

Crete-Monee School
District 201-U
Crete, Illinois

Annual Financial Report
Year Ended June 30, 2021

Crete-Monee School District 201-U
 ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2021

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MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
Crete-Monee School District 201-U
Crete, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Crete-Monee School District 201-U ("the District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Crete-Monee School District 201-U's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

(Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Crete-Monee School District 201-U, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note A-2 and M to the financial statements, assets and fund balance/net position as of July 1, 2020 have been restated as a result of an adjustment due to the implementation of the Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14, the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois pension data on pages 75 through 81, the other postemployment benefits data on pages 82 through 85, budgetary comparison schedules and notes to the required supplementary information on pages 88 through 111 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit for the year ended June 30, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Crete-Monee School District 201-U's basic financial statements. The other schedules listed in the table of contents as the supplementary financial information and other supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

(Continued)

Other Information (Continued)

The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information for the year ended June 30, 2021 has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2021, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information for the year ended June 30, 2021 is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2021.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Crete-Monee School District 201-U, as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated December 15, 2020, which contained 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 Crete-Monee School District 201-U's basic financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund with comparative actual amounts for the year ended June 30, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund have been subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2020.

(Continued)

Other Information (Continued)

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2021 on our consideration of Crete-Monee School District 201-U's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Crete-Monee School District 201-U's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.



Certified Public Accountants

Deerfield, Illinois
December 1, 2021

Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021

The discussion and analysis of Crete-Monee School District 201-U's (the District's) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2021. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights – Government-Wide Financial Statements

- The District's total assets which include but are not limited to cash, investments, receivables, and capital assets such as buildings, equipment and land, total \$168.5M.
- The District's total liabilities, which include but are not limited to accounts payable, wages payable, postretirement benefit and pension liabilities and long-term liabilities, total \$140.5M.
- Expenses from all governmental activities during FY21 total \$104.9M. This includes state contributions totaling \$28.0M for TRS and THIS "on behalf" payments.
- The total change in net deficit for governmental activities during FY21 is a \$12.5M increase.

Financial Highlights – Fund Financial Statements

- The District's total assets in its governmental funds which include but are not limited to cash, investments, and receivables total \$87.6M.
- The District's total liabilities and in its governmental funds which include but are not limited to accounts payable, wages payable and unearned revenue total \$8.4M.
- The District's total revenue in its governmental funds which include but are not limited to property taxes and state and federal aid total \$104.7M. This includes state retirement contributions totaling \$15.3M.
- The District's total expenditures in its governmental funds which include but are not limited to instruction, support services and debt payments total \$101.6M. This also includes state retirement contributions totaling \$15.3M.
- The total fund balance of the District as of June 30, 2021 is \$52.3M.
- The District's total surplus of revenues over expenditures for all funds during FY21 is an increase in fund balance of \$21.0M.

Overview of Financial Statements

The Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information, supplementary financial information, and other supplemental information, in addition to the basic financial statements.

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

Overview of Financial Statements (Continued)

Table 1 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

<i>Table 1- Major Features of the Government-Wide and Fund Financial Statements</i>		
	Government -Wide Statements	Fund Financial Statements
Scope	Entire District	The activities of the District which are not proprietary or fiduciary, including the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds.
Required financial statements	Statements of net position Statement of activities	Balance sheet and Statement of revenues, expenditures, and changes in fund balance
Accounting basis and measurement focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus.
Type of asset and deferred outflows of resources/liability and deferred inflows of resources information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both financial and capital, short-term and long-term.	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader of the District's Annual Financial Report a broad overview of the financial activities in a manner similar to a private sector business.

The statement of net deficit presents information about all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, as reported using the accrual basis of accounting. The difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources is reported as net position (deficit). Over time, changes in net position (deficit) may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the net deficit of the District changed during the current fiscal year. Changes in net deficit are recorded in the statement of activities using the accrual basis of accounting.

The accrual basis of accounting is described in the notes to the financial statements.

Both of the government-wide financial statements distinguish functions of the District that are supported from taxes and intergovernmental revenues (governmental activities). Governmental activities consolidate governmental funds including general, special revenue, debt service, and capital projects funds.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. Fund financial statements for the District include the governmental funds.

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide statements, the governmental funds financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the immediate future.

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

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

Overview of Financial Statements (Continued)

Fund Financial Statements (Continued)

The District considers all governmental funds to be major. The District adopts an annual budget for each of the governmental funds. Budgetary comparison schedules for each of the funds is included in the required supplementary information and the supplementary financial information sections of this report. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the District. The District does not currently have any fiduciary activities.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements, which include the notes to the financial statements, this report also presents certain required supplementary information concerning the District's liabilities for the other postemployment benefits data related to the District's retiree health plan and THIS, and pension data related to the Illinois Municipal Retirement Fund (IMRF) and the Teachers' Retirement System (TRS).

Government-Wide Financial Analysis

Net Deficit: The District's total assets and deferred outflows are \$177.4 million, total liabilities and deferred inflows are \$182.0 million and the total net deficit for the year ending 2021 is \$4.6 million. Tables 2 and 3, below, provide condensed statement of net position (deficit) and statement of activities (changes in net deficit) information.

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

Government-Wide Financial Analysis (Continued)

Table 2
Condensed Statement of Net Position (Deficit)

	2021	2020 *
Assets:		
Current assets	\$ 89,165,547	\$ 64,496,291
Capital assets	<u>79,365,650</u>	<u>79,756,959</u>
Total assets	168,531,197	144,253,250
Deferred Outflows:		
Deferred loss on refunding	3,430,548	3,260,320
Deferred outflows related to pensions	2,817,024	4,098,746
Deferred outflows related to OPEB	<u>2,625,846</u>	<u>1,799,023</u>
Total deferred outflows	8,873,418	9,158,089
Liabilities:		
Current liabilities	8,353,330	7,350,571
Long-term liabilities	<u>132,122,066</u>	<u>124,543,723</u>
Total liabilities	140,475,396	131,894,294
Deferred inflows:		
Deferred inflows related to pensions	7,317,980	7,369,182
Deferred inflows related to OPEB	7,332,698	5,381,878
Property taxes levied for a future period	<u>26,889,996</u>	<u>26,131,204</u>
Total deferred inflows	41,540,674	38,882,264
Net Position (Deficit):		
Net investment in capital assets	32,565,713	33,575,131
Restricted	22,705,011	24,148,556
Unrestricted (deficit)	<u>(59,882,179)</u>	<u>(75,088,906)</u>
Total Net Position (Deficit)	<u>\$ (4,611,455)</u>	<u>\$ (17,365,219)</u>

*Prior year has not been restated for the implementation of GASB 84 in 2021
Government-Wide Financial Analysis (Continued)

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

**Table 3
Condensed Statement of Changes in Net Position
(Deficit)**

	<u>2021</u>	<u>2020 *</u>
Revenues:		
Program revenues		
Charges for services	\$ 292,203	\$ 791,860
Operating grants and contributions	41,200,710	34,922,117
General Revenues:		
Property taxes	53,900,731	52,561,679
Personal property replacement taxes	1,513,827	1,086,509
State aid formula grants	17,409,799	17,410,104
Miscellaneous	<u>3,038,086</u>	<u>886,730</u>
Total Revenues	117,355,357	107,658,999
Expenses	<u>104,872,979</u>	<u>102,448,848</u>
Change in net position (deficit)	12,482,377	5,210,151
Net position (deficit), beginning of year, as restated for 2021	<u>(17,093,832)</u>	<u>(22,575,370)</u>
Net position (deficit), end of year	<u>\$ (4,611,455)</u>	<u>\$ (17,365,219)</u>

*Prior year has not been restated for the implementation of GASB 84 in 2021

Property taxes accounted for approximately 47% of the District's revenue (see Figure 1: Government-Wide Revenue by Source), contributing about 47 cents of every dollar raised. The remainder comes from restricted and unrestricted state and federal revenues, fees charged for services, and miscellaneous sources. The District's expenses (see Figure 2: Government-Wide Expenses by Function) are predominantly (74%) related to instruction, pupil services and transportation of students.

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

Government-Wide Financial Analysis (Continued)

FIGURE 1: GOVERNMENT-WIDE REVENUE BY SOURCE

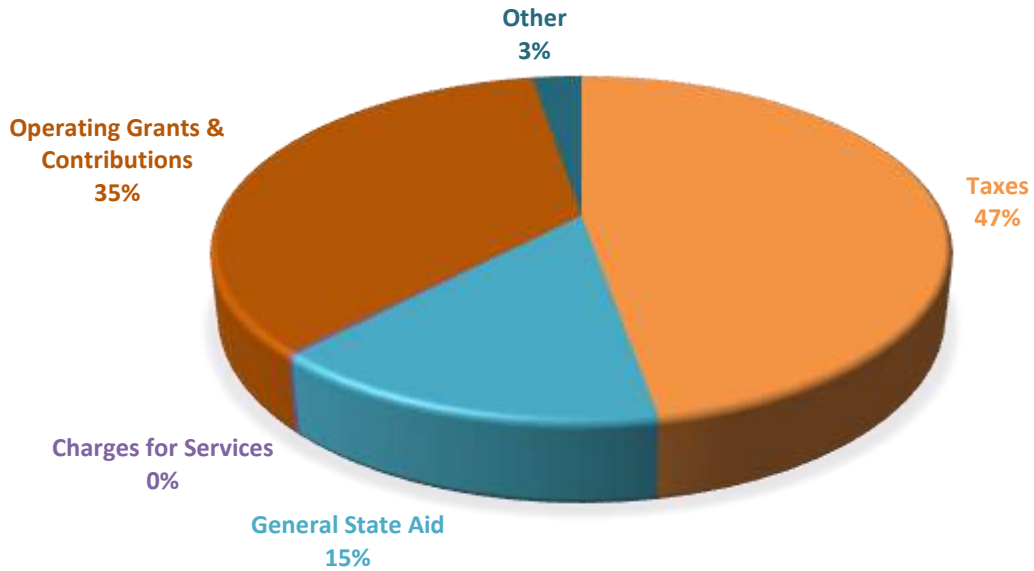
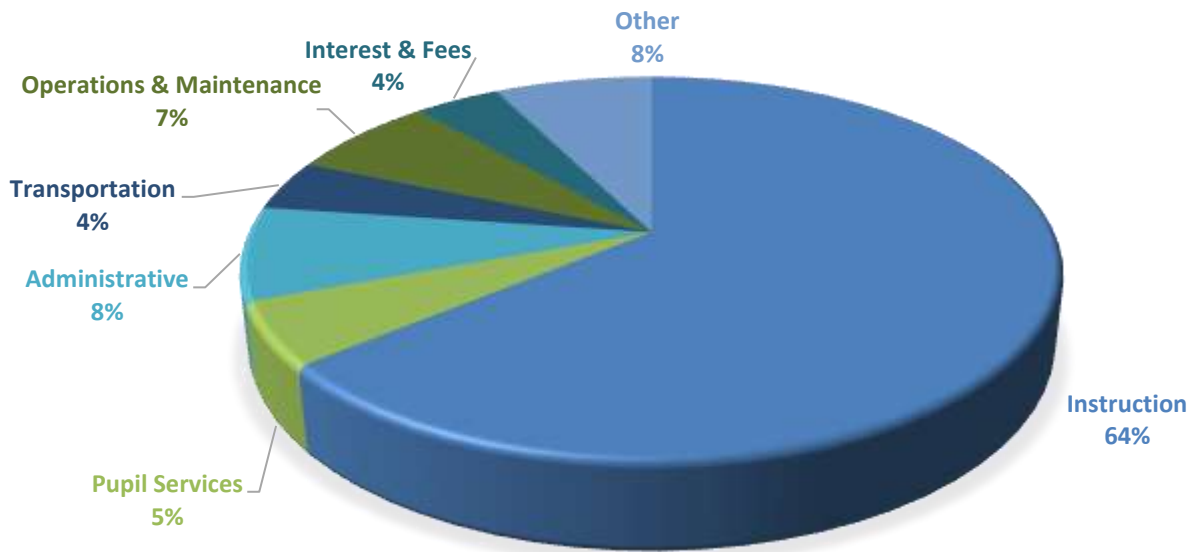


FIGURE 2: GOVERNMENT-WIDE EXPENSES BY FUNCTION



**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

Financial Analysis of the District's Funds

The statement of net deficit includes capital assets and long-term liabilities and therefore presents a financial picture that is different from the traditional modified accrual fund financial statements. Total long-term liabilities were \$132.1 million at June 30, 2021 of which \$94.3 million were bonds payable, which will not be paid off with operating funds, but are supported by the specific ability to levy property taxes to meet the payment commitments. The modified accrual financial statements reflect the financial performance of the District as a whole during the fiscal year. As the District completed the year, the ending fund balance in all funds was \$52.3 million.

General Fund:

- The General Fund had an excess of revenues over expenditures of \$3,840,933 million with a net increase in its fund balance of \$24,079,863 after debt proceeds, and transfers in and out are considered.

Operations and Maintenance Fund:

- The Operations and Maintenance Fund supports the ongoing needs of District facilities and had a deficiency of revenues over expenditures of \$2,009,720 and an ending fund balance of \$3,753,964.

Transportation Fund:

- The Transportation Fund had an excess of revenues over expenditures of \$3,507,078 for the year ended June 30, 2021 as a result of reduced service needs during the pandemic. The Transportation Fund had an ending fund balance of \$7,584,027.

Debt Service Fund:

- The Debt Service Fund had a deficiency of revenues over expenditures of \$770,561 for the year ended June 30, 2021. The Debt Service Fund had an ending fund balance of \$4,278,968.

General Fund Budgetary Highlights:

- Total actual revenues in the General Fund were \$2.7M more than budgeted due to the timing of the receipt of revenue from the state of Illinois (budgetary basis).
- Total actual expenditures in the General Fund were \$5.4M less than budget (budgetary basis).

Capital Asset and Debt Administration

Capital Assets

The District's capital assets (historical cost, before accumulated depreciation) increased from \$123.5M in 2020 to \$125.2M in 2021. Total accumulated depreciation as of June 30, 2021 was \$45.9M. More detailed information about capital assets can be found in Note D – Capital Assets.

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

Capital Asset and Debt Administration (Continued)

Capital Assets (Continued)

Table 4		
Capital Assets		
<i>(original cost before accumulated depreciation)</i>		
	2021	2020
Land and Construction in Progress	\$ 4,640,035	\$ 2,641,235
Land improvements	4,211,688	4,197,318
Buildings	112,325,882	112,663,131
Equipment	4,039,747	4,026,981
Total Capital Assets	<u>\$ 125,217,352</u>	<u>\$ 123,528,665</u>

Long-term Liabilities

At the end of fiscal year 2021, the District increased its long-term liabilities from \$124.5 million to \$132.1 million. More detailed information can be found in Note E of the basic financial statements.

Table 5		
Long-Term Liabilities		
	2021	2020
Bonds payable and unamortized premiums	\$ 94,278,759	\$ 84,709,296
Other postemployment benefits	33,311,914	33,473,711
Net pension liabilities	3,174,233	4,692,593
Capital Lease	323,347	558,753
Compensated absences	247,693	265,615
Early retirement incentives	786,120	843,755
Total long-term liabilities	<u>\$ 132,122,066</u>	<u>\$ 124,543,723</u>

**Crete-Monee School District 201-U
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2021**

Factors Bearing on the District's Future

At the time these financial statements were prepared, the District was aware of the following circumstances that may significantly affect its financial health in the future:

- Mandates and guidelines due to COVID-19 cause additional expenditures (i.e., personal protective equipment, disinfecting and sanitizing of facilities, etc.) in order for the District to safely remain open.
- The District continues to be inadequately funded through the state of Illinois' Evidence-Based Funding Formula with an Adequacy Target of 64%. For the 2020-21 school year, the state has frozen funding at 2019-20 levels with no additional new funding.
- The State of Illinois continues to underfund education and its financial forecast is bleak due to COVID-19.
- Local revenue continues to be stable. However, the District continues to predict a deficit in its operations and it is critical that this is addressed in the next year. The deficit is due to the salary increases within the collective bargaining agreements of the District.
- The use of funds from the Elementary and Secondary School Emergency Relief Funds I and II and the American Rescue Plan provide continued financial resources for much needed program support for students.
- In October 2021, the Board of Education implemented a short-term facility plan to address the deterioration of its aging facilities and provide much needed permanent air-conditioning in their schools. The plan calls for an additional \$67.4 million in general obligation bonds to complete the capital projects.

Requests for Information

This financial report is designed to provide the District's citizens and creditors with a general overview of the District's finances and demonstrate the District's accountability for the money it receives. Questions about this report and requests for additional financial information can be directed to the Business Office, at the following address:

Crete-Monee School District 201-U
1500 Sangamon Street
Crete, IL 60417
708.367.8300

BASIC FINANCIAL STATEMENTS

Crete-Monee School District 201-U
 STATEMENT OF NET DEFICIT - GOVERNMENTAL ACTIVITIES
June 30, 2021

ASSETS

Cash and investments	\$ 53,938,373
Receivables (net of allowance for uncollectibles):	
Property taxes	30,720,288
Replacement taxes	283,214
Intergovernmental	2,307,303
Net pension asset	1,916,369
Capital assets:	
Land	2,641,235
Construction in progress	1,998,800
Depreciable buildings, property, and equipment, net	<u>74,725,615</u>
Total assets	<u>168,531,197</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred loss on refunding of bonds	3,430,548
Deferred outflows related to pensions	2,817,024
Deferred outflows related to other postemployment benefits	<u>2,625,846</u>
Total deferred outflows	<u>8,873,418</u>

LIABILITIES

Accounts payable	2,864,789
Salaries and wages payable	5,016,851
Payroll deductions payable	2,108
Claims payable	469,582
Long-term liabilities:	
Due within one year	10,932,617
Due after one year	<u>121,189,449</u>
Total liabilities	<u>140,475,396</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to pensions	7,317,980
Deferred inflows related to other postemployment benefits	7,332,698
Property taxes levied for a future period	<u>26,889,996</u>
Total deferred inflows	<u>41,540,674</u>

NET POSITION

Net investment in capital assets	32,565,713
Restricted for:	
Operations and maintenance	3,753,964
Debt service	3,973,886
Student transportation	7,584,027
Capital projects	2,548,160
Retirement benefits	4,844,974
Unrestricted (deficit)	<u>(59,882,179)</u>
Total net deficit	<u>\$ (4,611,455)</u>

The accompanying notes are an integral part of this statement.

Crete-Monee School District 201-U

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2021

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Deficit
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 24,985,977	\$ 253,598	\$ 5,630,679	\$ (19,101,700)
Special programs	11,895,546	-	2,702,651	(9,192,895)
Other instructional programs	2,198,750	-	118,798	(2,079,952)
State retirement contributions	27,983,719	-	27,983,719	-
Support services:				
Pupils	3,756,106	-	-	(3,756,106)
Instructional staff	1,833,919	-	214,598	(1,619,321)
General administration	1,919,716	-	-	(1,919,716)
School administration	3,941,094	-	-	(3,941,094)
Business	2,420,499	1,214	919,253	(1,500,032)
Transportation	4,486,844	-	3,539,572	(947,272)
Operations and maintenance	7,408,540	37,391	91,440	(7,279,709)
Central	5,437,258	-	-	(5,437,258)
Other supporting services	122,196	-	-	(122,196)
Community services	255,456	-	-	(255,456)
Nonprogrammed charges, excluding special education	2,013,948	-	-	(2,013,948)
Interest and fees	4,213,411	-	-	(4,213,411)
 Total governmental activities	 <u>\$ 104,872,979</u>	 <u>\$ 292,203</u>	 <u>\$ 41,200,710</u>	 <u>(63,380,066)</u>
General revenues:				
Taxes:				
Real estate taxes, levied for general purposes				30,682,290
Real estate taxes, levied for specific purposes				11,265,381
Real estate taxes, levied for debt service				11,953,060
Personal property replacement taxes				1,513,827
State aid-formula grants				17,409,799
Miscellaneous				3,038,086
Total general revenues				<u>75,862,443</u>
Change in net deficit				12,482,377
Net deficit, beginning of year (as restated, Note M)				<u>(17,093,832)</u>
Net deficit, end of year				<u>\$ (4,611,455)</u>

The accompanying notes are an integral part of this statement.

Crete-Monee School District 201-U

Governmental Funds

BALANCE SHEET

June 30, 2021

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
ASSETS				
Cash and investments	\$ 33,923,931	\$ 3,694,896	\$ 6,449,221	\$ 2,738,290
Receivables (net of allowance for uncollectibles):				
Property taxes	17,733,062	2,507,376	2,228,989	1,526,396
Replacement taxes	283,214	-	-	-
Intergovernmental	1,424,831	-	882,472	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 53,365,038</u>	<u>\$ 6,202,272</u>	<u>\$ 9,560,682</u>	<u>\$ 4,264,686</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 1,290,884	\$ 109,836	\$ 15,655	\$ -
Salaries and wages payable	4,898,239	110,884	7,728	-
Payroll deductions payable	-	1,650	458	-
Claims payable	436,651	31,189	1,742	-
Total liabilities	<u>6,625,774</u>	<u>253,559</u>	<u>25,583</u>	<u>-</u>
DEFERRED INFLOWS				
Property taxes levied for a future period	15,522,054	2,194,749	1,951,072	1,336,081
Total deferred inflows	<u>15,522,054</u>	<u>2,194,749</u>	<u>1,951,072</u>	<u>1,336,081</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	3,753,964	7,584,027	2,928,605
Assigned	282,952	-	-	-
Unassigned	30,934,258	-	-	-
Total fund balances	<u>31,217,210</u>	<u>3,753,964</u>	<u>7,584,027</u>	<u>2,928,605</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 53,365,038</u>	<u>\$ 6,202,272</u>	<u>\$ 9,560,682</u>	<u>\$ 4,264,686</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 3,136,358	\$ 3,966,558	\$ 29,119	\$ 53,938,373
6,717,269	-	7,196	30,720,288
-	-	-	283,214
-	-	-	2,307,303
<u>305,082</u>	<u>-</u>	<u>-</u>	<u>305,082</u>
<u>\$ 10,158,709</u>	<u>\$ 3,966,558</u>	<u>\$ 36,315</u>	<u>\$ 87,554,260</u>
\$ -	\$ 1,448,414	\$ -	\$ 2,864,789
-	-	-	5,016,851
-	-	-	2,108
<u>-</u>	<u>-</u>	<u>-</u>	<u>469,582</u>
<u>-</u>	<u>1,448,414</u>	<u>-</u>	<u>8,353,330</u>
<u>5,879,741</u>	<u>-</u>	<u>6,299</u>	<u>26,889,996</u>
<u>5,879,741</u>	<u>-</u>	<u>6,299</u>	<u>26,889,996</u>
305,082	-	-	305,082
3,973,886	2,518,144	30,016	20,788,642
-	-	-	282,952
<u>-</u>	<u>-</u>	<u>-</u>	<u>30,934,258</u>
<u>4,278,968</u>	<u>2,518,144</u>	<u>30,016</u>	<u>52,310,934</u>
<u>\$ 10,158,709</u>	<u>\$ 3,966,558</u>	<u>\$ 36,315</u>	<u>\$ 87,554,260</u>

Crete-Monee School District 201-U
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET DEFICIT
June 30, 2021

Total fund balances - governmental funds \$ 52,310,934

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

Net capital assets used in governmental activities and included in the statement of net deficit do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet. 79,365,650

Net pension asset is applicable to future periods, and as such, is not reported in the governmental funds balance sheet. 1,916,369

Interest not due in the current period, but paid prior to year end is an asset in the governmental funds balance sheet, but is expensed on the government wide statements. (305,082)

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	\$ 2,817,024	
Deferred inflows of resources related to pensions	<u>(7,317,980)</u>	(4,500,956)

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

Deferred outflows of resources related to other postemployment benefits	2,625,846	
Deferred inflows of resources related to other postemployment benefits	<u>(7,332,698)</u>	(4,706,852)

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

General obligation bonds	(45,450,000)	
Capital appreciation bonds	(43,212,313)	
Capital leases	(323,347)	
Unamortized bond premiums	(5,616,446)	
Compensated absences	(247,693)	
TRS net pension liability	(3,174,233)	
RHP total other postemployment benefit liability	(1,214,294)	
THIS net other postemployment benefit liability	(32,097,620)	
Early retirement incentives	<u>(786,120)</u>	(132,122,066)

Deferred loss on refunding of bonds, included in the statement of net deficit, is not available to pay for current period expenditures and, accordingly, is not included in the governmental funds balance sheet. 3,430,548

Net deficit of governmental activities \$ (4,611,455)

The accompanying notes are an integral part of this statement.

Crete-Monee School District 201-U
 Governmental Funds
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 For the Year Ended June 30, 2021

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
Revenues				
Property taxes	\$ 30,682,290	\$ 4,356,826	\$ 4,205,280	\$ 2,692,420
Replacement taxes	1,463,827	-	-	50,000
State aid	34,275,155	-	3,539,572	-
Federal aid	8,006,553	91,440	-	-
Interest	13,789	267	5,022	1,782
Other	3,270,889	37,391	-	-
Total revenues	<u>77,712,503</u>	<u>4,485,924</u>	<u>7,749,874</u>	<u>2,744,202</u>
Expenditures				
Current:				
Instruction:				
Regular programs	23,927,706	-	-	423,478
Special programs	11,076,373	-	-	380,491
Other instructional programs	1,990,335	-	-	39,602
State retirement contributions	15,285,930	-	-	-
Support services:				
Pupils	4,006,291	-	-	79,700
Instructional staff	1,708,960	-	-	80,690
General administration	1,837,189	-	-	18,641
School administration	3,718,308	-	-	47,618
Business	2,081,139	-	-	189,696
Transportation	16,984	-	4,242,796	21,729
Operations and maintenance	574,981	6,425,658	-	420,727
Central	5,328,013	-	-	248,142
Other supporting services	480	-	-	-
Community services	269,876	-	-	4,476
Nonprogrammed charges	2,013,948	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	35,057	69,986	-	-
Total expenditures	<u>73,871,570</u>	<u>6,495,644</u>	<u>4,242,796</u>	<u>1,954,990</u>
Excess (deficiency) of revenues over expenditures	3,840,933	(2,009,720)	3,507,078	789,212
Other financing sources (uses)				
Transfers in	7,000,000	7,003,392	-	-
Transfers (out)	(4,362,331)	(4,003,392)	(10,000,000)	-
Proceeds from issuance of debt	16,071,665	-	-	-
Premium on bonds sold	1,432,830	-	-	-
Payment to escrow agent	-	-	-	-
Capital lease proceeds	96,766	-	-	-
Total other financing sources (uses)	<u>20,238,930</u>	<u>3,000,000</u>	<u>(10,000,000)</u>	<u>-</u>
Net change in fund balance	24,079,863	990,280	(6,492,922)	789,212
Fund balance, beginning of year, as restated (Note M)	<u>7,137,347</u>	<u>2,763,684</u>	<u>14,076,949</u>	<u>2,139,393</u>
Fund balance, end of year	<u>\$ 31,217,210</u>	<u>\$ 3,753,964</u>	<u>\$ 7,584,027</u>	<u>\$ 2,928,605</u>

The accompanying notes are an integral part of this statement.

	Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$	11,953,060	\$ -	\$ 10,855	\$ 53,900,731
	-	-	-	1,513,827
	-	-	-	37,814,727
	-	-	-	8,097,993
	-	1,007	12	21,879
	-	-	-	3,308,280
	<u>11,953,060</u>	<u>1,007</u>	<u>10,867</u>	<u>104,657,437</u>
	-	-	-	24,351,184
	-	-	-	11,456,864
	-	-	-	2,029,937
	-	-	-	15,285,930
	-	-	-	4,085,991
	-	-	-	1,789,650
	-	-	-	1,855,830
	-	-	-	3,765,926
	-	351,206	15,153	2,637,194
	-	-	-	4,281,509
	-	-	-	7,421,366
	-	-	-	5,576,155
	-	-	-	480
	-	-	-	274,352
	-	-	-	2,013,948
	11,137,172	-	-	11,137,172
	1,586,449	-	-	1,586,449
	-	<u>1,955,213</u>	<u>1,334</u>	<u>2,061,590</u>
	<u>12,723,621</u>	<u>2,306,419</u>	<u>16,487</u>	<u>101,611,527</u>
	(770,561)	(2,305,412)	(5,620)	3,045,910
	358,939	4,003,392	-	18,365,723
	-	-	-	(18,365,723)
	3,823,335	-	-	19,895,000
	-	-	-	1,432,830
	(3,445,475)	-	-	(3,445,475)
	-	-	-	96,766
	<u>736,799</u>	<u>4,003,392</u>	<u>-</u>	<u>17,979,121</u>
	(33,762)	1,697,980	(5,620)	21,025,031
	<u>4,312,730</u>	<u>820,164</u>	<u>35,636</u>	<u>31,285,903</u>
\$	<u><u>4,278,968</u></u>	<u><u>2,518,144</u></u>	<u><u>30,016</u></u>	<u><u>52,310,934</u></u>

Crete-Monee School District 201-U

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2021

Net change in fund balances - total governmental funds	\$	21,025,031
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay	\$	2,066,138	
Depreciation expense		<u>(2,457,447)</u>	(391,309)

Deferred loss on refunding included in the statement of net deficit is not available to pay for current period expenditures, and accordingly, is not included in the government funds balance sheet. This is the current year, net effect of this. 170,228

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

Deferred outflow and inflows of resources related to IMRF pension		(2,459,932)	
Deferred outflow and inflows of resources related to TRS pension		<u>1,229,412</u>	(1,230,520)

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

Deferred outflow and inflows of resources related to RHP		242,942	
Deferred outflow and inflows of resources related to THIS		<u>(1,366,939)</u>	(1,123,997)

Governmental funds report the effect of premiums and discounts 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. (389,324)

Interest not due in the current period, but paid prior to year end is an asset in the governmental funds balance sheet, but is expensed on the government wide statements. (305,082)

(Continued)

Crete-Monee School District 201-U

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES (Continued)
For the Year Ended June 30, 2021

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

Principal repayments		
Capital appreciation bonds	\$	13,346,381
General obligation bonds		430,000
Capital leases		332,172
Accretion on capital appreciation bonds		(3,061,520)
Issuance of general obligation bonds		(19,895,000)
Capital lease proceeds		(96,766)
Compensated absences, net		17,922
IMRF pension liability, net		3,746,079
TRS pension liability,		(311,350)
RHP other postemployment benefit liability, net		(267,559)
THIS other postemployment benefit liability, net		429,356
Retirement incentive program, net		57,635
		<u>\$ (5,272,650)</u>
Change in net deficit - governmental activities		<u>\$ 12,482,377</u>

(Concluded)

The accompanying notes are an integral part of this statement.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Crete-Monee School District 201-U (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

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

1. Reporting Entity

The District is located in Will County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all 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.

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

2. New Accounting Pronouncement

The GASB has issued Statement No. 84, *Fiduciary Activities*, which was implemented by the District for the year ended June 30, 2021. This Statement established guidance for identifying fiduciary activities and resulted in a change to accounting and financial reporting requirements.

Specific changes to the District's financial statements relate to the inclusion of the student activity funds and convenience accounts within the District's General Fund and the Government-Wide statements. See Note M for the effects of this restatement.

3. 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 maintained are consistent with legal and managerial requirements.

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 fund), and the acquisition or construction of major capital facilities (capital projects funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund. The District considers all governmental funds to be major.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net deficit 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 property taxes, intergovernmental revenues, and local fees.

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

a. General Fund

The *General Fund* includes the Educational Account and the Working Cash Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources held by the District to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid upon the collection of property taxes in the fund(s) loaned to. As allowed by the School Code of Illinois, this Account may be permanently abolished and become part of the Educational Account, or it may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Account of at least 0.05% of the District's current equalized assessed valuation.

The Student Activity balance is accounted for in the Educational Account. The balance accounts for activities such as student yearbooks, student clubs and councils, convenience accounts, and scholarships.

b. Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than those accounted for in the debt service or capital projects funds) that are legally restricted to expenditures for specified purposes.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

b. Special Revenue Funds (Continued)

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 are as follows:

Operations and Maintenance Fund - accounts for all revenues and expenditures made for operations, repair, and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes and transfers from other funds.

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

Municipal Retirement/Social Security Fund - 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. Revenue to finance contributions is derived primarily from local property taxes and personal property replacement taxes.

c. Debt Service Fund

Debt Service Fund - accounts for 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 and transfers from other funds.

d. Capital Projects Funds

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

Fire Prevention and Safety Fund - accounts for state-approved life safety projects financed through bond issues or local property taxes levied specifically for such purposes.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. 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 most revenues available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if they are vouchered by year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest, on general long-term debt, which is recognized when due, and certain compensated absences, claims, and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net deficit and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position / fund balance that applies to a future period. At June 30, 2021, the District has deferred outflows of resources related to pensions, other postemployment benefits, and loss on the refunding of bonds. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting period. At June 30, 2021, the District reported deferred inflows related to property taxes levied for a future period, pension liabilities, and other postemployment benefits.

7. Budgetary Data

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

8. Deposits and Investments

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

10. Prepaid Items

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

11. Capital Assets

Capital assets, which include land, buildings and improvements, site improvements, and equipment are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual or group cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Capital Assets

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Site improvements	20
Buildings and improvements	15 - 50
Equipment	5 - 15

Construction in progress is stated at cost and includes engineering, design, material, and labor costs incurred for planned construction. No provision for depreciation is made on construction in progress until the asset is completed and placed in service.

13. Accumulated Unpaid Vacation and Sick Pay

Administrators, support staff and maintenance employees who work a twelve-month year are entitled to compensation for vacation time. Annual compensation ranges between 10 and 25 days, depending on the employee's position and years of service with the District. An employee may carry up to 10 days of unused vacation time, and balances in excess of 10 days will permanently expire if not used on or before June 30th.

Certified employees receive specified sick days depending on their years of service with the District, in accordance with the agreement between the District's Board of Education and the Crete-Monee Education Association. Unused sick days accumulate to the maximum permitted to be exchanged for service credit by TRS (currently 340 days). Upon retirement, a certified employee may apply up to 340 days of unused sick time toward service credit for TRS. Unused sick leave days not used for TRS creditable service are paid at the current daily substitute rate of \$94 per day.

Educational support personnel receive a specified number of sick days per year depending on years of service with the District. Unused sick days accumulate to a maximum of 230 and are paid at a rate of \$50 per day.

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. 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 deficit. Bond premiums and discounts and losses on refunding of bonds, are deferred and amortized over the life of the applicable bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

15. 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.

16. Pensions and Other Postemployment Benefits

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

15. Restricted Net Position

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

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

16. Fund Balance

The governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items or inventories.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds as well as debt service and capital projects funds are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. The District had no committed fund balances at June 30, 2021.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegated the authority to assign amounts to be used for specific purposes. The Board of Education has declared that the Assistant Superintendent for Business Services/CSBO may assign amounts for a specific purpose. The District student activity balance of \$282,952 has been assigned at June 30, 2021.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the general fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

The restricted fund balances are for the purpose of the restricted funds as described in Note A-4.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

17. Use of Estimates

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

NOTE B - DEPOSITS AND INVESTMENTS

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

At June 30, 2021, the District's cash and investments consisted of the following and for disclosure purposes, is classified into the following components:

	Total
Deposits with financial institutions*	\$ 7,373,710
Illinois Funds	4,836,938
Illinois School District Liquid Asset Fund Plus (ISDLAF+)	40,685,489
	\$ 52,896,137

Includes accounts held in demand, savings accounts, and money market savings accounts, which are valued at cost.

1. Interest Rate Risk

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

Investments measured at net asset value (NAV):

			<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
ISDLAF+	\$	40,685,489	N/A	Daily	1 day
Illinois Funds	\$	4,836,938	N/A	Daily	1 day

2. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs).

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

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are rated AAAM and are valued at Illinois Funds' share price, which is the price the investment can be sold.

3. Concentration of Credit Risk

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

4. Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by 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, 2021, the bank balances of the District's deposits with financial institutions totaled \$10,339,327, all of which was fully insured or collateralized.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

4. Custodial Credit Risk (Continued)

With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring that all investments be in high quality investment pools and/or secured by private insurance or collateral.

NOTE C - PROPERTY TAXES RECEIVABLE

The District's property tax is levied each calendar year on all taxable real property located in the District's jurisdiction.

The School Board must adopt the tax levy and file a certified copy of the levy with the County Clerk's Office on or before the last Tuesday in December of each year. The District adopted its 2020 levy on December 15, 2020. Property taxes attach retroactively as an enforceable lien as of January 1 of the levy year and are payable in two installments in June and September of the current calendar year. The District receives significant distributions approximately one month after the collection dates. Taxes recorded in these financial statements are from the 2020 and prior tax levies. For all funds, the District recognizes no more than approximately one-half of the levy in the current fiscal year as revenue with the remaining portion to be recognized in the following fiscal year. Accordingly, the remaining portion is reflected as deferred inflows of resources-property taxes levied for a future period. This methodology conforms to the measurable and available criteria for revenue recognition.

An allowance of 1% for the estimated uncollectible taxes has been provided based on prior year collection experiences. Due to property tax collection through 60 days being sufficient to meet the availability criteria, the District was able to recognize approximately one-half of the levy as revenue in the current fiscal year on the fund financial statements.

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

The Property Tax Extension Limitation Law (PTELL) imposes mandatory property tax limitations on the ability of taxing districts in Illinois to raise revenues through unlimited property tax increases. The increase in property tax extensions is limited to the lesser of 5 percent or the percentage increase in the Consumer Price Index for all Urban Consumers. The limitation includes taxes levied for purposes without a statutory maximum rate. The amount of the limitation may be adjusted for new property added or annexed to the tax base or due to voter approved increases.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE D - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2021</u>
Capital assets, not being depreciated				
Land	\$ 2,641,235	\$ -	\$ -	\$ 2,641,235
Construction in progress	<u>-</u>	<u>1,998,800</u>	<u>-</u>	<u>1,998,800</u>
Total capital assets not being depreciated	<u>2,641,235</u>	<u>1,998,800</u>	<u>-</u>	<u>4,640,035</u>
Capital assets, being depreciated				
Site improvements	4,197,318	14,370	-	4,211,688
Buildings and improvements	112,663,131	40,202	377,451	112,325,882
Equipment	<u>4,026,981</u>	<u>12,766</u>	<u>-</u>	<u>4,039,747</u>
Total capital assets being depreciated	<u>120,887,430</u>	<u>67,338</u>	<u>377,451</u>	<u>120,577,317</u>
Less accumulated depreciation for:				
Site improvements	3,292,187	90,760	-	3,382,947
Buildings and improvements	37,352,046	2,175,629	377,451	39,150,224
Equipment	<u>3,127,473</u>	<u>191,058</u>	<u>-</u>	<u>3,318,531</u>
Total accumulated depreciation	<u>43,771,706</u>	<u>2,457,447</u>	<u>377,451</u>	<u>45,851,702</u>
Total capital assets being depreciated, net	<u>77,115,724</u>	<u>(2,390,109)</u>	<u>-</u>	<u>74,725,615</u>
Governmental activities capital assets, net	<u>\$ 79,756,959</u>	<u>\$ (391,309)</u>	<u>\$ -</u>	<u>\$ 79,365,650</u>

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE D - CAPITAL ASSETS (Continued)

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

Instruction:	
Regular programs	\$ 689,063
Pre-K programs	4,968
Special programs	384,442
Remedial programs	44,611
Other instructional programs	162,436
Support services:	
Pupils	175,003
Instructional staff	73,518
General administration	63,559
School administration	171,986
Business	144,185
Transportation	243,103
Central	166,405
Other support services	121,716
Community services	4,129
Operations and maintenance	<u>8,323</u>
	<u>\$ 2,457,447</u>

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE E - LONG-TERM LIABILITIES

The following is the long-term liability activity for the District for the year ended June 30, 2021:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions /</u> <u>Accretion</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2021</u>
General obligation bonds:				
School refunding bond - 2016B	\$ 11,580,000	\$ -	\$ 430,000	\$ 11,150,000
Limited school bond - 2016C	14,405,000	-	-	14,405,000
Limited school bond - 2020A	-	6,210,000	-	6,210,000
Limited school bond - 2020B	-	10,175,000	-	10,175,000
Refunding school bond - 2020C	-	3,510,000	-	3,510,000
Capital appreciation bonds:				
Capital appreciation bond - 2004	31,862,752	2,237,238	11,153,671	22,946,319
Capital appreciation bond - 2005	10,053,620	265,478	957,710	9,361,388
Capital appreciation bond - 2006	11,580,802	558,804	1,235,000	10,904,606
Unamortized premium	5,227,122	1,432,830	1,043,506	5,616,446
Total bonds payable	<u>84,709,296</u>	<u>24,389,350</u>	<u>14,819,887</u>	<u>94,278,759</u>
Capital leases	558,753	96,766	332,172	323,347
Compensated absences	265,615	355,542	373,464	247,693
Early retirement incentives	843,755	174,151	231,786	786,120
IMRF net pension liability *	1,829,710	3,878,574	5,708,284	-
TRS net pension liability	2,862,883	1,291,398	980,048	3,174,233
RHP other postemployment benefit liability	946,735	451,222	183,663	1,214,294
THIS other postemployment benefit liability	32,526,976	1,730,364	2,159,720	32,097,620
Total long-term liabilities - governmental activities	<u>\$ 124,543,723</u>	<u>\$ 32,367,367</u>	<u>\$ 24,789,024</u>	<u>\$ 132,122,066</u>

* In 2021, the IMRF plan fiduciary net position exceeded the total pension liability resulting in a net pension asset of \$1,916,369.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE E - LONG-TERM LIABILITIES (Continued)

	Due Within One Year
Early retirement incentives	\$ 307,473
Capital appreciation bonds	10,220,000
Capital leases	157,451
Compensated absences	247,693
	\$ 10,932,617

1. General Obligation Bonds

The summary of activity in general obligation and capital appreciation bonds for the year ended June 30, 2021 is as follows:

	Bonds Payable July 1, 2020	Debt Accretion/Additions	Debt Retired	Bonds Payable June 30, 2021
School Refunding Bond, Series 2016B, interest at 5.00%	\$ 11,580,000	\$ -	\$ 430,000	\$ 11,150,000
Limited Tax School Bonds, Series 2016C, interest at 4.00% to 5.00%	14,405,000	-	-	14,405,000
Limited Tax School Bonds, Series 2020A, interest at 1.95% to 2.30%	-	6,210,000	-	6,210,000
Limited Tax School Bonds, Series 2020B, interest at 4.00%	-	10,175,000	-	10,175,000
School Refunding Bond, Series 2020C, interest at 1.95%	-	3,510,000	-	3,510,000
Capital Appreciation School Bond, Series 2004, interest at 8.00%	31,862,752	2,237,238	11,153,671	22,946,319
Capital Appreciation School Bond, Series 2005, interest at 4.90% to 4.95%	10,053,620	265,478	957,710	9,361,388

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE E - LONG-TERM LIABILITIES (Continued)

1. General Obligation Bonds

Capital Appreciation School Bond,
Series 2006, interest at 4.80% to 5.25%

	11,580,802	558,804	1,235,000	10,904,606
Total	\$ 79,482,174	\$ 22,956,520	\$ 13,776,381	\$ 88,662,313

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

Purpose	Interest Rates	Face Amount	Carrying Amount
School Refunding Bonds - 2016B	5.00%	\$ 11,150,000	\$ 11,150,000
Limited Tax School Bonds - 2016C	4.00%-5.00%	14,405,000	14,405,000
Limited Tax School Bonds - 2020A	1.95%-2.30%	6,210,000	6,210,000
Limited Tax School Bonds - 2020B	4.00%	10,175,000	10,175,000
School Refunding Bonds - 2020C	1.95%	3,510,000	3,510,000
Capital Appreciation School Bonds - 2004	8.00%	25,735,000	22,946,319
Capital Appreciation School Bonds - 2005	4.90%-4.95%	11,755,000	9,361,388
Capital Appreciation School Bonds - 2006	4.80%-5.25%	12,560,000	10,904,606
		\$ 95,500,000	\$ 88,662,313

At June 30, 2021, the District's future cash flow requirements for retirement of bond principal and interest was as follows:

	Year Ending June 30,	Principal	Interest	Total
2022	\$	10,220,000	\$ 1,779,179	\$ 11,999,179
2023		10,220,000	1,777,494	11,997,494
2024		10,220,000	1,777,494	11,997,494
2025		10,220,000	1,777,494	11,997,494
2026		9,790,000	1,777,494	11,567,494
2027 - 2031		27,765,000	5,658,868	33,423,868
2032 - 2036		17,065,000	1,907,200	18,972,200
Total	\$	95,500,000	\$ 16,455,222	\$ 111,955,222

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE E - LONG-TERM LIABILITIES (Continued)

1. General Obligation Bonds (Continued)

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$4,278,968 in the Debt Service Fund to service the outstanding bonds payable at June 30, 2021.

On December 30, 2020, the District issued \$3,510,000 in general obligation bonds with an average coupon rate of 1.95% to refund \$2,971,381 of outstanding bonds with an average coupon rate of 5.00% to 6.02%. The net proceeds were placed in an irrevocable trust, which is directed by an escrow agent, to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the refunded debt are not included in the District's financial statements

The cash flow requirement on the refunded debt prior to the current refunding was \$68,316,000 from 2021 through 2028. The cash flow requirements on the refunding bonds are \$68,810,064 from 2021 through 2028. The current refunding resulted in an economic loss (difference between the present values of the debt service payments on the old and new debt) of \$194,758.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 13.8% of the most recent available equalized assessed valuation of the District. As of June 30, 2021, the statutory debt limit for the District was \$93,370,577, of which \$32,057,326 is fully available.

2. Early Retirement Incentives

The District implemented an early retirement incentive plan in which an employee can notify the District of his/her intent to retire at the end of four upcoming school years. The employee shall receive a 6% increase in salary for each year up to retirement. This increase is paid to the employee over the course of the next four fiscal school years. As of June 30, 2021, the liability amounted to \$786,120.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE E - LONG-TERM LIABILITIES (Continued)

3. Capital Lease

The District currently has several lease agreements for financing the acquisition of copiers. The leases require aggregate annual payments of \$265,939, with terms ranging from thirty-six to forty-eight consecutive months. The obligations for these loans will be repaid from the Debt Service Fund with transfers from the General Fund (Educational Account). The future cash flow requirements for the lease are as follows:

Year Ending June 30	Principal	Interest	Total
2022	157,451	15,488	172,939
2023	165,896	7,948	173,844
	\$ 323,347	\$ 23,436	\$ 346,783

NOTE F - PENSION LIABILITIES

1. Teachers' Retirement System of the State of Illinois

General Information about the Pension Plan

Plan Description

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

TRS issues a publicly available financial report that can be obtained at www.trsil.org/financial/cafrs/fy2020; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

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

General Information about the Pension Plan

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 consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring Tier I members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier I and II members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

Contributions

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

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

General Information about the Pension Plan (Continued)

Contributions (Continued)

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, 2020, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2021, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenses of \$26,478,447 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$14,885,503 in the General Fund based on the current financial resources measurement basis.

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2021, were \$187,296, and are deferred because they were paid after the June 30, 2020 measurement date.

Federal and Special Trust Fund Contributions

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

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

For the year ended June 30, 2021, the employer pension contribution was 10.41 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2021, salaries totaling \$159,881 were paid from federal and special trust funds that required employer contributions of \$16,644. These contributions are deferred because they were paid after June 30, 2020 measurement date.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

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

General Information about the Pension Plan (Continued)

Contributions (Continued)

Early Retirement Cost Contributions

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2021, the District paid \$28,941 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	3,174,233
State's proportionate share of the net pension liability associated with the District		<u>248,622,397</u>
Total	\$	<u><u>251,796,630</u></u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2020, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2020, the District's proportion was 0.003681753 percent, which was an increase of 0.000152043 percent from its proportion measured as of June 30, 2019.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

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

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

For the year ended June 30, 2021, the District recognized the following pension expense/expenditures and revenue pertaining to the District's employees:

	Governmental Activities	General Fund
State on-behalf contributions - revenue and expense/expenditure	\$ 26,478,447	\$ 14,885,503
District TRS pension expense (benefit)	(731,486)	187,296
Total TRS expense/expenditure	\$ 25,746,961	\$ 15,072,799

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 30,762	\$ -
Change of assumptions	13,006	33,305
Net difference between projected and actual earnings on pension plan investments	94,778	847
Changes in proportion and differences between District contributions and proportionate share of contributions	119,297	1,538,003
Total deferred amounts to be recognized in pension expense in future periods	257,843	1,572,155
District contributions subsequent to the measurement date	187,296	-
Total deferred amounts related to pensions	\$ 445,139	\$ 1,572,155

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

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

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

The District reported \$187,296 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2022. 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 ending June 30,	Net Deferred Inflows (Outflows) of Resources
2022	\$ 1,124,709
2023	197,657
2024	21,988
2025	(20,770)
2026	<u>(9,272)</u>
	<u>\$ 1,314,312</u>

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	Varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

In the June 30, 2020 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2017. In the June 30, 2019 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2014.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

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

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

Actuarial Assumptions (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equities large cap	16.5 %	6.1 %
U.S. equities small/mid cap	2.3	7.2
International equities developed	12.2	7.0
Emerging market equities	3.0	9.4
U.S. bonds core	7.0	2.2
U.S. bonds high yield	2.5	4.1
International debt developed	3.1	1.5
Emerging international debt	3.2	4.5
Real estate	16.0	5.7
Private Debt	5.2	6.3
Hedge Funds	10.0	4.3
Private equity	15.0	10.5
Infrastructure	<u>4.0</u>	6.2
Total	<u><u>100.0 %</u></u>	

Crete-Monee School District 201-U
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

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

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

Actuarial Assumptions (Continued)

Discount Rate

At June 30, 2020, the discount rate used to measure the total pension liability was 7.00 percent, which was the same as the June 30, 2019 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2020 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	6.00%	7.00%	8.00%
District's proportionate share of the net pension liability	\$ 3,852,940	\$ 3,174,233	\$ 2,615,460

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

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

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

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2020 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

2. Illinois Municipal Retirement Fund

Plan Description

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

Benefits Provided

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

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

Crete-Monee School District 201-U
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Benefits Provided (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

As of December 31, 2020, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	413
Inactive plan members entitled to but not yet receiving benefits	424
Active plan members	258
Total	1,095

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 2020 was 9.46%. For the fiscal year ended June 30, 2021 the District contributed \$842,859 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 Asset

The District's net pension asset was measured as of December 31, 2020. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

Crete-Monee School District 201-U
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2020:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates, specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
 Mortality	 For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
 Long-term Expected Rate of Return	 The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Long-term Expected Rate of Return (Continued)	Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
	Domestic equities	37%	5.00%
	International equities	18%	6.00%
	Fixed income	28%	1.30%
	Real estate	9%	6.20%
	Alternative investments	7%	2.85%-6.95%
	Cash equivalents	1%	0.70%
	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:

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

For the purpose of the most recent valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 2.00% (based on the daily rate closest to but not later than the measurement date of the "20-Year Municipal GO AA index"), and the resulting single discount rate is 7.25%.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Changes in Net Pension Liability (Asset)

The following table shows the components of the change in the District's net pension liability (asset) for the calendar year ended December 31, 2020:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2019	\$ 40,889,777	\$ 39,060,067	\$ 1,829,710
Changes for the year:			
Service cost	970,487	-	970,487
Interest on the total pension liability	2,908,087	-	2,908,087
Difference between expected and actual experience of the total pension liability	(212,336)	-	(212,336)
Changes of assumptions	(409,467)	-	(409,467)
Contributions - employer	-	867,154	(867,154)
Contributions - employees	-	413,585	(413,585)
Net investment income	-	5,639,379	(5,639,379)
Benefit payments, including refunds of employee contributions	(2,526,963)	(2,526,963)	-
Other (net transfer)	-	82,732	(82,732)
Net changes	<u>729,808</u>	<u>4,475,887</u>	<u>(3,746,079)</u>
Balances at December 31, 2020	<u>\$ 41,619,585</u>	<u>\$ 43,535,954</u>	<u>\$ (1,916,369)</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

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

	1% Lower (6.25%)	Current Discount Rate (7.25%)	1% Higher (8.25%)
Net pension liability (asset)	<u>\$ 2,876,725</u>	<u>\$ (1,916,369)</u>	<u>\$ (5,739,181)</u>

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

For the year ended June 30, 2021 the District recognized pension income of \$443,349. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 28,307	\$ 123,556
Change of assumptions	-	238,264
Net difference between projected and actual earnings on pension plan investments	<u>1,918,770</u>	<u>5,384,005</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>1,947,077</u>	<u>5,745,825</u>
Pension contributions made subsequent to the measurement date	<u>424,808</u>	<u>-</u>
Total deferred amounts related to pensions	<u><u>\$ 2,371,885</u></u>	<u><u>\$ 5,745,825</u></u>

The District reported \$424,808 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2021.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

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 ending June 30,	Net Deferred Inflows of Resources
2022	\$ 1,334,705
2023	518,277
2024	1,375,825
2025	569,941
2026	-
Thereafter	-
Total	\$ 3,798,748

3. Summary of Pension Items

Below is a summary of the various pension items:

	TRS	IMRF	Total
Deferred outflows of resources:			
Employer contributions	\$ 187,296	\$ 424,808	\$ 612,104
Experience	30,762	28,307	59,069
Assumptions	13,006	-	13,006
Proportionate share	119,297	-	119,297
Investments	94,778	1,918,770	2,013,548
	\$ 445,139	\$ 2,371,885	\$ 2,817,024

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE F - PENSION LIABILITIES (Continued)

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

3. Summary of Pension Items (Continued)

	TRS	IMRF	Total
Net pension liability (asset)	\$ 3,174,233	\$ (1,916,369)	\$ 1,257,864
Pension expense (income)	\$ 25,746,961	\$ (443,349)	\$ 25,303,612
Deferred inflows of resources:			
Experience	\$ 847	\$ 123,556	\$ 124,403
Assumptions	33,305	238,264	271,569
Proportionate share	1,538,003	-	1,538,003
Investments	-	5,384,005	5,384,005
	\$ 1,572,155	\$ 5,745,825	\$ 7,317,980

4. Social Security/Medicare

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

NOTE G - OTHER POSTEMPLOYMENT BENEFITS

1. Teachers' Health Insurance Security (THIS)

General Information about the Other Postemployment Plan

Plan Description

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

General Information about the Other Postemployment Plan (Continued)

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

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

Benefits Provided

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

Contributions

On behalf contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. In the fund financial statements, the State contributions are intended to match contributions to the THIS Fund from active members, which were 1.24 percent of pay during the year ended June 30, 2021. In the government-wide financial statements, State of Illinois contributions also include a proportional allocation of the State's OPEB expense (based on the portion of the District's share of the expense compared to all School Districts in aggregate). For the year ended June 30, 2021, the District recognized revenue and expenses of \$1,505,272 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$400,427 in the General Fund based on the current financial resources measurement basis for State of Illinois contributions on behalf of the District's employees.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

General Information about the Other Postemployment Plan (Continued)

Contributions (Continued)

District contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.92 percent during the year ended June 30, 2021. For the year ended June 30, 2021, the District paid \$297,091 to the THIS Fund, which was 100 percent of the required contribution. These amounts are deferred because they were paid after the June 30, 2020 measurement date.

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

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

At June 30, 2021, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for state OPEB support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability **	\$ 32,097,620
State's estimated proportionate share of the net OPEB liability associated with the District*	<u>43,483,534</u>
Total	<u><u>\$ 75,581,154</u></u>

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

** The District's proportionate share of the OPEB liability is based on its contributions (on a cash basis) as a percentage of total contributions received (cash basis) by the THIS plan in FY 20. This method, which was selected by the Plan, can cause fluctuations in the OPEB liability to occur due to timing differences between contributions received by the plan during the year and the amounts contractually required to be paid to the Plan for the same year. These differences can increase/decrease the District's percentage of total plan contributions and therefore the related OPEB liability. These variances can be significant, however are mainly offset by similar variances in the related deferred inflows/outflows. Additionally, the variances are generally corrected in the following year when the related balances are adjusted to a new valuation report for the THIS plan.

The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to June 30, 2020. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2020, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2020, the District's proportion was 0.120054 percent, which was an increase of 0.002532 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized the following for OPEB expense/expenditure and revenue pertaining to the District's employees:

	Governmental Activities	General Fund
State on-behalf contributions - OPEB revenue and expense/expenditure	\$ 1,505,272	\$ 400,427
District OPEB pension expense	1,228,243	297,091
Total OPEB expense/expenditure	\$ 2,733,515	\$ 697,518

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 852,800
Change of assumptions	10,869	5,294,463
Net difference between projected and actual earnings on OPEB plan investments	-	914
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>1,883,936</u>	<u>701,496</u>
Total deferred amounts to be recognized in OPEB expense in future periods	<u>1,894,805</u>	<u>6,849,673</u>
District contributions subsequent to the measurement date	<u>297,091</u>	<u>-</u>
Total deferred amounts related to OPEB	<u><u>\$ 2,191,896</u></u>	<u><u>\$ 6,849,673</u></u>

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

The District reported \$297,091 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2021. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending June 30:</u>	<u>Net Deferred Inflows of Resources</u>
2022	\$ 948,586
2023	948,500
2024	948,322
2025	763,866
2026	500,185
Thereafter	845,409
Total	\$ 4,954,868

Actuarial Assumptions

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you basis. Contribution rates are defined by statute. For fiscal year end June 30, 2020, contribution rates are 1.24% of pay for active members, 0.92% of pay for school districts, and 1.24% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Market value

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

Actuarial Assumptions (Continued)

Investment rate of return	0.00%, net of OPEB plan investment expense, including inflation, for all plan years.
Inflation	2.50%
Salary increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018, actuarial valuation.
Mortality	Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. Disabled Annuitants: RP- 2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017.
Healthcare Trend Rate	Actual trend used for fiscal year 2020. For fiscal years on and after 2021, trend starts at 8.25% for non-Medicare cost and Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional rate adjustment due to the repeal of the Excise tax.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

Discount Rate

The State, the District and active members contribute 1.24 percent, 0.92 percent, 1.24 percent of pay, respectively for fiscal year 2020. Retirees contribute a percentage of the premium rate. The State also contributes an additional amount to cover plan costs in excess of contributions and investment income. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.13 percent at June 30, 2019, and 2.45 percent at June 30, 2020, was used to measure the total OPEB liability. The decrease in the single discount rate, from 3.13 percent to 3.45 percent, caused the total OPEB liability for the entire plan to increase by approximately \$3,012 million as of June 30, 2020.

Investment Return

During plan year end June 30, 2020, the trust earned \$193,000 in interest, and the market value of assets at June 30, 2020, is \$189 million. Given the low asset value and pay-as-you-go funding policy, the long-term expected rate of return assumption was set to zero.

Money-Weighted Rate of Return

The annual money-weighted rate of return was estimated based on monthly investment performance, net of investment expenses, adjusted for changing amounts actually invested. The annual money-weighted rate of return was 1.732% for plan year end June 30, 2020, and 2.038% for plan year end June 30, 2019.

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

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 2.45 percent, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.45 percent) or 1-percentage-point higher (3.45 percent) than the current rate:

Crete-Monee School District 201-U
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

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

	<u>1% Decrease</u> <u>(1.45%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(2.45%)</u>	<u>1% Increase</u> <u>(3.45%)</u>
District's proportionate share of the net OPEB liability	\$ 38,576,793	\$ 32,097,620	\$ 26,964,483

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

The following presents the plan's net OPEB liability, calculated using the healthcare cost trend rates as well as what the plan's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037.

	<u>1% Decrease*</u>	<u>Current</u> <u>Healthcare</u> <u>Trend Rate</u>	<u>1% Increase</u> <u>**</u>
District's proportionate share of the net OPEB liability	\$ 25,816,263	\$ 32,097,620	\$ 40,588,830

*One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate trend rate of 3.25% in 2037.

** One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.

Crete-Monee School District 201-U
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP)

Plan Description

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

Benefits Provided

The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement until age 65, provided they are on the group health insurance plan at the time of retirement. Retirees are responsible to contribute a premium toward the cost of their insurance, which is determined by the Board. Retirees may also access dental and life insurance benefits on a "direct pay" basis.

TRS employees are only eligible who are retired as of June 30, 2014 or who have submitted their notice to retire by August 31, 2013. IMRF Tier I (date of hire is prior to January 1, 2011) participants are eligible upon attaining age 55 with at least 8 years of service. IMRF Tier II (date of hire is on or after January 1, 2011) participants are eligible to retire upon attaining age 62 with 10 years of service.

Employees Covered by Benefit Terms

As of July 1, 2020 the following employees were covered by the benefit terms:

Active employees	237
Inactive employees entitled to but not yet receiving benefits	-
Inactive employees currently receiving benefits	-
Total	237

Contributions

Retirees have the option of choosing from an HMO or PPO plan through the District. Premiums for the plan are set by the Board of Education. Currently, the District contributes 0 percent to postemployment benefits. Eligible employees may continue coverage into retirement on a pay-all basis. For fiscal year 2021, the District contributed \$0 toward the cost of the postemployment benefits for retirees.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

Total OPEB Liability

The total OPEB liability was determined by an actuarial valuation performed as of July 1, 2020 using the following actuarial methods and assumptions:

Actuarial valuation date	July 1, 2020
Measurement date	June 30, 2020
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation	3.00%
Discount rate	2.66%
Projected salary increases	4.00%
Healthcare inflation rate	6.00% initial 4.50% ultimate
Mortality rates	Pub-2010 Public Retirement Plans General mortality table projected generationally with Scale MP-2020
Election at retirement	30% of active employees will continue coverage upon retirement. It is assumed that active employees will elect the same coverage upon retirement as they have when they are active.
Marital status	40% of participants will be married and elect to cover a spouse upon retirement. Husbands are assumed to be three years older than wives.

Discount Rate

The District does not have a dedicated Trust to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). A rate of 2.66% is used, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2020.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
Balances at July 1, 2020	\$ 946,735	\$ -	\$ 946,735
Changes for the year:			
Service cost	103,225	-	103,225
Interest on the total OPEB liability	33,136	-	33,136
Difference between expected and actual experience of the total OPEB liability	314,861	-	314,861
Changes of assumptions	(183,663)	-	(183,663)
Contributions - employer	-		-
Benefit payments, including the implicit rate subsidy	-		-
Net changes	<u>267,559</u>	<u>-</u>	<u>267,559</u>
Balances at June 30, 2021	<u>\$ 1,214,294</u>	<u>\$ -</u>	<u>\$ 1,214,294</u>

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

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

	1% Lower (1.66%)	Current Discount Rate (2.66%)	1% Higher (3.66%)
Total OPEB liability	<u>\$ 1,307,524</u>	<u>\$ 1,214,294</u>	<u>\$ 1,127,824</u>

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

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

The following presents the plan's total OPEB liability, calculated using a Healthcare Trend Rate range of 4.50%-6.00%, as well as what the plan's total OPEB liability would be if it were calculated using a Healthcare Trend Rate range that is 1% lower or 1% higher than the current range:

	1% Lower <u>(3.50%-5.00%)</u>	Current Healthcare Rate <u>(4.50%-6.00%)</u>	1% Higher <u>(5.50%-7.00%)</u>
Total OPEB liability	\$ 1,088,805	\$ 1,214,294	\$ 1,361,718

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

For the year ended June 30, 2021 the District recognized OPEB expense of \$24,616. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in OPEB Expense in Future Periods		
Differences between expected and actual experience	\$ 277,405	\$ 120,681
Change of assumptions	<u>156,545</u>	<u>362,344</u>
Total deferred amounts to be recognized in OPEB expense in the future periods	<u>\$ 433,950</u>	<u>\$ 483,025</u>

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

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

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

Year Ended June 30,	Net Deferred (Inflows)/Outflows of Resources
2022	\$ (111,742)
2023	5,718
2024	8,052
2025	8,052
2026	8,052
Thereafter	32,793
Total	\$ (49,075)

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

3. **Summary of OPEB Items**

Below is a summary of the various OPEB items at June 30, 2021:

	<u>THIS</u>	<u>RHP</u>	<u>Total</u>
Deferred outflows of resources:			
Employer contributions	\$ 297,091	\$ -	\$ 297,091
Assumptions	10,869	156,545	167,414
Experience	-	277,405	277,405
Proportionate share	<u>1,883,936</u>	<u>-</u>	<u>1,883,936</u>
	<u>\$ 2,191,896</u>	<u>\$ 433,950</u>	<u>\$ 2,625,846</u>
 OPEB liability	 <u>\$ 32,097,620</u>	 <u>\$ 1,214,294</u>	 <u>\$ 33,311,914</u>
 OPEB expense	 <u>\$ 2,733,515</u>	 <u>\$ 24,616</u>	 <u>\$ 2,758,131</u>
 Deferred inflows of resources:			
Assumptions	\$ 5,294,463	\$ 362,344	\$ 5,656,807
Experience	852,800	120,681	973,481
Proportionate share	701,496	-	701,496
Investments	<u>914</u>	<u>-</u>	<u>914</u>
	<u>\$ 6,849,673</u>	<u>\$ 483,025</u>	<u>\$ 7,332,698</u>

NOTE H - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction to assets; errors and omissions; injuries to employees; and natural disasters. The District participates in the Collective Liability Insurance Cooperative (CLIC) for general liability, property and worker's compensation coverage. CLIC is an organization of school cooperatives and districts in Illinois which has formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs. The CLIC agreement provides coverage of up to \$1,000,000 per individual and \$3,000,000 in aggregate for general liability, property and worker's compensation. In the past three years, the District has not made any supplemental payments to CLIC.

Each member of CLIC appoints one representative to the Board of Directors. The District does not exercise any control over the activities of the pool beyond its representation on the Board of Directors.

A complete set of financial statements for CLIC can be obtained from its Treasurer at 634 Kenilworth Street Grayslake, Illinois 60030.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE H - RISK MANAGEMENT (Continued)

The District is self-insured for health and dental coverage for eligible employees and dependents. Plan participants are full-time employees who have completed the enrollment form and authorized the necessary employee contributions, if any. Participation begins the first day of the month following date of employment. Coverage can be continued during an approved leave of absence or as a retiree. The District utilizes a third-party administrator to process the plan claims.

For the two years ended June 30, 2021 and 2020, changes in the liability for unpaid claims are summarized as follows:

	2021	2020
Health and dental claims payable, July 1	\$ 327,000	\$ 348,860
Current year claims and changes in estimate	(5,403,036)	5,270,059
Claims paid	5,545,618	(5,291,919)
Health and dental claims payable, June 30	\$ 469,582	\$ 327,000

During the current year the District discovered cash transfers related to health and dental covered were over expensed in prior years, and have corrected for this in the current year which decreased expenditures/expenses by approximately \$1,040,000 and increased ending Net Position and fund balance for the same amount, within the General Fund and the Government-Wide statements, in the current year.

NOTE I - INTERFUND TRANSFERS

The District transferred \$7,000,000 from the Transportation Fund to the General Fund (Educational Account) to provide funding for operations.

The District transferred \$3,000,000 from the Transportation Fund to the Operations and Maintenance Fund to provide funding for operations.

The District transferred \$3,100,000 from the General Fund (Working Cash Account) to the Operations and Maintenance Fund. The Operations and Maintenance fund then transferred \$3,100,000 to the Capital Projects Fund to provide funding for construction projects.

The District also transferred \$903,392 from the General Fund (Working Cash Account) to the Operations and Maintenance Fund. The Operations and Maintenance fund then transferred \$903,392 to the Capital Projects Fund to providing funding for the acquisition of a parcel of real property.

The District transferred \$358,939 from the General Fund (Educational Account) to the Debt Service Fund to provide funding for principal and interest on capital leases.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE J - JOINT AGREEMENT

The District is a member of the Special Education Co-op of South Cook County (SPEED) Joint Agreement No. 802, along with other area school districts. The District's pupils benefit from programs administered under this joint agreement, and the District benefits from jointly administered grants and programming. The District does not have an equity interest in this joint agreement. The joint agreement is separately audited and is not included in these financial statements. Financial information may be obtained directly from SPEED at 1125 Division Street, Chicago Heights, Illinois 60411.

The District pays tuition to the joint agreement to cover the operating costs of the services. The District believes that because it does not control the selection of the significant governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationship exercised by the joint agreement governing board, this is not included as a component unit of the District.

NOTE K - CONTINGENCIES

1. Litigation

The District is a defendant in various lawsuits. With regard to these matters, the eventual outcome and related liability, if any, are not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs.

2. Grants

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

3. COVID-19

The direct and indirect impacts of the COVID-19 pandemic on the District's enrollment, vendors, operations, and financing arrangements are currently unknown, except as mentioned, as is the duration and severity of any impacts that the District may experience. Additionally, certain counties have elected to waive late fees and interest for taxpayers that can demonstrate financial hardship due to the COVID-19 crisis, which will affect the timing of the District receiving those property taxes. While the District's evaluation is ongoing, management is currently unable to quantify the full effects that the pandemic will have on its operations, cash flows, and financial position; however, they may be significant. No adjustments have been made to these financial statements as a result of this uncertainty.

Crete-Monee School District 201-U
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE L - CONSTRUCTION COMMITMENTS

The District has contracts for construction projects which have been approved by the Board of Education at June 30, 2021. Future commitments under these contracts approximate \$2,800,000 at June 30, 2021.

NOTE M - CHANGE IN ACCOUNTING PRINCIPLE - RESTATEMENT

The implementation of GASB 84 (Note A-2) required the District to report its student activity and convenience accounts as part of the General Fund (Educational Account) and the Government-Wide statements. As a result of this implementation as of July 1, 2020, cash and investments and net position and fund balance increased by \$271,387 in both the General Fund (Educational Accounts) and the Government-Wide financial statements.

NOTE N - SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 1, 2021, the date that these financial statements were available to be issued. On November 12, 2021, the District issued \$45,500,000 of Series 2021 General Obligation Debt Certificates (Limited Tax) for the purpose of improving school sites and altering, repairing, and equipping school building facilities, as well as paying the costs of issuance of the certificates. On November 16, 2021, the Board of Education approved a resolution of intent to issue \$7,500,000 Working Cash Fund Bonds for the purpose of increasing the Working Cash Fund of the District. Also, on November 16, 2021, the Board of Education approved a resolution of its intent to sell \$45,500,000 in funding bonds to pay of the Series 2021 General Obligation Debt Certificates (Limited Tax).

A community within the District's boundaries (the "detaching community") filed a Petition for Detachment, which the Will County Regional Board of School Trustees (the "Regional Board") granted their request to leave District 201-U and join a different district. District 201-U receives approximately \$850,000 in annual tax revenue from the detaching community, and would lose these funds on an annual basis if the detachment petition is affirmed on appeal.

No other events or transactions have occurred subsequent to the statement of net position/balance sheet date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Crete-Monee School District 201-U

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS MOST RECENT CALENDAR YEARS Illinois Municipal Retirement Fund Seven Most Recent Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total pension liability				
Service cost	\$ 970,487	\$ 960,982	\$ 914,290	\$ 823,636
Interest on the total pension liability	2,908,087	2,795,565	2,694,572	2,535,439
Difference between expected and actual experience of the total pension liability	(212,336)	130,995	10,551	1,929,041
Assumption changes	(409,467)	-	1,065,706	(1,195,471)
Benefit payments and refunds	<u>(2,526,963)</u>	<u>(2,153,585)</u>	<u>(1,999,566)</u>	<u>(2,032,837)</u>
Net change in total pension liability	729,808	1,733,957	2,685,553	2,059,808
Total pension liability, beginning	<u>40,889,777</u>	<u>39,155,820</u>	<u>36,470,267</u>	<u>34,410,459</u>
Total pension liability, ending	<u><u>\$ 41,619,585</u></u>	<u><u>\$ 40,889,777</u></u>	<u><u>\$ 39,155,820</u></u>	<u><u>\$ 36,470,267</u></u>
Plan fiduciary net position				
Contributions, employer	\$ 867,154	\$ 727,791	\$ 831,926	\$ 791,940
Contributions, employee	413,585	412,613	411,157	406,582
Net investment income	5,639,379	6,437,620	(2,096,428)	5,769,722
Benefit payments, including refunds of employee contributions	(2,526,963)	(2,153,585)	(1,999,566)	(2,032,837)
Other (net transfer)	<u>82,732</u>	<u>(174,880)</u>	<u>557,115</u>	<u>(806,471)</u>
Net change in plan fiduciary net position	4,475,887	5,249,559	(2,295,796)	4,128,936
Plan fiduciary net position, beginning	<u>39,060,067</u>	<u>33,810,508</u>	<u>36,106,304</u>	<u>31,977,368</u>
Plan fiduciary net position, ending	<u><u>\$ 43,535,954</u></u>	<u><u>\$ 39,060,067</u></u>	<u><u>\$ 33,810,508</u></u>	<u><u>\$ 36,106,304</u></u>
Net pension liability (asset)	<u><u>\$ (1,916,369)</u></u>	<u><u>\$ 1,829,710</u></u>	<u><u>\$ 5,345,312</u></u>	<u><u>\$ 363,963</u></u>
Plan fiduciary net position as a percentage of the total pension liability	104.60 %	95.53 %	86.35 %	99.00 %
Covered valuation payroll	\$ 9,167,038	\$ 9,154,974	\$ 9,114,999	\$ 9,011,633
Net pension liability as a percentage of covered valuation payroll	(20.90) %	19.99 %	58.64 %	4.04 %

Note 1: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015; therefore, 10 years of information is not available.

Note 2: Actuarial valuations are as of December 31, which is six months prior to the end of the fiscal year.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$	859,957	\$ 910,765	\$ 985,205
	2,420,795	2,380,144	2,191,480
	208,253	(859,480)	(171,361)
	(39,331)	37,711	1,317,703
	<u>(1,859,205)</u>	<u>(1,858,047)</u>	<u>(1,682,511)</u>
	1,590,469	611,093	2,640,516
	32,819,990	32,208,897	29,568,381
\$	<u><u>34,410,459</u></u>	<u><u>32,819,990</u></u>	<u><u>32,208,897</u></u>
\$	702,041	\$ 771,694	\$ 840,780
	335,840	371,435	372,613
	2,083,457	155,825	1,815,754
	<u>(1,859,205)</u>	<u>(1,858,047)</u>	<u>(1,682,511)</u>
	172,473	(420,524)	174,730
	1,434,606	(979,617)	1,521,366
	<u>30,542,762</u>	<u>31,522,379</u>	<u>30,001,013</u>
\$	<u><u>31,977,368</u></u>	<u><u>30,542,762</u></u>	<u><u>31,522,379</u></u>
\$	<u><u>2,433,091</u></u>	<u><u>2,277,228</u></u>	<u><u>686,518</u></u>
	92.93 %	93.06 %	97.87 %
\$	7,460,578	\$ 7,843,653	\$ 8,122,849
	32.61 %	29.03 %	8.45 %

Crete-Monee School District 201-U
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
 Illinois Municipal Retirement Fund
Seven Most Recent Fiscal Years

Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2021	\$ 867,202 *	\$ 867,154	\$ 48	\$ 9,167,038	9.46 %
2020	727,820	727,791	29	9,154,974	7.95
2019	815,792	831,926	(16,134)	9,114,999	9.13
2018	785,814	791,940	(6,126)	9,011,633	8.79
2017	702,040	702,041	(1)	7,460,578	9.41
2016	771,815	771,694	121	7,843,653	9.84
2015	793,397	840,780	(47,383)	7,878,822	10.67

* Estimated based on contribution rate of 9.46% and covered valuation payroll of \$9,167,038.

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

Crete-Monee School District 201-U
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
Teachers' Retirement System of the State of Illinois
Seven Most Recent Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.0036817530 %	0.0035297105 %	0.0039884206 %	0.0042586129 %
District's proportionate share of the net pension liability	\$ 3,174,233	\$ 2,862,833	\$ 3,108,768	\$ 3,253,501
State's proportionate share of the net pension liability associated with the District	<u>248,622,397</u>	<u>203,748,289</u>	<u>212,963,635</u>	<u>200,335,464</u>
Total	<u>\$ 251,796,630</u>	<u>\$ 206,611,122</u>	<u>\$ 216,072,403</u>	<u>\$ 203,588,965</u>
District's covered-employee payroll	\$ 31,069,113	\$ 30,533,342	\$ 28,616,496	\$ 27,080,259
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	10.22 %	9.38 %	10.86 %	12.01 %
Plan fiduciary net position as a percentage of the total pension liability	37.80 %	39.60 %	40.00 %	39.30 %

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

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

<u>2017</u>	<u>2016</u>	<u>2015</u>
0.0122566959 %	0.0114682738 %	0.0110000000 %
\$ 9,674,951	\$ 7,512,875	\$ 6,712,534
<u>207,538,257</u>	<u>173,889,137</u>	<u>163,781,819</u>
<u>\$ 217,213,208</u>	<u>\$ 181,402,012</u>	<u>\$ 170,494,353</u>
\$ 26,124,556	\$ 26,857,638	\$ 26,612,539
37.03 %	27.97 %	25.22 %
36.40 %	41.50 %	43.00 %

Crete-Monee School District 201-U
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Retirement System of the State of Illinois
Seven Most Recent Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 180,201	\$ 177,093	\$ 165,976	\$ 170,676
Contributions in relation to the contractually required contribution	<u>179,482</u>	<u>159,853</u>	<u>165,715</u>	<u>175,453</u>
Contribution deficiency	<u>\$ 719</u>	<u>\$ 17,240</u>	<u>\$ 261</u>	<u>\$ (4,777)</u>
District's covered-employee payroll	\$ 32,292,460	\$ 31,069,113	\$ 30,533,342	\$ 28,616,496
Contributions as a percentage of covered-employee payroll	0.56%	0.51%	0.54%	0.61%

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

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

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 474,539	\$ 401,848	\$ 401,851
<u>474,666</u>	<u>401,848</u>	<u>401,851</u>
\$ <u>(127)</u>	\$ <u>-</u>	\$ <u>-</u>
\$ 27,080,259	\$ 26,124,556	\$ 26,857,638
1.75%	1.54%	1.50%

Crete-Monee School District 201-U
MULTIYEAR SCHEDULE OF CHANGES IN TOTAL OTHER
POSTRETIREMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS
Retiree Health Plan
Four Most Recent Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability			
Service cost	\$ 103,225	\$ 54,188	\$ 73,940
Interest on the total OPEB liability	33,136	37,907	47,029
Difference between expected and actual experience of the total OPEB liability	314,861	-	(482,730)
Changes of assumptions	(183,663)	(9,335)	12,884
Benefit payments, including the implicit rate subsidy		(122,728)	(186,048)
Net change in total OPEB liability	<u>267,559</u>	<u>(39,968)</u>	<u>(534,925)</u>
Total OPEB liability, beginning	946,735	986,703	1,521,628
Total OPEB liability, ending	<u>\$ 1,214,294</u>	<u>\$ 946,735</u>	<u>\$ 986,703</u>
District's Total OPEB liability	<u>\$ 1,214,294</u>	<u>\$ 946,735</u>	<u>\$ 986,703</u>
Covered valuation payroll	\$ 7,911,156	\$ 8,987,819	\$ 8,993,611
Total OPEB liability as a percentage of covered valuation payroll	15.35 %	10.53 %	10.97 %

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

N/A Information not available

2018

\$ 80,239
42,167

-
(72,762)

(168,000)
(118,356)
1,639,984
\$ 1,521,628

\$ 1,521,628

\$ N/A

N/A %

Crete-Monee School District 201-U
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY
Teachers' Health Insurance Security Fund
Four Most Recent Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>
District's proportion of the net OPEB liability	0.120054 %	0.117522 %	0.120533 %
District's proportionate share of the net OPEB liability	\$ 32,097,620	\$ 32,526,976	\$ 31,755,432
State's proportionate share of the net OPEB liability associated with the District	<u>43,483,534</u>	<u>44,045,675</u>	<u>42,640,697</u>
Total	<u>\$ 75,581,154</u>	<u>\$ 76,572,651</u>	<u>\$ 74,396,129</u>
District's covered-employee payroll	\$ 31,069,113	\$ 30,533,342	\$ 28,616,946
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	103.31%	106.53%	110.97%
Plan fiduciary net position as a percentage of the total OPEB liability	0.70%	0.28%	-0.07%

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

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

2018

0.117726 %

\$ 30,549,435

40,118,999

\$ 70,668,434

\$ 27,080,259

112.81%

-0.17%

Crete-Monee School District 201-U
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Health Insurance Security Fund
Four Most Recent Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 285,836	\$ 280,907	\$ 251,825
Contributions in relation to the contractually required contribution	<u>279,404</u>	<u>265,740</u>	<u>251,445</u>
Contribution excess (deficiency)	<u><u>\$ (6,432)</u></u>	<u><u>\$ (15,167)</u></u>	<u><u>\$ (380)</u></u>
District's covered-employee payroll	\$ 32,292,460	\$ 31,069,113	\$ 30,533,342
Contributions as a percentage of covered-employee payroll	0.87%	0.86%	0.82%

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

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

2018
\$ 227,474

227,492
\$ 18

\$ 28,616,496

0.79%

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2021
 With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual (restated)
Revenues					
Local sources					
General levy	\$26,627,530	\$ 26,627,530	\$ 25,999,684	\$ (627,846)	\$ 25,333,328
Leasing levy	2,303,727	2,303,727	-	(2,303,727)	-
Special education levy	2,350,521	2,350,521	4,682,606	2,332,085	4,549,172
Corporate personal property replacement taxes	900,000	900,000	1,463,827	563,827	1,036,509
Summer school tuition from pupils or parents	5,000	5,000	-	(5,000)	613
Interest on investments	106,651	106,651	13,789	(92,862)	73,321
Sales to pupils - lunch	300	300	(5,012)	(5,312)	338,028
Sales to adults	20,000	20,000	-	(20,000)	-
Other food service	25,000	25,000	6,226	(18,774)	10,808
Admissions - athletic	33,000	33,000	-	(33,000)	21,310
Admissions - other	10,000	10,000	-	(10,000)	910
Fees	80,000	80,000	12,002	(67,998)	146,563
Student Activity Fund Revenues	-	-	15,581	15,581	25,509
Rentals - regular textbook	283,000	283,000	221,206	(61,794)	236,627
Sales - other	3,350	3,350	4,679	1,329	3,006
from private sources	-	-	5,000	5,000	6,773
Refund of prior years' expenditures	360,000	360,000	92,000	(268,000)	401,704
Payments of surplus moneys from TIF districts	-	-	1,711,859	1,711,859	-
Drivers' education fees	20,000	20,000	8,008	(11,992)	18,525
Other	3,000	3,000	1,199,340	1,196,340	25,473
Total local sources	<u>33,131,079</u>	<u>33,131,079</u>	<u>35,430,795</u>	<u>2,299,716</u>	<u>32,228,179</u>
State sources					
Evidence Based Funding Formula	17,398,546	17,398,546	17,409,799	11,253	17,410,104
Special Education - Private Facility Tuition	400,000	400,000	392,966	(7,034)	370,346
Special Education - Funding for Children					
Special Education - Orphanage - Individual	600,000	600,000	587,601	(12,399)	590,976
Special Education - Orphanage - Summer Individual	-	-	1,761	1,761	14,337
Improvement (CTEI)	31,710	31,710	38,703	6,993	34,896
CTE - Student Organizations	3,000	3,000	-	(3,000)	-
State Free Lunch & Breakfast	20,000	20,000	8,806	(11,194)	18,523
Driver Education	27,000	27,000	41,428	14,428	44,850

(Continued)

Crete-Monee School District 201-U

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual (restated)
State sources (Continued)					
Early Childhood - Block Grant	\$ 457,382	\$ 457,382	\$ 463,227	\$ 5,845	\$ 466,483
Technology - Technology for Success	3,100	3,100	-	(3,100)	-
Other restricted revenue from state sources	-	-	44,934	44,934	70,076
Total state sources	18,940,738	18,940,738	18,989,225	48,487	19,020,591
Federal sources					
National School Lunch Program	1,400,000	1,400,000	693	(1,399,307)	943,747
Special Milk Program	-	-	-	-	-
School Breakfast Program	400,000	400,000	437	(399,563)	305,445
Summer Food Service Program	-	-	909,317	909,317	160,723
Title I - Low Income	1,556,754	1,556,754	1,186,811	(369,943)	1,310,084
Title I - Other	-	-	73,579	73,579	85,200
Title IV - Student Support & Academic Enrichment Grant	17,490	17,490	-	(17,490)	-
Federal Special Education - Preschool Flow-Through	75,406	75,406	92,069	16,663	5,013
Federal Special Education - IDEA Flow Through	1,996,392	1,996,392	1,266,988	(729,404)	677,248
Federal Special Education - IDEA Room & Board	80,000	80,000	6,028	(73,972)	57,385
CTE - Perkins-Title III E Tech Prep	56,441	56,441	52,618	(3,823)	26,893
CTE - Other	-	-	-	-	25,725
Title III - English Language Acquisition	20,914	20,914	27,477	6,563	9,896
Title II - Teacher Quality	249,854	249,854	169,664	(80,190)	170,172
Medicaid Matching Funds - Administrative Outreach	120,000	120,000	59,863	(60,137)	27,660
Medicaid Matching Funds - Fee-For-Service Program	230,000	230,000	295,375	65,375	521,341
Other restricted revenue from Federal Sources	1,490,214	1,490,214	3,865,634	2,375,420	-
Total federal sources	7,693,465	7,693,465	8,006,553	313,088	4,326,532
Total revenues	59,765,282	59,765,282	62,426,573	2,661,291	55,575,302

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2021
 With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual (restated)
Expenditures					
Instruction					
Regular programs					
Salaries	\$19,380,310	\$ 19,380,310	\$ 19,242,684	\$ 137,626	\$ 18,652,793
Employee benefits	6,458,992	6,458,992	2,172,110	4,286,882	1,828,761
Purchased services	345,344	345,344	678,806	(333,462)	267,344
Supplies and materials	1,525,927	1,525,927	1,008,313	517,614	727,333
Capital outlay	19,877	19,877	12,766	7,111	10,409
Other objects	31,891	31,891	4,976	26,915	737
Non-capitalized equipment	208,262	208,262	779,769	(571,507)	593,726
Termination benefits	-	-	41,048	41,048	10,699
Total	<u>27,970,603</u>	<u>27,970,603</u>	<u>23,940,472</u>	<u>4,112,227</u>	<u>22,091,802</u>
Pre-K programs					
Purchased services	-	-	-	-	42
Supplies and materials	-	-	(7,479)	7,479	8,485
Total	<u>-</u>	<u>-</u>	<u>(7,479)</u>	<u>7,479</u>	<u>8,527</u>
Special education programs					
Salaries	6,971,147	6,971,147	5,597,875	1,373,272	6,001,064
Employee benefits	476,609	476,609	1,847,095	(1,370,486)	2,082,122
Purchased services	331,108	331,108	550,041	(218,933)	820,127
Supplies and materials	423,477	423,477	137,625	285,852	64,846
Non-capitalized equipment	214,868	214,868	415	214,453	43,515
Total	<u>8,417,209</u>	<u>8,417,209</u>	<u>8,133,051</u>	<u>284,158</u>	<u>9,011,674</u>
Special education programs pre-K					
Salaries	1,794,896	1,794,896	1,375,583	419,313	877,457
Employee benefits	106,491	106,491	307,260	(200,769)	192,649
Purchased services	47,658	47,658	4,300	43,358	19,847
Supplies and materials	74,542	74,542	38,878	35,664	17,891
Non-capitalized equipment	3,244	3,244	2,764	480	36
Total	<u>2,026,831</u>	<u>2,026,831</u>	<u>1,728,785</u>	<u>298,046</u>	<u>1,107,880</u>

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2021
 With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual (restated)
Remedial and Supplemental programs K-12					
Salaries	\$ -	\$ -	\$ 7,219	\$ (7,219)	\$ 1,480
Employee benefits	-	-	(8)	8	172
Purchased services	-	-	17,140	(17,140)	160,548
Supplies and materials	-	-	1,712	(1,712)	83,483
Total	<u>-</u>	<u>-</u>	<u>26,063</u>	<u>(26,063)</u>	<u>245,683</u>
CTE programs					
Salaries	-	-	-	-	14,893
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,893</u>
Interscholastic programs					
Salaries	464,202	464,202	1,247,225	(783,023)	1,789,151
Employee benefits	16,615	16,615	19,459	(2,844)	27,330
Purchased services	418,110	418,110	123,389	294,721	245,735
Supplies and materials	302,595	302,595	105,044	197,551	177,261
Capital outlay	90,915	90,915	22,291	68,624	55,205
Other objects	88,968	88,968	14,661	74,307	33,515
Non-capitalized equipment	59,136	59,136	3,708	55,428	10,829
Total	<u>1,440,541</u>	<u>1,440,541</u>	<u>1,535,777</u>	<u>(95,236)</u>	<u>2,339,026</u>
Summer school programs					
Salaries	280,498	280,498	128,080	152,418	180,527
Employee benefits	21,680	21,680	15,259	6,421	17,423
Purchased services	-	-	6,443	(6,443)	-
Supplies and materials	38,677	38,677	7,246	31,431	-
Total	<u>340,855</u>	<u>340,855</u>	<u>157,028</u>	<u>183,827</u>	<u>197,950</u>
Drivers education programs					
Salaries	26,658	26,658	60,686	(34,028)	57,303
Employee benefits	-	-	937	(937)	793
Purchased services	-	-	271	(271)	-
Total	<u>26,658</u>	<u>26,658</u>	<u>61,894</u>	<u>(35,236)</u>	<u>58,096</u>

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2021
 With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual (restated)
Bilingual programs					
Salaries	\$ 511,181	\$ 511,181	\$ 280,921	\$ 230,260	\$ 264,682
Employee benefits	16,856	16,856	30,774	(13,918)	29,180
Purchased services	2,463	2,463	1,421	1,042	-
Supplies and materials	6,305	6,305	957	5,348	14,888
Other objects	-	-	18	(18)	-
Total	<u>536,805</u>	<u>536,805</u>	<u>314,091</u>	<u>222,714</u>	<u>308,750</u>
Pre-K Programs - Private Tuition	-	-	(52,701)	52,701	-
Special Education K-12 Programs					
Private Tuition	2,486,698	2,486,698	1,188,474	1,298,224	1,496,324
Student Activity Fund Expenditures	-	-	4,016	(4,016)	42,159
Total instruction	<u>43,246,200</u>	<u>43,246,200</u>	<u>37,029,471</u>	<u>6,298,825</u>	<u>36,922,764</u>
Support services					
Pupils					
Attendance and social work services					
Salaries	737,499	737,499	811,165	(73,666)	797,716
Employee benefits	26,399	26,399	110,426	(84,027)	100,274
Purchased services	-	-	-	-	129
Supplies and materials	39,400	39,400	936	38,464	9,358
Total	<u>803,298</u>	<u>803,298</u>	<u>922,527</u>	<u>(119,229)</u>	<u>907,477</u>
Guidance services					
Salaries	690,180	690,180	681,746	8,434	582,572
Employee benefits	10,036	10,036	97,248	(87,212)	82,495
Purchased services	34,377	34,377	68,532	(34,155)	13,161
Supplies and materials	9,486	9,486	5,126	4,360	1,653
Total	<u>744,079</u>	<u>744,079</u>	<u>852,652</u>	<u>(108,573)</u>	<u>679,881</u>

(Continued)

Crete-Monee School District 201-U

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual (restated)
Health services					
Salaries	\$ 667,530	\$ 667,530	\$ 273,191	\$ 394,339	\$ 394,423
Employee benefits	36,372	36,372	82,998	(46,626)	74,781
Purchased services	-	-	148	(148)	1,676
Supplies and materials	40,067	40,067	4,080	35,987	7,431
Non-capitalized equipment	<u>7,018</u>	<u>7,018</u>	<u>406</u>	<u>6,612</u>	<u>2,970</u>
Total	<u>750,987</u>	<u>750,987</u>	<u>360,823</u>	<u>390,164</u>	<u>481,281</u>
Psychological services					
Salaries	709,576	709,576	661,895	47,681	630,542
Employee benefits	22,043	22,043	50,043	(28,000)	46,949
Purchased services	-	-	72,000	(72,000)	760
Supplies and materials	<u>73,875</u>	<u>73,875</u>	<u>-</u>	<u>73,875</u>	<u>7,852</u>
Total	<u>805,494</u>	<u>805,494</u>	<u>783,938</u>	<u>21,556</u>	<u>686,103</u>
Speech pathology and audiology services					
Salaries	965,494	965,494	986,965	(21,471)	1,020,830
Employee benefits	33,899	33,899	95,153	(61,254)	101,941
Purchased services	-	-	-	-	21
Supplies and materials	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,111</u>
Total	<u>999,393</u>	<u>999,393</u>	<u>1,082,118</u>	<u>(82,725)</u>	<u>1,125,903</u>
Other support services - pupils					
Salaries	<u>-</u>	<u>-</u>	<u>4,233</u>	<u>(4,233)</u>	<u>35,249</u>
Total	<u>-</u>	<u>-</u>	<u>4,233</u>	<u>(4,233)</u>	<u>35,249</u>
Total pupils	<u>4,103,251</u>	<u>4,103,251</u>	<u>4,006,291</u>	<u>96,960</u>	<u>3,915,894</u>
Instructional staff					
Improvement of instruction services					
Salaries	892,123	\$ 892,123	\$ 840,184	\$ 51,939	\$ 776,960
Employee benefits	62,550	62,550	125,032	(62,482)	125,710
Purchased services	684,022	684,022	302,514	381,508	389,592
Supplies and materials	114,987	114,987	79,389	35,598	9,675
Other objects	<u>3,000</u>	<u>3,000</u>	<u>13,811</u>	<u>(10,811)</u>	<u>845</u>
Total	<u>1,756,682</u>	<u>1,756,682</u>	<u>1,360,930</u>	<u>395,752</u>	<u>1,302,782</u>

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2021
 With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual (restated)
Educational media services					
Salaries	\$ 163,283	\$ 163,283	\$ 116,144	\$ 47,139	\$ 156,140
Employee benefits	13,071	13,071	17,553	(4,482)	193,206
Purchased services	-	-	11,949	(11,949)	17,006
Supplies and materials	10,443	10,443	4,133	6,310	1,688
Non-capitalized equipment	-	-	3,675	(3,675)	106,608
Total	<u>186,797</u>	<u>186,797</u>	<u>153,454</u>	<u>33,343</u>	<u>474,648</u>
Assessment and testing					
Purchased services	131,005	131,005	147,775	(16,770)	119,624
Supplies and materials	38,228	38,228	46,801	(8,573)	13,032
Total	<u>169,233</u>	<u>169,233</u>	<u>194,576</u>	<u>(25,343)</u>	<u>132,656</u>
Total instructional staff	<u>2,112,712</u>	<u>2,112,712</u>	<u>1,708,960</u>	<u>403,752</u>	<u>1,910,086</u>
General administration					
Board of education services					
Salaries	-	-	-	-	-
Employee benefits	-	-	42,219	(42,219)	35,199
Purchased services	1,046,120	1,046,120	1,218,235	(172,115)	1,049,365
Supplies and materials	23,379	23,379	18,267	5,112	2,682
Other objects	21,210	21,210	-	21,210	27,621
Non-capitalized equipment	-	-	-	-	25,496
Total	<u>1,090,709</u>	<u>1,090,709</u>	<u>1,278,721</u>	<u>(188,012)</u>	<u>1,140,363</u>
Executive administration services					
Salaries	297,516	297,516	319,176	(21,660)	303,979
Employee benefits	14,850	14,850	73,977	(59,127)	47,556
Purchased services	81,805	81,805	43,014	38,791	51,214
Supplies and materials	27,881	27,881	4,077	23,804	6,577
Other objects	17,100	17,100	3,193	13,907	13,530
Non-capitalized equipment	4,679	4,679	-	4,679	343
Total	<u>443,831</u>	<u>443,831</u>	<u>443,437</u>	<u>394</u>	<u>423,199</u>
Tort immunity services					
Employee benefits	-	-	88,379	(88,379)	76,730
Purchased services	-	-	26,652	(26,652)	32,789
Total	<u>-</u>	<u>-</u>	<u>115,031</u>	<u>(115,031)</u>	<u>109,519</u>

(Continued)

Crete-Monee School District 201-U

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual (restated)
Total general administration	\$ 1,534,540	\$ 1,534,540	\$ 1,837,189	\$ (302,649)	\$ 1,673,081
School administration					
Office of the principal services					
Salaries	2,897,811	2,897,811	2,883,648	14,163	2,868,180
Employee benefits	103,740	103,740	826,964	(723,224)	642,682
Purchased services	20,122	20,122	2,856	17,266	547
Supplies and materials	-	-	-	-	10,660
Other objects	10,000	10,000	1,304	8,696	385
Total	3,031,673	3,031,673	3,714,772	(683,099)	3,522,454
Other support services - school administration					
Salaries	-	-	3,600	(3,600)	16,298
Employee benefits	-	-	(64)	64	1,386
Supplies and materials	-	-	-	-	4,725
Total	-	-	3,536	(3,536)	22,409
Total school administration	3,031,673	3,031,673	3,718,308	(686,635)	3,544,863
Business					
Direction of business support services					
Salaries	528,935	528,935	592,942	(64,007)	609,995
Employee benefits	42,548	42,548	86,589	(44,041)	83,500
Purchased services	182,653	182,653	171,588	11,065	231,696
Supplies and materials	129,483	129,483	81,859	47,624	151,503
Capital outlay	216	216	-	216	-
Other objects	2,012	2,012	2,890	(878)	4,085
Non-capitalized equipment	93,373	93,373	7,376	85,997	9,688
Total	979,220	979,220	943,244	35,976	1,090,467
Fiscal services					
Salaries	-	-	396	(396)	1,883
Employee benefits	-	-	(20,220)	20,220	1,142
Purchased services	-	-	23,495	(23,495)	19,943
Total	-	-	3,671	(3,671)	22,968

(Continued)

Crete-Monee School District 201-U

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual (restated)
Operation and maintenance of plant services					
Salaries	\$ 607,226	\$ 607,226	\$ 430,422	\$ 176,804	\$ 598,776
Employee benefits	214,851	214,851	118,239	96,612	143,601
Purchased services	202,065	202,065	18,374	183,691	25,079
Supplies and materials	4,679	4,679	7,796	(3,117)	-
Other objects	-	-	150	(150)	-
Non-capitalized equipment	<u>5,615</u>	<u>5,615</u>	<u>-</u>	<u>5,615</u>	<u>-</u>
Total	<u>1,034,436</u>	<u>1,034,436</u>	<u>574,981</u>	<u>459,455</u>	<u>767,456</u>
Pupil transportation services					
Employee benefits	7,533	7,533	-	7,533	-
Purchased services	<u>-</u>	<u>-</u>	<u>16,984</u>	<u>(16,984)</u>	<u>13,514</u>
Total	<u>7,533</u>	<u>7,533</u>	<u>16,984</u>	<u>(9,451)</u>	<u>13,514</u>
Food services					
Salaries	813,087	813,087	628,083	185,004	806,378
Employee benefits	71,146	71,146	174,883	(103,737)	188,950
Purchased services	8,890	8,890	124	8,766	712
Supplies and materials	1,342,802	1,342,802	323,595	1,019,207	734,215
Capital outlay	8,550	8,550	-	8,550	-
Other objects	13,300	13,300	6,771	6,529	6,158
Non-capitalized equipment	<u>12,165</u>	<u>12,165</u>	<u>768</u>	<u>11,397</u>	<u>380</u>
Total	<u>2,269,940</u>	<u>2,269,940</u>	<u>1,134,224</u>	<u>1,135,716</u>	<u>1,736,793</u>
Total business	<u>4,291,129</u>	<u>4,291,129</u>	<u>2,673,104</u>	<u>1,618,025</u>	<u>3,631,198</u>
Information services					
Salaries	112,400	112,400	125,777	(13,377)	29,881
Employee benefits	9,628	9,628	24,267	(14,639)	-
Purchased services	40,706	40,706	38,810	1,896	31,670
Supplies and materials	75,564	75,564	4,287	71,277	17,746
Other objects	<u>570</u>	<u>570</u>	<u>133</u>	<u>437</u>	<u>-</u>
Total	<u>238,868</u>	<u>238,868</u>	<u>193,274</u>	<u>45,594</u>	<u>79,297</u>

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2021
 With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual (restated)
Staff services					
Salaries	\$ 581,012	\$ 581,012	\$ 556,207	\$ 24,805	\$ 485,811
Employee benefits	122,155	122,155	77,370	44,785	69,431
Purchased services	176,479	176,479	47,284	129,195	19,298
Supplies and materials	84,826	84,826	4,621	80,205	77,079
Other objects	2,375	2,375	3,212	(837)	-
Non-capitalized equipment	<u>2,339</u>	<u>2,339</u>	<u>4,000</u>	<u>(1,661)</u>	<u>-</u>
 Total	 <u>969,186</u>	 <u>969,186</u>	 <u>692,694</u>	 <u>276,492</u>	 <u>651,619</u>
 Data processing services					
Salaries	955,635	955,635	911,362	44,273	875,362
Employee benefits	-	-	135,866	(135,866)	127,984
Purchased services	656,429	656,429	908,562	(252,133)	725,950
Supplies and materials	477,632	477,632	442,395	35,237	395,926
Capital outlay	-	-	-	-	32,787
Other objects	300	300	439	(139)	-
Non-capitalized equipment	<u>1,135,894</u>	<u>1,135,894</u>	<u>2,043,421</u>	<u>(907,527)</u>	<u>643,650</u>
 Total	 <u>3,225,890</u>	 <u>3,225,890</u>	 <u>4,442,045</u>	 <u>(1,216,155)</u>	 <u>2,801,659</u>
 Total central	 <u>4,433,944</u>	 <u>4,433,944</u>	 <u>5,328,013</u>	 <u>(894,069)</u>	 <u>3,532,575</u>
 Other supporting services					
Salaries	-	-	-	-	468
Supplies and materials	<u>-</u>	<u>-</u>	<u>480</u>	<u>(480)</u>	<u>1,417</u>
 Total	 <u>-</u>	 <u>-</u>	 <u>480</u>	 <u>(480)</u>	 <u>1,885</u>
 Total support services	 <u>19,507,249</u>	 <u>19,507,249</u>	 <u>19,272,345</u>	 <u>234,904</u>	 <u>18,209,582</u>
 Community services					
Salaries	147,023	147,023	149,912	(2,889)	518,295
Employee benefits	12,435	12,435	27,403	(14,968)	81,419
Purchased services	154,180	154,180	33,478	120,702	191,433
Supplies and materials	86,860	86,860	58,684	28,176	93,565
Other objects	<u>102,680</u>	<u>102,680</u>	<u>399</u>	<u>102,281</u>	<u>531</u>
 Total	 <u>503,178</u>	 <u>503,178</u>	 <u>269,876</u>	 <u>233,302</u>	 <u>885,243</u>

(Continued)

Crete-Monee School District 201-U
 General Fund - Budgetary Basis
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2021
 With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021		Actual	Variance	2020 Actual (restated)
	Original Budget	Amended Budget		From Final Budget	
Payments to other districts and government units					
Payments for regular programs					
Purchased services	\$ -	\$ -	\$ 175,650	\$ (175,650)	\$ 105,933
Other objects	<u>9,300</u>	<u>9,300</u>	<u>-</u>	<u>9,300</u>	<u>-</u>
Total	<u>9,300</u>	<u>9,300</u>	<u>175,650</u>	<u>(166,350)</u>	<u>105,933</u>
Payments for special education programs					
Purchased services	246,250	246,250	-	246,250	-
Other objects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>246,250</u>	<u>246,250</u>	<u>-</u>	<u>246,250</u>	<u>-</u>
Payments for CTE education programs					
Purchased services	<u>394,000</u>	<u>394,000</u>	<u>294,294</u>	<u>99,706</u>	<u>84,067</u>
Total	<u>394,000</u>	<u>394,000</u>	<u>294,294</u>	<u>99,706</u>	<u>84,067</u>
Payments for special education programs - tuition					
Other objects	-	-	1,544,004	(1,544,004)	1,491,180
Payments for CTE programs - tuition					
Other objects	-	-	-	-	121,500
Payments for community college programs - tuition					
Other objects	-	-	-	-	112,328
Total payments to other districts and other government units	<u>649,550</u>	<u>649,550</u>	<u>2,013,948</u>	<u>(1,364,398)</u>	<u>1,915,008</u>
Debt service					
Other interest on long term debt					
Bonds and other - interest	<u>16,579</u>	<u>16,579</u>	<u>-</u>	<u>16,579</u>	<u>-</u>
Total	<u>16,579</u>	<u>16,579</u>	<u>-</u>	<u>16,579</u>	<u>-</u>
Total debt service	<u>16,579</u>	<u>16,579</u>	<u>-</u>	<u>16,579</u>	<u>-</u>
Total expenditures	<u>63,922,756</u>	<u>63,922,756</u>	<u>58,585,640</u>	<u>5,419,212</u>	<u>57,932,597</u>
Excess (deficiency) of revenues over expenditure	<u>(4,157,474)</u>	<u>(4,157,474)</u>	<u>3,840,933</u>	<u>8,080,503</u>	<u>(2,357,295)</u>

(Continued)

Crete-Monee School District 201-U

General Fund - Budgetary Basis

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

For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021					2020 Actual (restated)
	Original Budget	Amended Budget	Actual	Variance From Final Budget		
Other financing sources (uses)						
Permanent transfer among funds	\$ 7,000,000	\$ 7,000,000	\$ 7,000,000	\$ -	\$ -	\$ -
Principal on bonds sold	-	19,581,665	16,071,665	3,510,000	-	-
Premium on bonds sold	-	1,432,830	1,432,830	-	-	-
Capital lease proceeds	-	-	96,766	(96,766)	520,000	520,000
Permanent transfer from working cash fund - abatement	-	(3,100,000)	(4,003,392)	(903,392)	-	-
Transfer to debt service fund for principal on capital leases	-	-	(332,172)	(332,172)	(223,052)	(223,052)
Transfer to debt service fund for interest on capital leases	-	-	(26,767)	(26,767)	(9,343)	(9,343)
Transfer to debt service fund to pay principal on ISBE Loans	-	-	-	-	(54,794)	(54,794)
Total other financing uses	<u>7,000,000</u>	<u>24,914,495</u>	<u>20,238,930</u>	<u>2,150,903</u>	<u>232,811</u>	<u>232,811</u>
Net change to fund balance	<u>\$ 2,842,526</u>	<u>\$ 20,757,021</u>	24,079,863	<u>\$ 3,322,842</u>	(2,124,484)	(2,124,484)
Fund balance, beginning of year (as restated)			<u>7,137,347</u>		<u>9,261,831</u>	<u>9,261,831</u>
Fund balance, end of year			<u>\$ 31,217,210</u>		<u>\$ 7,137,347</u>	<u>\$ 7,137,347</u>

(Concluded)

Crete-Monee School District 201-U
 Operations and Maintenance Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2021
 With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual
Revenues					
Local sources					
General levy	\$ 4,675,828	\$ 4,675,828	\$ 4,356,826	\$ (319,002)	\$ 4,264,776
Interest on investments	20,000	20,000	267	(19,733)	25,344
Rentals	-	-	37,391	37,391	4,575
Refund of prior years' expenditures	-	-	-	-	822
Other	-	-	-	-	60,787
Total local sources	<u>4,695,828</u>	<u>4,695,828</u>	<u>4,394,484</u>	<u>(301,344)</u>	<u>4,356,304</u>
State sources					
School Infrastructure - Maintenance Projects	-	-	-	-	50,000
Total state sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Federal sources					
Other restricted revenue from Federal Sources	-	-	91,440	91,440	-
Total federal sources	<u>-</u>	<u>-</u>	<u>91,440</u>	<u>91,440</u>	<u>-</u>
Total revenues	<u>4,695,828</u>	<u>4,695,828</u>	<u>4,485,924</u>	<u>(209,904)</u>	<u>4,406,304</u>
Expenditures					
Support services					
Business					
Operation and maintenance of plant services					
Salaries	2,144,977	2,144,977	2,207,233	(62,256)	1,982,326
Employee benefits	-	-	453,967	(453,967)	451,670
Purchased services	1,425,409	1,425,409	992,096	433,313	1,317,061
Supplies and materials	1,902,392	1,902,392	1,955,444	(53,052)	1,270,906
Capital outlay	94,734	94,734	69,986	24,748	88,166
Other objects	1,439	1,439	22,029	(20,590)	-
Non-capitalized equipment	40,643	40,643	794,889	(754,246)	37,847
Termination benefits	4,750	4,750	-	4,750	-
Total	<u>5,614,344</u>	<u>5,614,344</u>	<u>6,495,644</u>	<u>(881,300)</u>	<u>5,147,976</u>
Total business	<u>5,614,344</u>	<u>5,614,344</u>	<u>6,495,644</u>	<u>(881,300)</u>	<u>5,147,976</u>

(Continued)

Crete-Monee School District 201-U
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2021
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual
Total support services	\$ 5,614,344	\$ 5,614,344	\$ 6,495,644	\$ (881,300)	\$ 5,147,976
Total expenditures	<u>5,614,344</u>	<u>5,614,344</u>	<u>6,495,644</u>	<u>(881,300)</u>	<u>5,147,976</u>
Deficiency of revenues over expenditures	<u>(918,516)</u>	<u>(918,516)</u>	<u>(2,009,720)</u>	<u>(1,091,204)</u>	<u>(741,672)</u>
Other financing sources (uses)					
Permanent transfer from working cash fund - abatement	-	-	4,003,392	(4,003,392)	-
Permanent transfer among funds	3,000,000	6,100,000	3,000,000	3,100,000	-
Permanent transfer among funds	-	(3,100,000)	-	3,100,000	-
Transfer to capital projects fund	-	-	(4,003,392)	(4,003,392)	-
Total other financing uses	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>(1,806,784)</u>	<u>-</u>
Net change in fund balance	<u>\$ 2,081,484</u>	<u>\$ 2,081,484</u>	990,280	<u>\$ (1,091,204)</u>	(741,672)
Fund balance, beginning of year			<u>2,763,684</u>		<u>3,505,356</u>
Fund balance, end of year			<u>\$ 3,753,964</u>		<u>\$ 2,763,684</u>

(Concluded)

Crete-Monee School District 201-U
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2021
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual
Revenues					
Local sources					
General levy	\$ 4,281,680	\$ 4,281,680	\$ 4,205,280	\$ (76,400)	\$ 4,053,093
Regular transportation fees from other districts - in state	25,000	25,000	-	(25,000)	29,420
Regular transportation fees from co-curricular activities - in state	101,800	101,800	-	(101,800)	-
Interest on investments	<u>60,000</u>	<u>60,000</u>	<u>5,022</u>	<u>(54,978)</u>	<u>141,563</u>
Total local sources	<u>4,468,480</u>	<u>4,468,480</u>	<u>4,210,302</u>	<u>(258,178)</u>	<u>4,224,076</u>
State sources					
Transportation - Regular and Vocational	2,970,000	2,970,000	2,355,831	(614,169)	2,954,881
Transportation - Special Education	<u>1,810,000</u>	<u>1,810,000</u>	<u>1,183,741</u>	<u>(626,259)</u>	<u>1,746,438</u>
Total state sources	<u>4,780,000</u>	<u>4,780,000</u>	<u>3,539,572</u>	<u>(1,240,428)</u>	<u>4,701,319</u>
Total revenues	<u>9,248,480</u>	<u>9,248,480</u>	<u>7,749,874</u>	<u>(1,498,606)</u>	<u>8,925,395</u>
Expenditures					
Support services					
Business					
Pupil transportation services					
Salaries	204,700	204,700	198,308	6,392	179,215
Employee benefits	3,556	3,556	26,489	(22,933)	40,178
Purchased services	5,893,723	5,893,723	4,017,967	1,875,756	4,752,263
Supplies and materials	18,989	18,989	32	18,957	-
Capital outlay	<u>73,500</u>	<u>73,500</u>	<u>-</u>	<u>73,500</u>	<u>70,588</u>
Total	<u>6,194,468</u>	<u>6,194,468</u>	<u>4,242,796</u>	<u>1,951,672</u>	<u>5,042,244</u>
Total support services	<u>6,194,468</u>	<u>6,194,468</u>	<u>4,242,796</u>	<u>1,951,672</u>	<u>5,042,244</u>
Total expenditures	<u>6,194,468</u>	<u>6,194,468</u>	<u>4,242,796</u>	<u>1,951,672</u>	<u>5,042,244</u>
Excess of revenues over expenditures	<u>3,054,012</u>	<u>3,054,012</u>	<u>3,507,078</u>	<u>453,066</u>	<u>3,883,151</u>

(Continued)

Crete-Monee School District 201-U
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2021
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			Variance From Final Budget	2020 Actual
	Original Budget	Amended Budget	Actual		
Other financing uses					
Permanent transfer among funds	\$ (10,000,000)	\$ (10,000,000)	\$ (10,000,000)	\$ -	\$ -
Total other financing uses	<u>(10,000,000)</u>	<u>(10,000,000)</u>	<u>(10,000,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (6,945,988)</u>	<u>\$ (6,945,988)</u>	(6,492,922)	<u>\$ 453,066</u>	3,883,151
Fund balance, beginning of year			<u>14,076,949</u>		<u>10,193,798</u>
Fund balance, end of year			<u>\$ 7,584,027</u>		<u>\$ 14,076,949</u>

(Concluded)

Crete-Monee School District 201-U
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2021
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual
Revenues					
Local sources					
General levy	\$ 2,081,814	\$ 2,081,814	\$ 1,346,210	\$ (735,604)	\$ 1,217,556
Social security/Medicare only levy	-	-	1,346,210	1,346,210	1,217,555
Corporate personal property replacement taxes	-	-	50,000	50,000	50,000
Interest on investments	<u>5,000</u>	<u>5,000</u>	<u>1,782</u>	<u>(3,218)</u>	<u>52,700</u>
Total local sources	<u>2,086,814</u>	<u>2,086,814</u>	<u>2,744,202</u>	<u>657,388</u>	<u>2,537,811</u>
Total revenues	<u>2,086,814</u>	<u>2,086,814</u>	<u>2,744,202</u>	<u>657,388</u>	<u>2,537,811</u>
Expenditures					
Instruction					
Regular programs	180,559	180,559	423,478	(242,919)	437,032
Pre-K programs	96,384	96,384	-	96,384	-
Special education programs	255,076	255,076	299,944	(44,868)	313,470
Special education programs pre-K	79,915	79,915	80,547	(632)	65,815
Remedial and supplemental programs K-12	-	-	-	-	31
Vocational educational programs	-	-	-	-	2,434
Interscholastic programs	-	-	33,810	(33,810)	54,421
Summer school programs	5,891	5,891	2,153	3,738	5,894
Drivers education programs	-	-	862	(862)	-
Bilingual programs	<u>-</u>	<u>-</u>	<u>2,777</u>	<u>(2,777)</u>	<u>2,398</u>
Total instruction	<u>617,825</u>	<u>617,825</u>	<u>843,571</u>	<u>(225,746)</u>	<u>881,495</u>
Support services					
Pupils					
Attendance and social work services	-	-	10,631	(10,631)	18,598
Guidance services	-	-	9,604	(9,604)	13,418
Health services	49,228	49,228	37,380	11,848	45,091
Psychological services	-	-	7,585	(7,585)	7,233
Speech pathology and audiology services	-	-	13,914	(13,914)	14,253
Other support services -pupils	<u>-</u>	<u>-</u>	<u>586</u>	<u>(586)</u>	<u>3,709</u>
Total pupils	<u>49,228</u>	<u>49,228</u>	<u>79,700</u>	<u>(30,472)</u>	<u>102,302</u>

(Continued)

Crete-Monee School District 201-U
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2021
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual
Instructional staff					
Improvement of instruction services	\$ 35,959	\$ 35,959	\$ 60,910	\$ (24,951)	\$ 42,972
Educational media services	<u>22,334</u>	<u>22,334</u>	<u>19,780</u>	<u>2,554</u>	<u>32,600</u>
Total instructional staff	<u>58,293</u>	<u>58,293</u>	<u>80,690</u>	<u>(22,397)</u>	<u>75,572</u>
General administration					
Executive administration services	<u>12,649</u>	<u>12,649</u>	<u>18,641</u>	<u>(5,992)</u>	<u>17,046</u>
Total general administration	<u>12,649</u>	<u>12,649</u>	<u>18,641</u>	<u>(5,992)</u>	<u>17,046</u>
School administration					
Office of the principal services	<u>-</u>	<u>-</u>	<u>47,339</u>	<u>(47,339)</u>	<u>33,686</u>
Other support services - school administration	<u>-</u>	<u>-</u>	<u>279</u>	<u>(279)</u>	<u>445</u>
Total school administration	<u>-</u>	<u>-</u>	<u>47,618</u>	<u>(47,618)</u>	<u>34,131</u>
Business					
Direction of business support services	68,645	68,645	84,077	(15,432)	73,099
Fiscal services	-	-	68	(68)	294
Operation and maintenance of plant services	358,801	358,801	420,727	(61,926)	410,408
Pupil transportation services	12,871	12,871	21,729	(8,858)	1,796
Food services	<u>121,556</u>	<u>121,556</u>	<u>105,551</u>	<u>16,005</u>	<u>122,885</u>
Total business	<u>561,873</u>	<u>561,873</u>	<u>632,152</u>	<u>(70,279)</u>	<u>608,482</u>
Central					
Information services	16,450	16,450	20,374	(3,924)	2,643
Staff services	58,554	58,554	74,583	(16,029)	55,513
Data processing services	<u>140,603</u>	<u>140,603</u>	<u>153,185</u>	<u>(12,582)</u>	<u>140,430</u>
Total central	<u>215,607</u>	<u>215,607</u>	<u>248,142</u>	<u>(32,535)</u>	<u>198,586</u>
Other support services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73</u>
Total support services	<u>897,650</u>	<u>897,650</u>	<u>1,106,943</u>	<u>(209,293)</u>	<u>1,036,192</u>

(Continued)

Crete-Monee School District 201-U
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2021
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual
Community services	\$ 14,726	\$ 14,726	\$ 4,476	\$ 10,250	\$ 58,341
Total expenditures	<u>1,530,201</u>	<u>1,530,201</u>	<u>1,954,990</u>	<u>(424,789)</u>	<u>1,976,028</u>
Excess of revenues over expenditures	<u>\$ 556,613</u>	<u>\$ 556,613</u>	<u>789,212</u>	<u>\$ 232,599</u>	<u>561,783</u>
Fund balance, beginning of year			<u>2,139,393</u>		<u>1,577,610</u>
Fund balance, end of year			<u>\$ 2,928,605</u>		<u>\$ 2,139,393</u>

(Concluded)

Crete-Monee School District 201-U
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2021

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 ordinance 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 original budget was adopted by the Board of Education on September 22, 2020, and was amended by the Board of Education on June 15, 2021.
- g) All budgets lapse at the end of the fiscal year.

2. EXPENDITURES IN EXCESS OF BUDGET

The following funds had expenditures in excess of budget at June 30, 2021:

<u>Funds</u>	<u>Variance</u>
Operations and Maintenance	881,300
Debt Service	310,672
Municipal Retirement / Social Security	424,789
Capital Projects	2,212,844
Fire Prevention and Safety	16,487

Crete-Monee School District 201-U
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2021

3. BUDGET RECONCILIATION

The Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds (GAAP Basis) includes "on-behalf" payments received and made from the amounts contributed by the State of Illinois for the employer's share of the Teacher's Retirement System pension and Teachers' Health Insurance Security fund. The District does not budget for these amounts. The difference between the budget and the GAAP basis are as follows:

	<u>Revenues</u>	<u>Expenditures</u>
General fund - budgetary basis	\$ 62,426,573	\$ 58,585,640
To adjust for on-behalf payments received	15,285,930	-
To adjust for on-behalf payments made	<u>-</u>	<u>15,285,930</u>
General fund - GAAP basis	<u>\$ 77,712,503</u>	<u>\$ 73,871,570</u>

4. TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Changes of Assumptions

For the 2020 - 2016 measurement years, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit and were consistent in 2019 and 2020. These actuarial assumptions were based on an experience study dated September 18, 2018.

For the 2015 measurement year, the assumed investment rate of return was 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2020 IMRF CONTRIBUTION RATE*

Valuation Date:

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

Crete-Monee School District 201-U
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2021

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2020 IMRF CONTRIBUTION RATE* (Continued)

Methods and Assumptions Used to Determine the 2020 Contribution Rate:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 23-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 18 years for most employers (three employers were financed over 27 years and four others were financed over 28 years).
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25%, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality rates were used with fully generational projections scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy 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, IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2018 actuarial valuation.

Crete-Monee School District 201-U
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2021

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2020 IMRF CONTRIBUTION RATE* (Continued)

Change in Assumptions:

For the 2020, 2019 and 2018 measurement years, the assumed investment rate of return was 7.25 percent, including an inflation rate of 2.50 percent and a real return of 4.75%.

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

6. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2020 THIS CONTRIBUTION RATE

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of June 30 each year, 12 months prior to the fiscal year in which contributions are reported.
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Fiscal Year End	June 30, 2021

Methods and Assumptions Used to Determine the 2020 Contribution Rate:

Actuarial Cost Method	Aggregate Entry Age Normal
Asset Valuation Method	Market value
Investment Rate of Return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Single equivalent discount rate	2.45%
Price Inflation	2.50%
Salary Increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018, actuarial valuation.
Mortality	Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017.

Crete-Monee School District 201-U
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2021

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

Healthcare Cost Trend Rates	Trend for fiscal year 2020 based on expected increases used to develop average costs. For fiscal years on and after 2021, trend starts at 8.25% for non-Medicare cost and Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate adjustment due to the repeal of the Excise Tax.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

Change in Assumptions:

The Discount Rate was changed from 3.13% used in the Fiscal Year 2020 valuation to 2.45%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

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

SUPPLEMENTARY FINANCIAL INFORMATION

Crete-Monee School District 201-U

General Fund

COMBINING BALANCE SHEET

June 30, 2021

	Educational Account	Working Cash Account	Total
ASSETS			
Cash and investments	\$ 18,360,050	\$ 15,563,881	\$ 33,923,931
Receivables (net of allowance for uncollectibles):			
Property taxes	17,563,378	169,684	17,733,062
Replacement taxes	283,214	-	283,214
Intergovernmental	<u>1,424,831</u>	<u>-</u>	<u>1,424,831</u>
Total assets	<u>\$ 37,631,473</u>	<u>\$ 15,733,565</u>	<u>\$ 53,365,038</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 1,290,884	\$ -	\$ 1,290,884
Salaries and wages payable	4,898,239	-	4,898,239
Claims payable	436,651	-	436,651
Other current liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>6,625,774</u>	<u>-</u>	<u>6,625,774</u>
DEFERRED INFLOWS			
Property taxes levied for a future period	<u>15,373,527</u>	<u>148,527</u>	<u>15,522,054</u>
Total deferred inflows	<u>15,373,527</u>	<u>148,527</u>	<u>15,522,054</u>
FUND BALANCES			
Assigned	282,952	-	282,952
Unassigned	<u>15,349,220</u>	<u>15,585,038</u>	<u>30,934,258</u>
Total fund balance	<u>15,632,172</u>	<u>15,585,038</u>	<u>31,217,210</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 37,631,473</u>	<u>\$ 15,733,565</u>	<u>\$ 53,365,038</u>

Crete-Monee School District 201-U

General Fund

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

For the Year Ended June 30, 2021

	Educational Account	Working Cash Account	Total
Revenues			
Property taxes	\$ 30,389,664	\$ 292,626	\$ 30,682,290
Replacement taxes	1,463,827	-	1,463,827
State aid	34,275,155	-	34,275,155
Federal aid	8,006,553	-	8,006,553
Interest	11,048	2,741	13,789
Other	3,270,889	-	3,270,889
	<u>77,417,136</u>	<u>295,367</u>	<u>77,712,503</u>
Total revenues			
Expenditures			
Current:			
Instruction:			
Regular programs	23,927,706	-	23,927,706
Special programs	11,076,373	-	11,076,373
Other instructional programs	1,990,335	-	1,990,335
State retirement contributions	15,285,930	-	15,285,930
Support services:			
Pupils	4,006,291	-	4,006,291
Instructional staff	1,708,960	-	1,708,960
General administration	1,837,189	-	1,837,189
School administration	3,718,308	-	3,718,308
Business	2,081,139	-	2,081,139
Transportation	16,984	-	16,984
Operations and maintenance	574,981	-	574,981
Central	5,328,013	-	5,328,013
Other supporting services	480	-	480
Community services	269,876	-	269,876
Nonprogrammed charges	2,013,948	-	2,013,948
Capital outlay	35,057	-	35,057
	<u>73,871,570</u>	<u>-</u>	<u>73,871,570</u>
Total expenditures			
Excess of revenues over expenditures	<u>3,545,566</u>	<u>295,367</u>	<u>3,840,933</u>

(Continued)

Crete-Monee School District 201-U

General Fund

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

For the Year Ended June 30, 2021

	Educational Account	Working Cash Account	Total
Other financing sources (uses)			
Transfers in	\$ 7,000,000	\$ -	\$ 7,000,000
Transfers (out)	(358,939)	(4,003,392)	(4,362,331)
Proceeds from issuance of debt	-	16,071,665	16,071,665
Premium on issuance of bonds	-	1,432,830	1,432,830
Capital lease proceeds	96,766	-	96,766
Total other financing sources (uses)	<u>6,737,827</u>	<u>13,501,103</u>	<u>20,238,930</u>
Net change in fund balance	10,283,393	13,796,470	24,079,863
Fund balance, beginning of year, as restated	<u>5,348,779</u>	<u>1,788,568</u>	<u>7,137,347</u>
Fund balance, end of year	<u>\$ 15,632,172</u>	<u>\$ 15,585,038</u>	<u>\$ 31,217,210</u>

(Concluded)

Crete-Monee School District 201-U
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2021
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021		Actual	Variance	2020 Actual
	Original Budget	Amended Budget		From Final Budget	
Revenues					
Local sources					
General levy	\$11,997,200	\$11,997,200	\$11,953,060	\$ (44,140)	\$11,918,072
Interest on investments	5,000	5,000	-	(5,000)	59,337
Total local sources	<u>12,002,200</u>	<u>12,002,200</u>	<u>11,953,060</u>	<u>(49,140)</u>	<u>11,977,409</u>
Total revenues	<u>12,002,200</u>	<u>12,002,200</u>	<u>11,953,060</u>	<u>(49,140)</u>	<u>11,977,409</u>
Expenditures					
Debt service					
Debt services - interest					
Bonds and other - interest	<u>11,997,201</u>	<u>11,997,201</u>	<u>1,197,467</u>	<u>10,799,734</u>	<u>1,209,022</u>
Total debt service - interest	<u>11,997,201</u>	<u>11,997,201</u>	<u>1,197,467</u>	<u>10,799,734</u>	<u>1,209,022</u>
Principal payments on long-term debt	<u>415,748</u>	<u>415,748</u>	<u>11,137,172</u>	<u>10,721,424</u>	<u>11,075,367</u>
Other debt service					
Purchased services	-	-	1,900	(1,900)	950
Other objects	-	-	<u>387,082</u>	<u>(387,082)</u>	-
Total	<u>-</u>	<u>-</u>	<u>388,982</u>	<u>(388,982)</u>	<u>950</u>
Total debt service	<u>12,412,949</u>	<u>12,412,949</u>	<u>12,723,621</u>	<u>(310,672)</u>	<u>12,285,339</u>
Total expenditures	<u>12,412,949</u>	<u>12,412,949</u>	<u>12,723,621</u>	<u>(310,672)</u>	<u>12,285,339</u>
Excess (deficiency) of revenues over expenditures	<u>(410,749)</u>	<u>(410,749)</u>	<u>(770,561)</u>	<u>(359,812)</u>	<u>(307,930)</u>

(Continued)

Crete-Monee School District 201-U

Debt Service Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2021

With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual
Other financing sources (uses)					
Debt proceeds	\$ -	\$ -	\$ 3,823,335	\$ (3,823,335)	\$ -
Transfer to pay principal on capital leases	-	-	332,172	(332,172)	223,052
Transfer to pay interest on capital leases	-	-	26,767	(26,767)	9,343
Transfer to pay principal and interest on school technology loan	-	-	-	-	54,794
Payment to escrow agent	-	-	(3,445,475)	(3,445,475)	-
Total other financing sources (uses)	-	-	736,799	(7,627,749)	287,189
Net change in fund balance	<u>\$ (410,749)</u>	<u>\$ (410,749)</u>	(33,762)	<u>\$ 376,987</u>	(20,741)
Fund balance, beginning of year			<u>4,312,730</u>		<u>4,333,471</u>
Fund balance, end of year			<u>\$ 4,278,968</u>		<u>\$ 4,312,730</u>

(Concluded)

Crete-Monee School District 201-U
 Capital Projects Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL
 For the Year Ended June 30, 2021
 With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual
Revenues					
Local sources					
Interest on investments	\$ 1,000	\$ 1,000	\$ 1,007	\$ 7	\$ 19,976
Total local sources	<u>1,000</u>	<u>1,000</u>	<u>1,007</u>	<u>7</u>	<u>19,976</u>
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>1,007</u>	<u>7</u>	<u>19,976</u>
Expenditures					
Support services					
Facilities acquisition and construction services					
Purchased services	93,575	93,575	351,206	(257,631)	92,475
Capital outlay	<u>-</u>	<u>-</u>	<u>1,955,213</u>	<u>(1,955,213)</u>	<u>950,000</u>
Total	<u>93,575</u>	<u>93,575</u>	<u>2,306,419</u>	<u>(2,212,844)</u>	<u>1,042,475</u>
Total support services	<u>93,575</u>	<u>93,575</u>	<u>2,306,419</u>	<u>(2,212,844)</u>	<u>1,042,475</u>
Total expenditures	<u>93,575</u>	<u>93,575</u>	<u>2,306,419</u>	<u>(2,212,844)</u>	<u>1,042,475</u>
Deficiency of revenues over expenditures	<u>(92,575)</u>	<u>(92,575)</u>	<u>(2,305,412)</u>	<u>(2,212,837)</u>	<u>(1,022,499)</u>

(Continued)

Crete-Monee School District 201-U
 Capital Projects Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL
 For the Year Ended June 30, 2021
 With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual
Other financing sources					
Permanent transfer from working cash fund - abatement	\$ -	\$ 3,100,000	\$ -	\$ 3,100,000	\$ -
Permanent transfer to capital projects fund	<u>-</u>	<u>-</u>	<u>4,003,392</u>	<u>(4,003,392)</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>3,100,000</u>	<u>4,003,392</u>	<u>(903,392)</u>	<u>-</u>
Net change in fund balance (deficit)	<u>\$ (92,575)</u>	<u>\$ 3,007,425</u>	1,697,980	<u>\$ (1,309,445)</u>	(1,022,499)
Fund balance, beginning of year			<u>820,164</u>		<u>1,842,663</u>
Fund balance, end of year			<u>\$ 2,518,144</u>		<u>\$ 820,164</u>

(Concluded)

Crete-Monee School District 201-U
 Fire Prevention and Safety Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2021
 With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Original Budget	Amended Budget	Actual	Variance From Final Budget	2020 Actual
Revenues					
Local sources					
General levy	\$ 6,982	\$ 6,982	\$ 10,855	\$ 3,873	\$ 8,127
Interest on investments	<u>100</u>	<u>-</u>	<u>12</u>	<u>12</u>	<u>405</u>
Total local sources	<u>7,082</u>	<u>6,982</u>	<u>10,867</u>	<u>3,885</u>	<u>8,532</u>
Total revenues	<u>7,082</u>	<u>6,982</u>	<u>10,867</u>	<u>3,885</u>	<u>8,532</u>
Expenditures					
Support services					
Facilities acquisition and construction services					
Purchased services	-	-	15,153	(15,153)	-
Capital outlay	<u>-</u>	<u>-</u>	<u>1,334</u>	<u>(1,334)</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>16,487</u>	<u>(16,487)</u>	<u>-</u>
Total support services	<u>-</u>	<u>-</u>	<u>16,487</u>	<u>(16,487)</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>16,487</u>	<u>(16,487)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 7,082</u>	<u>\$ 6,982</u>	<u>(5,620)</u>	<u>\$ (12,602)</u>	<u>8,532</u>
Fund balance, beginning of year			<u>35,636</u>		<u>27,104</u>
Fund balance, end of year			<u>\$ 30,016</u>		<u>\$ 35,636</u>

(Concluded)

Crete-Monee School District 201-U
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2021

	Maturity as follows			Total
	for the Year Ended June 30	Principal	Interest	
Series 2016B				
General Obligation Bonds				
Issued on June 29, 2016	2022	\$ -	\$ 557,500	\$ 557,500
	2023	-	557,500	557,500
Principal payable annually on January 1 starting in 2026	2024	-	557,500	557,500
	2025	-	557,500	557,500
	2026	620,000	557,500	1,177,500
Interest payable bi-annually on January 1 and July 1	2027	9,530,000	526,500	10,056,500
	2028	1,000,000	50,000	1,050,000
Total		<u>\$ 11,150,000</u>	<u>\$ 3,364,000</u>	<u>\$ 14,514,000</u>

Series 2016C				
General Obligation Bonds				
Issued on June 29, 2016	2022	\$ -	\$ 613,200	\$ 613,200
	2023	-	613,200	613,200
Principal payable annually on January 1 starting in 2027	2024	-	613,200	613,200
	2025	-	613,200	613,200
	2026	-	613,200	613,200
Interest payable bi-annually on January 1 and July 1	2027	1,175,000	613,200	1,788,200
	2028	1,230,000	554,450	1,784,450
	2029	1,295,000	492,950	1,787,950
	2030	1,355,000	428,200	1,783,200
	2031	1,410,000	374,000	1,784,000
	2032	1,470,000	317,600	1,787,600
	2033	1,525,000	258,800	1,783,800
	2034	1,585,000	197,800	1,782,800
	2035	1,650,000	134,400	1,784,400
	2036	1,710,000	68,400	1,778,400
Total		<u>\$ 14,405,000</u>	<u>\$ 6,505,800</u>	<u>\$ 20,910,800</u>

(Continued)

Crete-Monee School District 201-U
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2021

Series 2020A							
General Obligation Bonds							
Issued on December 30, 2020	2022	\$	-	\$	131,784	\$	131,784
	2023		-		131,419		131,419
Principal payable annually on January 1 starting in 2028	2024		-		131,419		131,419
	2025		-		131,419		131,419
	2026		-		131,419		131,419
Interest payable bi-annually on January 1 and July 1	2027		-		131,419		131,419
	2028		1,690,000		131,419		1,821,419
	2029		1,720,000		98,498		1,818,498
	2030		1,760,000		62,584		1,822,584
	2031		1,040,000		23,899		1,063,899
Total		\$	6,210,000	\$	1,105,277	\$	7,315,277

Series 2020B							
General Obligation Bonds							
Issued on December 30, 2020	2022	\$	-	\$	408,131	\$	408,131
	2023		-		407,000		407,000
Principal payable annually on January 1 starting in 2027	2024		-		407,000		407,000
	2025		-		407,000		407,000
	2026		-		407,000		407,000
Interest payable bi-annually on January 1 and July 1	2027		-		407,000		407,000
	2028		-		407,000		407,000
	2029		-		407,000		407,000
	2030		-		407,000		407,000
	2031		1,050,000		407,000		1,457,000
	2032		2,150,000		365,000		2,515,000
	2033		2,235,000		279,000		2,514,000
	2034		2,325,000		189,600		2,514,600
	2035		2,415,000		96,600		2,511,600
Total		\$	10,175,000	\$	5,001,331	\$	15,176,331

(Continued)

Crete-Monee School District 201-U
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2021

Series 2020C							
General Obligation Bonds							
Issued on December 30, 2020	2022	\$	-	\$	68,565	\$	68,565
	2023		-		68,375		68,375
Principal payable annually on	2024		-		68,375		68,375
January 1 starting in 2027	2025		-		68,375		68,375
	2026		-		68,375		68,375
Interest payable bi-annually on	2027		3,510,000		68,375		3,578,375
January 1 and July 1	2028		-		68,375		68,375
Total		\$	3,510,000	\$	478,814	\$	3,988,814

Maturity as follows
for the Year
Ended June 30

Series 2004							
General Obligation Capital							
			Principal		Interest		Total
Issue of June 30, 2004	2022	\$	1,830,274	\$	6,889,726	\$	8,720,000
Principal payable Oct 1	2023		1,651,416		6,943,584		8,595,000
Interest payable at maturity	2024		1,478,805		6,941,195		8,420,000
			4,960,495		20,774,505		25,735,000
Accumulated accreted interest			17,985,824		(17,985,824)		-
Total		\$	22,946,319	\$	2,788,681	\$	25,735,000

Series 2005							
Capital Appreciation Bond							
Issue of December 29, 2005							
			Principal		Interest		Total
Principal payable annually on	2025	\$	1,279,153	\$	2,540,847	\$	3,820,000
October 1							
Interest payable at maturity	2026		2,762,220		5,172,780		7,935,000
			4,041,373		7,713,627		11,755,000
Accumulated accreted interest			5,320,015		(5,320,015)		-
Total		\$	9,361,388	\$	2,393,612	\$	11,755,000

(Continued)

Crete-Monee School District 201-U
GENERAL LONG-TERM DEBT
SCHEDULE OF GENERAL OBLIGATION BONDS
Year Ended June 30, 2021

Series 2006				
Capital Appreciation Bond				
Issued on June 8, 2006	2022	\$ 722,610	\$ 777,390	\$ 1,500,000
Principal payable annually on	2023	746,558	878,442	1,625,000
October 1	2024	775,368	1,024,632	1,800,000
Interest payable at maturity	2025	2,466,752	3,933,248	6,400,000
	2026	482,897	752,103	1,235,000
		<u>5,194,185</u>	<u>7,365,815</u>	<u>12,560,000</u>
Accumulated accreted interest		5,710,421	(5,710,421)	-
Total		<u>\$ 10,904,606</u>	<u>\$ 1,655,394</u>	<u>\$ 12,560,000</u>
Total General Obligation		<u>\$ 88,662,313</u>	<u>\$ 23,292,909</u>	<u>\$ 111,955,222</u>
Bonds Payable				

(Concluded)

OTHER SUPPLEMENTAL INFORMATION (UNAUDITED)

Crete-Monee School District 201-U
PROPERTY TAX RATES - LEVIES AND COLLECTIONS*
LAST FIVE TAX LEVY YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Assessed valuations	\$ <u>676,598,382</u>	\$ <u>637,433,848</u>	\$ <u>618,718,672</u>	\$ <u>586,382,720</u>	\$ <u>562,971,694</u>
Rates extended					
Educational	4.6371	4.6483	4.8449	4.8998	4.7479
Operations and maintenance	0.6620	0.6694	0.6982	0.7367	0.7500
Transportation	0.5885	0.7001	0.5968	0.6746	0.7380
Municipal retirement/social security	0.4030	0.4202	0.3590	0.3280	0.3340
Working cash	0.0448	0.0446	0.0465	0.0288	0.0500
Debt service	1.7735	1.8822	1.9391	2.0452	2.0600
Fire prevention and safety	<u>0.0019</u>	<u>0.0014</u>	<u>0.0012</u>	<u>0.0011</u>	<u>0.0011</u>
Total rates extended	<u>8.1108</u>	<u>8.3662</u>	<u>8.4857</u>	<u>8.7142</u>	<u>8.6810</u>
Levies extended					
Educational	\$ 31,374,544	\$ 29,629,838	\$ 29,976,300	\$ 28,731,581	\$ 26,729,333
Operations and maintenance	4,479,081	4,266,982	4,319,894	4,319,881	4,222,288
Transportation	3,981,781	4,462,674	3,692,513	3,955,738	4,154,731
Municipal retirement/social security	2,726,692	2,678,497	2,221,200	1,923,335	1,880,325
Working cash	303,116	284,295	287,704	168,878	281,486
Debt service	11,999,472	11,997,780	11,997,574	11,992,699	11,597,217
Fire prevention and safety	<u>12,855</u>	<u>8,924</u>	<u>7,425</u>	<u>6,450</u>	<u>6,193</u>
Total levies extended	<u>\$ 54,877,541</u>	<u>\$ 53,328,990</u>	<u>\$ 52,502,610</u>	<u>\$ 51,098,563</u>	<u>\$ 48,871,573</u>
Collections on levies extended					
Total collections	<u>\$ 23,608,480</u>	<u>\$ 53,126,455</u>	<u>\$ 52,154,251</u>	<u>\$ 50,326,745</u>	<u>\$ 48,306,792</u>
Percentage of extensions collected					
Total % of extensions collected	<u>43.02%</u>	<u>99.62%</u>	<u>99.34%</u>	<u>98.49%</u>	<u>98.84%</u>

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

Source of information: Will County - Tax Rate Calculation Reports and Annual Financial Reports