

Berwyn South School District 100

Berwyn, Illinois

Annual Financial Report

Year Ended June 30, 2019

Berwyn South School District 100
Annual Financial Report
For the Year Ended June 30, 2019

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1 - 3
Managements' Discussion and Analysis	4 - 11
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements	
Balance Sheet- Governmental Funds	14 - 15
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	16
Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds	17 - 18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Fiduciary Assets and Liabilities	20
Notes to the Financial Statements	21 - 63
Required Supplementary Information	
Schedule of Changes in Net Pension Liability and Related Ratios - OPEB	64
Schedule of the Employer's Proportionate share of Net Pension Liability - TRS	65
Schedule of Employer Contributions - TRS	65
Schedule of the Employer's Proportionate share of Net Pension Liability - THIS	66
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios - IMRF	67
Multiyear Schedule of Employer Contributions - IMRF	68
Notes to the Schedule of Employer Contributions - IMRF	69
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	70-77
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Operations and Maintenance Fund	78
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Transportation Fund	79
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Municipal Retirement/Social Security Fund	80-81
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Projects Fund	82
Notes to the Required Supplementary Information	83-84

Berwyn South School District 100
Annual Financial Report
For the Year Ended June 30, 2019

TABLE OF CONTENTS

Supplementary Financial Information

General Fund	
Combining Balance Sheet	85
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance	86
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund	87 - 88
Statement of Changes in Assets and Liabilities - Agency Fund - Student Activity Funds	89
General Long-Term debt	
Schedule of General Obligation Bonds	90-93

Other Supplemental Information

Property Tax Rates and Levies - Last Five Tax Levy Years	94
Operating Costs and Tuition Charge - June 30, 2019 and 2018	95

Single Audit

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	96 - 97
Independent Auditor's Report on Compliance for each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	98-100
Schedule of Expenditures of Federal Awards	101
Notes to Schedule of Expenditures of Federal Awards	102
Schedule of Findings and Questioned Costs	103-104
Summary Schedule of Prior Year Audit Findings	105

Independent Auditors' Report

To Members of the Board of Education
Berwyn South School District 100
Berwyn, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Berwyn South School District 100 (District), as of and for the period ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We have 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 of material misstatement.

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

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

To the Board of Education
Berwyn South School District 100

Opinion

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11, other post-employment benefits information on page 64, the Teachers Retirement System Fund pension data on page 65 Teachers Health Insurance Security pension data on page 66 the Illinois Municipal Retirement Fund pension data on page 67-69, and budgetary comparison schedules and notes to the required supplementary information on pages 70 through 84 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 other information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and the statistical tables are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary financial information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of

To the Board of Education
Berwyn South School District 100

America. In our opinion, the supplementary financial information for the year ended June 30, 2019 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended June 30, 2018, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The 2018 other supplementary information is 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 2018 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 other supplementary information is fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2019, on our consideration of the District's internal control over financial reporting and our tests of its compliance with provisions of laws, regulations, contracts and other matters. The purpose of that report is to describe the scope of testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting and compliance. The report is an internal part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.


Gassensmith & Michalesko, Ltd.
Certified Public Accountants

October 17, 2019

Berwyn South School District 100
Management's Discussion and Analysis
For the Year Ended June 30, 2019
(Unaudited)

The discussion and analysis of Berwyn South School District 100's (The District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2019. The intent of this management discussion and analysis is to look at the District's performance as a whole. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements and notes to the financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

- Net position of the governmental activities increased from a deficit of approximately \$12.5 million to a deficit of \$5.1 million in fiscal year 2019, primarily due to increases in long-term net pension liabilities and net OPEB liabilities.
- Total revenues decreased by approximately \$314 thousand to \$69.3 million in fiscal year 2019. This represents a decrease of 0.5%. Property tax revenue accounts for 28.4% of total revenues.

Overview of the Financial Statements

This discussion and analysis are 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 and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

Berwyn South School District 100

Management's Discussion and Analysis

For the Year Ended June 30, 2019

(Unaudited)

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

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges, with the exception of the Food Service Program. The District's governmental activities include instructional services (regular education, special education and other), supporting 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 funds financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a school district's near-term financial 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 statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and change in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances of the General (includes the Educational and Working

Berwyn South School District 100

Management's Discussion and Analysis

For the Year Ended June 30, 2019

(Unaudited)

Cash funds), Operations and Maintenance, Transportation, IMRF/Social Security, Debt Service 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. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with this budget.

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

Notes to the financial statements

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

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 funding its obligation to provide pension benefits to its noncertified employees.

Government-Wide Financial Analysis

- As seen in Table 1, the District's net position increased by approximately \$7.4 million.
- As seen in Table 2, the District's total revenues were \$69.4 million.

Property taxes and state evidence based funding are still the major revenue sources for the District, representing approximately 60.3% of the District's revenue. The remainder of the District's revenues came from state and federal grants, fees charged for services and special education reimbursements.

The total cost of all programs and services was \$61.9 million. The District's expenses are predominately related to instructing, caring for (pupil services), and transporting students. The District's administrative and business activities accounted for 11.5% of total costs.

Berwyn South School District 100

Management's Discussion and Analysis

For the Year Ended June 30, 2019

(Unaudited)

Table 1		
Condensed Statement of Net Position		
	<u>2019</u>	<u>2018</u>
Current and other assets	40,308,771	33,588,726
Capital assets	<u>25,092,264</u>	<u>25,222,482</u>
Total assets	<u>65,401,035</u>	<u>58,811,208</u>
Deferred outflows of resources	<u>3,666,617</u>	<u>2,025,706</u>
Total assets and deferred outflows	<u>69,067,652</u>	<u>60,836,914</u>
Long-term debt outstanding	61,885,240	64,847,810
Other liabilities	<u>3,917,648</u>	<u>3,780,321</u>
Total liabilities	<u>65,802,888</u>	<u>68,628,131</u>
Deferred inflows of resources	<u>8,375,740</u>	<u>4,755,530</u>
Net position:		
Net investment in capital assets	13,137,482	13,137,482
Restricted	8,310,206	6,024,201
Unrestricted	<u>(26,558,664)</u>	<u>(31,708,430)</u>
Total net position	<u>(5,110,976)</u>	<u>(12,546,747)</u>
Total liabilities, deferred inflows and net position	<u>69,067,652</u>	<u>60,836,914</u>

Berwyn South School District 100

Management's Discussion and Analysis

For the Year Ended June 30, 2019

(Unaudited)

Table 2

Changes in Net Position

	<u>2019</u>	<u>2018</u>	<u>% Change</u>
Revenues:			
Program revenues:			
Charges for services	300,613	357,278	-18.8%
Operating/capital grants and contributions	23,131,393	23,004,333	0.5%
General revenues:			
Taxes	20,000,119	23,050,987	-15.3%
State aid	24,851,841	22,841,669	8.1%
Sales of capital assets	83,366	-	0.0%
Other	1,006,922	350,984	65.1%
Total revenues	<u>69,374,254</u>	<u>69,605,251</u>	-0.3%
Expenses:			
Instruction	42,347,509	39,852,720	5.9%
Pupil and instructional services	3,945,617	3,666,469	7.1%
Administration and business	7,526,557	7,121,765	5.4%
Transportation	1,390,293	1,368,102	1.6%
Operations and maintenance	4,899,347	3,398,026	30.6%
Other	1,829,160	2,295,978	-25.5%
Total expenses	<u>61,938,483</u>	<u>57,703,060</u>	6.8%
Increase (decrease) in net position	<u><u>7,435,771</u></u>	<u><u>11,902,191</u></u>	

Financial Analysis of the District's Funds

The District's governmental funds balance increased from \$28.0 million to \$35.5 million. Revenues exceeded expenditures in the General Fund by \$8.7 million, in the Municipal Retirement Fund by \$425 thousand, in the Operations and Maintenance Fund by \$832 thousand, in the Transportation Fund by \$740 thousand and expenditures exceeded revenues in the Capital Projects Fund by \$1.4 million and in the Debt Service Fund by \$2.0 million,. Overall, the District's government funds had a net increase in fund balance of \$7.5 million. The General Fund ended the fiscal year with a fund balance of \$25.7 million. There are no restrictions, commitments, or limitations on the fund balances of the District that would significantly affect the availability of fund resources for future use.

Berwyn South School District 100

Management's Discussion and Analysis

For the Year Ended June 30, 2019

(Unaudited)

General Fund Budgetary Highlights

The District amended the annual operating budget for the year ended June 30, 2019.

The District's final budget anticipated that revenues would exceed expenditures by \$5.5 million in the General Fund and \$9.8 million District as a whole. The actual results for the year show revenues over expenditures of \$8.7 million for the general fund.

Actual revenues were \$3.8 million than budgeted, primarily due to timeliness of property tax payments and both state and federal grants.

Actual expenditures were less than budgeted expenditures by \$2.1 million.

Capital Asset and Debt Administration

Capital Assets

By the end of fiscal 2019, the District has compiled a total investment of \$54,522,247 (\$25,092,264 net of accumulated depreciation). Total depreciation expense for the year was \$1,789,332, while additions to buildings, vehicles and equipment amounted to \$1,428,834. More detailed information about capital assets can be found in Note 5 of the notes to the financial statements.

Table 3 Capital Assets (net of depreciation)			
	<u>2019</u>	<u>2018</u>	<u>% Change</u>
Land	3,997,483	3,997,483	0.0%
Contruction in process	263,966	33,686	100.0%
Buildings	18,660,390	18,330,770	1.8%
Equipment and vehicles	<u>2,170,425</u>	<u>2,860,543</u>	-31.8%
Total	<u>25,092,264</u>	<u>25,222,482</u>	-0.5%

Berwyn South School District 100
Management's Discussion and Analysis
For the Year Ended June 30, 2019
(Unaudited)

Capital Asset and Debt Administration (continued)

The current facilities of the District adequately accommodate the District's present enrollment. The near-term future plans call for repairs and maintenance to existing facilities as the main capital needs of the District.

Long-term debt

At year-end, the District had \$61.8 million in general obligation bonds and other long-term debt outstanding, including net pension liabilities.

The District continued to pay down its debt, retiring \$2,335,000 of existing bonds and \$140,792 of capital lease certificates.

More detailed information on long-term debt can be found in Note 6 of the notes to the financial statements.

Table 4 Outstanding Long-Term Debt			
	<u>2019</u>	<u>2018</u>	<u>% Change</u>
General obligation bonds			
and notes	32,144,856	34,446,550	-7.2%
Capital leases and other	127,760	268,552	-110.2%
Compensated absences	334,145	356,684	-6.7%
Net Pension Liabilities	<u>29,278,479</u>	<u>29,776,024</u>	-1.7%
Total	<u><u>61,885,240</u></u>	<u><u>64,847,810</u></u>	-4.8%

Berwyn South School District 100

Management's Discussion and Analysis

For the Year Ended June 30, 2019

(Unaudited)

Factors Bearing on the District's Future

The District's certified, paraprofessional, and custodial staffs are under contract through fiscal years 2019 and 2023 respectively. Property tax revenue increases are limited by increases in the Consumer Price Index.

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, contact the Business Office:

Berwyn South School District 100
3401 Gunderson Avenue
Berwyn, Illinois 60402
(708) 795-2300

BASIC FINANCIAL STATEMENTS

BERWYN SOUTH SCHOOL DISTRICT 100
STATEMENT OF NET POSITION- GOVERNMENTAL ACTIVITIES
June 30, 2019

<u>ASSETS</u>	
Cash and investments	30,951,175
Receivable (net of allowance for uncollectibles):	
Property Taxes	7,900,462
Replacement taxes	59,996
Intergovernmental	1,325,431
Prepaid items	71,707
Capital assets:	
Land	3,997,482
Other capital assets, net of depreciation	21,094,782
Total assets	<u>65,401,035</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflows of resources related to pensions	<u>3,666,617</u>
Total assets and deferred outflows of resources	<u>69,067,652</u>
<u>LIABILITIES</u>	
Accounts payable	160,568
Salaries and wages payable	3,490,824
Payroll deductions payable	130,818
Interest payable	135,438
Long-term liabilities:	
Due within one year	2,717,760
Due after one year	59,167,480
Total liabilities	<u>65,802,888</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred inflows of resources related to pensions	7,314,396
Deferred inflows of resources related to taxes	1,061,344
<u>NET POSITION</u>	
Net investment in capital assets	13,137,482
Restricted For:	
Debt Service	3,455,153
Student transportation	1,377,592
Retirement benefits	1,362,797
Operations and maintenance	2,114,664
Unrestricted	<u>(26,558,664)</u>
Total Net Position	<u><u>(5,110,976)</u></u>

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

BERWYN SOUTH SCHOOL DISTRICT 100
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

<u>Functions/Programs</u>	<u>Expenses</u>	<u>PROGRAM REVENUES</u>		<u>Net (Expenses) Revenue and Changes in Net Position</u>
		<u>Changes for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental activities				
Instruction:				
Regular programs	19,211,885	298,998	1,377,848	(17,535,039)
Special programs	7,344,929	-	2,627,667	(4,717,262)
Other instructional programs	1,617,696	-	1,302,589	(315,107)
State retirement contributions	14,172,999	-	14,172,999	-
Support services:				
Pupils	2,193,635	-	-	(2,193,635)
Instructional staff	1,751,982	-	128,981	(1,623,001)
General administration	557,821	-	-	(557,821)
School administration	4,310,417	-	-	(4,310,417)
Business	2,254,844	1,615	2,542,631	289,402
Transportation	1,390,293	-	897,093	(493,200)
Operations and maintenance	4,899,347	-	-	(4,899,347)
Central	-	-	-	-
Other supporting services	36,250	-	81,585	45,335
Community services	367,225	-	-	(367,225)
Interest and fees	1,829,160	-	-	(1,829,160)
Total governmental activities	<u>61,938,483</u>	<u>300,613</u>	<u>23,131,393</u>	<u>(38,506,477)</u>

GENERAL REVENUES:

Taxes:

Real estate taxes, levied for general purposes	13,763,850
Real estate taxes, levied for specific purposes	3,893,394
Real estate taxes, levied for debt service	2,006,809
Personal property replacement taxes	336,066
State aid-formula grants	24,851,841
Sales of capital assets	83,366
Investment earnings	555,480
Other Revenues	<u>451,442</u>
Total general revenues	<u>45,942,248</u>
Change in net position	7,435,771
Net Position -Beginning	<u>(12,546,747)</u>

Net Position - End (5,110,976)

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

BERWYN SOUTH SCHOOL DISTRICT 100
GOVERNMENTAL FUNDS
BALANCE SHEET

June 30, 2019

With Comparative Totals for June 30, 2018

	<u>General</u>	<u>Operations and Maintenance</u>	<u>Transportation</u>
<u>ASSETS</u>			
Cash and investments	23,345,012	1,449,448	972,816
Receivables (net of allowance for uncollectibles):			
Property taxes	5,552,548	830,723	290,841
Replacement taxes	59,996	-	-
Intergovernmental	1,161,338	-	164,093
Prepaid items	17,927	35,853	17,927
Total assets	<u>30,136,821</u>	<u>2,316,024</u>	<u>1,445,677</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Accounts payable	102,673	49,285	8,610
Salaries and wages payable	3,490,824	-	-
Payroll deductions payable	32,750	-	849
Total liabilities	<u>3,626,247</u>	<u>49,285</u>	<u>9,459</u>
Deferred Inflows of Resources			
Unearned revenue	<u>784,836</u>	<u>116,222</u>	<u>40,699</u>
Fund balances:			
Nonspendable	17,927	35,853	17,927
Restricted - Debt Service	-	-	-
Restricted - Student Transportation	-	-	1,377,592
Restricted - Retirement Benefits	-	-	-
Restricted - Operations & Maintenance	-	2,114,664	-
Unassigned	25,707,811	-	-
Total fund balance	<u>25,725,738</u>	<u>2,150,517</u>	<u>1,395,519</u>
Total liabilities and fund balance	<u>30,136,821</u>	<u>2,316,024</u>	<u>1,445,677</u>

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

Municipal Retirement/ Soc. Sec	Debt Service	Capital Projects	Total	
			2019	2018
1,067,754	2,740,652	1,375,493	30,951,175	17,977,052
456,077	770,273	-	7,900,462	14,560,713
-	-	-	59,996	56,448
-	-	-	1,325,431	926,217
-	-	-	71,707	68,296
<u>1,523,831</u>	<u>3,510,925</u>	<u>1,375,493</u>	<u>40,308,771</u>	<u>33,588,726</u>
-	-	-	160,568	221,779
-	-	-	3,490,824	3,267,307
97,219	-	-	130,818	155,577
<u>97,219</u>	<u>-</u>	<u>-</u>	<u>3,782,210</u>	<u>3,644,663</u>
<u>63,815</u>	<u>55,772</u>	<u>-</u>	<u>1,061,344</u>	<u>1,949,153</u>
-	-	-	71,707	68,296
-	3,455,153	-	3,455,153	3,146,012
-	-	-	1,377,592	638,410
1,362,797	-	-	1,362,797	938,135
-	-	-	2,114,664	1,284,570
-	-	1,375,493	27,083,304	21,919,487
<u>1,362,797</u>	<u>3,455,153</u>	<u>1,375,493</u>	<u>35,465,217</u>	<u>27,994,910</u>
<u>1,523,831</u>	<u>3,510,925</u>	<u>1,375,493</u>	<u>40,308,771</u>	<u>33,588,726</u>

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

BERWYN SOUTH SCHOOL DISTRICT 100
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
For the Year Ended June 30, 2019

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

Total fund balances - governmental funds	35,465,217
--	------------

Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.	25,092,264
--	------------

Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, accordingly, is not recognized in the governmental funds balance	(135,438)
--	-----------

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	3,666,617
Deferred inflows of resources related to pensions	(7,314,396)

Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not recognized in the governmental funds balance sheet.	<u>(61,885,240)</u>
---	---------------------

Net Position - governmental activities	<u><u>(5,110,976)</u></u>
--	---------------------------

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

BERWYN SOUTH SCHOOL DISTRICT 100
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2019
With Comparative Actual Totals for the Year Ended June 30, 2018

	<u>General</u>	<u>Operations and Maintenance</u>	<u>Transportation</u>
Revenues			
Property Taxes	13,763,850	2,049,013	718,172
Replacement taxes	321,771	-	-
State aid	38,528,337	1,900,000	1,297,093
Federal aid	5,836,505	-	21,000
Interest	555,480	-	-
Other	690,160	54,531	7,626
Total revenues	<u>59,696,103</u>	<u>4,003,544</u>	<u>2,043,891</u>
Expenditures			
Current:			
Instruction:			
Regular programs	14,971,755	-	-
Special programs	6,912,294	-	-
Other instructional programs	1,605,436	-	-
State retirement contributions	14,172,999	-	-
Support services:			
Pupils	2,124,758	-	-
Instructional staff	1,681,538	-	-
General administration	549,644	-	-
School administration	4,187,447	-	-
Business	2,220,888	-	-
Transportation	-	-	1,303,856
Operations and maintenance	146,579	3,127,612	-
Central	-	-	-
Other supporting services	36,250	-	-
Community services	366,398	-	-
Nonprogrammed charges	207,205	-	-
Debt service:			
Principal	-	-	-
Interest and other	-	-	-
Capital outlay	1,771,840	44,133	-
Total expenditures	<u>50,955,031</u>	<u>3,171,745</u>	<u>1,303,856</u>
Excess (deficiency) of revenues over expenditures	8,741,072	831,799	740,035
Other financing sources (uses)			
Transfers in	-	-	-
Transfers (out)	(4,885,824)	-	-
Sales of capital assets	83,366	-	-
Bond Proceeds	-	-	-
Bond Premium	-	-	-
Transfer to Escrow	-	-	-
Other sources	-	-	-
Total other financing sources (uses)	<u>(4,802,458)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,938,614	831,799	740,035
Fund balance, beginning of year	<u>21,787,124</u>	<u>1,318,718</u>	<u>655,484</u>
Fund balance, end of year	<u>25,725,738</u>	<u>2,150,517</u>	<u>1,395,519</u>

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

			Total	
Municipal Retirement/ Soc. Sec	Debt Service	Capital Projects	2019	2018
1,126,209	2,006,809	-	19,664,053	22,747,586
14,295	-	-	336,066	303,401
400,000	-	-	42,125,430	40,450,798
-	-	-	5,857,505	5,373,936
-	-	-	555,480	157,880
-	36	-	752,353	571,650
<u>1,540,504</u>	<u>2,006,845</u>	<u>-</u>	<u>69,290,887</u>	<u>69,605,251</u>
216,125	-	-	15,187,880	15,567,488
225,430	-	-	7,137,724	6,493,584
12,260	-	-	1,617,696	1,576,855
-	-	-	14,172,999	14,469,582
68,877	-	-	2,193,635	2,196,768
70,444	-	-	1,751,982	1,469,701
8,177	-	-	557,821	646,745
122,970	-	-	4,310,417	4,293,546
33,956	-	-	2,254,844	2,181,474
86,437	-	-	1,390,293	1,368,102
270,339	-	1,354,817	4,899,347	3,398,026
-	-	-	-	220
-	-	-	36,250	50,115
827	-	-	367,225	223,452
-	-	-	207,205	199,554
-	2,460,047	-	2,460,047	2,098,862
-	1,542,608	-	1,542,608	1,650,258
-	-	-	1,815,973	1,430,745
<u>1,115,842</u>	<u>4,002,655</u>	<u>1,354,817</u>	<u>61,903,946</u>	<u>59,315,077</u>
424,662	(1,995,810)	(1,354,817)	7,386,941	10,290,174
-	2,304,951	2,580,873	4,885,824	778,872
-	-	-	(4,885,824)	(778,872)
-	-	-	83,366	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	2,304,951	2,580,873	83,366	-
424,662	309,141	1,226,056	7,470,307	10,290,174
<u>938,135</u>	<u>3,146,012</u>	<u>149,437</u>	<u>27,994,910</u>	<u>17,704,736</u>
<u>1,362,797</u>	<u>3,455,153</u>	<u>1,375,493</u>	<u>35,465,217</u>	<u>27,994,910</u>

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

BERWYN SOUTH SCHOOL DISTRICT 100
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES

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

Net changes in fund balances - total governmental funds	7,470,307
---	-----------

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.	(130,218)
--	-----------

Governmental funds report the effect of deferred charges when the debt is issued. However, these amounts are deferred and amortized in the statement of activities. This is the amount of the current year, net effect of these differences.	(286,772)
--	-----------

The issue of long-term debt (e.g. bonds, leases) 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.	2,498,331
---	-----------

Governmental funds report district pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as	497,545
---	---------

Change in deferred outflows and inflows related to pensions.	(2,613,642)
--	-------------

Accrued interest due in one year does not require the expenditure of current financial resources of governmental funds.	<u>220</u>
---	------------

Change in net position - governmental activities	<u><u>7,435,771</u></u>
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The notes to the basic financial statements are an integral part of this statement.

BERWYN SOUTH SCHOOL DISTRICT 100
AGENCY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2019

	<u>ASSETS</u>	
Cash and investments		<u><u>36,725</u></u>
	<u>LIABILITIES</u>	
Due to student groups		<u><u>36,725</u></u>

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

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Berwyn South School District 100 (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.

A. Reporting Entity

The District is located in Cook 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 those 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 Governmental Accounting Standards Board (GASB) pronouncements.

B. 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 is maintained consistent with legal and managerial requirements.

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

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Fund Accounting (continued)

Governmental funds are used to account for all or most of 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 Projects Fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

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.

C. 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 and intergovernmental revenues. The District considers all funds as major funds.

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 revenue includes (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function 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 instead.

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

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Government-Wide and Fund Financial Statements (continued)

1. General Fund

The General Fund includes the Educational Fund Account and the Working Cash Fund Account. The Educational Fund 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 Fund Account is for the financial resources held by the District to be used as temporary interfund loans for working capital requirements to the special revenue fund's Operations and Maintenance and Transportation Funds. Money loaned by the Working Cash Fund Account to other funds must be repaid within one year. As allowed by the School Code of Illinois, this Fund may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Fund Account of at least .05% of the District's current equalized assessed valuation.

2. 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 expenditures made of operations, repair and maintenance of the District's buildings and land. Revenues consist primarily of local property taxes.

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

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Government-Wide and Fund Financial Statements (continued)

2. Special Revenue Funds (continued)

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.

3. 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 source is local property taxes levied specifically for debt service.

4. Capital Projects Fund

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

5. 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.

The Student Activity Funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. These 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.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Fund Balance

The Governmental Fund financial statements present fund balances based on classification that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

1. *Nonspendable* includes amounts that cannot be spent because they are either not in spendable form or are 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.
2. *Restricted* refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or are imposed by law through enabling legislation. Special revenue funds are by definition restricted for those specified purposes.
3. *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.
4. *Assigned* refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor 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.
5. *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.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Fund Balance (continued)

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.

E. 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, as are the fiduciary fund statements. 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collectible within the current period and soon enough thereafter to pay liabilities of the current period. The District considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues that are paid to the District by the Illinois State Board of Education are considered available if vouchered by year-end. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property and 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. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports deferred inflows of resources as unearned revenue on its financial statements. Unearned revenue arises when a potential revenues does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods,

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Measurement Focus, Basis of Accounting and Basis of Presentation (continued)

when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

F. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles. 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.

G. Deposits and Investments

State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly rated commercial paper, corporate bonds, repurchase agreements and the money market mutual funds registered under the Investment Company Act of 1940, with certain restrictions. Investments are stated at fair value. Changes in the fair value of investments are recorded as investment income.

H. 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.

I. Capital Assets

Capital assets, which include land, land improvements, buildings, building improvements, and equipment and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$2,500 and an estimated useful life of 5 years or more. Such assets are recorded at historical cost or the estimated fair value at the date of donation.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Capital Assets (continued)

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

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>
Land improvements	50
Buildings and building improvements	50
Transportation equipment	5
Other Equipment	3 - 10

J. Prepaid Items

Prepaid items, primarily insurance premiums and maintenance agreements, are recorded at cost and amortized over the terms of the underlying agreements. Reported prepaid expenditures are equally offset by fund balance reserves, which indicate that they do not constitute "available spendable resources" even though they are a component of current net position.

K. 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, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position use are either (1) externally imposed by creditors, grantors, contributors or laws or regulations of other governments or (2) imposed by law through constitutional provisions or 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 they are needed.

M. Deferred Inflows/Outflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The deferred inflows of resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

N. Use of Estimates

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

O. Comparative Total Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position

The governmental funds balance sheet includes a reconciliation between total fund balances- governmental funds and net position- governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not recognized in the governmental funds balance sheet.” The details of this difference are as follows:

General obligation bonds	\$ (32,400,000)
Leases	(127,760)
Compensated absences	(334,145)
Net Pension Liability - TRS	(2,162,205)
Net Pension Liability - IMRF	(3,596,073)
Net OPEB liability - THIS	(22,037,634)
Net Post-employment benefit obligation liability	(1,482,567)
Unamortized discounts	<u>255,144</u>
Net adjustments to reduce fund balance -	
Total governmental funds to arrive at	
Net Position - governmental activities	<u><u>\$(61,885,240)</u></u>

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental funds statement of revenues, expenditures and changes in fund balances includes a reconciliation between net change in fund balances - total governmental funds and change in net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Net capital outlay	\$ 1,659,114
Depreciation expense	<u>(1,789,332)</u>
Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position - governmental activities	\$ <u>(130,218)</u>

Another element of that reconciliation states that "The issuance of long-term debt (e.g. bonds, leases, employee benefits) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds." The details of this difference are as follows:

Principal repayments:	
General obligation bonds	\$ 2,335,000
Leases	140,792
Principal issued:	
Compensated absences	<u>22,539</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position - governmental activities.	\$ <u>2,498,331</u>

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 3 DEPOSITS AND INVESTMENTS

At June 30, 2019, the District's cash and investments consisted of the following:

	<u>Governmental</u>	<u>Fiduciary</u>	<u>Total</u>
Cash	<u>\$30,951,175</u>	<u>\$36,725</u>	<u>\$30,987,900</u>

A. Interest Rate Risk

The District's investment policy seeks to ensure preservation of capital in the District's overall portfolio. The highest return on investments is sought, consistent with the preservation of principal and prudent investment principles. The investment portfolio is required to provide sufficient liquidity to pay District obligations as they come due, considering maturity and marketability. The investment portfolio is also required to be diversified as to maturities and investments, as appropriate to the nature, purpose and amount of funds. The District will also consider investments in local financial institutions, recognizing their contribution to the community's economic development.

B. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from over concentration 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.

With respect to deposits, custodial 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 risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2019 the bank balance of the District's deposits with financial institutions totaled \$33,298,092. As of June 30, 2019, all account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000, or collateralized with securities of the U.S. Government held in the District's name by financial institution acting as the District's agent.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 4 PROPERTY TAX 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 20, 2018. The District's property tax is levied each year on all taxable real property located in the District. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year. The Cook County Assessor is responsible for the assessment of all taxable real property within Cook County except for certain railroad property, which is assessed directly by the state. The county is reassessed every three years by the Assessor.

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the state. Each year, the Illinois Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment between counties at one-third of market value. This factor (the equalization factor) is then applied to the assessed valuation to compute the valuation of property to which the tax rate will be applied (the equalized assessed valuation). The equalization factor for Cook County was 2.9109 for 2018.

The County Clerk adds the equalized assessed valuation of all real property in the county to the valuation of property assessed directly 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 of the 2018 tax levy was \$448,580,914.

Property taxes are collected by the Cook County Treasurer who remits them to the School Treasurer. Taxes levied in one year become due and payable in two installments on March 1 and approximately August 1 during the following year. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill.

The portion of the 2018 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectibles of 1%. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year are recognized as revenue. Such time thereafter does not exceed 60 days. Net taxes receivable less the amount expected to be collected within 60 days is reflected as unearned revenue.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Land	3,997,483	-	-	3,997,483
Construction in Process	<u>33,686</u>	<u>263,966</u>	<u>33,686</u>	<u>263,966</u>
Total capital assets not being depreciated	<u>4,031,169</u>	<u>263,966</u>	<u>33,686</u>	<u>4,261,449</u>
Capital assets, being depreciated				
Land improvements	1,662,985	1,078,940	-	2,741,925
Buildings and building improvements	33,878,675	19,209	-	33,897,884
Equipment	12,810,259	330,685	-	13,140,944
Transportation equipment	<u>480,045</u>	<u>-</u>	<u>-</u>	<u>480,045</u>
Total capital assets, being depreciated	<u>48,831,964</u>	<u>1,428,834</u>	<u>-</u>	<u>50,260,798</u>
Less accumulated depreciation for:				
Land improvements	670,115	98,468	-	768,583
Buildings and building improvements	16,540,775	670,061	-	17,210,836
Equipment	10,079,209	998,605	-	11,077,814
Transportation equipment	<u>350,552</u>	<u>22,198</u>	<u>-</u>	<u>372,750</u>
Total accumulated depreciation	<u>27,640,651</u>	<u>1,789,332</u>	<u>-</u>	<u>29,429,983</u>
Total capital assets, being depreciated, net	<u>21,191,313</u>	<u>(360,498)</u>	<u>-</u>	<u>20,830,815</u>
Governmental activities, capital assets, net	<u>25,222,482</u>	<u>(96,532)</u>	<u>33,686</u>	<u>25,092,264</u>

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 5 CAPITAL ASSETS (continued)

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

Governmental activities

General government

Instructional staff

Regular programs \$1,261,122

Special programs 103,431

Bilingual programs 29,836

Support services

Pupils 3,246

Instructional staff 25,886

General administration 3,246

School administration 249,894

Business administration 31,310

Operations and maintenance 61,368

Transportation 19,994

Total depreciation from governmental activities \$1,789,332

NOTE 6 LONG-TERM LIABILITIES

The following is the long-term liability activity for the District for the year ended June 30, 2019:

	July 1, <u>2018</u>	<u>Additions</u>	<u>Retirements</u>	June 30, <u>2019</u>
General obligation bonds	34,735,000	-	2,335,000	32,400,000
Unamortized premium (discount)	<u>(288,450)</u>	<u>-</u>	<u>(33,306)</u>	<u>(255,144)</u>
Total bonds payable	34,446,550	-	2,301,694	32,144,856
Capital leases	268,552	-	140,792	127,760
Net pension liability	5,991,536	-	233,258	5,758,278
Net OPEB liability - THIS	22,385,014		347,380	22,037,634
Net OPEB liability	1,399,474	83,093	-	1,482,567
Compensated absences	<u>356,684</u>	<u>334,145</u>	<u>356,684</u>	<u>334,145</u>
Total long-term liabilities	<u>64,847,810</u>	<u>417,238</u>	<u>3,379,808</u>	<u>61,885,240</u>

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 6 LONG-TERM LIABILITIES (continued)

A. General Obligation Bonds Payable

Long-term liability principal payments due within one year are as follows:

General obligation bonds	<u>2,590,000</u>
--------------------------	------------------

The summary of bonds payable at June 30, 2019 is as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Carrying Amount</u>
Limited School Bonds -		
dated September 1, 2009A	2.75% - 4.50%	1,760,000
Taxable Limited School Bonds -		
dated September 1, 2009B	1.60% - 6.00%	3,450,000
Refunding School Bonds -		
dated September 1, 2009C	4.60%	565,000
Taxable Refunding School Bonds -		
dated September 1, 2009D	6.15% - 6.35%	1,785,000
Refunding School Bonds -		
dated September 1, 2009E	4.35% - 4.40%	4,145,000
Taxable Refunding School Bonds -		
dated September 1, 2009F	1.70% - 5.80%	6,175,000
Refunding School Bonds -		
dated September 1, 2014	2.00% - 4.00%	5,450,000
Taxable Limited School Bonds -		
dated November 15, 2016A	4.00%	4,580,000
Taxable Limited School Bonds -		
dated November 15, 2016B	3.10% - 3.75%	<u>4,490,000</u>
		<u>32,400,000</u>

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 6 LONG-TERM LIABILITIES (continued)

A. General Obligation Bonds Payable (continued)

At June 30, 2019, the District's future cash flow requirements for retirement of bond principal and interest were as follows:

Year Ending June 30	Principal	Interest	Total
2020	2,590,000	1,420,645	4,010,645
2021	2,690,000	1,308,894	3,998,894
2022	3,190,000	1,207,906	4,397,906
2023	3,395,000	1,003,386	4,398,386
2024	3,405,000	2,919,762	6,324,762
2025-2029	8,810,000	2,446,130	11,256,130
2030-2034	5,860,000	1,074,850	6,934,850
2035-2036	2,460,000	95,200	2,555,200
	<u>32,400,000</u>	<u>11,476,773</u>	<u>43,876,773</u>

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$2,740,652 in 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, 2019, the statutory debt limit for the District was \$30,952,083, and the District exceeded its debt limitation by \$1,575,677.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 6 LONG-TERM LIABILITIES (continued)

A. General Obligation Bonds Payable (continued)

In current and prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. The District has \$19,675,000 of defeased bonds outstanding at June 30, 2019.

B. Capital Leases

The District entered into several lease agreements as lessor for financing the acquisition of computer and copier equipment. The lease agreements qualify as capital leases for accounting purposes; therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception dates. The obligation for the capital leases will be repaid from the Debt Service Fund. Equipment of \$4,731,433 was capitalized as a result of capital leases, with \$3,307,439 of related accumulated amortization. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 are as follows:

Year Ending	
<u>June 30</u>	<u>Amount</u>
2020	<u>130,764</u>
Total minimum lease payments	130,764
Less: amount representing interest	<u>(3,004)</u>
Present value of minimum lease payments	<u>127,760</u>

NOTE 7 OPERATING LEASES

The District is currently obligated under operating lease agreements for office equipment. Lease payments for the fiscal year ended June 30, 2019 were \$1,015,449. The annual future obligation for the District is as follows:

Year Ending	
<u>June 30</u>	<u>Total</u>
2020	511,340
2021	487,755
2022	177,480
2023	177,480
2024	118,320

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 8 RESERVED FUND BALANCES AND SPECIAL TAX LEVIES

Special Education Tax levy

Revenues from the special education tax levy and the related expenditures have been included in the operations of the Educational Fund. Because cumulative expenditures exceeded cumulative revenues, there is no fund balance restriction.

NOTE 9 RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

General Information about the Pension Plan

Plan description

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

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/cafrs/fy2018>; by writing to TRS at 2815 West Washington Street, P O 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. Disability and death benefits are also provided.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

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

Tier II members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I. Essentially all Tier I retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

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

Contributions

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

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

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

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

On behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the district. For the year ended June 30, 2019, State of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective NPL associated with the employer, and the employer recognized revenue and expenditures of \$13,910,921 in pension contributions from the state of Illinois.

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, 2019 were \$122,585, and are deferred because they were paid after the June 30, 2018 measurement date.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the district, there is a statutory requirement for the district to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2019. 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, 2019, the employer pension contribution was 9.85 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2019, salaries totaling \$488,060 were paid from federal and special trust funds that required employer contributions of \$48,074. These contributions are deferred because they were paid after the June 30, 2018 measurement date.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members retiring under the ERO. The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the program that ended on June 30, 2016, is 146.5 percent and applies when the member is age 55 at retirement. For the year ending June 30, 2019, the district paid \$0 to TRS for employer ERO contributions for retirements that occurred before July 1, 2016.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2019, the employer paid \$2,539 to TRS for employer contributions due on salary increases in excess of 6 percent, \$30,336 for salary increases in excess of 3 percent and \$850 for sick leave days granted in excess of the normal annual allotment.

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

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

Employer's proportionate share of the net pension liability	2,162,205
State's proportionate share of the net pension liability associated with the employer	<u>148,120,127</u>
Total	<u><u>150,282,332</u></u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017, and rolled forward to June 30, 2018. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2018, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2018, the employer's proportion was .002774 percent, which was an increase (decrease) of (.004005) from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the employer recognized pension expense of \$13,910,921 and revenue of \$13,910,921 for support provided by the state. At June 30, 2019, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	43,456	471
Net difference between projected and actual earnings on pension plan investments	-	6,620
Changes of assumptions	94,833	61,281
Changes in proportion and differences between employer contributions and proportionate share of contributions	208,403	2,796,850
Employer contributions subsequent to the measurement date	<u>192,290</u>	<u>-</u>
Total	<u><u>538,982</u></u>	<u><u>2,865,222</u></u>

\$192,290 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2019. 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:

2020	(449,703)
2021	(646,791)
2022	(633,410)
2023	(544,701)
2024	(243,925)

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

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

Actuarial assumptions

The total pension liability in the June 30, 2017 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

Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully-generational basis using projection table MP-2014. The same assumptions were used in the June 30, 2016 actuarial valuation.

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

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	14.4%	6.94%
U.S. equities small/mid cap	3.6%	8.09%
International equities developed	14.4%	7.46%
Emerging market equities	3.6%	10.15%
U.S. bonds core	10.7%	2.44%
International debt developed	5.3%	1.70%
Real estate	15.0%	5.44%
Commodities (real return)	11.0%	4.28%
Hedge funds (absolute return)	8.0%	4.16%
Private equity	14.0%	10.63%
Total	100%	

Discount rate

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

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

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

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

At June 30, 2017, the discount rate used to measure the total pension liability was 7.0 percent. The discount rate was lower than the actuarially-assumed rate of return on investments that year as well because TRS's fiduciary net position and the subsidy provided by Tier II were not sufficient to cover all projected benefit payments.

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net pension liability	2,651,740	2,162,205	1,767,982

TRS fiduciary net position

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

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

B. Illinois Municipal Retirement Fund

IMRF Plan Description

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

Benefits Provided

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

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

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

B. Illinois Municipal Retirement Fund (continued)

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.

Employees Covered by Benefit Terms

At December 31, 2018, the following employees were covered by the benefit terms:

Number of	
Retirees and Beneficiaries	129
Inactive, Non-Retired Members	256
Active Members	124
Total	<u>509</u>
Covered Valuation Payroll	\$ 4,497,845

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

B. Illinois Municipal Retirement Fund (continued)

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2018 was 10.94%. For the fiscal year ended June 30, 2019, the District contributed \$460,484 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, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

B. Illinois Municipal Retirement Fund (continued)

Actuarial Assumptions

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

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

B. Illinois Municipal Retirement Fund (continued)

Actuarial Assumptions (continued)

• The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2018:

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

Single Discount Rate

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

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

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

B. Illinois Municipal Retirement Fund (continued)

Single Discount Rate (continued)

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2017	18,460,171	17,648,022	812,149
Changes for the year:			-
Service Cost	421,135	-	421,135
Interest on the Total Pension Liability	1,368,703	-	1,368,703
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	566,382	-	566,382
Changes of Assumptions	537,803	-	537,803
Contributions - Employer	-	492,065	(492,065)
Contributions - Employees	-	206,053	(206,053)
Net Investment Income	-	(902,591)	902,591
Benefit Payments, including Refunds of Employee Contributions	(842,737)	(842,737)	-
Other (Net Transfer)	-	314,572	(314,572)
Net Changes	<u>2,051,286</u>	<u>(732,638)</u>	<u>2,783,924</u>
Balances at December 31, 2018	<u><u>20,511,457</u></u>	<u><u>16,915,384</u></u>	<u><u>3,596,073</u></u>

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

B. Illinois Municipal Retirement Fund (continued)

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	6,063,929	3,596,073	1,601,538

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

For the year ended June 30, 2019, the District recognized pension expense of \$451,775. At June 30, 2019, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	314,152	85,744
Changes of assumptions	298,300	110,924
Net difference between projected and actual earnings on pension plan investments	<u>2,026,627</u>	<u>961,612</u>
Total deferred amounts to be recognized in pension expense in future periods	2,639,079	1,158,280
<i>Pension contributions made subsequent to the measurement date</i>	<u>217,656</u>	<u>-</u>
Total deferred amounts related to pensions	<u><u>2,856,735</u></u>	<u><u>1,158,280</u></u>

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 9 RETIREMENT FUND COMMITMENTS (continued)

B. Illinois Municipal Retirement Fund (continued)

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

Year ended December 31:

2019	(644,758)
2020	(263,552)
2021	(125,975)
2022	(446,514)
2023	-

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS

The District has benefit obligations pertaining to retired employees. The following is a summary of deferred outflows and deferred inflows of resources for the Retiree Health Plan and the Teachers' Health Insurance Security Fund (THIS):

Retiree Health Plan

Plan Description. The District administers a single-employer defined benefit healthcare plan. The plan provides the ability for retiring teacher to continue single coverage on the District's healthcare plan at the District's expense for two years or to the age of 65, whichever comes first, if they are at least age 55 and have at least 15 years of service with the District. The District pays for single coverage for two years. For 2017, there were 14 retirees who accessed postemployment benefits through the District, 26 active employees were fully eligible to retire, and 346 active employees were not yet fully eligible to retire.

Funding Policy. The District pays 100% of the premium amounts set by the District's insurance cooperative. For fiscal year 2019, the District contributed \$78,588 toward the cost of the postemployment benefits for retirees.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Continued)

Retiree Health Plan (Continued)

At June 30, 2019, the following employees were covered by the benefit terms:

Number of	
Retirees and Beneficiaries	9
Active Members	452
Total	<u>461</u>

The net other post-employment benefit liability (NOL) was measured on June 30, 2019.

Actuarial Assumptions

The following are the methods and assumptions used to determine total NOL as of June 30, 2019:

Measurement Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.50%
Salary Rate Increase	4.00%
Discount Rate	2.98%
Funded Ratio	0.00%
(Fiduciary Net Position as a percentage of Total OPEB Liability)	
Initial Health Care Cost Trend Rate	5.5%
Ultimate Health Care Cost Trend Rate	5.00%

Discount Rate

The discount rate under GASB 75 is required to be a blend of the long-term expected rate of return to the extent funded and the 20 year municipal bond rate. Specifically, an initial projection is made using the long-term ROR on irrevocable OPEB plan assets and, as long as the plan's net position and projected contributions associated with current participants are expected to fully cover projected benefit payments, this long-term rate may be used. For years in which the net position is not projected to cover projected benefit payments, the discount rate used is equal to the 20 year municipal bond yield or index. A single discount rate is then determined as a blend of the two rates, which produces the same discounted present value of benefits as the dual rate calculation. Since the District does not pre-fund plan liabilities, the discount rate used is equal to the 20 year municipal bond rate. This rate was 2.98% as of June 30, 2019.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Continued)

Retiree Health Plan (Continued)

Reconciliation of Total OPEB Liability

The Total OPEB Liability ("TOL") is the liability or obligation for benefits earned through the valuation date, based on certain actuarial methods and assumptions. The following represents a reconciliation of the TOL from the beginning of the Fiscal Year (July 1, 2018) to the end of the Fiscal Year (June 30, 2019). The TOL as of June 30, 2019 is as follows:

	Total OPEB Liability
Balances at June 30, 2018	1,399,474
Changes for the year:	
Service Cost	104,769
Interest	40,533
Differences Between Expected and Actual Experience	15,879
Changes of Assumptions	-
Contributions - Employer	-
Benefit payments	(78,588)
Other (Net Transfer)	<u>500</u>
Net Changes	<u>83,093</u>
Balances at June 30, 2019	<u><u>1,482,567</u></u>

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

The following presents the Total OPEB Liability, calculated using a Single Discount Rate of 2.98%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (1.98%)	Current Discount Rate (2.98%)	1% Increase (3.98%)
Net Pension Liability/(Asset)	1,400,787	1,482,567	1,568,554

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Continued)

Retiree Health Plan (Continued)

Differences between expected and actual experience, assumption changes, and projected and actual earnings, are amortized over their respective periods as discussed in the prior section. The amounts left to be amortized in the future are reported as deferred inflows and outflows of resources.

The table below summarizes the current balances of collective deferred inflows and outflows of resources along with the net recognition through annual expense over future years.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	-
Changes of assumptions	76,455	2,112
Net difference between projected and actual earnings on pension plan investments	-	-
Employer contributions subsequent to the measurement date	-	-
Total	<u>76,455</u>	<u>2,112</u>

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

Year ended June 30:

2019	\$ 6,973
2020	6,973
2021	6,973
2022	6,973
2023	6,973
Thereafter	\$ 25,531

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Continued)

THIS Fund:

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

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund. The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

On behalf contributions to the THIS Fund.

The State of Illinois makes employer retiree health insurance contributions on behalf of the district. State contributions are intended to match contributions to the THIS Fund from active members which were 1.24 percent of pay during the year ended June 30, 2019. State of Illinois contributions were \$262,078, and the district recognized revenue and expenditures of this amount during the year.

Employer contributions to the THIS Fund.

The district also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.92 percent during the year ended June 30, 2019. For the year ended June 30, 2019, the district paid \$194,445 to the THIS Fund, which was 100 percent of the required contribution.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Continued)

THIS Fund (Continued)

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

At June 30, 2018, 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 is as follows:

Employer's proportionate share of the net pension liability	22,037,634
State's proportionate share of the net pension liability associated with the employer	<u>29,591,790</u>
Total	<u><u>51,629,424</u></u>

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

Net OPEB Liability: The District's net OPEB Liability was measured as of June 30, 2018. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017. The actuarial valuation was determined using the following actuarial assumptions.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Continued)

THIS Fund (Continued)

Changes Since Last Valuation	Actuarial gains and losses are being amortized as required by GASB 75.
Inflation Rate	2.75%
Investment rate of return	0%, net of OPEB plan investment expense, including inflation
Discount Rate	The discount rates 3.56% as of June 30, 2017, and 3.62% as of June 30, 2018.
Discount Rate Determination Method	Under GASB 75, the discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Rates are consistent with the 20-year general obligation bond index.
Mortality	Mortality rates for retirement and beneficiary annuitants were based upon the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disables annuitants mortality rates were based on the RP-Disables Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table, All tables reflect future mortality improvements using Projection Sale MP-2014.
Salary Increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.

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.

The District's proportion of the net OPEB liability was 0.083647% as of June 30, 2018, an increase of 0.003% over the District's share of the net OPEB liability as of June 30, 2017. The basis for the proportion was fiscal year 2018 contribution to the plan.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Continued)

THIS Fund (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate:

The following presents the net OPEB Liability calculated using the discount rate of 3.62%, as well as what the net OPEB Liability would be if it were calculated using a single discount rate that is 1% higher and lower:

	1% Decrease (2.62%)	Current Discount Rate (3.62%)	1% Increase (4.62%)
Employer's proportionate share of the net pension liability	26,497,611	22,037,634	18,516,677

Sensitivity of the Net OPEB Liability to Changes in the Trend Rate:

The following presents the net OPEB Liability calculated using the health care trend rate of 8.00%, as well as what the net OPEB Liability would be if it were calculated using a trend rate that is 1% higher and lower:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Employer's proportionate share of the net pension liability	17,868,869	22,034,634	27,653,720

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

For the year ended June 30, 2018, the District recognized OPEB expense of \$1,169,805. At June 30, 2018, the District reported the following Deferred Outflows of Resources and Deferred Inflows of Resources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	79,071
Changes of assumptions	-	3,209,035
Net difference between projected and actual earnings on Plan investments	-	676
Employer contributions subsequent to the measurement date	194,445	-
Total	194,445	3,288,782

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Continued)

THIS Fund (Continued)

The District reported \$194,445 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date which will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2019. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:

2019	(567,837)
2020	(567,837)
2021	(567,837)
2022	(567,837)
2023	(567,653)
2024	(372,204)
2025	(77,637)

NOTE 11 RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to and destruction of assets; and natural disasters. To protect from such risks, the District participates in the following public entity risk pools: the Suburban School Cooperative Insurance Pool (SSCIP) and the School Employers Loss Fund (SELF). The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage from coverage in any of the past three years. Settlements have not exceeded coverages for each of the past three fiscal years.

Berwyn South School District 100

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 12 REQUIRED INDIVIDUAL FUND DISCLOSURES

During the current fiscal year, the District transferred \$2,304,951 from the Education Fund to the Debt Service Fund to cover principal and interest payments on capital leases. The Working Cash Account transferred \$2,580,873 to the Capital Projects Fund to cover expenses of the fund.

NOTE 13 CONTINGENCIES

A. Litigation.

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

B. 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.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

BERWYN SOUTH SCHOOL DISTRICT 100

SCHEDULES OF OTHER SUPPLEMENTARY INFORMATION - OPEB
MULTIYEAR SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

Year Ended June 30

Calendar year ending December 31,	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total OPEB Liability				
Service Cost	104,769	99,461	-	-
Interest on the Total Pension Liability	40,533	37,034	-	-
Benefit Changes	-	-	-	-
Difference between Expected and Actual Experience	-	-	-	-
Assumption Changes	15,879	34,695	-	-
Other changes	500	46,622	-	-
Benefit Payments	<u>(78,588)</u>	<u>(122,202)</u>	-	-
Net Change in Total Pension Liability	83,093	95,610	-	-
Total Pension Liability - Beginning	<u>1,399,474</u>	<u>1,303,864</u>	-	-
Total Pension Liability - Ending (a)	<u><u>1,482,567</u></u>	<u><u>1,399,474</u></u>	-	-
Plan Fiduciary Net Position				
Employer Contributions	-	-	-	-
Net Investment Income	-	-	-	-
Benefit payments	-	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Plan Fiduciary Net Position	-	-	-	-
Plan Fiduciary Net Position - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Net OPEB Liability (Asset) - Ending (a) - (b)	1,482,567	1,399,474	-	-
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	0.00%	0.00%	-	-
Current Valuation Payroll	22,615,652	22,615,652	-	-
Net Pension Liability as a Percentage of Covered Valuation Payroll	6.56%	6.19%	-	-

The District Implemented GASB 75 in fiscal year ended June 30, 2018, therefore 10 years of information not yet available.

BERWYN SOUTH SCHOOL DISTRICT 100

SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
JUNE 30, 2019

	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Employer's proportion of the net pension liability	0.67790%	0.00794%	0.00794%	0.00621%
Employer's proportionate share of the net pension liability	\$ 5,179,387	\$ 5,734,047	\$ 5,202,524	\$ 3,780,672
State's proportionate share of the net pension liability associated with the employer	<u>144,637,766</u>	<u>158,334,766</u>	<u>128,487,052</u>	<u>124,588,837</u>
Total	<u>\$ 149,817,153</u>	<u>\$ 164,068,813</u>	<u>\$ 133,689,576</u>	<u>\$ 128,369,509</u>
Employer's covered-employee payroll	\$ 19,917,411	\$ 19,753,044	\$ 19,941,524	\$ 19,901,240
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	26.0%	29.0%	26.1%	19.0%
Plan fiduciary net position as a percentage of the total pension liability	39.3%	36.4%	41.5%	43.0%

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

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

Statutorily-required contribution	159,130	281,105	294,891	262,211
Contributions in relation to the statutorily-required contributions	<u>(159,130)</u>	<u>(281,105)</u>	<u>(294,891)</u>	<u>(262,211)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered-employee payroll	19,917,411	19,753,044	19,941,524	19,901,240
Contributions as a percentage of covered-employee payroll	0.80%	1.42%	1.48%	1.32%

Notes to Required Supplementary Information

Changes of assumptions

For the 2018, 2017, and 2016 measurement year, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit.

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

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

The District Implemented GASB 68 in fiscal year ended June 30, 2015, therefore 10 years of information not yet available.

BERWYN SOUTH SCHOOL DISTRICT 100

SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
TEACHERS' HEALTH INSURANCE SECURITY FUND
JUNE 30, 2019

	6/30/2018
Employer's proportion of the net pension liability	0.083647%
Employer's proportionate share of the net pension liability	\$ 22,037,634
State's proportionate share of the net pension liability associated with the employer	<u>29,591,730</u>
Total	<u>\$ 51,629,364</u>
Employer's covered-employee payroll	\$ 19,901,240
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	110.7%

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

BERWYN SOUTH SCHOOL DISTRICT 100

SCHEDULE OF CHANGES IN THE
NET PENSION LIABILITY AND RELATED RATIOS - IMRF

Calendar Year Ended December 31

Calendar year ending December 31,	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service Cost	421,135	464,214	459,963	454,847	481,384
Interest on the Total Pension Liability	1,368,703	1,370,984	1,293,609	1,225,703	1,110,727
Benefit Changes	-	-	-	-	-
Difference between Expected and Actual Experience	566,382	(419,706)	125,206	(7,684)	(28,930)
Assumption Changes	537,803	(542,954)	(42,424)	20,501	699,859
Benefit Payments and Refunds	<u>(842,737)</u>	<u>(920,096)</u>	<u>(785,762)</u>	<u>(746,665)</u>	<u>(643,209)</u>
Net Change in Total Pension Liability	2,051,286	(47,558)	1,050,592	946,702	1,619,831
Total Pension Liability - Beginning	<u>18,460,171</u>	<u>18,507,729</u>	<u>17,457,137</u>	<u>16,510,435</u>	<u>14,890,604</u>
Total Pension Liability - Ending (a)	<u>20,511,457</u>	<u>18,460,171</u>	<u>18,507,729</u>	<u>17,457,137</u>	<u>16,510,435</u>
Plan Fiduciary Net Position					
Employer Contributions	492,065	459,990	485,776	471,329	464,190
Employee Contributions	206,053	194,210	195,884	193,571	191,483
Pension Plan Net Investment Income	(902,591)	2,751,091	1,021,881	73,972	848,324
Benefit payments and Refunds	(842,737)	(920,096)	(785,762)	(746,665)	(643,209)
Other	<u>314,572</u>	<u>(564,385)</u>	<u>16,909</u>	<u>(35,011)</u>	<u>73,813</u>
Net Change in Plan Fiduciary Net Position	(732,638)	1,920,810	934,688	(42,804)	934,601
Plan Fiduciary Net Position - Beginning	<u>17,648,022</u>	<u>15,727,212</u>	<u>14,792,524</u>	<u>14,835,328</u>	<u>13,900,727</u>
Plan Fiduciary Net Position - Ending (b)	<u>16,915,384</u>	<u>17,648,022</u>	<u>15,727,212</u>	<u>14,792,524</u>	<u>14,835,328</u>
Net Pension Liability (Asset) - Ending (a) - (b)	3,596,073	812,149	2,780,517	2,664,613	1,675,107
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	82.47%	95.60%	81.98%	84.74%	89.65%
Current Valuation Payroll	4,497,845	4,232,404	4,250,342	4,171,052	3,941,966
Net Pension Liability as a Percentage of Covered Valuation Payroll	79.95%	19.19%	65.42%	63.88%	42.49%

The District Implemented GASB 68 in fiscal year ended June 30, 2015, therefore 10 years of information not yet available.

BERWYN SOUTH SCHOOL DISTRICT 100

MULTIYEAR SCHEDULE OF EMPLOYER CONTRIBUTIONS - IMRF

LAST 10 CALENDAR YEARS

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2014	446,231	464,190	(17,959)	3,941,966	11.78%
2015	471,329	471,329	-	4,171,052	11.30%
2016	479,864	485,776	(5,912)	4,250,342	11.43%
2017	458,793	459,990	(1,197)	4,232,404	10.87%
2018	492,064	492,065	(1)	4,497,845	10.94%

The District Implemented GASB 68 in fiscal year ended June 30, 2015, therefore 10 years of information not yet available.

BERWYN SOUTH SCHOOL DISTRICT 100

NOTES TO SCHEDULE OF CONTRIBUTIONS - IMRF

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
USED IN THE CALCULATION OF THE 2017 CONTRIBUTION RATE*

Valuation Date

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

Methods and Assumptions Used to Determine 2016 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age = normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	27 year closed period
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.50%
Price Inflation	2.75%, approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50% 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 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	RP-2014 Blue Collar Health Annuitant Mortality Table adjusted to match current IMRF experience. For disabled lives , an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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-2014 (base year 2014). 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; note two year lag between valuation and rate setting.

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019				2018
	Original Budget	Final Budget	Actual	Variance from Final Budget	Actual
Revenues					
Local Sources					
General levy	13,278,664	16,436,538	12,662,281	(3,774,257)	14,750,197
Special Education	908,869	999,739	1,101,569	101,830	391,349
Corporation Personal Property					
Replacement taxes	271,586	318,224	321,771	3,547	303,401
Summer School - Tuition From Pupils					
Or Parents (In State)	20,000	300	298	(2)	21,268
Earnings on investments	174,900	547,309	555,480	8,171	157,338
Sales to pupils - Lunch	-	-	-	-	-
Sales to adults	1,300	1,615	1,615	-	1,648
Fees	165,000	105,000	160,519	55,519	191,742
Other - textbooks	156,000	100,000	138,479	38,479	163,888
Contributions and Donation	6,000	66,000	65,465	(535)	5,311
Refund of Prior Years' Expenditures	40,000	17,000	16,899	(101)	5,042
Other	70,000	78,000	306,885	228,885	97,725
Total local sources	15,092,319	18,669,725	15,331,261	(3,338,464)	16,088,909
State sources					
Evidence Based Funding	22,021,989	22,021,989	22,151,841	129,852	20,841,669
Special Education - Private Facility Tuition	533,457	602,000	751,051	149,051	610,407
Special Education - Extraordinary	-	-	-	-	142,164
Special Education - Personnel	-	-	-	-	206,130
Special Education - Summer School	-	-	-	-	39,644
Special Education - Orphanage - Individual	-	23,000	22,431	(569)	-
Special Education - Orphanage - Summer	-	671	671	-	-
Bilingual Education - Downstate - TPI and TPE	-	-	-	-	380,452
State Free Lunch and Breakfast	35,000	45,000	47,223	2,223	45,601
Early Childhood - Block Grant	650,730	995,814	1,300,536	304,722	673,539
Flowthrough Revenue from State Sources	156,550	-	-	-	-
Other State sources	-	9,500	81,585	72,085	56,835
Total state sources	23,397,726	23,697,974	24,355,338	657,364	22,996,441
Federal sources					
National School Lunch Program	1,500,000	1,400,000	1,567,956	167,956	1,556,530
NSLP Equipment Grant		-	-	-	29,513
Special Breakfast Program	650,000	686,270	867,286	181,016	816,928
Fresh Fruits & Vegetables	94,177	45,000	39,445	(5,555)	73,399
Child & Adult Care Food Program	20,225	20,225	20,720	495	20,100
Title I - Low Income	958,191	975,091	1,204,968	229,877	1,137,381
Title I - School Improvement	-	-	51,700	-	-

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>	<u>2018 Actual</u>
Revenues (continued)					
Federal sources (continued)					
Fed - Sp Ed - Pre-school Flow Through	40,181	35,000	42,346	7,346	39,475
Fed - Sp Ed - I.D.E.A. Flow Through	913,935	913,935	868,830	(45,105)	883,571
Fed - Sp Ed - I.D.E.A. Room and Board		2,037	2,036	(1)	1,683
Race to the Top		152,800	292,774	139,974	-
Emergency Immigrant Assistance		2,053	2,053	-	4,664
Title III - English Language Acquisition	105,800	105,800	109,764	3,964	105,804
Title IV	53,692	53,692	55,967	2,275	13,299
Title II - Teacher Quality	138,945	138,945	128,981	(9,964)	144,990
Medicaid Matching Funds - Administrative Outreach	65,000	78,000	77,494	(506)	115,384
Medicaid Matching Funds - Fee-For-Service Program	230,000	461,000	460,270	(730)	168,228
Other federal sources	<u>310,200</u>	<u>43,916</u>	<u>43,915</u>	<u>(1)</u>	<u>262,987</u>
Total federal sources	<u>5,080,346</u>	<u>5,113,764</u>	<u>5,836,505</u>	<u>671,041</u>	<u>5,373,936</u>
Total revenues	<u>43,570,391</u>	<u>47,481,463</u>	<u>45,523,104</u>	<u>(2,010,059)</u>	<u>44,459,286</u>
Expenditures					
Instruction					
Regular programs					
Salaries	13,899,896	13,533,507	13,670,089	136,582	13,252,570
Employee benefits	2,408,673	2,333,046	2,182,844	(150,202)	2,187,464
Purchased services	583,910	551,704	484,258	(67,446)	504,011
Supplies and materials	409,982	459,246	383,920	(75,326)	247,113
Capital outlay	145,000	145,000	-	(145,000)	17,054
Other objects	-	-	-	-	-
Non-capitalized equipment	<u>30,400</u>	<u>30,520</u>	<u>22,484</u>	<u>(8,036)</u>	<u>41,040</u>
Total regular programs	<u>17,477,861</u>	<u>17,053,023</u>	<u>16,743,595</u>	<u>(309,428)</u>	<u>16,249,252</u>
Special education programs					
Salaries	4,255,607	4,324,465	4,260,928	(63,537)	3,940,104
Employee benefits	1,128,312	1,130,347	1,129,725	(622)	1,029,175
Purchased services	241,500	210,536	159,795	(50,741)	153,825
Supplies and materials	80,343	90,902	71,141	(19,761)	26,374
Capital outlay	1,500	-	-	-	-
Other objects	1,300,000	1,365,000	1,290,705	(74,295)	1,136,354
Non-capitalized equipment	-	-	-	-	-
Termination benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total special education programs	<u>7,007,262</u>	<u>7,121,250</u>	<u>6,912,294</u>	<u>(208,956)</u>	<u>6,285,832</u>

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019			Variance from Final Budget	2018 Actual
	Original Budget	Final Budget	Actual		
Expenditures (continued)					
Remedial and Supplemental					
Programs K-12					
Salaries	398,620	403,420	415,161	11,741	420,729
Employee benefits	45,168	46,012	47,976	1,964	41,666
Purchased services	374,158	374,158	398,825	24,667	514,227
Supplies and materials	52,029	285,998	260,479	(25,519)	59,750
Non-capitalized equipment	-	-	-	-	-
Total remedial and supp. programs K-12	869,975	1,109,588	1,122,441	12,853	1,036,372
Gifted programs					
Salaries	45,000	35,000	34,554	(446)	39,572
Employee benefits	280	700	630	(70)	570
Purchased services	4,900	4,000	3,180	(820)	4,525
Supplies and materials	5,500	5,500	174	(5,326)	208
Other objects	-	-	-	-	-
Total gifted programs	55,680	45,200	38,538	(6,662)	44,875
Bilingual programs					
Salaries	361,922	365,616	369,533	3,917	408,090
Employee benefits	7,779	7,829	7,528	(301)	8,126
Purchased services	30,905	33,500	31,966	(1,534)	23,061
Supplies and materials	41,405	43,560	35,430	(8,130)	43,197
Capital outlay	-	-	-	-	-
Total bilingual programs	442,011	450,505	444,457	(6,048)	482,474
Total instruction	25,852,789	25,779,566	25,261,325	(518,241)	24,098,805

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>	<u>2018 Actual</u>
Expenditures (continued)					
Support services					
Pupils					
Attendance and social work services					
Salaries	498,380	525,391	525,137	(254)	515,496
Employee benefits	65,257	66,000	65,883	(117)	65,025
Purchased services	34,547	4,567	4,567	-	4,904
Supplies and materials	1,000	551	550	(1)	17,100
Total attendance and social work services	<u>599,184</u>	<u>596,509</u>	<u>596,137</u>	<u>(372)</u>	<u>602,525</u>
Health services					
Salaries	337,235	350,875	329,867	(21,008)	255,243
Employee benefits	26,348	202,150	188,517	(13,633)	224,890
Purchased services	211,800	110,000	110,000	-	118,500
Supplies and materials	1,000	962	944	(18)	486
Total health services	<u>576,383</u>	<u>663,987</u>	<u>629,328</u>	<u>(34,659)</u>	<u>599,119</u>
Psychological services					
Salaries	124,590	124,593	124,590	(3)	118,996
Employee benefits	2,673	2,673	2,654	(19)	2,452
Purchased services	55,500	55,452	50,938	(4,514)	60,974
Supplies and materials	6,000	5,035	5,032	(3)	4,120
Capital Outlay	-	-	-	-	-
Total psychological services	<u>188,763</u>	<u>187,753</u>	<u>183,214</u>	<u>(4,539)</u>	<u>186,542</u>
Speech pathology and audiology services					
Salaries	312,002	312,004	312,002	(2)	255,780
Employee benefits	31,834	31,834	31,834	-	30,327
Purchased services	385,000	313,866	307,715	(6,151)	399,034
Supplies and materials	-	-	-	-	-
Total speech pathology/audiology services	<u>728,836</u>	<u>657,704</u>	<u>651,551</u>	<u>(6,153)</u>	<u>685,141</u>
Other Support Services - Pupils					
Salaries	46,539	46,541	46,539	(2)	-
Employee benefits	-	-	-	-	-
Purchased services	80,000	20,000	17,989	(2,011)	77,565
Total Other Support Services - Pupils	<u>126,539</u>	<u>66,541</u>	<u>64,528</u>	<u>(2,011)</u>	<u>77,565</u>
Total pupils	<u>2,219,705</u>	<u>2,172,494</u>	<u>2,124,758</u>	<u>(47,734)</u>	<u>2,150,892</u>

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019			Variance from Final Budget	2018 Actual
	Original Budget	Final Budget	Actual		
Expenditures (continued)					
Instructional staff					
Improvement of instruction services					
Salaries	513,363	533,735	503,384	(30,351)	485,598
Employee benefits	160,373	162,520	162,348	(172)	161,831
Purchased services	566,865	778,151	731,852	(46,299)	556,545
Supplies and materials	129,658	131,719	99,282	(32,437)	43,057
Other objects	500	500	419	(81)	419
Non-capitalized equipment	4,968	3,468	2,811	(657)	2,935
Total improvement of inst. svc.	1,375,727	1,610,093	1,500,096	(109,997)	1,250,385
Educational media services					
Salaries	139,361	143,638	142,985	(653)	137,802
Employee benefits	-	-	-	-	-
Purchased services	-	30,000	29,997	(3)	-
Supplies and materials	-	2,248	2,248	-	2,315
Other objects	2,500	-	6,212	6,212	7,046
Total educational media services	141,861	175,886	181,442	5,556	147,163
Assessment and testing					
Supplies and materials	2,000	-	-	-	-
Total assessment and testing	2,000	-	-	-	-
Total instructional staff	1,519,588	1,785,979	1,681,538	(104,441)	1,397,548
General administration					
Board of Education services					
Salaries	7,950	16,750	-	(16,750)	-
Employee benefits	-	-	-	-	-
Purchased services	209,000	89,000	69,089	(19,911)	78,564
Supplies and materials	9,500	-	3,069	3,069	3,882
Capital Outlay	-	-	-	-	-
Other objects	15,000	15,000	13,162	(1,838)	14,947
Non-capitalized equipment	2,500	2,500	-	(2,500)	-
Total board of education services	243,950	123,250	85,320	(37,930)	97,393
Executive administration services					
Salaries	220,183	227,369	227,366	(3)	256,669
Employee benefits	70,817	71,015	70,993	(22)	70,710
Purchased services	23,500	23,500	19,816	(3,684)	12,652
Supplies and materials	7,500	19,000	4,232	(14,768)	3,156
Capital outlay	3,000	3,000	-	(3,000)	2,988
Other objects	-	-	-	-	-
Non-capitalized equipment	2,500	2,500	2,775	275	-
Total executive administration	327,500	346,384	325,182	(21,202)	346,175

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019				2018
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>	<u>Actual</u>
Expenditures (continued)					
Tort Immunity Services					
Purchased services	190,000	151,000	139,142	(11,858)	188,031
Total Tort Immunity Services	190,000	151,000	139,142	(11,858)	188,031
Total general administration	761,450	620,634	549,644	(70,990)	631,599
School administration					
Office of the principal services					
Salaries	2,685,372	2,663,745	2,648,839	(14,906)	2,616,701
Employee benefits	677,973	680,365	677,973	(2,392)	678,395
Purchased services	821,753	494,044	846,678	352,634	846,336
Supplies and materials	25,000	25,000	13,957	(11,043)	21,622
Capital Outlay	-	-	-	-	-
Non-capitalized equipment	-	-	-	-	3,896
Total office of the principal services	4,210,098	3,863,154	4,187,447	324,293	4,166,950
Total school administration	4,210,098	3,863,154	4,187,447	324,293	4,166,950
Business					
Direction of business services					
Salaries	87,310	87,312	87,310	(2)	83,252
Employee benefits	2,392	-	2,392	2,392	2,198
Total direction of business services	89,702	87,312	89,702	2,390	85,450
Fiscal services					
Salaries	182,862	185,391	185,389	(2)	165,991
Employee benefits	75,000	75,000	75,000	-	75,000
Purchased services	107,600	75,000	66,190	(8,810)	71,334
Supplies and materials	10,000	10,000	3,551	(6,449)	4,875
Other objects	8,400	35,000	30,321	(4,679)	16,859
Termination Benefit	-	-	-	-	-
Total fiscal services	383,862	380,391	360,451	(19,940)	334,059
Operations and maintenance of plant services					
Purchased services	32,500	36,000	34,708	-	33,057
Capital Outlay	106,000	106,000	111,871	5,871	-
Total operations/maintenance of plant svc	138,500	142,000	146,579	5,871	33,057

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019				
	Original Budget	Final Budget	Actual	Variance from Final Budget	2018 Actual
Expenditures (continued)					
Food services					
Salaries	150	152	150	(2)	96
Purchased services	5,500	5,500	894	(4,606)	1,254
Supplies and materials	1,735,000	1,700,000	1,769,691	69,691	1,727,587
Non-capitalized equipment	-	-	-	-	-
Total food services	<u>1,740,650</u>	<u>1,705,652</u>	<u>1,770,735</u>	<u>65,083</u>	<u>1,728,937</u>
Total business	<u>2,352,714</u>	<u>2,315,355</u>	<u>2,367,467</u>	<u>51,014</u>	<u>2,181,503</u>
Staff services					
Employee benefits	-	-	-	-	251
Purchased services	<u>500</u>	<u>310</u>	<u>310</u>	<u>-</u>	<u>310</u>
Total staff services	<u>500</u>	<u>310</u>	<u>310</u>	<u>-</u>	<u>561</u>
Data Processing Services					
Purchased services	<u>13,000</u>	<u>13,000</u>	<u>7,083</u>	<u>(5,917)</u>	<u>11,583</u>
Total Data Processing Services	<u>13,000</u>	<u>13,000</u>	<u>7,083</u>	<u>(5,917)</u>	<u>11,583</u>
Other supporting services					
Salaries	-	-	1,100	1,100	1,050
Employee benefits	-	-	27	27	25
Purchased services	3,000	3,000	26,991	23,991	34,065
Supplies and materials	<u>250</u>	<u>1,670</u>	<u>739</u>	<u>(931)</u>	<u>2,831</u>
Total other supporting services	<u>3,250</u>	<u>4,670</u>	<u>28,857</u>	<u>24,187</u>	<u>37,971</u>
Total Support Services	<u>11,080,305</u>	<u>10,775,596</u>	<u>10,947,104</u>	<u>170,412</u>	<u>10,578,607</u>
Community services					
Salaries	75,234	62,000	-	(62,000)	-
Employee benefits	1,225	1,225	-	(1,225)	-
Purchased services	551,146	549,280	365,011	(184,269)	220,290
Supplies and materials	<u>30,826</u>	<u>21,246</u>	<u>1,387</u>	<u>(19,859)</u>	<u>2,335</u>
Total community services	<u>658,431</u>	<u>633,751</u>	<u>366,398</u>	<u>(267,353)</u>	<u>222,625</u>

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>	<u>2018 Actual</u>
Expenditures (continued)					
Payments to Other Districts and Gov't Units					
Payments for regular programs					
Purchased services	22,073	19,000	-	(19,000)	-
Payments for special education programs					
Purchased services	-	-	207,205	207,205	199,554
Total payments to Other Districts and Other Government Units	22,073	19,000	207,205	188,205	199,554
Provision for contingencies	-	-	-	-	-
Total expenditures	37,613,598	37,207,913	36,782,032	(425,881)	35,099,591
Deficiency of revenues over expenditures	5,956,793	10,273,550	8,741,072	(1,584,178)	9,359,695
Other financing sources (uses)					
Permanent transfer from working cash fund -Abatement	(2,580,873)	(2,580,873)	(2,580,873)	-	(600,000)
Proceeds from sale of capital assets	20,000	84,000	83,366	(634)	-
Transfer to debt service fund for principal on capital leases	(225,000)	(125,050)	(125,047)	3	(178,872)
Transfer to debt service fund for interest on capital leases	(10,000)	(5,940)	(5,938)	2	-
Transfer to debt service fund for principal on revenue bonds	-	(2,173,966)	(2,173,966)	-	-
Total other financing sources (uses)	(2,795,873)	(4,801,829)	(4,802,458)	(629)	(778,872)
Net change to fund balance	3,160,920	5,471,721	3,938,614	(1,584,807)	8,580,823
Fund balance, beginning of year			21,787,124		13,206,301
Fund balance, end of year			25,725,738		21,787,124

BERWYN SOUTH SCHOOL DISTRICT 100
OPERATIONS AND MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 2019

With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019				
	Original Budget	Final Budget	Actual	Variance from Final Budget	2018 Actual
<u>Revenues</u>					
Local Sources					
General levy	1,938,890	2,133,036	2,049,013	(84,023)	1,874,614
Refund of prior years' expenditures	-	12,000	11,722	(278)	36,268
Other	35,000	42,930	42,809	(121)	36,929
Total local sources	<u>1,973,890</u>	<u>2,187,966</u>	<u>2,103,544</u>	<u>(84,422)</u>	<u>1,947,811</u>
State sources					
General State Aid	1,900,000	1,900,000	1,900,000	-	1,600,000
Other State	-	-	-	-	-
Total state sources	<u>1,900,000</u>	<u>1,900,000</u>	<u>1,900,000</u>	<u>-</u>	<u>1,600,000</u>
Total revenues	<u>3,873,890</u>	<u>4,087,966</u>	<u>4,003,544</u>	<u>(84,422)</u>	<u>3,547,811</u>
<u>Expenditures</u>					
Support services					
Business					
Operations and maintenance of plant services					
Salaries	1,566,829	1,584,544	1,581,830	(2,714)	1,609,901
Employee benefits	224,220	224,220	224,220	-	216,047
Purchased services	670,000	665,000	538,858	(126,142)	488,087
Supplies and materials	934,850	933,350	782,704	(150,646)	736,031
Capital outlay	60,000	58,000	44,133	(13,867)	66,243
Non-Capitalized equipment	39,000	39,000	-	(39,000)	2,976
Termination benefits	-	-	-	-	-
Total expenditures	<u>3,494,899</u>	<u>3,504,114</u>	<u>3,171,745</u>	<u>(332,369)</u>	<u>3,119,285</u>
Deficiency of revenues over expenditures	<u>378,991</u>	<u>583,852</u>	<u>831,799</u>	<u>247,947</u>	<u>428,526</u>
Other financing sources					
Permanent transfer	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>378,991</u>	<u>583,852</u>	<u>831,799</u>	<u>247,947</u>	<u>428,526</u>
Fund balance, beginning of year			<u>1,318,718</u>		<u>890,192</u>
Fund balance, end of year			<u>2,150,517</u>		<u>1,318,718</u>

BERWYN SOUTH SCHOOL DISTRICT 100
TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019				
	Original Budget	Final Budget	Actual	Variance from Final Budget	2018 Actual
<u>Revenues</u>					
Local Sources					
General levy	713,811	785,352	718,172	(67,180)	683,399
Other local revenues	10,000	25,000	7,626	(17,374)	11,829
Total local sources	<u>723,811</u>	<u>810,352</u>	<u>725,798</u>	<u>(84,554)</u>	<u>695,228</u>
State sources					
Evidence Based Funding	400,000	400,000	400,000	-	-
Transportation - Regular/Vocational	148,504	148,504	120,969	(27,535)	148,760
Transportation - Special Education	677,028	677,028	763,024	85,996	836,015
Other State Sources	-	-	13,100	13,100	-
Total state sources	<u>1,225,532</u>	<u>1,225,532</u>	<u>1,297,093</u>	<u>71,561</u>	<u>984,775</u>
Title I - Low Income	25,000	25,000	15,000	(10,000)	-
Title IV	7,500	7,500	6,000	(1,500)	-
Total Federal sources	<u>32,500</u>	<u>32,500</u>	<u>21,000</u>	<u>(11,500)</u>	<u>-</u>
Total revenues	<u>1,981,843</u>	<u>2,068,384</u>	<u>2,043,891</u>	<u>(24,493)</u>	<u>1,680,003</u>
<u>Expenditures</u>					
Support services					
Business					
Pupil transportation services					
Salaries	527,906	577,500	571,954	(5,546)	525,002
Employee benefits	126,425	126,428	126,425	(3)	126,373
Purchased services	773,950	646,250	578,677	(67,573)	593,768
Supplies and materials	40,000	40,000	26,800	(13,200)	38,644
Capital Outlay	-	-	-	-	52,354
Noncapitalized equipment	-	-	-	-	-
Total pupil transportation services	<u>1,468,281</u>	<u>1,390,178</u>	<u>1,303,856</u>	<u>(86,322)</u>	<u>1,336,141</u>
Total support services	<u>1,468,281</u>	<u>1,390,178</u>	<u>1,303,856</u>	<u>(86,322)</u>	<u>1,336,141</u>
Total expenditures	<u>1,468,281</u>	<u>1,390,178</u>	<u>1,303,856</u>	<u>(86,322)</u>	<u>1,336,141</u>
Excess (deficiency) of revenues over expenditures	<u>513,562</u>	<u>678,206</u>	<u>740,035</u>	<u>61,829</u>	<u>343,862</u>
Fund balance, beginning of year			<u>655,484</u>		<u>311,622</u>
Fund balance, end of year			<u>1,395,519</u>		<u>655,484</u>

BERWYN SOUTH SCHOOL DISTRICT 100
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019			Variance	
	Original Budget	Final Budget	Actual	from Final Budget	2018 Actual
<u>Revenues</u>					
Local Sources					
General levy	520,156	572,235	399,958	(172,277)	659,287
Social Security/Medicare only levy	599,208	659,278	726,251	66,973	409,392
Corporate personal property replacement taxes	14,295	14,295	14,295	-	-
Total local sources	1,133,659	1,245,808	1,140,504	(105,304)	1,068,679
State sources					
General state aid	400,000	400,000	400,000	-	400,000
Total state sources	400,000	400,000	400,000	-	400,000
Total revenues	1,533,659	1,645,808	1,540,504	(105,304)	1,468,679
<u>Expenditures</u>					
Instruction					
Regular programs	266,533	237,969	216,125	(21,844)	206,696
Pre-K programs				-	
Special education programs	237,903	227,133	225,430	(1,703)	207,752
Remedial and supplemental programs K-12	6,470	6,495	6,457	(38)	6,606
Gifted programs	-	520	500	(20)	718
Bilingual programs	5,753	5,339	5,303	(36)	5,810
Total instruction	516,659	477,456	453,815	(23,641)	427,582
Support services					
Pupils					
Attendance and social work svc	7,022	7,485	7,467	(18)	7,681
Health services	48,044	47,071	46,953	(118)	32,761
Psychological services	1,807	1,822	1,807	(15)	1,725
Speech pathology/audiology svc	4,524	4,550	4,524	(26)	3,709
Other support services	8,652	11,175	8,126	(3,049)	-
Total pupils	70,049	72,103	68,877	(3,226)	45,876

BERWYN SOUTH SCHOOL DISTRICT 100
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019				
	Original Budget	Final Budget	Actual	Variance from Final Budget	2018 Actual
Instructional staff					
Improvement of instruction svcs	52,423	47,755	45,701	(2,054)	47,002
Educational media services	25,907	26,218	24,743	(1,475)	25,151
Total instructional staff	78,330	73,973	70,444	(3,529)	72,153
General administration					
Board of education services	975	1,351	-	(1,351)	-
Executive administration services	8,342	8,232	8,177	(55)	15,146
Total general administration	9,317	9,583	8,177	(1,406)	15,146
School administration					
Office of the principal services	132,154	123,840	122,970	(870)	126,596
Total school administration	132,154	123,840	122,970	(870)	126,596
Business					
Direction of support services	1,266	1,266	1,266	-	1,207
Fiscal services	33,994	32,700	32,664	(36)	30,739
Operations and maintenance of plant services	308,961	308,723	270,339	(38,384)	291,775
Pupil transportation services	87,996	87,903	86,437	(1,466)	84,315
Food services	1,000	1,000	26	(974)	1,082
Total business	433,217	431,592	390,732	(40,860)	409,118
Central					
Staff services	-	-	-	-	220
Total Central	-	-	-	-	220
Total support services	723,067	711,091	661,200	(49,891)	669,109
Other support services	-	-	-	-	-
Community Services	827	929	827	(102)	827
Total expenditures	1,240,553	1,189,476	1,115,842	(73,634)	1,097,518
Excess (deficiency) of revenues over expenditures	293,106	456,332	424,662	(31,670)	371,161
Fund balance, beginning of year			938,135		566,974
Fund balance (deficit), end of year			1,362,797		938,135

BERWYN SOUTH SCHOOL DISTRICT 100
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019				
	Original Budget	Final Budget	Actual	Variance from Final Budget	2018 Actual
<u>Revenues</u>					
Local Sources					
Other	-	-	-	-	-
Total local sources	-	-	-	-	-
Total revenues	-	-	-	-	-
<u>Expenditures</u>					
Support services					
Business					
Operations and maintenance of plant services					
Purchased services	2,580,873	2,580,873	1,354,817	(1,226,056)	20,152
Capital outlay	-	-	-	-	423,688
Non-Capitalized equipment	-	-	-	-	-
Termination benefits	-	-	-	-	-
Total expenditures	2,580,873	2,580,873	1,354,817	(1,226,056)	443,840
Deficiency of revenues over expenditures	(2,580,873)	(2,580,873)	(1,354,817)	1,226,056	(443,840)
Other financing sources					
Permanent transfer	2,580,873	2,580,873	2,580,873	-	600,000
Total other financing sources	2,580,873	2,580,873	2,580,873	-	600,000
Net change in fund balance	-	-	1,226,056	1,226,056	156,160
Fund balance, beginning of year			149,437		(6,723)
Fund balance (deficit), end of year			1,375,493		149,437

BERWYN SOUTH SCHOOL DISTRICT 100
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

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

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, 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) 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.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) The budget amounts shown in the financial statements are as amended (June 26, 2019) by the Board of Education on effective for the year ending June 30, 2019.
- g) All budget appropriations lapse at the end of the fiscal year.

BERWYN SOUTH SCHOOL DISTRICT 100
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019

2. BUDGET RECONCILIATION

The Statement of Revenues, Expenditures and Changes in Fund Balances - 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. 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	47,481,463	37,207,913
To adjust for on-behalf payments received	14,172,999	-
To adjust for on-behalf payments made	<u>-</u>	<u>14,172,999</u>
General Fund - GAAP baiss	<u><u>61,654,462</u></u>	<u><u>51,380,912</u></u>

SUPPLEMENTARY FINANCIAL INFORMATION

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL FUND
BALANCE SHEET
June 30, 2019

	<u>Educational</u>	<u>Working Cash</u>	<u>Total</u>
ASSETS			
Cash and investments	16,360,960	6,984,052	23,345,012
Receivables (net of allowance for uncollectibles):			
Property taxes	5,552,548	-	5,552,548
Replacement taxes	59,996	-	59,996
Intergovernmental	1,161,338	-	1,161,338
Prepaid expense	<u>17,927</u>	<u>-</u>	<u>17,927</u>
Total assets	<u>23,152,769</u>	<u>6,984,052</u>	<u>30,136,821</u>
LIABILITIES AND FUND BALANCES			
Accounts payable	102,673	-	102,673
Salaries and wages payable	3,490,824	-	3,490,824
Payroll deductions payable	32,750	-	32,750
Unearned revenue	<u>784,836</u>	<u>-</u>	<u>784,836</u>
Total liabilities	<u>4,411,083</u>	<u>-</u>	<u>4,411,083</u>
Fund balances:			
Unassigned	<u>18,741,686</u>	<u>6,984,052</u>	<u>25,725,738</u>
Total fund balance	<u>18,741,686</u>	<u>6,984,052</u>	<u>25,725,738</u>
Total liabilities and fund balance	<u>23,152,769</u>	<u>6,984,052</u>	<u>30,136,821</u>

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2019

	Educational	Working Cash	Eliminations	Total
<u>Revenues</u>				
Property taxes	13,763,850	-	-	13,763,850
Replacement taxes	321,771	-	-	321,771
State aid	38,528,337	-	-	38,528,337
Federal aid	5,836,505	-	-	5,836,505
Interest	-	555,480	-	555,480
Other	690,160	-	-	690,160
Total revenues	59,140,623	555,480	-	59,696,103
<u>Expenditures</u>				
Current:				
Instruction:				
Regular programs	14,971,755	-	-	14,971,755
Special programs	6,912,294	-	-	6,912,294
Other instructions programs	1,605,436	-	-	1,605,436
State on-behalf payments	14,172,999	-	-	14,172,999
Support services:				
Pupils	2,124,758	-	-	2,124,758
Instructional staff	1,681,538	-	-	1,681,538
General administration	549,644	-	-	549,644
School administration	4,187,447	-	-	4,187,447
Business	2,220,888	-	-	2,220,888
Operations and maintenance	146,579	-	-	146,579
Other supporting services	36,250	-	-	36,250
Community services	366,398	-	-	366,398
Nonprogrammed charges	207,205	-	-	207,205
Capital outlay	1,771,840	-	-	1,771,840
Total expenditures	50,955,031	-	-	50,955,031
Excess of revenues over expenditures	8,185,592	555,480	-	8,741,072
Other financing sources (uses)				
Sale of capital assets	83,366	-	-	83,366
Transfers Out	-	(2,580,873)	-	(2,580,873)
Transfer to Debt Service	(2,304,951)	-	-	(2,304,951)
Total other financing sources (uses)	(2,221,585)	(2,580,873)	-	(4,802,458)
Net change in fund balances	5,964,007	(2,025,393)	-	3,938,614
Fund balance, beginning of year	12,777,679	9,009,445	-	21,787,124
Fund balance, end of year	18,741,686	6,984,052	-	25,725,738

BERWYN SOUTH SCHOOL DISTRICT 100
DEBT SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019				
	Original Budget	Final Budget	Actual	Variance from Final Budget	2018 Actual
Revenues					
Local Sources					
General levy	4,122,148	4,439,738	2,006,809	(2,432,929)	3,979,348
Interest on earnings	100	-	-	-	542
Other local revenues	-	36	36	-	-
Total local sources	<u>4,122,248</u>	<u>4,439,774</u>	<u>2,006,845</u>	<u>(2,432,929)</u>	<u>3,979,890</u>
Total revenues	<u>4,122,248</u>	<u>4,439,774</u>	<u>2,006,845</u>	<u>(2,432,929)</u>	<u>3,979,890</u>
Expenditures					
Debt Service					
Interest	<u>1,502,670</u>	<u>1,538,610</u>	<u>1,538,608</u>	<u>(2)</u>	<u>1,646,508</u>
Principal payments on long-term debt	<u>2,335,000</u>	<u>2,460,050</u>	<u>2,460,047</u>	<u>(3)</u>	<u>2,098,862</u>
Other debt service					
Other objects	<u>3,750</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>3,750</u>
Total other debt service	<u>3,750</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>3,750</u>
Total debt service	<u>3,841,420</u>	<u>4,002,660</u>	<u>4,002,655</u>	<u>(5)</u>	<u>3,749,120</u>
Total expenditures	<u>3,841,420</u>	<u>4,002,660</u>	<u>4,002,655</u>	<u>(5)</u>	<u>3,749,120</u>
Excess (Deficiency) of revenues over expenditures	<u>280,828</u>	<u>437,114</u>	<u>(1,995,810)</u>	<u>(2,432,924)</u>	<u>230,770</u>

BERWYN SOUTH SCHOOL DISTRICT 100
DEBT SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019				
	Original Budget	Final Budget	Actual	Variance from Final Budget	2018 Actual
Other financing sources (uses)					
Transfer to pay for principal on capital leases/bonds	225,000	2,299,016	2,299,013	(3)	174,170
Transfer to pay for interest on capital leases	10,000	5,940	5,938	(2)	4,702
Other uses	-	-	-	-	-
Total Other financing sources (uses)	235,000	2,304,956	2,304,951	(5)	178,872
Net change in fund balance	515,828	2,742,070	309,141	(2,432,929)	409,642
Fund balance, beginning of year			3,146,012		2,736,370
Fund balance, end of year			3,455,153		3,146,012

BERWYN SOUTH SCHOOL DISTRICT 100
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND - STUDENT ACTIVITY FUNDS
Year Ended June 30, 2019

	Balance June 30, 2018	Additions	Disbursements	Balance June 30, 2019
<u>Assets</u>				
Cash and cash equivalents	<u>43,684</u>	<u>176,815</u>	<u>183,773</u>	<u>36,725</u>
<u>Liabilities</u>				
Due to student groups				
Emerson	(226)	8,207	7,537	444
Fine Arts	9,367	7,803	9,235	7,935
Heritage	11,952	61,900	65,569	8,283
Hiawatha	3,500	9,031	8,393	4,138
Irving	1,470	19,459	20,364	564
Komensky	7,078	13,928	14,225	6,780
Pershing	(1,760)	9,278	8,080	(563)
Piper	7,082	8,494	11,188	4,388
Freedom	<u>5,221</u>	<u>38,717</u>	<u>39,182</u>	<u>4,756</u>
	<u>43,684</u>	<u>176,815</u>	<u>183,773</u>	<u>36,725</u>

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2019

	Maturity as follows for the Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Limited School Bonds	2020	100,000	74,815	174,815
dated September 1, 2009A	2021	100,000	70,815	170,815
(Interest at 2.75% to 4.5%,	2022	100,000	66,815	166,815
payable June 1 and	2023	-	64,815	64,815
December 1 and principal	2024	-	64,815	64,815
due December 1)	2025	-	64,815	64,815
	2026	885,000	45,345	930,345
	2027	575,000	12,938	587,938
		<u>1,760,000</u>	<u>465,173</u>	<u>2,225,173</u>
Totals				
Taxable Limited School Bonds	2020	555,000	179,043	734,043
dated September 1, 2009B	2021	590,000	148,110	738,110
(Interest at 1.6% to 6.0%,	2022	625,000	148,110	773,110
payable June 1 and	2023	765,000	75,083	840,083
December 1 and principal	2024	810,000	29,790	839,790
due December 1)	2025	105,000	3,150	108,150
Totals		<u>3,450,000</u>	<u>583,286</u>	<u>4,033,286</u>

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2019

	Maturity as follows for the Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Refunding School Bonds	2020	-	25,990	25,990
dated September 1, 2009C	2021	-	25,990	25,990
(Interest at 4.6%, payable	2022	-	25,990	25,990
June 1 and December 1	2023	-	25,990	25,990
and principal due December 1)	2024	-	25,990	25,990
	2025	-	25,990	25,990
	2026	-	25,990	25,990
	2027	-	25,990	25,990
	2028	-	25,990	25,990
	2029	565,000	12,995	577,995
Totals		<u>565,000</u>	<u>246,905</u>	<u>811,905</u>

Taxable Refunding School Bonds	2020	-	111,678	111,678
dated September 1, 2009D	2021	-	111,678	111,678
(Interest at 6.15% to 6.35%,	2022	-	111,678	111,678
payable June 1 and	2023	-	111,678	111,678
December 1 and principal	2024	-	111,678	111,678
due December 1)	2025	-	111,678	111,678
	2026	-	111,678	111,678
	2027	350,000	100,915	450,915
	2028	970,000	59,840	1,029,840
	2029	465,000	14,764	479,764
Totals		<u>1,785,000</u>	<u>957,265</u>	<u>2,742,265</u>

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2019

	Maturity as follows for the Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Refunding School Bonds	2020	-	181,458	181,458
dated September 1, 2009E	2021	-	181,458	181,458
(Interest at 4.35% to 4.4%,	2022	-	181,458	181,458
payable June 1 and	2023	-	181,458	181,458
December 1 and principal	2024	-	181,458	181,458
due December 1)	2025	1,845,000	141,329	1,986,329
	2026	2,300,000	50,600	2,350,600
Totals		<u>4,145,000</u>	<u>1,099,219</u>	<u>5,244,219</u>
Refunding School Bonds	2020	705,000	329,312	1,034,312
dated September 1, 2009F	2021	775,000	289,318	1,064,318
(Interest at 1.7% to 5.8%,	2022	1,000,000	240,005	1,240,005
payable June 1 and	2023	2,305,000	146,313	2,451,313
December 1 and principal	2024	1,390,000	40,310	1,430,310
due December 1)		<u>6,175,000</u>	<u>1,045,258</u>	<u>7,220,258</u>
Totals				
Refunding School Bonds	2020	1,230,000	175,000	1,405,000
dated September 1, 2014	2021	1,225,000	138,175	1,363,175
(Interest at 2.0% to 4.0%,	2022	1,465,000	90,500	1,555,500
payable June 1 and	2023	325,000	54,700	379,700
December 1 and principal	2024	1,205,000	24,100	1,229,100
due December 1)		<u>5,450,000</u>	<u>482,475</u>	<u>5,932,475</u>
Totals				

BERWYN SOUTH SCHOOL DISTRICT 100
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2019

	Maturity as follows for the Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Refunding School Bonds	2020	-	183,200	183,200
dated November 15, 2016A	2021	-	183,200	183,200
(Interest at 4.0%, payable	2022	-	183,200	183,200
June 1 and December 1	2023	-	183,200	183,200
and principal due December 1)	2024	-	183,200	183,200
	2025	-	183,200	183,200
	2026	-	183,200	183,200
	2027	-	183,200	183,200
	2028	-	183,200	183,200
	2029	-	183,200	183,200
	2030	-	183,200	183,200
	2031	-	183,200	183,200
	2032	-	183,200	183,200
	2033	860,000	166,000	1,026,000
	2034	1,260,000	123,600	1,383,600
	2035	1,310,000	72,200	1,382,200
	2036	1,150,000	23,000	1,173,000
Totals		<u>4,580,000</u>	<u>2,766,400</u>	<u>7,346,400</u>
Refunding School Bonds	2020	-	160,150	160,150
dated November 15, 2016b	2021	-	160,150	160,150
(Interest 3.1% TO 3.75%, payable	2022	-	160,150	160,150
June 1 and December 1	2023	-	160,150	160,150
and principal due December 1)	2024	-	160,150	160,150
	2025	750,000	148,525	898,525
	2026	-	136,900	136,900
	2027	-	136,900	136,900
	2028	-	136,900	136,900
	2029	-	136,900	136,900
	2030	1,090,000	117,280	1,207,280
	2031	1,130,000	77,038	1,207,038
	2032	1,170,000	34,770	1,204,770
	2033	350,000	6,557	356,557
Totals		<u>4,490,000</u>	<u>1,732,520</u>	<u>6,222,520</u>
Grand totals		<u>32,400,000</u>	<u>9,378,501</u>	<u>41,778,501</u>

OTHER SUPPLEMENTAL INFORMATION

BERWYN SOUTH SCHOOL DISTRICT 100
PROPERTY TAX RATES AND LEVIES
LAST FIVE TAX LEVY YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Assessed valuation	<u>448,580,914</u>	<u>467,766,208</u>	<u>384,482,866</u>	<u>370,845,863</u>	<u>379,601,208</u>
Rates Extended					
Educational	2.9772	3.1940	2.6753	2.7278	2.6198
Special Education	0.2127	0.1943	0.0267	0.0285	0.0274
Operations/Maintenance	0.4772	0.4145	0.4872	0.5075	0.5168
Debt Service	0.4425	0.5963	0.6433	0.6702	0.4865
Transportation	0.1671	0.1526	0.1290	0.1379	0.1325
IMRF	0.1218	0.1112	0.0803	0.0859	0.0825
Social Security	0.1403	0.1281	0.1002	0.1071	0.1029
Limited Bonds	<u>0.0000</u>	<u>0.2850</u>	<u>0.3474</u>	<u>0.3026</u>	<u>0.2958</u>
Total rates extended	<u>4.5388</u>	<u>5.0760</u>	<u>4.4894</u>	<u>4.5675</u>	<u>4.2642</u>
Levies Extended					
Educational	13,355,019	14,940,452	10,286,070	10,115,933	9,944,792
Special Education	954,312	908,869	102,656	105,691	104,010
Operations/Maintenance	2,140,835	1,938,890	1,873,200	1,882,042	1,961,779
Debt Service	1,985,045	2,789,236	2,473,207	2,485,269	1,846,637
Transportation	749,502	713,811	495,982	511,396	502,971
IMRF	546,164	520,156	308,739	318,556	313,170
Social Security	629,168	599,208	385,251	397,175	390,609
Limited Bonds	<u>-</u>	<u>1,332,912</u>	<u>1,335,553</u>	<u>1,122,329</u>	<u>1,122,823</u>
Total levies extended	<u>20,360,045</u>	<u>23,743,534</u>	<u>17,260,658</u>	<u>16,938,391</u>	<u>16,186,791</u>

NOTE: Tax Rates are expressed in dollars per \$100 of assessed valuation.

BERWYN SOUTH SCHOOL DISTRICT 100
OPERATING COSTS AND TUITION CHARGE (Unaudited)
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Operating costs per pupil		
Average Daily Attendance (ADA):	<u>3,358</u>	<u>3,404</u>
Operating costs:		
Educational	36,781,303	35,278,463
Operations and Maintenance	3,171,745	3,119,285
Debt Service	4,002,655	3,749,120
Transportation	1,303,856	1,336,141
Municipal Retirement/Social Security	<u>1,115,842</u>	<u>1,097,518</u>
Subtotal	<u>46,375,401</u>	<u>44,580,527</u>
Less Revenues/Expenditures of Nonregular Programs:		
Tuition	220,305	199,554
Debt principal retired	2,460,047	2,098,862
Community services	367,225	223,452
Capital outlay	<u>184,074</u>	<u>368,358</u>
Subtotal	<u>3,231,651</u>	<u>2,890,226</u>
Operating costs	<u>43,143,750</u>	<u>41,690,301</u>
Operating costs per pupil - based on ADA	<u>12,848</u>	<u>12,248</u>
Tuition Charge		
Operating costs:	43,143,750	41,690,301
Less - revenues from specific programs, such as special education or lunch programs	<u>10,380,607</u>	<u>7,931,689</u>
Net operating costs	32,763,143	33,758,612
Depreciation allowance	<u>1,792,138</u>	<u>1,603,622</u>
Allowance tuition costs	<u>34,555,281</u>	<u>35,362,234</u>
Tuition charges per pupil - based on ADA	<u>10,290</u>	<u>10,389</u>

SINGLE AUDIT

Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with Government Auditing Standards

To the Members of Board of Education
Berwyn South School District 100
Berwyn, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Berwyn South School District 100 (District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 17, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of

To the Members of the Board of Education
Berwyn South School District 100

deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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



Gassensmith & Michalesko, Ltd.
Certified Public Accountants

October 17, 2019

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

To the Members of the Board of Education
Berwyn South School District 100
Berwyn, Illinois

Report on Compliance for Each Major Federal Program

We have audited Berwyn South School District 100's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2019. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

To the Members of the Board of Education
Berwyn South School District 100

requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify

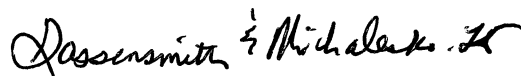
To the Members of the Board of Education
Berwyn South School District 100

any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

We have audited the financial statements of the District, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated October 17, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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



Gassensmith & Michalesko, Ltd.
Certified Public Accountants

Joliet, Illinois
October 17, 2019

BERWYN SOUTH SCHOOL DISTRICT 100
06-016-1000-02
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2019

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/17-6/30/18 (C)	Year 7/1/18-6/30/19 (D)	Year 7/1/17-6/30/18 (E)	Year 7/1/18-6/30/19 (F)	Year 7/1/18-6/30/19 Pass through to Subrecipients			
U.S. DEPARTMENT OF EDUCATION										
<i>Passed through IL State Board of Education</i>										
Title I - Low Income	84-010A	19-4300-00	-	1,048,816	-	-	728,690	-	728,690	1,249,025
Title I - Low Income	84-010A	18-4300-00	989,633	171,152	989,633	-	171,152	-	1,160,785	1,304,147
Title I - School Improvement	84-010A	19-4331-00	-	51,700	-	-	56,200	-	-	60,000
Title III - Lang Inst Program - Limited Eng (LIPLEP)	84.365A	19-4909-00	-	71,275	-	-	87,874	-	87,874	123,494
Title III - Lang Inst Program - Limited Eng (LIPLEP)	84.365A	18-4909-00	62,509	38,489	53,005	-	47,993	-	100,998	118,692
Title III - Immigrant Education Program	84.365A	19-4905-00	-	2,053	-	-	625	-	625	6,750
Title III - Immigrant Education Program	84.365A	18-4905-00	4,664	-	4,664	-	-	-	4,664	4,664
Title II - Teacher Quality	84.367A	19-4932-00	-	127,919	-	-	127,919	-	127,919	154,713
Title II - Teacher Quality	84.367A	18-4932-00	144,990	1,062	144,990	-	1,062	-	146,052	166,557
Title IV	84.424A	19-4400-00	-	51,914	-	-	49,415	-	49,415	74,717
Title IV	84.424A	18-4400-00	13,299	10,053	13,299	-	10,053	-	23,352	27,441
IDEA Flow-through (M)	84.027A	19-4620-00	-	868,830	-	-	868,830	-	868,830	934,620
IDEA Flow-through	84.027A	18-4620-00	883,571	-	883,571	-	-	-	883,571	883,571
IDEA Preschool Flow-through (M)	84.173A	19-4600-00	-	42,346	-	-	42,436	-	42,436	43,282
IDEA Preschool Flow-through	84.173A	18-4600-00	39,475	-	39,475	-	-	-	39,475	39,475
IDEA Room & Board	84.027A	18-4625-00	-	2,036	-	-	2,036	-	2,036	n/a
Preschool expansion grant	84.419B	19-4902-00	-	292,774	-	-	294,799	-	294,799	310,200
<i>Passed through Morton College District 527</i>										
Preschool expansion grant	84.419B	18-4902-00	262,987	43,915	262,987	-	43,915	-	306,902	310,620
TOTAL U.S. DEPARTMENT OF EDUCATION			2,401,128	2,824,334	2,391,624	-	2,532,999	-	4,868,423	n/a
U.S. DEPARTMENT OF AGRICULTURE									-	
<i>Passed through IL State Board of Education</i>									-	
National school lunch program (M)	10.555	19-4210-00	-	1,339,582	-	-	1,339,582	-	1,339,582	n/a
National school lunch program (M)	10.555	18-4210-00	1,322,520	228,374	1,322,520	-	228,374	-	1,550,894	n/a
School Breakfast program (M)	10.553	19-4220-00	-	726,958	-	-	726,958	-	726,958	n/a
School Breakfast program (M)	10.553	18-4220-00	679,688	140,328	679,688	-	140,328	-	820,016	n/a
Fresh Fruits and Vegetables	10.582	19-4240-00	-	39,445	-	-	39,445	-	39,445	n/a
Fresh Fruits and Vegetables	10.582	18-4240-00	54,968	-	54,968	-	-	-	54,968	n/a
Commodities (non-cash)	10.555	2019	-	83,548	-	-	83,548	-	83,548	n/a
Commodities (non-cash)	10.555	2018	102,551	-	102,551	-	-	-	102,551	n/a
Department of Defense Fresh Fruits & Vegetables	10.555	2019	-	59,466	-	-	59,466	-	59,466	n/a
Department of Defense Fresh Fruits & Vegetables	10.555	2018	44,999	-	44,999	-	-	-	44,999	n/a
Child & Adult Care Food Program	10.558	19-4228-00	-	17,600	-	-	17,600	-	17,600	n/a
Child & Adult Care Food Program	10.558	18-4228-00	17,412	3,121	17,412	-	3,121	-	20,533	n/a
NSLP Equipment Assistance Grant	10.579	18-4260-00	29,513	-	29,513	-	-	-	29,513	n/a
TOTAL U.S. DEPARTMENT OF AGRICULTURE			2,251,651	2,638,422	2,251,651	-	2,638,422	-	4,890,073	n/a
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES									-	
<i>Passed through IL Healthcare & Family Services</i>									-	
Medicaid Matching	93.778	2019-4900	-	77,494	-	-	77,494	-	77,494	n/a
Medicaid Matching	93.778	2018-4900	115,384	-	115,384	-	-	-	115,384	n/a
TOTAL U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES			115,384	77,494	115,384	-	77,494	-	192,878	n/a
TOTALS			4,768,163	5,540,250	4,758,659	-	5,248,915	-	9,951,374	n/a

* (M) Program was audited as a major program as defined by §200.518.

The accompanying notes are an integral part of this schedule.

BERWYN SOUTH SCHOOL DISTRICT 100

Notes to Schedule of Expenditures of Federal Awards
June 30, 2019

Note 1 Accounting Basis

The schedule of expenditures of federal awards includes the federal grant activity of the Berwyn South School District 100 (District), and is presented on the modified accrual of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), therefore some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. The District has elected not to use the 10 percent de minimus indirect cost rate as allowed under the uniform guidance.

Reconciliation of Schedule of Expenditures of Federal Awards to Basic Financial Statements

Revenues Per Schedule of Expenditures Of Federal Awards	\$5,540,249
Add-Medicaid Fees-For-Service Program	460,270
Minus Non-Cash Commodities	<u>(143,014)</u>
Total Federal Revenues Per Basic Financial Statements	<u>\$5,857,505</u>

Note 2 Subrecipients, Insurance, and Loans

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

BERWYN SOUTH SCHOOL DISTRICT 100

Summary of Findings and Questionable Costs
June 30, 2019

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expressed an unmodified opinion on the basic financial statements of Berwyn South School District 100 for the year ended June 30, 2019.

INTERNAL CONTROL OVER FINANCIAL REPORTING

2. No material weaknesses were disclosed during the audit of the financial statements.
3. No significant deficiencies that were not considered to be material weaknesses were disclosed during the audit of the financial statements.
4. No instances of noncompliance material to the financial statements of the District, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

FEDERAL AWARDS

5. No material weaknesses were disclosed during the audit of compliance over major federal award programs.
6. No significant deficiencies that were not considered to be material weaknesses were disclosed during the audit of compliance over major federal award programs.
7. The Auditor's Report on Compliance for the major federal award programs for the District, expresses an unqualified opinion on the major federal programs.
8. There were no audit findings relative to the major federal award programs for the District.
9. The programs tested as major programs include Special Education Cluster (CFDA 84.173A & 84.027A), and the Child Nutrition Cluster (CFDA 10.553, 10.555 and 10.556).
10. The threshold for distinguishing Types A and B programs was \$750,000.
11. Berwyn South School District 100 was not determined to be a low-risk auditee.

BERWYN SOUTH SCHOOL DISTRICT 100

Summary of Findings and Questionable Costs
June 30, 2019

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

There were no financial statements findings reported for the fiscal year ended June 30, 2019.

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

There were no federal award finding reported for the fiscal year ended June 30, 2019.

BERWYN SOUTH SCHOOL DISTRICT 100

Summary Schedule of Prior Audit Findings
June 30, 2019

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