

Keeneyville School District No. 20 Hanover Park, Illinois

Comprehensive Annual Financial Report

For the fiscal year ended
June 30, 2018



COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
KEENEYVILLE SCHOOL DISTRICT NO. 20
HANOVER PARK, ILLINOIS
For the Fiscal Year Ended
June 30, 2018

Official Issuing Report
Wendy Flaherty, Director of Operations/Treasurer

Department Issuing Report
Business Office

INTRODUCTORY SECTION

KEENEYVILLE SCHOOL DISTRICT NO. 20

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KEENEYVILLE SCHOOL DISTRICT #20

5540 Arlington Drive E. Hanover Park, Illinois 60133
Telephone: 630-894-2250 FAX: 630-894-5187

November 27, 2018

President and Members of the Board of Education
Keeneyville School District 20
Hanover Park, IL 60103

The Comprehensive Annual Financial Report (CAFR) of Keeneyville School District 20 (the "District"), Hanover Park, Illinois, for the fiscal year ended June 30, 2018, is hereby submitted. The Director of Operations/Treasurer prepared the report. The audit was completed in November, 2018 and the report was subsequently issued.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The District includes all funds that are controlled by or dependent on the Board of Education of the District, as determined on a basis of financial accountability. The District does not have such financial accountability over any other entity and thus does not include any other entity as a component unit in this report. Additionally, the District is an independent entity, not includable as a component unit of any other reporting entity.

The Board of Education of Keeneyville School District 20, DuPage County, Illinois, provides educational instruction to children residing in the Villages of Hanover Park, Roselle, Bloomingdale and unincorporated Keeneyville. The District's operations are funded primarily through local property taxes. The District operates under guidelines and restrictions as set forth in the *School Code of Illinois* and various federal statutes.

On October 4, 1897, Lake Street School District 20, Bloomingdale, opened the doors of a one-room cabin schoolhouse with only nine students. Over the next hundred years, the District changed its name, expanded to include four different villages, and added necessary buildings to accommodate student population growth. By 1949, enrollment had grown to 35 students and by 1950, the name of Lake Street School officially changed to Keeneyville School, later to become known as Keeneyville School District 20.

The District has continued to grow. In 2018 the District houses 1,595 students in four separate school buildings with a teaching staff of 125 professionals. Waterbury Elementary in Roselle houses our kindergarten through fifth grades. Greenbrook Elementary in Hanover Park houses our kindergarten through fifth grades. Spring Wood Middle School in Hanover Park houses the sixth through eighth grade students. The Early Childhood Center houses our 3-5 pre-school program in Hanover Park.

Students leaving the District at the end of eighth grade attend Lake Park High School 108. District 108 levies its own local property tax and files its tax levy with the DuPage County Clerk.

The District has complete responsibility for the preparation and modification of its annual budget and is solely accountable for its fiscal matters, including surpluses and deficits, designation of management, and issuance of debt.

ECONOMIC CONDITION AND OUTLOOK

The District is located approximately 25 miles west of Chicago's Loop and approximately 14 miles west of O'Hare International Airport covering an area of 4,678 square miles. The economic condition of the Hanover Park, Roselle, Bloomingdale and unincorporated Keeneyville areas is stable, and the prospect of additional property tax revenue is good. However, in 1990 the State of Illinois' legislature imposed a cap on property taxes which limits the tax levy to 105% or the Consumer Price Index increase (whichever is the lesser) of the previous tax extension, excluding growth due to new construction. The legislation allows voters to override the tax cap by referendum. Hanover Park, Roselle, Bloomingdale and unincorporated Keeneyville have traditionally been very supportive of maintaining excellent school systems. As long as local taxpayers are allowed to support their schools, no financing problems for the District are foreseen.

Mission, Belief and Strategic Plan for 2016-2017 to 2018-2019

In January 2016, a group of community stakeholders came together to provide the Board of Education with information in support of an effort to revise the Mission and Belief as well as develop a new Strategic Plan for the next three years. The Board adopted the following Mission and Belief Statement in March 2016.

Mission: ***Ignite the power and potential of each student***

We Believe:

All students have unique strengths and talents and excel in a rigorous, supportive environment.

Students learn best in a safe, secure and respectful atmosphere.

Our diversity enhances student learning and life experiences.

Partnerships among school, home and community are essential to success.

District resources must be managed responsively and efficiently.

Student growth is ignited by inspiring passion, uncovering knowledge and developing personal relationships.

In addition to the new mission and belief statement, the Board of Education approved a three year detailed Strategic Plan for the 2016-2017 through 2018-2019. The detailed plan is as follows:

Keeneyville 20

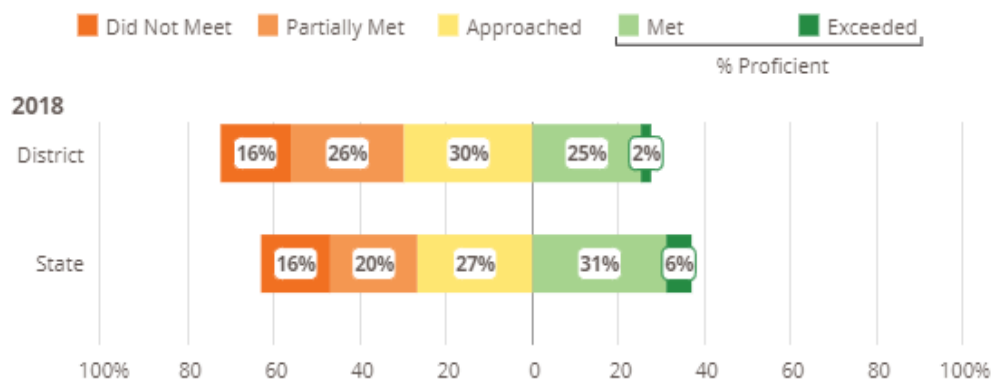
2016-2019 Strategic Plan

Themes	2016-2017	2017-2018	2018-2019
Curriculum, Instruction, & Assessment	<ul style="list-style-type: none"> -Create a District Curriculum Council and charge with the following: conduct a deep audit of the current core curricula, prioritize needs, establish a curriculum review/renewal cycle, create a curriculum development model/process, and develop assessment processes -Develop a 3-year Professional Development Plan that aligns with the new strategic plan, including but not limited to: new curriculum skills, PLC components, all components of the new long-range technology plan, social-emotional curriculum, and differentiation -Continue to offer high quality programs in fine arts, library and full day kindergarten; continually assess 	<ul style="list-style-type: none"> -Implement Priority #1 from the curriculum audit and begin a curriculum study to recommend a new curriculum for this subject area -Implement Year One of the new professional development plan -Continue to offer high quality programs in fine arts, library and full day kindergarten; continually assess 	<ul style="list-style-type: none"> -Implement the recommendation from the Priority #1 curriculum study -Implement Priority #2 from the curriculum audit and begin a curriculum study to recommend a new curriculum for this subject area -Implement Year Two of the new professional development plan -Continue to offer high quality programs in fine arts, library and full day kindergarten; continually assess
Technology	<ul style="list-style-type: none"> -Expand the scope and responsibilities of the current Technology Committee to create a long-range technology plan that includes but is not limited to: hardware/software acquisition and replacement; infrastructure capacity; 1:1 pilot and rollout; infusing technology into teaching, learning and curricula; training; and the feasibility of adding technology facilitators 	<ul style="list-style-type: none"> -Implement Year One of the long-range technology plan 	<ul style="list-style-type: none"> -Implement Year Two of the long-range technology plan
Meeting the Unique Needs of Children	<ul style="list-style-type: none"> -Create a process to continually monitor the effectiveness of special programs (sp. ed., ELL, 504 plans, reading support, early childhood and enrichment) and make recommendations for improvement and enhancement -Evaluate the effectiveness of the current MTSS process and make recommendations for improvement 	<ul style="list-style-type: none"> -Implement recommendations for improvement and enhancement of special programs -Implement recommendations for improvement of the MTSS process -Develop the PLC model for improvement of student achievement and achievement gaps, including but not limited to: reviewing master schedules for maximum planning and instructional time, creating effective interventions and training for both team leaders and staff 	<ul style="list-style-type: none"> -Continue to implement recommendations for improvement and enhancement of special programs -Continue to implement recommendations for improvement of the MTSS process and assess for effectiveness -Implement the PLC process, as developed
Student Life	<ul style="list-style-type: none"> -Examine the Social-Emotional Education curriculum as it currently exists in PreK-8, compare to State requirements and create a new integrated and coordinated program -Continue to provide a wide variety of extracurricular activities; seek ways to expand and possibly partner with the local community -Create a representative student behavior/discipline committee to make recommendations for: student discipline policy/implementation, compliance with SB 100 	<ul style="list-style-type: none"> -Implement the new PreK-8 Social Emotional Education curriculum -Implement ways to expand extracurricular programs and partnerships -Implement recommendations from the student behavior/discipline committee 	<ul style="list-style-type: none"> -Continue to implement the new PreK-8 Social Emotional Education curriculum and assess for effectiveness -Implement ways to expand extracurricular programs and partnerships and assess for effectiveness -Continue implementing recommendations from the student behavior/discipline committee and assess their effectiveness
Community, Collaboration and Culture	<ul style="list-style-type: none"> -Create an Employee Relationships Committee to study the topic and then recommend a variety of activities designed to build both trust and a more positive climate within all aspects of the school district -Develop recommendations for improvements regarding communication issues including but not limited to: utilization of the web site; district newsletters, use of social media, recognition of students/staff/district and enhancement of school climate and culture 	<ul style="list-style-type: none"> -Implement the recommendations of the Employee Relationships Committee -Implement the recommendations of the communication review -Develop recommendations for improvements regarding community outreach and partnership opportunities including but not limited to: increased parental participation, school-business partnerships, service projects, enhancement of school climate/culture and extracurricular opportunities 	<ul style="list-style-type: none"> -Continue to implement the recommendations of the Employee Relationships Committee and assess for effectiveness -Continue to implement the recommendations of the communication review and assess for effectiveness -Implement the recommendations of the community outreach and partnership
Finances and Facilities	<ul style="list-style-type: none"> -Continually and proactively monitor district finances, fund balances and budget to assure fiscal stability -Explore new revenue sources including but not limited to grants and business partnerships -Update the long-range facilities plan for all schools and include the study of available and appropriate space for learning and an update equipment and furnishings provided in classrooms 	<ul style="list-style-type: none"> -Continually and proactively monitor district finances, fund balances and budget to assure fiscal stability -Explore new revenue sources including but not limited to grants and business partnerships -Implement recommendations from the long-range facilities plan and the study of learning space and furnishings 	<ul style="list-style-type: none"> -Continually and proactively monitor district finances, fund balances and budget to assure fiscal stability -Explore new revenue sources including but not limited to grants and business partnerships -Continue to implement recommendations from the long-range facilities plan and the study of learning space and furnishings

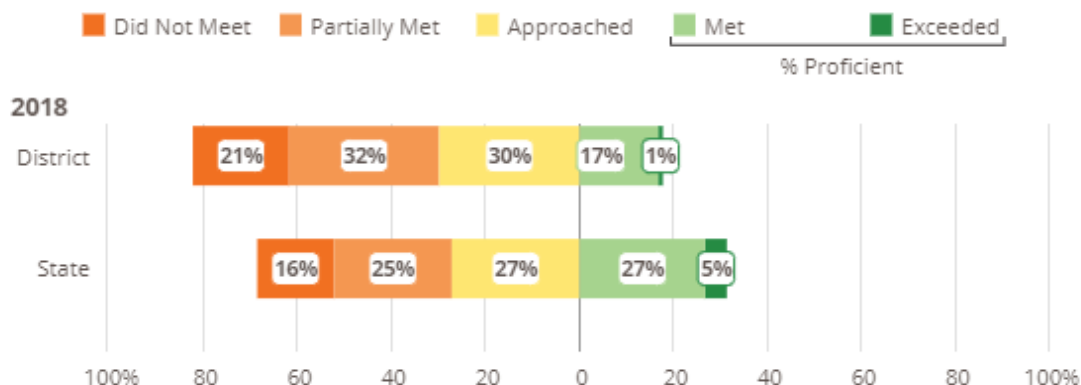
STUDENT ACHIEVEMENTS

The Illinois State Board of Education measures the amount of academic growth a school's students demonstrate, Illinois compares student's performance on Partnership for Assessment of Readiness for College and Careers (PARCC). For the 2017-2018 school year, the percentages of state test scores categorized as meeting or exceeding the PARCC expectations for ELA and Math were as follows:

For ELA



For Math:



FINANCIAL INFORMATION

The District administration is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Tests are made by the District's independent auditor to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the tests for the fiscal year ended June 30, 2018 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budget Control

The District maintains sound budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Education.

Monthly, the business office provides the Board with a Variance Report based on changes to the approved budget.

Activities of the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level.

The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end, on June 30.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

OTHER INFORMATION

Independent Audit

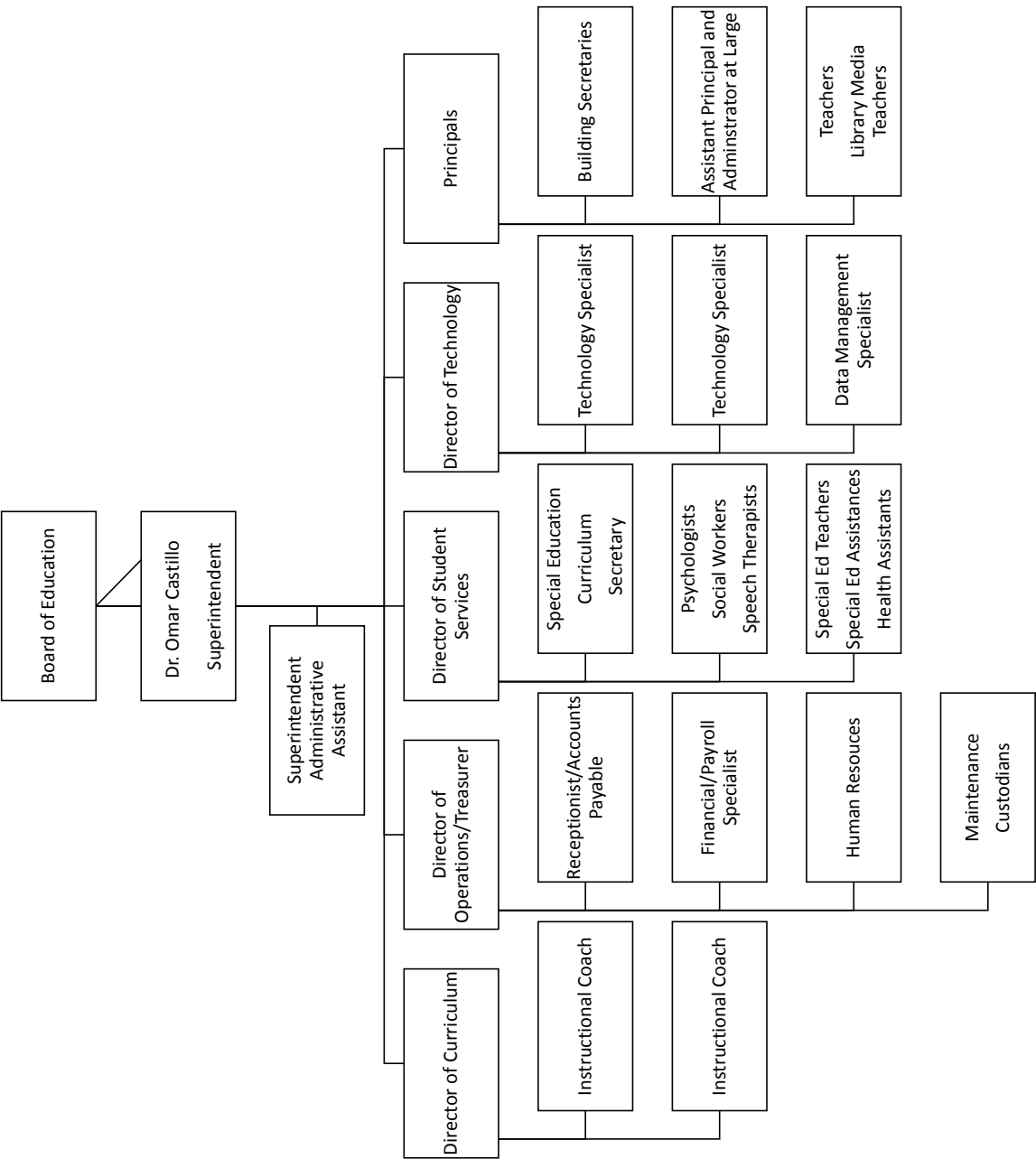
State statutes require an annual audit of the books of accounts, financial records and transactions of all funds of the District. The independent certified public accounting firm of Klein Hall CPAs performed the audit. The auditor's report is included in the financial section of this report.

Acknowledgments

We wish to thank the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner. We also wish to thank the efficient and dedicated business office staff for their assistance in the timely preparation of this report.

Respectfully submitted,

Wendy J. Flaherty
Director of Operations/Treasurer



KEENEYVILLE SCHOOL DISTRICT 20
GENERAL SCHOOL ADMINISTRATION
ORGANIZATIONAL CHART

KEENEYVILLE SCHOOL DISTRICT NO. 20
5540 Arlington Drive
Hanover Park, IL 60133

C o m p r e h e n s i v e A n n u a l F i n a n c i a l R e p o r t

For the Fiscal Year Ended June 30, 2018

Board of Education

		<u>Term Expires</u>
Heather Weishaar	President	2019
Sara Bruno	Vice President	2019
Andrea Schnorr	Board Secretary	2019
Darlette Anderson	Member	2021
April Dislers	Member	2019
Jennifer Kuban	Member	2021
Terry Walloch	Member	2021

District Administration

Dr. Omar Castillo, Ed.D.
Superintendent of Schools

Wendy Flaherty MBA, CSBO
Director of Operations

Kim Cline
Director of Special Education

Dr. Emmie Pawlak
Director of Teaching & Learning

Art Anderson
Director of Technology

Official Issuing Report

Wendy Flaherty, MBA, CSBO
Director of Operations and Treasurer

Department Issuing Report

Business Office



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

Keeneyville School District

No. 20

Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



Independent Auditor's Report

Board of Education
Keeneyville School District No. 20
Hanover Park, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Keeneyville School District No. 20 (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Keeneyville School District No. 20 as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended June 30, 2018. Statement No. 75 expands disclosures related to postemployment benefits other than pensions and requires the District to report the net other postemployment benefit liability in the statement of net position. The adoption of this statement had no effect on any of the District's fund balances but reduced the District's governmental activities net position by \$9,405,902 as of July 1, 2017 as disclosed in Note 14. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual fund financial statements and schedules 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 schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section 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.

We have also audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended June 30, 2017, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The schedules of revenues, expenditures and changes in fund balances - budget and actual, related to the 2017 financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those

basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 schedules of revenues, expenditures and changes in fund balances - budget and actual are fairly stated in material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2018 on our consideration of Keeneyville School District No. 20'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 the District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Klein Hall CPAs".

Klein Hall CPAs
Aurora, Illinois
November 27, 2018

KEENEYVILLE ELEMENTARY SCHOOL DISTRICT NO. 20

Management's Discussion and Analysis For the Year Ended June 20, 2018

The discussion and analysis of Keeneyville Elementary School District No. 20's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2018. The District's financial statements incorporate required information for the District to be in compliance with the provisions of the Governmental Accounting Standards Board Statement No. 34. The management of the District encourages readers to consider the information herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. This report, Management's Discussion and Analysis (MD&A), provides an overview of the District's financial activities for the fiscal year ended June 30, 2018 with comparative data to the fiscal year ended June 30, 2017.

Financial Highlights

- The District's financial status continues to be strong as evidenced by ISBE's award of Financial Recognition with a score of 3.90 out of 4.00. This is the highest category a District can obtain.
- General Fund balances which include the Educational Account, Operations & Maintenance Account, Working Cash Account and Tort Immunity Account as of June 30, 2018 were \$12,276,036 reflecting an increase of \$2,526,269 or 25.9% due to additional revenues received as a result of the Evidenced Based Funding and other prudent financial management. The General Fund accounts for 84.47% of the total fund balance.
- The combined fund balances of all governmental funds as of June 30, 2018 was \$14,533,078 reflecting a decrease of \$447,847 or 3% due primarily to Capital Expenditures out of the Fire Prevention and Life Safety fund for the purchase of heating and ventilation systems at Spring Wood Middle School and Waterbury Elementary. The District also installed a Geothermal system at Greenbrook Elementary during the summer of 2017.
- The District's total net position as of June 30 2018 decreased by \$10,386,262 to \$9,276,244 or a 53% decline due to the implementation of GASB Statement No. 75. Statement No. 75 expands disclosures related to post-employment benefits other than pensions and requires to the District to report the other postemployment benefit liability in the statement of net position. This does not affect the District's fund balances but reduced the District's governmental activities net position.
- The District has one union for teachers, the Keeneyville Educational Association (KEA). During FY 2018 the District negotiated a five year contract that runs through August of 2022. This contract allows for better budgeting as it is tied to the CPI-U increase annually and eliminated the salary schedule.
- The Board of Education continues to adopt budgets that are balanced and is committed to operating these budgets within the parameters of each school year. For the past eighteen years, the Board of Education has approved balanced budgets and ended each of the past thirteen years with a fund surplus. Those surpluses have been used to fund infrastructure improvements annually.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and additional supplementary information. The basic financial statements include two types of statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the District-wide statements.

KEENEYVILLE ELEMENTARY SCHOOL DISTRICT NO. 20

Management's Discussion and Analysis
For the Year Ended June 20, 2018

- The *governmental funds statements* tell how basic services such as regular and special education were financed in the *short-term* as well as what remains for future spending.
- *Fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others.

Reporting the District as a Whole

Government-wide Financial Statements

The government-wide financial statements report information about the District as a whole using accounting methods similar to those used by private-sector companies.

The statement of net position includes all of the District's assets plus deferred outflows and liabilities plus deferred inflows. All of the current year's revenues and expenses are accounted for in the statements of activities regardless of when cash is received or paid.

The two government-wide financial statements report the District's *net position* and how it has changed. A District's net position is the difference between the District's assets and deferred outflows and liabilities and deferred inflows – this is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether the financial position is improving or deteriorating.
- To assess the District's overall health, one must consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements, the District's activities are categorized as *Governmental Activities*. All of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes finance over 67% of all activities with state aid and federal revenues supporting the rest.

Financial Analysis of the District as a Whole

The District's total net position decreased 53% or \$10,386,282 from \$19,662,526 to \$9,276,244. (see Table A-1). This can be accounted for due to the implementation of GASB Statement No. 75, which decreased net position by \$9,405,902 as of July 1, 2017. Prior to fiscal year 2018 this liability was not reported in the government-wide financial statements.

KEENEYVILLE ELEMENTARY SCHOOL DISTRICT NO. 20

Management's Discussion and Analysis

For the Year Ended June 20, 2018

Keeneyville School District 20's Net Position (Table A-1)					
	2018	2017	\$ Change	% Change	
Current and other assets	\$ 31,813,041	\$ 32,703,607	\$ (890,566)	-3%	
Capital assets & land	17,559,790	17,715,539	(155,749)	-1%	
Total assets	49,372,831	50,419,146	(1,046,315)	-2%	
Deferred outflows related to pensions/OPEB	1,479,553	1,038,658	440,895	42%	
Deferred amount on refunding	261,054	284,786	(23,732)	-8%	
Total deferred outflows	1,740,607	1,323,444	417,163	32%	
Long-term debt outstanding	21,342,549	12,778,895	8,563,654	67%	
Other Liabilities	1,162,921	2,084,077	(921,156)	-44%	
Total liabilities	22,505,470	14,862,972	7,642,498	51%	
Deferred inflows related to pensions/OPEB	3,575,655	1,778,489	1,797,166	101%	
Deferred property tax revenue	15,756,069	15,438,603	317,466	2%	
Total deferred inflows	19,331,724	17,217,092	2,114,632	12%	
Net position					
Net investment in capital assets	7,434,582	10,975,122	(3,540,540)	-32%	
Restricted	2,280,399	5,254,516	(2,974,117)	-57%	
Unrestricted	(438,737)	3,432,888	(3,871,625)	-113%	
Total net position	\$ 9,276,244	\$ 19,662,526	\$ (10,386,282)	-53%	

KEENEYVILLE ELEMENTARY SCHOOL DISTRICT NO. 20

Management's Discussion and Analysis
For the Year Ended June 20, 2018

Changes in Keeneyville School District 20's Net Position (Table A-2)						
Increases (Decreases) from Governmental Activities						
	2017-2018	% Total	2016-2017	% Total	Increase (Decrease)	% Change
Revenues						
Program Revenues:						
Charges for services	\$ 590,673	2%	\$ 468,558	3%	\$ 122,115	26%
Operating grants and contributions	6,126,661	25%	5,278,644	24%	848,017	16%
General Revenues:						
Property taxes	15,423,274	62%	15,036,915	64%	386,359	3%
State aid not restricted to specific purposes	2,465,513	10%	1,783,174	7%	682,339	38%
Earnings on investments	225,985	1%	111,244	1%	114,741	103%
Miscellaneous	64,410	0%	68,446	1%	(4,036)	-6%
Total Revenues	24,896,516	100%	22,746,981	100%	\$ 2,149,535	9%
Expenses						
Instructional services:						
Regular programs	12,078,369	46%	9,618,378	53%	\$ 2,459,991	26%
Special programs	3,300,293	13%	2,744,643	14%	555,650	20%
Other programs	963,384	4%	511,674	0%	451,710	0%
Supporting services:						
Pupils	1,049,076	4%	882,239	4%	166,837	19%
Instructional staff	992,834	4%	940,207	3%	52,627	6%
General administration	1,051,254	4%	728,128	4%	323,126	44%
School administration	1,187,802	5%	1,155,550	5%	32,252	3%
Business	1,620,732	6%	1,209,219	9%	411,513	34%
Operations and maintenance	1,616,546	6%	1,064,993	3%	551,553	52%
Transportation	950,108	4%	891,986	3%	58,122	7%
Central	588,299	2%	541,302	2%	46,997	9%
Community Services	24,793	0%	50,143	0%	(25,350)	-51%
Payments to other governments	59,323	0%	-	0%	59,323	-
Interest on long-term liabilities	394,083	2%	362,046	0%	32,037	9%
Total Expenses	25,876,896	100%	20,700,508	100%	\$ 5,176,388	25%
Change in net position	(980,380)		2,046,473			
Net position, beginning	19,662,526		17,616,053			
Prior period adjustment	(9,405,902)		-			
Net position, beginning (restated)	10,256,624		17,616,053			
Net position, ending	\$ 9,276,244		\$ 19,662,526			

The District's total revenue increased 9% or \$2,149,535 from \$22,746,981 to \$24,896,516 see (Table A-2 – above).

On-Behalf Payments that the State of Illinois pays into the teachers' pension fund for employees increased by 20% or \$618,204. This figure, while a reporting requirement under GASB, is a pass through that does not increase the operating revenues of the District.

KEENEYVILLE ELEMENTARY SCHOOL DISTRICT NO. 20

Management's Discussion and Analysis
For the Year Ended June 20, 2018

Operating grants, if On-Behalf Payments are eliminated, include special education reimbursement, transportation reimbursement and other categorical grants increased \$229,813 or 11% from the prior year. This was due to increases in State funding of all categorical grants during the fiscal year.

Property taxes increased 3% or \$386,359 due to new construction which falls outside the tax cap for only one year. For tax levy year 2017 taxes collected in fiscal year 2018 the CPI-U was 2.1%. The CPI-U (or 2.1%) is the amount of additional revenue from the aggregate extension base the District can collect through local property taxes.

Unrestricted Federal and State aid increased \$682,399. In fiscal year 2018 the State implemented the evidence based funding model.

The total of all expenses for the 2017-2018 year was \$25,876,896. This was an increase of 25% or \$5,176,388 from the prior year's expenses of \$20,700,508.

Instructional services increased in the area of regular programs by 26% or \$2,459,991 due to the changes in the net pension liability and deferred inflow and outflows.

In the area of special educational programs, costs increased 20% or \$555,650 due to costs related to special education program services for students.

General Administration expenses increased \$323,126 or 44% due to personnel costs.

School Administration expenses increased \$32,252 or 3% due to salary and benefit increases. Three administrators retired at the end of fiscal year 2017.

Operation and maintenance increased \$551,553 or 52% due to the capital improvement program.

Transportation expenses increased \$58,122 or 7%

Central Support services costs increased \$46,997 or 9% over the prior year due to increased spending on technology equipment.

Interest on long-term liabilities increased \$32,037 or 9% due to the repayment of new bonds issued in December 2015 and March of 2016 that began payments in fiscal year 2017. Bond proceeds were deposited into the Fire Prevention and Safety Fund. Additionally the District entered into a new lease agreement in fiscal year 2018 to upgrade their current copier. A more detailed review of the Districts general long-term debt obligations can be found in Note 5 of the Notes to Financial Statements.

Total revenues for 2017-2018 were \$24,896,516 while the Districts expenses were \$25,876,896 thereby decreasing net position by 980,380. A prior period adjustment related to the implementation of GASB Statement No. 75 of \$9,405,902 further reduced the ending net position to \$9,276,244.

Reporting the District's Most Significant Funds – Fund Financial Statements

The District's fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole.

Fund accounting devices that the District uses to keep track of specific sources of funding and spending for particular programs include:

- Some funds that are required by state law and by bond covenants, and

KEENEYVILLE ELEMENTARY SCHOOL DISTRICT NO. 20

Management's Discussion and Analysis
For the Year Ended June 20, 2018

- Other funds established by the District to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as Working Cash).

The District has two categories of funds:

- *Governmental Funds*: All of the District's basic services are included in governmental funds which generally focus on (1) how cash and other financial assets can readily be converted to cash flow – both in and out and (2) the balances left at year-end that are available for spending.

Consequently, the governmental funds statements provide a detailed short-term view that allows one to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass additional long-term focus of the Government-wide statements, reconciliations are provided to explain the relationship (or differences) between them.

- *Fiduciary Funds*: The District is the trustee, or *fiduciary*, for assets that belong to others, such as the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

Financial Analysis of the District's Funds

The District's governmental funds have a combined fund balance of \$14,533,078 as of June 30, 2018. This is a decrease of \$447,847 from the June 30, 2017 fund balance of \$14,980,925. The major reason for this decrease were expenditures from the Fire Prevention and Safety Fund to pay for the heating and ventilating projects at all three schools. The funds were originally provided for with bonds issued in fiscal year 2016.

The General Fund consists of the primary operating accounts of the District. These include the Educational Account, Operations & Maintenance Account, Working Cash Account and Tort Immunity Account. The District received \$22,509,601 in the General Fund for the 2017-2018 year and expended \$20,251,769 for a surplus of \$2,257,832 before other financing sources or uses. The ending increased General Fund fund balance of \$12,276,036 was due primarily to conservative budgeting on State Funding as well as reduction in costs for salaries and benefits due to retirements and attrition.

The Educational Account reflected an increase in revenues due to local property taxes increasing from additional new construction. State revenues increased down due to the evidence based funding formula. Federal revenues were relatively flat. Expenditures increased in instruction and support services due to additional teaching assists required for students with special needs but instruction costs were down as the District hired younger teachers during the year. (See Table A-3)

KEENEYVILLE ELEMENTARY SCHOOL DISTRICT NO. 20

Management's Discussion and Analysis
For the Year Ended June 20, 2018

Educational Account (Table A-3)				
Schedule of Revenues and Expenditures				
	Fiscal Year		Fiscal Year	Increase
	2018		2017	(Decrease)
Revenues				
Local Sources	\$ 12,274,522	\$	11,843,644	\$ 430,878
State Sources	6,368,212		4,879,793	1,488,419
Federal Sources	1,318,860		1,205,640	113,220
Total Revenues	19,961,594		17,929,077	\$ 2,032,517
Expenditures				
Instructional Services	12,985,177		12,123,759	\$ 861,418
Support Services	5,087,097		4,683,340	403,757
Community Services	24,748		50,143	(25,395)
Payments to other governments	59,323		-	59,323
Total Expenditures	18,156,345		16,857,242	\$ 1,239,780
Excess of Revenues over Expenditures	\$ 1,805,249	\$	1,071,835	

The Operations and Maintenance Account reflected a significant decline in capital outlay from \$265,149 in fiscal year 2017 to \$97,265 in fiscal year 2018 due to a majority of the summer construction being funded out of the Life Safety Fund from restricted bond proceeds. The Operations and Maintenance fund balance increased by \$443,578 in fiscal year 2018.

The Working Cash Account increased due to interest on investments. That fund balance ended the fiscal year at \$2,237,403, up just over \$19,000 for the year.

The Tort Immunity Account revenues consisted of local property taxes, evidence based funding as well as investments and a small refund from the prior year. This fund also remained relatively flat as expenditures for Property Casualty insurance were \$112,202 for the year. The fund balance ended the fiscal year at \$23,357.

Non-major Governmental Funds include the Transportation Fund, Municipal Retirement/Social Security Fund and Capital Projects Fund. Transportation is a significant operating expense for the District. As shown below in Table A-4, transportation revenues increased as a result of the State funding. Additionally, the District busing costs increase due to additional after school activities, special needs, and homeless transportation requirements.

KEENEYVILLE ELEMENTARY SCHOOL DISTRICT NO. 20

Management's Discussion and Analysis
For the Year Ended June 20, 2018

Transportation Fund (Table A-4)				
Schedule of Revenues and Expenditures				
	Fiscal Year 2018	Fiscal Year 2017	Increase (Decrease)	
Revenues				
Local Sources	\$ 614,954	\$ 575,279	\$	39,675
State Sources	447,403	139,266		308,137
Total Revenues	1,062,357	714,545	\$	347,812
Expenditures				
Support Services	885,046	869,068		15,978
Total Expenditures	885,046	869,068	\$	15,978
Excess of Revenues over Expenditures	\$ 177,311	\$ (154,523)		

The Fire Prevention and Safety Fund decreased by \$3,125,712 due to the payment of HVAC construction upgrades done during fiscal year 2018.

General Fund Budgetary Highlights

The District budget is prepared in accordance with Illinois law and based on the modified accrual basis of accounting, utilizing revenues, expenditures and encumbrances.

Comparison of 2016-2017 Budget vs. Actual (Table A-5)					
General Fund	Budget	Actual	\$ Difference	% Difference	Actual Revenue over Expenditures
Educational Revenue	\$ 18,110,217	\$ 19,961,594	\$ 1,851,377	10%	
Educational Expenditures	18,110,217	18,156,345	46,128	0%	\$ 1,805,249
O&M Revenue	2,261,816	2,416,800	154,984	7%	
O&M Expenditures	2,281,816	1,983,222	(298,594)	-13%	433,578
Working Cash Revenue	15,000	19,006	4,006	27%	
Working Cash Expenditures	-	-	-	0%	19,006
Tort Immunity Revenue	58,900	112,201	53,301	90%	
Tort Immunity Expenditures	58,900	112,202	53,302	90%	(1)
Total Revenue	20,445,933	22,509,601	2,063,668	10%	
Total Expenditures	\$ 20,450,933	\$ 20,251,769	\$ (199,164)	-1%	\$ 2,257,832

Appropriate budgetary control over all governmental expenditures is maintained with the use of a formal encumbrance system. Encumbered amounts lapse at year-end, on June 30, 2018. All appropriations lapse at year-end and must be re-established the following fiscal year.

The Board of Education and the Administration will continue to develop strategies to ensure that the financial condition of the District remains sound.

KEENEYVILLE ELEMENTARY SCHOOL DISTRICT NO. 20

Management's Discussion and Analysis
For the Year Ended June 20, 2018

Capital assets

The District's investment in capital assets to improve its heating and ventilation systems including the addition of the Geothermal system at Greenbrook elementary. A more detailed review of the District's capital assets can be seen in Note 4 of the Notes to Financial Statements.

Capital Assets Net of Depreciation (Table A-6)			
	2018		2017
Capital Assets			
Land	\$	2,151,258	\$ 2,151,258
Construction in Progress		-	2,670,525
Building and Improvements		14,266,151	12,220,140
Equipment		1,142,381	673,616
Total Capital Assets		17,559,790	17,715,539

Debt Administration

The District's statutory debt limit is 6.9% of the Equalized Assessed Valuation of all taxable property located within the boundaries of the District.

2017 Equalized Assessed Value:	\$	400,311,505
Debt Limit @ 6.9%	\$	27,621,494
General Obligation Debt	\$	10,525,000
Less: Debt Service Fund Balance		(99,943)
Net General Obligation Debt Outstanding	\$	10,425,057
Legal Debt Margin	\$	17,196,437

Long Term Debt

General Obligation Bonds outstanding at year end were \$10,525,000. The District's tax bonds carry an AA rating from Standard & Poor's. The District's ratings reflect a steady, moderate tax base and sound financial operations with ample reserves, moderate debt burden and adequate security protection. Further detail is included in Note 5 of the Notes to Financial Statements.

Outstanding General Obligation Bonds (Table A-7)			
	2018		2017
General Obligation Bonds			
Series 2015	\$	4,570,000	\$ 4,900,000
Series 2016		5,955,000	6,180,000
Total Capital Assets		10,525,000	11,080,000

KEENEYVILLE ELEMENTARY SCHOOL DISTRICT NO. 20

Management's Discussion and Analysis
For the Year Ended June 20, 2018

Initiatives

The District annually reviews its educational and administrative objectives. The Board of Education meets annually to prepare and reflect on its accomplishments and to revise its major goals and objectives. The intent of this task is to reflect, revisit and refocus the mission and strategic objectives for the future of the District.

Next Year's Budget

The 2018-2019 budget for the General Fund shows a balanced budget with revenues equal to expenditures.

Factors Bearing on the District's Future

The District is presently aware of several circumstances that may impact the financial health in the future:

- While the economy has improved resulting in historically low unemployment and a strong GDP, we are starting to see some weakness in housing starts and sales as a result of increased interest rates. This may result in slower growth local tax revenues, which is the largest revenue source for the District.
- Illinois elected a new governor in 2018. The Evidenced Based Model provided additional state funding to Keeneyville. Any changes the current education reform philosophy at the state level could reduce funding to the District.
- Habitat for Humanities has been approved to add an additional 27 townhomes to Hanover Park. This could result in additional students for the District.
- The potential of a TRS cost shift, a property tax freeze as well as the State of Illinois financial position could negatively impact the District.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, investors and creditors with a general overview of the District's finances. Should you have questions about this report or need additional financial information, contact the Wendy Flaherty, Director of Operations/Treasurer, 5540 Arlington Drive E., Hanover Park, IL 60133.

BASIC FINANCIAL STATEMENTS

KEENEYVILLE SCHOOL DISTRICT NO. 20

Statement of Net Position

June 30, 2018

	Governmental Activities
Assets	
Cash and investments	\$ 23,566,573
Receivables	
Property taxes	7,538,500
Due from other governments	460,418
Capital assets	
Land and construction in progress	2,151,258
Other capital assets, net of depreciation	15,408,532
Net pension asset	247,550
Total Assets	49,372,831
Deferred Outflows	
Deferred amount on refunding	261,054
Deferred outflows related to pensions	1,365,104
Deferred outflows related to OPEB	114,449
Total deferred outflows	1,740,607
Liabilities	
Accounts payable	544,747
Accrued salaries and related expenses	618,174
Noncurrent liabilities	
Due within one year	675,460
Due in more than one year	20,667,089
Total Liabilities	22,505,470
Deferred Inflows	
Property tax levied for subsequent year	15,756,069
Deferred inflows related to pensions	2,501,221
Deferred inflows related to OPEB	1,074,434
Total deferred inflows	19,331,724
Net Position	
Net investment in capital assets	7,434,582
Restricted for	
Tort immunity	23,357
Transportation service	388,452
Employee retirement	87,771
Debt service	99,943
Capital projects	1,680,876
Unrestricted	(438,737)
Total net position	\$ 9,276,244

See accompanying notes to basic financial statements

KEENEYVILLE SCHOOL DISTRICT NO. 20

Statement of Activities

Year Ended June 30, 2018

Functions	Expenses	Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenue and
		Services	Grants and	Grants and	Changes in
			Contributions	Contributions	Net Position
					Total
					Governmental
					Activities
Governmental activities					
Instructional services					
Regular programs	\$ 12,078,369	\$ 397,462	\$ 5,132,505	\$ -	\$ (6,548,402)
Special programs	3,300,293	5,121	992,129	-	(2,303,043)
Other programs	963,384	49,469	2,027	-	(911,888)
Support services					
Pupils	1,049,076	-	-	-	(1,049,076)
Instructional staff	992,834	-	-	-	(992,834)
General administration	1,051,254	-	-	-	(1,051,254)
School administration	1,187,802	-	-	-	(1,187,802)
Business	1,620,732	79,282	-	-	(1,541,450)
Operation and maintenance					
of facilities	1,616,546	59,339	-	-	(1,557,207)
Transportation	950,108	-	-	-	(950,108)
Central	588,299	-	-	-	(588,299)
Community services	24,793	-	-	-	(24,793)
Payments to other government	59,323	-	-	-	(59,323)
Interest on long-term liabilities	394,083	-	-	-	(394,083)
Total school district	\$ 25,876,896	\$ 590,673	\$ 6,126,661	\$ -	\$ (19,159,562)
General revenues					
Property taxes levied for					
General purposes					13,447,543
Transportation					607,425
Retirement					405,076
Debt service					963,230
State aid not restricted to specific purposes					2,465,513
Earnings on investments					225,985
Miscellaneous					64,410
Total general revenues					18,179,182
Change in net position					(980,380)
Net position - beginning, as originally reported					19,662,526
Prior period adjustment					(9,405,902)
Net position - beginning, as restated					10,256,624
Net position - ending					\$ 9,276,244

See accompanying notes to basic financial statements

KEENEYVILLE SCHOOL DISTRICT NO. 20

Balance Sheet
 Governmental Funds
 June 30, 2018

	General	Debt Service	Fire Prevention and Safety	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	\$ 19,917,666	\$ 604,785	\$ 2,028,840	\$ 1,015,282	\$ 23,566,573
Receivables					
Property taxes	6,587,763	463,111	-	487,626	7,538,500
Due from other governments	356,873	-	-	103,545	460,418
Total assets	<u>\$ 26,862,302</u>	<u>\$ 1,067,896</u>	<u>\$ 2,028,840</u>	<u>\$ 1,606,453</u>	<u>\$ 31,565,491</u>
Liabilities, deferred inflows and fund balance					
Liabilities					
Accounts payable	\$ 189,499	\$ -	\$ 355,248	\$ -	\$ 544,747
Accrued salaries and related expenditures	618,174	-	-	-	618,174
Total liabilities	<u>807,673</u>	<u>-</u>	<u>355,248</u>	<u>-</u>	<u>1,162,921</u>
Deferred inflows					
Other unavailable revenue	9,878	-	-	103,545	113,423
Property taxes levied for subsequent year	13,768,715	967,953	-	1,019,401	15,756,069
Total deferred inflows	<u>13,778,593</u>	<u>967,953</u>	<u>-</u>	<u>1,122,946</u>	<u>15,869,492</u>
Fund balances					
Restricted					
Tort immunity	23,357	-	-	-	23,357
Transportation	-	-	-	388,452	388,452
Employee retirement	-	-	-	87,771	87,771
Debt service	-	99,943	-	-	99,943
Capital projects	-	-	1,673,592	7,284	1,680,876
Unassigned	12,252,679	-	-	-	12,252,679
Total Fund Balances	<u>12,276,036</u>	<u>99,943</u>	<u>1,673,592</u>	<u>483,507</u>	<u>14,533,078</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 26,862,302</u>	<u>\$ 1,067,896</u>	<u>\$ 2,028,840</u>	<u>\$ 1,606,453</u>	<u>\$ 31,565,491</u>

See accompanying notes to basic financial statements

KEENEYVILLE SCHOOL DISTRICT NO. 20

Reconciliation of the Balance Sheet of Governmental Funds

To the Statement of Net Position

June 30, 2018

Total fund balances - governmental funds	\$ 14,533,078
Amounts reported for governmental activities in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The cost of the assets is \$32,989,371 and the accumulated depreciation is \$15,429,581.	17,559,790
Some of the School District's governmental revenues will be collected after fiscal year-end but are not available soon enough to pay for the current period's expenditures and are therefore not accrued in the governmental funds.	113,423
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Deferred amount on refunding	261,054
Long-term debt	(11,505,845)
Net pension liability - TRS	(856,197)
Net pension asset - IMRF	247,550
Net OPEB liability - TRS	(8,980,507)
Deferred inflows and outflows of resources related to pensions are not reported in governmental funds	
Deferred outflows	1,479,553
Deferred inflows	(3,575,655)
Net position of governmental activities	\$ 9,276,244

See accompanying notes to basic financial statements

KEENEYVILLE SCHOOL DISTRICT NO. 20

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2018

	General	Debt Service	Fire Prevention and Safety	Other Governmental Funds	Total Governmental Funds
Revenues					
Local sources	\$ 14,278,251	\$ 966,378	\$ 31,901	\$ 1,027,812	\$ 16,304,342
State sources	6,912,490	-	-	447,403	7,359,893
Federal sources	1,318,860	-	-	-	1,318,860
Total revenues	22,509,601	966,378	31,901	1,475,215	24,983,095
Expenditures					
Current					
Instruction	12,985,177	-	-	193,921	13,179,098
Support services	7,182,521	-	3,157,613	1,139,181	11,479,315
Community services	24,748	-	-	45	24,793
Payments to other governmental units	59,323	-	-	-	59,323
Debt service					
Principal	-	590,159	-	-	590,159
Interest and fiscal charges	-	412,411	-	-	412,411
Total expenditures	20,251,769	1,002,570	3,157,613	1,333,147	25,745,099
Excess (deficiency) of revenues over expenditures	2,257,832	(36,192)	(3,125,712)	142,068	(762,004)
Other financing sources (uses)					
Transfers in	-	45,720	-	-	45,720
Transfers out	(45,720)	-	-	-	(45,720)
Capital lease proceeds	314,157	-	-	-	314,157
Total other financing sources (uses)	268,437	45,720	-	-	314,157
Net change in fund balances	2,526,269	9,528	(3,125,712)	142,068	(447,847)
Fund balances at beginning of year	9,749,767	90,415	4,799,304	341,439	14,980,925
Fund balances at end of year	\$ 12,276,036	\$ 99,943	\$ 1,673,592	\$ 483,507	\$ 14,533,078

See accompanying notes to basic financial statements

KEENEYVILLE SCHOOL DISTRICT NO. 20

Reconciliation of the Statement of Revenues, Expenditures and
 Changes in Fund Balances of Governmental Funds to the Statement of Activities
 Year Ended June 30, 2018

Net change in fund balances - total governmental funds **\$ (447,847)**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$1,000 are capitalized and the cost is allocated over their estimated lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 2,869,420	
Depreciation expense	(3,786,070)	
	760,901	(155,749)

Because some of the governmental revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are not accrued in the governmental funds. (86,579)

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

Change in deferred inflows/outflows related to pensions	\$ (396,286)	
Change in deferred inflows/outflows related to OPEB	(959,985)	
Change in net pension liability - IMRF	1,144,905	
Change in net pension liability - TRS	(798,564)	
Change in net OPEB liability - THIS	425,395	(584,535)

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

Capital lease proceeds	\$ (314,157)	
Repayment of bonds and other long term debt	590,159	
Bond premium amortization	42,060	
Amortization of deferred loss on refunding	(23,732)	294,330

Change in net position of governmental activities **\$ (980,380)**

KEENEYVILLE SCHOOL DISTRICT NO. 20

Statement of Fiduciary Assets and Liabilities - Agency Fund
June 30, 2018

Assets

Cash	\$ 22,815
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Liabilities

Due to organizations	\$ 22,815
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See accompanying notes to basic financial statements.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Keeneyville School District No. 20 (the District) is governed by an elected Board of Education. The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the significant accounting policies, consistently applied in the preparation of the accompanying financial statements is described below.

In June 1999 the GASB unanimously approved Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain of the significant changes in the Statement include the following:

The financial statements include;

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

These and other changes are reflected in the accompanying financial statements (including notes to financial statements) as of June 30, 2018.

a. The Reporting Entity

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

Joint Venture – the District is also a member of the following organization:

School Association for Special Education (See Note 9)

b. Fund Accounting

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

GASB statement No. 54 refined the definitions of various governmental funds. These updated definitions are incorporated into the following fund descriptions.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental funds include the following fund types:

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

Educational Account – These accounts are used for most of the instructional and administrative aspects of the District's operations, as well as providing school lunch services to students. The revenue consists primarily of local property taxes, state and federal government aid and student registration fees and lunch receipts from the District food service program.

Operations and Maintenance Account – These accounts are used for expenditures made for operation, repair and maintenance of District property. Revenue consists primarily of local property taxes.

Working Cash Account – This fund accounts for financial resources held by the District to be used as loans for working capital requirements to any other fund for which taxes are levied. The Working Cash Account was established and has been used to respond to fluctuations in cash flow resulting from unpredictable property tax collections. The earnings of the fund are allowed to be transferred to another fund under the Illinois Compiled Statutes. The principal of the fund, accumulated from bond issues, can be used as a source from which the District borrows money to support temporary deficiencies in other funds, or may be partially or fully transferred to the General Fund's Educational Account, upon Board approval. In fiscal year 2017 the District created a small levy for this account to access property taxes.

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

Special Revenue Funds - Special Revenue Funds account for the proceeds of specific revenue sources (other than Debt Service and Capital Projects Funds) that are legally restricted to expenditures for specified purposes. The District's Special Revenue Funds are the Transportation and Municipal Retirement/Social Security Funds.

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Capital Projects Funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Capital Project Fund – The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities. Revenue is primarily derived from debt proceeds.

Fire Prevention and Safety Fund – The Fire Prevention and Safety Fund accounts for financial resources to be used for acquisitions and construction projects, which qualify as Fire Prevention and Safety expenditures. Revenue is primarily derived from debt proceeds.

Fiduciary Fund Type

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

The District reports the following funds as major governmental funds:

General Fund
Debt Service Fund
Fire Prevention and Safety Fund

The District has adopted a policy consistent with GASB Statement No. 34 to net the interfund receivables and payables for combined totals used to determine the major funds. Consequently, the interfund loan balances, which net to zero, are not utilized to determine major funds. The District has elected to report the Debt Service Fund as a major fund for the year ended June 30, 2018.

c. Basis of Presentation

Government-wide Financial Statements (GWFS):

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the District, except for fiduciary funds. The effects of interfund activity have been eliminated. All of the District's operating activities are considered "governmental activities", that is, activities that are normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered "business activities". 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 expenses and

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

program revenues for each program or function of the District's governmental activities. Direct expenses 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, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Property taxes and other revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenue of the District.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the Statement of Net Position.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting, as applicable. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues- Exchange and Non-exchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, interest, grants, entitlements and student fees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows/Outflows of Resources

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

Expenses/Expenditures

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

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

d. Deposits and Investments

Investments held by the District which are short-term highly liquid investments having a remaining maturity of one year or less at the time of purchase are reported by the District at amortized cost. All other investments are reported at fair value. Gains or losses on the sale of investments are recognized upon realization. Unrealized gains and losses are realized for those investments valued at fair value. Investments are placed according to guidelines provided by the Illinois Compiled Statutes public funds investment act.

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

- Securities issued or guaranteed by the United States.
- Interest-bearing accounts of financial institutions insured by the Federal Deposit Insurance Corporation.
- Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500,000,000 rated in the three highest classifications by at least two rating agencies.
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- Illinois Public Treasurers' Investment Pool.
- Repurchase agreements which meet instrument transactions requirements of Illinois law.
- Interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation, school district, the State of Illinois, any other state, or any political subdivision or agency of the State of Illinois or any other state.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**e. Capital Assets**

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized.

Buildings, improvements, furniture and equipment of the District are depreciated using the straight-line method over the following estimated lives:

<u>Assets</u>	<u>Years</u>
Buildings and building improvements	40-50 years
Land improvements	20 years
Furniture, equipment and vehicles	5-10 years

f. Long-term Obligations

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

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

g. Fund Equity

In the GWFS, net position is reported as restricted when constraints placed on net position are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

h. Property Taxes

Property taxes are levied each year on all taxable real property located in the District on or before the last Tuesday in December. The adoption date for the 2017 tax levy was November 30, 2017. Taxes attach as an enforceable lien on property on January 1 and are payable in two installments (on or about June 1 and September 1) subsequent to the year of levy. The District receives significant distributions of tax receipts approximately one month after these due dates. Property taxes for the 2017 levy, which are partially collected during the 2018 fiscal year, are considered to be budgeted to fund the operations of the 2018/19 school year and are reported as unavailable revenue.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**i. Personal Property Replacement Taxes**

Personal property replacement tax revenues are first allocated to the extent required by Illinois law to the Municipal Retirement/Social Security Fund with the balance allocated to funds at the discretion of the District.

j. Pensions

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

k. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

l. Prior Year Comparative Information

The basic financial statements include certain prior-year partial comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2017 from which the partial information was derived.

2. CASH AND INVESTMENTS**Custodial Credit Risk –Deposits**

At June 30, 2018 the carrying amount of the District's deposits totaled \$9,240,883 (excluding student activity funds of \$22,815) and the bank balances totaled \$10,805,163. Custodial credit risk is the risk that in the event of a bank failure, the government's deposit may not be returned to it. As of June 30, 2018, all of bank deposits were insured or collateralized.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

2. CASH AND INVESTMENTS (Continued)**Investments**

As of June 30, 2018, the District had the following investments and maturities:

Investment Type	Fair Value	Maturities (in years)		Percent of Portfolio	Applicable Agency Rating
		Less than 1	Over 1		
Other Investments:					
Illinois School District Liquid Asset Fund	\$ 11,915,443	\$ 11,915,443	\$ -	83%	AAAm
Fifth Third Securities					
Municipal Bonds	523,959	160,140	363,819	4%	N/A
Fidelity Money Market	36,494	36,494	-	0%	N/A
US Treasury Note	1,749,794	1,749,794	-	12%	N/A
Vanguard Long Term Tax Exempt	100,000	100,000	-	1%	N/A
Total Investments	\$ 14,325,690	\$ 13,961,871	\$ 363,819	100%	

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

The District has the following recurring fair value measurements as of June 30, 2018:

- Municipal bonds of \$523,959 are valued by a pricing service based on recent market transactions (Level 2 inputs)

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an investment pool created and regulated by the Illinois General Assembly. The fair value of the District's investment in ISDLAF+ has been determined using the net asset value (NAV) per share (or its equivalent) of the investments. The NAV of the Liquid Class and MAX Class are determined as of the close of business on each Illinois banking day. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shares may be redeemed with seven days' advance notice. There were no known restrictions on redemption of the District's investments as of June 30, 2018.

Credit Risk. The District's investments are rated, as shown above, by the applicable rating agency. The District has adopted a policy to limit its credit risk by limiting its investments to the investments allowed in Note 1d.

Concentration of Credit Risk. The District places no limit on the amount the District may invest in any one issuer. More than 5 percent of the District's investments are concentrated in specific individual investments. The above table indicates the percentage of each investment to the total investments of the District.

Interest Rate Risk. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

3. SPECIAL TAX LEVIES

Proceeds from the Tort Immunity (liability insurance) special tax levy and related expenditures disbursed have been included in the operations of the Tort Immunity Account. At June 30, 2018, the cumulative Tort Immunity revenues exceeded related cumulative expenditures resulting in a \$23,357 fund balance. Tort expenditures consisted of \$112,202 of insurance premiums.

Proceeds from the Special Education special tax levy and related expenditures disbursed have been included in the operations of the Educational Fund. At June 30, 2018, the cumulative Special Education expenditures disbursed exceeded related cumulative revenues received in the Educational Fund.

4. CAPITAL ASSETS

A summary of changes in capital assets follows:

	2017	Additions	Deletions	2018
Capital assets, not being depreciated:				
Land	\$ 2,151,258	\$ -	\$ -	\$ 2,151,258
Construction in progress	2,670,525	-	2,670,525	-
Total capital assets not being depreciated	4,821,783	-	2,670,525	2,151,258
Capital assets, being depreciated:				
Buildings	21,588,295	5,344,395	-	26,932,690
Improvements other than buildings	1,081,819	195,550	-	1,277,369
Equipment	4,713,678	-	2,085,624	2,628,054
Total capital assets being depreciated	27,383,792	5,539,945	2,085,624	30,838,113
Accumulated depreciation for:				
Buildings	9,767,546	3,283,257	-	13,050,803
Improvements other than buildings	682,428	210,677	-	893,105
Equipment	4,040,062	292,136	2,846,525	1,485,673
Total accumulation depreciation	14,490,036	3,786,070	2,846,525	15,429,581
Total capital assets being depreciated, net	12,893,756	1,753,875	(760,901)	15,408,532
Total capital assets, net	\$ 17,715,539	\$ 1,753,875	\$ 1,909,624	\$ 17,559,790

Depreciation expense was charged to functions of the District as follows:

Instructional Services:

Regular programs \$ 3,036,428

Special programs 302,886

Supporting Services:

Instructional staff 49,219

General administration 234,736

School administration 37,861

Operations and maintenance of 75,721

Transportation 49,219

\$ 3,786,070

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

5. GENERAL LONG-TERM DEBT

The following is a summary of the components of long-term debt and related transactions of the District for the year ended June 30, 2018:

Long Term Debt at June 30, 2018 is comprised of the following:

	<i>Balance July 1, 2017</i>	<i>Additions</i>	<i>Reductions</i>	<i>Balance June 30, 2018</i>	<i>Amount due in one year</i>
General Obligation Bonds Payable:					
12/15/15 Refunding/Fire Prevention & Safety Bonds	\$ 4,900,000	\$ -	\$ 330,000	\$ 4,570,000	\$ 340,000
3/30/2016 Fire Prevention & Safety Bonds	6,180,000	-	225,000	5,955,000	235,000
Total General Obligation Bonds	\$ 11,080,000	\$ -	\$ 555,000	\$ 10,525,000	\$ 575,000
Premium on Bonds Issued	620,508	-	42,060	578,448	-
Capital Leases	123,399	314,157	35,159	402,397	100,460
Net Pension Liability - TRS	57,633	798,564	-	856,197	-
Net Pension Liability (Asset) - IMRF	897,355	-	1,144,905	(247,550)	-
Net OPEB Liability - THIS	9,405,902	-	425,395	8,980,507	-
Total Long-Term Debt	\$ 22,184,797	\$ 1,112,721	\$ 2,202,519	\$ 21,094,999	\$ 675,460

a. General Obligation Bonds Payable

Bonds dated 12/15/15 were issued in the amount of \$5,655,000. Principal payments are due January 1, with the last installment due 1/1/2029. Interest is paid July 1 and January 1, with rates varying from 3.0% to 4.0%.

Bonds dated 3/30/16 were issued in the amount of \$6,180,000. Principal payments are due January 1, with the last installment due 1/1/2035. Interest is paid July 1 and January 1, with rates varying from 3.0% to 4.0%.

At June 30, 2018 the annual cash flow requirements of all bonds payable to retirement were as follows:

For the year ending June 30,	Principal	Interest	Total
2019	\$ 575,000	\$ 383,000	\$ 958,000
2020	590,000	365,750	955,750
2021	610,000	348,050	958,050
2022	630,000	326,150	956,150
2023	655,000	300,950	955,950
2024-2028	3,660,000	1,121,950	4,781,950
2029-2033	2,850,000	538,050	3,388,050
2034-2035	955,000	50,400	1,005,400
Total	\$ 10,525,000	\$ 3,434,300	\$ 13,959,300

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

5. GENERAL LONG-TERM DEBT (Continued)

Payments to retire bonds payable will be made from debt service levies in future periods. There is \$99,943 of fund equity available in the Debt Service Fund to service outstanding bonds payable. The District is subject to the Illinois Compiled Statutes which limits the amount of bond indebtedness, to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2018 the statutory debt limit for the District was \$27,621,494, providing a debt margin of \$17,196,437 after taking into account amounts available in the Debt Service Fund.

b. Long-Term Capital Leases

The District has entered into a lease agreement for copy machines. As of June 30, 2018, the lease was compromised of one repayment schedule, payable from the Debt Service Fund. The lease currently extends into fiscal year 2021. The lease calls for monthly payments, which are made up of principal and interest. The interest rate is 4.50%. Total assets received under the lease amount to \$170,627.

The District has entered into a lease agreement for interactive panels. As of June 30, 2018, the lease was compromised of one repayment schedule, payable from the Debt Service Fund. The lease currently extends into fiscal year 2023. The lease calls for annual payments, which are made up of principal and interest. The interest rate is 2.986%. Total assets received under the lease amount to \$314,157.

Remaining principal and interest requirements for the leases are as follows:

Due In Fiscal Year	Capital Lease		
	Total	Principal	Interest
2019	\$ 104,577	\$ 100,460	\$ 4,117
2020	104,577	95,368	9,209
2021	85,491	79,557	5,934
2022	66,405	62,559	3,846
2023	66,404	64,453	1,951
Total	<u>\$ 427,454</u>	<u>\$ 402,397</u>	<u>\$ 25,057</u>

6. EMPLOYEE RETIREMENT SYSTEMS

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

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

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

6. EMPLOYEE RETIREMENT SYSTEMS (Continued)

System's administration.

TRS issues a publicly available financial report that can be obtained at <http://trs.illinois.gov/pubs/cafr/fy2017>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2019.

Contributions

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

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

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2018, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$3,678,162 in pension contributions from the State of Illinois.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

6. EMPLOYEE RETIREMENT SYSTEMS (Continued)

2.2 formula contributions. The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2018 were \$47,822, and are deferred because they were paid after the June 30, 2017 measurement date.

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

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

For the year ended June 30, 2018, the employer pension contribution was 10.10% of salaries paid from federal and special trust funds. For the year ended June 30, 2018, no salaries were paid from federal and special trust funds.

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 retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the program that ended on June 30, 2016 is 146.5% and applies when the member is age 55 at retirement. For the year ended June 30, 2018, the employer made no payments to TRS for employer ERO contributions for retirements that occurred before July 1, 2016.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2018, the District paid \$24,382 to TRS for employer contributions due on salary increases in excess of 6% and made no payments for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2018, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the District. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 856,197
State's proportionate share of the net pension liability associated with the District	58,942,357
Total	<u>\$ 59,798,554</u>

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

6. EMPLOYEE RETIREMENT SYSTEMS (Continued)

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 and rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2018, the District's proportion was .0011207%, which was an increase of 0.0011907% from its proportion measured at June 30, 2017.

For the year ended June 30, 2018, the District recognized pension expense of \$3,678,162 and revenue of \$3,678,162 for support provided by the state. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 9,299	\$ 395
Changes in assumptions	57,145	24,603
Net difference between projected and actual earnings on pension plan investments	587	-
Changes in proportion and differences between District contributions and proportionate share of contributions	738,733	1,352,055
District contributions subsequent to the measurement date	72,204	-
Total	<u>\$ 877,968</u>	<u>\$ 1,377,053</u>

\$72,204 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred Outflows of Resources
2018	\$ (160,192)
2019	(212,211)
2020	(264,458)
2021	46,454
2022	19,118
Total	<u>\$ (571,289)</u>

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

6. EMPLOYEE RETIREMENT SYSTEMS (Continued)*Actuarial Assumptions*

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap	14.4%	6.94%
U.S. small/mid cap	3.6%	8.09%
International equities	14.4%	7.46%
Emerging markets equities	3.6%	10.15%
U.S. bonds core	10.7%	2.44%
International debt	5.3%	1.70%
Real estate	15.0%	5.44%
Commodities	11.0%	4.28%
Hedge funds	8.0%	4.16%
Private equity	14.0%	10.63%
	<u>100.0%</u>	

Discount rate

At June 30, 2017 the discount rate used to measure the total pension liability was 7.0%, which was a change from the June 30, 2016 rate of 6.83%. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2017 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All

6. EMPLOYEE RETIREMENT SYSTEMS (Continued)

projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2016 the discount rate used to measure the total pension liability was 6.83%. The discount rate was lower than the actuarially-assumed rate of return on investments that year because TRS's fiduciary net position and the subsidy provided by Tier II were not sufficient to cover all projected benefit payments.

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 1,051,950	\$ 856,197	\$ 695,859

Detailed information about the TRS's fiduciary net position as of June 30, 2017 is available in the separately issued TRS Comprehensive Annual Financial Report.

b. Illinois Municipal Retirement Fund (IMRF)

Plan Description and Benefits

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 affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. That report may be obtained online at www.imrf.org.

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

6. EMPLOYEE RETIREMENT SYSTEMS (Continued)*Plan Membership*

As of June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	117
Inactive employees entitled to but not yet receiving benefits	105
Active employees	58
Total	<u>280</u>

Contributions

As set by statute, Regular plan members are required to contribute 4.50% 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 actual contribution rate for calendar year 2017 was 9.07% of covered payroll. The District 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The District's net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

6. EMPLOYEE RETIREMENT SYSTEMS (Continued)*Actuarial Assumptions*

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry Age Normal	
Asset valuation method	Market Value of Assets	
Price inflation	2.50%	
Salary increases	3.39% to 14.25%	
Investment rate of return	7.50%	
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.	The long-term
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 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-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.	

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

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

6. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	37.0%	6.85%
International equities	18.0%	6.75%
Fixed income	28.0%	3.00%
Real estate	9.0%	5.75%
Alternatives	7.0%	2.65-7.35%
Cash	1.0%	2.25%
	<u>100.0%</u>	

Single Discount Rate

The Single Discount Rate used to measure the total pension liability for IMRF was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

6. EMPLOYEE RETIREMENT SYSTEMS (Continued)*Changes in Net Pension Liability*

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2016	\$ 11,690,646	\$ 10,793,291	\$ 897,355
Changes for the year:			
Service Cost	197,450	-	197,450
Interest on the Total Pension Liability	858,902	-	858,902
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	62,658	-	62,658
Changes of Assumptions	(373,860)	-	(373,860)
Contributions - Employer	-	159,628	(159,628)
Contributions - Employees	-	81,448	(81,448)
Net Investment Income	-	1,981,446	(1,981,446)
Benefit Payments, including Refunds of Employee Contributions	(674,697)	(674,697)	-
Other (Net Transfer)	-	(332,467)	332,467
Net Changes	70,453	1,215,358	(1,144,905)
Balances at December 31, 2017	\$ 11,761,099	\$ 12,008,649	\$ (247,550)

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 1,029,641	\$ (247,550)	\$ (1,310,645)

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

6. EMPLOYEE RETIREMENT SYSTEMS (Continued)*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

For the year ended June 30, 2018, the District recognized pension expense of \$388,024. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 27,423	\$ -
Changes in assumptions	-	163,626
Net difference between projected and actual earnings on pension plan investments	360,768	960,542
Contributions subsequent to the measurement date	98,945	-
Total	<u>\$ 487,136</u>	<u>\$ 1,124,168</u>

\$98,945 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2018	\$ (186,427)
2019	(79,505)
2020	(229,908)
2021	(240,137)
2022	-
Thereafter	-
Total	<u>\$ (735,977)</u>

7. OTHER POST-EMPLOYMENT BENEFITS**Teacher Health Insurance Security (THIS)***Plan Description*

The District participates in the THIS. The THIS is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan (OPEB) that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. The THIS members are retirees of public schools who were certified educators or administrators. Eligibility is currently limited to former full-time employees, and others who were not full-time employees that meet certain requirements, and

7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

their dependents. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5) (SEGIA) establishes the eligibility and benefit provisions of the plan.

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

Benefits Provided

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

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

Contributions

The SEGIA requires that all active contributors to the TRS, who are not employees of a department, make contributions to the plan at a rate of 1.18% of salary and for every employer of a teacher to contribute an amount equal to 0.88% of each teacher's salary. Additionally, the SEGIA requires the State to match the employees' contribution on-behalf of the employer. The Department determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the THIS, an amount equal to the amount certified by the Board of Trustees of TRS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year.

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

On-behalf contributions to THIS. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.18% of pay during the year ended June 30, 2018. State of Illinois contributions were \$97,293, and the district recognized revenue and expenditures of this amount during the year.

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.88% during the year ended June 30, 2018. For the year ended June 30, 2018, the District paid \$72,557 to the THIS Fund, which was 100 percent of the required contribution.

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

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

7. OTHER POST-EMPLOYMENT BENEFITS (Continued)*Resources Related to OPEB*

At June 30, 2018, the District reported a liability for its proportionate share of the net OPEB liability. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$	8,980,507
State's proportionate share of the net OPEB liability associated with the District		11,793,638
Total	\$	<u>20,774,145</u>

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2016 and rolled forward to June 30, 2017. The District's proportion of the net OPEB liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2017, the District's proportion was 0.034608%, which was an increase of 0.000199% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the District recognized OPEB expense of \$673,972.

At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 5,087
Changes in assumptions	-	1,069,248
Net difference between projected and actual earnings on OPEB plan investments	-	99
Changes in proportion and differences between District contributions and proportionate share of contributions	41,942	-
District contributions subsequent to the measurement date	72,557	-
Total	\$ 114,499	\$ 1,074,434

\$72,557 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Year Ending June 30	Net Deferred Inflows of Resources
2018	\$ (158,610)
2019	(158,610)
2020	(158,610)
2021	(158,610)
2022	(158,585)
Thereafter	(239,467)
Total	<u>\$ (1,032,492)</u>

Actuarial Valuation Method

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

Actuarial Assumptions

The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption,
Investment rate of return	0.00%, net of OPEB plan investment expense, including inflation.
Healthcare cost trend rates	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.59% is added to non-Medicare costs on and after 2020 to account for Excise Tax.

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

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2014.

Discount rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since the THIS is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 2.85% as of June 30, 2016, and 3.56% as of June 30, 2017. The increase in the single discount rate from 2.85% to 3.56% caused the total OPEB liability to decrease by approximately \$3.564 billion from 2016 to 2017.

Sensitivity of the employer's proportionate share of the net OPEB liability to changes in the discount rate and healthcare cost trend rate

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 3.56%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.56%) or 1-percentage-point higher (4.56%) than the current rate:

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
District's proportionate share of the net OPEB liability	\$ 10,776,562	\$ 8,980,507	\$ 7,543,379

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

	1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
District's proportionate share of the net OPEB liability	\$ 7,248,189	\$ 8,980,507	\$ 11,466,957

- (a) One percentage point decrease in healthcare trend rates are 7.00% in 2018 decreasing to an ultimate trend rate of 4.09% in 2025, for non-Medicare coverage, and 8.00% in 2018 decreasing to an ultimate trend rate of 3.50% in 2027 for Medicare coverage.
- (b) One percentage point increase in healthcare trend rates are 9.00% in 2018 decreasing to an ultimate trend rate of 6.09% in 2025, for non-Medicare coverage, and 10.00% in 2018 decreasing to an ultimate trend rate of 5.50% in 2027 for Medicare coverage.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

8. COMMON BANK ACCOUNT

Separate bank accounts are not maintained for all District funds; instead, certain funds maintain their uninvested cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund. Occasionally, certain funds participating in the common bank account will incur overdrafts (deficits) within the account. The overdrafts result from expenditures distributed which have been approved by the School Board.

9. JOINT VENTURE – SCHOOL ASSOCIATION FOR SPECIAL EDUCATION IN DUPAGE COUNTY (SASED)

The District has entered into a joint agreement with other districts in DuPage County to provide special education programs and services to the students enrolled. Each member district has a financial responsibility from annual and special assessments as established by the policy board. Complete financial statements for SASED can be obtained from its business office at 6S331 Cornwall Road, Naperville, IL 60540.

10. RISK MANAGEMENT

The District has purchased insurance from a risk pool (see Notes 11 and 12) and private insurance companies. Risks covered include general liability, workers compensation, medical, and other. Premiums have been displayed as expenditures in appropriate funds. No material decreases in insurance coverages have occurred nor have any insurance claims in excess of insurance coverages been paid or reported during the last three years.

11. SUBURBAN SCHOOL COOPERATIVE INSURANCE POOL (SSCIP)

The District is a member of SSCIP, a voluntary cooperative agency consisting of Illinois public school districts and joint agreements. SSCIP's purpose is to manage and fund first-party property losses and third-party liability claims of its members. Each member district has a financial responsibility to make annual contributions based on property values, student enrollment, personnel employed, past loss history and vehicles owned.

Complete financial statements of SSCIP are available from its treasurer at 5540 Arlington Drive, Hanover Park, IL 60103.

12. EDUCATION BENEFIT COOPERATIVE (EBC)

The District is a member of the Educational Benefit Cooperative (EBC) which is the voluntary cooperative agency consisting of Illinois public school districts joint agreements. Its purpose is to manage and fund medical and dental claims of the covered employees (and their spouses and dependents) of its members. Currently, the various districts are covered under different plans voted on by their members which create various coverage costs and features. Additionally, EBC offers to its members Group Life Insurance Coverage obtained through an outside insurance company. EBC began operations on June 30, 1984, and currently has fifty-four members.

Complete financial statements can be obtained from the Treasurer at 1860 Glen Ellyn Road, Glendale Heights, IL 60139.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

13. FUND BALANCE REPORTING

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.

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.

B. Restricted Fund Balance

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

1. Special Education

Revenues and the related expenditures of this restricted tax levy are accounted for in the Educational Account. Expenditures exceeded revenue for this purpose, resulting in no restricted fund balance.

2. Tort Immunity Account

Expenditures and the related revenues are accounted for in the Tort Immunity Account. Revenues received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$23,357.

3. State and Federal Grants

Proceeds from state and federal grants and the related expenditures have been included in the General Fund and various Special Revenue Funds. At June 30, 2018, expenditures exceeded revenue from state and federal grants, resulting in no restricted balances.

4. Capital Projects Funds

Expenditures and the related revenues are accounted for in the Capital Projects and Fire Prevention and Safety Funds. All equity within these funds are restricted for the associated capital expenditures within these funds.

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 through passage of a board resolution). 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.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Notes to Financial Statements (continued)

June 30, 2018

13. FUND BALANCE REPORTING (Continued)**D. Assigned Fund Balance**

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

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 Fund, or negative fund balance in any other fund.

F. Expenditures of Fund Balance

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

14. CHANGE IN ACCOUNTING PRINCIPLE

The District adopted GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, during the year ended June 30, 2018. Statement No. 75 expands disclosures related to postemployment benefits other than pensions and requires the District to report the net other postemployment benefit liability in the statement of net position. The adoption of this statement had no effect on any of the District's fund balances but reduced the District's governmental activities net position by \$9,405,902 as of July 1, 2017.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Changes in the Employer's Net Pension Liability
and Related Ratios
Illinois Municipal Retirement Fund
Last Four Calendar Years

	2017	2016	2015	2014
TOTAL PENSION LIABILITY				
Service Cost	\$ 197,450	\$ 182,335	\$ 188,373	\$ 188,604
Interest	858,902	816,868	805,141	754,566
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	62,658	218,863	(180,627)	(148,032)
Changes of Assumptions	(373,860)	(12,378)	11,692	478,888
Benefit Payments, Including Refunds of Member Contributions	(674,697)	(659,967)	(641,374)	(557,767)
Net Change in Total Pension Liability	70,453	545,721	183,205	716,259
Total Pension Liability - Beginning	11,690,646	11,144,925	10,961,720	10,245,461
TOTAL PENSION LIABILITY - ENDING	\$ 11,761,099	\$ 11,690,646	\$ 11,144,925	\$ 10,961,720
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 159,628	\$ 170,711	\$ 160,558	\$ 119,520
Contributions - Member	81,448	79,835	70,527	69,955
Net Investment Income	1,981,446	721,837	54,005	646,293
Benefit Payments, Including Refunds of Member Contributions	(674,697)	(659,967)	(641,374)	(557,767)
Other (Net Transfer)	(332,467)	(60,463)	(108,433)	(51,054)
Net Change in Plan Fiduciary Net Position	1,215,358	251,953	(464,717)	226,947
Plan Net Position - Beginning	10,793,291	10,541,338	11,006,055	10,779,108
PLAN NET POSITION - ENDING	\$ 12,008,649	\$ 10,793,291	\$ 10,541,338	\$ 11,006,055
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ (247,550)	\$ 897,355	\$ 603,587	\$ (44,335)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	102.10%	92.32%	94.58%	100.40%
Covered-Employee Payroll	\$ 1,768,546	\$ 1,698,626	\$ 1,564,907	\$ 1,592,457
Employer's Net Pension Liability as a Percentage of Covered - Employee Payroll	-14.00%	52.83%	38.57%	-2.78%

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

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Employer Contributions

Illinois Municipal Retirement Fund

Last Four Fiscal Years

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Deficiency (Excess)	Contribution Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	176,389	176,389	-	1,830,601	9.64%
2017	168,190	168,190	-	1,762,877	9.54%
2016	163,430	163,430	-	1,610,322	10.15%
2015	144,205	144,205	-	1,546,050	9.33%

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period	26 year closed period
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.50%
Price inflation	3%
Salary increases	3.75% to 15.50% including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 - 2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 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-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

The District implemented GASB Statement No. 68 in fiscal year 2015.

Information prior to fiscal year 2015 is not available.

KEENEYVILLE SCHOOL DISTRICT NO. 20
Schedule of the District's Proportionate Share of the
Net Pension Liability
Teachers' Retirement System
Last Four Fiscal Years

	2018*	2017*	2016*	2015*
District's proportion of the net pension liability	0.001121%	0.000073%	0.003416%	0.003096%
District's proportionate share of the net pension liability	\$ 856,197	\$ 57,633	\$ 2,237,672	\$ 1,884,070
State's proportionate share of the net pension liability associated with the District	58,942,357	63,614,898	50,000,990	47,857,013
Total	\$ 59,798,554	\$ 63,672,531	\$ 52,238,662	\$ 49,741,083
District's covered payroll	\$ 7,960,794	\$ 8,014,514	\$ 7,722,113	\$ 7,533,769
District's proportionate share of the net pension liability as a percentage of it's covered payroll	10.76%	0.72%	28.98%	25.01%
Plan fiduciary net position as a percentage of the total pension liability	39.30%	36.40%	41.50%	43.00%

Notes to Schedule

Changes of assumptions

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

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 threeyear period ending June 30, 2014.

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

* The amounts presented have a measurement date of the previous fiscal year end.

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

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Employer Contributions

Teachers' Retirement System

Last Four Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 72,204	\$ 72,204	\$ -	\$ 8,245,152	0.88%
2017	46,173	46,173	-	7,960,794	0.58%
2016	46,484	46,484	-	8,014,514	0.58%
2015	78,769	78,769	-	7,722,113	1.02%

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

KEENEYVILLE SCHOOL DISTRICT NO. 20

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

Teachers' Health Insurance Security Fund

Last Fiscal Year

	<u>2018</u>
District's proportion of the net pension liability	0.034608%
District's proportionate share of the net pension liability	\$ 8,980,507
State's proportionate share of the net pension liability associated with the District	<u>11,793,638</u>
	<u><u>\$ 20,774,145</u></u>
District's covered-employee payroll	\$ 8,245,152
District's proportionate share of the net pension liability as a percentage of it's covered-employee payroll	108.92%
Plan fiduciary net position as a percentage of the total pension liability	0.00%

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

Information prior to fiscal year 2018 is not available.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Employer Contributions

Teachers' Health Insurance Security Fund

Last Fiscal Year

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 72,557	\$ 72,557	\$ -	\$ 8,245,152	0.88%

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

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

Year Ended June 30, 2018

	Original and Final Budget	Actual	Variance Over/Under
Revenues			
Local sources	\$ 13,789,356	\$ 14,278,251	\$ 488,895
State sources	5,513,176	6,912,490	1,399,314
Federal sources	1,143,401	1,318,860	175,459
Total revenues	20,445,933	22,509,601	2,063,668
Expenditures			
Current			
Instruction	13,113,126	12,985,177	127,949
Support services	7,246,029	7,182,521	63,508
Community services	71,778	24,748	47,030
Payments to other governmental units	-	59,323	(59,323)
Total expenditures	20,430,933	20,251,769	179,164
Excess of revenues over expenditures	15,000	2,257,832	2,242,832
Other financing sources (uses)			
Capital lease proceeds	-	314,157	314,157
Transfers out	-	(45,720)	(45,720)
Total other financing sources (uses)	-	268,437	268,437
Net changes in fund balance	<u>\$ 15,000</u>	2,526,269	<u>\$ 2,511,269</u>
Fund balance at beginning of year		<u>9,749,767</u>	
Fund balance at end of year		<u>\$ 12,276,036</u>	

BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Governmental Funds. All encumbrances are canceled at year end, and, if necessary, are reinstated at the beginning of the subsequent fiscal year. The legal level of budgetary control is the fund level, due to transfers which can be made by the Superintendent in accordance with No.4 below, the District may overspend the budgets at the department level, but may not alter the total fund budget. The Board of Education, in accordance with Chapter 105, Section 5/17-1 of the *Illinois Compiled Statutes*, follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget was originally adopted on June 22, 2017.
5. Formal budgetary integration is employed as a management control device during the year for the Governmental Funds.
6. The District has adopted a legal budget for all its Governmental Funds. Total actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.
7. The budget (all appropriations) lapses at the end of each fiscal year.
8. The District had the following excess of expenditures over budget:

	Budget	Actual	Excess
Tort Immunity Fund	\$ 58,900	\$ 112,202	\$ 53,302
Debt Service Fund	957,650	1,002,570	44,920
Transportation Fund	836,573	885,046	48,473
Municipal Retirement/Social Security Fund	411,336	448,101	36,765

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

KEENEYVILLE SCHOOL DISTRICT NO. 20

Combining Balance Sheet By Account

General Fund

June 30, 2018

	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total General
Assets					
Cash and Investments	\$ 14,116,184	\$ 3,505,229	\$ 2,237,403	\$ 58,850	\$ 19,917,666
Receivables					
Property taxes	5,706,532	848,271	400	32,560	6,587,763
Due from other governments	356,873	-	-	-	356,873
Total Assets	\$ 20,179,589	\$ 4,353,500	\$ 2,237,803	\$ 91,410	\$ 26,862,302
Liabilities, Deferred Inflows and Fund Balance					
Liabilities					
Accounts payable	\$ 173,947	\$ 15,552	\$ -	\$ -	\$ 189,499
Accrued salaries and related expenditures	615,793	2,381	-	-	618,174
Total liabilities	789,740	17,933	-	-	807,673
Deferred inflows					
Other deferred revenue	9,878	-	-	-	9,878
Property taxes levied for subsequent year	11,927,282	1,772,980	400	68,053	13,768,715
Total deferred inflows	11,937,160	1,772,980	400	68,053	13,778,593
Fund balance					
Restricted					
Tort immunity	-	-	-	23,357	23,357
Unassigned	7,452,689	2,562,587	2,237,403	-	12,252,679
Total fund balance	7,452,689	2,562,587	2,237,403	23,357	12,276,036
Total liabilities, deferred inflows and fund balance	\$ 20,179,589	\$ 4,353,500	\$ 2,237,803	\$ 91,410	\$ 26,862,302

KEENEYVILLE SCHOOL DISTRICT NO. 20Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances by Account

General Fund

Year Ended June 30, 2018

	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total General
REVENUES					
Local sources	\$ 12,274,522	\$ 1,916,800	\$ 19,006	\$ 67,923	\$ 14,278,251
State sources	6,368,212	500,000	-	44,278	6,912,490
Federal sources	1,318,860	-	-	-	1,318,860
Total revenues	19,961,594	2,416,800	19,006	112,201	22,509,601
EXPENDITURES					
Current:					
Instruction	12,985,177	-	-	-	12,985,177
Support services	5,087,097	1,983,222	-	112,202	7,182,521
Community services	24,748	-	-	-	24,748
Payments to other governmental units	59,323	-	-	-	59,323
Total expenditures	18,156,345	1,983,222	-	112,202	20,251,769
Excess of revenues over expenditures	1,805,249	433,578	19,006	(1)	2,257,832
OTHER FINANCING SOURCES (USES)					
Transfers in	314,157	-	-	-	314,157
Transfers out	(45,720)	-	-	-	(45,720)
Total other financing sources	268,437	-	-	-	268,437
Net change in fund balance	2,073,686	433,578	19,006	(1)	2,526,269
Fund balance at beginning of year	5,379,003	2,129,009	2,218,397	23,358	9,749,767
Fund balance at end of year	\$ 7,452,689	\$ 2,562,587	\$ 2,237,403	\$ 23,357	\$ 12,276,036

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	\$ 11,434,925	\$ 11,539,514	\$ 11,304,682
Special education levy	72,162	72,966	71,297
Earnings on investments	17,341	130,365	61,059
Food services	100,000	79,282	79,859
Pupil activities	155,385	181,725	136,951
Services provided other districts	170,359	220,858	178,890
Other	3,468	49,812	10,906
Total local sources	11,953,640	12,274,522	11,843,644
State Sources			
Evidence based funding formula	1,066,057	1,921,235	1,146,057
Special education	591,712	353,859	282,485
Bilingual education	47,566	76,265	77,046
School lunch and breakfast	4,661	5,391	4,774
Early childhood	213,180	233,980	212,180
On behalf payments - State of Illinois	3,090,000	3,775,455	3,157,251
Other grants-in-aid	-	2,027	-
Total state sources	5,013,176	6,368,212	4,879,793
Federal Sources			
School nutrition programs	475,000	457,295	470,446
Title I- Low income	175,941	230,992	235,521
Title IV - Safe & drug free schools	-	10,000	-
IDEA - Flow through	311,014	330,635	323,866
IDEA - Preschool	12,804	18,316	12,804
IDEA - Room & board	-	210	8,555
Bilingual education	33,091	30,741	33,090
Title II - Teacher Quality	49,452	48,223	49,581
Medicaid matching/administrative outreach	86,099	192,448	71,777
Total federal sources	1,143,401	1,318,860	1,205,640
Total revenues	18,110,217	19,961,594	17,929,077

(Continued)

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	\$ 4,520,073	\$ 3,895,119	\$ 4,283,254
Employee benefits	1,263,616	612,962	669,037
On behalf payments - state of illinois	3,090,000	3,775,455	3,157,251
Purchased services	258,654	213,446	198,275
Supplies and materials	241,316	149,276	328,508
Capital outlay	108,412	352,513	404,063
Other	-	5,443	-
Total	9,482,071	9,004,214	9,040,388
Pre-K programs			
Salaries	-	118,834	-
Employee benefits	-	17,114	-
Purchased services	-	2,586	-
Supplies and materials	-	10,951	-
Non-capitalized equipment	-	877	-
Total	-	150,362	-
Special programs			
Salaries	1,856,982	1,686,872	1,571,101
Employee benefits	418,183	285,488	244,354
Purchased services	23,250	43,514	27,028
Supplies and materials	13,600	19,515	12,943
Capital Outlay	5,000	861	5,308
Other	562,654	655,361	599,851
Total	2,879,669	2,691,611	2,460,585
Special pre-k programs			
Salaries	5,000	5,764	-
Employee benefits	-	1,630	-
Supplies and materials	-	381	-
Total	5,000	7,775	-
Educationally deprived programs			
Salaries	118,940	160,841	108,478
Regular programs	-	21,723	9,010
Total	118,940	182,564	117,488

(Continued)

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
Interscholastic programs			
Salaries	\$ 28,754	\$ 48,181	\$ 29,207
Employee benefits	-	593	409
Purchased services	3,300	2,305	2,405
Supplies and materials	-	14,558	-
Total	32,054	65,637	32,021
Gifted programs			
Salaries	151,019	117,852	119,949
Employee benefits	-	15,805	15,071
Total	151,019	133,657	135,020
Bilingual programs			
Salaries	438,581	665,446	295,797
Employee benefits	792	82,621	42,460
Purchased services	3,000	275	-
Supplies and materials	2,000	1,015	-
Total	444,373	749,357	338,257
Total instruction	13,113,126	12,985,177	12,123,759
Support Services			
Pupils			
Attendance and social work services			
Salaries	164,037	230,238	157,896
Employee benefits	-	27,664	17,448
Purchased services	-	336	-
Total	164,037	258,238	175,344
Guidance services			
Salaries	65,025	69,703	63,750
Employee benefits	-	27,529	26,035
Purchased services	-	4,610	-
Total	65,025	101,842	89,785

(Continued)

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
Health services			
Salaries	\$ 97,232	\$ 100,883	\$ 95,492
Employee benefits	-	21,399	20,174
Purchased services	15,000	15,005	6,557
Supplies and materials	2,000	4,280	1,931
Capital Outlay	500	-	-
Total	114,732	141,567	124,154
Psychological services			
Salaries	186,975	188,808	183,309
Employee benefits	-	19,057	17,982
Supplies and materials	3,050	7,519	3,209
Total	190,025	215,384	204,500
Speech pathology/audiology services			
Salaries	176,685	195,730	170,443
Employee benefits	-	27,430	22,589
Supplies and materials	2,350	2,065	2,244
Total	179,035	225,225	195,276
Other services			
Salaries	67,646	75,622	39,308
Employee benefits	-	957	738
Purchased services	36,035	2,213	25,667
Supplies and materials	3,400	570	2,079
Total	107,081	79,362	67,792
Instructional Staff			
Improvement of instruction services			
Salaries	424,154	271,867	397,497
Employee benefits	61,133	50,793	61,162
Purchased services	111,505	117,380	94,244
Supplies and materials	132,700	187,825	70,742
Capital outlay	35,036	-	-
Total	764,528	627,865	623,645

(Continued)

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
Educational media services			
Salaries	\$ 243,761	\$ 246,383	\$ 239,180
Employee benefits	-	199	37,946
Purchased services	-	39,616	-
Supplies and materials	1,209	8,702	707
Total	244,970	294,900	277,833
General administration			
Board of education			
Purchased services	334,455	241,709	190,883
Supplies and materials	2,500	7,577	2,741
Other	12,100	14,484	6,418
Total	349,055	263,770	200,042
Executive administration			
Salaries	184,908	192,199	181,283
Employee benefits	31,982	32,899	30,094
Purchased services	4,000	3,733	4,095
Supplies and materials	2,500	1,710	2,251
Other	-	1,220	-
Total	223,390	231,761	217,723
Special area administrative			
Salaries	150,317	151,089	152,276
Employee benefits	46,833	39,235	38,677
Special area administrative	500	1,283	677
Supplies and materials	385	-	51
Special area administrative	600	658	380
Total	198,635	192,265	192,061
Tort immunity services			
Purchased services	-	4,914	-
Total	-	4,914	-

(Continued)

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
School administration:			
Office of the principal:			
Salaries	\$ 831,232	\$ 838,147	\$ 881,982
Employee benefits	-	265,428	222,635
Purchased services	-	773	-
Other	-	1,666	-
Total	831,232	1,106,014	1,104,617
Business:			
Fiscal services			
Salaries	184,494	187,589	170,228
Employee benefits	70,649	52,631	50,033
Purchased services	76,117	56,320	38,934
Supplies and materials	25,000	14,455	25,692
Capital outlay	-	59,803	-
Other	-	1,196	(113)
Total	356,260	371,994	284,774
Pupil transportation services			
Salaries	6,650	15,569	5,007
Employee benefits	-	160	71
Purchased services	372	-	929
Total	7,022	15,729	6,007
Food services			
Salaries	86,404	15,392	45,830
Employee benefits	-	468	831
Purchased services	488,330	387,099	344,227
Supplies and materials	-	4,368	627
Capital Outlay	26,845	2,588	15,010
Total	601,579	409,915	406,525

(Continued)

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Educational Account

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
Central:			
Data processing services			
Salaries	\$ 168,520	\$ 213,146	\$ 144,774
Employee benefits	39,000	44,562	29,468
Purchased services	68,253	59,163	50,344
Supplies and materials	65,327	87,421	64,395
Capital Outlay	187,607	96,827	224,281
Other	-	300	-
Non-capitalized equipment	-	44,933	-
Total	528,707	546,352	513,262
Total Support Services	4,925,313	5,087,097	4,683,340
Payments to other Governmental Units			
Payments for special education programs	-	59,323	-
Total Payments to Other Governmental Units	-	59,323	-
Community Services			
Salaries	13,060	5,000	-
Employee benefits	-	1,222	-
Purchased services	56,718	12,772	46,184
Supplies and materials	2,000	4,088	3,959
Non-capitalized equipment	-	1,666	-
Total Community Services	71,778	24,748	50,143
Total expenditures	18,110,217	18,156,345	16,857,242
Excess of revenues over expenditures	-	1,805,249	1,071,835
OTHER FINANCING SOURCES (USES)			
Capital lease proceeds	-	314,157	-
Transfers out	-	(45,720)	(38,172)
Total other financing sources (uses)	-	268,437	(38,172)
Net change in fund balance	\$ -	2,073,686	1,033,663
Fund balance at beginning of year		5,379,003	4,345,340
FUND BALANCE AT END OF YEAR		\$ 7,452,689	\$ 5,379,003

(Concluded)

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Operations and Maintenance Account

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	\$ 1,676,816	\$ 1,769,243	\$ 1,685,980
Corporate replacement taxes	19,000	22,344	5,024
Earnings on investments	2,000	31,835	13,445
Rentals	64,000	59,339	61,010
Refund of prior year expenditures	-	9,897	-
Other	-	24,142	31,492
Total Local Sources	1,761,816	1,916,800	1,796,951
State Sources			
Evidence based funding formula	500,000	500,000	637,117
Total State Sources	500,000	500,000	637,117
Total revenues	2,261,816	2,416,800	2,434,068
EXPENDITURES			
Support Services - Business			
Facilities acquisition and construction services			
Purchased services	-	10,890	-
Capital outlay	-	302,842	-
Total facilities acquisition and construction services	-	313,732	-
Operations and maintenance of plant services			
Salaries	373,482	346,726	320,942
Employee benefits	62,593	55,098	52,577
Purchased services	881,308	838,619	786,254
Supplies and materials	498,182	330,649	343,805
Capital outlay	446,251	97,265	265,149
Non-capitalized equipment	-	1,133	-
Total operation and maintenance of plant services	2,261,816	1,669,490	1,768,727
Total support services	2,261,816	1,983,222	1,768,727
Total expenditures	2,261,816	1,983,222	1,768,727
Net change in fund balance	\$ -	433,578	665,341
Fund balance at beginning of year		2,129,009	1,463,668
FUND BALANCE AT END OF YEAR		\$ 2,562,587	\$ 2,129,009

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Working Cash Account

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
Earnings on investments	\$ 15,000	\$ 19,006	\$ 30,104
Total local sources	15,000	19,006	30,104
Total revenues	15,000	19,006	30,104
Net change in fund balance	<u>\$ 15,000</u>	19,006	30,104
Fund balance at beginning of year		2,218,397	2,188,293
FUND BALANCE AT END OF YEAR		<u>\$ 2,237,403</u>	<u>\$ 2,218,397</u>

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Tort Immunity Account

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	\$ 58,900	\$ 65,820	\$ 61,997
Earnings on investments	-	235	112
Refund of prior year expenditures	-	1,868	5,218
Total local sources	58,900	67,923	67,327
State Sources			
Evidence based funding formula	-	44,278	-
Total state sources	-	44,278	-
Total revenues	58,900	112,201	67,327
EXPENDITURES			
Support Services			
General Administration			
Purchased services	58,900	112,202	58,900
Total support services	58,900	112,202	58,900
Total expenditures	58,900	112,202	58,900
Net change in fund balance	\$ -	(1)	8,427
Fund balance at beginning of year		23,358	14,931
FUND BALANCE AT END OF YEAR		\$ 23,357	\$ 23,358

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Debt Service Fund

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	\$ 954,650	\$ 963,230	\$ 959,235
Earnings on investments	3,000	3,148	1,967
Total local sources	957,650	966,378	961,202
Total revenues	957,650	966,378	961,202
EXPENDITURES			
Debt service			
Interest	399,650	410,211	378,074
Principal retired	555,000	590,159	786,838
Fiscal charges	3,000	2,200	2,300
Total expenditures	957,650	1,002,570	1,167,212
Excess (deficiency) of revenues over expenditures	-	(36,192)	(206,010)
OTHER FINANCING SOURCES			
Transfers in	-	45,720	38,172
Total other financing sources	-	45,720	38,172
Net change in fund balance	\$ -	9,528	(167,838)
Fund balance at beginning of year		90,415	258,253
FUND BALANCE AT END OF YEAR		\$ 99,943	\$ 90,415

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Fire Prevention and Safety Fund

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
Earnings on investments	\$ -	\$ 31,901	\$ -
Total local sources	-	31,901	-
State sources			
Other state sources	150,000	-	-
Total revenues	150,000	31,901	-
EXPENDITURES			
Support Services			
Local Sources			
Purchased services	4,108,790	79,768	486,513
Capital outlay	-	3,077,845	2,670,525
Total expenditures	4,108,790	3,157,613	3,157,038
Net change in fund balance	<u>\$ (3,958,790)</u>	(3,125,712)	(3,157,038)
Fund balance at beginning of year		4,799,304	7,956,342
FUND BALANCE AT END OF YEAR		<u>\$ 1,673,592</u>	<u>\$ 4,799,304</u>

KEENEYVILLE SCHOOL DISTRICT NO. 20

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2018

	Transportation	Municipal Retirement/ Social Security	Capital Projects	Total Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 710,816	\$ 297,182	\$ 7,284	\$ 1,015,282
Receivables				
Property taxes	295,717	191,909	-	487,626
Due from other governments	103,545	-	-	103,545
Total assets	1,110,078	489,091	7,284	1,606,453
Deferred inflows and fund balance				
Deferred inflows				
Other unavailable revenue	103,545	-	-	103,545
Property taxes levied for subsequent year	618,081	401,320	-	1,019,401
Total deferred inflows	721,626	401,320	-	1,122,946
Fund balance				
Restricted				
Transportation	388,452	-	-	388,452
Employee retirement	-	87,771	-	87,771
Capital projects	-	-	7,284	7,284
Total fund balances	388,452	87,771	7,284	483,507
Total deferred inflows and fund balance	\$ 1,110,078	\$ 489,091	\$ 7,284	\$ 1,606,453

KEENEYVILLE SCHOOL DISTRICT NO. 20

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2018

	Transportation	Municipal Retirement/ Social Security	Capital Projects	Total Nonmajor Governmental Funds
Revenues				
Local sources	\$ 614,954	\$ 412,858	\$ -	\$ 1,027,812
State sources	447,403	-	-	447,403
Total revenue	1,062,357	412,858	-	1,475,215
Expenditures				
Current:				
Instruction	-	193,921	-	193,921
Support services	885,046	254,135	-	1,139,181
Total expenditures	885,046	448,101	-	1,333,147
Net change in fund balance	177,311	(35,243)	-	142,068
Fund balance at beginning of year	211,141	123,014	7,284	341,439
Fund balance at end of year	\$ 388,452	\$ 87,771	\$ 7,284	\$ 483,507

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Transportation Fund

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	\$ 547,420	\$ 607,425	\$ 572,441
Earnings on investments	600	6,713	2,838
Other	-	816	-
Total local sources	548,020	614,954	575,279
State Sources			
Evidence based funding formula	80,000	-	-
Transportation aid	208,553	447,403	139,266
Total state sources	288,553	447,403	139,266
Total revenues	836,573	1,062,357	714,545
EXPENDITURES			
Support Services			
Pupil Transportation Services			
Salaries	-	-	58,413
Employee benefits	-	-	9,634
Purchased services	836,573	883,296	801,021
Supplies and materials	-	1,750	-
Total pupil transportation	836,573	885,046	869,068
Total support services	836,573	885,046	869,068
Total expenditures	836,573	885,046	869,068
Net change in fund balance	\$ -	177,311	(154,523)
Fund balance at beginning of year		211,141	365,664
FUND BALANCE AT END OF YEAR		\$ 388,452	\$ 211,141

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Municipal Retirement/Social Security Fund

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levies	\$ 405,536	\$ 405,076	\$ 381,283
Corporate replacement taxes	5,000	5,000	27,654
Earnings on investments	800	2,782	1,712
Total local sources	411,336	412,858	410,649
Total revenues	411,336	412,858	410,649
EXPENDITURES			
Instruction - employee benefits	206,421	193,921	183,155
Support services - employee benefits	204,915	254,135	229,497
Community services - employee benefits	-	45	-
Total expenditures	411,336	448,101	412,652
Net change in fund balance	<u>\$ -</u>	(35,243)	(2,003)
Fund balance at beginning of year		123,014	125,017
FUND BALANCE AT END OF YEAR		<u>\$ 87,771</u>	<u>\$ 123,014</u>

KEENEYVILLE SCHOOL DISTRICT NO. 20

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Capital Projects Fund

Year Ended June 30, 2018 With Comparative Actual Totals For 2017

	2018		2017
	Budget	Actual	Actual
REVENUES			
Local Sources			
Earnings on investments	\$ -	\$ -	\$ 7
Total local sources	-	-	7
Total revenues	-	-	7
Net change in fund balance	<u>\$ -</u>	-	7
Fund balance at beginning of year		7,284	7,277
FUND BALANCE AT END OF YEAR		<u>\$ 7,284</u>	<u>\$ 7,284</u>

KEENEYVILLE SCHOOL DISTRICT NO. 20
Statement of Changes in Assets and Liabilities
Agency Funds - Activity Funds
Year Ended June 30, 2018

	Balance June 30, 2017	Additions	Deductions	Balance June 30, 2018
Cash				
Springwood Middle School	\$ 18,147	\$ 47,400	\$ 59,480	\$ 6,067
Elementary Schools	20,005	14,071	17,328	16,748
Total cash	<u>\$ 38,152</u>	<u>\$ 61,471</u>	<u>\$ 76,808</u>	<u>\$ 22,815</u>
Liabilities				
Due to organizations	<u>\$ 38,152</u>	<u>\$ 61,471</u>	<u>\$ 76,808</u>	<u>\$ 22,815</u>

STATISTICAL SECTION (UNAUDITED)

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Net Position by Component

Last Ten Fiscal Years

	2018	2017	2016	2015
Governmental activities				
Net investment in capital assets	\$ 7,434,582	\$ 10,975,122	\$ 10,353,770	\$ 8,379,064
Restricted	2,280,399	5,254,516	8,727,484	250,904
Unrestricted	(438,737)	3,432,888	(1,465,201)	6,350,734
Total governmental activities				
net position	<u>\$ 9,276,244</u>	<u>\$ 19,662,526</u>	<u>\$ 17,616,053</u>	<u>\$ 14,980,702</u>

Source of information: Fiscal Years 2009-2018 Annual Financial Reports

2014	2013	2012	2011	2010	2009
\$ 7,603,337	\$ 5,776,043	\$ 5,638,981	\$ 5,185,608	\$ 4,822,902	\$ 4,116,506
249,781	248,278	247,222	242,537	237,582	232,120
7,915,240	7,750,985	6,432,707	6,173,870	5,860,240	5,930,776
<hr/>					
\$ 15,768,358	\$ 13,775,306	\$ 12,318,910	\$ 11,602,015	\$ 10,920,724	\$ 10,279,402

KEENEYVILLE SCHOOL DISTRICT NO. 20

Changes in Net Position

Last Ten Fiscal Years

Expenses	2018	2017	2016
Governmental activities			
Instruction			
Regular programs	\$ 13,041,753	\$ 10,130,052	\$ 10,539,863
Special programs	3,300,293	2,744,643	2,783,729
Support services			
Pupils	1,049,076	882,239	878,173
Instructional staff	992,834	940,207	664,559
General administration	1,051,254	728,128	763,313
School administration	1,187,802	1,155,550	1,050,957
Business	1,620,732	1,209,219	1,735,414
Transportation	950,108	891,986	686,418
Operations and maintenance	1,616,546	1,064,993	631,767
Central	588,299	541,302	346,726
Other supporting services	-	-	-
Community services	24,793	50,143	69,696
Payments to other governments	59,323	-	-
Interest and fees	394,083	362,046	48,216
Total governmental activities expenses	25,876,896	20,700,508	20,198,831
Program revenues			
Governmental activities			
Charges for services			
Instruction			
Regular programs	446,931	327,689	456,266
Special programs	5,121	-	4,001
Support services			
Business	79,282	79,859	99,097
Transportation	-	-	-
Operations and maintenance	59,339	61,010	64,851
Operating grants and contributions	6,126,661	5,278,644	5,577,004
Total governmental activities program revenues	6,717,334	5,747,202	6,201,219
Net revenue (expense)	(19,159,562)	(14,953,306)	(13,997,612)
Governmental activities			
General revenues			
Taxes			
Real estate taxes, levied for general purposes	13,447,543	13,123,956	12,887,166
Real estate taxes, levied for specific purposes	1,012,501	953,724	880,140
Real estate taxes, levied for debt service	963,230	959,235	850,585
Personal property replacement taxes	27,344	32,678	29,418
Unrestricted federal and state aid	2,465,513	1,783,174	1,626,833
Investment earnings	225,985	111,244	213,778
Miscellaneous	37,066	35,768	145,043
Total governmental activities general revenues	18,179,182	16,999,779	16,632,963
Change in net position	\$ (980,380)	\$ 2,046,473	\$ 2,635,351

Source of Information: Fiscal Years 2009-2018 Annual Financial Statements

2015	2014	2013	2012	2011	2010	2009
\$ 10,356,995	\$ 9,601,419	\$ 9,240,117	\$ 9,074,530	\$ 8,730,937	\$ 9,590,386	\$ 9,122,148
2,980,590	3,041,587	2,888,168	2,680,814	2,523,841	2,591,674	2,673,621
847,376	815,375	761,865	769,033	722,706	817,057	840,074
799,060	816,439	660,476	666,060	606,685	758,559	635,365
710,412	795,439	914,620	734,367	1,142,006	841,552	844,719
1,018,979	955,558	932,159	884,158	874,011	909,222	895,037
804,906	851,585	737,708	747,738	666,645	740,264	834,943
1,000,448	1,052,483	978,063	890,166	1,016,433	991,658	1,018,396
2,218,621	2,088,097	1,746,578	1,474,787	1,436,986	1,431,594	2,082,070
405,484	274,053	310,119	382,616	502,938	208,713	217,315
-	36,492	34,166	56,020	42,526	23,086	-
63,391	49,696	56,878	69,898	53,543	53,069	233,473
-	-	-	-	-	-	-
247,359	360,143	306,595	324,572	355,885	373,572	385,922
21,453,621	20,738,366	19,567,512	18,754,759	18,675,142	19,330,406	19,783,083
342,762	423,588	364,543	411,758	345,309	355,704	410,781
24,994	1,906	-	-	-	-	-
89,560	95,470	128,682	141,685	141,316	136,955	164,484
-	-	11,400	10,731	9,600	11,600	11,600
66,239	62,540	62,360	55,016	42,540	52,643	52,026
5,281,927	6,442,446	5,306,081	3,979,529	4,469,519	4,596,465	4,251,893
5,805,482	7,025,950	5,873,066	4,598,719	5,008,284	5,153,367	4,890,784
(15,648,139)	(13,712,416)	(13,694,446)	(14,156,040)	(13,666,858)	(14,177,039)	(14,892,299)
12,713,713	12,704,840	12,044,725	11,819,478	11,457,941	11,344,276	10,789,258
824,999	562,069	795,047	849,399	814,465	813,438	779,459
851,352	851,375	853,763	853,145	855,287	855,268	854,697
31,955	30,529	29,129	27,523	31,704	25,296	30,446
1,629,072	1,534,718	1,382,851	1,291,795	1,149,244	1,715,764	2,098,716
23,868	21,937	23,648	23,609	28,177	48,037	233,195
-	-	21,679	7,986	11,331	16,282	7,784
16,074,959	15,705,468	15,150,842	14,872,935	14,348,149	14,818,361	14,793,555
\$ 426,820	\$ 1,993,052	\$ 1,456,396	\$ 716,895	\$ 681,291	\$ 641,322	\$ (98,744)

KEENEYVILLE SCHOOL DISTRICT NO. 20

Fund Balances, Governmental Funds

Last Ten Fiscal Years

	2018	2017	2016	2015
General Fund				
Restricted	\$ 23,357	\$ 23,358	\$ 14,931	\$ 7,866
Unassigned	12,252,679	9,726,409	7,997,301	7,070,260
Total general fund	<u>\$ 12,276,036</u>	<u>\$ 9,749,767</u>	<u>\$ 8,012,232</u>	<u>\$ 7,078,126</u>
All Other Governmental Funds				
Restricted	\$ 2,257,042	\$ 5,231,158	\$ 8,712,553	\$ 480,130
Unassigned	-	-	-	(5,924)
Total all other governmental funds	<u>\$ 2,257,042</u>	<u>\$ 5,231,158</u>	<u>\$ 8,712,553</u>	<u>\$ 474,206</u>
General Fund				
Unreserved				
Total general fund				
All Other Governmental Funds				
Reserved for prepaid items				
Unreserved, reported in				
Special revenue funds				
Capital project funds				
Debt service funds				
Total all other governmental funds				

Source of Information: Fiscal Years 2009-2018 Annual Financial Statements

Note: Amounts prior to 2011 have not been restated for the implementation of GASB Statement #54.

2014	2013	2012	2011	2010	2009
\$ 6,527	\$ 6,165	\$ 8,576	\$ 918		
7,317,939	6,728,839	5,800,658	5,545,212		
\$ 7,324,466	\$ 6,735,004	\$ 5,809,234	\$ 5,546,130		
\$ 531,273	\$ 1,261,932	\$ 851,265	\$ 775,307		
(5,925)	-	-	-		
\$ 525,348	\$ 1,261,932	\$ 851,265	\$ 775,307		

\$ 3,127,151	\$ 2,967,091
\$ 3,127,151	\$ 2,967,091
\$ 171,310	\$ -
2,667,418	2,672,259
(11,139)	1,716
237,582	59,283
\$ 3,065,171	\$ 2,733,258

KEENEYVILLE SCHOOL DISTRICT NO. 20
Changes In Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2018	2017	2016	2015
Revenues				
Local sources				
Taxes	\$ 15,423,274	\$ 15,036,915	\$ 14,617,891	\$ 14,390,064
Earnings on investments	225,985	111,244	38,788	23,868
Other local sources	655,083	537,004	798,666	555,510
Total local sources	16,304,342	15,685,163	15,455,345	14,969,442
State sources	7,359,893	5,656,176	5,963,694	5,618,073
Federal sources	1,318,860	1,205,640	1,240,143	1,292,926
Total revenues	24,983,095	22,546,979	22,659,182	21,880,441
Expenditures				
Current:				
Instruction	13,179,098	12,306,914	12,374,706	12,448,415
Supporting services	11,479,315	10,766,570	9,061,595	8,450,347
Community services	24,793	50,143	69,696	63,391
Payments to other Governmental Units	59,323	-	-	-
Debt service				
Principal	590,159	786,838	719,218	642,232
Interest and other	412,411	380,374	241,429	233,538
Capital outlay	-	-	-	-
Total expenditures	25,745,099	24,290,839	22,466,644	21,837,923
Excess (deficiency) of revenue over expenditures	(762,004)	(1,743,860)	192,538	42,518
Other Financing Sources (Uses)				
Proceeds from borrowing	-	-	12,714,628	-
Payments to refunding escrow and costs	-	-	(3,905,340)	-
Capital lease proceeds	314,157	-	170,627	-
Transfers in	45,720	38,172	73,869	1,365,200
Transfers out	(45,720)	(38,172)	(73,869)	(1,365,200)
Total other financing sources (uses)	314,157	-	8,979,915	-
Net change in fund balances	\$ (447,847)	\$ (1,743,860)	\$ 9,172,453	\$ 42,518
Debt service as a percentage of noncapital expenditures	4.38%	5.60%	4.88%	4.15%

Source of information: Fiscal Years 2009-2018 Annual Financial Statements

Note: Starting in FY2010 the District began reporting capital outlay expenses in the operating funds in the corresponding current expenditure line item.

2014	2013	2012	2011	2010	2009
\$ 14,148,813	\$ 13,722,664	\$ 13,549,545	\$ 13,159,398	\$ 13,012,982	\$ 12,423,414
21,937	23,648	23,609	28,177	48,037	233,195
583,504	589,269	627,176	550,095	598,480	677,121
14,754,254	14,335,581	14,200,330	13,737,670	13,659,499	13,333,730
6,787,394	5,453,602	4,083,638	4,209,065	4,542,761	4,832,287
1,189,770	1,234,725	1,187,686	1,409,698	1,769,468	1,518,322
22,731,418	21,023,908	19,471,654	19,356,433	19,971,728	19,684,339
12,231,855	11,709,279	11,332,510	10,854,335	11,727,149	11,327,176
9,719,926	7,162,187	6,880,764	7,171,430	7,147,535	6,934,435
51,489	56,878	69,898	53,543	54,237	233,473
-	-	-	-	-	-
611,256	585,327	545,000	640,967	540,034	527,584
264,014	286,443	304,420	335,733	353,420	365,770
-	-	-	-	-	756,149
22,878,540	19,800,114	19,132,592	19,056,008	19,822,375	20,144,587
(147,122)	1,223,794	339,062	300,425	149,353	(460,248)
-	-	-	-	-	-
-	-	-	-	-	-
-	112,643	-	-	-	193,585
25,200	1,018,900	-	125,780	42,584	42,584
(25,200)	(1,018,900)	-	(125,780)	(42,584)	(42,584)
-	112,643	-	-	-	193,585
\$ (147,122)	\$ 1,336,437	\$ 339,062	\$ 300,425	\$ 149,353	\$ (266,663)
3.99%	4.45%	4.55%	5.20%	4.62%	4.61%

KEENEYVILLE SCHOOL DISTRICT NO. 20

Equalized Assessed Valuation and
Estimated Actual Value of Taxable Property
Last Ten Tax Levy Years

Tax Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Property	Equalized Assessed Valuation	Total Direct Tax Rate	Amount of Increase/ (Decrease) Over Previous Year	Actual Estimated Value *
2017	\$ 294,077,541	\$ 24,575,384	\$ 81,607,700	\$ 50,880	\$ 400,311,505	3.9359	\$ 23,769,382	\$ 1,200,934,515
2016	273,410,869	22,939,294	80,144,170	47,790	376,542,123	4.1010	31,383,172	1,129,626,369
2015	254,132,617	21,252,444	69,728,900	44,990	345,158,951	4.3657	4,697,822	1,035,476,853
2014	256,039,225	21,341,034	63,047,820	33,050	340,461,129	4.3160	(12,748,525)	1,021,383,387
2013	265,931,450	22,663,534	64,583,990	30,680	353,209,654	4.0955	(33,425,320)	1,059,628,962
2012	295,823,767	24,441,157	66,341,530	28,520	386,634,974	3.6698	(50,592,672)	1,159,904,922
2011	336,451,767	26,678,629	74,064,070	33,180	437,227,646	3.1485	(32,004,351)	1,311,682,938
2010	367,813,887	26,488,680	74,898,650	30,780	469,231,997	2.8878	(35,209,822)	1,407,695,991
2009	395,390,229	28,793,550	80,229,270	28,770	504,441,819	2.6047	(172,092)	1,513,325,457
2008	396,555,841	26,853,680	81,185,070	19,320	504,613,911	2.5820	27,327,708	1,513,841,733

* Equalized Assessed Valuation is one-third of the Actual Estimated Value

Source of information: DuPage County Levy, Rate and Extension Reports for the years 2008 to 2017

KEENEYVILLE SCHOOL DISTRICT NO. 20
Property Tax Rates - All Direct and Overlapping
Governments
Last Ten Tax Levy Years

Taxing District	2017	2016	2015	2014
DuPage County	0.1749	0.1848	0.1971	0.2057
DuPage Airport Authority	0.0166	0.0176	0.0188	0.0196
DuPage County Forest Preserve	0.1306	0.1514	0.1622	0.1691
Bloomington Township*	0.2040	0.1945	0.2091	0.2274
Village of Roselle	0.7736	0.8045	0.8540	0.8220
Community College District #502	0.2431	0.2626	0.2786	0.2975
High School District #108	2.3489	2.4698	2.6236	2.7083
Roselle Park District	0.5334	0.5527	0.5897	0.6018
Roselle Library District	0.2577	0.2674	0.2835	0.2884
Total Overlapping Governments	4.6828	4.9053	5.2166	5.3398
Keeneyville School District No. 20				
Operating rates	3.6941	3.8440	4.0872	4.0649
Debt service rates	0.2418	0.2561	0.2785	0.2511
Total Keeneyville School District No. 20	3.9359	4.1001	4.3657	4.3160
Totals	8.6187	9.0054	9.5823	9.6558
Keeneyville School District No. 20				
percentage of total tax rate	43%	43%	43%	42%

*Includes Road District

Tax rates are expressed in dollars per one hundred of assessed valuation.
Tax rates are presented for all governments with boundaries that overlap the District.
The total tax rate applied to each parcel of taxable property in the District would
be less than the total shown above.

Source of information: DuPage County, Illinois, Clerk's Office, Tax Extension Department.

2013	2012	2011	2010	2009	2008
0.2040	0.1929	0.1773	0.1659	0.1554	0.1557
0.0178	0.0168	0.0169	0.0158	0.0148	0.0160
0.1657	0.1542	0.1414	0.1321	0.1217	0.1206
0.2207	0.1983	0.1732	0.1582	0.1422	0.1399
0.7987	0.7098	0.6166	0.5725	0.5251	0.5077
0.2956	0.2681	0.2495	0.2349	0.2127	0.1858
2.5755	2.3318	2.0220	1.8298	1.6350	1.6132
0.5759	0.5203	0.4593	0.4300	0.3944	0.3935
0.2769	0.2491	0.2162	0.2012	0.1836	0.1789
5.1308	4.6413	4.0724	3.7404	3.3849	3.3113
3.8532	3.4485	2.9522	2.7056	2.4350	2.4123
0.2423	0.2213	0.1963	0.1822	0.1697	0.1697
4.0955	3.6698	3.1485	2.8878	2.6047	2.5820
9.2263	8.3111	7.2209	6.6282	5.9896	5.8933
42%	41%	41%	41%	41%	41%

KEENEYVILLE SCHOOL DISTRICT NO. 20

Principal Property Tax Payers
Current Year and Nine Years Ago

Name of Taxpayer (1)	2017 Equalized Assessed Valuation	Rank	Percentage of total 2017 Equalized Assessed Valuation (1)
Rreef Department 207	\$ 16,517,530	1	4.13%
AMB Prop. RE tax Co.	15,521,160	2	3.88%
Harvest A Fuji LLC	10,599,000	3	2.65%
Exeter 200 Gary LLC	4,616,680	4	1.15%
Fisher Scientific Co.	3,701,710	5	0.92%
Now Health Group Inc.	3,685,890	6	0.92%
Cardinal Capital Partners	3,157,350	7	0.79%
Liberty Property Ltd Prtn	2,804,000	8	0.70%
Strategic Prop Tax Advis	2,732,700	9	0.68%
JFC International Inc	2,543,230	10	0.64%
IDI Services Group	-		-
New-Eola/Turnberry	-		-
Circuit City Stores	-		-
Industrial Properties Fund II	-		-
Greenbrook Shopping Center	-		-
6325 Muirfield Dr. LLC	-		-
JWNW	-		-
Camcraft	-		-
	\$ 65,879,250		16.46%

Note: The figures above are totals parcels with 2017 equalized assessed valuations of approximately \$2,000,000 and over as recorded in the County's Assessor's office. They were compiled from a meticulous page by page search of listings of such records. It is possible, however, that certain parcels may have been overlooked.

Source of information: DuPage County Clerk's and Assessor's offices and the
Bloomingdale Township Assessor's office

(1) 2017 total assessed valuation for the District is \$400,311,505

(2) 2008 total assessed valuation for the District is \$504,613,911

2008 Equalized Assessed Valuation	Rank	Percentage of total 2008 Equalized Assessed Valuation (2)
		-
\$ 27,021,410	1	5.35%
-		-
		-
5,996,740	3	1.19%
-		-
-		-
-		-
-		-
10,666,350	2	2.11%
4,463,360	4	0.88%
3,450,620	5	0.68%
3,275,550	6	0.65%
2,606,360	7	0.52%
2,543,620	8	0.50%
2,477,210	9	0.49%
2,282,780	10	0.45%
<hr/>		<hr/>
\$ 64,784,000		12.84%
<hr/>		<hr/>

KEENEYVILLE SCHOOL DISTRICT NO. 20Schedule of Property Tax Rates, Extensions and Collections
Last Ten Tax Levy Years

	2017	2016	2015	2014
Rates extended:				
Educational	2.9610	3.0675	3.2821	3.2776
Tort immunity	0.0170	0.0175	0.0180	0.0173
Special education	0.0185	0.0194	0.0207	0.0207
Operations and maintenance	0.4429	0.4704	0.4895	0.4888
Transportation	0.1544	0.1615	0.1662	0.1593
IMRF/SS	0.1002	0.1077	0.1107	0.1012
Debt service	0.2418	0.2561	0.2785	0.2511
Working Cash	0.0001	0.0000	0.0000	0.0000
Total rates extended	3.9359	4.1001	4.3657	4.3160
Property tax extensions:				
Educational	\$ 11,853,224	\$ 11,550,430	\$ 11,328,462	\$ 11,158,954
Tort immunity	68,053	65,895	62,129	58,900
Special education	74,058	73,049	71,448	70,475
Operations and maintenance	1,772,980	1,771,254	1,689,553	1,664,174
Transportation	618,081	608,116	573,654	542,355
IMRF/SS	401,112	405,536	382,090	344,546
Debt service	967,953	964,324	961,268	854,898
Working Cash	400	-	-	-
Total levies extended	\$ 15,755,861	\$ 15,438,604	\$ 15,068,604	\$ 14,694,302
Current year collections	\$ 8,217,570	\$ 7,805,255	\$ 7,315,006	\$ 6,959,870
Subsequent collections	-	7,615,822	7,721,735	7,660,049
Total collections	\$ 8,217,570	\$ 15,421,077	\$ 15,036,741	\$ 14,619,919
Percentage of extensions collected - current year	52.16%	50.56%	48.54%	47.36%
Percentage of extensions collected - subsequent year	0.00%	49.33%	51.24%	52.13%
Percentage of extensions collected collected - total	52.16%	99.89%	99.79%	99.49%

Tax rates are expressed in dollars per one hundred of assessed valuation.

Source of information: DuPage County Levy, Rate and Extension Reports for 2008-2017

2013	2012	2011	2010	2009	2008
3.1175	2.7926	2.3992	2.1874	1.9693	1.9472
0.0164	0.0144	0.0124	0.0110	0.0103	0.0102
0.0196	0.0179	0.0158	0.0147	0.0137	0.0136
0.4649	0.4775	0.3420	0.3111	0.2801	0.2799
0.1514	0.1360	0.1168	0.0964	0.0820	0.0819
0.0834	0.0101	0.0660	0.0850	0.0796	0.0795
0.2423	0.2213	0.1963	0.1822	0.1697	0.1697
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
4.0955	3.6698	3.1485	2.8878	2.6047	2.5820
\$ 11,011,311	\$ 10,797,168	\$ 10,489,966	\$ 10,263,981	\$ 9,933,973	\$ 9,825,842
57,926	55,675	54,216	51,616	51,958	51,471
69,229	69,208	69,082	68,977	69,109	68,627
1,642,072	1,846,182	1,495,319	1,459,781	1,412,941	1,412,414
534,759	525,824	510,682	452,340	413,642	413,279
294,577	39,050	288,570	398,847	401,535	401,168
855,827	855,623	858,278	854,941	856,038	856,330
-	-	-	-	-	-
\$ 14,465,701	\$ 14,188,730	\$ 13,766,113	\$ 13,550,483	\$ 13,139,196	\$ 13,029,131
\$ 7,084,281	\$ 6,725,971	\$ 6,807,567	\$ 6,550,037	\$ 6,251,719	\$ 6,210,356
7,305,531	7,392,313	6,884,877	6,967,598	6,875,958	6,795,165
\$ 14,389,812	\$ 14,118,284	\$ 13,692,444	\$ 13,517,635	\$ 13,127,677	\$ 13,005,521
48.97%	47.40%	49.45%	48.34%	47.58%	47.67%
50.50%	52.10%	50.01%	51.42%	52.33%	52.15%
99.48%	99.50%	99.46%	99.76%	99.91%	99.82%

KEENEYVILLE SCHOOL DISTRICT NO. 20

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Levy Year	General Obligation Bonds	Percentage of Actual Property Value	Capital lease	Total	Percentage of Personal Income
2018	2017	\$ 11,103,448	0.92%	\$ 402,397	\$ 11,505,845	0.25%
2017	2016	11,700,508	1.04%	123,399	11,823,907	0.28%
2016	2015	12,497,568	1.21%	155,237	12,652,805	0.30%
2015	2014	4,686,915	0.46%	53,828	4,740,743	0.11%
2014	2013	5,319,361	0.50%	76,060	5,395,421	0.13%
2013	2012	5,921,807	0.51%	97,316	6,019,123	0.14%
2012	2011	6,504,253	0.50%	-	6,504,253	0.15%
2011	2010	7,061,699	0.50%	-	7,061,699	0.17%
2010	2009	7,599,145	0.50%	115,967	7,715,112	0.18%
2009	2008	8,116,591	0.54%	151,001	8,267,592	0.20%

Source of information: Annual Financial Statements

KEENEYVILLE SCHOOL DISTRICT NO. 20

Ratio of General Bonded Debt to Equalized Assessed Valuation
and Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Levy Year	General Bonded Debt	Less: Amounts Available to Repay Principal	Net General Bonded Debt	Equalized Assessed Valuation	Percentage of Net General Bonded Debt to Assessed Valuation	Estimated Population	Net Bonded Debt Per Capita
2018	2017	\$ 11,103,448	\$ 99,943	\$ 11,003,505	\$ 400,311,505	2.75%	61,393	\$ 179
2017	2016	11,700,508	90,415	11,610,093	376,542,123	3.08%	61,393	189
2016	2015	12,497,568	258,253	12,239,315	345,158,951	3.55%	61,393	199
2015	2014	4,686,915	250,904	4,436,011	340,461,129	1.30%	61,393	72
2014	2013	5,319,361	249,781	5,069,580	353,209,654	1.44%	61,393	83
2013	2012	5,921,807	248,278	5,673,529	386,634,974	1.47%	61,393	92
2012	2011	6,504,253	247,222	6,257,031	437,227,646	1.43%	61,393	102
2011	2010	7,061,699	242,537	6,819,162	469,231,997	1.45%	61,393	111
2010	2009	7,599,145	237,582	7,361,563	504,441,819	1.46%	61,393	120
2009	2008	8,116,591	59,283	8,057,308	504,613,911	1.60%	61,393	131

Source of information: Annual Financial Statements 2009-2018.

Note: Population estimates were based on official U.S. Census, Local, City, Village and School data.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Computation of Direct and Overlapping Governmental Activities Debt

June 30, 2018

Jurisdiction overlapping	Bonded indebtedness		Portion applicable to School District	
			Percent	Amount
DuPage County	\$ 31,845,000	(1)	1.047%	\$ 333,417
DuPage County Forest Preserve	110,046,749	(1)(2)	1.047%	1,152,189
Village of Bloomingdale	3,555,000		1.687%	59,973
Village of Hanover Park	16,655,000		21.968%	3,658,770
Village of Roselle	1,960,000	(1)	32.102%	629,199
Poplar Creek Library District	15,700,000		7.348%	1,153,636
Bloomington Park District	8,522,000	(1)	2.449%	208,704
Hanover Park District	1,292,680	(1)	23.767%	307,231
Roselle Park District	1,540,000	(1)	45.562%	701,655
DuPage High School District #108	23,445,000		19.179%	4,496,517
College of DuPage #502	151,525,000	(1)	0.925%	1,401,606
Total overlapping debt	366,086,429			14,102,897
Keeneyville School District No. 20	11,505,845		100.000%	11,505,845
Total overlapping and direct bonded debt	\$ 377,592,274			\$ 25,608,742

Overlapping percentages are based on the amount of EAV allocated to applicable governments.

- (1) Excludes outstanding General Obligation (Alternate Revenue Source) Bonds which are expected to be paid from sources other than general taxation.
 (2) Includes original principal amounts of General Obligation Capital Appreciation Bonds.

Source of information: Office of DuPage County Clerk.

KEENEYVILLE SCHOOL DISTRICT NO. 20

Legal Debt Margin Information

Last Ten Fiscal Years

	2018	2017	2016	2015
Debt limit	\$ 27,621,494	\$ 25,981,406	\$ 23,815,968	\$ 23,491,818
Total net debt applicable to limit	10,425,057	10,989,585	11,576,747	4,436,011
Legal debt margin	\$ 17,196,437	\$ 14,991,821	\$ 12,239,221	\$ 19,055,807
Total net debt applicable to the limit as a percentage of debt limit	37.74%	42.30%	48.61%	18.88%

Legal Debt Margin calculation for fiscal year June 30, 2018

Assessed valuation of taxable properties for the tax year 2017	\$ 400,311,505
Rate	6.9%
Bonded debt limit	\$ 27,621,494
General bonded debt	\$ 11,103,448
Premiums on bonds issued	(578,448)
General obligation bonds payable	10,525,000
Less Debt Service Fund balance	(99,943)
Net debt outstanding subject to limitation	\$ 10,425,057
Legal bonded debt margin at June 30, 2018	\$ 17,196,437

Source: 2009-2018 Annual Financial Reports

2014	2013	2012	2011	2010	2009
\$ 24,371,466	\$ 26,677,813	\$ 30,168,708	\$ 32,377,008	\$ 34,806,486	\$ 34,818,360
4,920,219	5,511,722	6,082,778	6,632,463	7,162,418	7,674,407
\$ 19,451,247	\$ 21,166,091	\$ 24,085,930	\$ 25,744,545	\$ 27,644,068	\$ 27,143,953
20.19%	20.66%	20.16%	20.49%	20.58%	22.04%

KEENEYVILLE SCHOOL DISTRICT NO. 20

Demographic and Miscellaneous Statistics

Last Ten Fiscal Years

Fiscal year ended June 30,	Population	Personal Income (<i>thousands of dollars</i>)	Per Capita Personal Income	Unemployment rate (1)
2018	61,393	\$ 4,544,309.86	\$ 74,020	3.0%
2017	61,393	4,218,743	68,717	4.1%
2016	61,393	4,218,743	68,717	5.5%
2015	61,393	4,218,743	68,717	6.6%
2014	61,393	4,218,743	68,717	8.1%
2013	61,393	4,218,743	68,717	9.0%
2012	61,393	4,218,743	68,717	9.7%
2011	61,393	4,218,743	68,717	10.6%
2010	61,393	4,218,743	68,717	10.1%
2009	61,393	4,218,743	68,717	9.8%

(1) Source: State of Illinois Department of Employment Security

KEENEYVILLE SCHOOL DISTRICT NO. 20

Principal Employers

Current Year and Nine Years Ago

Employer	2018		2009	
	Employees	Rank	Employees	Rank
M&R Sales & Service, Inc.	550	1	-	
NOW Health Group, Inc.	550	1	-	
RIM Logistics Ltd.	400	3	-	
Service Drywall & Decorating Co.	320	4	300	2
Thermo Fischer Scientific	300	5	325	1
Camcraft, Inc.	275	6	200	4
Insight	250	7	215	3
Maines Paper & Food Service, Inc.	250	7	-	
Abrasive-Form, Inc.	200	9	-	
Everpure, LLC	200	9	200	4
Acco Brands Corp.	-		198	6
Case Foundation Co.	-		190	7
Harris Bank Roselle	-		175	8
Wilson Pet Supply	-		150	9
ExhibitGroup Inc., Chicago Division	-		150	9
Total	3,295		2,103	

Source: 2018 Illinois Manufacturers Directory and 2018 Illinois Services Directory

Percentage of total city employment figures were not available

KEENEYVILLE ELEMENTARY SCHOOL DISTRICT NO. 20

Number of Full-Time Employees

Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013
Administration						
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Assistant superintendent	-	-	-	-	-	-
District administrators	3.00	3.00	3.00	3.00	3.00	3.00
Principals and assistants	6.00	6.00	6.00	6.00	6.00	6.00
Total administration	10.00	10.00	10.00	10.00	10.00	10.00
Instruction:						
Teachers: K-8	123.50	122.00	121.00	117.00	117.00	114.00
Instructional coaches	2.00	2.00	-	-	-	-
Total instruction	125.50	124.00	121.00	117.00	117.00	114.00
Other supporting staff						
Teaching assistants	41.00	41.00	41.00	41.50	36.00	36.00
Business office staff	3.00	3.00	4.00	4.00	4.00	4.00
Building secretaries	6.00	6.00	6.00	6.00	6.00	6.00
District secretaries	3.00	3.00	3.00	3.00	3.00	3.00
Technology	3.00	3.00	3.00	-	-	-
Maintenance staff	2.00	2.00	2.00	3.00	3.00	3.00
Custodians	2.00	2.00	2.00	2.00	2.00	2.00
Total support staff	60.00	60.00	61.00	59.50	54.00	54.00
Total staff	195.50	194.00	192.00	186.50	181.00	178.00

Source of information: District Records

2012	2011	2010	2009
1.00	1.00	1.00	1.00
-	1.00	1.00	1.00
3.00	3.00	3.00	3.00
6.00	6.00	6.00	6.00
10.00	11.00	11.00	11.00
110.00	97.00	119.90	118.90
-	-	-	-
110.00	97.00	119.90	118.90
36.00	35.50	35.50	34.50
4.00	4.00	4.00	7.00
6.00	6.00	6.00	6.00
3.00	3.00	3.00	3.00
-	-	-	-
2.00	2.00	2.00	2.00
3.00	3.00	4.00	4.00
54.00	53.50	54.50	56.50
174.00	161.50	185.40	186.40

KEENEYVILLE SCHOOL DISTRICT NO. 20

Operating Indicators by Program

Last Ten Fiscal Years

	2018	2017	2016	2015	2014
Student Information					
Total enrollment*	1,595	1,496	1,512	1,489	1,541
Greenbrook-K-5	500	469	465	443	453
Spring Wood 6-8	536	495	493	489	535
Waterbury K-5	469	478	498	496	553
Early Childhood Center	90	54	56	61	-
District Rate of Attendance	94%	95%	95%	95%	95%
District % of Low Income	53.0%	43.0%	48.0%	46.0%	47.0%
District Mobility Rate	8.0%	12.0%	9.3%	9.2%	9.0%
Average Class Size					
Kindergarten	20	20	21	21	20
Grade 1-3	20	21	21	21	20
Grade 6-8	25	20	20	20	20
District Total # of Teachers	124	124	121	117	117
Average Years Teaching Experience	10	10	13	14	13
% of Teachers with Bachelor's Degree	46.0%	46.0%	43.0%	42.0%	41.0%
% of Teachers with Master's Degree	54.0%	54.0%	57.0%	58.0%	59.0%
Pupil Teacher Ratio	18.0 : 1	17.0 : 1	17.8 : 1	17.9 : 1	17.9 : 1
Pupil Administrator Ratio	133:1	150:1	173:1	171:1	171:1
Pupil to Certified Staff Ratio	9.1:1	12.1:1	13.7:1	13.6:1	13.6:1
Average Teacher Salary	\$ 53,543	\$ 52,375	\$ 59,859	\$ 54,355	\$ 54,626
Average Administrator Salary	\$ 101,921	\$ 87,102	\$ 87,102	\$ 81,749	\$ 76,829

* Enrollment is based on the annual enrollment on the 6th day of school for grades K through 8

Source of all other information is the Illinois State Board of Education Report Card Summary

2013	2012	2011	2010	2009
1,591	1,589	1,573	1,629	1,642
457	467	485	512	538
569	573	542	525	538
565	549	546	592	566
-	-	-	-	-
95%	96%	96%	96%	96%
44.5%	44.6%	44.9%	39.2%	37.3%
9.8%	10.1%	8.9%	12.1%	14.3%
17	21	18	21	19
20	22	21	21	23
20	21	18	20	20
110	97	109	109	110
13	13	13	13	13
42.0%	40.5%	37.0%	39.9%	40.4%
58.0%	59.5%	63.0%	60.1%	59.6%
17.9 : 1	17.9 : 1	19.2 : 1	17.3 : 1	17.5 : 1
188:1	188:1	167:1	171:1	172:1
13.6:1	13.6:1	13.9:1	12.5:1	12.6:1
\$ 56,945	\$ 58,380	\$ 59,976	\$ 61,945	\$ 59,948
\$ 96,696	\$ 105,626	\$ 113,836	\$ 112,752	\$ 111,740

KEENEYVILLE SCHOOL DISTRICT NO. 20

School Building Information

Last Ten Fiscal Years

	2018	2017	2016	2015	2014
Greenbrook School 1977					
Addition 2002					
Square feet	63,500	63,500	63,500	63,500	63,500
Capacity (students)	590	590	590	590	590
Number of Classrooms K-5	22	22	22	22	22
Enrollment	498	469	465	443	453
Spring Wood School 1980					
Addition 2002					
Addition 1990					
Square feet	104,250	104,250	104,250	104,250	104,250
Capacity (students)	850	850	850	850	850
Number of Classrooms 6-8	34	34	34	34	34
Enrollment	535	495	493	489	535
Waterbury School 1976					
Addition 2002					
Addition 1990					
Square feet	58,500	58,500	58,500	58,500	58,500
Capacity (students)	575	575	575	575	575
Number of Classrooms K-5	25	25	25	25	23
Number of Classrooms Pre K	-	-	-	-	2
Enrollment	468	478	498	496	553
Early Childhood Center 2014					
Square feet	8,000	8,000	8,000	8,000	
Capacity (students)	140	140	140	140	
Number of Classrooms Pre K	4	4	4	4	
Enrollment	90	54	56	61	
Grand Total All Students	1,595	1,496	1,512	1,489	1,541

Source of information: District Records

2013	2012	2011	2010	2009
63,500	63,500	63,500	63,500	63,500
590	590	590	590	590
22	22	22	22	22
457	467	485	512	538
104,250	104,250	104,250	104,250	104,250
850	850	850	850	850
34	34	34	34	34
569	573	542	525	538
58,500	58,500	58,500	58,500	58,500
575	575	575	575	575
23	23	23	23	23
2	2	2	2	2
565	549	546	592	566
1,591	1,589	1,573	1,629	1,642

KEENEYVILLE SCHOOL DISTRICT NO. 20Operating Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Expenses (1)	Average Daily Attendance	Net operating expenditures per pupil	Percentage Change
2018	\$ 16,935,724	1,376	12,308	5.74%
2017	16,225,758	1,394	11,640	3.65%
2016	15,822,624	1,409	11,230	-6.17%
2015	16,399,511	1,370	11,968	-0.60%
2014	16,963,765	1,409	12,040	3.30%
2013	16,620,873	1,426	11,656	6.82%
2012	16,073,069	1,473	10,912	-2.64%
2011	16,128,533	1,439	11,208	-3.68%
2010	16,663,825	1,432	11,637	0.44%
2009	16,869,871	1,456	11,586	13.96%

(1) Total operating expenses for per pupil computation

Source of information: Fiscal Years 2009 to 2018 Annual Financial Reports