

**WILMINGTON COMMUNITY UNIT
SCHOOL DISTRICT NO. 209U
WILMINGTON, ILLINOIS
ANNUAL FINANCIAL REPORT
JUNE 30, 2020**

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT NO. 209U

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INDEPENDENT AUDITORS' REPORT



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CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Board of Education
Wilmington Community Unit School
District 209U
Wilmington, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Wilmington Community Unit School District 209U, as of and for the year ended June 30, 2020, 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 the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 error or fraud.

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of Wilmington Community Unit School District 209U, as of June 30, 2020, and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wilmington Community Unit School District 209U's basic financial statements. The Other Information, including Notes to Other Information, on pages 37-49, and the Supplementary Information on pages 50-59, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

The IMRF, TRS, and THIS schedules and the Other Supplementary Information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Comparative Information

We previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Wilmington Community Unit School District 209U for the year ended June 30, 2019, which are presented in summary for comparative purposes with the accompanying financial statements. In our report dated October 9, 2019, we expressed unmodified opinions on the respective financial statements of the governmental activities and each major fund.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2020, on our consideration of the Wilmington Community Unit School District 209U's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Wilmington Community Unit School District 209U's internal control over financial reporting and compliance.

Mack & Associates, P.C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
October 19, 2020

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statement
Statement of Net Position
Modified Cash Basis
June 30, 2020

| | <u>Governmental Activities</u> | |
|----------------------------------|--------------------------------|---------------------|
| | <u>2020</u> | <u>2019</u> |
| <u>Assets</u> | | |
| Cash and Cash Equivalents | \$ 17,727,389 | 18,345,623 |
| Capital Assets | | |
| Land | 1,594,964 | 1,594,964 |
| Building | 61,053,235 | 61,053,235 |
| Equipment | 5,026,872 | 4,991,829 |
| Food Service Equipment | 79,895 | 79,895 |
| Building Improvements | 2,688,007 | 2,639,310 |
| Accumulated Depreciation | <u>(38,321,964)</u> | <u>(37,193,337)</u> |
| Total Assets | <u>49,848,398</u> | <u>51,511,519</u> |
| <u>Liabilities</u> | | |
| Long-term Liabilities | | |
| Due Within One Year | 1,083,731 | 1,068,098 |
| Due in More Than One Year | <u>26,022,267</u> | <u>27,105,998</u> |
| Total Liabilities | <u>27,105,998</u> | <u>28,174,096</u> |
| <u>Net Position</u> | | |
| Net Investment in Capital Assets | 5,015,011 | 4,991,800 |
| Restricted Net Position | 1,873,538 | 2,005,782 |
| Unrestricted Net Position | <u>15,853,851</u> | <u>16,339,841</u> |
| Total Net Position | <u>\$ 22,742,400</u> | <u>23,337,423</u> |

The Notes to Basic Financial Statements are an integral part of this statement.

**Government-wide Financial Statement
Statement of Activities
Modified Cash Basis
For the Year Ended June 30, 2020**

| | Expenditures | Program Sales | | | Net Expenditures, Receipts, and Changes in Net Position Governmental Activities | |
|--------------------------------------|----------------------|--------------------------------------|--|--|--|---------------------|
| | | Charges for Services and Sales | Operating Grants and Contributions | Capital Grants and Contributions | 2020 | 2019 |
| Governmental Activities: | | | | | | |
| Instruction | \$ 6,173,259 | 354,567 | 668,100 | - | (5,150,592) | (4,773,327) |
| Support Services | 8,861,049 | 392,189 | 1,212,565 | 50,000 | (7,206,295) | (6,824,505) |
| Community Service | 12,481 | - | - | - | (12,481) | (16,254) |
| Payment to Other Schools | 2,804,055 | - | - | - | (2,804,055) | (2,644,431) |
| On-Behalf Payments | 645,533 | - | 645,533 | - | - | - |
| Unallocated Interest and Fees | 1,374,444 | - | - | - | (1,374,444) | (1,660,946) |
| Total Governmental Activities | \$ 19,870,821 | 746,756 | 2,526,198 | 50,000 | (16,547,867) | (15,919,463) |
| General Revenues: | | | | | | |
| Taxes: | | | | | | |
| | | | | | 10,254,124 | 9,981,333 |
| | | | | | 32,525 | 31,579 |
| | | | | | 462,732 | 422,727 |
| | | | | | 4,642,043 | 4,552,989 |
| | | | | | 331,425 | 300,763 |
| | | | | | 149,551 | 243,425 |
| | | | | | 80,444 | 131,172 |
| | | | | | <u>15,952,844</u> | <u>15,663,988</u> |
| Special Items: | | | | | | |
| | | | | | - | 556,872 |
| | | | | | <u>-</u> | <u>556,872</u> |
| | | | | | (595,023) | 301,397 |
| | | | | | <u>23,337,423</u> | <u>23,036,026</u> |
| | | | | | <u>\$ 22,742,400</u> | <u>23,337,423</u> |

The Notes to Basic Financial Statements are an integral part of this statement.

Statement of Assets, Liabilities and Fund Balances

Modified Cash Basis

Governmental Funds

June 30, 2020

| | General Fund | Special Revenue Funds | | Debt Service Fund | Total Governmental Funds | |
|---------------------------|----------------------|-----------------------|----------------|----------------------|--------------------------|-------------------|
| | | Transportation Fund | SS & IMRF Fund | Bond & Interest Fund | 2020 | 2019 |
| <u>Assets</u> | | | | | | |
| Cash and Cash Equivalents | \$ 14,494,635 | 1,110,419 | 586,802 | 1,535,533 | 17,727,389 | 18,345,623 |
| Total Assets | <u>\$ 14,494,635</u> | <u>1,110,419</u> | <u>586,802</u> | <u>1,535,533</u> | <u>17,727,389</u> | <u>18,345,623</u> |
| <u>Fund Balances</u> | | | | | | |
| Fund Balances: | | | | | | |
| Restricted | \$ 106,187 | - | 586,802 | 1,180,549 | 1,873,538 | 2,005,782 |
| Committed | 936,855 | - | - | - | 936,855 | 994,515 |
| Assigned | - | 1,110,419 | - | 354,984 | 1,465,403 | 1,779,252 |
| Unassigned | 13,451,593 | - | - | - | 13,451,593 | 13,566,074 |
| Total Fund Balances | <u>\$ 14,494,635</u> | <u>1,110,419</u> | <u>586,802</u> | <u>1,535,533</u> | <u>17,727,389</u> | <u>18,345,623</u> |

Reconciliation to Statement of Net Position:

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets of governmental activities totaling \$70,442,973 (net accumulated depreciation of \$38,321,964), are not financial resources and therefore are not reported in the funds.

32,121,009 33,165,896

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:

Outstanding Debt

(27,105,998) (28,174,096)

Net Position of Governmental Activities

\$ 22,742,400 23,337,423

The Notes to Basic Financial Statements are an integral part of this statement.

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2020

| | General Fund | Special Revenue Funds | | Debt Service Fund | Total Governmental Funds | |
|---|-----------------|------------------------|-------------------|-------------------------|--------------------------------|-------------|
| | | Transportation Fund | SS & IMRF Fund | Bond & Interest Fund | 2020 | 2019 |
| Revenues Received: | | | | | | |
| Local Sources | \$ 8,931,554 | 375,091 | 353,096 | 2,397,816 | 12,057,557 | 11,872,348 |
| Flow-through Sources | 73,821 | - | - | - | 73,821 | 236,685 |
| State Sources | 2,867,694 | 841,753 | - | - | 3,709,447 | 3,683,492 |
| Federal Sources | 2,789,440 | - | - | - | 2,789,440 | 2,763,073 |
| On Behalf Payments | 645,533 | - | - | - | 645,533 | 588,305 |
| Total Revenues Received | 15,308,042 | 1,216,844 | 353,096 | 2,397,816 | 19,275,798 | 19,143,903 |
| Expenditures Disbursed: | | | | | | |
| Current: | | | | | | |
| Instructional | 5,952,586 | - | 61,779 | - | 6,014,365 | 5,834,065 |
| Support | 5,623,379 | 1,530,693 | 376,530 | - | 7,530,602 | 7,149,851 |
| Community Service | 12,450 | - | 31 | - | 12,481 | 16,254 |
| Payments to Other Districts | 2,804,055 | - | - | - | 2,804,055 | 2,644,431 |
| On Behalf Payments | 645,533 | - | - | - | 645,533 | 588,305 |
| Capital Outlay | 441,377 | - | - | - | 441,377 | 430,327 |
| Debt Service: | | | | | | |
| Interest and Fiscal Charges | - | - | - | 1,377,521 | 1,377,521 | 1,698,263 |
| Principal | - | - | - | 1,068,098 | 1,068,098 | 793,844 |
| Total Expenditures Disbursed | 15,479,380 | 1,530,693 | 438,340 | 2,445,619 | 19,894,032 | 19,155,340 |
| Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed | (171,338) | (313,849) | (85,244) | (47,803) | (618,234) | (11,437) |
| Other Financing Sources (Uses): | | | | | | |
| Proceeds from Sale of Bonds | - | - | - | - | - | 7,465,000 |
| Premium on Sale of Bonds | - | - | - | - | - | 556,872 |
| Payment to Refunded Bond Escrow Agent - Interest | - | - | - | - | - | (98,715) |
| Payment to Refunded Bond Escrow Agent - Principal | - | - | - | - | - | (7,790,000) |
| Total Other Financing Sources (Uses) | - | - | - | - | - | 133,157 |
| Net Change in Fund Balance | (171,338) | (313,849) | (85,244) | (47,803) | (618,234) | 121,720 |
| Fund Balance, Beginning of Year | 14,665,973 | 1,424,268 | 672,046 | 1,583,336 | 18,345,623 | 18,223,903 |
| Fund Balance, End of Year | \$ 14,494,635 | 1,110,419 | 586,802 | 1,535,533 | 17,727,389 | 18,345,623 |

The Notes to Basic Financial Statements are an integral part of this statement.

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

| Reconciliation to the Statement of Activities: | <u>2020</u> | <u>2019</u> |
|---|---------------------|--------------------|
| Net Change in Fund Balances - governmental activities | \$ (618,234) | 121,720 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | | |
| Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position: | | |
| Debt Principal | 1,068,098 | 793,844 |
| Bonds Refunded | - | 7,790,000 |
| Bonds Issued | - | (7,465,000) |
| Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The change in fund balance must be increased by capital purchases and decreased by depreciation expense. | | |
| Capital additions | 83,740 | 215,969 |
| Depreciation expense | <u>(1,128,627)</u> | <u>(1,155,136)</u> |
| Change in Net Position of Governmental Activities (Statement B) | <u>\$ (595,023)</u> | <u>301,397</u> |

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020**

| | Agency Funds | Trust Funds | Totals June 30, | |
|---------------------------------------|-----------------|----------------|-----------------|---------|
| | | | 2020 | 2019 |
| <u>Assets</u> | | | | |
| Cash | \$ 367,242 | 150,168 | 517,410 | 837,346 |
| <u>Liabilities</u> | | | | |
| Due to Student Activity Organizations | 367,242 | - | 367,242 | 315,739 |
| <u>Net Position</u> | | | | |
| Restricted | \$ - | 150,168 | 150,168 | 521,607 |

**Statement of Changes in Fiduciary Net Position
Trust Funds
For the Year Ended June 30, 2020**

STATEMENT F

| | Employee Benefit Claim Trust | Dental Plan Trust | Grundy Bank Employee Benefit Trust | ISDLAF Employee Benefit Trust | Totals Year Ended June 30, | |
|---------------------------------|------------------------------------|----------------------|--|-------------------------------------|-------------------------------|-----------|
| | | | | | 2020 | 2019 |
| <u>Additions</u> | | | | | | |
| Contributions | \$ 1,826,025 | 78,928 | 1,779,086 | - | 3,684,039 | 3,023,659 |
| <u>Deductions</u> | | | | | | |
| Benefit Claims | 1,789,433 | 51,653 | 2,214,372 | 20 | 4,055,478 | 3,544,888 |
| Net Increase (Decrease) | 36,592 | 27,275 | (435,286) | (20) | (371,439) | (521,229) |
| Net Position, Beginning of Year | 22,239 | 10,134 | 489,214 | 20 | 521,607 | 1,042,836 |
| Net Position, End of Year | \$ 58,831 | 37,409 | 53,928 | - | 150,168 | 521,607 |

The Notes to Basic Financial Statements are an integral part of this statement.

NOTES TO BASIC FINANCIAL STATEMENTS

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Wilmington Community Unit School District 209U (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Illinois. It is governed by a seven-member Board of Education (the "Board") elected by registered voters of the District. The financial statements of the District have been prepared on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Illinois, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the District's accounting policies are described below.

Reporting Entity

The District has developed criteria to determine whether outside agencies with activities which benefit the citizens of the District, including joint agreements which serve pupils from numerous Districts, should be included within its financial reporting entity. Oversight responsibility is derived from the governmental unit's authority and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters, scope of public services, and special financing relationships. There are no component units as defined above that are included in the District's reporting entity. The District is not included in any other governmental "reporting entity."

The District is a member of the Southern Will County Cooperative for Special Education (SOWIC), the Three Rivers Education for Employment System (TREES), and the Wilco Area Career Center (WILCO), along with other area school districts. The District's pupils benefit from programs administered under these joint agreements, and the District benefits from jointly administered grants and programming. The joint agreements undergo separate audits, and financial information is available at their offices. The SOWIC office is located at 1207 N. Larkin Ave., Joliet, Illinois. The TREES office is located at 214 N. Ottawa St., Suite 309, Joliet, Illinois. The WILCO office is located at 500 Wilco Blvd., Romeoville, Illinois.

A. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements. The Statement of Net Position and Statement of Activities display information about the District as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- (Continued)

A. *Basis of Presentation -- (Continued)*

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenditures and program revenues for each program or function of the District's governmental activities. Direct expenditures are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenditures with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at a more detailed level. The focus of governmental financial statements is on major funds. Each major fund is presented in a separate column. The fiduciary funds are reported by type.

B. *Fund Accounting*

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate. The District maintains individual funds required by the State of Illinois. These funds are grouped as required for reports filed with the Illinois State Board of Education.

District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. total assets, liabilities, revenues, or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- (Continued)

B. Fund Accounting -- (Continued)

There are two categories of funds utilized by the District: governmental and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. The following are the District's major governmental funds:

General Fund - The General Fund, which consists of the Educational Fund, the Operations and Maintenance Fund, and the Working Cash Fund, is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Special Education taxes are included in the Educational Fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. Major Special Revenue Funds include:

1. Transportation Fund – The Transportation Fund is used to account for the accumulation of property tax and grant revenues for the payment of transportation (busing) expenditures for the District.
2. Social Security & IMRF Fund - The Social Security & IMRF Fund is used to account for the accumulation of property tax revenues for the payment of Social Security, Medicare, and Illinois Municipal Retirement Fund expenditures for the District.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs. The District has one debt service fund that is considered a major fund:

1. Bond and Interest Fund - The Bond and Interest Fund is used to account for principal and interest related to long-term debt issued by the District. The fund balance in this fund is restricted for debt service related expenditures.

Fiduciary Funds. Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. The District's fiduciary funds include an agency fund which reports resources that belong to the student bodies of the District and trust funds that are used to account for assets held by the District under employee medical and dental insurance agreements.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- (Continued)

C. Measurement Focus and Basis of Accounting

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus and the modified cash basis of accounting. This means that only balances resulting from previous cash transactions are shown on the Statement of Net Position, with two modifications: capital assets net of related depreciation and long-term liabilities resulting from debt issuances are also included. The Statement of Activities presents increases (i.e. revenues) and decreases (i.e. expenditures) in total net position, with three modifications: capital acquisitions are not reported as disbursements but rather capitalized and shown as assets on the Statement of Net Position, depreciation expense is reported in the Statement of Activities and long-term debt principal payments are shown as a reduction of long-term liabilities on the Statement of Net Position rather than an expenditure on the Statement of Activities.

Fund Financial Statements All governmental funds are accounted for using the current financial resources measurement focus and the cash basis of accounting. This means that only current assets, liabilities and fund balances resulting from previous cash transactions are shown on the Statement of Assets, Liabilities and Fund Balance Arising from Cash Transactions. The Statement of Revenues Received, Expenditures Disbursed, and Changes in Fund Balances reports on the sources (i.e. revenues) and uses (i.e. expenditures). Revenues are recognized when cash is received. Expenditures are recognized when checks are written. Allocations of cost, such as depreciation, are not recognized in governmental funds. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

D. Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less. Trust account investments in open-ended mutual funds are also considered cash equivalents.

To improve cash management, the District utilizes a pooled account. Monies for all funds, excluding fiduciary funds, are maintained in this pool. Individual fund integrity is maintained through District records. Interest in the pool is presented as "cash."

Investments

Investments are stated at cost which approximates market value. Gains or losses on the sale of investments are recognized upon realization. The institutions in which investments are made must be approved by the Board of Education. During the fiscal year, the District had no investments.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- (Continued)

E. Capital Assets

In the government-wide financial statements, capital assets arising from cash transactions are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if the actual cost is unavailable. Estimated historical cost was used to value the majority of the assets acquired prior to July 1, 2004. Assets acquired since July 1, 2004 are recorded at cost.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five hundred dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

Depreciation of all exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is computed using the straight-line method over the following useful lives:

| <u>Description</u> | <u>Estimated Lives</u> |
|--------------------|------------------------|
| Buildings | 39-50 Years |
| Improvements | 10-20 Years |
| Equipment | 3-10 Years |

F. Compensated Absences

Full-time certified employees are allowed to accrue 2 days of personal leave and 15 days of sick leave to a maximum of 340. Accumulated sick leave will be paid out upon retirement. Accumulated sick leave in excess of 340 days not used for the purpose of retirement will be paid at a rate of \$25 per day to be paid after retirement.

Support personnel are granted sick leave in varying amounts, depending upon length of service. Unused leave is allowed to accrue to a maximum of 240 days and will be paid out upon retirement. Support personnel are also granted vacation leave in varying amounts depending upon length of service. Unused vacation leave does not accumulate.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- (Continued)

G. Net Position

In the Government-wide financial statements net position represents the difference between assets and liabilities, and is displayed in three components:

1. Net Position invested in capital assets - consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of these assets. At June 30, 2020, net investment in capital assets consists of the following:

| | |
|----------------------------------|---------------------|
| Capital assets, at cost | \$ 70,442,973 |
| Less: Accumulated depreciation | <u>(38,321,964)</u> |
| Capital assets, net | 32,121,009 |
| Less: | |
| General obligation bonds | <u>(27,105,998)</u> |
| Net investment in capital assets | <u>\$ 5,015,011</u> |

2. Restricted net position - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

H. Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

I. Reclassifications

Certain prior year balances have been reclassified to conform to the current year presentation.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 2: DEPOSITS

The District is allowed to invest in securities as authorized by the School Code of Illinois, Chapter 85, Sections 902 and 906; and Chapter 122, Section 8-7 and limited by their own local ordinance. The District has adopted a formal written investment and cash management policy. The institution in which investments are made must be approved by the Board of Education. Currently, the District invests in Illinois Institutional Investors Trust, Illinois School District Liquid Asset Fund Plus, and certificates of deposit. These are reported on the financial statements as cash equivalents.

Custodial Credit Risk - the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's custodial credit risk policy is included in a formal written investment and cash management policy.

Deposits consist of the following at June 30, 2020 (excluding Trust and Agency fund deposits held for others):

| | <u>Carrying Amount</u> | <u>Bank Balance</u> |
|--|------------------------|---------------------|
| Checking Accounts | \$ 10,436 | 34,434 |
| Money Market Accounts | 5,111,267 | 5,111,200 |
| Certificates of Deposit | 2,066,683 | 2,066,683 |
| Total Bank Deposits | <u>7,188,386</u> | <u>7,212,317</u> |
| Illinois School District Liquid Asset Fund | 10,538,381 | 10,499,893 |
| IIIT | 622 | 622 |
| Total Cash and Equivalents | <u>\$ 17,727,389</u> | <u>17,712,832</u> |

The District's bank deposits are required to be covered by federal depository insurance (FDIC) or by securities held by the pledging financial institution. The FDIC currently insures the first \$250,000 of the District's deposits at each financial institution. Deposit balances over \$250,000 are collateralized with securities held by the pledging financial institution. At June 30, 2020, the carrying amount of the District's bank deposits (excluding and Trust and Agency fund deposits held for others) was \$7,188,386 and the bank balance was \$7,212,317. At June 30, 2020, (\$6,068,660) of the District's uninsured bank deposits were collateralized by securities held by the pledging financial institution and \$893,657 was uncollateralized.

The Illinois School District Liquid Asset Fund. The Illinois School District Liquid Asset Fund is an external investment pool sponsored by the Illinois Association of School Boards, the Illinois Association of School Administrators and the Illinois Association of School Business Officials. PMA Securities, Inc. administers the fund. A thirteen-member Board of Trustees oversees the actions of the Administrator and decides on general policies. The fund invests in high-quality, short-term debt instruments guaranteed by the full faith and credit of the United States, certain U.S. government agency obligations, commercial paper, bank obligations and other obligations permitted by Illinois law. The monies invested in the Illinois School District Liquid Asset Funds are reported at cost which approximates market value.

The Illinois Institutional Investment Trust. The Trust offers its participants the Illinois Portfolio and Illinois Term, both professionally managed portfolios which seek to preserve principal, provide daily liquidity and earn a high level of income, consistent with its objectives of preserving principal.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 2: DEPOSITS - (Continued)

The Trust stresses “safety of principal” as the number one objective and the Illinois Portfolio is rated AAAM by Standard and Poor’s. Additional fixed income investment products are available through the Investment Advisor to assist Trust participants in seeking to maximize results.

Credit Risk - the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District’s investing activities are managed under the custody of the District Superintendent and Treasurer. Investing is performed in accordance with investment policies adopted by the Board of Education complying with the School Code of Illinois.

Interest Rate Risk - the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The District’s procedures provide that to the extent practicable, investments are matched with anticipated cash flows. Concentration of credit risk is the risk of loss attributed to the magnitude of the District’s investment in a single issuer.

Concentration Risk - the risk that is a result of the Board placing no limit on the amount that can be invested with any single issuer. The money market accounts and the ISDLAF investments are more than 5 percent of total investments.

NOTE 3: COMMON BANK AND INVESTMENT ACCOUNTS

Separate bank and investment accounts are not maintained for all District funds; instead, cash of certain funds is combined in common bank accounts. The general checking, imprest, money market, and ISDLAF/IIIT accounts are allocated between funds. Individual accounting records are maintained showing the cash balance attributed to each fund. As of June 30, 2020, the funds participating in the common bank account had the following pooled balances (overdrafts):

| <u>Fund</u> | <u>Pooled Balance</u> |
|-------------------------------|-----------------------|
| Educational Fund | \$ 11,518,891 |
| Operations & Maintenance Fund | 1,163,016 |
| Working Cash Fund | 1,812,728 |
| Total General Fund | <u>14,494,635</u> |
| Transportation Fund | 1,110,419 |
| Debt Service Fund | 586,802 |
| IMRF and Social Security Fund | <u>1,535,533</u> |
| Total | <u>\$ 17,727,389</u> |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 4: PROPERTY TAXES

On the cash basis of accounting, property taxes are recognized as revenues when they are received. The 2018 levy was passed by the Board on December 12, 2018 in the amount of \$9,798,722, increased by bond and interest levy and decreased by statutory limitations to \$10,435,562, of which \$4,848,165 was collected in the current fiscal year. The 2019 levy was passed by the Board on December 10, 2019 in the amount of \$9,977,949, increased by bond and interest levy and decreased by statutory limitations to \$10,624,735 of which \$5,438,482 was collected in the current fiscal year. The remainder of the 2019 levy will be collected during the next fiscal year.

The property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on June 1 and September 1 subsequent to the year of the levy. Taxes are remitted to the District in the month following the due dates.

The following specific levy could result in restricted fund balances:

Special Education. Revenue collected and the related expenses paid from this restricted levy are accounted for in the Educational Fund. A total of \$32,525 was collected and all was spent in the current fiscal year, resulting in no restricted fund balance.

NOTE 5: LEASE AGREEMENTS

A. Facilities Lease

The District is the lessor in an agreement with the Southern Will County Cooperative for Special Education (SOWIC), a related party, for the use of a portion of the south wing of the Wilmington High School. The lease is payable in monthly installments of \$6,500 per month beginning on July 1, 2016 and ending June 30, 2021. SOWIC will also reimburse the District for 10% of all utility costs. For the year ended June 30, 2020, lease revenues and utility reimbursements from this agreement totaled \$107,279, which has been recorded in the General Fund.

B. Farm Lease

The District owns 38 acres of farm land, which it has agreed to lease to an individual at the rate of \$165.35 per acre for the 2020-2023 farming seasons.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 6: LEGAL DEBT MARGIN

Legal debt margin is the percent of the District's assessed valuation which is subject to debt limitation. The statutory debt limitation for the District is 13.8%. In addition to the statutory limitation, the District was authorized to issue bonds with an aggregate principal amount not to exceed \$2,285,000 during the year ended June 30, 2011. The District's legal debt margin limitation is as follows for the fiscal year ended June 30, 2020:

| | |
|-------------------------------------|-----------------------|
| Assessed Valuation (2019) | <u>\$ 249,946,709</u> |
| Statutory Debt Limitation (13.8%) | \$ 34,492,646 |
| Total Debt | 27,105,998 |
| Debt Not Subject To Limitation | <u>(1,415,000)</u> |
| Total Debt Applicable to Limitation | <u>25,690,998</u> |
| Legal Debt Margin | <u>\$ 8,801,648</u> |

NOTE 7: CONTRACT COMMITMENTS

A. Transportation Agreement

The District has a transportation agreement with Illinois Central School Bus, LLC for school bus transportation for the District's students each and every day that school is convened and in accordance with bus routes and schedules as submitted to and provided by the District. The agreement began on July 1, 2019 and ended on June 30, 2020. Under this agreement, the District paid \$1,286,329 for the year ended June 30, 2020.

B. Teachers' Contracts

Teachers' contracts for services rendered during the school year for teachers electing twelve-month pay schedules are recorded in the fiscal year when such checks are drawn. At June 30, 2020, the total amount of unpaid teachers' contracts for services performed during the year amounted to \$832,142.

NOTE 8: JOINTLY GOVERNED ORGANIZATIONS

The Southern Will County Cooperative for Special Education is a jointly governed organization that was formed for the purpose of providing special education for the handicapped children in the ten-member school districts. The governing board consists of the superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. During fiscal year 2020, the District paid \$2,598,702 to the Cooperative. Financial information can be obtained by writing, Southern Will County Cooperative for Special Education 1207 North Larkin Ave, Joliet, IL 60435.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 8: JOINTLY GOVERNED ORGANIZATIONS – (Continued)

The Wilco Area Career Center is a jointly governed organization that was formed for the purpose of providing career and technical training to students of the member school districts. The governing board consists of five member Board of Control appointed by the member Districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. During fiscal year 2020, the District paid \$221,694 to the Wilco Area Career Center. Financial information can be obtained by writing, Wilco Area Career Center 500 Wilco Drive, Romeoville, IL 60446.

NOTE 9 CAPITAL ASSETS

| | July 1, 2019 | Additions | Deletions | June 30, 2020 |
|---|----------------------|--------------------|-----------|---------------------|
| Capital Assets, not being depreciated: | | | | |
| Land | \$ 1,594,964 | - | - | 1,594,964 |
| Total Capital Assets, not being depreciated | <u>1,594,964</u> | <u>-</u> | <u>-</u> | <u>1,594,964</u> |
| Capital Assets, being depreciated: | | | | |
| Building | 61,053,235 | - | - | 61,053,235 |
| Building Improvements | 2,639,310 | 48,697 | - | 2,688,007 |
| Equipment | 4,991,829 | 35,043 | - | 5,026,872 |
| Food Service Equipment | 79,895 | - | - | 79,895 |
| Total Capital Assets, being depreciated | <u>68,764,269</u> | <u>83,740</u> | <u>-</u> | <u>68,848,009</u> |
| Total Capital Assets | <u>70,359,233</u> | <u>83,740</u> | <u>-</u> | <u>70,442,973</u> |
| Less Accumulated Depreciation: | | | | |
| Building | (31,414,152) | (898,621) | - | (32,312,773) |
| Building Improvements | (922,400) | (153,898) | - | (1,076,298) |
| Equipment | (4,790,944) | (73,272) | - | (4,864,216) |
| Food Service Equipment | (65,841) | (2,837) | - | (68,678) |
| Total Accumulated Depreciation | <u>(37,193,337)</u> | <u>(1,128,628)</u> | <u>-</u> | <u>(38,321,964)</u> |
| Total Capital Assets being depreciated, net | <u>31,570,932</u> | <u>(1,044,888)</u> | <u>-</u> | <u>30,526,045</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 33,165,896</u> | <u>(1,044,888)</u> | <u>-</u> | <u>32,121,009</u> |

Depreciation expense was charged to governmental functions as follows:

| | |
|----------------------------|----------------------------|
| Instruction: | \$ 191,867 |
| Support Services: | <u>936,761</u> |
| Total Depreciation Expense | <u><u>\$ 1,128,628</u></u> |

Significant capital additions during the fiscal year included:

| | |
|----------------------------|----------|
| Intercom System Upgrades | \$28,132 |
| Camera System Upgrades | 20,565 |
| Bedford Corex Charge Carts | 13,189 |
| Cafeteria Tables | 14,353 |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 10: LONG-TERM DEBT OBLIGATIONS

The following is a summary of the District's general long-term debt obligations for the year ended June 30, 2020:

| | Principal Outstanding 7/1/2019 | Additions | Reductions | Principal Outstanding 6/30/2020 | Amount Due in One Year |
|---|--------------------------------------|-----------|------------------|---------------------------------------|---------------------------|
| Long-term Debt Obligations: | | | | | |
| 2003 4.4% - 7.0% \$1,375,000 Working Cash Bonds | \$ 209,096 | - | 78,098 | 130,998 | 73,731 |
| 2010A 5% \$1,000,000 General Obligation Bond | 1,000,000 | - | - | 1,000,000 | - |
| 2011 6.5% \$415,000 General Obligation Bond | 415,000 | - | - | 415,000 | - |
| 2012A 2-5.5% \$8,100,000 General Obligation Bond | 7,460,000 | - | 340,000 | 7,120,000 | 350,000 |
| 2015 4-5% \$4,910,000 Refunding Bonds | 4,910,000 | - | - | 4,910,000 | - |
| 2017 3-4% \$6,895,000 Refunding Bonds | 6,715,000 | - | - | 6,715,000 | - |
| 2019 4-5% \$7,465,000 Refunding Bonds | 7,465,000 | - | 650,000 | 6,815,000 | 660,000 |
| Total Long-Term Debt | <u>\$ 28,174,096</u> | <u>-</u> | <u>1,068,098</u> | <u>27,105,998</u> | <u>1,083,731</u> |

On March 1, 2003, the District issued \$1,375,000 in working cash bonds. The bonds' final maturity is December 1, 2021. Bond and interest payments are made from the Bond & Interest Fund. The bond payment schedule is as follows:

| Due Date | Principal | Interest | Total |
|-----------|-------------------|----------------|----------------|
| 12/1/2020 | \$ 73,731 | 96,269 | 170,000 |
| 12/1/2021 | 57,267 | 82,733 | 140,000 |
| Totals | <u>\$ 130,998</u> | <u>179,002</u> | <u>310,000</u> |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 10: LONG-TERM DEBT OBLIGATIONS- (Continued)

On September 23, 2010, the District issued \$1,000,000 in general obligation bonds for the purpose of site improvements and building renovations. Bond and interest payments are made from the Bond & Interest Fund. The bonds' final maturity is January 1, 2029. The bond payment schedule is as follows:

| <u>Due Date</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------|---------------------|-----------------|------------------|
| 7/1/2020 | \$ - | 25,000 | |
| 1/1/2021 | - | 25,000 | 50,000 |
| 7/1/2021 | - | 25,000 | |
| 1/1/2022 | 105,000 | 25,000 | 155,000 |
| 7/1/2022 | - | 22,375 | |
| 1/1/2023 | 110,000 | 22,375 | 154,750 |
| 7/1/2023 | - | 19,625 | |
| 1/1/2024 | 115,000 | 19,625 | 154,250 |
| 7/1/2024 | - | 16,750 | |
| 1/1/2025 | 120,000 | 16,750 | 153,500 |
| 7/1/2025 | - | 13,750 | |
| 1/1/2026 | 125,000 | 13,750 | 152,500 |
| 7/1/2026 | - | 10,625 | |
| 1/1/2027 | 135,000 | 10,625 | 156,250 |
| 7/1/2027 | - | 7,250 | |
| 1/1/2028 | 140,000 | 7,250 | 154,500 |
| 7/1/2028 | - | 3,750 | |
| 1/1/2029 | 150,000 | 3,750 | 157,500 |
| | <u>\$ 1,000,000</u> | <u>288,250</u> | <u>1,288,250</u> |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 10: LONG-TERM DEBT OBLIGATIONS- (Continued)

On February 23, 2011, the District issued \$415,000 in general obligation bonds for the purpose of site improvements and building renovations. The bonds' final maturity is January 1, 2027. Bond and interest payments are made from the Bond & Interest Fund. The bond payment schedule is as follows:

| <u>Due Date</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------|-------------------|-----------------|----------------|
| 7/1/2020 | \$ - | 13,488 | |
| 1/1/2021 | - | 13,488 | 26,975 |
| 7/1/2021 | - | 13,488 | |
| 1/1/2022 | - | 13,488 | 26,975 |
| 7/1/2022 | - | 13,488 | |
| 1/1/2023 | - | 13,488 | 26,975 |
| 7/1/2023 | - | 13,488 | |
| 1/1/2024 | - | 13,488 | 26,975 |
| 7/1/2024 | - | 13,488 | |
| 1/1/2025 | - | 13,488 | 26,975 |
| 7/1/2025 | - | 13,488 | |
| 1/1/2026 | - | 13,488 | 26,975 |
| 7/1/2026 | - | 13,488 | |
| 1/1/2027 | 415,000 | 13,488 | 441,975 |
| | <u>\$ 415,000</u> | <u>188,825</u> | <u>603,825</u> |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 10: LONG-TERM DEBT OBLIGATIONS- (Continued)

On February 1, 2012, the District issued \$8,100,000 in general obligation refunding bonds for the purpose of refunding the series 2006 and series 2008 general obligation bonds for additional levy savings. The bonds' final maturity is February 1, 2027. Bond and interest payments are made from the Bond & Interest Fund. The bond payment schedule is as follows:

| <u>Due Date</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------|---------------------|------------------|------------------|
| 8/1/2020 | \$ - | 190,763 | |
| 2/1/2021 | 350,000 | 190,763 | 731,525 |
| 8/1/2021 | - | 183,763 | |
| 2/1/2022 | 340,000 | 183,763 | 707,525 |
| 8/1/2022 | - | 175,263 | |
| 2/1/2023 | 240,000 | 175,263 | 590,525 |
| 8/1/2023 | - | 169,263 | |
| 2/1/2024 | 385,000 | 169,263 | 723,525 |
| 8/1/2024 | - | 159,638 | |
| 2/1/2025 | 1,810,000 | 159,638 | 2,129,275 |
| 8/1/2025 | - | 109,863 | |
| 2/1/2026 | 3,235,000 | 109,863 | 3,454,725 |
| 8/1/2026 | - | 20,900 | |
| 2/1/2027 | 760,000 | 20,900 | 801,800 |
| | <u>\$ 7,120,000</u> | <u>2,018,900</u> | <u>9,138,900</u> |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 10: LONG-TERM DEBT OBLIGATIONS- (Continued)

On January 14, 2015, the District issued \$4,910,000 in taxable general obligation refunding bonds for the purpose of refunding a portion of the series 2006 general obligation bonds for additional levy savings. The bonds' final maturity is February 1, 2034. The bond payment schedule is as follows:

| <u>Due Date</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------|---------------------|------------------|------------------|
| 8/1/2020 | \$ - | 114,425 | |
| 2/1/2021 | - | 114,425 | 228,850 |
| 8/1/2021 | - | 114,425 | |
| 2/1/2022 | - | 114,425 | 228,850 |
| 8/1/2022 | - | 114,425 | |
| 2/1/2023 | - | 114,425 | 228,850 |
| 8/1/2023 | - | 114,425 | |
| 2/1/2024 | - | 114,425 | 228,850 |
| 8/1/2024 | - | 114,425 | |
| 2/1/2025 | - | 114,425 | 228,850 |
| 8/1/2025 | - | 114,425 | |
| 2/1/2026 | - | 114,425 | 228,850 |
| 8/1/2026 | - | 114,425 | |
| 2/1/2027 | - | 114,425 | 228,850 |
| 8/1/2027 | - | 114,425 | |
| 2/1/2028 | 500,000 | 114,425 | 728,850 |
| 8/1/2028 | - | 101,925 | |
| 2/1/2029 | 520,000 | 101,925 | 723,850 |
| 8/1/2029 | - | 88,925 | |
| 2/1/2030 | 705,000 | 88,925 | 882,850 |
| 8/1/2030 | - | 71,300 | |
| 2/1/2031 | 740,000 | 71,300 | 882,600 |
| 8/1/2031 | - | 52,800 | |
| 2/1/2032 | 780,000 | 52,800 | 885,600 |
| 8/1/2032 | - | 33,300 | |
| 2/1/2033 | 815,000 | 33,300 | 881,600 |
| 8/1/2033 | - | 17,000 | |
| 2/1/2034 | 850,000 | 17,000 | 884,000 |
| | <u>\$ 4,910,000</u> | <u>2,561,300</u> | <u>7,471,300</u> |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 10: LONG-TERM DEBT OBLIGATIONS- (Continued)

On August 1, 2017, the District issued \$6,895,000 in taxable general obligation refunding bonds for the purpose of refunding a portion of the series 2006 general obligation bonds for additional levy savings. The bonds' final maturity is February 1, 2037. The bond payment schedule is as follows:

| <u>Due Date</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------|---------------------|------------------|-------------------|
| 8/1/2020 | \$ - | 134,300 | |
| 2/1/2021 | - | 134,300 | 268,600 |
| 8/1/2021 | - | 134,300 | |
| 2/1/2022 | - | 134,300 | 268,600 |
| 8/1/2022 | - | 134,300 | |
| 2/1/2023 | - | 134,300 | 268,600 |
| 8/1/2023 | - | 134,300 | |
| 2/1/2024 | - | 134,300 | 268,600 |
| 8/1/2024 | - | 134,300 | |
| 2/1/2025 | - | 134,300 | 268,600 |
| 8/1/2025 | - | 134,300 | |
| 2/1/2026 | - | 134,300 | 268,600 |
| 8/1/2026 | - | 134,300 | |
| 2/1/2027 | - | 134,300 | 268,600 |
| 8/1/2027 | - | 134,300 | |
| 2/1/2028 | 560,000 | 134,300 | 828,600 |
| 8/1/2028 | - | 123,100 | |
| 2/1/2029 | 580,000 | 123,100 | 826,200 |
| 8/1/2029 | - | 111,500 | |
| 2/1/2030 | 605,000 | 111,500 | 828,000 |
| 8/1/2030 | - | 99,400 | |
| 2/1/2031 | 630,000 | 99,400 | 828,800 |
| 8/1/2031 | - | 86,800 | |
| 2/1/2032 | 655,000 | 86,800 | 828,600 |
| 8/1/2032 | - | 73,700 | |
| 2/1/2033 | 680,000 | 73,700 | 827,400 |
| 8/1/2033 | - | 60,100 | |
| 2/1/2034 | 710,000 | 60,100 | 830,200 |
| 8/1/2034 | - | 45,900 | |
| 2/1/2035 | 735,000 | 45,900 | 826,800 |
| 8/1/2035 | - | 31,200 | |
| 2/1/2036 | 765,000 | 31,200 | 827,400 |
| 8/1/2036 | - | 15,900 | |
| 2/1/2037 | 795,000 | 15,900 | 826,800 |
| | <u>\$ 6,715,000</u> | <u>3,444,000</u> | <u>10,159,000</u> |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 10: LONG-TERM DEBT OBLIGATIONS- (Continued)

On February 26, 2019, the District issued \$7,465,000 in taxable general obligation refunding bonds for the purpose of refunding the remaining portion of the series 2006, 2009, and 2010 general obligation bonds for additional levy savings. The bonds' final maturity is February 1, 2039. The bond payment schedule is as follows:

| <u>Due Date</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------|---------------------|------------------|-------------------|
| 8/1/2020 | \$ - | 155,175 | |
| 2/1/2021 | 660,000 | 155,175 | 970,350 |
| 8/1/2021 | - | 141,975 | |
| 2/1/2022 | 635,000 | 141,975 | 918,950 |
| 8/1/2022 | - | 129,275 | |
| 2/1/2023 | 920,000 | 129,275 | 1,178,550 |
| 8/1/2023 | - | 110,875 | |
| 2/1/2024 | 825,000 | 110,875 | 1,046,750 |
| 8/1/2024 | - | 94,375 | |
| 2/1/2025 | - | 94,375 | 188,750 |
| 8/1/2025 | - | 94,375 | |
| 2/1/2026 | - | 94,375 | 188,750 |
| 8/1/2026 | - | 94,375 | |
| 2/1/2027 | - | 94,375 | 188,750 |
| 8/1/2027 | - | 94,375 | |
| 2/1/2028 | - | 94,375 | 188,750 |
| 8/1/2028 | - | 94,375 | |
| 2/1/2029 | - | 94,375 | 188,750 |
| 8/1/2029 | - | 94,375 | |
| 2/1/2030 | - | 94,375 | 188,750 |
| 8/1/2030 | - | 94,375 | |
| 2/1/2031 | - | 94,375 | 188,750 |
| 8/1/2031 | - | 94,375 | |
| 2/1/2032 | - | 94,375 | 188,750 |
| 8/1/2032 | - | 94,375 | |
| 2/1/2033 | - | 94,375 | 188,750 |
| 8/1/2033 | - | 94,375 | |
| 2/1/2034 | - | 94,375 | 188,750 |
| 8/1/2034 | - | 94,375 | |
| 2/1/2035 | 685,000 | 94,375 | 873,750 |
| 8/1/2035 | - | 77,250 | |
| 2/1/2036 | 715,000 | 77,250 | 869,500 |
| 8/1/2036 | - | 59,375 | |
| 2/1/2037 | 755,000 | 59,375 | 873,750 |
| 8/1/2037 | - | 40,500 | |
| 2/1/2038 | 790,000 | 40,500 | 871,000 |
| 8/1/2038 | - | 20,750 | |
| 2/1/2039 | 830,000 | 20,750 | 871,500 |
| | <u>\$ 6,815,000</u> | <u>3,546,600</u> | <u>10,361,600</u> |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 11: RETIREMENT FUND COMMITMENTS

A. *Teachers' Retirement System of the State of Illinois*

General Information about the Plan

Plan Description

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active 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 <http://www.trsil.org/financial/cafrs/fy2019>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

Essentially all Tier 1 retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier 2 annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but has not yet gone into effect.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 11: RETIREMENT FUND COMMITMENTS – (Continued)

A. *Teachers' Retirement System of the State of Illinois – (Continued)*

Benefits Provided – (Continued)

Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2021. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs will began in 2019 and are funded by bonds issued by the state of Illinois.

Contributions

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

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

On Behalf Contributions to TRS – The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2020, state of Illinois contributions recognized by the District were \$578,268.

2.2 Formula Contributions – Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2020, were \$31,463.

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 contributions 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.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 11: RETIREMENT FUND COMMITMENTS – (Continued)

A. *Teachers' Retirement System of the State of Illinois -- (Continued)*

Contributions -- (Continued)

For the year ended June 30, 2020, the employer pension contribution was 10.66 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2020, salaries totaling \$106,303 were paid from federal and special trust funds that required employer contributions of \$11,332.

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. Additionally, beginning with the year ended June 30, 2020, employers will make a similar contribution for salary increases over 3 percent if members are not exempted by current collective bargaining agreements or contracts.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2020, the District paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent, \$0 for salary increases in excess of 3 percent, and \$0 for sick leave days granted in excess of the normal annual allotment.

B. *Illinois Municipal Retirement Defined Benefit Pension Plan*

IMRF Plan Description

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

Benefits Provided

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

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements
For the Year Ended June 30, 2020

NOTE 11: **RETIREMENT FUND COMMITMENTS** – (Continued)

B. *Illinois Municipal Retirement Defined Benefit Pension Plan -- (Continued)*

Benefits Provided -- (Continued)

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 Benefit Terms

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

| | |
|-------------------------------|-------------------|
| Retirees and beneficiaries | 52 |
| Inactive, non-retired members | 30 |
| Active members | <u>51</u> |
| Total | <u><u>133</u></u> |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 11: RETIREMENT FUND COMMITMENTS – (Continued)

B. Illinois Municipal Retirement Defined Benefit Pension Plan -- (Continued)

Contributions

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

| | |
|--|------------|
| Plan member required contribution rate | 4.50% |
| District required contribution rate for 2019 | 12.83% |
| District required contribution rate for 2020 | 15.61% |
| District actual contributions for 2019 | \$ 220,369 |
| District actual contributions for fiscal year 2020 | \$ 249,439 |

NOTE 12: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. Teachers' Health Insurance Security Fund

The District participates in the Teachers' Health Insurance Security (THIS) Fund of the State of Illinois. THIS is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan (OPEB) established by the Illinois legislature for the benefit of eligible retired Illinois public school teachers employed outside the city of Chicago (members). All District employees receiving monthly benefits from the Teachers' Retirement System (TRS) who have at least eight years of creditable service with TRS, the survivor of an annuitant or benefit recipient who had at least eight years of creditable service or a recipient of a monthly disability benefit are eligible to enroll in THIS.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Plan and amendments to the Plan can be made only by legislative action with the Governor's approval. The Plan is administered by the Illinois Department of Central Management Services. The publicly available financial report of the Plan may be found on the website of the Illinois Auditor General. The current reports are listed under "Central Management Services" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>).

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 12: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) – (Continued)

A. *Teachers' Health Insurance Security Fund -- (Continued)*

Benefits Provided. THIS provides medical, prescription, and behavioral health benefits for eligible retirees and their dependents, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan. The premiums charged reflect approximately a 75 percent subsidy for members that elect a managed care plan or elect the Teachers' Choice Health Plan (TCHP) if a managed care plan is either not available or only partially available. Members receive approximately a 50 percent subsidy if they elect the TCHP when a managed care plan is available. Medicare primary dependent beneficiaries enrolled in a managed care plan or in the TCHP when no managed care plan is available receive a premium subsidy.

Contributions. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6) specifies the contribution requirements of the participating school districts and covered employees. For the year ended June 30, 2020, required contributions are as follows:

- Active members contribute 1.24 percent of covered payroll.
- Employers contribute 0.92 percent of covered payroll. The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year. For the year ended June 30, 2020, the District paid \$49,907 to the THIS Fund, which was 100 percent of the required contribution.
- The State of Illinois makes contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members. The State contributed 1.24 percent of covered payroll. For the year ended June 30, 2020, State of Illinois contributions on behalf of the District's employees were \$67,266 and the District recognized revenue and expenditures for this on-behalf contribution amount during the year in the General Fund.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Basic Financial Statements
For the Year Ended June 30, 2020**

NOTE 13: TRANSFERS

During the current fiscal year, the District had the following interfund transfers:

| | <u>Transfer In</u> | <u>Transfer Out</u> |
|--------------------------|--------------------|---------------------|
| Major Governmental Funds | | |
| Educational Fund | \$ 14,964 | - |
| Working Cash Fund | - | 14,964 |
| Total Transfers | <u>\$ 14,964</u> | <u>14,964</u> |

This transfer was a permanent transfer from the Working Cash Fund to the Educational Fund for interest earned in the Working Cash Fund.

NOTE 14: FUND BALANCE – GASB 54 PRESENTATION

According to Government 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. Below are definitions of the differences and a summary of how these balances are reported.

A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) 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. Due to the cash basis nature of the District all such items are expensed at the time of purchase, so there is nothing to report for this classification.

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Restrictions may be imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Debt Service and Special Revenue Funds are by definition restricted for these specified purposes. The District has several revenue sources received within different funds that also fall into these categories:

1. Special Education - Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Educational Fund. Expenditures disbursed exceeded revenue received for this purpose, resulting in no restricted fund balance.
2. Leasing Levy - Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Educational Fund and the Operations & Maintenance Fund. No lease property taxes were received during the current fiscal year. However, a restricted fund balance from prior year of \$105,384, increased by interest income to \$106,187 at June 30, 2020 remains in the Operations & Maintenance Fund.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 14: FUND BALANCE – GASB 54 PRESENTATION - (Continued)

B. Restricted Fund Balance - Continued

3. State Grants - Proceeds from state grants and the related expenditures have been included in the Educational, Operations & Maintenance, and Transportation Funds. At June 30, 2020, expenditures disbursed exceeded revenue received from state grants, resulting in no restricted fund balance.
4. Federal Grants - Proceeds from federal grants and the related expenditures have been included in the Educational, Operations & Maintenance, and Transportation Funds. At June 30, 2020, expenditures disbursed exceeded revenue received from federal grants, resulting in no restricted fund balance.
5. Social Security - Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Social Security & IMRF Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$392,380.
6. IMRF - Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Social Security & IMRF Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$194,422.
7. Debt Service - Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Bond & Interest Fund. Revenue received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$1,180,549.

C. Committed Fund Balance

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.

The School Board commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Employee contracts for services rendered during the school year for employees electing twelve-month pay schedules are recorded as disbursements in the fiscal year when such checks are drawn. At June 30, 2020, the total amount of unpaid contracts for services performed amounted to \$826,283. This amount is shown as Committed in the Educational Fund.

Building site contributions from Will County and other municipalities have been committed by the Board for the purpose of land or building acquisition and improvement. At June 30, 2020, the District has \$110,572 in unspent building site contributions, which is reported as Committed in the Operations & Maintenance Fund.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 14: FUND BALANCE – GASB 54 PRESENTATION - (Continued)

D. Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the School Board itself or (b) the finance committee or by the Superintendent when the School Board has delegated the authority to assign amounts to be used for specific purposes. The District's Transportation Fund has a fund balance of \$1,110,419 which is assigned for the purpose of purchasing/leasing buses for student transportation. The Bond & Interest Fund has an assigned fund balance of \$354,984, which consists of Federal Impact Aid funds the District has assigned for the repayment of principal and interest in future years.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds.

F. Expenditures of Fund Balance

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

NOTE 15: RISK MANAGEMENT, CLAIMS, AND JUDGMENTS

The District's risk management activities are recorded in the Educational Fund and Operations & Maintenance Fund. No liability has been recorded in the books for future expenses related to risk management; these expenses are reported as the expenditures are made. Funds were not levied for tort during the fiscal year ending June 30, 2020.

The District is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year. Claims have not exceeded coverage in the prior three years.

NOTE 16: TAX ABATEMENTS

The District enters into property tax abatement agreements with businesses under state statute (ILCS 200/18-165). Under the statute, any taxing district, upon a majority vote of its governing authority, may, after the determination of the assessed valuation of its property, order the clerk of that county to abate any portion of its taxes on the following; commercial and industrial property, horse racing, auto racing, academic or research institute, housing for older persons, historical society, recreational facilities, relocated corporate headquarters, United States Military Public/Private Residential Developments, property located in qualified business corridor.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Basic Financial Statements For the Year Ended June 30, 2020

NOTE 16: TAX ABATEMENTS – (Continued)

For the fiscal year ended June 30, 2020, the District abated property taxes totaling \$114,009 from the 2019 tax levy and \$115,098 from the 2018 tax levy. The abatements included the following agreements that exceeded 10 percent of the total amount abated:

Tax Year 2019

The District had a 36 percent property tax abatement to Illinois Transport for maintaining its location at 20012 W. Arsenal Rd., Wilmington, IL 60481. The abatement amounted to \$36,454, or 32 percent of the total taxes abated by the District for the tax year.

The District had a 30 percent property tax abatement to U.S. Cold Storage for maintaining its location at 800 E. Kankakee River Dr., Wilmington, IL 60481. The abatement amounted to \$77,556, or 78 percent of the total taxes abated by the District for the tax year.

Tax Year 2018

The District had a 36 percent property tax abatement to Illinois Transport for maintaining its location at 20012 W. Arsenal Rd., Wilmington, IL 60481. The abatement amounted to \$36,802, or 32 percent of the total taxes abated by the District for the tax year.

The District had a 30 percent property tax abatement to U.S. Cold Storage for maintaining its location at 800 E. Kankakee River Dr., Wilmington, IL 60481. The abatement amounted to \$78,296, or 68 percent of the total taxes abated by the District for the tax year.

NOTE 17: CONTINGENCIES

Grant Revenues

The School District has received funding from state and federal grants which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the granting agencies. Any disallowed claims resulting from such audits could become a liability of the District. In the opinion of the District, any such disallowed claims will not have a material adverse effect on the overall financial position of the District.

NOTE 18: SUBSEQUENT EVENTS

Management evaluated subsequent events through October 19, 2020, the date the financial statements were available to be issued. No amounts were required to be recorded or disclosed in the financial statements as of June 30, 2020.

OTHER INFORMATION

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U
GENERAL FUND

SCHEDULE A-1

Combining Statement of Assets, Liabilities and Fund Balances
Arising from Cash Transactions
June 30, 2020

| | Educational Fund | Operations & Maintenance Fund | Working Cash Fund | Total General Fund |
|---------------------------|----------------------|-------------------------------------|----------------------|-----------------------|
| <u>Assets</u> | | | | |
| Cash and Cash Equivalents | \$ 11,518,891 | 1,163,016 | 1,812,728 | 14,494,635 |
| Total Assets | <u>\$ 11,518,891</u> | <u>1,163,016</u> | <u>1,812,728</u> | <u>14,494,635</u> |
| <u>Fund Balance</u> | | | | |
| Restricted | \$ - | 106,187 | - | 106,187 |
| Committed | 826,283 | 110,572 | - | 936,855 |
| Unassigned | 10,692,608 | 946,257 | 1,812,728 | 13,451,593 |
| Total Fund balance | <u>\$ 11,518,891</u> | <u>1,163,016</u> | <u>1,812,728</u> | <u>14,494,635</u> |

**WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U
GENERAL FUND**

SCHEDULE A-2

**Combining Statement of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balances
For the Year Ended June 30, 2020**

| | Educational Fund | Operations & Maintenance Fund | Working Cash Fund | Total General Fund | |
|--|---------------------|-------------------------------------|-------------------------|-----------------------|------------|
| | | | | 2020 | 2019 |
| Revenues Received | | | | | |
| Local Revenues | \$ 7,761,587 | 1,116,947 | 53,020 | 8,931,554 | 8,546,112 |
| Flow-through Revenues | 73,821 | - | - | 73,821 | 236,685 |
| State Revenues | 2,817,694 | 50,000 | - | 2,867,694 | 2,832,891 |
| Federal Revenues | 2,039,440 | 750,000 | - | 2,789,440 | 2,763,073 |
| On Behalf Payments | 645,533 | - | - | 645,533 | 588,305 |
| Total Revenues Received | 13,338,075 | 1,916,947 | 53,020 | 15,308,042 | 14,967,066 |
| Expenditures Disbursed | | | | | |
| Current: | | | | | |
| Instruction | 5,952,586 | - | - | 5,952,586 | 5,773,724 |
| Support Services | 3,952,606 | 1,670,773 | - | 5,623,379 | 5,363,879 |
| Community Service | 12,450 | - | - | 12,450 | 16,231 |
| Payments to Other Districts | 2,804,055 | - | - | 2,804,055 | 2,644,431 |
| On Behalf Payments | 645,533 | - | - | 645,533 | 588,305 |
| Capital Outlay | 131,490 | 309,887 | - | 441,377 | 430,327 |
| Total Expenditures Disbursed | 13,498,720 | 1,980,660 | - | 15,479,380 | 14,816,897 |
| Excess (Deficiency) of Revenues over Expenditures | (160,645) | (63,713) | 53,020 | (171,338) | 150,169 |
| Other Financing Sources (Uses): | | | | | |
| Transfer of Interest | 14,964 | - | (14,964) | - | - |
| Total Other Financing Sources (Uses) | 14,964 | - | (14,964) | - | - |
| Net Change in Fund Balance | (145,681) | (63,713) | 38,056 | (171,338) | 150,169 |
| Fund Balance, Beginning of Year | 11,664,572 | 1,226,729 | 1,774,672 | 14,665,973 | 14,515,804 |
| Fund Balance, End of Year | \$ 11,518,891 | 1,163,016 | 1,812,728 | 14,494,635 | 14,665,973 |

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance- Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

| | Original Budget | Final Budget | Year Ended June 30, | |
|--|--------------------|------------------|---------------------|------------------|
| | | | 2020 | 2019 |
| Educational | | | | |
| Revenues Received: | | | | |
| Local Sources: | | | | |
| Property Taxes: | | | | |
| Education Levy | \$ 5,860,000 | 5,860,000 | 6,282,733 | 5,856,612 |
| Special Education Levy | 31,600 | 31,600 | 32,525 | 31,579 |
| Payments in Lieu of Taxes: | | | | |
| Mobile Home Tax | 501 | 501 | - | - |
| Replacement Taxes | 210,775 | 210,775 | 277,732 | 263,727 |
| Regular Tuition from Other Districts | 10,000 | 10,000 | 14,976 | 9,431 |
| Interest on Investments | 160,000 | 160,000 | 96,672 | 152,942 |
| Food Service: | | | | |
| Sales to Pupils - Lunch | 245,000 | 245,000 | 199,065 | 249,789 |
| Other Food Service | 20,000 | 20,000 | 44,704 | 24,775 |
| District Activity Income: | | | | |
| Athletic Admissions | 30,000 | 30,000 | 27,983 | 20,954 |
| Activity Fees | 8,200 | 8,200 | 7,108 | 8,723 |
| Textbook Rentals/Resale | 66,000 | 66,000 | 69,570 | 78,563 |
| Other Revenue from Local Sources: | | | | |
| Rentals | 100,000 | 100,000 | 107,279 | 99,483 |
| Contributions from Private Sources | 260,000 | 260,000 | 306,425 | 269,244 |
| Drivers' Education Fees | 15,000 | 15,000 | 2,800 | 14,800 |
| Sale of Vocational Projects | - | - | 267,221 | 247,381 |
| Other Local Revenues | 30,000 | 30,000 | 24,794 | 50,476 |
| Total Local Sources | 7,047,076 | 7,047,076 | 7,761,587 | 7,378,479 |
| Flow-Through Receipts/Revenues: | | | | |
| USDA Forest Service Grant - Passed Through ROE | 73,821 | 73,821 | 73,821 | 236,685 |
| Total Flow-Through Receipts / Revenues | 73,821 | 73,821 | 73,821 | 236,685 |
| State Sources: | | | | |
| Unrestricted Grants-in-Aid: | | | | |
| Evidence Based Funding Formula | 2,500,000 | 2,500,000 | 2,544,505 | 2,492,325 |
| Special Education: | | | | |
| Private Facility Tuition | 52,000 | 52,000 | 33,777 | 35,437 |
| Orphanage - Individual | 43,478 | 43,478 | 78,617 | 123,339 |
| Orphanage - Summer School | 10,000 | 10,000 | 7,587 | 10,673 |
| CTE - Secondary Program Improvement | 24,000 | 24,000 | 22,202 | 23,141 |
| Free Lunch and Breakfast | 3,500 | 3,500 | 3,202 | 4,568 |
| Driver Education | 15,000 | 15,000 | 12,489 | 19,162 |
| Early Childhood - Block Grant | 126,000 | 126,000 | 115,315 | 123,291 |
| Other Restricted Revenue from State Sources | 800 | 800 | - | 955 |
| Total State Sources | 2,774,778 | 2,774,778 | 2,817,694 | 2,832,891 |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U
GENERAL FUND

SCHEDULE A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance- Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

| | Original Budget | Final Budget | Year Ended June 30, | |
|---|--------------------|-----------------|---------------------|------------|
| | | | 2020 | 2019 |
| Educational (Continued) | | | | |
| Revenues Received (Continued): | | | | |
| Federal Sources: | | | | |
| Federal Impact Aid | \$ 1,303,472 | 1,303,472 | 1,347,538 | 1,310,664 |
| Food Service: | | | | |
| National School Lunch Program | 219,000 | 219,000 | 173,974 | 229,597 |
| School Breakfast Program | 42,500 | 42,500 | 43,963 | 48,306 |
| Summer Food Service Program | - | - | 28,760 | - |
| ISBE Lanter Commodities/ DoD Fruits & Vegetables | - | - | 41,181 | 41,147 |
| Title I - Low Income | 328,085 | 328,085 | 324,292 | 328,968 |
| Medicaid Matching Funds - Admin Outreach | 8,000 | 8,000 | 18,364 | 16,087 |
| Medicaid Matching Funds - Fee For Service | 41,000 | 41,000 | 61,368 | 38,304 |
| Total Federal Programs | 1,942,057 | 1,942,057 | 2,039,440 | 2,013,073 |
| On Behalf Payments | 584,361 | 584,361 | 645,533 | 588,305 |
| Total Revenues Received | 12,422,093 | 12,422,093 | 13,338,075 | 13,049,433 |
| Expenditures Disbursed: | | | | |
| Instructional: | | | | |
| Regular Programs: | | | | |
| Salaries | 3,652,700 | 3,652,700 | 3,426,970 | 3,440,515 |
| Benefits | 921,625 | 1,063,365 | 953,836 | 874,197 |
| Purchased Services | 5,400 | 5,400 | 3,160 | 3,160 |
| Supplies | 168,123 | 168,123 | 80,543 | 76,320 |
| Other Objects | 2,145 | 2,145 | 1,681 | 1,677 |
| Total Regular Programs | 4,749,993 | 4,891,733 | 4,466,190 | 4,395,869 |
| Pre-K Programs: | | | | |
| Salaries | 63,343 | 63,343 | 61,911 | 60,843 |
| Benefits | 11,655 | 11,655 | 8,634 | 9,130 |
| Purchased Services | 800 | 800 | 762 | 968 |
| Supplies | 11,681 | 11,681 | 12,318 | 12,461 |
| Capital Outlay | 5,000 | 5,000 | 640 | 2,996 |
| Total Pre- K Programs | 92,479 | 92,479 | 84,265 | 86,398 |
| Special Education Programs: | | | | |
| Salaries | 19,000 | 19,000 | 16,338 | 22,161 |
| Supplies | 3,000 | 3,000 | 2,548 | 2,844 |
| Other Objects - Tuition | 300,000 | 300,000 | 431,172 | 360,023 |
| Total Special Education Programs | 322,000 | 322,000 | 450,058 | 385,028 |

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance- Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

| | Original Budget | Final Budget | Year Ended June 30, | |
|---------------------------------------|--------------------|------------------|---------------------|------------------|
| | | | 2020 | 2019 |
| <u>Educational (Continued)</u> | | | | |
| Expenditures Disbursed (Continued): | | | | |
| Instructional (Continued): | | | | |
| Remedial Programs: | | | | |
| Salaries | \$ 132,000 | 170,200 | 174,552 | 129,465 |
| Benefits | 25,100 | 25,100 | 30,091 | 22,882 |
| Supplies | 94,224 | 94,224 | 64,672 | 114,189 |
| Capital Outlay | 10,000 | 10,000 | - | - |
| Total Remedial Programs | <u>261,324</u> | <u>299,524</u> | <u>269,315</u> | <u>266,536</u> |
| Vocational Programs: | | | | |
| Salaries | 75,000 | 75,000 | 56,689 | 54,357 |
| Benefits | 11,000 | 19,500 | 13,082 | 8,666 |
| Purchased Services | - | - | 2,860 | 2,341 |
| Supplies | 458,250 | 255,437 | 190,809 | 149,757 |
| Capital Outlay | 4,000 | 4,000 | 1,430 | 2,500 |
| Total Vocational Programs | <u>548,250</u> | <u>353,937</u> | <u>264,870</u> | <u>217,621</u> |
| Interscholastic Programs: | | | | |
| Salaries | 298,088 | 298,088 | 313,422 | 303,343 |
| Benefits | 23,000 | 23,000 | 16,582 | 21,571 |
| Purchased Services | 59,445 | 59,445 | 39,685 | 44,580 |
| Supplies | 46,903 | 46,903 | 37,652 | 44,318 |
| Other Objects | 14,373 | 14,373 | 11,781 | 13,047 |
| Total Interscholastic Programs | <u>441,809</u> | <u>441,809</u> | <u>419,122</u> | <u>426,859</u> |
| Drivers Education Programs: | | | | |
| Supplies | 2,200 | 2,200 | 836 | 909 |
| Total Instructional | <u>6,418,055</u> | <u>6,403,682</u> | <u>5,954,656</u> | <u>5,779,220</u> |
| Support Services: | | | | |
| Guidance Services: | | | | |
| Salaries | 138,650 | 138,650 | 138,605 | 136,122 |
| Benefits | 28,000 | 31,000 | 29,463 | 26,402 |
| Supplies | 2,426 | 2,426 | 815 | 1,216 |
| Total Guidance Services | <u>169,076</u> | <u>172,076</u> | <u>168,883</u> | <u>163,740</u> |
| Health Services: | | | | |
| Salaries | 73,750 | 73,750 | 71,882 | 70,785 |
| Benefits | 19,900 | 22,900 | 23,863 | 18,941 |
| Purchased Services | 1,000 | 1,000 | 563 | 673 |
| Supplies | 5,644 | 5,644 | 2,953 | 2,953 |
| Total Health Services | <u>100,294</u> | <u>103,294</u> | <u>99,261</u> | <u>93,352</u> |

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance- Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

| | Original Budget | Final Budget | Year Ended June 30, | |
|---|--------------------|-----------------|---------------------|---------|
| | | | 2020 | 2019 |
| <u>Educational (Continued)</u> | | | | |
| Expenditures Disbursed (Continued): | | | | |
| Support Services (Continued): | | | | |
| Other Support Services - Pupil: | | | | |
| Salaries | \$ 4,000 | 4,000 | 2,537 | 3,197 |
| Purchased Services | 2,500 | 2,500 | 3,068 | 1,958 |
| Supplies | 1,500 | 1,500 | 966 | 1,063 |
| Total Other Support Services - Pupil | 8,000 | 8,000 | 6,571 | 6,218 |
| Instruction Improvement: | | | | |
| Salaries | 147,331 | 152,331 | 138,736 | 132,205 |
| Benefits | 37,200 | 44,200 | 43,154 | 35,365 |
| Purchased Services | 30,200 | 30,200 | 6,406 | 6,067 |
| Supplies | 20,300 | 20,300 | - | - |
| Other Objects | 12,500 | 12,500 | 8,122 | 11,400 |
| Total Instruction Improvement | 247,531 | 259,531 | 196,418 | 185,037 |
| Educational Media Services: | | | | |
| Salaries | 228,500 | 228,500 | 229,823 | 251,334 |
| Benefits | 97,655 | 118,660 | 117,413 | 85,944 |
| Purchased Services | 85,500 | 85,500 | 58,355 | 67,376 |
| Supplies | 181,910 | 186,166 | 142,583 | 125,065 |
| Capital Outlay | 109,000 | 109,000 | 91,846 | 38,601 |
| Total Educational Media Services | 702,565 | 727,826 | 640,020 | 568,320 |
| Assessment and Testing: | | | | |
| Purchased Services | 20,000 | 20,000 | 10,683 | 16,468 |
| Supplies | 1,500 | 1,500 | 1 | - |
| Total Assessment and Testing | 21,500 | 21,500 | 10,684 | 16,468 |
| Board of Education Services: | | | | |
| Benefits | 8,000 | 8,000 | 7,351 | 7,697 |
| Purchased Services | 118,640 | 116,440 | 87,246 | 103,073 |
| Supplies | 20,000 | 20,000 | 16,708 | 18,996 |
| Capital Outlay | 55,000 | 55,000 | 29,999 | 29,249 |
| Other Objects | 90,000 | 95,000 | 90,670 | 89,765 |
| Total Board of Education Services | 291,640 | 294,440 | 231,974 | 248,780 |
| Executive Administrative Services: | | | | |
| Salaries | 82,647 | 82,647 | 86,076 | 83,977 |
| Benefits | 21,000 | 21,000 | 23,194 | 20,043 |
| Other Objects | 2,500 | 2,500 | 1,643 | 1,309 |
| Total Executive Administrative Services | 106,147 | 106,147 | 110,913 | 105,329 |

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance- Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

| | Original Budget | Final Budget | Year Ended June 30, | |
|---|--------------------|------------------|---------------------|----------------|
| | | | 2020 | 2019 |
| <u>Educational (Continued)</u> | | | | |
| Expenditures Disbursed (Continued): | | | | |
| Support Services (Continued): | | | | |
| Office of the Principal Services: | | | | |
| Salaries | \$ 788,343 | 788,343 | 780,386 | 756,997 |
| Benefits | 234,815 | 267,865 | 254,856 | 206,262 |
| Purchased Services | 6,680 | 6,680 | 4,720 | 3,694 |
| Supplies | 7,185 | 7,185 | 3,025 | 2,761 |
| Total Office of the Principal Services | <u>1,037,023</u> | <u>1,070,073</u> | <u>1,042,987</u> | <u>969,714</u> |
| Direction of Business Support Services: | | | | |
| Salaries | 82,647 | 82,647 | 82,647 | 80,631 |
| Benefits | 25,500 | 21,000 | 22,808 | 19,666 |
| Purchased Services | 2,800 | 2,800 | 340 | 3,298 |
| Total Direction of Business Support Services | <u>110,947</u> | <u>106,447</u> | <u>105,795</u> | <u>103,595</u> |
| Fiscal Services: | | | | |
| Salaries | 185,534 | 185,534 | 186,409 | 169,217 |
| Benefits | 33,000 | 39,300 | 55,427 | 31,164 |
| Purchased Services | 15,500 | 15,500 | 10,986 | 2,493 |
| Supplies | 18,000 | 18,000 | 15,176 | 16,383 |
| Capital Outlay | 16,000 | 16,000 | - | 12,085 |
| Total Fiscal Services | <u>268,034</u> | <u>274,334</u> | <u>267,998</u> | <u>231,342</u> |
| Operation & Maintenance of Plant Services: | | | | |
| Purchased Services | 15,600 | 15,600 | 10,570 | 7,630 |
| Supplies | 344,500 | 373,500 | 398,139 | 364,489 |
| Total Operation & Maintenance of Plant Services | <u>360,100</u> | <u>389,100</u> | <u>408,709</u> | <u>372,119</u> |
| Food Services: | | | | |
| Salaries | 286,190 | 286,190 | 303,773 | 274,609 |
| Benefits | 32,600 | 41,000 | 41,034 | 32,031 |
| Purchased Services | 800 | 800 | 394 | 541 |
| Supplies | 375,100 | 375,100 | 363,534 | 416,860 |
| Capital Outlay | 15,000 | 15,000 | 7,575 | 10,798 |
| Other Objects | 5,000 | 5,000 | 3,903 | 4,374 |
| Total Food Services | <u>714,690</u> | <u>723,090</u> | <u>720,213</u> | <u>739,213</u> |

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance- Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

| | Original Budget | Final Budget | Year Ended June 30, | |
|---|--------------------|-----------------|---------------------|------------|
| | | | 2020 | 2019 |
| <u>Educational (Continued)</u> | | | | |
| Expenditures Disbursed (Continued): | | | | |
| Support Services (Continued): | | | | |
| Other Support Services: | | | | |
| Benefits | \$ 89,750 | 89,750 | 66,915 | 77,806 |
| Supplies | 500 | 500 | - | - |
| Termination Benefits | 15,000 | 15,000 | 4,685 | 5,760 |
| Total Other Support Services | 105,250 | 105,250 | 71,600 | 83,566 |
| Total Support | 4,242,797 | 4,361,108 | 4,082,026 | 3,886,793 |
| Community Services: | | | | |
| Salaries | 13,520 | 13,520 | 10,036 | 9,559 |
| Benefits | 2,575 | 2,575 | 1,909 | 1,815 |
| Purchased Services | 5,785 | 5,785 | 505 | 4,509 |
| Supplies | 500 | 500 | - | 348 |
| Total Community Services | 22,380 | 22,380 | 12,450 | 16,231 |
| Payments to Other Districts and Governmental Units: | | | | |
| Payments to Other Governmental Units: | | | | |
| Payments for Regular Programs | 4,500 | 4,500 | 4,500 | 4,500 |
| Payments for Special Education Programs | 2,300,000 | 2,578,000 | 2,577,594 | 2,442,641 |
| Payments for CTE Programs | 15,000 | 15,000 | 13,696 | 14,002 |
| Total Payments to Other Governmental Units | 2,319,500 | 2,597,500 | 2,595,790 | 2,461,143 |
| Tuition: | | | | |
| Payments for Regular Programs | 7,000 | 7,000 | - | - |
| Payments for Special Education Programs | 10,000 | 10,000 | - | - |
| Payments for CTE Programs | 200,000 | 208,300 | 208,265 | 183,288 |
| Total Tuition | 217,000 | 225,300 | 208,265 | 183,288 |
| Total Payments to Other Districts and Governmental Units | 2,536,500 | 2,822,800 | 2,804,055 | 2,644,431 |
| On Behalf Payments | 584,361 | 584,361 | 645,533 | 588,305 |
| Total Expenditures Disbursed | 13,804,093 | 14,194,331 | 13,498,720 | 12,914,980 |
| Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed | (1,382,000) | (1,772,238) | (160,645) | 134,453 |
| Other Financing Sources (Uses) | | | | |
| Permanent Transfer of Interest | 18,000 | 18,000 | 14,964 | 24,327 |
| Sale of Fixed Assets | 245,000 | 245,000 | - | - |
| Total Other Financing Sources (Uses) | 263,000 | 263,000 | 14,964 | 24,327 |
| Net Change in Fund Balance | \$ (1,119,000) | (1,509,238) | (145,681) | 158,780 |
| Fund Balance, Beginning of Year | | | 11,664,572 | 11,505,792 |
| Fund Balance End of Year | | | \$ 11,518,891 | 11,664,572 |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U
GENERAL FUND

SCHEDULE A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance- Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

| | Original Budget | Final Budget | Year Ended June 30, | |
|---|---------------------|------------------|---------------------|------------------|
| | | | 2020 | 2019 |
| <u>Operations & Maintenance</u> | | | | |
| Revenues Received: | | | | |
| Local Sources: | | | | |
| Property Taxes | \$ 903,179 | 903,179 | 920,927 | 895,896 |
| Payments in Lieu of Taxes: | | | | |
| Replacement Tax | 100,000 | 100,000 | 100,000 | 74,000 |
| Interest on Investments | 17,030 | 17,030 | 9,320 | 16,842 |
| Parking Fees | 9,000 | 9,000 | 6,050 | 7,450 |
| Other Revenues from Local Sources: | | | | |
| Contributions from Private Sources | 25,000 | 25,000 | 25,000 | 31,519 |
| Refund of Prior Year Expenditures | 80,695 | 80,695 | 55,650 | 80,696 |
| Total Local Sources | <u>1,134,904</u> | <u>1,134,904</u> | <u>1,116,947</u> | <u>1,106,403</u> |
| State Sources: | | | | |
| Early Childhood Block Grant | 10,000 | 10,000 | - | - |
| Other Grants-in-Aid | - | - | 50,000 | - |
| Total State Sources | <u>10,000</u> | <u>10,000</u> | <u>50,000</u> | <u>-</u> |
| Federal Sources: | | | | |
| Federal Impact Aid | <u>750,000</u> | <u>750,000</u> | <u>750,000</u> | <u>750,000</u> |
| Total Revenues Received | <u>1,894,904</u> | <u>1,894,904</u> | <u>1,916,947</u> | <u>1,856,403</u> |
| Expenditures Disbursed: | | | | |
| Support Services: | | | | |
| Facilities Acquisition & Construction Services: | | | | |
| Purchased Services | <u>55,000</u> | <u>55,000</u> | <u>67,784</u> | <u>-</u> |
| Operation/Maintenance of Plant: | | | | |
| Salaries | 716,700 | 716,700 | 706,629 | 725,062 |
| Benefits | 134,650 | 175,150 | 165,870 | 122,636 |
| Purchased Services | 488,400 | 488,400 | 491,052 | 480,472 |
| Maintenance Supplies & Materials | 232,500 | 232,500 | 239,438 | 239,649 |
| Capital Outlay | <u>395,900</u> | <u>395,900</u> | <u>309,887</u> | <u>334,098</u> |
| Total Operations and Maintenance of Plant | <u>1,968,150</u> | <u>2,008,650</u> | <u>1,912,876</u> | <u>1,901,917</u> |
| Total Expenditures Disbursed | <u>2,023,150</u> | <u>2,063,650</u> | <u>1,980,660</u> | <u>1,901,917</u> |
| Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed | <u>\$ (128,246)</u> | <u>(168,746)</u> | <u>(63,713)</u> | <u>(45,514)</u> |
| Fund Balance, Beginning of Year | | | <u>1,226,729</u> | <u>1,272,243</u> |
| Fund Balance, End of Year | | | <u>\$ 1,163,016</u> | <u>1,226,729</u> |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U
GENERAL FUND

SCHEDULE A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance- Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)

| | Original Budget | Final Budget | Year Ended June 30, | |
|---|--------------------|-----------------|---------------------|------------------|
| | | | 2020 | 2019 |
| <u>Working Cash</u> | | | | |
| Revenues Received: | | | | |
| Local Sources: | | | | |
| Property Taxes | \$ 37,269 | 37,269 | 38,056 | 36,903 |
| Interest on Investments | 18,000 | 18,000 | 14,964 | 24,327 |
| Total Revenues Received | <u>55,269</u> | <u>55,269</u> | <u>53,020</u> | <u>61,230</u> |
| Expenditures Disbursed | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed | <u>55,269</u> | <u>55,269</u> | <u>53,020</u> | <u>61,230</u> |
| Other Financing Sources (Uses) | | | | |
| Permanent Transfer of Interest | <u>(13,000)</u> | <u>(7,000)</u> | <u>(14,964)</u> | <u>(24,327)</u> |
| Net Change in Fund Balance | <u>\$ 42,269</u> | <u>48,269</u> | 38,056 | 36,903 |
| Fund balance, Beginning of Year | | | <u>1,774,672</u> | <u>1,737,769</u> |
| Fund balance, End of Year | | | <u>\$ 1,812,728</u> | <u>1,774,672</u> |

**WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U
TRANSPORTATION FUND**

SCHEDULE B-1

**Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2020**

| <u>Assets</u> | | |
|---------------------------|--|---------------------|
| Cash and Cash Equivalents | | <u>\$ 1,110,419</u> |
| <u>Fund Balance</u> | | |
| Assigned Fund Balance | | <u>\$ 1,110,419</u> |

**Statement of Revenues Received, Expenditures Disbursed and
Changes in Fund Balance- Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)**

SCHEDULE B-2

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Year Ended June 30,</u> | |
|---|----------------------------|-------------------------|----------------------------|------------------|
| | | | <u>2020</u> | <u>2019</u> |
| Revenues Received: | | | | |
| Local Sources: | | | | |
| Property Taxes | \$ 356,413 | 356,413 | 363,384 | 353,397 |
| Payments in Lieu of Taxes: | | | | |
| Mobile Home Tax | 40 | 40 | - | - |
| Interest on Investments | 16,000 | 16,000 | 11,707 | 20,646 |
| Total Local Sources | <u>372,453</u> | <u>372,453</u> | <u>375,091</u> | <u>374,043</u> |
| State Sources: | | | | |
| Transportation Aid: | | | | |
| Regular / Vocational | 380,164 | 380,164 | 386,700 | 358,653 |
| Special Education | 433,122 | 433,122 | 437,087 | 473,982 |
| Early Childhood Block Grant | 17,966 | 17,966 | 17,966 | 17,966 |
| Total State Sources | <u>831,252</u> | <u>831,252</u> | <u>841,753</u> | <u>850,601</u> |
| Total Revenues Received | <u>1,203,705</u> | <u>1,203,705</u> | <u>1,216,844</u> | <u>1,224,644</u> |
| Expenditures Disbursed: | | | | |
| Pupil Transportation Services: | | | | |
| Purchased Services | 1,446,000 | 1,446,000 | 1,456,950 | 1,330,875 |
| Supplies | 85,000 | 85,000 | 73,743 | 88,421 |
| Total Expenditures Disbursed | <u>1,531,000</u> | <u>1,531,000</u> | <u>1,530,693</u> | <u>1,419,296</u> |
| Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed | <u>\$ (327,295)</u> | <u>(327,295)</u> | <u>(313,849)</u> | <u>(194,652)</u> |
| Fund Balance, Beginning of Year | | | <u>1,424,268</u> | <u>1,618,920</u> |
| Fund Balance, End of Year | | | <u>\$ 1,110,419</u> | <u>1,424,268</u> |

**WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U
SOCIAL SECURITY AND IMRF FUND**

SCHEDULE B-3

**Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2020**

| <u>Assets</u> | | |
|---------------------------|---------------------|-------------------|
| Cash and Cash Equivalents | | <u>\$ 586,802</u> |
| | <u>Fund Balance</u> | |
| Restricted Fund Balance: | | |
| IMRF | | \$ 194,422 |
| Social Security | | <u>392,380</u> |
| Total Fund Balance | | <u>\$ 586,802</u> |

**Statement of Revenues Received, Expenditures Disbursed and
Changes in Fund Balance- Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)**

SCHEDULE B-4

| | Original Budget | Final Budget | Year Ended June 30, | |
|---|--------------------|-----------------|---------------------|----------------|
| | | | 2020 | 2019 |
| Revenues Received: | | | | |
| Local Sources: | | | | |
| Property Taxes: | | | | |
| IMRF Levy | \$ 204,035 | 204,035 | 110,515 | 198,632 |
| FICA and Medicare Levy | 315,842 | 315,842 | 151,403 | 307,660 |
| Payments in Lieu of Taxes: | | | | |
| Mobile Home Tax | 40 | 40 | - | - |
| Replacement Taxes | 85,000 | 85,000 | 85,000 | 85,000 |
| Interest on Investments | 6,000 | 6,000 | 6,178 | 7,495 |
| Total Revenues Received | <u>610,917</u> | <u>610,917</u> | <u>353,096</u> | <u>598,787</u> |
| Expenditures Disbursed: | | | | |
| Instructional | 74,850 | 74,850 | 61,779 | 60,341 |
| Support Services | 392,670 | 392,670 | 376,530 | 366,676 |
| Community Services | 40 | 40 | 31 | 23 |
| Total Expenditures Disbursed | <u>467,560</u> | <u>467,560</u> | <u>438,340</u> | <u>427,040</u> |
| Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed | <u>\$ 143,357</u> | <u>143,357</u> | (85,244) | 171,747 |
| Fund Balance, Beginning of Year | | | <u>672,046</u> | <u>500,299</u> |
| Fund Balance, End of Year | | | <u>\$ 586,802</u> | <u>672,046</u> |

NOTES TO OTHER INFORMATION

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Notes to Other Information For the Year Ended June 30, 2020

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

The District's budget for all governmental funds is prepared using the cash basis of accounting (Non-GAAP) which is the same basis used in preparation of the fund financial statements. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 122, Paragraph 17.1 of the Illinois Revised Statutes.

For each fund, total fund expenses paid may not legally exceed the budgeted amounts. The budget lapses at the end of the fiscal year. The District follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them. The proposed operating budget is placed on file and a public hearing is held to obtain comments from the community.

Prior to October 1, the budget is legally adopted by the Board of Education through passage of a resolution. Formal budgetary integration is employed as a management control device at the function/object level during the year.

The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10 percent of the total of such fund as set forth in the budget.

The Board of Education may amend the budget (in other ways) by performing the same procedures required of its original adoption.

The budget was passed on September 9, 2019 and was amended on June 19, 2020.

NOTE 2: BUDGETARY COMPARISONS

The table below compares each fund's actual revenues received and expenditures disbursed during the current fiscal year with the budgeted amounts passed by the Board of Education:

| Description | Budget | Actual | Variance | Percent Variance |
|--|---------------|------------|-----------|------------------|
| General Funds: | | | | |
| Educational Fund Revenues Received | \$ 12,422,093 | 13,338,075 | 915,982 | 7.37% |
| Educational Fund Expenditures Disbursed | 14,194,331 | 13,498,720 | 695,611 | 4.90% |
| O&M Fund Revenues Received | 1,894,904 | 1,916,947 | 22,043 | 1.16% |
| O&M Fund Expenditures Disbursed | 2,063,650 | 1,980,660 | 82,990 | 4.02% |
| Working Cash Fund Revenues Received | 55,269 | 53,020 | (2,249) | -4.07% |
| Working Cash Fund Expenditures Disbursed | - | - | - | N/A |
| Transportation Fund Revenues Received | 1,203,705 | 1,216,844 | 13,139 | 1.09% |
| Transportation Fund Expenditures Disbursed | 1,531,000 | 1,530,693 | 307 | 0.02% |
| Social Security & IMRF Fund Revenues Received | 610,917 | 353,096 | (257,821) | -42.20% |
| Social Security & IMRF Fund Expenditures Disbursed | 467,560 | 438,340 | 29,220 | 6.25% |

SUPPLEMENTARY INFORMATION

**WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U
BOND AND INTEREST FUND**

SCHEDULE C-1

**Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2020**

| <u>Assets</u> | | |
|---------------------------|--|---------------------|
| Cash and Cash Equivalents | | <u>\$ 1,535,533</u> |
| <u>Fund Balance</u> | | |
| Assigned | | \$ 354,984 |
| Restricted | | <u>1,180,549</u> |
| Total Fund Balance | | <u>\$ 1,535,533</u> |

**Statement of Revenues Received, Expenditures Disbursed and
Changes in Fund Balance- Budget & Actual
For the Year Ended June 30, 2020
(With Comparative Figures for 2019)**

SCHEDULE C-2

| | <u>Original</u> | | <u>Final</u> | | <u>Year Ended June 30,</u> | |
|---|-----------------------|-----------------------|---------------------|------------------|----------------------------|--|
| | <u>Appropriations</u> | <u>Appropriations</u> | <u>2020</u> | <u>2019</u> | | |
| Revenues Received: | | | | | | |
| Local Sources: | | | | | | |
| Property Taxes | \$ 2,369,268 | 2,369,268 | 2,387,106 | 2,332,233 | | |
| Payments in Lieu of Taxes: | | | | | | |
| Mobile Home Tax | 133 | 133 | - | - | | |
| Corporate Personal Property Replacement Tax | - | - | - | - | | |
| Interest on Investments | 15,095 | 15,095 | 10,710 | 21,173 | | |
| Total Local Sources | <u>2,384,496</u> | <u>2,384,496</u> | <u>2,397,816</u> | <u>2,353,406</u> | | |
| Federal Sources: | | | | | | |
| Federal Impact Aid | - | - | - | - | | |
| Total Revenues Received | <u>2,384,496</u> | <u>2,384,496</u> | <u>2,397,816</u> | <u>2,353,406</u> | | |
| Expenditures Disbursed: | | | | | | |
| Debt Service: | | | | | | |
| Interest on Bonds | 1,382,314 | 1,377,947 | 1,374,444 | 1,562,231 | | |
| Bond Principal Retired | 1,063,731 | 1,068,098 | 1,068,098 | 793,844 | | |
| Bond Issuance Costs | - | - | - | 133,157 | | |
| Other | - | - | 3,077 | 2,875 | | |
| Total Expenditures Disbursed | <u>2,446,045</u> | <u>2,446,045</u> | <u>2,445,619</u> | <u>2,492,107</u> | | |
| Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed | <u>(61,549)</u> | <u>(61,549)</u> | <u>(47,803)</u> | <u>(138,701)</u> | | |
| Other Financing Sources (Uses): | | | | | | |
| Proceeds from Sale of Bonds | - | - | - | 7,465,000 | | |
| Premium on Sale of Bonds | - | - | - | 556,872 | | |
| Payment to Refunded Bond Escrow Agent - Interest | - | - | - | (98,715) | | |
| Payment to Refunded Bond Escrow Agent - Principal | - | - | - | (7,790,000) | | |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>133,157</u> | | |
| Net Change in Fund Balance | <u>\$ (61,549)</u> | <u>(61,549)</u> | <u>(47,803)</u> | <u>(5,544)</u> | | |
| Fund Balance, Beginning of Year | | | <u>1,583,336</u> | <u>1,588,880</u> | | |
| Fund Balance, End of Year | | | <u>\$ 1,535,533</u> | <u>1,583,336</u> | | |

**Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2020**

| | July 1, 2019 | Additions | Deductions | June 30, 2020 |
|----------------------------|--------------|-----------|------------|---------------|
| Agency Funds: | | | | |
| Student Activity Accounts: | | | | |
| High School: | | | | |
| ACT Prep. Class | \$ 3,110 | 3,635 | 4,688 | 2,057 |
| Adult Living Advisor | 156 | - | - | 156 |
| Art | 348 | - | - | 348 |
| Baby Adoption Program | 3 | - | - | 3 |
| Baseball Account | 1,537 | 7,325 | 8,739 | 123 |
| Book Fees | 76,301 | 119,891 | 87,496 | 108,696 |
| Boys Basketball Account | 1,588 | 4,477 | 3,873 | 2,192 |
| Building Trades | 1,228 | 448 | 1,227 | 449 |
| Class of 2016 | 240 | - | - | 240 |
| Class of 2017 | 420 | - | - | 420 |
| Class of 2018 | 152 | - | - | 152 |
| Class of 2019 | 347 | - | - | 347 |
| Class of 2020 | 150 | 5,125 | 3,033 | 2,242 |
| Class of 2021 | 5,939 | 1,470 | 406 | 7,003 |
| Class of 2022 | 1,613 | 4,385 | 1,659 | 4,339 |
| Class of 2023 | - | 1,958 | 341 | 1,617 |
| Drivers Ed | 86 | - | - | 86 |
| Exelon Scholarship | 500 | 1,000 | - | 1,500 |
| Fall Play | 1,350 | 2,315 | 2,103 | 1,562 |
| FCA | 560 | 210 | 580 | 190 |
| Field Trip Class of 2024 | - | 5,487 | - | 5,487 |
| Flags | 83 | - | - | 83 |
| Football Account | 4,502 | 14,042 | 15,825 | 2,719 |
| Football Helmets | 5,933 | 2,115 | 7,424 | 624 |
| Football Posters | 2,472 | 800 | 2,790 | 482 |
| Football Uniforms | 4,732 | 3,000 | 4,732 | 3,000 |
| Fortitude | 53 | 49 | - | 102 |
| Girls Basketball Account | 3,421 | 630 | 3,399 | 652 |
| Girls Soccer | 57 | 202 | - | 259 |
| Girls Softball | 3,407 | 1,568 | 534 | 4,441 |
| Golf | 194 | - | - | 194 |
| Harris Bank Scholarship | 1,000 | - | - | 1,000 |
| Interact Club | 4,460 | 4,514 | 3,016 | 5,958 |
| Interest Account | 3,888 | 45 | 651 | 3,282 |
| Jazz Band/Marching Band | 2,753 | 9,034 | 9,861 | 1,926 |
| Jostens Scholarship | 750 | 500 | - | 1,250 |
| Lambert Memorial | 58 | - | - | 58 |
| LEAD | 1,248 | 351 | 220 | 1,379 |
| Library | 1,925 | 1,700 | 2,305 | 1,320 |
| Madrigals | 237 | 679 | 788 | 128 |
| Market Day Account | 694 | - | - | 694 |
| Multi Media Account | 3,517 | 50 | - | 3,567 |
| National Honor Society | 7,278 | 4,866 | 4,065 | 8,079 |
| P.E. and Locks Account | 158 | - | - | 158 |
| Pop Fund | 8,948 | 30,879 | 32,358 | 7,469 |
| Prom Account | 690 | 875 | - | 1,565 |
| Pyramid Scholarship Fund | 1,380 | - | - | 1,380 |
| Rube Golberg | 414 | - | - | 414 |

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U
TRUST AND AGENCY FUNDS

SCHEDULE 1
(Continued)

Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2020

| | July 1, 2019 | Additions | Deductions | June 30, 2020 |
|--|--------------|-----------|------------|---------------|
| Agency Funds (Continued): | | | | |
| Student Activity Accounts (continued): | | | | |
| High School (continued): | | | | |
| S.O.A.P | \$ 412 | - | - | 412 |
| Scholastic Bowl | 332 | 238 | - | 570 |
| Science Petty Cash | 14 | - | - | 14 |
| Security | 1,865 | - | 350 | 1,515 |
| Soccer | 2,230 | 3,185 | 3,342 | 2,073 |
| Spanish Club | 1,430 | 808 | 40 | 2,198 |
| Special Fund | 9 | 99 | 50 | 58 |
| Spirit Line | 11,241 | 29,281 | 31,271 | 9,251 |
| Spring Play Account | 6,746 | 7,615 | 7,105 | 7,256 |
| Student Council | 855 | 3,469 | 1,820 | 2,504 |
| Swisher Scholarship | 20 | - | - | 20 |
| Tech Club | 50 | - | - | 50 |
| Tech Prep-COPRA | 110 | - | - | 110 |
| Tournament Account | 5,152 | 28,508 | 24,991 | 8,669 |
| Track account | 175 | - | 173 | 2 |
| Volleyball Account | 8,564 | 11,228 | 12,234 | 7,558 |
| Wildcat Bucks | 1,475 | - | 303 | 1,172 |
| Wildcat Scholarship | 500 | 500 | - | 1,000 |
| Wrestling Account | (63) | 2,789 | 2,150 | 576 |
| Yearbook | 2,347 | 3,801 | 5,218 | 930 |
| Total High School | 203,344 | 325,146 | 291,160 | 237,330 |
| Wilmington Middle School: | | | | |
| 18/19 School Fees | 15,113 | 24 | 15,137 | - |
| 19/20 School Fees | 12,095 | 32,724 | 28,871 | 15,948 |
| 20/21 School Fees | - | 16,387 | 178 | 16,209 |
| 6th Grade | 2 | - | - | 2 |
| 7th Grade | 61 | - | - | 61 |
| 8th Grade | 5,997 | 39,034 | 37,891 | 7,140 |
| Art | 1,069 | 820 | 1,745 | 144 |
| Athletics | 4,226 | 10,895 | 10,379 | 4,742 |
| Band | 487 | 2,212 | 2,255 | 444 |
| Baseball | 126 | 220 | - | 346 |
| Boys Basketball | 5 | - | - | 5 |
| Girls Basketball | 30 | - | - | 30 |
| BETA Fund | 153 | 5,274 | 2,907 | 2,520 |
| Cheerleading | 2,297 | 5,254 | 6,073 | 1,478 |
| Chorus | 1,067 | 715 | 491 | 1,291 |
| E.T. Fund | 31 | - | - | 31 |
| Flower Fund | 14 | 45 | 30 | 29 |
| Generation SMS | 93 | - | - | 93 |
| Industrial Arts | 437 | 1,455 | 725 | 1,167 |
| Juice | 854 | 660 | 920 | 594 |
| Library | 684 | 1,138 | 1,465 | 357 |
| Literary | 1,675 | - | 417 | 1,258 |
| Locks | 214 | 2,034 | 1,499 | 749 |
| Math - 6th | - | 449 | 449 | - |
| NOW | 56 | 14 | - | 70 |
| P.E. Clothes | 210 | - | - | 210 |

Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2020

| | July 1, 2019 | Additions | Deductions | June 30, 2020 |
|--|-------------------|----------------|----------------|----------------|
| Agency Funds (Continued): | | | | |
| Student Activity Accounts (continued): | | | | |
| Wilmington Middle School (continued): | | | | |
| P.E. Rental | \$ 88 | - | - | 88 |
| Resale | 1 | - | - | 1 |
| Scholastic Bowl | 15 | 497 | 497 | 15 |
| Science Dept. | 5,614 | 2,834 | 2,951 | 5,497 |
| Snowflake | - | 820 | 820 | - |
| Social Committee | 5 | - | - | 5 |
| Softball | 645 | 527 | 360 | 812 |
| Special Provisions | 2,830 | 5,412 | 5,591 | 2,651 |
| Student Council | 592 | 5,825 | 3,135 | 3,282 |
| Track | 8 | 2,347 | 2,341 | 14 |
| Yearbook | 4,733 | 2,244 | 2,559 | 4,418 |
| Young Authors | 9 | - | - | 9 |
| Total Wilmington Middle School | <u>61,536</u> | <u>139,860</u> | <u>129,686</u> | <u>71,710</u> |
| Bruning Elementary School: | | | | |
| Books | 6,797 | 13,893 | 15,240 | 5,450 |
| General | 4,049 | 4,068 | 3,168 | 4,949 |
| IAA Foundation Grant | 1 | - | - | 1 |
| Library | 201 | 2,656 | 2,389 | 468 |
| Lifetouch | 1,626 | 994 | 149 | 2,471 |
| Milk | 874 | 4,664 | 2,348 | 3,190 |
| Pop | 565 | - | - | 565 |
| Recycled Aluminum | 29 | - | - | 29 |
| Total Bruning Elementary School | <u>14,142</u> | <u>26,275</u> | <u>23,294</u> | <u>17,123</u> |
| Stevens Intermediate School: | | | | |
| Activity | 12,418 | 8,158 | 11,641 | 8,935 |
| 19/20 Book Fees | 7,225 | 11,181 | 18,406 | - |
| 20/21 Book Fees | - | 10,640 | - | 10,640 |
| Lifetouch | - | 252 | - | 252 |
| Library | 1,456 | 8,509 | 8,988 | 977 |
| Music | 247 | - | - | 247 |
| Pop & Water | 62 | 143 | - | 205 |
| Young Rembrandts | 71 | - | - | 71 |
| Courtyard | 76 | 4,690 | - | 4,766 |
| Total Stevens Intermediate School | <u>21,555</u> | <u>43,573</u> | <u>39,035</u> | <u>26,093</u> |
| Total Student Activity Funds | <u>300,577</u> | <u>534,854</u> | <u>483,175</u> | <u>352,256</u> |
| Other Agency Funds: | | | | |
| Music Boosters | 15,162 | 10,110 | 10,286 | 14,986 |
| Total Agency Funds | <u>\$ 315,739</u> | <u>544,964</u> | <u>493,461</u> | <u>367,242</u> |

Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2020

| | July 1, 2019 | Additions | Deductions | June 30, 2020 |
|-----------------------------------|-------------------|------------------|------------------|----------------|
| Trust Funds: | | | | |
| Employee Benefit Claim Account | \$ 22,239 | 1,826,025 | 1,789,433 | 58,831 |
| Dental Plan | 10,134 | 78,928 | 51,653 | 37,409 |
| Grundy Bank Employee Benefit Fund | 489,214 | 1,779,086 | 2,214,372 | 53,928 |
| ISDLAF Employee Benefit | 20 | - | 20 | - |
| Total Trust Funds | <u>\$ 521,607</u> | <u>3,684,039</u> | <u>4,055,478</u> | <u>150,168</u> |

**Illinois Municipal Retirement Fund
Schedule of Changes in Net Pension Liability and Related Ratios**

| Calendar Year Ending December 31, | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|----------------------|-------------------|-------------------|------------------|------------------|------------------|------|------|------|------|
| Total Pension Liability | | | | | | | | | | |
| Service Cost | \$ 183,879 | 171,473 | 180,556 | 187,129 | 186,993 | 192,602 | - | - | - | - |
| Interest on the Total Pension Liability | 791,845 | 750,153 | 739,368 | 701,883 | 664,144 | 608,894 | - | - | - | - |
| Benefit Changes | - | - | - | - | - | - | - | - | - | - |
| Difference between Expected and Actual Experience | 156,861 | 211,794 | 4,933 | 26,174 | 44,633 | (50,325) | - | - | - | - |
| Assumption Changes | - | 307,993 | (324,080) | (84,368) | 23,138 | 377,863 | - | - | - | - |
| Benefit Payments and Refunds | (571,754) | (483,560) | (421,315) | (410,467) | (363,654) | (340,019) | - | - | - | - |
| Net Change in Total Pension Liability | 560,831 | 957,853 | 179,462 | 420,351 | 555,254 | 789,015 | - | - | - | - |
| Total Pension Liability - Beginning | 11,115,940 | 10,158,087 | 9,978,625 | 9,558,274 | 9,003,020 | 8,214,005 | - | - | - | - |
| Total Pension Liability - Ending | <u>\$ 11,676,771</u> | <u>11,115,940</u> | <u>10,158,087</u> | <u>9,978,625</u> | <u>9,558,274</u> | <u>9,003,020</u> | - | - | - | - |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions - Employer | \$ 220,369 | 254,276 | 241,747 | 245,202 | 237,135 | 243,716 | - | - | - | - |
| Contributions - Employee | 77,292 | 77,523 | 76,430 | 74,757 | 73,695 | 74,108 | - | - | - | - |
| Pension Plan Net Investment Income | 1,631,756 | (516,103) | 1,411,320 | 509,546 | 36,728 | 426,764 | - | - | - | - |
| Benefit Payments and Refunds | (571,754) | (483,560) | (421,315) | (410,467) | (363,654) | (340,019) | - | - | - | - |
| Other (Net Transfer) | 6,251 | 97,295 | (153,671) | 32,704 | 118,796 | (39,808) | - | - | - | - |
| Net Change in Plan Fiduciary Net Position | 1,363,914 | (570,569) | 1,154,511 | 451,742 | 102,700 | 364,761 | - | - | - | - |
| Plan Fiduciary Net Position - Beginning | 8,510,381 | 9,080,950 | 7,926,439 | 7,474,697 | 7,371,997 | 7,007,236 | - | - | - | - |
| Plan Fiduciary Net Position - Ending | <u>\$ 9,874,295</u> | <u>8,510,381</u> | <u>9,080,950</u> | <u>7,926,439</u> | <u>7,474,697</u> | <u>7,371,997</u> | - | - | - | - |
| Net Pension Liability (Asset) | <u>\$ 1,802,476</u> | <u>2,605,559</u> | <u>1,077,137</u> | <u>2,052,186</u> | <u>2,083,577</u> | <u>1,631,023</u> | - | - | - | - |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 84.56% | 76.56% | 89.40% | 79.43% | 78.20% | 81.88% | N/A | N/A | N/A | N/A |
| Covered Valuation Payroll | \$ 1,717,610 | 1,722,736 | 1,687,007 | 1,661,256 | 1,637,670 | 1,621,492 | N/A | N/A | N/A | N/A |
| Net Pension Liability as a Percentage of the Covered Valuation Payroll | 104.94% | 151.25% | 63.85% | 123.53% | 127.23% | 100.59% | N/A | N/A | N/A | N/A |

This schedule is presented to illustrate the requirement to report information for 10 years. However, until a full 10-year trend is compiled, information is only presented for years for which information is available.

**Illinois Municipal Retirement Fund
Schedule of Contributions**

| Schedule of Contributions | | | | | |
|----------------------------------|---|------------------------|--|---------------------------------|--|
| Calendar Year Ending | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Valuation Payroll | Actual Contribution as a % of Covered Valuation Payroll |
| 12/31/2019 | \$ 220,369 | 220,369 | - | 1,717,610 | 12.83% |
| 12/31/2018 | 254,276 | 254,276 | - | 1,722,736 | 14.76% |
| 12/31/2017 | 241,748 | 241,747 | 1 | 1,687,007 | 14.33% |
| 12/31/2016 | 245,201 | 245,202 | (1) | 1,661,256 | 14.76% |
| 12/31/2015 | 237,135 | 237,135 | - | 1,637,670 | 14.48% |
| 12/31/2014 | 239,981 | 243,716 | (3,735) | 1,621,492 | 15.03% |

Notes to Schedule:

Valuation Date:

Notes

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

Methods and Assumptions used to Determine 2019 Contribution Rate:

Actuarial Cost Method

Aggregate Entry Age Normal

Amortization Method

Level Percentage of Payroll, Closed

Remaining Amortization Period

Non-Taxing bodies: 10-year rolling period.
Taxing bodies (Regular, SLEP, and ECO groups): 25-year closed period
Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 20 years for most employers (three employers were financed over 28 years and four others were financed over 29 years).

Asset Valuation Method

5-Year smoothed market; 20% corridor

Wage Growth

3.25%

Price Inflation

2.50%

Salary Increases

3.35% to 14.25% including inflation

Investment Rate of Return

7.50%

Retirement Age

Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study for 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 adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes

There were no benefit changes during the year.

This schedule is presented to illustrate the requirement to report information for 10 years. However, until a full 10-year trend is compiled, information is only presented for years for which information is available.

Teachers' Retirement System of the State of Illinois

SCHEDULE 4

Schedule of District's Share of the Net Pension Liability

| | Fiscal Year* | | | | | |
|--|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| District's Proportion of the Net Pension Liability | 0.0007% | 0.0007% | 0.0017% | 0.0016% | 0.0017% | 0.0018% |
| District's Proportionate Share of the Net Pension Liability | \$ 551,038 | 565,134 | 1,283,347 | 1,279,508 | 1,146,298 | 1,122,192 |
| State's Proportionate Share of the Net Pension Liability Associated with the District | 39,216,751 | 38,714,039 | 38,365,880 | 41,351,234 | 33,553,430 | 31,686,871 |
| Total | \$ 39,767,789 | 39,279,173 | 39,649,227 | 42,630,742 | 34,699,728 | 32,809,063 |
| District's Covered-Employee Payroll | \$ 5,304,822 | 5,193,911 | 5,182,975 | 5,209,635 | 5,178,992 | 5,135,944 |
| District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 10.39% | 10.88% | 24.76% | 24.56% | 22.13% | 21.85% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 39.60% | 40.00% | 39.30% | 36.40% | 41.50% | 43.00% |

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

SCHEDULE 5

Schedule of Contributions

| | Fiscal Year | | | | | |
|--|--------------|-----------|-----------|-----------|-----------|-----------|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Statutorily-Required Contribution | \$ 31,463 | 30,768 | 30,125 | 30,061 | 30,216 | 30,038 |
| Contributions in Relation to the Statutorily-Required Contribution | 31,463 | 30,768 | 30,125 | 30,061 | 30,216 | 30,038 |
| Contribution Deficiency (Excess) | \$ - | - | - | - | - | - |
| District's Covered-Employee Payroll | \$ 5,424,649 | 5,304,822 | 5,193,911 | 5,182,975 | 5,209,635 | 5,178,992 |
| Contributions as a Percentage of Covered-Employee Payroll | 0.58% | 0.58% | 0.58% | 0.58% | 0.58% | 0.58% |

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

Notes:

Changes of assumptions

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

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

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

Teachers' Health Insurance Security Fund of the State of Illinois

SCHEDULE 6

Schedule of District's Share of the Collective Net OPEB Liability

| | Fiscal Year* | | |
|---|-----------------------------|--------------------------|-------------------------|
| | 2019 | 2018 | 2017 |
| District's Proportion of the Collective Net OPEB Liability | 0.0216% | 0.0219% | 0.0225% |
| District's Proportionate Share of the Collective Net OPEB Liability | \$ 5,973,359 | 5,772,549 | 5,846,872 |
| State's Proportionate Share of the Collective Net OPEB Liability Associated with the District | <u>5,966,558</u> | <u>7,751,275</u> | <u>749,887</u> |
| Total | <u>\$ 11,939,917</u> | <u>13,523,824</u> | <u>6,596,759</u> |
| District's Covered-Employee Payroll | \$ 5,304,822 | 5,193,911 | 5,182,975 |
| District's Proportionate Share of the Collective Net OPEB Liability as a Percentage of Covered Payroll | 112.60% | 111.14% | 112.81% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | -0.07% | -0.07% | -0.23% |

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

SCHEDULE 7

Schedule of Contributions

| | Fiscal Year | | |
|--|---------------|---------------|---------------|
| | 2020 | 2019 | 2018 |
| Statutorily-Required Contribution | \$ 49,907 | 48,804 | 45,706 |
| Contributions in Relation to the Statutorily-Required Contribution | <u>49,907</u> | <u>48,804</u> | <u>45,706</u> |
| Contribution Deficiency (Excess) | <u>\$ -</u> | <u>-</u> | <u>-</u> |
| District's Covered-Employee Payroll | \$ 5,424,649 | 5,304,822 | 5,193,911 |
| Contributions as a Percentage of Covered-Employee Payroll | 0.92% | 0.92% | 0.88% |

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

**Assessed Valuations, Tax Rates, Tax Extensions
and Tax Collections**

| | Tax Year | | | | |
|---------------------|----------------|-------------|-------------|-------------|-------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 |
| Assessed Valuations | \$ 209,544,483 | 221,128,687 | 233,234,857 | 243,173,845 | 249,946,709 |
| Tax Rates: | | | | | |
| Educational | 2.7041 | 2.8100 | 2.5598 | 2.5032 | 2.7003 |
| Building | 0.4444 | 0.4299 | 0.3916 | 0.3829 | 0.3817 |
| Bond & Interest | 1.1265 | 1.0672 | 1.0102 | 1.0045 | 0.9788 |
| Transportation | 0.1752 | 0.1695 | 0.1544 | 0.1511 | 0.1506 |
| IMRF | 0.0787 | 0.0001 | 0.0849 | 0.0865 | 0.0100 |
| Working Cash | 0.0182 | 0.0176 | 0.0161 | 0.0158 | 0.0158 |
| Special Education | 0.0156 | 0.0151 | 0.0138 | 0.0135 | 0.0135 |
| Social Security | 0.1219 | 0.0001 | 0.1316 | 0.1339 | 0.0001 |
| Totals | 4.6846 | 4.5095 | 4.3624 | 4.2914 | 4.2508 |
| Tax Extensions: | | | | | |
| Educational | \$ 5,666,292 | 6,213,716 | 5,970,346 | 6,087,128 | 6,749,311 |
| Building | 931,216 | 950,632 | 913,348 | 931,113 | 954,047 |
| Bond & Interest | 2,360,519 | 2,359,885 | 2,356,139 | 2,442,681 | 2,446,478 |
| Transportation | 367,122 | 374,813 | 360,115 | 367,436 | 376,420 |
| IMRF | 164,912 | 221 | 198,016 | 210,345 | 24,995 |
| Working Cash | 38,137 | 38,919 | 37,551 | 38,421 | 39,492 |
| Special Education | 32,689 | 33,390 | 32,186 | 32,828 | 33,743 |
| Social Security | 255,435 | 221 | 306,937 | 325,610 | 250 |
| Totals | \$ 9,816,322 | 9,971,797 | 10,174,637 | 10,435,562 | 10,624,735 |
| Tax Collections | \$ 9,622,313 | 9,735,037 | 9,940,220 | 10,259,431 | 5,438,482 |

OTHER REPORTS



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CHRIS CHRISTENSEN

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Education
Wilmington Community Unit School
District 209U
Wilmington, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wilmington Community Unit School District 209U, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Wilmington Community Unit School District 209U's basic financial statements, and have issued our report thereon dated October 19, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Wilmington Community Unit School District 209U's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Wilmington Community Unit School District 209U's internal control. Accordingly, we do not express an opinion on the effectiveness of Wilmington Community Unit School District 209U's internal control.

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

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

We noted certain matters that we reported to management of Wilmington Community Unit School District 209U in a separate letter dated October 19, 2020.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wilmington Community Unit School District 209U's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Mack & Associates, P. C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
October 19, 2020

SINGLE AUDIT



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CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditors' Report on Compliance with Requirements for
Each Major Program and On Internal Control
Over Compliance Required by the Uniform Guidance**

To the Board of Education
Wilmington Community Unit School
District 209U
Wilmington, Illinois

Report on Compliance for Each Major Federal Program

We have audited Wilmington Community Unit School District 209U's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Wilmington Community Unit School District 209U's major federal programs for the year ended June 30, 2020. Wilmington Community Unit School District 209U's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Wilmington Community Unit School District 209U's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Wilmington Community Unit School District 209U's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Wilmington Community Unit School District 209U's compliance.

Opinion on Each Major Federal Program

In our opinion, Wilmington Community Unit School District 209U complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance.

Report on Internal Control Over Compliance

Management of Wilmington Community Unit School District 209U, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Wilmington Community Unit School District 209U's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Wilmington Community Unit School District 209U's internal control over compliance.

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

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

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

Mack & Associates, P. C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
October 19, 2020

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020**

| Federal Grantor / Pass-Through Grantor / Program or Cluster Title | Federal CFDA Number | Federal Expenditures |
|---|------------------------|----------------------|
| Child Nutrition Cluster | | |
| United States Department of Agriculture - Passed through Department of Defense | | |
| Fresh Fruit & Vegetables | 10.555 | \$ 10,462 |
| Total Passed through Department of Defense | | <u>10,462</u> |
| Passed through Illinois State Board of Education | | |
| National School Breakfast Program | 10.553 | 43,963 |
| National School Lunch Program | 10.555 | 173,974 |
| ISBE Lanter Commodities | 10.555 | 30,719 |
| Sumer Food Service Programs | 10.559 | <u>28,760</u> |
| Total Passed through Illinois State Board of Education | | <u>277,416</u> |
| Total United States Department of Agriculture | | <u>287,878</u> |
| Total Child Nutrition Cluster | | <u>287,878</u> |
| Impact Aid | | |
| Department of Education | | |
| Impact Aid* | 84.041 | <u>2,090,366</u> |
| Total Department of Education | | <u>2,090,366</u> |
| Total Impact Aid Cluster | | <u>2,090,366</u> |
| Medicaid | | |
| Department of Health and Human Services - Passed through IL Department of Healthcare & Family Services | | |
| Medical Assistance Program | 93.778 | <u>22,034</u> |
| Total Department of Health and Human Services | | <u>22,034</u> |
| Total Medicaid Cluster | | <u>22,034</u> |
| Title I, Part A | | |
| Department of Education - Passed through Illinois State Board of Education | | |
| Title I Grants to Local Educational Agencies | 84.010 | <u>263,932</u> |
| Total Department of Education | | <u>263,932</u> |
| Total Title I, Part A Cluster | | <u>263,932</u> |
| Total Expenditures of Federal Awards | | <u>\$ 2,664,210</u> |

* Denotes major program

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020**

NOTE 1: BASIS OF PRESENTATION AND ACCOUNTING

Basis of Presentation

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Wilmington Community Unit School District 209U, and is presented on the modified cash basis of accounting. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Basis of Accounting

Under the modified cash basis of accounting, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash.

NOTE 2: INDIRECT FACILITIES & ADMINISTRATION COSTS

Wilmington Community Unit School District 209U did not elect to use the 10% de minimis cost rate.

NOTE 3: SUB-RECIPIENTS

Wilmington Community Unit School District 209U did not provide awards to sub- recipients.

NOTE 4: NON-CASH AWARDS

The following amounts were expended in the form of non-cash assistance by Wilmington Community Unit School District 209U, and are included in the accompanying schedule of expenditures of federal awards:

| | |
|------------------------------------|----------|
| Non-cash commodities (CFDA 10.555) | \$41,181 |
|------------------------------------|----------|

NOTE 5: OTHER DISCLOSURES

Amount of federal insurance, loans, and loan guarantees in effect during the year - None.

The District did not have federal grants requiring matching expenditures during the year ended June 30, 2020.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

Summary of Findings and Questioned Costs For the Year Ended June 30, 2020

A. SUMMARY OF AUDITORS' RESULTS

1. The Auditors' Report expresses an unmodified opinion on the financial statements of Wilmington Community Unit School District 209U.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Wilmington Community Unit School District 209U were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance for Each Major Program and On Internal Control over Compliance Required by the Uniform Guidance.
5. The Auditors' Report on Compliance for the major federal award programs for Wilmington Community Unit School District 209U, expresses an unmodified opinion on all major federal programs.
6. Audit findings relative to the major federal award programs for the Wilmington Community Unit School District 209U are reported in Part C of this Schedule.
7. The program tested as a major program was the Impact Aid Program (CFDA 84.041).
8. Total federal expenditures for the year ended June 30, 2020 were \$2,664,210, and major programs tested represented 78% of that total.
9. The threshold for distinguishing Types A and B programs was \$750,000.
10. Wilmington Community Unit School District 209U was not determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None.

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

None.

WILMINGTON COMMUNITY UNIT SCHOOL DISTRICT 209U

**Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2020**

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