators Rising	-	145	-	145
Medical Club	-	500	428	72
Athletic Special	47,511	17,039	22,333	42,217
Strength & Conditioning	10	947	1,320	(363)
Baseball General	3,402	-	-	3,402
Basketball General-Boys	981	14,799	12,315	3,465
Cross Country General - Boys	(328)	5,102	5,807	(1,033)
Gymnastics General-Boys	260	-	234	26
Soccer General-Boys	667	730	3,365	(1,968)
Swimming General-Boys	(84)	-	-	(84)
Tennis General-Boys	147	-	-	147
Track General-Boys	(1,060)	1,231	1,563	(1,392)
Volleyball General-Boys	(802)	-	-	(802)
Waterpolo General-Boys	1,532	-	780	752
Cheerleading General	8,226	41,310	48,453	1,083
Guard-Color/Winter	1,383	167	10	1,540
Football General	2,203	34,405	22,811	13,797
Basketball General-Girls	219	4,020	4,591	(352)
Golf General-Girls	634	675	1,149	160
Golf General-Girls				

(Continued)

Mundelein Consolidated High School District 120
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND - STUDENT ACTIVITY FUNDS
For the Year Ended June 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
Liabilities (Continued)				
Due to student groups (Continued)				
Gymnastics General-Girls	\$ 3,967	\$ 785	\$ 2,999	\$ 1,753
Soccer General-Girls	2,274	2,317	3,175	1,416
Softball General	4,471	17,095	11,539	10,027
Swimming General-Girls	444	-	-	444
Tennis General-Girls	3,930	-	1,014	2,916
Track General-Girls	607	97	75	629
Volleyball General-Girls	962	190	568	584
Waterpolo General-Girls	2,385	376	-	2,761
Golf General-Boys	12	651	653	10
Lacrosse General - Boys	7,217	-	1,482	5,735
Wrestling General	11,836	2,811	10,992	3,655
Lacrosse General - Girls	1,841	825	567	2,099
Swimming & Diving - Girls	1,506	485	28	1,963
Athletic Trainers	3,865	620	207	4,278
Pe Leadership	568	141	95	614
Swimming & Diving - Boys	1,831	1,029	115	2,745
Basketball - Intramural	360	-	70	290
Soccer - Intramural	300	312	-	612
Dance Team General	1,401	12,741	14,781	(639)
Triathlon Club	(264)	-	-	(264)
Cross Country General - Girls	3,122	582	985	2,719
Volleyball - Intramural	262	-	-	262
Bowling General-Girls	-	75	-	75
Total liabilities	\$ 409,108	\$ 547,712	\$ 569,134	\$ 387,686

(Concluded)

OTHER SUPPLEMENTAL INFORMATION

Mundelein Consolidated High School District 120
OPERATING COSTS AND TUITION CHARGE
June 30, 2020 and 2019

Operating costs per pupil	2020	2019
Average Daily Attendance (ADA):	1,902.00	1,880.60
Operating costs:		
Educational	\$ 33,319,671	\$ 31,777,533
Operations and Maintenance	2,855,081	3,063,289
Debt Service	3,654,200	3,575,975
Transportation	1,670,739	1,731,830
Municipal Retirement/Social Security	1,313,015	1,257,582
Tort	146,875	161,893
Subtotal	42,959,581	41,568,102
Less Revenues/Expenditures of Non regular Programs:		
Payments to Other District and Govt Units	2,242,559	1,822,987
Adult education	653,652	641,055
Summer school	120,551	170,289
Community services	34,952	42,459
Capital outlay	474,810	121,858
Non-capitalized equipment	635,526	764,932
Debt principal retired	3,090,000	2,915,000
Subtotal	7,252,050	6,478,580
Operating costs	\$ 35,707,531	\$ 35,089,522
Operating costs per pupil - based on ADA	\$ 18,774	\$ 18,659
Tuition Charge		
Operating costs	\$ 35,707,531	\$ 35,089,522
Less - revenues from specific programs, such as special education or lunch programs	3,630,760	3,207,101
Net operating costs	32,076,771	31,882,421
Depreciation allowance	2,326,559	2,376,733
Allowance tuition costs	\$ 34,403,330	\$ 34,259,154
Tuition charge per pupil - based on ADA	\$ 18,088	\$ 18,217