

Park Ridge-Niles School District 64

Park Ridge, IL

Annual Financial Report

Year Ended June 30, 2021

An abstract geometric graphic in the bottom left corner, composed of several overlapping triangles in various shades of gray, creating a sense of depth and movement.

WIPFLI

Park Ridge-Niles School District 64

Year Ended June 30, 2021

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Independent Auditor's Report

**Board of Education
Park Ridge-Niles School District 64
Park Ridge, IL**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Park Ridge-Niles School District 64, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States 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 District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Park Ridge-Niles School District 64, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and required supplementary information as listed in the table of contents, 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, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

We have also audited, in accordance with auditing standards generally accepted in the United States, the District's basic financial statements for the year ended June 30, 2020, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The schedules of revenues, expenditures and changes in fund balances - budget and actual, related to the 2020 financial statements 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 information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the 2020 schedules of revenues, expenditures and changes in fund balances - budget and actual are fairly stated in material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2021 on our consideration of the District'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 solely 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 Park Ridge-Niles School District 64's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Wipfli LLP

**Aurora, Illinois
November 23, 2021**

Park Ridge-Niles School District 64

Management's Discussion and Analysis For the Year Ended June 30, 2021

This section of Park Ridge-Niles School District 64's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2021. Please read it in conjunction with the District's financial statements, which immediately follow this section. All amounts are expressed in millions of dollars unless otherwise noted.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, issued June 1999. The MD&A is management's explanation of the District's financial position.

Financial Highlights

- In total, net position increased by \$0.3 million.
- General revenues accounted for \$75.5 million in revenue or 58.0% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$54.7 million or 42.0% of total revenues of \$130.2 million.
- For the 13th consecutive year, the District is positioned to receive a Recognition financial profile rating from the Illinois State Board of Education in 2021, which is the highest possible rating. The State Board officially approves the ratings in March.
- The District made payments of \$2,065,000 on its Series 2014A bonds during the year. This leaves an outstanding balance of \$340,000 on the District's bond issue.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components:

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

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

Government-wide financial statements

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

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

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

Park Ridge-Niles School District 64

Management's Discussion and Analysis For the Year Ended June 30, 2021

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District's governmental activities include instructional services (regular education, special education and other), supporting services, operation and maintenance of facilities and transportation services.

Fund financial statements

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

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

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

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund (Educational, Operations and Maintenance, Working Cash and Tort Immunity Accounts) and Capital Projects Fund, which are considered to be major funds. The Transportation, Municipal Retirement, and Debt Service, are considered non-major funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with this budget. Fiduciary funds are used to account for resources held for the benefit of parties outside the school district. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that of government-wide financial statements.

Notes to the financial statements

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

Park Ridge-Niles School District 64

Management's Discussion and Analysis For the Year Ended June 30, 2021

Other information

In addition to the basic financial statement and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its non-certified employees and other post-employment benefits.

Financial Analysis of the District as a Whole

Net position: The *combined* net position increased 2.2% to \$18.2 million as of June 30, 2021 (See Figure A-1).

Figure A-1

Condensed Statement of Net Position (in millions of dollars)

	Governmental Activities	
	2021	2020
Assets		
Current and other assets	\$ 82.5	\$ 87.2
Capital assets	55.3	52.8
Total Assets	137.8	140.0
Deferred Outflows		
Deferred outflows related to pensions and OPEB	5.3	4.4
Total Deferred Outflows	5.3	4.4
Liabilities		
Current and other liabilities	5.3	5.1
Long-term debt outstanding	71.3	76.7
Total Liabilities	76.6	81.8
Deferred Inflows		
Property taxes levied for subsequent year	33.2	34.0
Deferred inflows related to pensions and OPEB	15.1	10.8
Total Deferred Inflows	48.3	44.8
Net position		
Net investment in capital assets	47.1	34.8
Restricted	5.3	10.9
Unrestricted	(34.2)	(27.9)
Total Net Position	\$ 18.2	\$ 17.8

The District's total revenues increased 10.6% to \$130.2 million (See Figure A-2). Property taxes account for approximately 55.2% of the District's total revenues. An additional 42.5% of the District's revenue comes from Evidence Based Funding and state and federal grants. Only 2.3% comes from direct charges for services in the form of student fees or other miscellaneous local revenues such as interest income.

Park Ridge-Niles School District 64

Management's Discussion and Analysis For the Year Ended June 30, 2021

The total cost of all programs and services increased 9.6% to \$129.9 million (See Figure A-2). The District's expenses are predominantly related to instructing, caring for (pupil services), and transporting students 83.5%. Administrative and business activities accounted for 10.9% of total costs, and another 2.8% was for maintenance and operation of the District's buildings. 2.8% of expenses relate to community services, tuition paid to private facilities, and interest on long-term debt, which are combined into the other category.

Total revenues surpassed expenses, increasing net position by \$0.3 million from last year.

Figure A-2

Changes in Net Position from Operating Results (in millions of dollars)

	Governmental Activities	
	2021	2020
Revenues		
<i>Program Revenues</i>		
Charges for Services	\$ 2.7	\$ 3.7
Operating Grants & Contributions	52.0	38.7
Capital Grants & Contributions	-	-
<i>General Revenues</i>		
Taxes	71.8	68.7
Evidence based funding	3.4	3.4
Other	0.3	3.2
Total Revenues	130.2	117.7
Expenses		
Instruction	93.5	80.9
Pupil & Instructional Services	11.7	11.0
Administration & Business	14.1	16.2
Transportation	3.4	3.0
Operations & Maintenance	3.6	2.5
Other	3.6	4.9
Total Expenses	129.9	118.5
Increase (decrease) in net position	0.3	(0.8)
Net position - beginning of year, restated	17.9	18.6
Net position - end of year	\$ 18.2	\$ 17.8

Park Ridge-Niles School District 64

Management's Discussion and Analysis
For the Year Ended June 30, 2021

Figure A-3 Sources of Revenues for Fiscal Year 2021

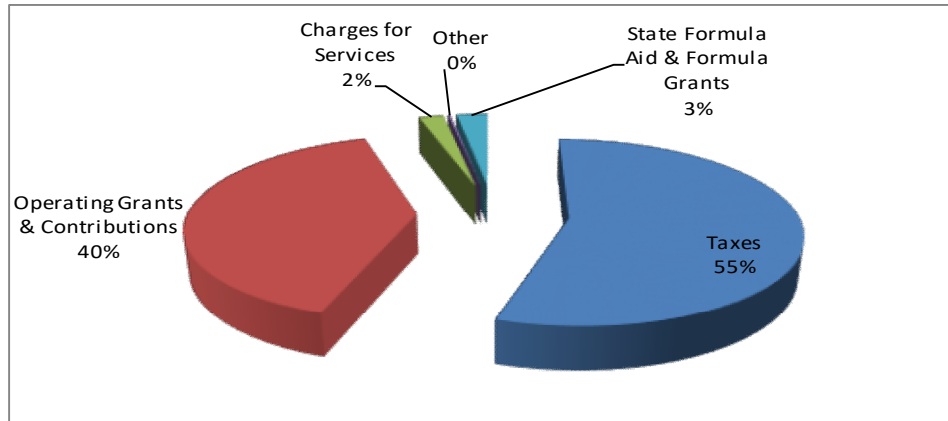
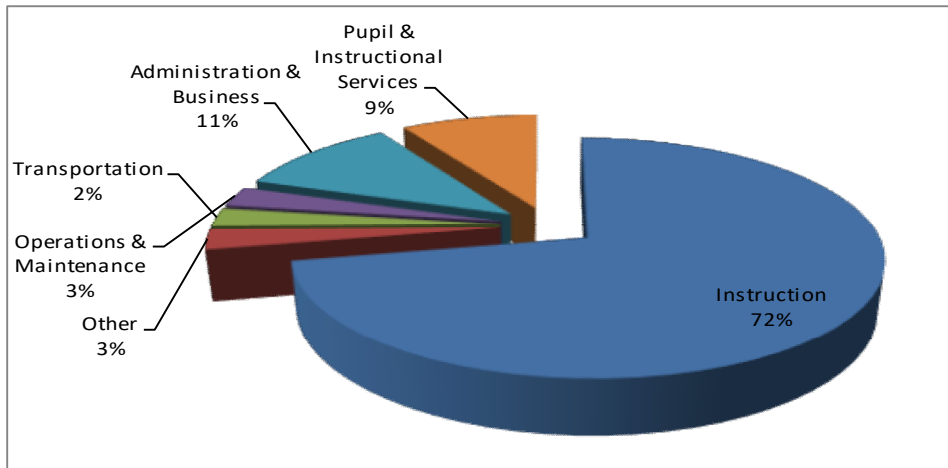


Figure A-4 Expenses for Fiscal Year 2021



Governmental Activities

The District's governmental activities reported a 10.6% increase in revenues and a 9.6% increase in expenses as compared to the prior year. This resulted in a \$0.3 million increase in net position for fiscal year 2020-21.

The stable health of the District's finances can be credited to both a solid real estate tax base and controlling spending so as to operate within its available resources and reserves.

Park Ridge-Niles School District 64

Management's Discussion and Analysis For the Year Ended June 30, 2021

Financial Analysis of the District's Funds

The financial performance of the District as a whole is reflected in its governmental funds as well. The governmental funds as a whole reported fund balances of \$44.1 million, as compared to last year's ending fund balances of \$48.2 million.

The District continues to maintain fund balance at a level that complies with the Board's policy requiring operating fund balance of at least 33% of annual operating fund expenses. It is important to note that \$38.8 million of the District's \$44.1 million total fund balance is considered unassigned. This means the remaining \$5.3 million of fund balance is restricted for specific purposes such as debt service, retirement benefits, transportation or tort liability.

General Fund Budgetary Highlights

The District's General Fund consists of the following budgetary accounts: Educational, Operations and Maintenance, Working Cash, and Tort Immunity. The analysis below takes into account the collective performance of these accounts.

- Revenues in the General Fund were higher than budgeted revenues by 19.5 million. This equates to a 25.6% difference from budget and is attributable to the difficulty in predicting the amount of payments made by the State to TRS on behalf of the District. Budgeted revenues for on behalf payments exceeded actual revenues by \$19.3 million.
- The General Fund's expenditures were higher than budgeted by \$18.1 million (24.9%). Actual expenditures for instruction exceeded budgeted expenditures by \$18.9 million due to the District not budgeting for payments made by the State to TRS on behalf of the District. Support services and community services expenditures both came in under budget at \$0.5 million and \$0.1 million respectively. The budget also included a provision for contingencies in the amount of \$0.4 million with no actual expenditures.
- In 2020-21, the District transferred \$2.5 million from the General Fund to the Capital Projects Fund to cover the cost of construction projects. All transfers were included in the District's budget.

Park Ridge-Niles School District 64

Management's Discussion and Analysis
For the Year Ended June 30, 2021

Capital Asset and Debt Administration

Capital Assets

By the end of 2021, the District had invested \$55.3 million in a broad range of capital assets, including school buildings, computer equipment, audio-visual equipment and administrative offices (See Figure A-5). (More detailed information about capital assets can be found in Note 3 to the financial statements.) Total depreciation expense for the year was approximately \$3.5 million, while additions to buildings and equipment amounted to \$9.3 million. Deletions in 2021 were insignificant.

Figure A-5
Capital Assets (net of depreciation, in millions of dollars)

	Governmental Activities	
	2021	2020
Land	\$ 0.4	\$ 0.4
Construction in progress	-	3.5
Buildings & improvements	53.1	47.1
Equipment	1.8	1.8
TOTAL	<u>\$ 55.3</u>	<u>\$ 52.8</u>

Long-Term Debt

At year-end, the District had \$71.3 million in general obligation bonds, debt certificates, retirement obligations, and other long-term liabilities outstanding – as shown in Figure A-6. (More detailed information about the District's long-term liabilities is presented in Note 4 to the financial statements.)

Figure A-6
Outstanding Long-Term Debt (in millions of dollars)

	Total School District	
	2021	2020
General obligation bonds	\$ 0.8	\$ 3.1
Other long-term debt	70.5	73.6
TOTAL	<u>\$ 71.3</u>	<u>\$ 76.7</u>

Park Ridge-Niles School District 64

Management's Discussion and Analysis For the Year Ended June 30, 2021

Factors Bearing on the District's Future

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

District revenues are linked to local, state and national economic performance. The District's primary source of funding is property taxes. The Property Tax Extension Limitation Law defines and maintains a limit on the rate of increase for property tax revenues based on the National Consumer Price Index. The release of the 2020 CPI-U of 1.7% affects the District's ability to increase its operating fund revenues for fiscal year 2020-21 and beyond.

The ongoing COVID-19 pandemic has presented a number of financial challenges for school districts. The District relies on property taxes for a majority of its funding but remains cognizant of the financial burden taxes can have on its community, particularly during these uncertain times. The District has also had to shift between in-person, remote, and hybrid learning models for students during the pandemic. Cost for services, supplies, and equipment can vary significantly depending on the learning model in place. The District has to be prepared for multiple scenarios simultaneously, which can also increase costs, but the District remains committed to serving its students and community members in the best way possible.

The largest component of the District's expenses is salaries, which are mostly driven by collective bargaining agreements with the District's three employee unions. All of the current union contracts link salaries to CPI-U (or a factor thereof), so the District's largest revenue source and largest expense are aligned as closely as possible. All three contracts were set to expire in June 2020, but the District and the bargaining units agreed to extend the contracts for one additional year due to the pandemic. Changes made to salaries in future agreements could significantly impact the District's overall financial position.

The District's schools continue to undergo a significant amount of work to make critical infrastructure improvements, address health and life safety recommendations, and enhance security. Several years ago a financing framework was developed as a roadmap to provide the necessary funding for these projects.

The District also continues to monitor the political landscape in the State of Illinois. The District closely follows news from Springfield as it becomes available on topics such as pension reform, school funding, and other educational mandates that could impact future revenues and expenditures of the District. The District's long-term financial projection assumptions are adjusted and reviewed several times each year with the Board of Education to reflect any significant legislative changes on the horizon.

Contacting the District's Financial Management

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

Park Ridge-Niles School District 64
164 South Prospect Avenue
Park Ridge, Illinois 60068

Basic Financial Statements

Park Ridge-Niles School District 64

Statement of Net Position

<i>June 30, 2021</i>	Governmental Activities
Assets	
Cash and cash equivalents	\$ 47,726,445
Receivables	
Taxes receivable	33,202,719
Due from other governments	1,486,698
Other receivables	156,920
Capital assets	
Land and construction in progress	387,450
Other capital assets, net of accumulated depreciation	54,887,794
Total assets	137,848,026
Deferred outflow of resources	
Deferred outflows related to pensions	2,324,157
Deferred outflows related to OPEB	2,947,726
Total deferred outflows	5,271,883
Liabilities	
Accrued interest payable	23,261
Accounts payable	541,044
Accrued salaries and related expenditures	4,709,474
Noncurrent liabilities:	
Due within one year	1,224,209
Due in more than one year	70,071,245
Total liabilities	76,569,233
Deferred inflows	
Property taxes levied for subsequent years	33,202,719
Deferred inflows related to pensions	5,112,571
Deferred inflows related to OPEB	10,020,352
Total deferred inflows	48,335,642
Net position	
Net investment in capital assets	47,077,242
Restricted for	
Tort immunity	480,193
Student transportation	1,385,447
Employee retirement	1,018,034
Debt service	2,448,038
Unrestricted	(34,193,920)
Total net position	\$ 18,215,034

See accompanying notes to financial statements.

Park Ridge-Niles School District 64

Statement of Activities

		Program Revenues		Net (Expense)
		Charges for	Operating	Revenue and
		Services	Grants and	Changes in
			Contributions	Net Position
<i>For the Year Ended June 30, 2021</i>	Expenses			Governmental
				Activities
Functions/Programs				
Governmental activities				
Instructional services				
Regular programs	\$ 32,188,146	\$ 1,576,712	\$ 871,382	\$ (29,740,052)
Special programs	7,429,890	-	1,475,830	(5,954,060)
Other programs	5,553,013	662,655	44,403	(4,845,955)
State Retirement	48,310,026	-	48,310,026	-
Support services				
Pupils	6,245,099	-	-	(6,245,099)
Instructional staff	5,396,525	-	-	(5,396,525)
General administration	1,926,860	-	-	(1,926,860)
School administration	3,278,167	-	-	(3,278,167)
Business	8,885,202	238,478	7,022	(8,639,702)
Operations and Maintenance	3,635,863	225,200	50,000	(3,360,663)
Transportation	3,400,195	3,177	1,259,336	(2,137,682)
Central	1,636,900	-	-	(1,636,900)
Community Services	433,497	-	-	(433,497)
Non-programmed charges	1,423,314	-	-	(1,423,314)
Interest on long-term liabilities	135,592	-	-	(135,592)
Total governmental activities	<u>\$ 129,878,289</u>	<u>\$ 2,706,222</u>	<u>\$ 52,017,999</u>	<u>(75,154,068)</u>
General revenues				
Property taxes levied for				
General purposes				66,139,248
Transportation				1,279,119
Retirement				1,750,791
Debt service				909,514
Personal property replacement taxes				1,713,474
State aid not restricted for specific purposes				3,367,111
Earnings on investments				(15,409)
Miscellaneous				300,767
Total general revenue and transfers				<u>75,444,615</u>
Change in net position				<u>290,547</u>
Net position, beginning of year				17,824,326
Prior period adjustments				100,161
Net position, beginning of year, restated				<u>17,924,487</u>
Net position, ending				<u>\$ 18,215,034</u>

See accompanying notes to financial statements.

Park Ridge-Niles School District 64

Balance Sheet - Governmental Funds

<i>June 30, 2021</i>	General Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 42,988,639	\$ 19,201	\$ 4,718,605	\$ 47,726,445
Receivables				
Property taxes	31,704,356	-	1,498,363	33,202,719
Due from other governments	1,174,683	-	312,015	1,486,698
Other receivables	148,038	-	8,882	156,920
Total assets	\$ 76,015,716	\$ 19,201	\$ 6,537,865	\$ 82,572,782
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ 353,063	\$ 187,981	\$ 541,044
Accrued salaries and related expenditures	4,709,472	-	2	4,709,474
Total liabilities	4,709,472	353,063	187,983	5,250,518
Deferred inflows				
Property taxes levied for subsequent year	31,704,356	-	1,498,363	33,202,719
Total deferred inflows	31,704,356	-	1,498,363	33,202,719
Fund balances				
Restricted				
Tort immunity	480,193	-	-	480,193
Student transportation	-	-	1,385,447	1,385,447
Employee retirement	-	-	1,018,034	1,018,034
Debt service	-	-	2,448,038	2,448,038
Unrestricted				
Unassigned	39,121,695	(333,862)	-	38,787,833
Total fund balances (deficit)	39,601,888	(333,862)	4,851,519	44,119,545
Total liabilities, deferred inflows, and fund balances	\$ 76,015,716	\$ 19,201	\$ 6,537,865	\$ 82,572,782

See accompanying notes to financial statements.

Park Ridge-Niles School District 64

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

Total fund balances - governmental funds	\$	44,119,545
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The cost of the assets is \$108,725,349 and the accumulated depreciation is \$53,450,105.		55,275,244
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Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due.		(23,261)
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Bonds and capital leases	(8,198,002)	
Other post employment benefits	(55,789,146)	
Net pension liability - TRS	(5,586,261)	
Net pension liability - IMRF	(1,491,298)	
Compensated absences	(230,747)	(71,295,454)

Deferred inflows and outflows of resources related to pensions and other postemployment benefits are not reported in the governmental funds

Deferred outflows	5,271,883	
Deferred inflows	(15,132,923)	(9,861,040)

Net position of governmental activities	\$	18,215,034
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See accompanying notes to financial statements.

Park Ridge-Niles School District 64

Statement of Revenues, Expenditures and Changes In Fund Balance - Governmental Funds

<i>Year Ended June 30, 2021</i>	General Fund	Capital Projects Fund	Nonmajor Funds	Total
Revenues				
Local sources	\$ 70,432,049	\$ 1,953	\$ 4,048,957	\$ 74,482,959
State sources	22,899,116	-	1,259,336	24,158,452
Federal sources	2,493,346	-	-	2,493,346
Total revenues	95,824,511	1,953	5,308,293	101,134,757
Expenditures				
Current operating				
Instruction	62,847,181	-	899,928	63,747,109
Support services	26,199,662	5,732,311	4,769,195	36,701,168
Community services	379,107	-	11,510	390,617
Non-programmed charges	1,421,466	-	1,848	1,423,314
Debt service				
Principal	-	-	2,700,162	2,700,162
Interest and other	-	-	351,645	351,645
Other	-	-	1,010	1,010
Total expenditures	90,847,416	5,732,311	8,735,298	105,315,025
Excess (deficiency) of revenues over (under) expenditures	4,977,095	(5,730,358)	(3,427,005)	(4,180,268)
Other financing sources (uses)				
Transfers in	2,000,000	2,500,000	896,997	5,396,997
Transfers out	(5,396,997)	-	-	(5,396,997)
Total other financing sources (uses)	(3,396,997)	2,500,000	896,997	-
Net change in fund balances	1,580,098	(3,230,358)	(2,530,008)	(4,180,268)
Fund balances, beginning of year, as originally reported	37,921,629	2,896,496	7,381,527	48,199,652
Prior period adjustment	100,161	-	-	100,161
Fund balances, beginning of year, as restated	38,021,790	2,896,496	7,381,527	48,299,813
Fund balances (deficit), end of year	\$ 39,601,888	\$ (333,862)	\$ 4,851,519	\$ 44,119,545

See accompanying notes to financial statements.

Park Ridge-Niles School District 64

Reconciliation of the Statement of Revenues, Expenditures and Changes In Fund Balances of Governmental Funds to the Statement of Activities

Net change in fund balances - governmental funds	\$ (4,180,268)
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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, assets with an initial, individual cost of more than \$1,500 are capitalized and the cost is allocated over their estimated lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	5,895,978	
Depreciation expense	<u>(3,458,051)</u>	2,437,927

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of the following:

Change in accrued interest on debt	7,300	
Change in other post employment benefits	(978,325)	
Change in other post employment benefits - THIS	1,062,086	
Change in compensated absences	(4,074)	
Change in net pension liability - TRS	(1,307,013)	
Change in net pension liability - IMRF	3,748,658	
Change in deferred inflows/outflows related to pensions	(1,674,711)	
Change in deferred inflows/outflows related to other post employment benefits	<u>(1,730,958)</u>	(877,037)

The governmental funds record bond and loan proceeds as other financing sources, while repayment of bond and loan principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of bonds and loans and related items is as follows:

Repayment of bond and loan principal	2,700,162	
Bond premium amortization	<u>209,763</u>	2,909,925

Change in net position of governmental activities	<u>\$ 290,547</u>
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See accompanying notes to financial statements.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Park Ridge-Niles School District 64 (the "District") is governed by an elected Board of Education. The accounting policies of the District conform to accounting principles generally accepted in the United States (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements is described below.

The financial statements include:

- A Management's Discussion and Analysis (MD&A) providing an analysis of the District's overall financial position and results of operations.
- Financial statements prepared using the full-accrual basis of accounting for all the District's activities.
- Fund financial statements that focus on major funds.

Reporting Entity

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity is made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The definition of a component unit is a legally separate organization for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The District is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District. The District also may be financially accountable if an organization is fiscally dependent on the District, regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government or (3) a jointly appointed board. There are no component units, as defined by GASB, which are included in the District's reporting entity. Even though there are local governmental agencies, such as municipalities, libraries and park districts within the geographic area served by the District, these agencies have been excluded from the report because they are legally separate and the District is not financially accountable for them.

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

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 legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

The following summarizes the fund types used by the District:

Governmental funds include the following fund types:

General Fund - The General Fund, which consists of the legally mandated Educational Account, Operations and Maintenance Account, Tort Immunity Account and Working Cash Account, is used to account for revenues and expenditures, which are used in providing education in the District. It is used to account for all financial resources except those accounted for in other funds.

Educational Account – This account is used for most of the instructional and administrative aspects of the District's operations as well as accounting for the costs of providing school lunch services to students. The revenue consists primarily of local property taxes, state government aid, student registration fees, and investment income.

Operations and Maintenance Account – This account is used for expenditures made for the operation, repair and maintenance of District property. Revenue in this fund consists primarily of local property taxes.

Working Cash Account – This account is used for financial resources held by the District to be used as loans for working capital requirements to any other fund for which taxes are levied. The Working Cash Account was established and has been used to respond to fluctuations in cash flows resulting from unpredictable property tax collections. The earnings of the fund are allowed to be transferred to another fund under Illinois Compiled Statutes. The principal of the fund, accumulated from bond issues, can be used as a source from which the District borrows money to support temporary deficiencies in other funds, or may be partially or fully transferred to the General Fund's Educational Account, upon Board approval.

Tort Immunity Account – This fund accounts for revenues and expenditures related to tort immunity. Revenue is primarily derived from local property taxes.

Special Revenue Funds - Special revenue funds account for the proceeds of specific revenue sources (other than those related to debt service or capital projects) that are legally restricted to expenditures for specified purposes. The District's special revenue funds are the Transportation Fund and the Municipal Retirement/Social Security Fund.

Transportation Fund – This fund accounts for the revenue and expenditures relating to student transportation to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund – This fund accounts for the District's portion of the pension contributions to the Illinois Municipal Retirement Fund for noncertified employees and social security contributions for applicable certified and noncertified employees. Revenue to finance the contributions is derived primarily from local property taxes.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Debt Service Funds - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years should also be reported in debt service funds.

Debt Service Fund - The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. Since there are no legal requirements on bond indentures, which mandate that a separate fund be established for each bond issue, the District maintains one debt service fund for all bond issues.

Capital Projects Funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Capital Projects Fund – The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of all other major capital facilities.

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

Agency Funds - The agency funds (student activity funds) account for assets held by the District in a trustee capacity or as an agent for student organizations. These funds are custodial in nature (assets equal liabilities) and do not involve a measurement of the results of operations. In accordance with GASB 34, fiduciary funds are not included in the government-wide financial statements.

The District reports the following funds as major governmental funds:

General Fund

Capital Projects Fund

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District's operating activities are all considered "governmental activities", that is, activities normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered "business-type activities".

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) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues instead.

Separate financial statements are provided for all governmental funds and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental funds are used to account for the District's general governmental activities. 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. The District considers all revenues available if they are collected within 60 days after year-end. Revenues collected after 60 days are recorded as unavailable revenue. Expenditures are recorded when the related fund liability is incurred. However, unmatured principal and interest on general long-term debt is recognized when due; and certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Property taxes, certain state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time. Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant and accordingly, when such funds are received they are recorded as unearned revenues until earned.

In accordance with current accounting standards, on-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the state to the Teachers' Retirement System of the State of Illinois (TRS)) have been recognized in the government-wide financial statements.

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

Unearned Revenue and Deferred Outflows/Inflows of Resources

Deferred inflows of resources and unearned revenue arise when assets are recognized before revenue recognition criteria have been satisfied. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred inflows of resources. Property taxes for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations, have been recorded as deferred inflows of resources. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocation of costs, such as depreciation and amortization are not recognized in governmental funds.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Deposits and Investments

Under Illinois law, the District is restricted to investing funds in specific types of investment instruments. The following generally represents the types of instruments allowable by state law:

- Securities issued or guaranteed by the United States.
- Interest and non-interest bearing accounts of financial institutions insured by the Federal Deposit Insurance Corporation.
- Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500,000,000 rated in the three highest classifications by at least two rating agencies.
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- Illinois Funds. (A state sponsored investment pool.)
- Repurchase agreements that meet instrument transaction requirements of Illinois law.

Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2020 levy resolution was approved during the December 10, 2020 Board of Education meeting. The District's property tax is levied each year on all taxable real property located in the District, and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations: Individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

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

The Cook County Assessor is responsible for the assessment of all taxable real property within Cook County except for certain railroad property which is assessed directly by the State. The County is reassessed every three years by the Assessor.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Property Tax Revenues (Continued)

The County Clerk computes the annual tax rate by dividing the levy into the assessed valuation of the taxing district. The County Clerk then computes the rate for each parcel of real property by aggregating the tax rates of all units having jurisdiction over that parcel. Property taxes are collected by the Cook County Collector who remits to the units their respective shares of the collections. Taxes levied in one calendar year become due and payable in two installments. Normally the installments are due on March 1 and August 1 during the following calendar year. The Cook County Treasurer extended the deadline of the two installments to May and October respectively due to Covid-19. The first installment is an estimated bill and is 55% of the prior year's tax bill. The second installment is based on the current levy, assessment, and equalization, and any changes from the prior year will be reflected in the second installment bill. Substantial collections are received by the District in March and September.

The 2020 property tax levy less any collections through June 30th is recognized as a receivable in fiscal year 2021. The District considers that the first installment of the 2020 levy is to be used to finance operations in fiscal year 2021. The District has determined that the second installment of the 2020 levy is to be used to finance operations in fiscal year 2022 and has deferred the corresponding receivable and collections.

Personal Property Replacement Taxes

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

Capital Assets

Capital assets, which include land, buildings, buildings improvements, vehicles, equipment, and construction in progress are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$1,500 and an estimated life of one year or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized. Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

	Years
Buildings	60-80 years
Land improvements	15-20 years
Vehicles	8-18 years
Equipment	1-20 years

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Compensated Absences

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

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

Payments for vacation and sick leave will be made at rates in effect when in benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2021 are determined on the basis of current salary rates and include salary related payments.

The District's compensated absences consist of vacation time and sick days. Employees who work a twelve-month year are entitled to be compensated for vacation time. Administrators and certain exempt employees receive vacation days for the upcoming year on July 1 of that year. For all other twelve-month employees, vacation time earned in the previous year is credited to the employee on July 1 of the new year.

Any employee who is eligible to receive benefits receives a specified number of sick days per year. The number of sick days awarded each year and the maximum number of days that can be accumulated is dependent on the employee's years of service and collective bargaining agreement or contract. The District does not reimburse employees for unused sick days upon termination of employment. Upon retirement, certain eligible employees can opt to be reimbursed for a maximum of 80 unused sick days at the rate of \$65 per day provided those days have not been applied towards service credit for TRS or IMRF.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Net Position

For government-wide reporting, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components; net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows of resources and deferred outflows of resources attributable to capital assets and related debts.

At June 30, 2021, the District reported the following net investment in capital assets:

Net investment in capital assets	<u>\$ 47,077,242</u>
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Restricted net position consists of restricted assets and deferred outflows of resources reduced by the liabilities and deferred inflows of resources related to those assets and deferred outflows of resources, with restriction constraints placed on their use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, and deferred inflows of resources that does not meet the definition of the two preceding categories.

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

Pensions/OPEB

For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Teachers' Retirement System of the State of Illinois (TRS), the Illinois Municipal Retirement Fund (IMRF) and the Teachers' Health Insurance Security Fund (THIS), together "the Plans," and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Comparative Data

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

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Eliminations and Reclassifications

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Fund Balance Classifications

According to governmental accounting standards, fund balances are to be classified into five major classifications; nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

Non-spendable: The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

Restricted: The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity, including restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Fund balances of special revenue funds are by definition restricted for those specified purposes.

Committed: The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority (the school board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

Assigned: The assigned fund balance classification refers to the amounts that are constrained by the government’s intent to be used for a specific purpose, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned: The unassigned fund balance classification is the residual classification for amounts in the general operating funds for amounts that have not been restricted, committed, or assigned to specific purposes within the general operating funds.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balance Classifications (Continued)

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

Note 2: Deposit and Investments

Investments held by the District which are short-term highly liquid investments having a remaining maturity of one year or less at the time of purchase are reported by the District at amortized cost. All other investments are reported at fair value. Gains or losses on the sale of investments are recognized upon realization. The District has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

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

a. Cash and Investments Under the Custody of the Township Treasurer

Under the Illinois Compiled Statutes, the Maine Township School Treasurer is the lawful custodian of all school funds. The Treasurer is appointed by the Township School Trustees, an independently elected body, to serve the school districts in the township. The Treasurer is the direct recipient of property taxes, replacement taxes and most state and federal aid and disburses school funds upon lawful order of the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below. For these purposes, the Treasurer is permitted to combine monies from more than one fund of a single district and to combine monies of more than one district in the township. Monies combined under these circumstances, as well as investment earnings, are accounted for separately for each fund and/or district.

Cash and investments, other than the student activity and convenience accounts, petty cash, and imprest funds, are part of a common pool for all school districts and cooperatives within the township. The Treasurer maintains records that segregate the cash and investment balance by district or cooperative. Income from investments is distributed monthly based upon the District's percentage participation in the pool. All cash for all funds, including cash applicable to the Debt Service Fund and the Illinois Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

The Treasurer's investment policies are established by the Maine Township School Trustees as prescribed by the Illinois School Code and the Illinois Compiled Statutes. The Treasurer is authorized to invest in obligations of the U.S. Treasury, backed by the full faith and credit of the U.S. Government, certificates of deposit issued by commercial banks and savings and loan associations, and commercial paper rated within the three highest classifications by at least two standard rating services (subject to certain limitations).

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

The Treasurer's Office operates as a non-rated, external investment pool. The fair value of the District's investment in the Treasurer's pool is determined by the District's proportionate share of the fair value of the investments held by the Treasurer's office. The Treasurer also holds money market type investments, certificates of deposits and other deposits with financial institutions. As of June 30, 2021, the fair value of all cash and investments held by the Treasurer's office was \$517,243,744 and the fair value of the District's proportionate share of the pool was \$47,647,286.

Because all cash and investments are pooled by a separate legal governmental agency (Treasurer), categorization by risk category is not determinable. Further information about whether investments are insured, collateralized, or uncollateralized is available from the Treasurer's financial statements.

b. Deposits and Custodial Credit Risk

	Carrying Value
Deposits with financial institutions	<u>\$ 68,628</u>

c. Investments

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an investment pool created and regulated by the Illinois General Assembly. The fair value of the District's investment in ISDLAF+ has been determined using the net asset value (NAV) per share (or its equivalent) of the investments. The NAV of the Liquid Class and MAX Class are determined as of the close of business on each Illinois banking day. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shares may be redeemed with seven days' advance notice. There were no known restrictions on redemption of the District's investments as of June 30, 2021.

At year end, the District had the following investments:

	Fair Value	Maturity (in years) Less than 1	Agency Rating
ISDLAF+ Liquid Class	\$ 692	\$ 692	AAA
ISDLAF+ MAX	<u>9,839</u>	<u>9,839</u>	AAA
Total investments	<u>\$ 10,531</u>	<u>\$ 10,531</u>	

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District 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, the District's policy states investments shall provide sufficient liquidity to enable the District to meet all operating requirements that may be reasonably anticipated.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the investments in commercial paper and corporate bonds to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The District has no investment policy that would further limit its investment choices.

The District's policy states that the Treasurer shall diversify its investments to the best of its ability based upon the type of funds invested, available institutions to invest in, and the cash flow needs of those funds. Diversification can be by type of investment, number of institutions invested in, and length of maturity. Maturities of investments of the various funds of the District shall be determined to enable the District to have available sufficient cash for all operation purposes.

Custodial Credit Risk – Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 3: Capital Assets

Governmental activities capital asset balances and activity for the year ended June 30, 2021, were as follows:

Governmental Activities	Balance 6/30/2020	Increases	Decreases	Balance 6/30/2021
Capital assets, not being depreciated:				
Land	\$ 353,013	\$ -	\$ -	\$ 353,013
Construction in progress	3,454,595	34,437	(3,454,595)	34,437
Total capital assets, not being depreciated	3,807,608	34,437	(3,454,595)	387,450
Capital assets, being depreciated:				
Improvements other than buildings	5,953,508	-	-	5,953,508
Buildings	80,601,510	9,000,280	-	89,601,790
Equipment and vehicles	12,466,745	315,856	-	12,782,601
Total capital assets, being depreciated	99,021,763	9,316,136	-	108,337,899
Accumulated depreciation:				
Improvements other than buildings	(2,614,628)	(236,893)	-	(2,851,521)
Buildings	(36,735,125)	(2,893,414)	-	(39,628,539)
Equipment and vehicles	(10,642,301)	(327,744)	-	(10,970,045)
Total accumulated depreciation	(49,992,054)	(3,458,051)	-	(53,450,105)
Total capital assets, being depreciated, net	49,029,709	5,858,085	-	54,887,794
Governmental activities capital assets, net	\$ 52,837,317	\$ 5,892,522	\$ (3,454,595)	\$ 55,275,244

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 3: Capital Assets (Continued)

Depreciation expense was recognized in the operating activities of the District as follows:

Instructional Services

Regular programs	\$ 56,366
Special programs	75,040
Fiscal services	4,841
Internal services	3,112

Supporting Services

Business	953,039
Operations and maintenance	2,284,734
Community services	42,880
Central	38,039

\$ 3,458,051

Note 4: Long-Term Debt

Long-term debt consisted of the following at June 30, 2021:

	Balance 6/30/2020	Additions	Reductions/ Payments	Balance 6/30/2021	Amounts due Within One Year
General Obligation Bonds Payable					
3/13/14 A General Obligation	\$ 2,405,000	\$ -	\$ (2,065,000)	\$ 340,000	\$ 340,000
4/27/17 Debt Certificates	7,420,000	-	(500,000)	6,920,000	515,000
Premium on Bonds Issued	677,424	-	(209,763)	467,661	-
Capital Lease	605,503	-	(135,162)	470,341	138,462
Net Pension Liability:					
Teachers' Retirement System	4,279,248	1,307,013	-	5,586,261	-
Illinois Municipal Retirement Fund	5,239,956	-	(3,748,658)	1,491,298	-
Other Post-Employment Benefit Liability:					
Teachers' Health Insurance Security Fund	46,379,606	-	(1,062,086)	45,317,520	-
Post-Employment Healthcare Plan	9,493,301	978,325	-	10,471,626	-
Compensated absences	226,673	221,902	(217,828)	230,747	230,747
Total long-term debt	\$ 76,726,711	\$ 2,507,240	\$ (7,938,497)	\$ 71,295,454	\$ 1,224,209

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 4: Long-Term Debt (Continued)

Long-term debt at June 30, 2021 is comprised of the following:

General Obligation Bonds Payable

Series 2014A general obligation bonds dated March 13, 2014 issued in the original principal amount of \$7,900,000 for the purpose of funding; principal payments from \$340,000 to \$2,065,000 due annually on December 1 from 2018 through 2022 at an interest rate of 3.00% to 4.00%.

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 340,000	\$ 5,100	\$ 345,100
Total	\$ 340,000	\$ 5,100	\$ 345,100

Payments to retire bonds payable will be made from debt service levies in future periods.

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2021, the statutory debt limit for the District was \$130,504,361, providing a debt margin of \$125,225,058 after taking into account amounts available in the Debt Service Fund.

Debt Certificates

\$8,795,000 of Debt Certificates, Series 2017; principal payments from \$425,000 to \$755,000 due serially on June 1, with a maturity date of June 1, 2032 and an interest rate ranging from 2.00% to 4.00%.

At June 30, 2021 the annual debt service requirements to maturity for debt certificates are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 515,000	\$ 268,925	\$ 783,925
2023	535,000	248,325	783,325
2024	560,000	226,925	786,925
2025	580,000	204,525	784,525
2026	605,000	181,325	786,325
2026 - 2030	3,370,000	557,325	3,927,325
2031 - 2032	755,000	30,200	785,200
Total	\$ 6,920,000	\$ 1,717,550	\$ 8,637,550

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 4: Long-Term Debt (Continued)

Capital leases

The District has entered into lease agreements as lessee for financing the acquisition of equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. At June 30, 2021, \$700,594 of amounts included in capital assets were acquired via capital leases. The obligations for the capital leases will be repaid from the Debt Service Fund. The future minimum lease obligations as of June 30, 2021 are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2022	\$ 154,309
2023	154,309
2024	154,309
2025	<u>38,576</u>
Total minimum lease payments	501,503
Less: amount representing interest	<u>(31,162)</u>
Present value of minimum lease payments	<u><u>\$ 470,341</u></u>

Note 5: Joint Venture

The District is a member of various joint agreements that provide special education services to students of the District. The District believes that because it does not control the selection of the governing authority and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

Note 6: Risk Management

The District is a member of Collective Liability Insurance Cooperative (CLIC), which has been formed to provide casualty, workman's compensation, property and liability protections and to administer some or all insurance coverages and protection other than health, life and accident coverages procured by the member districts. It is intended, by the creation of CLIC to allow a member District to equalize annual fluctuations in insurance costs by establishing a program whereby reserves may be created and temporary deficits of individual Districts covered and to ultimately equalize the risks and stabilize the costs of providing casualty, property and liability protections. If, during any fiscal year, the funds on hand in the account of CLIC are not sufficient to pay expenses of administration, the Board of Directors shall require supplementary payment from all members. Such payment shall be made in the same proportion as prior payments during that year to CLIC. Complete financial statements for CLIC can be obtained from its administrator, 2 Pierce Place, Itasca, Illinois 60143.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 6: Risk Management (Continued)

The District continues to carry commercial insurance for all other risks of loss, including health insurance. Premiums have been recorded as expenditures in the appropriate funds. There have been no significant reductions in insurance coverage from coverage in the prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

Note 7: Employee Retirement Systems

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

a. Teachers' Retirement System of the State of Illinois (TRS)

Plan Description

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

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

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest 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 last four. Disability provisions for Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 7: Employee Retirement Systems (Continued)

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring Tier 1 members to receive a partial lump-sum in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2020 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% of the total actuarial liabilities of the System by the end of fiscal year 2045.

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2020, was 9.0% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2021, State of Illinois contributions recognized by the District were based on the State's proportionate share of the pension expense associated with the District, and the District recognized revenue and expenditures of \$18,742,666 in pension contributions from the State of Illinois.

2.2 formula contributions. The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2021 were \$249,438, 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 District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

For the year ended June 30, 2021, the employer pension contribution was 10.41% of salaries paid from federal and special trust funds. For the year ended June 30, 2021, salaries totaling \$180,713 were paid from the federal and special trust funds that required employer contributions of \$18,812. These contributions are deferred

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 7: Employee Retirement Systems (Continued)

because they were paid after the June 30, 2020 measurement date.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The 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 \$16,611 to TRS for employee contributions due on salary increases in excess of 6 percent and made no payment 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 follows below:

District's proportionate share of the net pension liability	\$ 5,586,261
State's proportionate share of the net pension liability associated with the District	<u>437,545,016</u>
Total	<u>\$ 443,131,277</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 employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2020, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2020, the employer's proportion was 0.006479%, which was an increase of 0.001203% from its proportion measured as of June 30, 2019.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 7: Employee Retirement Systems (Continued)

For the year ended June 30, 2021, the District recognized pension expense of \$46,598,829 and revenue of \$46,598,829 for support provided by the state. At June 30, 2021, the District had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 54,137	\$ 1,491
Changes in assumptions	22,890	58,613
Net difference between projected and actual earnings in pension plan investments	166,797	-
Changes in proportion and differences between District contributions and proportionate share of contributions	786,948	767,283
Total deferred amounts to be recognized in pension expense in future periods	1,030,772	827,387
District's contributions subsequent to the measurement date	284,861	-
Total	\$ 1,315,633	\$ 827,387

\$284,861 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date 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 in these reporting years:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2022	\$ (129,978)
2023	(49,470)
2024	99,384
2025	209,555
2026	73,894
Total	\$ 203,385

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 7: Employee Retirement Systems (Continued)

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%
Salary increases	varies by amount of service credit
Investment rate of return	7.00% 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 the 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.

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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 (absolute return)	10.0 %	4.3 %
Private Equity	15.0 %	10.5 %
Infrastructure	4.0 %	6.2 %
Total	100.0 %	

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 7: Employee Retirement Systems (Continued)

Discount Rate

At June 30, 2020, the discount rate used to measure the total pension liability was 7.0%, 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 Employer'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%, 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%) or 1-percentage-point higher (8.00%) than the current rate:)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 6,780,704	\$ 5,586,261	\$ 4,602,890

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.

b. Illinois Municipal Retirement Fund (IMRF)

Plan Description and Benefits

Plan description – The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The employer's plan is managed by 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 of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 7: Employee Retirement Systems (Continued)

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

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

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

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

Employees Covered by the Benefit Terms - At the December 31, 2020 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	276
Inactive employees entitled to but not yet receiving benefits	355
Active employees	<u>200</u>
Total	<u><u>831</u></u>

Contributions - As set by statute, the employer'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 employer's annual contribution rate for calendar year 2020 was 12.44%. For the fiscal year ended June 30, 2021, the employer contributed \$1,046,205 to the plan. The employer 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.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 7: Employee Retirement Systems (Continued)

Net Pension Liability - The employer's Net Pension Liability was measured as of December 31, 2020, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

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
Inflation	2.25%
Salary increases	2.85% to 13.75%, 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 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.
Other information: Notes	There were no benefit changes during the year.

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 arithmetic real rates of return for each major asset class are summarized in the following table as of December 31, 2020:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	37.0 %	5.00 %
International equities	18.0 %	6.00 %
Fixed income	28.0 %	1.30 %
Real estate	9.0 %	6.20 %
Alternatives	7.0 %	2.85-6.95 %
Cash	1.0 %	0.70 %
Total	100.0 %	

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 7: Employee Retirement Systems (Continued)

Single Discount Rate

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

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.00%, and the resulting single discount rate is 7.25%.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate - The following presents the plan's net pension liability, calculated using the single discount rate of 7.25 percent, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 7,073,695	\$ 1,491,298	\$ (3,022,928)

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 7: Employee Retirement Systems (Continued)

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 51,026,299	\$ 45,786,343	\$ 5,239,956
Changes for the year:			
Service cost	889,782	-	889,782
Interest on the total pension liability	3,620,473	-	3,620,473
Differences between expected and actual experience of the total pension liability	535,633	-	535,633
Changes of assumptions	(441,057)	-	(441,057)
Contributions - employer	-	1,075,816	(1,075,816)
Contributions - employees	-	382,549	(382,549)
Net investment income	-	6,620,580	(6,620,580)
Benefit payments, including refunds of employee contributions	(3,067,250)	(3,067,250)	-
Other (net transfer)	-	274,544	(274,544)
Net changes	1,537,581	5,286,239	(3,748,658)
Balances at December 31, 2020	\$ 52,563,880	\$ 51,072,582	\$ 1,491,298

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 pension expense of \$170,705. 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 Inflow of Resources
Difference between expected and actual experience	\$ 426,773	\$ -
Changes in assumptions	-	247,924
Net difference between projected and actual earnings on pension plan investments	-	4,037,260
Total deferred amounts to be recognized in pension expense in future periods	426,773	4,285,184
District's contributions subsequent to the measurement date	581,751	-
Total	\$ 1,008,524	\$ 4,285,184

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 7: Employee Retirement Systems (Continued)

\$581,751 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the 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:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2021	\$ (1,104,417)
2022	(485,464)
2023	(1,598,642)
2024	(669,888)
Total	<u>\$ (3,858,411)</u>

Aggregate Pension Amounts - At June 30, 2021, the District reported the following from all pension plans:

	TRS	IMRF	Total
Net pension liability/(asset)	\$ 5,586,261	\$ 1,491,298	\$ 7,077,559
Deferred outflows of resources	1,315,633	1,008,524	2,324,157
Deferred inflows of resources	827,387	4,285,184	5,112,571

Note 8: Other Postemployment Benefits

a. Teacher Health Insurance Security (THIS)

Plan Description. The District participates in the THIS. The THIS is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan (OPEB) that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. THIS members are retirees of public schools who were certified educators or administrators. Eligibility is currently limited to former full-time employees, and others who were not full-time employees that meet certain requirements, and their dependents. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5) (SEGIA) establishes the eligibility and benefit provisions of the plan.

The THIS issues a publicly available financial report that can be obtained at the website of the Illinois Auditor General: <https://www.auditor.illinois.gov/Audit-Report/ABC-List.asp>. The current reports are listed under "Central Management Services"; prior reports are available under "Healthcare and Family Services".

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 8: Other Postemployment Benefits (Continued)

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 were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage Plans.

Amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS.

Contributions

The SEGIA requires that all active contributors to the TRS, who are not employees of a department, make contributions to the plan at a rate of 1.24% of salary and for every employer of a teacher to contribute an amount equal to 0.92% of each teacher's salary. Additionally, the SEGIA requires the State to match the employees' contribution on-behalf of the employer. The Department determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the THIS, an amount equal to the amount certified by the Board of Trustees of TRS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year.

The SEGIA requires that the Department's Director determine the rates and premiums of annuitants and dependent beneficiaries and establish the cost-sharing parameters, as well as funding. Member premiums are set by this statute, which provides for a subsidy of either 50% or 75%, depending upon member benefit choices. Dependents are eligible for coverage, at a rate of 100% of the cost of coverage.

On-behalf contributions to THIS. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.24% of pay during the year ended June 30, 2021. State of Illinois contributions were \$533,281, and the District recognized revenue and expenditures of this amount during the year.

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.92% during the year ended June 30, 2021. For the year ended June 30, 2021, the District paid \$395,660 to the THIS Fund, which was 100 percent of the required contribution.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 8: Other Postemployment Benefits (Continued)

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

At June 30, 2021, the District's reported a liability for its proportionate share of the net OPEB liability. 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	\$ 45,317,520
State's proportionate share of the net OPEB liability associated with the District	61,392,898
Total	<u>\$ 106,710,418</u>

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 TRS for the measurement year ended June 30, 2020, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2020, the District's proportion was 0.169501%, which was an increase of 0.001929% from its proportion measured as of June 30, 2019.

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

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 1,204,039
Changes in assumptions	15,346	7,475,069
Net difference between projected and actual earnings in OPEB plan investments	-	1,290
Changes in proportion and differences between District contributions and proportionate share of contributions	1,602,948	1,210,581
Total deferred amounts to be recognized in OPEB expense in future periods	1,618,294	9,890,979
District's contributions subsequent to the measurement date	395,660	-
Total	<u>\$ 2,013,954</u>	<u>\$ 9,890,979</u>

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 8: Other Postemployment Benefits (Continued)

\$395,660 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2022	\$ (1,659,777)
2023	(1,659,656)
2024	(1,659,404)
2025	(1,393,727)
2026	(787,748)
Thereafter	<u>(1,112,373)</u>
Total	<u>\$ (8,272,685)</u>

Actuarial Valuation Method

The actuarial valuation was based on the Entry Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of future salary at entry age. The normal cost at the member's attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability equals the present value of benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age.

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, unless otherwise specified:

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
Investment rate of return	0.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Trend for fiscal year 2020 based on expected increases used to develop average costs. For fiscal years after 2020, trend starts at 8.25% for non-Medicare costs 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.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 8: Other Postemployment Benefits (Continued)

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disabled annuitants mortality rates were based on the RP-Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

Discount Rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since the THIS is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 2.45% as of June 30, 2020, and 3.13% as of June 30, 2019. The decrease in the single discount rate from 3.13% to 2.45% caused the total OPEB liability to increase by approximately \$3,012 million from 2019 to 2020.

Sensitivity of the Employer's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rate

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 2.45%, 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%) or 1-percentage-point higher (3.45%) than the current rate:

	1% Decrease 1.45%	Current Discount Rate 2.45%	1% Increase 3.45%
District's proportionate share of the net OPEB liability	\$ 54,465,241	\$ 45,317,520	\$ 38,070,221

The following presents the District's proportionate share of the net OPEB liability would be if it were calculated using the healthcare cost trend rate, 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 or 1-percentage-point higher than the current rate. The key trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037.

	1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
District's proportionate share of the net OPEB liability	\$ 36,449,089	\$ 45,317,520	\$ 57,305,966

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 8: Other Postemployment Benefits (Continued)

- a) One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate trend rate of 3.25% in 2037.
- b) One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.

b. Retirees' Health Plan

Plan Description:

The District administers a single-employer defined benefit healthcare plan, the "retiree Healthcare Benefit Program" (the Plan). The plan provides healthcare insurance for eligible retirees and their dependents through the District's group health insurance plan, which covers both active and retired members. Benefit provisions are established by state law and through negotiations between the District and the unions representing District employees, which are renegotiated each bargaining period. As of June 30, 2021, all retirees are eligible for benefits pre-and post-Medicare. The plan does not issue a stand-alone financial report.

Eligibility - Certified staff are eligible at 3 stages: 1.) age 50 with 20 years of service; 2.) age 60 with 10 years of service; and 3.) age 62 with 5 years of service. Non-certified staff are eligible at 3 stages: 1.) age 55 with 25 years of service; 2.) age 60 with 8 years of service; and 3.) any combination of age and years of service that equal or exceed 85.

Funding Policy

Certified retirees are reimbursed for the full single monthly premium required for the medical coverage sponsored by the Illinois Teachers' Retirement System. Coverage terminates when the retiree becomes eligible for Medicare benefits or reaches age 65. Non-certified retirees (and their dependents) may continue coverage in the District's health insurance until they reach age 65. Non-certified staff reimburse the District for the full cost of their premiums. Certain grandfathered non-certified retirees receive a \$600 monthly contribution from the District.

By allowing retirees (who are generally older than the District's other employees) to remain on the District's health insurance coverage, there is an implicit rate subsidy to the retirees as they are paying a lower rate for health insurance than they could get on the open market. Because of this implicit rate subsidy, the actual cost to the District is indeterminable. However, it is estimated that for the fiscal year June 30, 2021, the District's cost for the plan was \$902,804.

For the fiscal year ended June 30, 2021, the District's contributions and the total retirees contributions were not determined.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 8: Other Postemployment Benefits (Continued)

Employees Covered by Benefit Terms

As of June 30, 2021, the following employees were covered by the benefit terms:

Retirees currently receiving benefits	31
Active employees	<u>516</u>
Total	<u><u>547</u></u>

Actuarial Assumptions

The following are the methods and assumptions used to determine the total OPEB liability at June 30, 2021:

Valuation date	June 30, 2021
Measurement date	June 30, 2021
Actuarial cost method	Entry age normal
Discount rate	1.92%
Inflation rate	3.00%
Salary rate increase	3.00%
Funded ratio	0.00%
Covered payroll	\$40,351,790
Net OPEB liability as a ratio of covered payroll	25.95%

Discount Rate

The District does not have a dedicated trust to pay the benefits of the Plan. Per GASB 75, this discount rate is 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). The discount rate used is 2.45%, which is the S&P Municipal Bond 20 Year High-Grade Rate Index as of June 30, 2021.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 8: Other Postemployment Benefits (Continued)

Changes in Total OPEB Liability

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
Balances at June 30, 2020	\$ 9,493,301	\$ -	\$ 9,493,301
Changes for the year:			
Service cost	593,057	-	593,057
Interest on the total OPEB liability	229,254	-	229,254
Changes of benefit terms	-	-	-
Changes of assumptions and other inputs	428,044	-	428,044
Contributions - employer	-	-	-
Contributions - active & inactive employees	-	-	-
Net investment income	-	-	-
Benefit payments - includes the implicit rate subsidy	(272,030)	-	(272,030)
Net changes	978,325	-	978,325
Balances at June 30, 2021	\$ 10,471,626	\$ -	\$ 10,471,626

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

The following presents the District's total OPEB liability calculated using the discount rate of 1.92%, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.92%) or 1-percentage-point higher (2.92%) than the current rate:

	1% Decrease (0.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
Total OPEB liability	\$ 11,337,348	\$ 10,471,626	\$ 9,660,664

The following present the District's total OPEB liability calculated using the healthcare cost trend rate, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
Total OPEB liability	\$ 9,298,410	\$ 10,471,626	\$ 11,856,885

(a) One percentage point decrease in healthcare trend rates are 6.50% in 2021 decreasing to an ultimate trend rate of 3.00% in 2035.

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 8: Other Postemployment Benefits (Continued)

(b) One percentage point increase in healthcare trend rates are 8.50% in 2021 increasing to an ultimate trend rate of 5.00% in 2035.

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 \$902,804. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Changes in assumptions	\$ 933,772	\$ 129,373
Total	<u>\$ 933,772</u>	<u>\$ 129,373</u>

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

Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
2022	\$ 80,493
2023	80,493
2024	80,493
2025	80,493
2026	80,493
Thereafter	<u>401,934</u>
Total	<u>\$ 804,399</u>

Aggregate OPEB Amounts - At June 30, 2021, the District reported the following from all OPEB plans:

	THIS	District	Total
Net OPEB liability/(asset)	\$ 45,317,520	\$ 10,471,626	\$ 55,789,146
Deferred outflows of resources	2,013,954	933,772	2,947,726
Deferred inflows of resources	9,890,979	129,373	10,020,352

Park Ridge-Niles School District 64

Notes to Financial Statements

Note 9: State and Federal Aid Contingencies

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

Note 10: Interfund Transfers

The District made transfers as follows during the year ending June 30, 2021:

Transfer From	Transfer To	Amount
General Fund - Educational Account	General Fund - Operations and Maintenance	2,000,000
General Fund - Operations and Maintenance	Capital Projects Fund	2,500,000
General Fund - Educational Account	Debt Service Fund	113,072
General Fund - Operations and Maintenance	Debt Service Fund	783,925
Total Transfers		<u>\$ 5,396,997</u>

Transfers from the General Fund to the Capital Projects Fund was to fund District construction projects.

Transfers from the General Fund to the Debt Service Fund were to provide funds for payment of interest and principal on capital leases and debt certificates.

Note 11: Commitments

As of June 30, 2021, the District was committed to approximate \$1,400,000 in ongoing construction contracts.

Note 12: Prior Year Restatement

As a result of the implementation of GASB Statement No. 84, the District recorded the following prior period adjustment during the year ended June 30, 2021:

<i>Year Ended June 30, 2021</i>	Educational Fund
To implement GASB Statement No. 84	\$ 100,161
Total	<u>\$ 100,161</u>

Park Ridge-Niles School District 64

Schedule of Changes in the Employer's Net Pension Liability and Related Ratios

Illinois Municipal Retirement Fund

Last Seven Calendar Years

	2020	2019	2018	2017
Total Pension Liability				
Service cost	\$ 889,782	\$ 860,320	\$ 829,044	\$ 885,763
Interest	3,620,473	3,450,932	3,319,525	3,255,722
Differences between expected and actual experience	535,633	984,788	713,578	653,346
Changes of assumption	(441,057)	-	1,230,861	(1,418,475)
Benefit payments, including refunds of member contributions	(3,067,250)	(2,877,282)	(2,662,562)	(2,332,016)
Net change in total pension liability	1,537,581	2,418,758	3,430,446	1,044,340
Total pension liability, beginning	51,026,299	48,607,541	45,177,095	44,132,755
Total pension liability, ending	\$52,563,880	\$51,026,299	\$48,607,541	\$45,177,095
Plan Fiduciary Net Position				
Contributions - employer	\$ 1,075,816	\$ 903,198	\$ 1,024,400	\$ 1,029,993
Contributions - member	382,549	383,512	384,501	369,777
Net investment income	6,620,580	7,469,987	(2,348,838)	6,603,940
Benefit payments, including refunds of member contributions	(3,067,250)	(2,877,282)	(2,662,562)	(2,332,016)
Other (net transfer)	274,544	258,682	1,026,451	(691,622)
Net change in plan fiduciary net position	5,286,239	6,138,097	(2,576,048)	4,980,072
Plan net position, beginning	45,786,343	39,648,246	42,224,294	37,244,222
Plan net position, ending	\$51,072,582	\$45,786,343	\$39,648,246	\$42,224,294
Employer's net pension liability	\$ 1,491,298	\$ 5,239,956	\$ 8,959,295	\$ 2,952,801
Plan fiduciary net position as a percentage of the total pension liability	97.16 %	89.73 %	81.57 %	93.46 %
Covered payroll	\$ 8,487,146	\$ 8,474,718	\$ 8,330,530	\$ 8,127,659
Employer's net pension liability as a percentage of covered payroll	17.57 %	61.83 %	107.55 %	36.33 %

The District implemented GASB Statement No. 68 in fiscal year 2015.
Information prior to fiscal year 2015 is not available.

2016	2015	2014
\$ 923,687	\$ 927,332	\$ 1,014,840
3,174,815	3,033,198	2,769,703
(781,806)	44,747	(33,907)
(195,059)	48,731	1,868,609
(2,169,759)	(2,029,041)	(1,869,183)
951,878	2,024,967	3,750,062
43,180,877	41,155,910	37,405,848
\$ 44,132,755	\$ 43,180,877	\$ 41,155,910

\$ 1,052,872	\$ 1,094,745	\$ 1,167,236
357,029	372,484	383,252
2,427,135	174,246	2,030,460
(2,169,759)	(2,029,041)	(1,869,183)
270,971	563,439	(27,247)
1,938,248	175,873	1,684,518
35,305,974	35,130,101	33,445,583
\$ 37,244,222	\$ 35,305,974	\$ 35,130,101
\$ 6,888,533	\$ 7,874,903	\$ 6,025,809

84.39 %	81.76 %	85.36 %
\$ 7,916,332	\$ 8,312,852	\$ 7,995,734
87.02 %	94.73 %	75.36 %

Park Ridge-Niles School District 64

Schedule of Employer Contributions

Illinois Municipal Retirement Fund

Last Seven Fiscal Years

Fiscal Year	Actuarially Determined	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 1,046,205	\$ 1,046,205	\$ -	\$ 8,406,248	12.45 %
2020	999,506	999,506	-	8,589,670	11.64 %
2019	943,079	943,079	-	8,342,259	11.30 %
2018	1,028,363	1,028,363	-	8,310,263	12.37 %
2017	1,046,265	1,046,265	-	8,073,275	12.96 %
2016	1,045,712	1,045,712	-	7,976,513	13.11 %
2015	1,054,637	1,167,236	(112,599)	7,995,734	14.60 %

Notes to Schedule

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

Methods and assumptions used to determine contribution rates

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period	23-year closed period
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.25%
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 table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

The District implemented GASB Statement No. 68 in fiscal year 2015.
Information prior to fiscal year 2015 is not available.

Park Ridge-Niles School District 64

Schedule of the District's Proportionate Share of the Net Pension Liability Teachers' Retirement System

Last Seven Fiscal Years

	2021*	2020*	2019*	2018*	2017*
District's proportion of the net pension liability	0.0064794 %	0.0052759 %	0.0054819 %	0.0073059 %	0.0077747 %
District's proportion share of the net pension liability	\$ 5,586,261	\$ 4,279,248	\$ 4,272,827	\$ 5,581,577	\$ 6,137,061
State's proportionate share of the net pension liability associated with the District	437,545,016	304,549,386	292,706,548	295,912,040	306,903,264
	<u>\$ 443,131,277</u>	<u>\$ 308,828,634</u>	<u>\$ 296,979,375</u>	<u>\$ 301,493,617</u>	<u>\$ 313,040,325</u>
District's covered payroll	\$ 42,712,190	\$ 41,202,318	\$ 39,672,343	\$ 39,872,587	\$ 38,711,001
District's proportionate share of the net pension liability as a percentage of covered payroll	13.08 %	10.39 %	10.77 %	14.00 %	15.85 %
Plan fiduciary net position as a percentage of the total pension liability	38.70 %	39.60 %	40.00 %	39.30 %	36.40 %

Notes to Schedule

Changes of assumptions

For the 2020, 2019, 2018, 2017, and 2016 measurement years, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit, but the rates of increase in the 2018 measurement year were slightly higher.

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

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

* Valuation was as of the prior fiscal-year end.

The District implemented GASB Statement No. 68 in fiscal year 2015.
Information prior to fiscal year 2015 is not available.

2016*	2015*
0.0074797 %	0.006757 %

\$ 4,899,942	\$ 4,112,280
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248,039,197	225,408,348
-------------	-------------

<u>\$252,939,139</u>	<u>\$ 229,520,628</u>
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\$ 38,041,632	\$ 36,337,122
---------------	---------------

12.88 %	11.32 %
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41.50 %	43.00 %
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Park Ridge-Niles School District 64

Schedule of Employer Contributions

Teachers' Retirement System

Last Seven Fiscal Years

Fiscal Year	Actuarially Determined	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 284,864	\$ 284,864	\$ -	\$ 43,006,528	0.66 %
2020	276,012	276,012	-	42,712,190	0.65 %
2019	326,550	326,550	-	41,202,318	0.79 %
2018	275,543	275,543	-	39,672,343	0.69 %
2017	302,096	302,096	-	39,872,587	0.76 %
2016	312,768	312,768	-	38,711,001	0.81 %
2015	267,514	267,514	-	38,041,632	0.70 %

The District implemented GASB Statement No. 68 in fiscal year 2015.
Information prior to fiscal year 2015 is not available.

Park Ridge-Niles School District 64

Schedule of the District's Proportionate Share of the Net Other Post-Employment Benefit Liability Teachers' Health Insurance Security Fund

Last Four Fiscal Years

	2021*	2020*	2019*	2018*
District's proportion of the net OPEB liability	0.169501 %	0.167572 %	0.167038 %	0.173923 %
District's proportion share of the net OPEB liability	\$ 45,317,520	\$ 46,379,606	\$ 44,007,729	\$ 45,132,164
State's proportionate share of the net OPEB liability associated with the District	61,392,898	62,803,904	59,092,741	59,269,746
Total	<u>\$ 106,710,418</u>	<u>\$ 109,183,510</u>	<u>\$ 103,100,470</u>	<u>\$ 104,401,910</u>
District's covered payroll	\$ 42,712,190	\$ 41,202,318	\$ 39,672,343	\$ 39,872,587
District's proportionate share of the net OPEB liability as a percentage of covered payroll	106.10 %	112.57 %	110.93 %	113.19 %
Plan fiduciary net position as a percentage of the total OPEB liability	0.70 %	(0.22)%	(0.07)%	(0.17)%

* Valuation was as of the prior fiscal-year end.

The District implemented GASB Statement No. 75 in fiscal year 2018.
Information prior to fiscal year 2018 is not available.

Park Ridge-Niles School District 64

Schedule of Employer Contributions Teachers' Health Insurance Security Fund

Last Four Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 395,660	\$ 395,660	\$ -	\$ 43,006,528	0.92 %
2020	392,952	392,952	-	42,712,190	0.92 %
2019	379,061	379,061	-	41,202,318	0.92 %
2018	349,117	349,117	-	39,672,343	0.88 %

The District implemented GASB Statement No. 75 in fiscal year 2018.
Information prior to fiscal year 2018 is not available.

Park Ridge-Niles School District 64

Schedule of Changes in the Employer's Total OPEB Liability Post-Retirement Health Plan

Last Four Fiscal Years

	2021	2020	2019	2018
Total Other Post-Employment Benefit (OPEB) Liability				
Service cost	\$ 593,057	\$ 428,377	\$ 418,128	\$ 424,713
Interest	229,254	298,719	303,043	272,910
Changes of assumption	428,044	392,414	299,728	(197,941)
Benefit payments, including refunds of member contributions	(272,030)	(322,082)	(311,190)	(273,413)
Net change in total pension liability	978,325	797,428	709,709	226,269
Total OPEB liability, beginning	9,493,301	8,695,873	7,986,164	7,759,895
Total OPEB liability, ending	\$ 10,471,626	\$ 9,493,301	\$ 8,695,873	\$ 7,986,164
Employer's net OPEB liability	\$ 10,471,626	\$ 9,493,301	\$ 8,695,873	\$ 7,986,164
Plan fiduciary net position as a percentage of the total OPEB liability	0.00 %	0.00 %	0.00 %	0.00 %
Covered-employee payroll	\$ 40,351,790	\$ 38,987,237	\$ 36,097,250	\$ 35,045,874
District's proportionate share of the total OPEB liability as a percentage of its covered-employee payroll	25.95 %	24.35 %	24.09 %	22.79 %

The District implemented GASB Statement No. 75 in fiscal year 2018.
Information prior to fiscal year 2018 is not available.

Park Ridge-Niles School District 64

Schedule of Employer Contributions

Post-Retirement Health Plan

Last Four Fiscal Years

Fiscal Year	Actuarially Determined	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 272,030	\$ 272,030	\$ -	\$ 40,351,790	0.67 %
2020	322,082	322,082	-	38,987,237	0.83 %
2019	311,190	311,190	-	36,097,250	0.86 %
2018	273,413	273,413	-	35,045,874	0.78 %

Notes to Schedule

Methods and assumptions used to determine contribution rates

Health Care Trend Rates:

Initial Health Care Cost Trend Rate 7.50%

Ultimate Health Care Cost Trend Rate 4.00%

Fiscal Year the Ultimate Rate is Reached Fiscal Year 2025

Additional Information:

Valuation Date June 30, 2021

Measurement Date June 30, 2021

Actuarial Cost Method Entry Age Normal

Discount Rate 2.45%

Salary Rate Increase 3.00%

Funded Ratio (Fiduciary Net Position as a percentage of Total OPEB Liability) 0.00%

The District implemented GASB Statement No. 75 in fiscal year 2018.

Information prior to fiscal year 2018 is not available.

Park Ridge-Niles School District 64

Statement of Revenues, Expenditures and Changes In Fund Balance Budget to Actual - General Fund

<i>Year Ended June 30, 2021</i>	General Fund		
	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources	70,864,409	\$ 70,432,049	\$ (432,360)
State sources	3,492,811	22,899,116	19,406,305
Federal sources	1,946,078	2,493,346	547,268
Total revenues	76,303,298	95,824,511	19,521,213
Expenditures			
Current Operating			
Instruction	43,945,241	62,847,181	18,901,940
Support services	26,726,679	26,199,662	(527,017)
Community services	525,077	379,107	(145,970)
Non-programmed charges	1,151,601	1,421,466	269,865
Provisions for contingencies	400,000	-	(400,000)
Total expenditures	72,748,598	90,847,416	18,098,818
Excess of revenues over expenditures	3,554,700	4,977,095	1,422,395
Other financing sources (uses)			
Transfers in	2,500,000	2,000,000	(500,000)
Transfers out	(5,961,332)	(5,396,997)	564,335
Total other financing sources (uses)	(3,461,332)	(3,396,997)	64,335
Net change in fund balances	<u>\$ 93,368</u>	1,580,098	<u>\$ 1,486,730</u>
Fund balance at beginning of year, as originally reported		<u>37,921,629</u>	
Prior period adjustment		<u>100,161</u>	
Fund balance at beginning of year, as adjusted		<u>38,021,790</u>	
Fund balance at end of year		<u><u>\$ 39,601,888</u></u>	

See notes to required supplementary information

Park Ridge-Niles School District 64

Notes to Required Supplementary Required Information

Budgetary Data

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments.

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

- The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
- Prior to September 30 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
- The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget was adopted on September 10, 2020.
- Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, the Debt Service Fund, and the Capital Projects Fund.
- The District has adopted a legal budget for all its Governmental Funds. The legal level of budgetary control is at the individual fund level, therefore, actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.
- The budget (all appropriations) lapses at the end of each fiscal year.
- The District's actual expenditures in the General Fund - Education Account and Capital Projects Fund, exceeded budgeted expenditures. Additional sources are available to finance these excess expenditures as allowed under the State Budget Act.

Fiscal Year	Actual	Budget	Excess
General Fund - Educational Account	\$ 83,908,192	\$ 65,604,954	\$ 18,303,238
Capital Projects Fund	\$ 5,732,311	\$ 5,191,776	\$ 540,535

Park Ridge-Niles School District 64

Combining Balance Sheet by Account General Fund

<i>June 30, 2021</i>	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total
Assets					
Cash and cash equivalents	\$ 38,450,876	\$ 2,690,289	\$ 1,369,634	\$ 477,840	\$ 42,988,639
Receivables					
Taxes receivable	28,635,128	2,658,386	265,839	145,003	31,704,356
Intergovernmental accounts receivable	1,174,683	-	-	-	1,174,683
Other receivables	136,080	8,390	1,215	2,353	148,038
Total assets	<u>\$ 68,396,767</u>	<u>\$ 5,357,065</u>	<u>\$ 1,636,688</u>	<u>\$ 625,196</u>	<u>\$ 76,015,716</u>
Liabilities, Deferred Inflows, and Fund Balances					
Liabilities					
Payroll deductions and withholdings	4,703,141	6,331	-	-	4,709,472
Total liabilities	<u>4,703,141</u>	<u>6,331</u>	<u>-</u>	<u>-</u>	<u>4,709,472</u>
Deferred inflows					
Property taxes levied for subsequent year	28,635,128	2,658,386	265,839	145,003	31,704,356
Fund balances					
Restricted					
Tort immunity	-	-	-	480,193	480,193
Unassigned	35,058,498	2,692,348	1,370,849	-	39,121,695
Total fund balances	<u>35,058,498</u>	<u>2,692,348</u>	<u>1,370,849</u>	<u>480,193</u>	<u>39,601,888</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 68,396,767</u>	<u>\$ 5,357,065</u>	<u>\$ 1,636,688</u>	<u>\$ 625,196</u>	<u>\$ 76,015,716</u>

Park Ridge-Niles School District 64

Combining Statement of Revenues, Expenditures and Changes In Fund Balances by Account

General Fund

<i>Year Ended June 30, 2021</i>	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total
Revenues					
Local sources	\$ 63,200,363	\$ 6,319,023	\$ 556,289	\$ 356,374	\$ 70,432,049
State sources	22,849,116	50,000	-	-	22,899,116
Federal sources	1,969,526	523,820	-	-	2,493,346
Total revenues	88,019,005	6,892,843	556,289	356,374	95,824,511
Expenditures					
Current operating					
Instruction	62,847,181	-	-	-	62,847,181
Support Services	19,264,105	6,433,234	-	502,323	26,199,662
Community services	379,107	-	-	-	379,107
Payments to other districts	1,417,799	3,667	-	-	1,421,466
Total expenditures	83,908,192	6,436,901	-	502,323	90,847,416
Excess (deficiency) of revenues over (under) expenditures	4,110,813	455,942	556,289	(145,949)	4,977,095
Other financing sources (uses)					
Transfers in	-	2,000,000	-	-	2,000,000
Transfers out	(2,113,072)	(3,283,925)	-	-	(5,396,997)
Total other financing sources (uses)	(2,113,072)	(1,283,925)	-	-	(3,396,997)
Net change in fund balances	1,997,741	(827,983)	556,289	(145,949)	1,580,098
Fund balances at beginning of year, as originally reported	32,960,596	3,520,331	814,560	626,142	37,921,629
Prior period adjustment	100,161	-	-	-	100,161
Fund balances at beginning of year, as adjusted	33,060,757	3,520,331	814,560	626,142	38,021,790
Fund balances at end of year	\$ 35,058,498	\$ 2,692,348	\$ 1,370,849	\$ 480,193	\$ 39,601,888

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and

Changes In Fund Balance

Budget and Actual

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Educational Account			
	2021			2020
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
General tax levy	\$ 53,909,217	\$ 54,040,773	\$ 131,556	\$ 51,108,239
Special education levy	4,915,475	5,096,958	181,483	5,051,626
Personal property replacement taxes	1,119,014	1,619,554	500,540	1,121,204
Tuition	394,000	372,316	(21,684)	114,161
Earnings on investments	484,000	(33,056)	(517,056)	1,172,747
Food services	800,000	238,478	(561,522)	861,236
Pupil activities and textbooks	720,000	997,063	277,063	878,216
Admissions and student activities	296,311	207,333	(88,978)	217,959
Contributions and Donations	75,000	75	(74,925)	75,088
Payments of surplus monies from TIF districts	441,000	582,635	141,635	444,018
Other Local Fees	555,000	78,234	(476,766)	589,874
Total local sources	63,709,017	63,200,363	(508,654)	61,634,368
State sources				
Unrestricted				
Evidence Based Funding Formula	3,367,111	3,367,111	-	3,367,111
Restricted				
Special education	125,000	198,717	73,717	190,008
School lunch aid	700	475	(225)	636
On behalf payments to TRS from the state	-	19,275,947	19,275,947	19,817,514
Other grants-in-aid	-	6,866	6,866	-
Total state sources	3,492,811	22,849,116	19,356,305	23,375,269
Federal sources				
Restricted				
National school lunch program	17,000	6,547	(10,453)	16,318
Title I - Low Income	201,000	147,183	(53,817)	158,706
Title IV	10,000	21,552	11,552	13,711
Title II - Teacher Quality	67,000	37,537	(29,463)	57,177
Preschool flow through	18,800	15,431	(3,369)	17,575
Medicaid Matching Funds - Fee-for-Service Program	121,000	215,428	94,428	281,166
IDEA	1,159,278	1,197,351	38,073	1,161,233
IDEA - Room & Board	49,000	64,331	15,331	55,334
Other Restricted Revenue from Federal Sources	171,000	178,827	7,827	-
Medicaid Matching Funds - Administrative Outreach	132,000	85,339	(46,661)	44,461
Total federal sources	1,946,078	1,969,526	23,448	1,805,681
Total revenues	69,147,906	88,019,005	18,871,099	86,815,318

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Educational Account			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Expenditures				
Instruction				
Regular programs				
Salaries	\$ 26,458,825	\$ 26,810,842	\$ 352,017	\$ 26,266,180
Employee benefits	3,441,725	3,436,730	(4,995)	3,300,718
Purchased services	178,949	296,342	117,393	207,022
Supplies and materials	1,070,094	613,113	(456,981)	597,840
Capital outlay	26,190	18,186	(8,004)	5,991
Other objects	8,774	1,078	(7,696)	2,031
Non-capitalized equipment	15,353	7,055	(8,298)	29,109
On behalf payments to TRS from the state	-	19,275,947	19,275,947	19,817,514
Total	31,199,910	50,459,293	19,259,383	50,226,405
Tuition payments to charter schools				
Purchased services	74,336	-	(74,336)	-
Total	74,336	-	(74,336)	-
Pre-K programs				
Salaries	367,416	-	(367,416)	-
Employee benefits	55,908	-	(55,908)	-
Total	423,324	-	(423,324)	-
Special education programs				
Salaries	5,332,149	5,429,386	97,237	5,472,062
Employee benefits	1,078,871	1,220,890	142,019	1,095,088
Purchased services	93,200	64,782	(28,418)	86,207
Supplies and materials	223,500	214,977	(8,523)	110,145
Capital outlay	6,000	5,601	(399)	1,550
Other objects	3,000	-	(3,000)	2,807
Non-capitalized equipment	3,000	565	(2,435)	2,810
Total	6,739,720	6,936,201	196,481	6,770,669
Special education pre-k programs				
Salaries	639,989	637,904	(2,085)	769,766
Employee benefits	166,180	162,928	(3,252)	152,967
Purchased services	-	-	-	266
Supplies and materials	26,434	16,937	(9,497)	17,211
Non-capitalized equipment	4,000	-	(4,000)	-
Total	836,603	817,769	(18,834)	940,210

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and

Changes In Fund Balance

Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Educational Account			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Remedial and supplemental programs				
Salaries	\$ 101,277	\$ 34,902	\$ (66,375)	\$ 109,989
Employee benefits	25,367	4,112	(21,255)	24,354
Supplies and materials	-	15,463	15,463	13,201
Total	126,644	54,477	(72,167)	147,544
CTE programs				
Salaries	1,056,801	1,062,680	5,879	1,141,640
Employee benefits	146,769	163,398	16,629	153,001
Purchased services	6,180	1,492	(4,688)	22,640
Supplies and materials	89,595	40,477	(49,118)	90,921
Capital outlay	5,800	2,528	(3,272)	5,798
Non-capitalized equipment	3,600	3,996	396	-
Total	1,308,745	1,274,571	(34,174)	1,414,000
Interscholastic programs				
Salaries	96,889	45,708	(51,181)	235,084
Employee benefits	-	1,103	1,103	6,073
Purchased services	14,800	105	(14,695)	6,800
Supplies and materials	13,550	1,224	(12,326)	9,105
Other objects	1,500	-	(1,500)	725
Total	126,739	48,140	(78,599)	257,787
Summer school				
Salaries	47,050	138,514	91,464	186,397
Employee benefits	883	2,730	1,847	3,482
Purchased services	3,500	-	(3,500)	2,670
Supplies and materials	8,500	-	(8,500)	7,670
Total	59,933	141,244	81,311	200,219
Gifted programs				
Salaries	1,427,258	1,502,808	75,550	1,607,765
Employee benefits	192,138	198,556	6,418	173,697
Purchased services	390	929	539	115
Supplies and materials	19,050	24,491	5,441	13,353
Other objects	265	50	(215)	169
Total	1,639,101	1,726,834	87,733	1,795,099

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and

Changes In Fund Balance

Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Educational Account			
	2021			2020
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Bilingual				
Salaries	\$ 778,443	\$ 774,515	\$ (3,928)	\$ 744,450
Employee benefits	105,363	118,760	13,397	114,628
Purchased services	4,480	568	(3,912)	4,325
Supplies and materials	1,400	636	(764)	328
Total	889,686	894,479	4,793	863,731
Special education programs - K-12 private tuition				
Other objects	350,000	415,023	65,023	564,043
Total	350,000	415,023	65,023	564,043
Student Activity Expenditures	170,500	79,150	(91,350)	-
Total instruction	43,945,241	62,847,181	18,901,940	63,179,707
Support services				
Pupils				
Attendance and social work				
Salaries	995,418	1,011,007	15,589	976,670
Employee benefits	136,155	137,409	1,254	128,307
Purchased services	58,425	85,168	26,743	54,759
Supplies and materials	300	-	(300)	238
Total	1,190,298	1,233,584	43,286	1,159,974
Guidance services				
Salaries	194,918	194,918	-	188,447
Employee benefits	10,332	10,317	(15)	10,023
Total	205,250	205,235	(15)	198,470
Health services				
Salaries	1,176,228	1,241,958	65,730	1,199,226
Employee benefits	177,021	199,593	22,572	178,408
Purchased services	15,550	10,514	(5,036)	10,461
Supplies and materials	27,000	26,397	(603)	19,762
Capital outlay	-	7,399	7,399	-
Other objects	400	565	165	-
Non-capitalized equipment	6,000	-	(6,000)	2,205
Total	1,402,199	1,486,426	84,227	1,410,062

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and Changes In Fund Balance

Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Educational Account			
	2021			2020
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Psychological services				
Salaries	\$ 630,525	\$ 607,625	\$ (22,900)	\$ 590,833
Employee benefits	41,279	42,723	1,444	38,830
Purchased services	500	65,639	65,139	21,126
Supplies and materials	17,500	1,993	(15,507)	7,386
Other objects	500	-	(500)	-
Total	690,304	717,980	27,676	658,175
Speech pathology and audiology services				
Salaries	1,434,593	1,431,381	(3,212)	1,398,188
Employee benefits	219,864	224,739	4,875	213,616
Purchased services	3,000	3,799	799	2,038
Supplies and materials	1,500	959	(541)	4,925
Total	1,658,957	1,660,878	1,921	1,618,767
Other support services				
Salaries	1,798	586,719	584,921	837,560
Employee benefits	27	12,935	12,908	10,022
Purchased services	32,200	9,239	(22,961)	19,751
Supplies and materials	12,700	31,059	18,359	5,090
Total	46,725	639,952	593,227	872,423
Total pupils	5,193,733	5,944,055	750,322	5,917,871
Instructional staff				
Improvement of instruction services				
Salaries	603,884	392,423	(211,461)	435,214
Employee benefits	75,425	86,474	11,049	73,276
Purchased services	202,999	91,574	(111,425)	199,378
Supplies and materials	4,646	5,758	1,112	11,981
Other objects	-	-	-	600
Total	886,954	576,229	(310,725)	720,449

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and

Changes In Fund Balance

Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Educational Account			
	2021			2020
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Educational media services				
Salaries	\$ 2,194,611	\$ 2,149,977	\$ (44,634)	\$ 2,197,515
Employee benefits	408,157	408,678	521	415,078
Purchased services	346,692	307,317	(39,375)	253,247
Supplies and materials	1,434,192	1,237,022	(197,170)	649,570
Capital outlay	180,000	208,733	28,733	40,541
Other objects	5,400	5,293	(107)	1,000
Non-capitalized equipment	-	186,454	186,454	220,895
Total	4,569,052	4,503,474	(65,578)	3,777,846
Assessment and training				
Purchased services	95,755	108,645	12,890	100,017
Total	95,755	108,645	12,890	100,017
Total instructional staff	5,551,761	5,188,348	(363,413)	4,598,312
General administration				
Board of education				
Salaries	-	-	-	208
Employee benefits	180,000	230,967	50,967	188,893
Purchased services	506,000	372,192	(133,808)	300,454
Supplies and materials	12,250	1,036	(11,214)	3,342
Other objects	13,500	23,863	10,363	4,025
Total	711,750	628,058	(83,692)	496,922
Executive administration				
Salaries	275,515	284,526	9,011	266,867
Employee benefits	61,863	53,365	(8,498)	59,529
Purchased services	10,820	9,674	(1,146)	15,185
Supplies and materials	7,500	2,525	(4,975)	7,130
Other objects	-	3,104	3,104	1,375
Total	355,698	353,194	(2,504)	350,086

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and

Changes In Fund Balance

Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Educational Account			
	2021			2020
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Special area administrative services				
Salaries	\$ 667,742	\$ 673,904	\$ 6,162	\$ 666,617
Employee benefits	196,752	221,710	24,958	221,510
Purchased services	2,860	2,420	(440)	3,739
Supplies and materials	1,000	-	(1,000)	648
Total	868,354	898,034	29,680	892,514
Total general administration	1,935,802	1,879,286	(56,516)	1,739,522
School administration				
Office of the principal				
Salaries	2,332,774	2,365,431	32,657	2,280,061
Employee benefits	595,536	745,873	150,337	678,113
Purchased services	68,150	24,906	(43,244)	34,093
Supplies and materials	14,200	11,918	(2,282)	5,280
Other objects	-	649	649	-
Total	3,010,660	3,148,777	138,117	2,997,547
Total school administration	3,010,660	3,148,777	138,117	2,997,547
Business				
Business support services				
Salaries	190,754	183,997	(6,757)	179,204
Employee benefits	58,670	57,735	(935)	54,276
Purchased services	5,913	1,881	(4,032)	3,675
Total	255,337	243,613	(11,724)	237,155
Fiscal services				
Salaries	423,453	421,337	(2,116)	434,794
Employee benefits	59,014	60,410	1,396	59,082
Purchased services	179,650	160,111	(19,539)	265,961
Supplies and materials	12,000	3,056	(8,944)	9,439
Other objects	110,000	67,358	(42,642)	97,671
Total	784,117	712,272	(71,845)	866,947

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and

Changes In Fund Balance

Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Educational Account			
	2021			2020
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Operation and maintenance of plant services				
Salaries	\$ 1,500	\$ -	\$ (1,500)	\$ 1,320
Employee benefits	-	-	-	11
Supplies and materials	-	-	-	2,025
Total	1,500	-	(1,500)	3,356
Food services				
Purchased services	1,217,500	587,908	(629,592)	801,652
Supplies and materials	3,500	22,874	19,374	1,574
Capital outlay	15,000	-	(15,000)	-
Other objects	-	360	360	-
Non-capitalized equipment	7,500	-	(7,500)	1,132
Total	1,243,500	611,142	(632,358)	804,358
Total business	2,284,454	1,567,027	(717,427)	1,911,816
Information services				
Salaries	68,943	91,444	22,501	66,269
Employee benefits	15,815	12,191	(3,624)	13,401
Purchased services	288,294	241,971	(46,323)	251,017
Supplies and materials	5,000	2,916	(2,084)	9,846
Other objects	-	-	-	125
Total	378,052	348,522	(29,530)	340,658
Staff services				
Salaries	418,451	443,176	24,725	450,067
Employee benefits	72,459	103,183	30,724	87,674
Purchased services	188,160	91,685	(96,475)	132,585
Supplies and materials	2,000	928	(1,072)	1,460
Other objects	300	500	200	209
Termination benefits	255,548	357,376	101,828	362,123
Total	936,918	996,848	59,930	1,034,118

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Educational Account			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Data processing services				
Purchased services	\$ 176,655	\$ 153,097	\$ (23,558)	\$ 654,347
Supplies and materials	90,000	38,145	(51,855)	65,860
Capital outlay	25,000	-	(25,000)	52,560
Total	291,655	191,242	(100,413)	772,767
Total central	1,606,625	1,536,612	(70,013)	2,147,543
Total support services	19,583,035	19,264,105	(318,930)	19,312,611
Community services				
Salaries	410,439	263,796	(146,643)	555,483
Employee benefits	94,138	70,302	(23,836)	88,396
Purchased services	500	9,510	9,010	11,198
Supplies and materials	20,000	24,979	4,979	17,094
Non-capitalized equipment	-	10,520	10,520	-
Total community services	525,077	379,107	(145,970)	672,171
Payments to other districts and governmental units				
Payments for special education programs				
Purchased services	10,000	62,086	52,086	86,202
Tuition	1,141,601	1,355,713	214,112	1,469,738
Total payments to other districts and governmental units	1,151,601	1,417,799	266,198	1,555,940
Provisions for Contingencies	400,000	-	(400,000)	-
Total expenditures	65,604,954	83,908,192	18,303,238	84,720,429

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and

Changes In Fund Balance

Budget to Actual (Continued)

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Educational Account			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Excess of revenue over expenditures	\$ 3,542,952	\$ 4,110,813	\$ 567,861	\$ 2,094,889
Other financing sources (uses)				
Proceeds from capital lease	-	-	-	482,223
Transfers in	-	-	-	2,000,000
Transfers out	(2,677,407)	(2,113,072)	564,335	(2,161,223)
Total other financing sources (uses)	(2,677,407)	(2,113,072)	564,335	321,000
Net change in fund balance	<u>\$ 865,545</u>	<u>1,997,741</u>	<u>\$ 1,132,196</u>	<u>2,415,889</u>
Fund balance at beginning of year, as originally reported		<u>32,960,596</u>		<u>30,544,707</u>
Prior period adjustment		<u>100,161</u>		<u>-</u>
Fund balance at beginning of year, as adjusted		<u>33,060,757</u>		<u>30,544,707</u>
Fund balance at end of year		<u><u>\$ 35,058,498</u></u>		<u><u>\$ 32,960,596</u></u>

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Operations & Maintenance Account			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
General tax levy	\$ 5,937,627	\$ 6,085,665	\$ 148,038	\$ 6,286,152
Earnings on investments	45,800	8,158	(37,642)	173,968
Other	249,550	225,200	(24,350)	551,562
Total local sources	6,232,977	6,319,023	86,046	7,011,682
State sources				
School Infrastructure	-	50,000	50,000	-
Federal sources				
Other Restricted Revenue from Federal Sources	-	523,820	523,820	-
Total revenues	6,232,977	6,892,843	659,866	7,011,682
Expenditures				
Current operating				
Support services				
Operations and maintenance of plant services				
Salaries	2,730,604	2,794,627	64,023	2,695,757
Employee benefits	466,498	489,936	23,438	457,195
Purchased services	1,398,440	1,119,047	(279,393)	1,398,871
Supplies and materials	1,736,000	1,655,360	(80,640)	1,151,681
Capital outlay	265,000	149,047	(115,953)	282,408
Other objects	-	30	30	-
Non-capitalized equipment	42,500	71,652	29,152	69,268
Total support services	6,639,042	6,433,234	(205,808)	6,055,180
Payments to other districts and governmental units				
Purchased services	-	3,667	3,667	3,585
Total expenditures	6,639,042	6,436,901	(202,141)	6,058,765
Excess (deficiency) of revenue over (under) expenditures	(406,065)	455,942	862,007	952,917

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

<i>Year Ended June 30, 2021 with Comparative Actual Totals for 2020</i>	Operations & Maintenance Account			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Other Financing Sources (Uses)				
Transfers in	2,500,000	2,000,000	(500,000)	2,000,000
Transfers out	(3,283,925)	(3,283,925)	-	(6,788,325)
Total other financing sources (uses)	(783,925)	(1,283,925)	(500,000)	(4,788,325)
Net change in fund balance	<u>\$ (1,189,990)</u>	(827,983)	<u>\$ 362,007</u>	(3,835,408)
Fund balance at beginning of year		<u>3,520,331</u>		<u>7,355,739</u>
Fund balance at end of year		<u>\$ 2,692,348</u>		<u>\$ 3,520,331</u>

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

<i>Year Ended June 30, 2021 with Comparative Actual Totals for 2020</i>	Working Cash Account			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
General tax levy	\$ 568,196	\$ 560,662	\$ (7,534)	\$ 555,678
Earnings on investments	7,000	(4,373)	(11,373)	11,051
Total revenues	575,196	556,289	(18,907)	566,729
Excess of revenues over expenditures	575,196	556,289	(18,907)	566,729
Net change in fund balance	<u>\$ 575,196</u>	556,289	<u>\$ (18,907)</u>	566,729
Fund balance at beginning of year		<u>814,560</u>		<u>247,831</u>
Fund balance at end of year		<u>\$ 1,370,849</u>		<u>\$ 814,560</u>

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Tort Immunity Account			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
Tort immunity levy	\$ 340,219	\$ 355,190	\$ 14,971	\$ 303,470
Earnings on investments	7,000	1,184	(5,816)	14,251
Other	-	-	-	721
Total revenues	347,219	356,374	9,155	318,442
Expenditures				
Support services				
Workers' compensation or workers' occupational disease act payment				
Purchased services	-	-	-	327,572
Unemployment insurance payments				
Employee benefits	-	-	-	12,589
Purchased services	-	-	-	1,250
Total	-	-	-	13,839
Insurance payments				
Purchased services	502,352	501,303	(1,049)	157,114
Educational, inspectional, supervisory services related to loss prevention or reduction				
Purchased services	2,000	990	(1,010)	1,778
Supplies and materials	250	30	(220)	-
Total	2,250	1,020	(1,230)	1,778
Total expenditures	504,602	502,323	(2,279)	500,303
Net change in fund balance	<u>\$ (157,383)</u>	<u>(145,949)</u>	<u>\$ 11,434</u>	<u>(181,861)</u>
Fund balance at beginning of year		626,142		808,003
Fund balance at end of year		<u>\$ 480,193</u>		<u>\$ 626,142</u>

Major Capital Project Funds

Capital Project Funds - To account for financial resources to be used for the acquisition or construction of major capital facilities.

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and Changes In Fund Balances Budget and Actual

<i>Year Ended June 30, 2021 with Comparative Actual Totals for 2020</i>	Capital Projects Fund			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
Earnings on investments	\$ 14,140	\$ 242	\$ (13,898)	\$ 43,122
Other local revenues	-	1,711	1,711	6,730
Total revenues	14,140	1,953	(12,187)	49,852
Expenditures				
Support services				
Facilities acquisition and construction services				
Purchased services	497,000	342,369	(154,631)	510,773
Supplies and materials	-	-	-	21,237
Capital outlay	4,694,776	5,389,942	695,166	7,390,200
Total expenditures	5,191,776	5,732,311	540,535	7,922,210
Excess (deficiency) of revenue over (under) expenditures	(5,177,636)	(5,730,358)	(552,722)	(7,872,358)
Other financing sources				
Transfers in	2,500,000	2,500,000	-	6,000,000
Net change in fund balance	<u>\$ (2,677,636)</u>	<u>(3,230,358)</u>	<u>\$ (552,722)</u>	<u>(1,872,358)</u>
Fund balance at beginning of year		<u>2,896,496</u>		<u>4,768,854</u>
Fund balance at end of year		<u>\$ (333,862)</u>		<u>\$ 2,896,496</u>

Park Ridge-Niles School District 64

Combining Balance Sheet - Nonmajor Governmental Funds

<i>June 30, 2021</i>	Transportation	Municipal Retirement/ Social Security	Debt Service Fund	Total Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 1,258,758	\$ 1,014,920	\$ 2,444,927	\$ 4,718,605
Receivables				
Property taxes	725,014	773,349	-	1,498,363
Due from other governments	312,015	-	-	312,015
Other receivables	2,657	3,114	3,111	8,882
Total assets	\$ 2,298,444	\$ 1,791,383	\$ 2,448,038	\$ 6,537,865
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities				
Accrued salaries and related expenditures	\$ 2	\$ -	\$ -	\$ 2
Accounts payable	187,981	-	-	187,981
Deferred Inflows				
Property taxes levied for subsequent year	725,014	773,349	-	1,498,363
Fund Balances				
Restricted reported in:				
Student transportation	1,385,447	-	-	1,385,447
Employee retirement	-	1,018,034	-	1,018,034
Debt service	-	-	2,448,038	2,448,038
Total fund balances	1,385,447	1,018,034	2,448,038	4,851,519
Total liabilities, deferred inflows, and fund balances	\$ 2,298,444	\$ 1,791,383	\$ 2,448,038	\$ 6,537,865

Park Ridge-Niles School District 64

Combining Schedule of Revenues, Expenditures and Changes In Fund Balances - Nonmajor Governmental Funds

<i>Year Ended June 30, 2021</i>	Transportation Fund	Municipal Retirement/ Social Security	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues				
Local sources	\$ 1,285,452	\$ 1,848,528	\$ 914,977	\$ 4,048,957
State sources	1,259,336	-	-	1,259,336
Total revenues	2,544,788	1,848,528	914,977	5,308,293
Expenditures				
Current operating				
Instruction	-	899,928	-	899,928
Support services	3,398,098	1,371,097	-	4,769,195
Community services	-	11,510	-	11,510
Payments to other districts	1,848	-	-	1,848
Debt service				
Principal	-	-	2,700,162	2,700,162
Interest	-	-	351,645	351,645
Other	-	-	1,010	1,010
Total expenditures	3,399,946	2,282,535	3,052,817	8,735,298
Excess (deficiency) of revenues over (under) expenditures	(855,158)	(434,007)	(2,137,840)	(3,427,005)
Other financing sources (uses)				
Transfers in	-	-	896,997	896,997
Total other financing sources (uses)	-	-	896,997	896,997
Net change in fund balances	(855,158)	(434,007)	(1,240,843)	(2,530,008)
Fund balances at beginning of year	2,240,605	1,452,041	3,688,881	7,381,527
Fund balances at end of year	\$ 1,385,447	\$ 1,018,034	\$ 2,448,038	\$ 4,851,519

Special Revenue Funds

To account for proceeds from specific revenue sources which are designated to finance expenditures for specific purposes, the District maintains the following Special Revenue Funds:

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

Municipal Retirement/Social Security Fund - To account for the District's portion of FICA and pension contributions to the Illinois Municipal Retirement Fund.

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Transportation Fund			
	2021		2020	
	Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
General tax levy	\$ 1,247,423	\$ 1,279,119	\$ 31,696	\$ 1,620,790
Regular transportation fees	13,000	3,177	(9,823)	14,921
Earnings on investments	42,250	3,156	(39,094)	61,219
Total local sources	1,302,673	1,285,452	(17,221)	1,696,930
State sources				
Restricted				
Transportation aid	951,000	1,259,336	308,336	1,238,637
Total revenues	2,253,673	2,544,788	291,115	2,935,567
Expenditures				
Current operating				
Supporting services				
Pupil transportation				
Salaries	21,246	28,476	7,230	26,835
Employee benefits	23	2,814	2,791	1,990
Purchased services	3,395,010	3,366,808	(28,202)	2,957,867
Total support services	3,416,279	3,398,098	(18,181)	2,986,692
Community services				
Purchased services	135,000	-	(135,000)	99,887
Payments to other districts and government units				
Payments for regular programs				
Purchased services	25,000	1,848	(23,152)	22,745
Total expenditures	3,576,279	3,399,946	(176,333)	3,109,324
Excess (deficiency) of revenue over (under) expenditures	(1,322,606)	(855,158)	467,448	(173,757)
Other financing uses				
Transfers out	-	-	-	(2,000,000)
Net change in fund balance	<u>\$ (1,322,606)</u>	<u>(855,158)</u>	<u>\$ 467,448</u>	<u>(2,173,757)</u>
Fund balance at beginning of year		<u>2,240,605</u>		<u>4,414,362</u>
Fund balance at end of year		<u>\$ 1,385,447</u>		<u>\$ 2,240,605</u>

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

Year Ended June 30, 2021 with Comparative Actual Totals for 2020	Municipal Retirement/Social Security Fund			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
General tax levy	\$ 598,897	\$ 621,021	\$ 22,124	\$ 831,945
Social security/medicare only levy	1,098,673	1,129,770	31,097	956,663
Corporate personal property replacement taxes	118,000	93,920	(24,080)	108,595
Earnings on investments	23,325	3,817	(19,508)	59,600
Total revenues	1,838,895	1,848,528	9,633	1,956,803
Expenditures				
Current operating				
Instruction				
Regular programs	580,866	379,953	(200,913)	375,575
Pre-K programs	4,878	-	(4,878)	-
Special education programs	453,455	418,649	(34,806)	432,788
Special education Pre-K	64,568	45,873	(18,695)	65,914
Remedial and supp programs K-12 programs	1,410	569	(841)	1,562
CTE programs	16,119	14,589	(1,530)	15,746
Interscholastic programs	-	1,188	1,188	7,562
Summer school programs	1,042	5,933	4,891	9,932
Gifted programs	23,153	22,446	(707)	24,240
Bilingual programs	10,265	10,728	463	10,264
Total instruction	1,155,756	899,928	(255,828)	943,583
Support services				
Pupils	228,019	288,090	60,071	278,496
Instructional staff	210,455	208,177	(2,278)	202,470
General administration	44,611	46,554	1,943	43,696
School administration	112,383	129,390	17,007	117,965
Business	611,748	636,637	24,889	590,022
Central	46,730	62,249	15,519	60,149
Total support services	1,253,946	1,371,097	117,151	1,292,798
Community services	22,712	11,510	(11,202)	31,039
Total expenditures	2,432,414	2,282,535	(149,879)	2,267,420
Net change in fund balance	<u>\$ (593,519)</u>	<u>(434,007)</u>	<u>\$ 159,512</u>	<u>(310,617)</u>
Fund balance at beginning of year		<u>1,452,041</u>		<u>1,762,658</u>
Fund balance at end of year		<u>\$ 1,018,034</u>		<u>\$ 1,452,041</u>

Nonmajor Debt Service Fund

Debt Service Fund - To account for the accumulation of, resources for, and the payment of, general long-term debt principal, interest and related costs.

Park Ridge-Niles School District 64

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

<i>Year Ended June 30, 2021 with Comparative Actual Totals for 2020</i>	Debt Service Fund			
	2021		2020	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Revenues				
Local sources				
General tax levy	\$ 1,062,075	\$ 909,514	\$ (152,561)	\$ 1,942,846
Earnings on investments	26,400	5,463	(20,937)	85,699
Total revenues	1,088,475	914,977	(173,498)	2,028,545
Expenditures				
Debt service				
Principal retirement	2,736,499	2,700,162	(36,337)	2,574,026
Interest on bonds	341,433	351,645	10,212	442,222
Other	3,000	1,010	(1,990)	2,760
Total expenditures	3,080,932	3,052,817	(28,115)	3,019,008
Excess (deficiency) of revenue over (under) expenditures	(1,992,457)	(2,137,840)	(145,383)	(990,463)
Other Financing Sources				
Transfers in	961,332	896,997	(64,335)	949,548
Net change in fund balance	<u>\$ (1,031,125)</u>	<u>(1,240,843)</u>	<u>\$ (209,718)</u>	<u>(40,915)</u>
Fund balance at beginning of year		<u>3,688,881</u>		<u>3,729,796</u>
Fund balance at end of year		<u>\$ 2,448,038</u>		<u>\$ 3,688,881</u>