

**Butler Elementary School District No. 53**  
**Oak Brook, Illinois**

**ANNUAL FINANCIAL REPORT**

**Year Ended June 30, 2021**

**Butler Elementary School District No. 53**  
ANNUAL FINANCIAL REPORT  
For the Year Ended June 30, 2021

**TABLE OF CONTENTS**

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	<u>Page</u>
<b>Independent Auditors' Report</b>	1 - 3
<b>Management's Discussion and Analysis (Unaudited)</b>	4 - 10
<b>Basic Financial Statements</b>	
Government-wide Financial Statements	
Statement of Net Position - Governmental Activities	11
Statement of Activities	12
Fund Financial Statements	
Balance Sheet - Governmental Funds	13 - 14
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	15
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	16 - 17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Notes to the Financial Statements	19 - 68
<b>Required Supplementary Information (Unaudited)</b>	
Multiyear Schedules of Changes in Net Pension Liability and Related Ratios - Illinois Municipal Retirement Fund	70 - 71
Multiyear Schedule of Contributions - Illinois Municipal Retirement Fund	72
Multiyear Schedule of the District's Proportionate Share of the Net Pension Liability - Teachers' Retirement System of the State of Illinois	73 - 74
Multiyear Schedule of District Contributions - Teachers' Retirement System of the State of Illinois	75 - 76
Schedule of Changes in Total Other Postemployment Benefits (OPEB) and Related Ratios - Retiree Health Plan	77
Multiyear Schedule of the District's Proportionate Share of the Net Other Postemployment Benefit (OPEB) Liability - Teachers' Health Insurance Security Fund	78
Multiyear Schedule of District Contributions - Teachers' Health Insurance Security Fund	79
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	80 - 86
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Operations and Maintenance Fund	87 - 88
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Transportation Fund	89
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Municipal Retirement/Social Security Fund	90 - 91
Notes to the Required Supplementary Information	92 - 97

(Continued)

**Butler Elementary School District No. 53**  
ANNUAL FINANCIAL REPORT  
For the Year Ended June 30, 2021

**TABLE OF CONTENTS**

---

	<u>Page</u>
<b>Supplementary Financial Information</b>	
Combining Balance Sheet - General Fund	99
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - General Fund	100
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Debt Service Fund	101 - 102
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Capital Projects Fund	103 - 104
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Fire Prevention and Safety Fund	105

# MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education  
Butler Elementary School District No. 53  
Oak Brook, IL

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of Butler Elementary School District No. 53, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Butler Elementary School District No. 53's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Butler Elementary School District No. 53's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

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

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

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

(Continued)

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***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Butler Elementary School District No. 53, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matters***

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

As discussed in Note M to the financial statements, Butler Elementary School District No. 53 has elected to change its basis of accounting from a cash basis of accounting to an accrual basis of accounting. Beginning fund balance and beginning net position as of July 1, 2020 have been restated as a result of this change in accounting basis. Our opinions are not modified with respect to this matter.

**Other Matters**

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10, the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois Pension data on pages 70 through 76, the other postemployment benefits data on page 77 through 79, budgetary comparison schedules and notes to the required supplementary information on pages 80 through 97 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.

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**Other Matters (Continued)**

***Other Information***

Our audit for the year ended June 30, 2021, was conducted for the purpose of forming opinions on the financial statements that collectively comprise Butler Elementary School District No. 53's basic financial statements. The other schedules listed in the table of contents as supplementary financial information, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2021, on our consideration of Butler Elementary School District No. 53's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Butler Elementary School District No. 53's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.



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Certified Public Accountants

Deerfield, Illinois  
November 11, 2021

# **BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53 MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2021**

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The Management's Discussion and Analysis ("MD&A") is an element of the financial reporting model adopted by the Governmental Accounting Standards Board (GASB). In this area, Butler Elementary School District No. 53 (the District) presents its discussion and analysis of the District's performance and provides an overall review of the District's financial activities for the year ended June 30, 2021. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements, including footnotes, to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

## **Financial Highlights**

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$16,219,894 (net position).
- The fund balance of the District's governmental funds decreased by \$509,736, resulting in an ending fund balance of \$13,742,963. This was primarily due to planned spending of accumulated fund balances for the District's long-term capital improvement program.
- The District's long-term liabilities increased by \$1,892,664 to \$8,990,467, primarily due to the issuance of its debt service extension base general obligation bonds. This increase was offset by retirement of the expiring issue along with changes in other long-term liabilities related to pensions and other postemployment benefits.
- The District changed its basis of accounting from modified cash basis to modified accrual/full accrual basis of accounting as of and for the year ending June 30, 2021. Beginning balances as of July 1, 2020 have been restated to reflect the change in accounting basis.

## **Overview of the Financial Statements**

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

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the financial statements.

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

### ***Government-wide financial statements***

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

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

**BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2021**

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***Government-wide financial statements*** (Continued)

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

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The District's governmental activities include instructional services (regular education, special education, and other) and supporting services (including general administration, operations and maintenance of facilities, and transportation services, among others).

***Fund financial statements***

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

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

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

The District maintains seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund (which includes the Educational and Working Cash accounts), and the Operations and Maintenance, Transportation, Municipal Retirement/Social Security, Debt Service, Capital Projects, and Fire Prevention and Safety funds, all of which are considered to be major funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with this budget.



**BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2021**

*Notes to the financial statements*

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

*Other information*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning pension data related to the Illinois Municipal Retirement Fund (IMRF), the Teachers' Retirement System (TRS), other postemployment benefit liabilities and budgetary comparison schedules.

**Government-wide Financial Analysis**

**Net Position:** The District's restated net position decreased from \$16,446,802 at June 30, 2020 to \$16,219,894 at June 30, 2021.

<i>Figure A-1</i>		
<i>Condensed Statement of Net Position</i>		
<i>as of June 30,</i>		
	<i>2021</i>	<i>2020*</i>
Current and other assets	\$18,963,713	\$14,345,465
Capital assets	12,867,454	9,457,785
Total assets	31,831,167	23,803,250
Deferred outflows related to pensions	319,675	-
Deferred outflows related to OPEB	282,922	-
Total deferred outflows of resources	602,597	-
Payroll deductions payable	79,300	85,007
Other liabilities	1,381,629	72,245
Long-term liabilities outstanding	8,990,467	185,691
Total liabilities	10,451,396	342,943
Deferred inflows related to pensions	620,376	-
Deferred inflows related to OPEB	1,339,280	-
Property taxes levied for a future period	3,802,818	-
Total deferred inflows of resources	5,762,474	-
Net position:		
Net investment in capital assets	11,210,223	9,277,785
Restricted	3,502,959	4,210,508
Unrestricted	1,506,712	9,972,014
<b>Total net position</b>	<b>\$16,219,894</b>	<b>\$23,460,307</b>

\*Not updated to reflect the current year restatement due to the change in accounting basis (see Note M).

**BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**Change in Net Position:** The District's total revenues were \$17,515,674 (See Figure A-2). Real estate taxes and personal property replacement taxes accounted for 66% of the District's revenues. The remainder came from other state grants, federal grants, and other sources.

The total cost of all programs and services was \$17,742,582. The District's expenses are predominantly related to instructing, caring for pupil services, and administration. Total expenses exceeded revenues by \$226,908.

<b>Figure A-2</b>		
<b>Changes in Net Position</b>		
<b>For the year ended June 30,</b>		
	<b>2021</b>	<b>2020 *</b>
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 463,410	\$ 407,163
Operating grants and contributions	5,035,289	2,727,200
General revenues:		
Real estate taxes	11,039,396	10,697,627
Personal property replacement taxes	516,159	372,452
State aid formula grants	293,063	293,063
Investment earnings	123,449	164,075
Other	44,908	122,560
<b>Total revenues</b>	<b><u>17,515,674</u></b>	<b><u>14,784,140</u></b>
<b>Expenses:</b>		
Instruction	11,235,039	8,327,232
Pupil and instructional services	1,777,168	1,467,542
Administration and business	2,413,582	2,298,889
Transportation	656,160	1,172,086
Operations and maintenance	1,598,594	402,626
Other	62,039	4,332
<b>Total expenses</b>	<b><u>17,742,582</u></b>	<b><u>13,672,707</u></b>
<b>Change in net position</b>	<b>(226,908)</b>	<b>1,111,433</b>
<b>Net position:</b>		
Beginning of year	<u>16,446,802</u>	<u>22,348,874</u>
End of year	<b><u>\$ 16,219,894</u></b>	<b><u>\$ 23,460,307</u></b>

\*Not updated to reflect the current year restatement due to change in accounting basis (see Note M).

### **Financial Analysis of the District's Funds**

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources, prepared on the modified cash basis of accounting. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's resources available for spending at the end of the fiscal year.

**BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2021**

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At June 30, 2021, the District's governmental funds reported a combined ending fund balance of \$13,724,963, which is a decrease of \$509,736 in comparison with the prior year. This was a planned spending of fund balance that was accumulated to pay for projects within the District's capital improvement plan.

***General Fund Budgetary Highlights***

The District's amended budget for the General Fund anticipated expenditures and other financing uses in excess of revenues of \$1,073,978. The actual results for the year show expenditures and other financing uses in excess of revenues collected of \$242,413. This favorable variance of \$831,565 was due primarily to the higher rate of collection of property taxes than had been anticipated in the budget.

**Capital Assets and Debt Administration**

***Capital Assets***

The District's investment in capital assets for its governmental activities as of June 30, 2021 amounted to \$12,867,454 (net of accumulated depreciation). This investment in capital assets included land, construction in progress, buildings, building improvements, and equipment. (See Figure A-3).

<b><i>Figure A-3</i></b>		
<b><i>Capital Assets (net of depreciation)</i></b>		
	<u><b>2021</b></u>	<u><b>2020</b></u>
Land	\$ 269,291	\$ 269,291
Land improvements	2,049,472	2,196,610
Buildings improvements	8,120,474	5,998,066
Equipment	711,166	812,123
Construction in progress	<u>1,717,051</u>	<u>960,053</u>
Total	\$ <u><u>12,867,454</u></u>	\$ <u><u>10,236,143</u></u>

Additional information on the District's capital assets can be found in the notes to the financial statements (Note D).

**BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2021**

***Long-Term Liabilities***

At June 30, 2021, the District had \$8,990,467 in general obligation bonds, capital leases, and other long-term liabilities outstanding, backed by the full faith and credit of the District (See Figure A-4).

The District issued \$2,350,000 of General Obligation Bonds to finance capital projects.

Principal payments on long-term debt totaled \$180,000 for general obligation bonds, for fiscal year 2021.

<b><i>Figure A-4</i></b>			
<b><i>Long-Term Liabilities</i></b>			
	<u><b>2021</b></u>		<u><b>2020</b></u>
General obligation bonds	\$	2,350,000	\$ 185,691
Capital lease		14,759	28,737
IMRF net pension liability		46,432	194,407
TRS net pension liability		552,118	537,108
RHP total OPEB liability		326,988	318,727
THIS net OPEB liability		5,688,364	5,822,336
Other		11,806	10,797
Total	\$	<u>8,990,467</u>	\$ <u>7,097,803</u>

Additional information on the District's long-term liabilities can be found in the notes to the financial statements (Note E).

**Economic Factors and Next Year's Budget**

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

- ◆ It is expected that the economic impact of the COVID-19 pandemic will continue to have a profound impact on the District's finances in fiscal year 2022. While property tax collection rates have remained stable, and continue at the rates of past levies, there will still be increased costs related to continuing full in-person learning. This includes enhanced cleaning of classrooms and increased staffing of school nurses to ensure a safe and healthy environment for all students, teachers, and staff.
- ◆ The Board of Education will be considering a long-term capital improvement plan in FY 2022 that will include renovations to both buildings. Financing options including the use of available operating fund balances and the issue of alternative revenue debt are being considered. The Board expects to have a decision made prior to the end of the fiscal year in order to beginning work at the end of the current school year.

**BUTLER ELEMENTARY SCHOOL DISTRICT NO. 53  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2021**

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**Requests for Information**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Office, Butler Elementary School District No. 53, 2801 York Road, Oak Park, Illinois 60523.

## **BASIC FINANCIAL STATEMENTS**

**Butler Elementary School District No. 53**  
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES  
June 30, 2021

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ASSETS

Cash and investments	\$ 13,172,565
Receivables (net of allowance for uncollectibles)	
Property taxes	5,597,544
Replacement taxes	96,565
Intergovernmental	24,761
Prepaid items	72,278
Capital assets:	
Land	269,291
Construction in progress	1,717,051
Depreciable buildings, property, and equipment, net	<u>10,881,112</u>
Total assets	<u>31,831,167</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to pensions	319,675
Deferred outflows related to other postemployment benefits	<u>282,922</u>
Total deferred outflows	<u>602,597</u>

LIABILITIES

Accounts payable	409,862
Salaries and wages payable	664,134
Payroll deductions payable	79,300
Interest payable	24,997
Unearned revenue	282,636
Long-term liabilities:	
Due within one year	171,297
Due after one year	<u>8,819,170</u>
Total liabilities	<u>10,451,396</u>

DEFERRED INFLOWS OF RESOURCES

Property taxes levied for a future period	3,802,818
Deferred inflows related to pensions	620,376
Deferred inflows related to other postemployment benefits	<u>1,339,280</u>
Total deferred inflows	<u>5,762,474</u>

NET POSITION

Net investment in capital assets	11,210,223
Restricted for:	
Operations and maintenance	771,829
Debt service	119,938
Retirement benefits	222,828
Student transportation	438,318
Capital projects	1,950,046
Unrestricted	<u>1,506,712</u>
Total net position	<u>\$ 16,219,894</u>

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The accompanying notes are an integral part of this statement.

**Butler Elementary School District No. 53**

## STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2021

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
Governmental activities				
Instruction:				
Regular programs	\$ 4,912,747	\$ 409,610	\$ 41,806	\$ (4,461,331)
Special programs	1,296,241	-	119,926	(1,176,315)
Other instructional programs	201,395	16,550	-	(184,845)
State retirement contributions	4,824,656	-	4,824,656	-
Support services:				
Pupils	716,442	-	10,202	(706,240)
Instructional staff	1,060,726	-	1,525	(1,059,201)
General administration	601,890	-	-	(601,890)
School administration	654,043	-	-	(654,043)
Business	1,157,649	-	-	(1,157,649)
Transportation	656,160	37,250	37,174	(581,736)
Operations and maintenance	1,598,594	-	-	(1,598,594)
Interest and fees	62,039	-	-	(62,039)
Total governmental activities	<u>\$ 17,742,582</u>	<u>\$ 463,410</u>	<u>\$ 5,035,289</u>	<u>(12,243,883)</u>
General revenues:				
Taxes:				
Real estate taxes, levied for general purposes				8,899,059
Real estate taxes, levied for specific purposes				1,951,571
Real estate taxes, levied for debt service				188,766
Personal property replacement taxes				516,159
State aid-formula grants				293,063
Investment earnings				123,449
Miscellaneous				44,908
Total general revenues				<u>12,016,975</u>
Change in net position				(226,908)
Net position, beginning of year, as restated - Note M				<u>16,446,802</u>
Net position, end of year				\$ 16,219,894

The accompanying notes are an integral part of this statement.



**Butler Elementary School District No. 53**

Governmental Funds

**BALANCE SHEET**June 30, 2021

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	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
<hr/>				
ASSETS				
Cash and investments	\$ 9,606,552	\$ 604,583	\$ 381,982	\$ 193,933
Receivables (net of allowance for uncollectibles):				
Property taxes	4,504,766	614,899	271,151	108,652
Replacement taxes	96,565	-	-	-
Intergovernmental	15,551	-	9,210	-
Prepaid items	72,278	-	-	-
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Total assets	<u>\$ 14,295,712</u>	<u>\$ 1,219,482</u>	<u>\$ 662,343</u>	<u>\$ 302,585</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 62,519	22,633	2,730	-
Salaries and wages payable	659,050	5,084	-	-
Payroll deductions payable	68,709	2,190	2,458	5,943
Unearned revenue	248,011	-	34,625	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>1,038,289</u>	<u>29,907</u>	<u>39,813</u>	<u>5,943</u>
DEFERRED INFLOWS				
Property taxes levied for a future period	<u>3,060,416</u>	<u>417,746</u>	<u>184,212</u>	<u>73,814</u>
Total deferred inflows	<u>3,060,416</u>	<u>417,746</u>	<u>184,212</u>	<u>73,814</u>
FUND BALANCES				
Nonspendable	72,278	-	-	-
Restricted	-	771,829	438,318	222,828
Assigned	138,972	-	-	-
Unassigned	9,985,757	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>10,197,007</u>	<u>771,829</u>	<u>438,318</u>	<u>222,828</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 14,295,712</u>	<u>\$ 1,219,482</u>	<u>\$ 662,343</u>	<u>\$ 302,585</u>

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The accompanying notes are an integral part of this statement.

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Debt Service	Capital Projects	Fire Prevention and Safety	Total
<hr/>			
\$ 113,489	\$ 2,266,878	\$ 5,148	\$ 13,172,565
98,076	-	-	5,597,544
-	-	-	96,565
-	-	-	24,761
-	-	-	72,278
<hr/>			
<u>\$ 211,565</u>	<u>\$ 2,266,878</u>	<u>\$ 5,148</u>	<u>\$ 18,963,713</u>
-	321,980	-	\$ 409,862
-	-	-	664,134
-	-	-	79,300
-	-	-	282,636
<hr/>			
-	321,980	-	1,435,932
66,630	-	-	3,802,818
<hr/>			
66,630	-	-	3,802,818
-	-	-	72,278
144,935	-	5,148	1,583,058
-	1,944,898	-	2,083,870
-	-	-	9,985,757
<hr/>			
144,935	1,944,898	5,148	13,724,963
<hr/>			
<u>\$ 211,565</u>	<u>\$ 2,266,878</u>	<u>\$ 5,148</u>	<u>\$ 18,963,713</u>

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**Butler Elementary School District No. 53**  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET POSITION  
June 30, 2021

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Total fund balances - total governmental funds	\$ 13,724,963
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Amounts reported for governmental activities in the statement of net position are different because:

Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds.	12,867,454
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Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:

Deferred outflows of resources related to pensions	319,675
Deferred inflows of resources related to pensions	(620,376)

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

Deferred outflows of resources related to OPEB	282,922
Deferred inflows of resources related to OPEB	(1,339,280)

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

General obligation bonds	\$ (2,350,000)	
Capital leases	(14,759)	
Compensated absences	(6,538)	
Other liability	(5,268)	
IMRF net pension liability	(46,432)	
TRS net pension liability	(552,118)	
RHP total other postemployment benefit liability	(326,988)	
THIS net other postemployment benefit liability	<u>(5,688,364)</u>	(8,990,467)

Interest on long-term liabilities (interest payable) accrued in the statement of net position will not be paid with current financial resources and, therefore, is not recognized in the governmental funds balance sheet.	<u>(24,997)</u>
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Net position of governmental activities	<u>\$ 16,219,894</u>
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The accompanying notes are an integral part of this statement.

# Butler Elementary School District No. 53

Governmental Funds

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2021

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
Revenues				
Property taxes	\$ 8,899,059	\$ 1,217,557	\$ 526,668	\$ 207,346
Replacement taxes	366,159	-	-	100,000
State aid	2,750,993	-	37,174	-
Federal aid	160,262	-	-	-
Interest	103,940	13,858	3,003	1,045
Other	445,569	25,499	37,250	-
	<u>12,725,982</u>	<u>1,256,914</u>	<u>604,095</u>	<u>308,391</u>
Total revenues				
Expenditures				
Current:				
Instruction:				
Regular programs	4,764,427	-	-	50,783
Special programs	811,860	-	-	31,113
Other instructional programs	258,509	-	-	3,200
State retirement contributions	2,444,733	-	-	-
Support services:				
Pupils	687,033	-	-	14,118
Instructional staff	1,026,100	-	-	13,644
General administration	579,220	-	-	15,613
School administration	616,035	-	-	26,864
Business	235,900	-	-	11,761
Transportation	-	-	656,160	-
Operations and maintenance	-	1,537,823	-	35,659
Nonprogrammed charges	375,882	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	58,696	24,244	-	-
	<u>11,858,395</u>	<u>1,562,067</u>	<u>656,160</u>	<u>202,755</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	867,587	(305,153)	(52,065)	105,636
Other financing sources (uses)				
Transfer in	-	-	-	-
Transfer (out)	(3,421,000)	(475,000)	-	-
Debt issuance	2,311,000	-	-	-
	<u>(1,110,000)</u>	<u>(475,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)				
Net change in fund balance	(242,413)	(780,153)	(52,065)	105,636
Fund balance, beginning of year, as restated (Note M)	10,439,420	1,551,982	490,383	117,192
Fund balance, end of year	<u>\$ 10,197,007</u>	<u>\$ 771,829</u>	<u>\$ 438,318</u>	<u>\$ 222,828</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 188,766	\$ -	\$ -	\$ 11,039,396
-	50,000	-	516,159
-	-	-	2,788,167
-	-	-	160,262
1,010	543	50	123,449
-	-	-	508,318
<u>189,776</u>	<u>50,543</u>	<u>50</u>	<u>15,135,751</u>
-	-	-	4,815,210
-	-	-	842,973
-	-	-	261,709
-	-	-	2,444,733
-	-	-	701,151
-	-	-	1,039,744
-	-	-	594,833
-	-	-	642,899
-	-	-	247,661
-	-	-	656,160
-	-	-	1,573,482
-	-	-	375,882
193,978	-	-	193,978
44,933	-	-	44,933
-	3,477,199	-	3,560,139
<u>238,911</u>	<u>3,477,199</u>	<u>-</u>	<u>17,995,487</u>
(49,135)	(3,426,656)	50	(2,859,736)
-	3,896,000	-	3,896,000
-	-	-	(3,896,000)
39,000	-	-	2,350,000
<u>39,000</u>	<u>3,896,000</u>	<u>-</u>	<u>2,350,000</u>
(10,135)	469,344	50	(509,736)
<u>155,070</u>	<u>1,475,554</u>	<u>5,098</u>	<u>14,234,699</u>
<u>\$ 144,935</u>	<u>\$ 1,944,898</u>	<u>\$ 5,148</u>	<u>\$ 13,724,963</u>

## Butler Elementary School District No. 53

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

For the Year Ended June 30, 2021

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Net change in fund balances - total governmental funds.	\$ (509,736)
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay	\$ 3,529,613	
Depreciation expense	(898,302)	2,631,311

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.	(22,797)
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Changes in deferred outflows and inflows of resources related to pensions are reported only in the statement of activities:

Deferred outflows and inflows of resources related to IMRF pension	(179,879)
Deferred outflows and inflows of resources related to TRS pension	11,891

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

Deferred outflows and inflows of resources related to RHP	(55)
Deferred outflows and inflows of resources related to THIS	(264,979)

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

Issuance of general obligation bonds	\$ (2,350,000)	
Principal repayments - general obligation bonds	180,000	
Amortization of bond premiums	5,691	
Capital Leases	13,978	
Compensated absences, net	(1,009)	
IMRF pension liability, net	147,975	
TRS pension liability, net	(15,010)	
RHP other postemployment benefit liability, net	(8,261)	
THIS other postemployment benefit liability, net	133,972	(1,892,664)
Change in net position of governmental activities		\$ (226,908)

The accompanying notes are an integral part of this statement.

## **Butler Elementary School District No. 53**

### **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

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#### **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Butler Elementary School District No. 53 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

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

##### **1. Reporting Entity**

The District is located in DuPage County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all personnel, budgetary, taxing, and debt matters.

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

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

##### **2. New Accounting Pronouncement**

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

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

##### **3. Fund Accounting**

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

**Butler Elementary School District No. 53**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fund Accounting (Continued)

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (Debt Service Fund), and the acquisition or construction of major capital facilities (capital projects funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund. The District considers all governmental funds to be major.

4. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes, intergovernmental revenues and local fees.

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

a. General Fund

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

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



**Butler Elementary School District No. 53**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

b. Special Revenue Funds

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

Each of the District's special revenue funds has been established as a separate fund in accordance with the fund structure required by the state of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's special revenue funds is as follows:

*Operations and Maintenance Fund* - accounts for all revenues and for expenditures made for operations, repair, and maintenance of the District's building and land. Revenues consist primarily of local property taxes.

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

*Municipal Retirement/Social Security Fund* - accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for noncertified employees. Revenues to finance contributions are derived primarily from local property taxes and personal property replacement taxes.

c. Debt Service Fund

The *Debt Service Fund* - is used for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue source is local property taxes levied specifically for debt service and transfers from other funds.

d. Capital Projects Funds

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

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

## **Butler Elementary School District No. 53**

### **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

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#### **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

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

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

Property taxes, personal property replacement taxes, interest, and intergovernmental revenues associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

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

## **Butler Elementary School District No. 53**

### **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

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#### **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

##### **6. Deferred Outflows / Deferred Inflows**

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

##### **7. Budgetary Data**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

##### **8. Deposits and Investments**

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

##### **9. Personal Property Replacement Taxes**

Personal property replacement tax revenues are first allocated to the Municipal Retirement/Social Security Fund, with the balance allocated at the discretion of the District.

##### **10. Prepaid Items**

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

##### **11. Capital Assets**

Capital assets, which include land, construction in progress, buildings, land improvements, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$1,500 and an estimated 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 estimated acquisition value at the date of donation.

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 11. Capital Assets (Continued)

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

Depreciation of capital assets is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	50
Land improvements	20
Equipment	5 - 10

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

#### 12. Accumulated Unpaid Vacation and Sick Pay

Employees who work a twelve-month year are entitled to be compensated for vacation time. Applicable employees are allowed to carryover earned but unused vacation into the next fiscal year, with certain restrictions. The liability for unused compensated absences is reported on the government-wide financial statements.

All full-time employees receive a specified number of annual sick days, depending on their years of service, in accordance with the agreement between the Board of Education and the Education Association. Unused sick leave may accumulate with no risk of loss. Upon retirement, a certified employee may apply up to 340 days of unused sick leave toward service credit for TRS (Teacher's Retirement System of the State of Illinois).

The District will reimburse educational support personnel for unused sick days remaining upon retirement or termination of employment, up to a maximum of 20 days.

The liability for accrued vacation, at June 30, 2021, was \$6,538 and is recorded as a long-term liability, due within one year, in the Statement of Net Position. Due to the nature of the policies on sick leave, and the fact that any liability is contingent upon future events and cannot be reasonably estimated, no liability is provided in the financial statements for accumulated unpaid sick leave.

**Butler Elementary School District No. 53**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**13. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts and losses on refunding of bonds, are deferred and amortized over the life of the applicable bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

**14. Use of Estimates**

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

**15. Fund Balance**

In the fund financial statements, governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items or inventories. The nonspendable fund balance in the General Fund consists of \$72,278 for prepaid items.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds, as well as debt service and capital projects funds, are by definition restricted for those specified purposes.

## Butler Elementary School District No. 53

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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#### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 15. Fund Balance (Continued)

- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. The District had no committed fund balances at June 30, 2021.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegated the authority to assign amounts to be used for specific purposes. The Board of Education has declared that the Superintendent or her designee may assign amounts for a specific purpose. The District had \$1,944,898 of assigned funds at June 30, 2021 as part of the master building project. The District student activity balance of \$138,972 has been assigned at June 30, 2021.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

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

##### 16. Restricted Net Position

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

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

**Butler Elementary School District No. 53**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**17. Pensions and Other Postemployment Benefits**

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

**NOTE B - DEPOSITS AND INVESTMENTS**

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

At June 30, 2021, the District's cash and investments consisted of the following and for disclosure purposes are segregated as follows:

	<u>Total</u>
Deposits with financial institutions *	\$ 2,899,626
Illinois Funds	124,816
Illinois School District Liquid Asset Fund Plus (ISDLAF+)	10,144,202
Illinois Metropolitan Investment Fund (IMET)	
- Convenience Series	<u>3,921</u>
	<u>\$ 13,172,565</u>

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

## Butler Elementary School District No. 53

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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#### NOTE B - DEPOSITS AND INVESTMENTS (Continued)

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. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs. The District's investments detailed in the interest rate risk table below are measured using the market valuation method and level 2 valuation inputs.

##### 1. Interest Rate Risk

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

The following investments are measured at net asset value (NAV):

		<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
ISDLAF+	\$ 10,144,202	N/A	Daily	1 day
Illinois Funds	124,816	N/A	Daily	1 day

##### 2. Credit Risk

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

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



## **Butler Elementary School District No. 53**

### **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

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#### **NOTE B - DEPOSITS AND INVESTMENTS (Continued)**

##### **2. Credit Risk (Continued)**

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

IMET is a governmental investment fund created under the Illinois Municipal Code. IMET actively manages two investment funds for municipal treasurers, official custodians of municipal funds, and other public agencies in the State of Illinois. The investment fund used by the Pool is the IMET Convenience Fund (CVF), which is a short-term money market instrument supported by FDIC Insurance, collateralized by eligible collateral at least 110%, and U. S. Government Securities. The Convenience Fund rate is primarily pegged to the Federal Funds Rate. Investments in IMET are valued at amortized cost. There were no unfunded commitments and no redemption limitations or notice periods.

##### **3. Concentration of Credit Risk**

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

##### **4. Custodial Credit Risk**

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by providing that all deposits in excess of FDIC insurable limits may be secured by collateral to protect against an event of default or failure of the financial institution holding the funds. At June 30, 2021, the bank balances of the District's deposits with financial institutions totaling \$3,104,728 were fully insured or collateralized.

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

## **Butler Elementary School District No. 53**

### **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

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#### **NOTE C - PROPERTY TAXES**

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2020 tax levy resolution was approved by the Board on December 14, 2020. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

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

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

Property taxes are collected by the DuPage County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

The portion of the 2020 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectible amounts of 1%. The receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Net taxes receivable less the amount expected to be collected within 60 days are reported as deferred inflow of resources - property taxes levied for a future period.

**Butler Elementary School District No. 53**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2021

**NOTE D - CAPITAL ASSETS**

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

	Balance July 1, 2020 (as restated)	Transfer/ Additions	Transfer/ Disposals	Balance June 30, 2021
Capital assets, not being depreciated				
Land	\$ 269,291	\$ -	\$ -	\$ 269,291
Construction in progress	960,053	1,717,051	960,053	1,717,051
Total capital assets, not being depreciated	1,229,344	1,717,051	960,053	1,986,342
Capital assets, being depreciated				
Land improvements	3,365,050	-	-	3,365,050
Building improvements	13,875,454	2,688,633	-	16,564,087
Equipment	2,263,806	83,982	-	2,347,788
Total capital assets, being depreciated	19,504,310	2,772,615	-	22,276,925
Less accumulated depreciation for:				
Land improvements	1,168,440	147,138	-	1,315,578
Building improvements	7,877,388	566,225	-	8,443,613
Equipment	1,451,683	184,939	-	1,636,622
Total accumulated depreciation	10,497,511	898,302	-	11,395,813
Total capital assets, being depreciated, net	9,006,799	1,874,313	-	10,881,112
Governmental activities capital assets, net	\$ 10,236,143	\$ 3,591,364	\$ 960,053	\$ 12,867,454

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

Educational media	\$ 18,162
Facilities acquisition and construction services	874,011
Operations and maintenance	6,129
Total depreciation expense - governmental activities	\$ 898,302

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

### NOTE E - LONG-TERM LIABILITIES

During the year ended June 30, 2021, changes in long-term liabilities were as follows:

	Balance at July 1, 2020 (as restated)	Additions	Reductions	Balance at June 30, 2021
General obligation bonds -				
from direct placements	\$ 180,000	\$ 2,350,000	\$ 180,000	\$ 2,350,000
Unamortized premiums	5,691	-	5,691	-
Capital lease	28,737	-	13,978	14,759
Compensated absences	5,529	18,025	17,016	6,538
Other liability	5,268	-	-	5,268
IMRF net pension liability	194,407	533,460	681,435	46,432
TRS net pension liability	537,108	63,296	48,286	552,118
RHP total other postemployment benefit liability	318,727	33,261	25,000	326,988
THIS total other postemployment benefit liability	<u>5,822,336</u>	<u>241,200</u>	<u>375,172</u>	<u>5,688,364</u>
Total long-term liabilities	<u>\$ 7,097,803</u>	<u>\$ 3,239,242</u>	<u>\$ 1,346,578</u>	<u>\$ 8,990,467</u>
Due within one year				
General obligation bonds				\$ 150,000
Capital lease				14,759
Compensated absences				<u>6,538</u>
Total due within one year				<u>\$ 171,297</u>

#### 1. General Obligation Bonds

During the fiscal year ended June 30, 2021, the District issued \$2,350,000 of General Obligation Bonds, Series 2020. The purpose of the bond issuance was to finance capital projects.

General obligation bonds are direct obligations, and pledge the full faith and credit of the District.

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

### NOTE E - LONG-TERM LIABILITIES (Continued)

#### 1. General Obligation Bonds (Continued)

The summary of activity in bonds payable for the year ended June 30, 2021 is as follows:

	<u>Bonds Payable</u> <u>July 1, 2020</u>	<u>Debt</u> <u>Issued</u>	<u>Debt</u> <u>Retired</u>	<u>Bonds Payable</u> <u>June 30, 2021</u>
\$990,000 General Obligation School Bonds, Series 2014; due January 1, 2021; interest at 2.25%.	\$ 180,000	\$ -	\$ 180,000	\$ -
\$2,350,000 General Obligation School Bonds, Series 2020; due January 1, 2034; interest at 1.49%.	-	2,350,000	-	2,350,000
	<u>\$ 180,000</u>	<u>\$ 2,350,000</u>	<u>\$ 180,000</u>	<u>\$ 2,350,000</u>

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

<u>Year Ending</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 150,000	\$ 42,505	\$ 192,505
2023	160,000	32,780	192,780
2024	165,000	30,396	195,396
2025	170,000	27,938	197,938
2026	175,000	25,404	200,404
2027-2031	965,000	86,200	1,051,200
2032-2034	565,000	15,720	580,720
Total	<u>\$ 2,350,000</u>	<u>\$ 260,943</u>	<u>\$ 2,610,943</u>

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$144,935 in the Debt Service Fund at June 30, 2021 to service the outstanding bonds payable.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2021, the statutory debt limit for the District was \$65,911,159, of which \$63,561,159 is fully available.

## Butler Elementary School District No. 53

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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#### NOTE E - LONG-TERM LIABILITIES (Continued)

##### 2. Capital Leases

The District has a lease agreement for financing the acquisition of copiers. The lease requires annual aggregate payments of \$15,584, with terms of thirty-six consecutive months. The obligations are repaid from the Debt Service Fund with funding from the General (Education Account) Fund. The final capital lease payment will be made in July 2021.

##### 3. Compensated Absences

At June 30, 2021 compensated absences amounted to \$6,538. Future payments will be made from the same fund where the employee's salary is recorded.

#### NOTE F - INTERFUND TRANSFERS

The District transferred \$1,110,000 and \$475,000 to the Capital Projects Fund from the General (Educational Account) Fund and from the Operations and Maintenance Fund, respectively, for the purpose of anticipated expenditures for capital projects.

The District transferred \$2,311,000 to the Operations and Maintenance Fund from the General (Working Cash Account) Fund. This transfer represents an abatement of the General (Working Cash Account) Fund.

#### NOTE G - PENSION LIABILITIES

##### 1. Teachers' Retirement System of the State of Illinois

###### **General Information About the Pension Plan**

###### *Plan Description*

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

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

**Butler Elementary School District No. 53**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

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**NOTE G - PENSION LIABILITIES** (Continued)

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

**General Information About the Pension Plan** (Continued)

*Benefits Provided*

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

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

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

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

*Contributions*

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

## Butler Elementary School District No. 53

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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#### NOTE G - PENSION LIABILITIES (Continued)

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

###### **General Information About the Pension Plan** (Continued)

###### *Contributions* (Continued)

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

###### On-behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2021, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenses of \$4,605,590 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$2,380,692 in the General Fund based on the current financial resources measurement basis.

###### 2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2021, were \$29,955, and are deferred because they were paid after the June 30, 2020 measurement date.

###### Federal and Special Trust Fund Contributions

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

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



# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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### NOTE G - PENSION LIABILITIES (Continued)

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

##### **General Information About the Pension Plan** (Continued)

##### *Contributions* (Continued)

##### Federal and Special Trust Fund Contributions (Continued)

For the year ended June 30, 2021, the employer pension contribution was 10.41 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2021, there were no salaries paid from federal and special trust funds, and thus there were no required employer contribution.

##### Early Retirement Cost Contributions

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

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

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

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

District's proportionate share of the net pension liability	\$	552,118
State's proportionate share of the net pension liability associated with the District		<u>43,244,714</u>
Total	\$	<u><u>43,796,832</u></u>

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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### NOTE G - PENSION LIABILITIES (Continued)

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

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

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2020, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2020, the District's proportion was 0.0006403942 percent, which was a decrease of 0.0000218176 percent from its proportion measured as of June 30, 2019.

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

	<u>Governmental</u> <u>Fund</u>	<u>General</u> <u>Fund</u>
State on-behalf contributions - revenue	\$ 4,605,590	\$ 2,380,692
and expense/expenditure		
District TRS pension expense (benefit)	<u>33,220</u>	<u>29,955</u>
Total TRS expense/expenditure	<u>\$ 4,638,810</u>	<u>\$ 2,410,647</u>

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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### NOTE G - PENSION LIABILITIES (Continued)

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

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,351	\$ 147
Change of assumptions	2,262	5,793
Net difference between projected and actual earnings on pension plan investments	16,485	-
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>9,083</u>	<u>53,095</u>
Total deferred amounts to be reported in pension expense in the future periods	<u>33,181</u>	<u>59,035</u>
District contributions subsequent to the measurement date	<u>29,955</u>	<u>-</u>
Total deferred amounts related to pensions	<u>\$ 63,136</u>	<u>\$ 59,035</u>

**Butler Elementary School District No. 53**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2021

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**NOTE G - PENSION LIABILITIES** (Continued)

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

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

The District reported \$29,955 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

<u>Year ended June 30:</u>	<u>Net Deferred Inflows of Resources</u>
2022	\$ 12,533
2023	4,213
2024	4,904
2025	2,848
2026	<u>1,356</u>
	<u>\$ 25,854</u>

**Actuarial Assumptions**

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

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

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

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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### NOTE G - PENSION LIABILITIES (Continued)

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

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

##### Actuarial Assumptions (Continued)

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

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

**Butler Elementary School District No. 53**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

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**NOTE G - PENSION LIABILITIES** (Continued)

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

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

**Discount Rate**

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

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

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

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

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ <u>670,170</u>	\$ <u>552,118</u>	\$ <u>454,926</u>

**TRS Fiduciary Net Position**

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

## Butler Elementary School District No. 53

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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#### NOTE G - PENSION LIABILITIES (Continued)

##### 2. Illinois Municipal Retirement Fund

###### **Plan Description**

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

###### **Benefits Provided**

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

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

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

**Butler Elementary School District No. 53**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2021

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**NOTE G - PENSION LIABILITIES** (Continued)

2. **Illinois Municipal Retirement Fund** (Continued)

**Employees Covered by Benefit Terms**

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

Retirees and beneficiaries currently receiving benefits	55
Inactive plan members entitled to but not yet receiving benefits	91
Active plan members	18
	<hr/>
Total	164
	<hr/> <hr/>

**Contributions**

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2020 was 10.05%. For the fiscal year ended June 30, 2021 the District contributed \$74,656 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Net Pension Liability**

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

**Actuarial Assumptions**

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%



# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

### NOTE G - PENSION LIABILITIES (Continued)

#### 2. Illinois Municipal Retirement Fund (Continued)

##### **Actuarial Assumptions** (Continued)

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equities	37%	5.00%
International equities	18%	6.00%
Fixed income	28%	1.30%
Real estate	9%	6.20%
Alternative investments	7%	2.85% - 6.95%
Cash equivalents	1%	0.70%
Total	100%	

## **Butler Elementary School District No. 53**

### **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

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#### **NOTE G - PENSION LIABILITIES** (Continued)

##### **2. Illinois Municipal Retirement Fund** (Continued)

###### **Single Discount Rate**

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

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

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

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

### NOTE G - PENSION LIABILITIES (Continued)

#### 2. Illinois Municipal Retirement Fund (Continued)

##### **Changes in Net Pension Liability**

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

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 4,367,948	\$ 4,173,541	\$ 194,407
Changes for the year:			
Service cost	86,350	-	86,350
Interest on the total pension liability	309,925	-	309,925
Difference between expected and actual experience of the total pension liability	177,708	-	177,708
Changes of assumptions	(40,523)	-	(40,523)
Contributions - employer	-	85,683	(85,683)
Contributions - employees	-	38,366	(38,366)
Net investment income	-	587,607	(587,607)
Benefit payments, including refunds of employee contributions	(272,585)	(272,585)	-
Other (net transfer)	-	(30,221)	30,221
Net changes	<u>260,875</u>	<u>408,850</u>	<u>(147,975)</u>
Balances at December 31, 2020	<u>\$ 4,628,823</u>	<u>\$ 4,582,391</u>	<u>\$ 46,432</u>

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

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

	1% Lower (6.25%)	Current Discount Rate (7.25%)	1% Higher (8.25%)
Net pension liability (asset)	\$ <u>521,082</u>	\$ <u>46,432</u>	\$ <u>(349,081)</u>

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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### NOTE G - PENSION LIABILITIES (Continued)

#### 2. Illinois Municipal Retirement Fund (Continued)

##### **Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2021 the District recognized pension expense of \$106,561. At June 30, 2021, the District reported, deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 21,165	\$ -
Change of assumptions	-	4,826
Net difference between projected and actual earnings on pension plan investments	<u>199,416</u>	<u>556,515</u>
 Total deferred amounts to be recognized in pension expense in the future periods	 <u>220,581</u>	 <u>561,341</u>
 Pension contributions made subsequent to the measurement date	 <u>35,958</u>	 <u>-</u>
 Total deferred amounts related to pensions	 <u><u>\$ 256,539</u></u>	 <u><u>\$ 561,341</u></u>

The District reported \$35,958 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2022.

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

### NOTE G - PENSION LIABILITIES (Continued)

#### 2. Illinois Municipal Retirement Fund (Continued)

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

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

<u>Year Ended June 30,</u>	<u>Net Deferred Inflows of Resources</u>
2022	\$ 98,778
2023	41,986
2024	141,695
2025	58,301
2026	-
Thereafter	-
Total	<u><u>\$ 340,760</u></u>

#### 3. Summary of Pension Items

Below is a summary of the various pension items:

	<u>TRS</u>	<u>IMRF</u>	<u>Total</u>
Deferred outflows of resources:			
Employer contributions	\$ 29,955	\$ 35,958	\$ 65,913
Experience	5,351	21,165	26,516
Assumptions	2,262	-	2,262
Proportionate share	9,083	-	9,083
Investments	<u>16,485</u>	<u>199,416</u>	<u>215,901</u>
	<u>\$ 63,136</u>	<u>\$ 256,539</u>	<u>\$ 319,675</u>
Net pension liability	<u>\$ 552,118</u>	<u>\$ 46,432</u>	<u>\$ 598,550</u>
Pension expense	<u>\$ 4,638,810</u>	<u>\$ 106,561</u>	<u>\$ 4,745,371</u>

**Butler Elementary School District No. 53**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

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**NOTE G - PENSION LIABILITIES** (Continued)

3. **Summary of Pension Items** (Continued)

Below is a summary of the various pension items: (Continued)

	<u>TRS</u>	<u>IMRF</u>	<u>Total</u>
Deferred inflows of resources:			
Investments	\$ -	\$ 556,515	\$ 556,515
Experience	147	-	147
Assumptions	5,793	4,826	10,619
Proportionate share	<u>53,095</u>	<u>-</u>	<u>53,095</u>
	<u>\$ 59,035</u>	<u>\$ 561,341</u>	<u>\$ 620,376</u>

4. **Social Security/Medicare**

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

**NOTE H - OTHER POSTEMPLOYMENT BENEFITS**

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

**General Information about the Other Postemployment Plan**

*Plan Description*

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

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

## Butler Elementary School District No. 53

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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#### NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

###### **General Information about the Other Postemployment Plan (Continued)**

###### *Plan Description (Continued)*

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

###### *Benefits Provided*

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

###### *Contributions*

###### On behalf contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. In the fund financial statements, the State contributions are intended to match contributions to the THIS Fund from active members, which were 1.24 percent of pay during the year ended June 30, 2021. In the government-wide financial statements, State of Illinois contributions also include a proportional allocation of the State's OPEB expense (based on the portion of the District's share of the expense compared to all School Districts in aggregate). For the year ended June 30, 2021, the District recognized revenue and expenses of \$219,066 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$64,041 in the General Fund based on the current financial resources measurement basis for State of Illinois contributions on behalf of the District's employees.

###### District contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.92 percent during the year ended June 30, 2021. For the year ended June 30, 2021, the District paid \$47,515 to the THIS Fund, which was 100 percent of the required contribution. These amounts are deferred because they were paid after the June 30, 2020 measurement date.

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

## Butler Elementary School District No. 53

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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#### NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

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

District's proportionate share of the net OPEB liability	\$ 5,688,364
State's estimated proportionate share of the net OPEB liability associated with the District *	<u>7,706,184</u>
Total	<u><u>\$ 13,394,548</u></u>

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

The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to June 30, 2020. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2020, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2020, the District's proportion was 0.021276 percent, which was an increase of 0.000240 percent from its proportion measured as of June 30, 2019.



# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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### NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

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

	<u>Governmenta Activities</u>	<u>General Fund</u>
State on-behalf contributions - OPEB revenue	\$ 219,066	\$ 64,041
and expense/expenditure		
District OPEB pension expense	<u>178,749</u>	<u>47,515</u>
Total OPEB expense/expenditure	<u>\$ 397,815</u>	<u>\$ 111,556</u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 151,134
Change of assumptions	1,926	938,289
Net difference between projected and actual earnings on OPEB plan investments	-	162
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>232,664</u>	<u>249,695</u>
Total deferred amounts to be recognized in OPEB expense in future periods	<u>234,590</u>	<u>1,339,280</u>
District contributions subsequent to the measurement date	<u>47,515</u>	<u>-</u>
Total deferred amounts related to OPEB	<u>\$ 282,105</u>	<u>\$ 1,339,280</u>

**Butler Elementary School District No. 53**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

**NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

The District reported \$47,515 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2022. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

<u>Year ending June 30:</u>	<u>Net Deferred Inflows of Resources</u>
2022	\$ 207,029
2023	207,013
2024	206,982
2025	171,189
2026	118,640
Thereafter	<u>193,837</u>
Total	<u>\$ 1,104,690</u>

**Actuarial Assumptions**

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

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

**Butler Elementary School District No. 53**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

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**NOTE H - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

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

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

**Actuarial Assumptions** (Continued)

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

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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### NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

##### Discount Rate

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

##### Investment Return

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

##### Money-Weighted Rate of Return

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

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

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

	1% Decrease (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
District's proportionate share of the net OPEB liability	\$ 6,836,806	\$ 5,688,364	\$ 4,778,666

**Butler Elementary School District No. 53**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2021

**NOTE H - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

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

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

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

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

	<u>1% Decrease*</u>	<u>Current Healthcare Trend Rate</u>	<u>1% Increase **</u>
District's proportionate share of the net OPEB liability	\$ <u>4,575,177</u>	\$ <u>5,688,364</u>	\$ <u>7,193,183</u>

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

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

2. **Retiree Health Plan (RHP)**

**Plan Description**

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

**Butler Elementary School District No. 53**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

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**NOTE H - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

2. **Retiree Health Plan (RHP)** (Continued)

**Benefits Provided**

The District allows eligible employees the ability to elect post-retirement benefits under two options. Option A allows eligible employees to choose to receive a maximum of five (5) years of single health insurance if enrolled in the TRS health insurance plan up to a maximum Board contribution of \$5,000 annually. This post-retirement health insurance contribution will be immediately discontinued if the retiree elects an alternative health plan other than TRS, reaches age 65, or is otherwise eligible for Medicare, whichever occurs first.

Option B allows eligible employees to choose to take a one-time post-retirement payment of \$18,500 towards a 403b payable within 60 days after July 1st of the last year of the teacher's employment provided such employer contribution does not exceed the annual IRS limit.

**Employees Covered by Benefit Terms**

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

Active employees	51
Inactive entitled to but not yet receiving benefits	-
Inactive currently receiving benefits	<u>5</u>
Total	<u><u>56</u></u>

**Contributions**

For fiscal year 2021, the District contributed \$25,000 toward the cost of the postemployment benefits for retirees, which was 6.91% of covered payroll.

**Total OPEB Liability**

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

Actuarial valuation date	July 1, 2021
Measurement date	June 30, 2021

**Butler Elementary School District No. 53**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2021

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**NOTE H - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

2. **Retiree Health Plan (RHP)** (Continued)

**Total OPEB Liability (Continued)**

Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation	2.50%
Discount rate	2.16%
Salary rate increase	Not Applicable
Mortality rates	Pub-2010 Public Retirement Plans Teachers mortality table projected generationally with Scale MP-2020.
Election at Retirement	It is assumed that 80% of active employees will elect the 5-year health insurance contribution option and 20% will elect the one-time payment into the employee's 403(b) plan account.
Spousal coverage	Spouses are not covered under this plan.

**Discount Rate**

The District does not have a dedicated Trust to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). A rate of 2.16% is used, which is the Bond Buyer 20-Bond GO Index as of June 30, 2021.

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

### NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

#### 2. Retiree Health Plan (RHP) (Continued)

##### **Changes in the Total OPEB Liability**

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
Balances at July 1, 2020	\$ 318,727	\$ -	\$ 318,727
Changes for the year:			
Service cost	25,067	-	25,067
Interest on the total OPEB liability	7,322	-	7,322
Difference between expected and actual	-	-	-
Changes of assumptions and other inputs	872	-	872
Contributions - employer	-	25,000	(25,000)
Net investment income	-	-	-
Benefit payments, including	(25,000)	(25,000)	-
Other changes	-	-	-
Net changes	8,261	-	8,261
Balances at June 30, 2021	\$ 326,988	\$ -	\$ 326,988

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

The following presents the plan's total OPEB liability, calculated using a Single Discount Rate of 2.16%, as well as what the plan's total OPEB liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

	1% Lower (1.16%)	Current Discount Rate (2.16%)	1% Higher (3.16%)
Total OPEB liability	\$ 343,171	\$ 326,988	\$ 311,479

The net OPEB liability is not sensitive to the impact of changes in healthcare rates.



**Butler Elementary School District No. 53**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2021

**NOTE H - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

2. **Retiree Health Plan (RHP)** (Continued)

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

For the year ended June 30, 2021 the District recognized OPEB expense of \$32,444. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in OPEB		
Expense in Future Periods		
Differences between expected and actual experience	\$ -	\$ -
Change of assumptions	817	-
	<u>817</u>	<u>-</u>
Total deferred amounts to be recognized in OPEB expense in the future periods	\$ <u>817</u>	\$ <u>-</u>

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

Year Ended June 30,	Net Deferred Outflows of Resources
2022	\$ 55
2023	55
2024	55
2025	55
2026	55
Thereafter	<u>542</u>
Total	\$ <u>817</u>

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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### NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

#### 3. Summary of OPEB Items

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

	THIS	RHP	Total
Deferred outflows of resources:			
Employer contributions	\$ 47,515	\$ -	\$ 47,515
Assumptions	1,926	817	2,743
Proportionate share	232,664	-	232,664
	<u>\$ 282,105</u>	<u>\$ 817</u>	<u>\$ 282,922</u>
OPEB liability	<u>\$ 5,688,364</u>	<u>\$ 326,988</u>	<u>\$ 6,015,352</u>
OPEB expense	<u>\$ 397,815</u>	<u>\$ 32,444</u>	<u>\$ 430,259</u>
Deferred inflows of resources:			
Assumptions	\$ 938,289	\$ -	\$ 938,289
Experience	151,134	-	151,134
Investments	162	-	162
Proportionate share	249,695	-	249,695
	<u>\$ 1,339,280</u>	<u>\$ -</u>	<u>\$ 1,339,280</u>

### NOTE I - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District purchases coverage against such risks. To protect the District from such risks, the District participates in the following public entity risk pools: School Employee Loss Fund (SELF) for worker's compensation claims and the Suburban School Cooperative Insurance Pool (SSCIP) for property, general liability, automobile, employee dishonesty and excess liability claims.. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that the pools will be self-sustaining through member premiums, and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage in any of the past three years. Settlements have not exceeded coverage for each of the past three fiscal years, and the pooled coverage has not been exceeded.

## **Butler Elementary School District No. 53**

### **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

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#### NOTE I - RISK MANAGEMENT (Continued)

Complete financial statements for SELF can be obtained from its business office at 1111 South Dee Road, Park Ridge, Illinois 60068. Complete financial statements for Suburban School Cooperative Insurance Pool (SSCIP) can be obtained from its Treasurer at 2850 Golf Road, Rolling Meadows, Illinois 60008.

#### NOTE J - CONTINGENCIES

##### 1. Litigation

The District is not involved in any significant litigation. With regard to other pending matters, the eventual outcome and related liability, if any, are not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs.

##### 2. Grants

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

##### 3. COVID-19

The long-term direct and indirect impacts of the COVID-19 pandemic on the District's enrollment, vendors, operations, and financing arrangements are currently unknown, as is the duration and severity of any impacts that the District may experience. The District continues to monitor investment values and returns, tax revenues, and state and federal funding, which could be impacted. While the District's evaluation is ongoing, management is currently unable to quantify the full effects that the pandemic will have on its operations, cash flows, and financial position; however, they may be significant.

#### NOTE K - JOINT AGREEMENTS

The District is a member of the LaGrange Area Department of Special Education (LADSE) and Cooperative Association for Special Education (CASE), joint agreements that provides certain special education services to residents of many school districts. The District also participates in SELF (see Note I). The District believes that, because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

## **Butler Elementary School District No. 53**

### **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

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#### **NOTE L - CONSTRUCTION COMMITMENTS**

The District has contracts for construction projects which have been approved by the Board of Education at June 30, 2021. Future commitments under these contracts approximate \$469,000 at June 30, 2021.

#### **NOTE M - CHANGE IN ACCOUNTING PRINCIPLE - RESTATEMENT**

On July 1, 2020, the District changed its basis of accounting from the modified cash basis to the modified accrual basis (governmental funds) and from the modified cash basis to the accrual basis (government-wide). The District believes this basis of accounting is more useful for users of its financial statements because it is in accordance with Generally Accepted Accounting Principles. As a result of implementing the new basis of accounting, fund balance and net position as of July 1, 2020 have been restated.

The implementation of GASB 84 (Note A-2) required the District to report its student activity fund as part of the General (Educational Account) Fund. As a result of this implementation as of July 1, 2020, net position and fund balance were restated.

The following is a summary of such restatements in connection with this change in accounting principle and implementation of GASB Statement No. 84.

**Butler Elementary School District No. 53**

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021**NOTE M - CHANGE IN ACCOUNTING PRINCIPLE - RESTATEMENT** (Continued)**1. Fund Financial Statements**

	General Fund	Operations and Maintenance Fund	Transportatio Fund	Municipal Retirement / Soc. Sec. Fund
Fund balance as reported, June 30, 2020	\$ 9,977,705	\$ 1,408,705	\$ 446,714	\$ 90,938
To record beginning accrual balances:				
Property tax receivable	4,230,205	581,298	242,357	92,068
Corporate personal property replacement tax receivable	52,823	-	-	-
State and federal aid receivable	18,606	-	12,759	-
Prepaid items	79,505	-	-	-
Property taxes levied for a future period	(3,023,930)	(415,537)	(173,247)	(65,814)
Accounts payable	(49,516)	(17,726)	-	-
Accrued salaries	(673,406)	(4,758)	-	-
Unearned revenues	(264,729)	-	(38,200)	-
To implement GASB 84:				
Consolidate student activity funds	92,157	-	-	-
Restated fund balance, July 1, 2020	<u>\$ 10,439,420</u>	<u>\$ 1,551,982</u>	<u>\$ 490,383</u>	<u>\$ 117,192</u>

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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### NOTE M - CHANGE IN ACCOUNTING PRINCIPLE - RESTATEMENT (Continued)

#### 1. Fund Financial Statements (Continued)

	Debt Service Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total
Fund balance as reported, June 30, 2020	\$ 130,746	\$ 2,128,307	\$ 5,098	\$ 14,188,213
To record beginning accrual balances:				
Property tax receivable	85,299	-	-	5,231,227
Corporate personal property replacement tax receivable	-	-	-	52,823
State and federal aid receivable	-	-	-	31,365
Prepaid items	-	-	-	79,505
Property taxes levied for a future period	(60,975)	-	-	(3,739,503)
Accounts payable	-	(652,753)	-	(719,995)
Accrued salaries	-	-	-	(678,164)
Unearned revenues	-	-	-	(302,929)
To implement GASB 84:				
Consolidate student activity funds	-	-	-	92,157
Restated fund balance, July 1, 2020	\$ <u>155,070</u>	\$ <u>1,475,554</u>	\$ <u>5,098</u>	\$ <u>14,234,699</u>

# Butler Elementary School District No. 53

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

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### NOTE M - CHANGE IN ACCOUNTING PRINCIPLE - RESTATEMENT (Continued)

#### 2. Government-Wide Financial Statements

	<u>Governmental Activities</u>
Net position as reported, June 30, 2020	\$ 23,460,307
To record beginning accrual balances:	
Property tax receivable	5,231,227
Corporate personal property replacement tax receivable	52,823
State and federal aid receivable	31,365
Prepaid items	79,505
Capital assets: CIP	652,753
Capital assets: Depreciable assets	125,605
Accounts payable	(719,995)
Salaries and wages payable	(678,164)
Interest payable	(2,200)
Unearned revenues	(302,929)
Long-term liabilities: Capital lease	(28,737)
Long-term liabilities: Other liability	(5,268)
Long-term liabilities: Compensated absences	(5,529)
Property taxes levied for a future period	(3,739,503)
TRS net pension liability	(537,108)
TRS net pension deferred items	(7,790)
IMRF net pension liability	(194,407)
IMRF net pension deferred items	(124,923)
RHP total OPEB liability	(318,727)
RHP net OPEB deferred items	872
THIS net OPEB liability	(5,822,336)
THIS net OPEB deferred items	(792,196)
To implement GASB 84:	
Consolidate student activity funds	<u>92,157</u>
Restated net position, July 1, 2020	<u>\$ 16,446,802</u>

# **Butler Elementary School District No. 53**

## **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

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### NOTE N - SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 11, 2021, the date that these financial statements were available to be issued. Management has determined that no events or transactions have occurred have occurred subsequent to the balance sheet/statement of net position date that require additional disclosure in the financial statements.



**REQUIRED SUPPLEMENTARY INFORMATION**  
**(Unaudited)**

# Butler Elementary School District No. 53

## MULTIYEAR SCHEDULES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Illinois Municipal Retirement Fund

Seven Most Recent Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total pension liability			
Service cost	\$ 86,350	\$ 86,139	\$ 85,814
Interest on the total pension liability	309,925	298,929	291,396
Benefit changes	-	-	-
Difference between expected and actual experience of the total pension liability	177,708	21,250	2,310
Assumption changes	(40,523)	-	99,798
Benefit payments and refunds	(272,585)	(236,929)	(246,271)
Net change in total pension liability	260,875	169,389	233,047
Total pension liability, beginning	4,367,948	4,198,559	3,965,512
Total pension liability, ending	\$ <u>4,628,823</u>	\$ <u>4,367,948</u>	\$ <u>4,198,559</u>
Plan fiduciary net position			
Contributions, employer	\$ 85,683	\$ 68,443	\$ 88,265
Contributions, employee	38,366	40,029	39,038
Net investment income	587,607	674,607	(210,222)
Benefit payments, including refunds of employee contributions	(272,585)	(236,929)	(246,271)
Other (net transfer)	(30,221)	18,977	67,773
Net change in plan fiduciary net position	408,850	565,127	(261,417)
Plan fiduciary net position, beginning	4,173,541	3,608,414	3,869,831
Plan fiduciary net position, ending	\$ <u>4,582,391</u>	\$ <u>4,173,541</u>	\$ <u>3,608,414</u>
Net pension liability	\$ <u>46,432</u>	\$ <u>194,407</u>	\$ <u>590,145</u>
Plan fiduciary net position as a percentage of the total pension liability	99.00 %	95.55 %	85.94 %
Covered valuation payroll	\$ 852,565	\$ 834,675	\$ 836,632
Net pension liability (asset) as a percentage of covered valuation payroll	5.45 %	23.29 %	70.54 %

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

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

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<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 85,749	\$ 83,564	\$ 81,201	\$ 84,002
287,568	276,496	269,129	245,934
-	-	-	-
48,340	12,423	(32,876)	30,288
(132,458)	(3,992)	-	160,156
(230,112)	(223,640)	(216,904)	(192,939)
<u>59,087</u>	<u>144,851</u>	<u>100,550</u>	<u>327,441</u>
3,906,425	3,761,574	3,661,024	3,333,583
<u>\$ 3,965,512</u>	<u>\$ 3,906,425</u>	<u>\$ 3,761,574</u>	<u>\$ 3,661,024</u>
\$ 88,183	\$ 89,387	\$ 85,838	\$ 87,817
41,233	42,349	38,506	36,596
616,081	222,471	16,321	191,602
	(223,640)	(216,904)	(192,939)
(230,112)			
(70,048)	2,990	56,761	12,052
<u>445,337</u>	<u>133,557</u>	<u>(19,478)</u>	<u>135,128</u>
3,424,494	3,290,937	3,310,415	3,175,287
<u>\$ 3,869,831</u>	<u>\$ 3,424,494</u>	<u>\$ 3,290,937</u>	<u>\$ 3,310,415</u>
<u>\$ 95,681</u>	<u>\$ 481,931</u>	<u>\$ 470,637</u>	<u>\$ 350,609</u>
97.59 %	87.66 %	87.49 %	90.42 %
\$ 844,653	\$ 785,479	\$ 745,767	\$ 711,648
11.33 %	61.36 %	63.11 %	49.27 %

**Butler Elementary School District No. 53****MULTIYEAR SCHEDULE OF CONTRIBUTIONS**

Illinois Municipal Retirement Fund

Seven Most Recent Fiscal Years

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<u>Year</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a % of Covered Valuation Payroll</u>
2021	\$ 85,683 *	\$ 85,683	\$ -	\$ 852,565	10.05 %
2020	68,443	68,443	-	834,675	8.20
2019	88,265	88,265	-	836,632	10.55
2018	88,182	88,183	(1)	844,653	10.44
2017	89,388	89,387	1	785,479	11.38
2016	85,838	85,838	-	745,767	11.50
2015	87,818	87,817	1	711,348	12.34

\* Estimated based on contribution rate of 10.05% and covered valuation payroll of \$852,565.

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

**Butler Elementary School District No. 53**  
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
Teachers' Retirement System of the State of Illinois  
Seven Most Recent Fiscal Years

	<u>2021</u>		<u>2020</u>		<u>2019</u>
District's proportion of the net pension liability	0.0006403942 %		0.0006622118 %		0.0007318096 %
District's proportionate share of the net pension liability	\$ 552,118	\$	537,108	\$	570,408
State's proportionate share of the net pension liability associated with the District	<u>43,244,714</u>		<u>38,225,379</u>		<u>39,075,325</u>
Total	\$ <u><u>43,796,832</u></u>	\$	<u><u>38,762,487</u></u>	\$	<u><u>39,645,733</u></u>
District's covered employee payroll	\$ 5,357,296	\$	5,170,702	\$	5,244,079
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	10.31 %		10.39 %		10.88 %
Plan fiduciary net position as a percentage of the total pension liability	37.80 %		39.60 %		40.00 %

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

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

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<u>2018</u>		<u>2017</u>		<u>2016</u>		<u>2015</u>	
0.0007040600	%	0.0007262900	%	0.0008166100	%	0.0007655300	%
\$ 537,889		\$ 573,301		\$ 534,964		\$ 465,887	
<u>37,029,354</u>		<u>38,492,475</u>		<u>31,944,361</u>		<u>29,053,181</u>	
\$ <u><u>37,567,243</u></u>		\$ <u><u>39,065,776</u></u>		\$ <u><u>32,479,325</u></u>		\$ <u><u>29,519,068</u></u>	
\$ 5,001,209		\$ 4,878,843		\$ 4,904,088		\$ 4,709,249	
10.76	%	11.75	%	10.91	%	9.89	%
39.30	%	36.40	%	41.50	%	43.00	%

**Butler Elementary School District No. 53**  
**MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS**  
Teachers' Retirement System of the State of Illinois  
Seven Most Recent Fiscal Years

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	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 31,072	\$ 29,990	\$ 30,416
Contributions in relation to the contractually required contribution	<u>31,219</u>	<u>29,990</u>	<u>30,406</u>
Contribution deficiency (excess)	\$ <u>(147)</u>	\$ <u>-</u>	\$ <u>10</u>
District's covered-employee payroll	\$ 5,164,649	\$ 5,357,296	\$ 5,170,702
Contributions as a percentage of covered-employee payroll	0.60 %	0.56 %	0.59 %

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

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

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<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 29,007	\$ 28,297	\$ 28,444	\$ 28,614
<u>27,265</u>	<u>25,312</u>	<u>24,945</u>	<u>28,614</u>
\$ <u>1,742</u>	\$ <u>2,985</u>	\$ <u>3,499</u>	\$ <u>-</u>
\$ 5,244,079	\$ 5,001,209	\$ 4,878,843	\$ 4,904,088
0.52 %	0.51 %	0.51 %	0.58 %



**Butler Elementary School District No. 53**

MULTIYEAR SCHEDULE OF CHANGES IN TOTAL OTHER POSTEMPLOYMENT BENEFIT (OPEB)  
LIABILITY AND RELATED RATIOS  
Retiree Health Plan  
Most Recent Fiscal Year

	<u>2021</u>
Total OPEB liability	
Service cost	\$ 25,067
Interest on the total OPEB liability	7,322
Changes of assumptions and other inputs	872
Benefit payments, including the implicit rate subsidy	<u>(25,000)</u>
Net change in total OPEB liability	8,261
Total OPEB liability, beginning	<u>318,727</u>
Total OPEB liability, ending	<u><u>\$ 326,988</u></u>
 Plan fiduciary net position	
Contributions, employer	\$ 25,000
Benefit payments, including refunds of employee contributions	<u>(25,000)</u>
Plan fiduciary net position, ending	<u><u>\$ -</u></u>
 Net OPEB liability	<u><u>\$ 326,988</u></u>
 Plan fiduciary net position as a percentage of the total OPEB	  0.00%
 Covered Valuation Payroll	  \$ 4,731,283
 Net OPEB liability as a percentage of covered valuation	   6.91%

Note: The District began reporting a net OPEB liability beginning with its fiscal year ended June 30, 2021 therefore 10 years of information is not available.

**Butler Elementary School District No. 53**  
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY  
Teachers' Health Insurance Security Fund  
Four Most Recent Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability	0.000213 %	0.000210 %	0.000221 %	0.047608 %
District's proportionate share of the net OPEB liability	\$ 5,688,364	\$ 5,822,336	\$ 5,826,543	\$ 12,353,974
State's proportionate share of the net OPEB liability associated with the District	<u>7,706,184</u>	<u>7,884,186</u>	<u>7,823,791</u>	<u>13,453,237</u>
Total	<u>\$ 13,394,548</u>	<u>\$ 13,706,522</u>	<u>\$ 13,650,334</u>	<u>\$ 25,807,211</u>
District's covered payroll	\$ 5,357,296	\$ 5,170,702	\$ 5,244,079	\$ 5,001,209
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	106.18%	112.60%	111.11%	247.02%
Plan fiduciary net position as a percentage of the total OPEB liability	0.70%	0.25%	-0.07%	-0.17%

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

Note 2: The District implemented GASB 75 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

**Butler Elementary School District No. 53**  
**MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS**  
**Teachers' Health Insurance Security Fund**  
**Four Most Recent Fiscal Years**

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	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 47,515	\$ 49,287	\$ 47,570	\$ 46,168
Contributions in relation to the contractually required contribution	<u>49,516</u>	<u>47,568</u>	<u>46,136</u>	<u>42,013</u>
Contribution excess	<u>\$ (2,001)</u>	<u>\$ 1,719</u>	<u>\$ 1,434</u>	<u>\$ 4,155</u>
District's covered-employee payroll	\$ 5,164,649	\$ 5,357,296	\$ 5,170,702	\$ 5,244,079
Contributions as a percentage of covered-employee payroll	-0.96%	-0.89%	-0.89%	-0.80%

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

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

**Butler Elementary School District No. 53**

General Fund

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

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Revenues				
Local sources				
General levy	\$ 7,970,147	\$ 7,970,147	\$ 8,899,059	\$ 928,912
Corporate personal property replacement taxes	193,750	193,750	366,159	172,409
Summer school tuition from pupils or parents	-	-	16,550	16,550
Interest on investments	75,700	75,700	103,940	28,240
Fees	326,000	326,000	310,625	(15,375)
Student Activity Fund Revenues	10,000	10,000	98,985	88,985
Contributions and donations from private sources	7,200	7,200	-	(7,200)
Refund of prior years' expenditures	-	-	275	275
Other	-	-	19,134	19,134
Total local sources	<u>8,582,797</u>	<u>8,582,797</u>	<u>9,814,727</u>	<u>1,231,930</u>
State sources				
Evidence Based Funding Formula	292,000	292,000	293,063	1,063
Special Education - Private Facility Tuition	12,000	12,000	13,197	1,197
On-Behalf Payments to TRS from the State	<u>800,000</u>	<u>800,000</u>	<u>2,444,733</u>	<u>1,644,733</u>
Total state sources	<u>1,104,000</u>	<u>1,104,000</u>	<u>2,750,993</u>	<u>1,646,993</u>
Federal sources				
Title I - Low Income	30,981	30,981	21,694	(9,287)
Title IV - Student Support & Academic Enrichment Grant	13,084	13,084	10,202	(2,882)
Federal Special Education - Preschool Flow-Through	6,613	6,613	6,613	-
Federal Special Education - IDEA Flow Through	108,497	108,497	97,332	(11,165)
Federal Special Education - IDEA Room & Board	-	-	2,784	2,784
Title II - Teacher Quality	8,508	8,508	1,525	(6,983)
Other restricted revenue from Federal Sources	<u>20,000</u>	<u>20,000</u>	<u>20,112</u>	<u>112</u>
Total federal sources	<u>187,683</u>	<u>187,683</u>	<u>160,262</u>	<u>(27,421)</u>
Total revenues	<u>9,874,480</u>	<u>9,874,480</u>	<u>12,725,982</u>	<u>2,851,502</u>

(Continued)

**Butler Elementary School District No. 53**

General Fund

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

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Expenditures				
Instruction				
Regular programs				
Salaries	\$ 3,862,218	\$ 4,112,218	\$ 4,102,066	\$ 10,152
Employee benefits	549,367	549,367	439,512	109,855
On-Behalf Payments to TRS from the State	800,000	800,000	2,444,733	(1,644,733)
Purchased services	-	-	2,959	(2,959)
Supplies and materials	209,196	209,196	169,103	40,093
Other objects	-	-	(1,383)	1,383
Total	<u>5,420,781</u>	<u>5,670,781</u>	<u>7,156,990</u>	<u>(1,486,209)</u>
Special education programs				
Salaries	629,052	629,052	567,768	61,284
Employee benefits	134,609	134,609	95,093	39,516
Supplies and materials	83,600	83,600	21,591	62,009
Non-capitalized equipment	-	-	464	(464)
Total	<u>847,261</u>	<u>847,261</u>	<u>684,916</u>	<u>162,345</u>
Special education programs pre-K				
Salaries	32,281	32,281	31,915	366
Employee benefits	1,003	1,003	3,447	(2,444)
Purchased services	-	-	52,635	(52,635)
Supplies and materials	<u>32,000</u>	<u>32,000</u>	<u>257</u>	<u>31,743</u>
Total	<u>65,284</u>	<u>65,284</u>	<u>88,254</u>	<u>(22,970)</u>
Interscholastic programs				
Salaries	61,228	61,228	103,077	(41,849)
Employee benefits	959	959	1,878	(919)
Purchased services	-	-	300	(300)
Supplies and materials	-	-	800	(800)
Other objects	<u>14,000</u>	<u>14,000</u>	<u>1,653</u>	<u>12,347</u>
Total	<u>76,187</u>	<u>76,187</u>	<u>107,708</u>	<u>(31,521)</u>

(Continued)

**Butler Elementary School District No. 53**

General Fund

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

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Summer school programs				
Salaries	\$ 24,512	\$ 24,512	\$ 85,624	\$ (61,112)
Employee benefits	-	-	1,116	(1,116)
Supplies and materials	-	-	440	(440)
Total	<u>24,512</u>	<u>24,512</u>	<u>87,180</u>	<u>(62,668)</u>
Gifted programs				
Supplies and materials	<u>2,290</u>	<u>2,290</u>	<u>1,758</u>	<u>532</u>
Total	<u>2,290</u>	<u>2,290</u>	<u>1,758</u>	<u>532</u>
Special Education K-12 Programs				
Private Tuition	<u>200,000</u>	<u>200,000</u>	<u>100,553</u>	<u>99,447</u>
Student Activity Fund Expenditures	<u>10,000</u>	<u>10,000</u>	<u>52,170</u>	<u>(42,170)</u>
Total instruction	<u>6,646,315</u>	<u>6,896,315</u>	<u>8,279,529</u>	<u>(1,383,214)</u>
Support services				
Pupils				
Attendance and social work services				
Salaries	137,972	137,972	108,042	29,930
Employee benefits	23,548	23,548	2,446	21,102
Supplies and materials	<u>27,000</u>	<u>27,000</u>	<u>5,000</u>	<u>22,000</u>
Total	<u>188,520</u>	<u>188,520</u>	<u>115,488</u>	<u>73,032</u>
Guidance services				
Salaries	-	-	77,399	(77,399)
Employee benefits	-	-	8,944	(8,944)
Purchased services	-	-	338	(338)
Supplies and materials	<u>-</u>	<u>-</u>	<u>2,929</u>	<u>(2,929)</u>
Total	<u>-</u>	<u>-</u>	<u>89,610</u>	<u>(89,610)</u>

(Continued)

**Butler Elementary School District No. 53**

General Fund

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

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Health services				
Salaries	\$ 44,281	\$ 44,281	\$ 207,149	\$ (162,868)
Employee benefits	980	980	1,421	(441)
Purchased services	1,300	1,300	254	1,046
Supplies and materials	7,145	7,145	10,634	(3,489)
Non-capitalized equipment	-	-	2,089	(2,089)
Total	<u>53,706</u>	<u>53,706</u>	<u>221,547</u>	<u>(167,841)</u>
Psychological services				
Salaries	83,275	83,275	135,298	(52,023)
Employee benefits	8,238	8,238	14,334	(6,096)
Supplies and materials	<u>24,000</u>	<u>24,000</u>	<u>10,124</u>	<u>13,876</u>
Total	<u>115,513</u>	<u>115,513</u>	<u>159,756</u>	<u>(44,243)</u>
Speech pathology and audiology services				
Salaries	67,611	67,611	34,002	33,609
Employee benefits	1,556	1,556	628	928
Supplies and materials	<u>2,300</u>	<u>2,300</u>	<u>2,398</u>	<u>(98)</u>
Total	<u>71,467</u>	<u>71,467</u>	<u>37,028</u>	<u>34,439</u>
Other support services - pupils				
Salaries	-	-	54,419	(54,419)
Employee benefits	<u>-</u>	<u>-</u>	<u>9,185</u>	<u>(9,185)</u>
Total	<u>-</u>	<u>-</u>	<u>63,604</u>	<u>(63,604)</u>
Total pupils	<u>429,206</u>	<u>429,206</u>	<u>687,033</u>	<u>(257,827)</u>
Instructional staff				
Improvement of instruction services				
Salaries	6,000	6,000	186,050	(180,050)
Employee benefits	5,095	5,095	29,348	(24,253)
Purchased services	74,850	74,850	68,509	6,341
Supplies and materials	14,486	14,486	12,850	1,636
Other objects	<u>49,400</u>	<u>49,400</u>	<u>4,556</u>	<u>44,844</u>
Total	<u>149,831</u>	<u>149,831</u>	<u>301,313</u>	<u>(151,482)</u>

(Continued)

**Butler Elementary School District No. 53**

General Fund

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

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Educational media services				
Salaries	\$ 235,175	\$ 235,175	\$ 208,697	\$ 26,478
Employee benefits	60,315	60,315	41,439	18,876
Purchased services	60,500	60,500	246,945	(186,445)
Supplies and materials	213,700	213,700	149,127	64,573
Capital outlay	60,000	270,000	71,838	198,162
Other objects	500	500	75	425
Non-capitalized equipment	<u>93,000</u>	<u>93,000</u>	<u>57,312</u>	<u>35,688</u>
Total	<u>723,190</u>	<u>933,190</u>	<u>775,433</u>	<u>157,757</u>
Assessment and testing				
Purchased services	13,000	13,000	8,050	4,950
Supplies and materials	<u>1,450</u>	<u>1,450</u>	<u>-</u>	<u>1,450</u>
Total	<u>14,450</u>	<u>14,450</u>	<u>8,050</u>	<u>6,400</u>
Total instructional staff	<u>887,471</u>	<u>1,097,471</u>	<u>1,084,796</u>	<u>12,675</u>
General administration				
Board of education services				
Purchased services	366,900	366,900	286,702	80,198
Supplies and materials	10,000	10,000	2,802	7,198
Other objects	<u>-</u>	<u>-</u>	<u>8,870</u>	<u>(8,870)</u>
Total	<u>376,900</u>	<u>376,900</u>	<u>298,374</u>	<u>78,526</u>
Executive administration services				
Salaries	280,927	280,927	214,852	66,075
Employee benefits	47,563	47,563	48,779	(1,216)
Purchased services	6,000	6,000	1,058	4,942
Supplies and materials	12,500	12,500	12,851	(351)
Other objects	<u>7,700</u>	<u>7,700</u>	<u>3,306</u>	<u>4,394</u>
Total	<u>354,690</u>	<u>354,690</u>	<u>280,846</u>	<u>73,844</u>
Total general administration	<u>731,590</u>	<u>731,590</u>	<u>579,220</u>	<u>152,370</u>

(Continued)



**Butler Elementary School District No. 53**

General Fund

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

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
School administration				
Office of the principal services				
Salaries	\$ 474,761	\$ 474,761	\$ 503,949	\$ (29,188)
Employee benefits	92,320	92,320	104,718	(12,398)
Purchased services	2,500	2,500	1,348	1,152
Supplies and materials	6,500	6,500	5,412	1,088
Other objects	-	-	608	(608)
Total	<u>576,081</u>	<u>576,081</u>	<u>616,035</u>	<u>(39,954)</u>
Total school administration	<u>576,081</u>	<u>576,081</u>	<u>616,035</u>	<u>(39,954)</u>
Business				
Direction of business support services				
Salaries	-	-	5,520	(5,520)
Employee benefits	-	-	1	(1)
Total	<u>-</u>	<u>-</u>	<u>5,521</u>	<u>(5,521)</u>
Fiscal services				
Salaries	132,226	132,226	84,201	48,025
Employee benefits	57,169	57,169	23,051	34,118
Purchased services	85,000	85,000	68,656	16,344
Supplies and materials	8,900	8,900	302	8,598
Other objects	500	500	-	500
Total	<u>283,795</u>	<u>283,795</u>	<u>176,210</u>	<u>107,585</u>
Food services				
Purchased services	5,000	5,000	53,710	(48,710)
Supplies and materials	-	-	459	(459)
Total	<u>5,000</u>	<u>5,000</u>	<u>54,169</u>	<u>(49,169)</u>
Total business	<u>288,795</u>	<u>288,795</u>	<u>235,900</u>	<u>52,895</u>

(Continued)

# Butler Elementary School District No. 53

General Fund

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

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Central				
Information services				
Employee benefits	-	-	-	-
Purchased services	\$ 74,000	\$ 74,000	\$ -	\$ 74,000
Total Central	74,000	74,000	-	74,000
Total support services	2,987,143	3,197,143	3,202,984	(5,841)
Payments to other districts and government units				
Payments for special education programs				
Purchased services	390,000	390,000	340,780	49,220
Other objects	15,000	15,000	35,102	(20,102)
Total	405,000	405,000	375,882	29,118
Payments for special education programs - tuition				
Other objects	450,000	450,000	-	450,000
Total payments to other districts and other government units	855,000	855,000	375,882	479,118
Total expenditures	10,488,458	10,948,458	11,858,395	(909,937)
Excess (deficiency) of revenues over expenditures	(613,978)	(1,073,978)	867,587	1,941,565
Other financing sources (uses)				
Debt issuance	2,315,000	2,315,000	2,311,000	(4,000)
Permanent transfer from working cash fund - abatement	(2,315,000)	(2,315,000)	(2,311,000)	4,000
Transfer to capital projects fund	-	-	(1,110,000)	(1,110,000)
Total other financing sources (uses)	-	-	(1,110,000)	(1,110,000)
Net change to fund balance	\$ (613,978)	\$ (1,073,978)	(242,413)	\$ 831,565
Fund balance, beginning of year, as restated - Note M			10,439,420	
Fund balance, end of year			\$ 10,197,007	

(Concluded)

**Butler Elementary School District No. 53**

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

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Revenues				
Local sources				
General levy	\$ 1,095,226	\$ 1,095,226	\$ 1,217,557	\$ 122,331
Interest on investments	12,500	12,500	13,858	1,358
Impact fees from municipal or county governments	-	-	19,500	19,500
Proceeds from vendors' contracts	27,000	27,000	-	(27,000)
Other	-	-	5,999	5,999
Total local sources	<u>1,134,726</u>	<u>1,134,726</u>	<u>1,256,914</u>	<u>122,188</u>
Total revenues	<u>1,134,726</u>	<u>1,134,726</u>	<u>1,256,914</u>	<u>122,188</u>
Expenditures				
Support services				
Business				
Operation and maintenance of plant services				
Salaries	203,924	203,924	229,428	(25,504)
Employee benefits	75,593	75,593	74,227	1,366
Purchased services	583,200	583,200	524,633	58,567
Supplies and materials	426,500	526,500	709,535	(183,035)
Capital outlay	-	356,000	24,244	331,756
Other objects	<u>800</u>	<u>800</u>	<u>-</u>	<u>800</u>
Total business	<u>1,290,017</u>	<u>1,746,017</u>	<u>1,562,067</u>	<u>183,950</u>
Total support services	<u>1,290,017</u>	<u>1,746,017</u>	<u>1,562,067</u>	<u>183,950</u>
Total expenditures	<u>1,290,017</u>	<u>1,746,017</u>	<u>1,562,067</u>	<u>183,950</u>
Excess (deficiency) of revenues over expenditures	<u>(155,291)</u>	<u>(611,291)</u>	<u>(305,153)</u>	<u>306,138</u>

(Continued)

**Butler Elementary School District No. 53**

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

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Other financing uses				
Transfer to capital projects fund	\$ -	\$ -	\$ (475,000)	\$ (475,000)
Total other financing uses	-	-	(475,000)	(475,000)
Net change in fund balance	<u>\$ (155,291)</u>	<u>\$ (611,291)</u>	(780,153)	<u>\$ (168,862)</u>
Fund balance, beginning of year, as restated - Note M			<u>1,551,982</u>	
Fund balance, end of year			<u>\$ 771,829</u>	

(Concluded)

**Butler Elementary School District No. 53**

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

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Revenues				
Local sources				
General levy	\$ 456,627	\$ 456,627	\$ 526,668	\$ 70,041
Regular transportation fees from pupils or parents - in state	59,000	59,000	37,250	(21,750)
Regular transportation fees from co-curricular activities - in state	6,000	6,000	-	(6,000)
Interest on investments	<u>3,750</u>	<u>3,750</u>	<u>3,003</u>	<u>(747)</u>
Total local sources	<u>525,377</u>	<u>525,377</u>	<u>566,921</u>	<u>41,544</u>
State sources				
Transportation - Regular and Vocational	1,600	1,600	3,558	1,958
Transportation - Special Education	<u>24,000</u>	<u>24,000</u>	<u>33,616</u>	<u>9,616</u>
Total state sources	<u>25,600</u>	<u>25,600</u>	<u>37,174</u>	<u>11,574</u>
Total revenues	<u>550,977</u>	<u>550,977</u>	<u>604,095</u>	<u>53,118</u>
Expenditures				
Support services				
Business				
Pupil transportation services				
Salaries	-	-	32,626	(32,626)
Employee benefits	-	-	489	(489)
Purchased services	<u>525,000</u>	<u>585,000</u>	<u>623,045</u>	<u>(38,045)</u>
Total support services	<u>525,000</u>	<u>585,000</u>	<u>656,160</u>	<u>(71,160)</u>
Total expenditures	<u>525,000</u>	<u>585,000</u>	<u>656,160</u>	<u>(71,160)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 25,977</u>	<u>\$ (34,023)</u>	(52,065)	<u>\$ (18,042)</u>
Fund balance, beginning of year, as restated - Note M			<u>490,383</u>	
Fund balance, end of year			<u>\$ 438,318</u>	

**Butler Elementary School District No. 53**

Municipal Retirement / Social Security Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2021

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ -	\$ -	\$ 103,673	\$ 103,673
Social security/Medicare only levy	86,734	86,734	103,673	16,939
Other tax levies	86,734	86,734	-	(86,734)
Corporate personal property replacement taxes	7,500	7,500	100,000	92,500
Interest on investments	<u>1,250</u>	<u>1,250</u>	<u>1,045</u>	<u>(205)</u>
Total local sources	<u>182,218</u>	<u>182,218</u>	<u>308,391</u>	<u>126,173</u>
Total revenues	<u>182,218</u>	<u>182,218</u>	<u>308,391</u>	<u>126,173</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Regular programs	56,674	56,674	50,783	5,891
Special education programs	33,780	33,780	31,113	2,667
Special education programs pre-K	426	426	463	(37)
Interscholastic programs	904	904	1,495	(591)
Summer school programs	<u>-</u>	<u>-</u>	<u>1,242</u>	<u>(1,242)</u>
Total instruction	<u>91,784</u>	<u>91,784</u>	<u>85,096</u>	<u>6,688</u>
<b>Support services</b>				
<b>Pupils</b>				
Attendance and social work services	2,108	2,108	166	1,942
Guidance services	-	-	1,086	(1,086)
Health services	633	633	894	(261)
Psychological services	1,208	1,208	1,962	(754)
Speech pathology and audiology services	947	947	493	454
Other support services -pupils	<u>-</u>	<u>-</u>	<u>9,517</u>	<u>(9,517)</u>
Total pupils	<u>4,896</u>	<u>4,896</u>	<u>14,118</u>	<u>(9,222)</u>

(Continued)

**Butler Elementary School District No. 53**

Municipal Retirement / Social Security Fund

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

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
<b>Instructional staff</b>				
Improvement of instruction services	\$ 87	\$ 87	\$ 2,774	\$ (2,687)
Educational media services	<u>28,721</u>	<u>28,721</u>	<u>10,870</u>	<u>17,851</u>
Total instructional staff	<u>28,808</u>	<u>28,808</u>	<u>13,644</u>	<u>15,164</u>
<b>General administration</b>				
Executive administration services	<u>13,199</u>	<u>13,199</u>	<u>15,613</u>	<u>(2,414)</u>
Total general administration	<u>13,199</u>	<u>13,199</u>	<u>15,613</u>	<u>(2,414)</u>
<b>School administration</b>				
Office of the principal services	<u>21,111</u>	<u>21,111</u>	<u>26,864</u>	<u>(5,753)</u>
Total school administration	<u>21,111</u>	<u>21,111</u>	<u>26,864</u>	<u>(5,753)</u>
<b>Business</b>				
Direction of business support services	-	-	972	(972)
Fiscal services	22,405	22,405	13,730	8,675
Operation and maintenance of plant services	36,198	36,198	32,245	3,953
Pupil transportation services	<u>-</u>	<u>-</u>	<u>473</u>	<u>(473)</u>
Total business	<u>58,603</u>	<u>58,603</u>	<u>47,420</u>	<u>11,183</u>
Total support services	<u>126,617</u>	<u>126,617</u>	<u>117,659</u>	<u>8,958</u>
Total expenditures	<u>218,401</u>	<u>218,401</u>	<u>202,755</u>	<u>15,646</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (36,183)</u>	<u>\$ (36,183)</u>	105,636	<u>\$ 141,819</u>
Fund balance, beginning of year, as restated - Note M			<u>117,192</u>	
Fund balance, end of year			<u>\$ 222,828</u>	

(Concluded)

# Butler Elementary School District No. 53

Notes to the Required Supplementary Information

June 30, 2021

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## 1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

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

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December of each year, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
- d) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on September 14, 2020 and amended by the Board of Education on June 14, 2021.
- g) All budget appropriations lapse at the end of the fiscal year.

## 2. EXPENDITURES IN EXCESS OF BUDGET

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

<u>Funds</u>	<u>Amount</u>
General	\$ 909,937
Transportation	71,160
Debt service	39,276
Capital projects	508,199



## Butler Elementary School District No. 53

### Notes to the Required Supplementary Information

June 30, 2021

#### 3. CHANGES OF ASSUMPTIONS - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

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

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

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

##### **Valuation Date:**

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

##### **Methods and Assumptions Used to Determine the 2020 Contribution Rate:**

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 23-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 18 years for most employers (three employers were financed over 27 years and four others were financed over 28 years.)
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25%, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 calculation pursuant to an experience study of the period 2014-2016.

## Butler Elementary School District No. 53

Notes to the Required Supplementary Information

June 30, 2021

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

#### **Methods and Assumptions Used to Determine the 2020 Contribution Rate:** (Continued)

**Mortality** For non-disabled retirees, an IMRF specific mortality table was used with fully generational projections scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

#### **Other Information:**

**Notes** There were no benefit changes during the year.

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

#### **Change in Assumptions:**

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

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

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

#### **Valuation Date:**

**Notes** Actuarially determined contribution rates are calculated as of June 30 each year, 12 months prior to the fiscal year in which contributions are reported.

**Valuation Date** June 30, 2019

**Measurement Date** June 30, 2020

**Fiscal Year End** June 30, 2021

## Butler Elementary School District No. 53

Notes to the Required Supplementary Information

June 30, 2021

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

#### Methods and Assumptions Used to Determine the 2020 Contribution Rate:

Actuarial Cost Method	Aggregate Entry Age Normal
Asset Valuation Method	Market value
Investment Rate of Return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Single equivalent discount rate	2.45%
Price Inflation	2.50%
Salary Increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2019, actuarial valuation.
Mortality	Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017.
Healthcare Cost Trend Rates	Trend for fiscal year 2020 based on expected increases used to develop average costs. For fiscal years on and after 2021, trend starts at 8.25% for non-Medicare cost and Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate adjustment due to the repeal of the Excise Tax.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

#### Change in Assumptions:

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

## Butler Elementary School District No. 53

Notes to the Required Supplementary Information

June 30, 2021

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

#### **Change in Assumptions:** (Continued)

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

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

#### **Valuation Date:**

Valuation Date	July 1, 2021
Measurement Date	June 30, 2021
Fiscal Year End	June 30, 2021

#### **Methods and Assumptions Used to Determine the 2020 Contribution Rate:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Market value
Remaining Amortization Period	4 years
Discount Rate	2.16%

Asset Valuation Method	Market Value
Investment Rate of Return	Not applicable
Price Inflation	2.50%
Salary Increases	Not applicable

Retirement Rates	Age	Rate
	55	40%
	56-57	10%
	58	30%
	59	10%
	60	50%
	61-64	10%
	65+	100%

## Butler Elementary School District No. 53

Notes to the Required Supplementary Information

June 30, 2021

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

#### **Methods and Assumptions Used to Determine the 2020 Contribution Rate (Continued):**

Election at Retirement	It is assumed that 80% of active employees will elect the 5-year health insurance contribution option and 20% will elect the one-time payment into the employee's 403(b) plan account.
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Mortality	Pub-2010 Public Retirement Plans Teachers mortality table projected generationally with Scale MP-2019.
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#### **Change in Assumptions:**

The Discount Rate was changed from 2.21% used in the Fiscal Year 2020 valuation to 2.16%, which is the Buyer Bond 20-Bond GO Index as of June 30, 2021.

The mortality table was updated from the Pub-2010 Public Retirement Plans Teachers mortality table projected generationally with Scale MP-2019 to the Pub-2010 Public Retirement Plans Teachers mortality table projected generationally with Scale MP-2020.

## **SUPPLEMENTARY FINANCIAL INFORMATION**

# Butler Elementary School District No. 53

General Fund

## COMBINING BALANCE SHEET

June 30, 2021

	Educational Account	Working Cash Account	Total
<b>ASSETS</b>			
Cash and investments	\$ 9,215,718	\$ 390,834	\$ 9,606,552
Receivables (net of allowance for uncollectibles):			
Property taxes	4,504,766	-	4,504,766
Replacement taxes	96,565	-	96,565
Intergovernmental	15,551	-	15,551
Prepaid items	<u>72,278</u>	<u>-</u>	<u>72,278</u>
Total assets	<u>\$ 13,904,878</u>	<u>\$ 390,834</u>	<u>\$ 14,295,712</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 62,519	\$ -	\$ 62,519
Salaries and wages payable	659,050	-	659,050
Payroll deductions payable	68,709	-	68,709
Unearned revenue	<u>248,011</u>	<u>-</u>	<u>248,011</u>
Total liabilities	<u>1,038,289</u>	<u>-</u>	<u>1,038,289</u>
<b>DEFERRED INFLOWS</b>			
Property taxes levied for a future period	<u>3,060,416</u>	<u>-</u>	<u>3,060,416</u>
Total deferred inflows	<u>3,060,416</u>	<u>-</u>	<u>3,060,416</u>
<b>FUND BALANCES</b>			
Nonspendable	72,278	-	72,278
Assigned	138,972	-	138,972
Unassigned	<u>9,594,923</u>	<u>390,834</u>	<u>9,985,757</u>
Total fund balance	<u>9,806,173</u>	<u>390,834</u>	<u>10,197,007</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 13,904,878</u>	<u>\$ 390,834</u>	<u>\$ 14,295,712</u>

**Butler Elementary School District No. 53**

## General Fund

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

For the Year Ended June 30, 2021

	Educational Account	Working Cash Account	Total
Revenues			
Property taxes	\$ 8,899,059	\$ -	\$ 8,899,059
Replacement taxes	366,159	-	366,159
State aid	2,750,993	-	2,750,993
Federal aid	160,262	-	160,262
Interest	100,306	3,634	103,940
Other	445,569	-	445,569
Total revenues	12,722,348	3,634	12,725,982
Expenditures			
Current:			
Instruction:			
Regular programs	4,764,427	-	4,764,427
Special programs	811,860	-	811,860
Other instructional programs	258,509	-	258,509
State retirement contributions	2,444,733	-	2,444,733
Support services:			
Pupils	687,033	-	687,033
Instructional staff	1,026,100	-	1,026,100
General administration	579,220	-	579,220
School administration	616,035	-	616,035
Business	235,900	-	235,900
Nonprogrammed charges	375,882	-	375,882
Capital outlay	58,696	-	58,696
Total expenditures	11,858,395	-	11,858,395
Excess of revenues over expenditures	863,953	3,634	867,587
Other financing sources (uses)			
Transfers (out)	(1,110,000)	(2,311,000)	(3,421,000)
Debt issuance	-	2,311,000	2,311,000
Total other financing sources (uses)	(1,110,000)	-	(1,110,000)
Net change in fund balance	(246,047)	3,634	(242,413)
Fund balance, beginning of year, as restated - Note M	10,052,220	387,200	10,439,420
Fund balance, end of year	\$ 9,806,173	\$ 390,834	\$ 10,197,007



**Butler Elementary School District No. 53**

## Debt Service Fund

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

For the Year Ended June 30, 2021

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Revenues				
Local sources				
General levy	\$ 178,652	\$ 178,652	\$ 188,766	\$ 10,114
Interest on investments	<u>150</u>	<u>150</u>	<u>1,010</u>	<u>860</u>
Total local sources	<u>178,802</u>	<u>178,802</u>	<u>189,776</u>	<u>10,974</u>
Total revenues	<u>178,802</u>	<u>178,802</u>	<u>189,776</u>	<u>10,974</u>
Expenditures				
Debt service				
Debt services - interest				
Bonds and other - interest	<u>4,051</u>	<u>4,051</u>	<u>5,557</u>	<u>(1,506)</u>
Principal payments on long-term debt	<u>180,000</u>	<u>180,000</u>	<u>193,978</u>	<u>13,978</u>
Other debt service				
Other objects	<u>15,584</u>	<u>15,584</u>	<u>39,376</u>	<u>(23,792)</u>
Total debt service	<u>199,635</u>	<u>199,635</u>	<u>238,911</u>	<u>(39,276)</u>
Total expenditures	<u>199,635</u>	<u>199,635</u>	<u>238,911</u>	<u>(39,276)</u>
Deficiency of revenues over expenditures	<u>(20,833)</u>	<u>(20,833)</u>	<u>(49,135)</u>	<u>(28,302)</u>
Other financing sources				
Debt issuance	<u>-</u>	<u>-</u>	<u>39,000</u>	<u>39,000</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>39,000</u>	<u>39,000</u>

(Continued)

**Butler Elementary School District No. 53**

Debt Service Fund

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

For the Year Ended June 30, 2021

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Net change in fund balance	<u>\$ (20,833)</u>	<u>\$ (20,833)</u>	(10,135)	<u>\$ 10,698</u>
Fund balance, beginning of year, as restated - Note M			<u>155,070</u>	
Fund balance, end of year			<u><u>\$ 144,935</u></u>	

(Concluded)

**Butler Elementary School District No. 53**  
Capital Projects Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2021

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Revenues				
Local sources				
Corporate personal property replacement taxes	\$ -	\$ -	\$ 50,000	\$ 50,000
Interest on investments	<u>7,500</u>	<u>7,500</u>	<u>543</u>	<u>(6,957)</u>
Total local sources	<u>7,500</u>	<u>7,500</u>	<u>50,543</u>	<u>43,043</u>
State sources				
Other restricted revenue from state sources	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Total state sources	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Total revenues	<u>57,500</u>	<u>57,500</u>	<u>50,543</u>	<u>(6,957)</u>
Expenditures				
Support services				
Facilities acquisition and construction services				
Capital outlay	2,372,000	2,939,000	3,452,468	(513,468)
Non-capitalized equipment	<u>30,000</u>	<u>30,000</u>	<u>24,731</u>	<u>5,269</u>
Total support services	<u>2,402,000</u>	<u>2,969,000</u>	<u>3,477,199</u>	<u>(508,199)</u>
Total expenditures	<u>2,402,000</u>	<u>2,969,000</u>	<u>3,477,199</u>	<u>(508,199)</u>
Deficiency of revenues over expenditures	<u>(2,344,500)</u>	<u>(2,911,500)</u>	<u>(3,426,656)</u>	<u>(515,156)</u>
Other financing sources				
Permanent transfer from working cash fund - abatement	2,315,000	2,315,000	2,311,000	(4,000)
Permanent transfer to capital projects fund	<u>-</u>	<u>-</u>	<u>1,585,000</u>	<u>1,585,000</u>
Total other financing sources	<u>2,315,000</u>	<u>2,315,000</u>	<u>3,896,000</u>	<u>1,581,000</u>

(Continued)

**Butler Elementary School District No. 53**

Capital Projects Fund

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

For the Year Ended June 30, 2021

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Net change in fund balance	<u>\$ (29,500)</u>	<u>\$ (596,500)</u>	469,344	<u>\$ 1,065,844</u>
Fund balance, beginning of year, as restated - Note M			<u>1,475,554</u>	
Fund balance, end of year			<u><u>\$ 1,944,898</u></u>	

(Concluded)

**Butler Elementary School District No. 53**  
Fire Prevention and Safety Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2021

	2021			
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget
Revenues				
Local sources				
Interest on investments	\$ 25	\$ 25	\$ 50	\$ 25
Total revenues	25	25	50	25
Excess of revenues over expenditures	\$ 25	\$ 25	50	\$ 25
Fund balance, beginning of year			5,098	
Fund balance, end of year			\$ 5,148	