

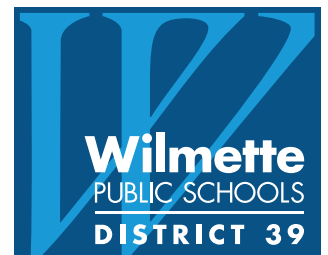


Wilmette

Public School District 39

Wilmette, Illinois

Comprehensive Annual Financial Report
Year ended June 30, 2019



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
WILMETTE PUBLIC SCHOOLS DISTRICT 39
WILMETTE, ILLINOIS**

For the Fiscal Year Ended
June 30, 2019

Official Issuing Report
Ellen Crispino, Business Manager/CSBO

Department Issuing Report
Business Office

WILMETTE PUBLIC SCHOOLS DISTRICT 39

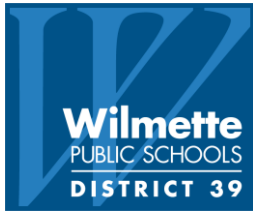
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WILMETTE PUBLIC SCHOOLS DISTRICT 39

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October 18, 2019

Citizens of Wilmette, Illinois
President and Members of the Board of Education
Wilmette Public Schools District 39
615 Locust Road
Wilmette, Illinois 60091

The Comprehensive Annual Financial Report of Wilmette Public Schools District 39, Wilmette, Illinois, for the fiscal year ended June 30, 2019 is hereby submitted. The audit fieldwork was completed on August 7, 2019 and the report was subsequently issued. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data as presented are: (1) accurate in all material aspects, (2) presented in a manner designed to fairly set forth the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds; and (3) that all disclosures necessary for maximum public understanding of the District's financial status have been incorporated in the report.

Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent auditors' report.

BASIS OF ACCOUNTING AND REPORTING

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The Introductory Section includes the transmittal letter, the District's organizational chart, and a list of principal officials. The Financial Section includes the management's discussion and analysis, government-wide financial statements, the fund financial statements, required supplementary information, individual fund statements, as well as the independent auditors' report. The Statistical Section includes a number of tables of unaudited data depicting the financial history of the District for the past ten years, demographics, and other miscellaneous information.

School District 39 is required to undergo an annual single audit in conformity with the provisions of the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including the schedule of federal expenditures of federal awards, findings and recommendations and independent auditors' report on the internal control structure and compliance with applicable laws and regulations, are included in a separate report.

This report includes all funds of the District. The District reports on the full accrual basis of accounting for its government-wide financial statements and modified accrual for its fund financial statements. These bases are applied to the District's budget and accounting records. The Notes to Basic Financial Statements expand upon these bases as well as the District's accounting policies and procedures. All District funds are included in this report and have been audited by Klein Hall CPAs.

GENERAL INFORMATION

The District is located approximately 15 miles north of the Chicago Loop, borders Lake Michigan, and comprises most of the Village of Wilmette and a small portion of Glenview. The village is a residential

community with a population of about 26,687. It consists of moderate to high-income residential housing and a prosperous commercial downtown area. There is no heavy industry in Wilmette. Wilmette, as a community, is built out.

District 39 was founded in 1901 and currently includes four elementary schools (Central Elementary, Harper Elementary, McKenzie Elementary and Romona Elementary), one middle school (Highcrest Middle School), one junior high school (Wilmette Junior High School) and an administration building, and had an enrollment of 3,549 in 2019. An elected 7-member Board of Education and a full-time administrative staff govern the District. The District employs 566 people. Of these, 19 are administrators, 340 are teachers and 207 are non-certified personnel. Elementary students in the District continue their education at New Trier Township High School, which is recognized as one of the leading high school educational institutions in the United States.

District 39 enjoys a high level of parental participation and involvement because parents make it a priority to be involved in their children's education. Many adults are engaged in professional pursuits. The high academic level characterizing the community contributes to the respect citizens have for quality education. As a result, citizens devote substantial time and effort to ensure that excellence prevails.

Community involvement is of paramount importance to District 39. Integral to the community is the District 39 Educational Foundation, which provides financial assistance to support individual, school, and community endeavors. Each school also has an active Parent Teacher Organization/Association which provides financial assistance, support and enrichment. Teachers, administrators, the Board of Education, and community members value all of these organizations as well. Community members are also involved in the Community Review Committee that helps study and prioritize goals for the school district.

REPORTING ENTITY

The District defines its reporting entity by applying the criteria set forth in GASB Statements 14 and 61 to potential component units. Briefly, a component unit is an organization for which the District is financially accountable or other organizations that, because of the nature or significance of their relationship with the District, would cause the District's financial statements to be misleading or incomplete if they were omitted from the reporting entity. These criteria are discussed in more detail in Note 1 to the general purpose financial statements.

Using these criteria, management has determined that the District has no component units, nor is it a component unit of any other organization.

DISTRICT FUNDS

The District's accounts are organized as separate accounting entities called funds. District resources are allocated to and accounted for in individual funds as required by the State of Illinois. Each fund has specific functions based upon the purposes for which the District's resources are to be expended. This allows for a more controlled process of spending activities. The following describes the fund types implemented in School District 39:

- 1) **General Fund** – accounts for the revenues and expenditures that are used in providing the educational programs for the children of the District.
- 2) **Special Revenue Funds** – account for specific revenue sources that are legally restricted to expenditures for specified purposes (e.g., Operations and Maintenance, Transportation, Working Cash and Municipal Retirement/Social Security).
- 3) **Debt Service Fund** – accounts for the accumulation of resource for, and the payment of, general long-term debt principal, interest, and related costs. All bond issues are maintained through the Bond and Interest Fund.
- 4) **Capital Projects Fund** – accounts for financial resources to be used for the acquisition or construction of major capital facilities.

- 5) **Agency Fund** – accounts for the assets held by the District for student organizations.

ACCOUNTING SYSTEMS AND BUDGETARY CONTROL

The financial statements have been prepared in accordance with generally accepted accounting principles that are appropriate to local governmental units of this type. This presentation allows the reader to obtain an overview of the District's financial operations by viewing the basic financial statements in the front section of the report.

In developing and evaluating the District's accounting system, consideration is given to the adequacy of the internal accounting controls. Such controls are designed to provide reasonable, but not absolute, assurance for the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. We believe that our internal accounting controls adequately safeguard District assets and provide reasonable assurance of proper recording of financial data. Budgetary control is maintained at line item levels and built up into program and cost centers before being combined to create fund totals. All actual activity compared to budget is reported to the District's administrative team and to the Board of Education on a monthly basis. The monthly report compares each line item account balance to the annual budget with accumulation to the cost center, fund, and total district levels. Full disclosures are made if significant variances appear during the year.

We believe the District's accounting internal controls adequately safeguard assets and provide reasonable assurance of proper financial transactions. The audit results for the fiscal year ended June 30, 2019 report no instances of material weaknesses in the internal control or violations of applicable laws and regulations.

CAPITAL ASSETS

The capital assets of the District are those assets used in the performance of general governmental functions. As of June 30, 2019, the District's capital assets, net of accumulated depreciation, amounted to \$41.9 million. This amount represents the actual and estimated original cost of the assets and is considerably less than their present replacement value.

Depreciation of capital assets is shown in order to satisfy the compliance with Governmental Accounting Standards Board Statement Number 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments but is generally not recognized in the District's accounting system. The District utilizes the assistance of an outside appraisal service for the appraisal, control and inventory of fixed assets. The appraisal service conducted a thorough physical inventory of the District's assets and equipment during the 2017-2018 Fiscal Year. This resulted in a reduction in value of capital assets in the amount of \$1,973,311. Annual updates to the inventory report will continue until the next physical inventory occurs.

Annual appraisals are used for the updating of replacement values for insurance purposes with the District providing historical cost information. The District participates in a property casualty insurance cooperative pool comprised of more than 60 school district members. The cooperative maintains a \$250,000 self-insured retention to insure losses up to \$1,000,000. Beyond the primary limits, excess insurance provides higher specific and aggregate protection for the District.

ECONOMIC OUTLOOK

The District's mature tax base is characterized by resident socioeconomic levels that are among the highest in the state and nation. In addition, its strong financial operations are supported by ample reserves and a manageable debt burden.

The District's fully developed and affluent tax base will continue to experience steady growth for the foreseeable future based on its desirable location on the North Shore of Lake Michigan. The District continues to maintain a solid tax base and still experience some growth, mostly through residential teardowns and reassessment. Resident socioeconomic indicators greatly exceed state and national levels.

The District maintains strong financial operations by implementing prudent fiscal policies, conservative management and maintaining ample reserves. The District's goal is to sustain an operating fund balance (Educational, O&M, Transportation, IMRF & Social Security, Tort Immunity & Judgment and Working Cash) at a level equivalent to at least 40% of annual operating expenditures. In FY19, the level was 69.1%, excluding transfers and on-behalf payments.

The Illinois General Assembly has imposed property tax legislation on all Cook County school districts. The legislation is designed to limit increases in property tax extensions. The limitation slows the growth of property tax revenues to school districts when property values and assessments are increasing faster than the rate of inflation. The legislation limits the levy increase to the lesser of five percent or the increase in the consumer price index (CPI) for the year preceding the levy year. This combined with the use of prior year equalized assessed valuation (EAV) generate property tax receipts. The use of the CPI and prior year EAV variables in property tax calculations is intended to "restrict" the amount of increase in a school district's levy request.

The administration, in collaboration with teachers and the Board of Education, will continue to provide an exemplary educational experience for all students in the District 39 community. With that being said, district administration continues to analyze long-range forecast financial projections, which are used in prudent fiscal planning sessions with members of the Board of Education.

INDEPENDENT AUDIT

The School Code of Illinois and the District's adopted policy require an annual audit of the books of accounts, financial records and transactions of all funds of the District. The audit is performed by independent certified public accountants selected by the District's Board of Education. The independent auditors' opinion can be found at the beginning of the Financial Section of this report.

ACKNOWLEDGEMENT

It is our belief that this Comprehensive Annual Financial Report will provide the District's management, outside investors, and interested local citizens with a meaningful financial condition as of June 30, 2019.

We extend our appreciation to the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible, progressive manner.

Respectfully Submitted,

Dr. Kari Cremascoli
Superintendent of Schools

Ellen Crispino
Business Manager/CSBO

WILMETTE PUBLIC SCHOOLS DISTRICT NO. 39

**615 Locust Road
Wilmette, Illinois 60091**

**Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2019**

Board of Education

		<u>Term Expires</u>
Lisa Schneider-Fabes	President	2021
Frank Panzica	Vice President	2023
Jon Cesaretti	Member	2021
Amy Poehling	Member	2023
Mark Steen	Member	2021
Ellen Sternweiler	Member	2021
Erin Stone	Member	2023

District Administration

Dr. Kari Cremascoli – Superintendent
Dr. Kristin Swanson – Administrator
for Student Services
Dr. Heather Glowacki – Assistant Superintendent and
Administrator for Human Resources
Katie Lee – Administrator for
Curriculum and Instruction
Tony DeMonte – Administrator for Technology,
Information and Safety
Ellen Crispino – Business Manager/CSBO

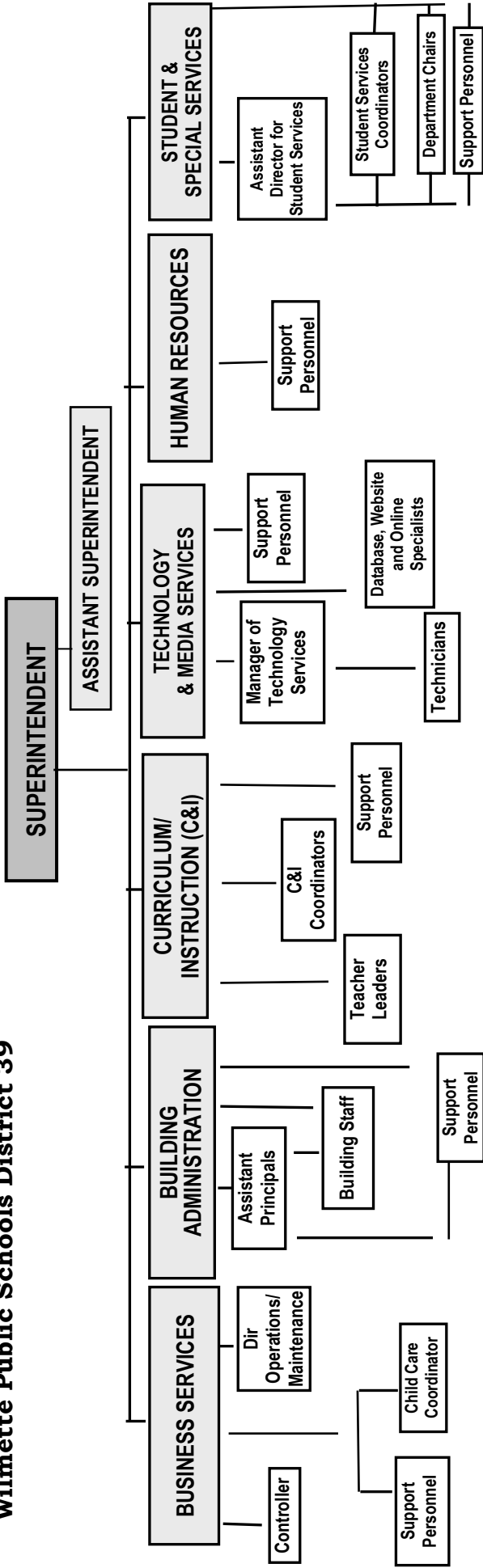
Official Issuing Report

Ellen Crispino
Business Manager/CSBO

Department Issuing Report

Business Office

Wilmette Public Schools District 39



ADMINISTRATIVE FUNCTIONS Superintendent

The administrative functions of the superintendent can be found in Policy 3:40 Superintendent

Business Manager	Principals and Assistant Principals	Administrator for Curriculum/Instruction	Director of Technology and Media Services	Administrator for Human Resources	Administrator for Student & Special Services
<ul style="list-style-type: none"> ◆ Accounting/Auditing ◆ Accounts Receivable/Payable ◆ Before School Child Care ◆ Budget Management ◆ Building and Grounds ◆ Food Services ◆ Investments ◆ Life/Safety Management ◆ Payroll ◆ Purchasing ◆ Rentals ◆ Risk Management/Insurance ◆ Transportation 	<ul style="list-style-type: none"> ◆ Building Level Public Relations ◆ Coordination of Building Special Services ◆ Coordination with PTA/PTO ◆ Home/School Communications ◆ Oversight of Instruction ◆ School-Improvement Planning ◆ Selection of Employees ◆ Site-based Facility Operations ◆ Student Safety ◆ Staff Evaluation 	<ul style="list-style-type: none"> ◆ Assessment Programs <ul style="list-style-type: none"> ▪ State (ISBE-Mandated) ▪ District Curriculum ▪ Students ◆ Curriculum Development and Review ◆ Differentiated Instruction ◆ Grant Coordination ◆ New Staff Orientation and Mentoring ◆ Strategic Planning Facilitation ◆ Staff Development ◆ Assessment and Data Management 	<ul style="list-style-type: none"> ◆ Instructional Technology ◆ Technology Infusion ◆ Library and Learning Commons Services ◆ Mobile Learning Coordination ◆ District Website, Email, and Communication Services ◆ Erate, Library and Technology Grants ◆ Information Systems ◆ Data Management & SIS ◆ Technology Infrastructure and Operations ◆ Hardware/Software Evaluation & Support ◆ District & Building Technical Support ◆ Cyber Security 	<ul style="list-style-type: none"> ◆ Contract Management ◆ Employee Discipline/Due Process ◆ Employee Evaluation ◆ Grievance, Arbitration ◆ Personnel Planning ◆ Policy Revision ◆ Recruitment/Selection ◆ Retirement/Recognition ◆ Substitute Services 	<ul style="list-style-type: none"> ◆ ISBE Special Education Director ◆ Health Services ◆ English Learners ◆ Social Emotional Learning ◆ Home/Hospital Services ◆ Private/Parochial School Services ◆ Student Registration and Records ◆ Student Discipline and Truancy ◆ ADA/504 Compliance Monitor ◆ Safe Schools ◆ Special Education Finance ◆ McKinney Vento and Foster Care Liaison ◆ Staff Evaluation ◆ Assessment and Data Management ◆ New Staff Orientation and Mentoring ◆ Assessment Program <ul style="list-style-type: none"> ▪ State (ISBE-Mandated) ▪ District Curriculum ▪ Students ◆ Coordinate with PASS39



Independent Auditor's Report

Board of Education
Wilmette Public Schools District 39
Wilmette, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wilmette Public Schools District 39 (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Wilmette Public Schools District 39 as of June 30, 2019, 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.

Other Matters

Required Supplementary Information

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

Other Information

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

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

We have also audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended June 30, 2018, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The schedules of revenues, expenditures and changes in fund balances - budget and actual, related to the 2018 financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 schedules of revenues, expenditures and changes in fund balances - budget and actual are fairly stated in material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2019, on our consideration of Wilmette Public Schools District 39's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Handwritten signature in cursive script that reads "Klein Hall CPAs".

Klein Hall CPAs
Aurora, Illinois
October 2, 2019

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Management's Discussion and Analysis

The discussion and analysis of Wilmette Public Schools District 39's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2019. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

All amounts, unless otherwise indicated, are expressed in millions of dollars.

Financial Highlights

- For the seventeenth year in a row, the District will retain the ISBE's highest financial rating for FY19, financial recognition, and its overall weighted score remained 4.00 on a 4-point scale.
- General revenues accounted for \$57.7 or 67.1% of total revenue. General revenues consisted of property tax revenues of \$53.2, other local revenues of \$1.6 and State aid not restricted to specific purposes of \$2.8.
- The District had \$82.1 in expenses related to government activities, of which, \$28.3 were offset by program specific charges, grants and contributions.
- In the coming year, the District committed \$3.5 for construction of the Highcrest Library/Media Technology center with large space air conditioning and special education classroom renovation. Additionally, the District budgeted \$3.5M for a three classroom addition at Harper Elementary School necessary for implementing the Kindergarten Enrichment Program.
- At Highcrest Middle School, the District completed construction of a four classroom addition with air conditioning and a secure office entrance.
- The District's long-term unutilized debt margin remains a healthy 90.1% for FY19 with an accessible debt capacity of \$111.7
- The District permanently transferred \$0.8 from the General Fund to the Debt Service Fund to cover debt principal and interest payments and \$4.3 from the General Fund to the Capital Projects Fund to fund construction project.

Overview of the Financial Statements

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

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

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Management's Discussion and Analysis

Government-wide financial statements

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

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

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

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). With the exception of the District's summer school enrichment program, 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), supporting services, operation and maintenance of facilities and transportation services.

Fund financial statements

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

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

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Management's Discussion and Analysis

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

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

Fiduciary funds are used to account for resources held for the benefit of parties outside the school district. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that of government-wide financial statements.

Notes to the financial statements

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

Other information

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Management's Discussion and Analysis

Government-Wide Financial Analysis

Net Position: The District's total assets and deferred outflows are \$123.4, total liabilities and deferred inflows are \$105.6, and the total net position for the year ending June 30, 2019 is \$17.8. (See Table 1)

Table 1				
Condensed Statement of Net Position				
(in millions of dollars)				
	2019		2018	
Assets				
Current assets	\$	74.1	\$	72.9
Capital assets		41.9		38.8
		<u>116.0</u>		<u>111.7</u>
Deferred outflows				
Deferred refunding		0.1		0.2
Pension/OPEB deferrals		7.3		3.5
		<u>7.4</u>		<u>3.7</u>
Liabilities				
Current liabilities		6.7		6.5
Long-term debt outstanding		61.6		59.3
		<u>68.3</u>		<u>65.8</u>
Deferred inflows				
Deferred revenues		26.1		24.4
Pension/OPEB deferrals		11.2		11.3
Total deferred inflows		<u>37.3</u>		<u>35.7</u>
Net position				
Net investment in capital assets		27.6		22.7
Restricted		4.7		4.5
Unrestricted		(14.5)		(13.3)
Total net position	\$	<u>17.8</u>	\$	<u>13.9</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Management's Discussion and Analysis

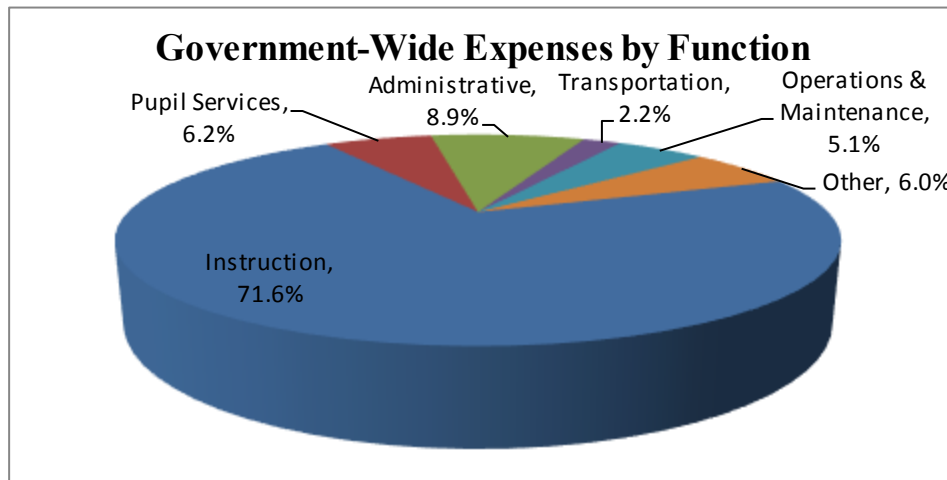
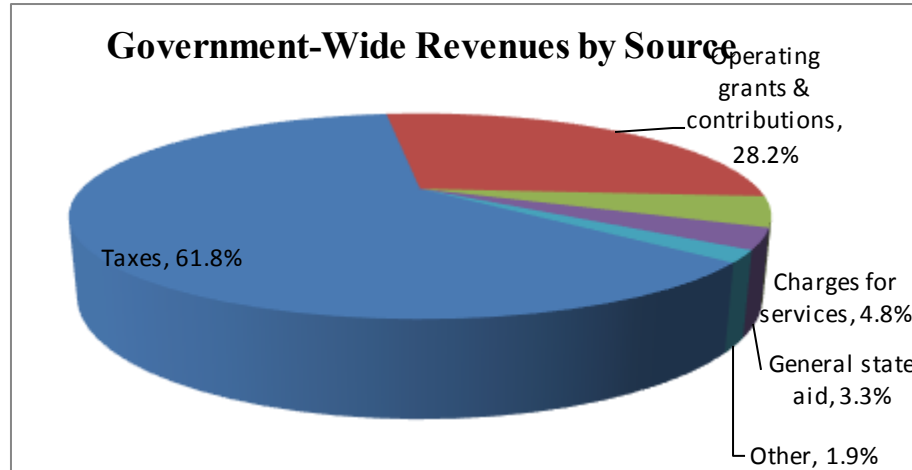
Changes in net position: The District's net position increased by \$3.9. (See Table 2)

Table 2				
Changes in Net Position				
<i>(in millions of dollars)</i>				
	2019		2018	
Revenue:				
Program Revenues:				
Charges for services	\$	4.1	\$	4.1
Operating grants & contributions		24.3		16.1
General revenues:				
Taxes		53.2		52.0
Evidence based funding		2.8		2.7
Other		1.6		0.7
Total revenues		86.0		75.6
Expenses:				
Instruction		58.8		55.5
Pupil & instructional services		5.1		5.0
Administration & business		7.3		10.2
Transportation		1.8		1.7
Operations & maintenance		4.2		4.3
Other		4.9		4.6
Total expenses		82.1		81.3
Increase in net position		3.9		(5.7)
Net position - beginning, originally reported		13.9		56.7
Prior period adjustment		-		(37.1)
Net position - beginning, as adjusted		13.9		19.6
Net position - end of year	\$	17.8	\$	13.9

Property taxes accounted for most of the District's revenue, contributing about 61.9 cents of every dollar raised. The remainder comes from restricted and unrestricted state and federal revenues, fees charged for services and miscellaneous sources. The total cost of all programs and services was \$82.1. The District's expenses are predominantly (80.0%) related to instruction, pupil services and transportation of students.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Management's Discussion and Analysis



Financial Analysis of the District's Funds

The statement of net position includes capital assets and long-term liabilities and therefore presents a financial picture that is different from the traditional modified accrual statements. As the District completed the year, the ending fund balance in all funds was \$41.3, a \$0.3 increase for the year.

The ending fund balance in the operating funds is shown below.

Operating Revenue	\$62.6
Operating Expenditures	\$57.3
Operating Fund Balance	\$39.6
Operating Fund Balance as % of Operating Expenditures	69.1%

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Management's Discussion and Analysis

General Fund

FY19 revenues in the Educational Account of the General Fund exceeded expenses by \$.8. Local revenues increased by \$1.4 or 3.2% compared to last year. State educational aid decreased by 8.3%, excluding on-behalf payments, and federal aid increased 8.7% over 2018. Overall expenditures contributed to the enhancements of the instructional programs, negotiated certified staff salary increases, rising costs in health insurance premiums, and technology improvements. Expenditures of the Educational Account of the General Fund increased 2.0%, excluding on-behalf payments, resulting in a year-end fund balance of \$33.1, after taking into account net other financing uses of (\$0.8).

In FY19, revenues of the Operations and Maintenance Account of the General Fund were \$9.0 and expenditures were \$5.5, resulting in a year-end fund balance of \$2.2, after taking into account other financing sources and uses of (\$4.3).

The Working Cash Account of the General Fund received \$0.1 in tax levy proceeds and interest income. The District uses Working Cash Funds to help support operations through interfund transfers and loans when necessary. The ending fund balance for FY19 was \$1.1.

In FY19, revenues of the Tort Immunity Account of the General Fund were \$0.3 and expenditures were \$0.5 resulting in a year-end fund balance of \$0.6.

Transportation Fund

Overall, the FY19 Transportation Fund revenues exceeded expenditures by \$0.3. Revenue increased by 14.6%. This was due to the state catching up and paying 5 quarters of payments in FY19. Expenditures increased by 3.4% primarily due to a contracted increase with the transportation company for student bus service.

Municipal Retirement/Social Security Fund

The Municipal Retirement/Social Security Fund revenues exceeded expenditures by \$0.1 resulting in a year end fund balance of \$0.8.

Debt Service Fund

The Debt Service Fund revenues exceeded expenditures and other financing sources by \$0.1, resulting in a year end fund balance of \$1.7.

Fire Prevention and Life Safety Fund

In FY11, the issuance of \$5.1 in long-term debt obligations provided the Fire Prevention and Life Safety Fund the necessary resources to complete designated Life Safety Projects identified through the 10-year Life Safety Survey. The ending fund balance at FY19 was \$0.0.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Management's Discussion and Analysis

Capital Asset and Debt Administration***Capital assets***

The District's capital assets consist of a total investment of \$102.4 (\$41.9 net of accumulated depreciation). Total depreciation expense for the year was \$3.5. More detailed information about capital assets can be found in Note 4 to the basic financial statements.

	2019		2018	
Land	\$	0.6	\$	0.6
Land improvements		1.1		1.2
Buildings		37.5		34.8
Vehicles & Equipment		2.2		2.2
Construction in Progress		0.5		-
Total	\$	41.9	\$	38.8

Long-term debt

In 2019 the District retired \$1.8 in long-term debt. At the end of fiscal year 2019, the District had a debt margin of \$111.7. More detailed information can be found in Note 5 of the basic financial statements.

	2019		2018	
General obligation bonds	\$	9.1	\$	10.3
Debt certificates & capital leases		5.2		5.9
Net pension liability		7.4		3.0
OPEB liability		39.9		39.2
Total	\$	61.6	\$	58.4

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Management's Discussion and Analysis

ISBE Financial Profile

The Illinois State Board of Education evaluated the financial integrity of all public school districts based on five standard indicators: operational balance-to-revenue ratio, operational expenditure-to-revenue ratio, operational cash-on-hand, short term debt capacity and long term debt capacity. These scores are weighted and summed to yield a total profile score.

Projected District 39 FY ISBE Financial Profile Calculations					
Indicator	Value	Rating	Weighting	District Score	Max Possible
Fund Balance to revenue	63.0%	4	0.35	1.40	1.40
Expenses to revenue	90.9%	4	0.35	1.40	1.40
Cash on hand	290.10	4	0.10	0.40	0.40
Short term debt remaining	100.0%	4	0.10	0.40	0.40
Long term debt remaining	88.8%	4	0.10	0.40	0.40
Total				4.00	4.00

The District's total profile score last year was 4.00 out of a possible 4.00. The projected score for FY19 is 4.00 out of a possible 4.00. Based on this state formula, the District will continue to be placed in the ISBE's highest category, "Recognition", for financial integrity. In the previous 10 years, the District has scored 4.00 in all but FY10 and FY11 when it received a 3.55.

Factors Bearing on the District's Future

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

1. Since 1995, the District has been subject to tax cap legislation. This legislation severely limits the ability of the District to increase revenues proportionate to the increase in expenditures. The increase in expenditures are due to such factors as the expansion of instructional programming to meet the needs of the students, rising health care costs, contributed implementation of technology and facility needs. Balancing future budgets will continue to be a difficult challenge.
2. The District's certified staff negotiated contract runs through fiscal year 2021.
3. The District's support staff negotiated contract runs through fiscal year 2020.
4. Refunds from property tax appeals continue to have a negative effect on net local property tax revenue receipts.
5. Pension Issues

Teachers' Retirement System (TRS) is the teacher pension plan in Illinois, covering all teachers and other certified staff employed by school districts outside the City of Chicago. Historically, the state of Illinois has assumed responsibility for school district contributions for all TRS employees on behalf of all school districts including District 39. However, the State of Illinois has a long history of not meeting its funding obligations to TRS. There are many years of non-payments and lost interest to make up; as a result, TRS is underfunded.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Management's Discussion and Analysis

The contributions by the State are recognized by each school district as both revenue and expenditures, as required by the State. They are shown on districts' financial statements as "on behalf" revenue and expenditures. In FY19 the "on-behalf" amount increased substantially from \$14.1 in FY 18 to \$22.0 in FY19.

Looking ahead, if the State of Illinois proceeded with a plan to shift some or all of pension costs to local school districts, D39 would need to cover additional pension costs with no increased revenues.

Requests for Information

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

Wilmette Public Schools District 39
Mikaelian Education Center
615 Locust Road
Wilmette, IL 60091
(847) 512-6000

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Statement of Net Position

June 30, 2019

	Governmental Activities
Assets	
Cash and investments	\$ 47,501,520
Receivables	
Property taxes	26,126,719
Due from other governments	364,678
Other	4,904
Prepaid items	118,350
Capital assets	
Land and construction in progress	1,127,523
Other capital assets, net of depreciation	40,767,396
	<hr/>
Total assets	116,011,090
Deferred Outflows	
Deferred amount on refunding	147,122
Deferred outflows related to pensions	5,281,048
Deferred outflows related to other post-employment benefits	2,013,970
	<hr/>
Total deferred outflows	7,442,140
Liabilities	
Accounts payable	311,587
Accrued salaries and related expenses	5,457,105
Unearned grants and fees	914,547
Noncurrent liabilities	
Due within one year	1,845,000
Due in more than one year	59,760,023
	<hr/>
Total liabilities	68,288,262
Deferred Inflows	
Property taxes levied for subsequent year	26,126,719
Deferred inflows related to pensions	2,876,543
Deferred inflows related to other post-employment benefits	8,349,330
	<hr/>
Total deferred inflows	37,352,592
Net Position	
Net investment in capital assets	27,663,343
Restricted	
Liability insurance	436,518
Debt service	1,699,032
Transportation	1,781,278
Employee retirement	780,068
Capital projects	162
Unrestricted	(14,548,025)
	<hr/>
Total net position	\$ 17,812,376

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Statement of Activities

Year Ended June 30, 2019

Functions	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions		
Governmental Activities					
Instructional services					
Regular programs	\$ 49,562,318	\$ 1,641,765	\$ 22,124,844	\$ -	\$ (25,795,709)
Special programs	9,282,692	396,255	1,428,475	-	(7,457,962)
Support services					
Pupils	3,778,749	-	-	-	(3,778,749)
Instructional staff	1,376,012	-	67,065	-	(1,308,947)
General administration	2,315,765	-	-	-	(2,315,765)
School administration	2,264,808	-	-	-	(2,264,808)
Business	2,675,845	1,371,127	33,013	-	(1,271,705)
Operation and maintenance of facilities	4,229,791	7,061	-	-	(4,222,730)
Transportation	1,770,748	655,431	612,056	-	(503,261)
Central	2,490,960	-	-	-	(2,490,960)
Other	379,436	-	-	-	(379,436)
Community Services	216,598	-	-	-	(216,598)
Non programmed charges	1,332,976	-	-	-	(1,332,976)
Interest on long-term liabilities	470,703	-	-	-	(470,703)
Total Governmental Activities	\$ 82,147,401	\$ 4,071,639	\$ 24,265,453	\$ -	(53,810,309)

General revenues

Property taxes levied for	
General purposes	40,343,065
Specific purposes	11,404,525
Debt service	1,480,218
Personal property replacement taxes	465,416
State aid not restricted to specific purposes	2,800,580
Earnings on investments	1,094,376
Miscellaneous	72,423
Total general revenues	57,660,603
Change in net position	3,850,294
Net position - beginning, as originally stated	13,962,082
Net position - ending	\$ 17,812,376

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Balance Sheet
 Governmental Funds
 June 30, 2019

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Assets				
Cash and investments	\$ 42,870,690	\$ 1,698,866	\$ 2,931,964	\$ 47,501,520
Receivables				
Property taxes	24,313,968	742,569	1,070,182	26,126,719
Due from other governments	213,220	-	151,458	364,678
Other	4,434	166	304	4,904
Prepaid Items	118,350	-	-	118,350
TOTAL ASSETS	\$ 67,520,662	\$ 2,441,601	\$ 4,153,908	\$ 74,116,171
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 197,352	\$ -	\$ 114,235	\$ 311,587
Accrued salaries and related expenditures	5,397,061	-	60,044	5,457,105
Unearned grants and fees	566,608	-	347,939	914,547
Total Liabilities	6,161,021	-	522,218	6,683,239
Deferred Inflows				
Property taxes levied for subsequent year	24,313,968	742,569	1,070,182	26,126,719
Total Deferred Inflows	24,313,968	742,569	1,070,182	26,126,719
Fund Balances				
Nonspendable				
Prepaid items	118,350	-	-	118,350
Restricted				
Liability insurance	436,518	-	-	436,518
Debt service	-	1,699,032	-	1,699,032
Transportation	-	-	1,781,278	1,781,278
Employee retirement	-	-	780,068	780,068
Capital projects	-	-	162	162
Unassigned	36,490,805	-	-	36,490,805
Total Fund Balances	37,045,673	1,699,032	2,561,508	41,306,213
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 67,520,662	\$ 2,441,601	\$ 4,153,908	\$ 74,116,171

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Reconciliation of the Balance Sheet of Governmental Funds
 to the Statement of Net Position
 June 30, 2019

Total fund balances - governmental funds	\$ 41,306,213
Amounts reported for governmental activities in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The cost of the assets is \$102,376,676 and the accumulated depreciation is \$60,481,757.	41,894,919
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Deferred amount on refunding	147,122
Long-term debt	(14,378,698)
Net pension liability	(7,373,233)
Other postemployment benefits obligation	(39,853,092)
Deferred inflows and outflows of resources related to pensions are not reported in governmental funds	
Deferred outflows	7,295,018
Deferred inflows	<u>(11,225,873)</u>
Net position of governmental activities	<u><u>\$ 17,812,376</u></u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2019

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Local sources	\$ 54,506,714	\$ 1,511,071	\$ 2,913,877	\$ 58,931,662
State sources	25,190,676	-	739,624	25,930,300
Federal sources	1,317,334	-	-	1,317,334
Total Revenues	81,014,724	1,511,071	3,653,501	86,179,296
EXPENDITURES				
Current operating:				
Instruction	54,497,025	-	711,532	55,208,557
Supporting services	20,047,141	-	6,828,093	26,875,234
Community services	202,994	-	13,604	216,598
Non-programmed charges	1,332,976	-	-	1,332,976
Debt service				
Principal	-	1,760,000	-	1,760,000
Interest and other	-	489,579	-	489,579
Total Expenditures	76,080,136	2,249,579	7,553,229	85,882,944
Excess (deficiency) of revenues over expenditures	4,934,588	(738,508)	(3,899,728)	296,352
OTHER FINANCING SOURCES (USES)				
Transfers in	750,000	799,543	4,260,137	5,809,680
Transfers out	(5,809,680)	-	-	(5,809,680)
Total other financing sources (uses)	(5,059,680)	799,543	4,260,137	-
Net change in fund balances	(125,092)	61,035	360,409	296,352
Fund balances at beginning of year	37,170,765	1,637,997	2,201,099	41,009,861
FUND BALANCES AT END OF YEAR	\$ 37,045,673	\$ 1,699,032	\$ 2,561,508	\$ 41,306,213

See accompanying notes to basic financial statements

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement Of Activities
Year Ended June 30, 2019

Net change in fund balances - total governmental funds \$ 296,352

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$1,500 are capitalized and the cost is allocated over their estimated lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 6,666,722	
Depreciation expense	<u>(3,526,364)</u>	3,140,358

Because some of the governmental revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are not accrued in the governmental funds. (181,601)

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

Change in net pension liability - TRS	\$ 541,213	
Change in net pension liability - IMRF	(4,882,252)	
Change in other postemployment benefits obligation	(654,212)	
Change in deferred inflows/outflows related to pensions	4,161,741	
Change in deferred inflows/outflows related to OPEB	<u>(350,181)</u>	(1,183,691)

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

Repayment of bond and loan principal	1,760,000	
Bond premium/discount amortization	53,892	
Deferred refunding amortization	<u>(35,016)</u>	1,778,876

Change in net position of governmental activities \$ 3,850,294

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Statement of Fiduciary Assets and Liabilities
Agency Fund - Activity Funds
June 30, 2019

Assets

Cash	<u>\$ 306,529</u>
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Liabilities

Due to organizations	<u>\$ 306,529</u>
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WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements

June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Wilmette Public School District 39 (the District) operates as a public school system governed by a seven member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District:

a. The Reporting Entity

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

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

Joint Ventures - The District is also a member of the following organization:

Wilmette Community Special Education Agreement (see Note 12)

b. Fund Accounting

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

Governmental funds include the following fund types:

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Fire Prevention and Safety Fund – The Fire Prevention and Safety Fund accounts for financial resources to be used for acquisitions and construction projects, which qualify as Fire Prevention and Safety expenditures.

Fiduciary Fund Type

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

The District reports the following funds as major governmental funds:

General Fund
Debt Service Fund

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

The District has adopted a policy to net the interfund receivables and payables for combined totals used to determine the major funds. Consequently, the interfund loan balances, which net to zero, are not utilized to determine major funds.

c. Basis of Presentation – Governmental Funds Financial Statements

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

The statement of activities demonstrates the degree to which the direct expense of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Net Position

Government-Wide Statements

Net position is classified and displayed in three components:

1. Net investment in capital assets. Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.
2. Restricted. Consists of restricted assets reduced by liabilities and deferred inflows or resources related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
3. Unrestricted. Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

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

e. Basis of Accounting/Masurement Focus

The government-wide financial statements and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Fiduciary fund reporting focuses on net position and changes in net position. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities in the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as a revenue of the current period. All other revenue items are considered to be measurable and available only when the District receives the cash.

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Deposits and Investments

State statues and the District's investment policy authorize the District to invest in obligations of the U.S. Treasury, certain highly rated commercial paper, corporate bonds, repurchase agreements, and State Treasurer's Investment Pool. Investments are stated at fair value, which is the market value as determined by published reports of such values.

g. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". These amounts are eliminated in the governmental activities column in the statement of net position. Receivables are expected to be collected within one year.

h. Revenues – Exchange and nonexchange transactions

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

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

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

i. Deferred Outflows/Inflows of Resources

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Property Tax Revenues

The District must file its tax levy ordinance by the last Tuesday in December of each year. The District's 2018 levy ordinance was originally approved during the December 17, 2018 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations: Individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). 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 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 March 1 and the second due on August 1 for property located in Cook County. Property taxes are normally collected by the District within 60 days of the respective installments dates. Due to the allocation method used, individual fund rates for Cook County may exceed the statutory limits; however, the combined extension is limited to the statutory rate limits extended on the combined equalized assessed valuation.

The 2018 property tax levy is recognized as a receivable in fiscal year 2019. The District considers that the first installment of the 2018 levy is to be used to finance operations in fiscal 2019. The District has determined that the second installment of the 2018 levy is to be used to finance operations in fiscal year 2020 and has deferred the corresponding receivable.

k. Personal Property Replacement Taxes

Personal property replacement taxes are first allocated to the Municipal Retirement Fund, with the balance allocated to the remaining funds at the discretion of the District.

l. Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid assets under the consumption method.

m. Capital Assets

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and building improvements	20-75 years
Land improvements	20-75 years
Furniture, equipment and vehicles	5-20 years

n. Compensated Absences

Employees receive fifteen sick days annually. Certified staff can accumulate up to 376 days and the non-certified staff could accumulate up to 300 days. Sick leave is not paid out upon termination.

Non-certified 12-month employees receive two to four weeks of vacation time each fiscal year, depending upon years of service. As of June 30, 2019, any vacation time earned but not yet used has not been accrued, as the amount is immaterial. Certified employees who work less than 12 calendar months per year do not earn vacation days.

o. Long-Term Obligations

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

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

p. Reserved Fund Balances

In the governmental funds financial statements, the District reserves those portions of fund balances which are legally segregated for a specific purpose or do not represent amounts available for other appropriations.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Pensions

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

r. Comparative Data

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2018, from which such information was derived.

s. Eliminations and Reclassifications

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

t. Use of Estimates

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

2. CASH AND INVESTMENTS

a. Deposits and Custodial Credit Risk

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

At June 30, 2019 the carrying amount of the District's deposits, which include both cash and certificates of deposit (excluding cash on hand of \$100 and student activity funds of \$306,529), totaled \$36,458,273 and the bank balances totaled \$37,682,756. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's investment policy requires collateral to be pledged and held by a third party custodian in the name of the District. Collateral must meet or exceed the market value of the uninsured deposits. As of June 30, 2019 all of the District's deposits were collateralized.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

2. CASH AND INVESTMENTS (Continued)

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

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an investment pool created and regulated by the Illinois General Assembly. The fair value of the District's investment in ISDLAF+ has been determined using the net asset value (NAV) per share (or its equivalent) of the investments. The NAV of the Liquid Class and MAX Class are determined as of the close of business on each Illinois banking day. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shares may be redeemed with seven days' advance notice. There were no known restrictions on redemption of the District's investments as of June 30, 2019.

The fair value of the District's investments as of June 30, 2019 were as follows:

Investment Type	Fair value	Maturities (in years) Less than 1	Percent of Portfolio	Applicable Agency Rating
ISDLAF+ Liquid Series	\$ 2,586	\$ 2,586	0.0%	AAAm
ISDLAF+ MAX Series	65,297	65,297	0.6%	AAAm
US Treasury Notes & Bills	10,975,264	10,975,264	99.4%	AAA
Total Investments	\$ 11,043,147	\$ 11,043,147	100.0%	

Interest Rate Risk. The District's investment policy seeks to ensure the preservation of capital in the District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However the policy requires the District investment portfolio to be sufficiently liquid to enable the District to meet all operating requirements as they come due. A portion of the portfolio is required to be invested in readily available funds to ensure appropriate liquidity.

Credit Risk. The District's investments are rated, as shown above, by the applicable rating agency.

Concentration of Credit Risk. The District places no limit on the amount of the District may invest any one issuer.

Custodial Credit Risk. With respect to deposits, custodial credit risk is the risk that, in the event of bank failure the District's deposits may not be returned to them. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be insured by collateral.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

2. CASH AND INVESTMENTS (Continued)

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

Separate cash and investment accounts are not maintained for all District funds; instead, the individual funds maintain their invested and uninvested balances in the common account balance attributable to each participating fund.

Occasionally certain funds participating in the common bank accounts will incur overdrafts (deficits) in the account. The overdrafts results from expenditures that have been approved by the Board of Education.

3. INTERFUND TRANSFERS

The following interfund transfers were made during the year ended June 30, 2019:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund - Educational Account	General Fund - O&M Account	\$ 750,000
General Fund - O&M Account	Debt Service Fund	799,543
General Fund - O&M Account	Capital Projects Fund	<u>4,260,137</u>
		<u>\$ 5,809,680</u>

The transfers to the O&M Account and Capital Projects Fund was made to provide funds for building construction. Transfers to the Debt Service Fund were made to provide funds for debt service payments.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

4. CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance			Balance
	June 30, 2018	Additions	Deletions	June 30, 2019
Capital assets, not being depreciated:				
Land	\$ 610,765	\$ -	\$ -	\$ 610,765
Construction in progress	-	516,758	-	516,758
Total capital assets not being depreciated	<u>610,765</u>	<u>516,758</u>	<u>-</u>	<u>1,127,523</u>
Capital Assets, being depreciated:				
Land Improvements	2,921,985	17,300	-	2,939,285
Buildings	76,089,075	5,168,265	-	81,257,340
Equipment and Vehicles	16,088,129	964,399	-	17,052,528
Total capital assets being depreciated	<u>95,099,189</u>	<u>6,149,964</u>	<u>-</u>	<u>101,249,153</u>
Accumulated depreciation for:				
Land Improvements	1,700,737	132,434	-	1,833,171
Buildings	41,293,124	2,466,465	-	43,759,589
Equipment and Vehicles	13,961,532	927,465	-	14,888,997
Total accumulated depreciation	<u>56,955,393</u>	<u>3,526,364</u>	<u>-</u>	<u>60,481,757</u>
Total capital assets being depreciated, net	<u>38,143,796</u>	<u>2,623,600</u>	<u>-</u>	<u>40,767,396</u>
Total capital assets, net	<u>\$ 38,754,561</u>	<u>\$ 3,140,358</u>	<u>\$ -</u>	<u>\$ 41,894,919</u>

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

Instructional /Services:	
Regular Programs	\$ 2,221,609
Special Programs	317,373
Supporting Services:	
General Administration	634,746
Operations and maintenance	352,636
	<u>\$ 3,526,364</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Notes To Financial Statements (continued)
June 30, 2019

5. LONG-TERM DEBT

During the year ended June 30, 2019, the following changes occurred in Long-Term Debt:

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Amount due in one year
General Obligation Bonds	\$ 9,845,000	\$ -	\$ 1,150,000	\$ 8,695,000	\$ 1,210,000
Unamortized Premium	502,523	-	56,373	446,150	-
Unamortized Discount	(4,933)	-	(2,481)	(2,452)	-
Total Bonds Payable	\$ 10,342,590	\$ -	\$ 1,203,892	\$ 9,138,698	\$ 1,210,000
Debt Certificates	5,850,000	-	610,000	5,240,000	635,000
Net Pension Liability					
TRS	3,907,494	-	541,213	3,366,281	-
IMRF	(875,300)	4,882,252	-	4,006,952	-
OPEB					
THIS	33,610,609	774,167	-	34,384,776	-
Medical and Dental	5,588,271	-	119,955	5,468,316	-
Total Long-Term Debt	\$ 58,423,664	\$ 5,656,419	\$ 2,475,060	\$ 61,605,023	\$ 1,845,000

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

Purpose	Interest Rates	Original Indebtedness	Face Amount	Carrying Amount
Series 2010 General Obligation Limited Tax School Bonds dated July 7, 2010 are due in annual installments through January 15, 2026	2.00%-4.13%	\$ 8,505,000	\$ 8,505,000	\$ 6,175,000
Series 2017 General Obligation Limited Refunding Bonds dated November 16, 2017 are due in annual installments through December 1, 2020	1.82%	3,605,000	3,605,000	2,520,000
Total		\$ 12,110,000	\$ 12,110,000	\$ 8,695,000

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

5. LONG-TERM DEBT (Continued)

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

Fiscal Year Ending				
June 30,	Principal		Interest	Total
2020	\$ 1,210,000	\$	276,513	\$ 1,486,513
2021	1,310,000		253,581	1,563,581
2022	1,015,000		241,660	1,256,660
2023	1,345,000		205,120	1,550,120
2024	1,420,000		155,355	1,575,355
2025	1,500,000		96,780	1,596,780
2026	895,000		34,905	929,905
Total	\$ 8,695,000	\$	1,263,914	\$ 9,958,914

a. Debt Margin

The District is subject to the Illinois Compiled Statutes which limits the amount of bond indebtedness, including the certificate of participation, to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2019, the statutory debt limit for the District was \$123,951,781 providing a debt margin of \$111,715,813 after taking into account amounts available in the Debt Service Fund.

b. Certificates of Participation

In fiscal year 2012, the District issued \$7,515,000 in Debt Certificates with an average interest rate of 3.41%. The net proceeds of \$8,176,559 (after premium and payment of underwriting fees, insurance and other issuance costs) were deposited into the Operations and Maintenance Account to be used for various projects. The debt certificates will be repaid from the Debt Service Fund.

Annual debt service requirements to maturity for debt certificates are as follows:

Fiscal Year Ending				
June 30,	Principal		Interest	Total
2020	\$ 635,000	\$	164,642	\$ 799,642
2021	660,000		138,742	798,742
2022	685,000		111,842	796,842
2023	715,000		83,842	798,842
2024	740,000		58,442	798,442
2025	760,000		37,652	797,652
2026	775,000		17,694	792,694
2027	270,000		3,718	273,718
Total	\$ 5,240,000	\$	616,574	\$ 5,856,574

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

6. RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the entity risk pools (see Notes 10 and 11). SSCIP for its general liability and property coverage and School Employees Loss Fund (SELF) for workers' compensation claims. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. Premiums have been recorded as expenditures in the appropriate funds. No significant reductions in insurance coverage have occurred from the prior year, and no settlements have been made in the last three years which exceeded any insurance coverage.

7. RETIREMENT FUND SYSTEMS

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

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

Plan Description

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

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/cafrs/fy2018>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

7. RETIREMENT FUND SYSTEMS (Continued)

Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2020. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2021. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial-lump sum payment in lieu of a retirement annuity. Both programs will begin in 2019 and will be funded by bonds issued by the State of Illinois.

Contributions

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

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

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2019, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$21,657,550 in pension contributions from the State of Illinois.

2.2 formula contributions. The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2019 were \$179,583, and are deferred because they were paid after the June 30, 2018 measurement date.

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

7. RETIREMENT FUND SYSTEMS (Continued)

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

For the year ended June 30, 2019, the employer pension contribution was 9.85% of salaries paid from federal and special trust funds. For the year ended June 30, 2019, salaries totaling \$115,630 were paid from the federal and special trust funds that required employer contributions of \$11,390. These contributions are deferred because they were paid after the June 30, 2018 measurement date.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The District is required to make a one-time contribution to TRS for members granted salary increases over 6% 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, 2019, the District paid \$14,150 to TRS for employer contributions due on excess governor's statutory salary contributions and paid \$4,058 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, 2019, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the District. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	3,366,281
State's proportionate share of the net pension liability associated with the District		230,604,352
Total	\$	<u>233,970,633</u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 and rolled forward to June 30, 2018. 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, 2018, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2018, the District's proportion was 0.00432%, which was a decrease of 0.00079% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the District recognized pension expense of \$21,657,550 and revenue of \$21,657,550 for support provided by the state. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

7. RETIREMENT FUND SYSTEMS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 67,656	\$ 734
Changes in assumptions	147,644	95,408
Net difference between projected and actual earnings on pension plan investments	-	10,307
Changes in proportion and differences between District contributions and proportionate share of contributions	-	653,970
Total deferred amounts to be recognized in pension expense in future periods	215,300	760,419
District contributions subsequent to the measurement date	209,181	-
Total	<u>\$ 424,481</u>	<u>\$ 760,419</u>

\$209,181 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred Outflows of Resources
2019	\$ (102,655)
2020	(118,033)
2021	(164,604)
2022	(113,030)
2023	(46,797)
Total	<u>\$ (545,119)</u>

Actuarial Assumptions

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

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

7. RETIREMENT FUND SYSTEMS (Continued)

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

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

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

Discount rate

At June 30, 2018, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2017. 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, 2018 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.

7. RETIREMENT FUND SYSTEMS (Continued)

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 4,128,425	\$ 3,366,281	\$ 2,752,525

Detailed information about the TRS's fiduciary net position as of June 30, 2018 is available in the separately issued TRS Comprehensive Annual Financial Report.

b. Illinois Municipal Retirement Fund (IMRF)

Plan Description and Benefits

The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained online at www.imrf.org.

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

7. RETIREMENT FUND SYSTEMS (Continued)

Plan Membership

As of June 30, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	260
Inactive employees entitled to but not yet receiving benefits	670
Active employees	<u>211</u>
Total	<u><u>1,141</u></u>

Contributions

As set by statute, Regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's actual contribution rates for calendar years 2018 and 2019 were 9.15% and 6.90% of covered payroll, respectively. The District contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The District's net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Price inflation	2.50%
Salary increases	3.39% to 14.25%
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

7. RETIREMENT FUND SYSTEMS (Continued)

Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
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The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	37.0%	7.15%
International equities	18.0%	7.25%
Fixed income	28.0%	3.75%
Real estate	9.0%	6.25%
Alternatives	7.0%	3.20-8.50%
Cash equivalents	1.0%	2.50%
	<u>100.0%</u>	

Discount Rate

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

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

7. RETIREMENT FUND SYSTEMS (Continued)

2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

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

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2017	\$ 34,097,441	\$ 34,972,741	\$ (875,300)
Changes for the year:			
Service Cost	703,062	-	703,062
Interest on the Total Pension Liability	2,501,851	-	2,501,851
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(90,920)	-	(90,920)
Changes of Assumptions	866,045	-	866,045
Contributions - Employer	-	644,471	(644,471)
Contributions - Employees	-	321,137	(321,137)
Net Investment Income	-	(2,082,527)	2,082,527
Benefit Payments, including Refunds of Employee Contributions	(2,181,908)	(2,181,908)	-
Other (Net Transfer)	-	214,705	(214,705)
Net Changes	1,798,130	(3,084,122)	4,882,252
Balances at December 31, 2018	\$ 35,895,571	\$ 31,888,619	\$ 4,006,952

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

The following presents the net pension liabilities of the District, calculated using the discount rate, as well as what the District's net pension liabilities would be if they were calculated using discount rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 2,743,909	\$ (875,300)	\$ (3,885,859)

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

7. RETIREMENT FUND SYSTEMS (Continued)

For the year ended June 30, 2018, the District recognized pension expense of \$836,259. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 39,999
Changes in assumptions	381,002	-
Net difference between projected and actual earnings on pension plan investments	4,228,405	2,076,125
Total deferred amounts to be recognized in pension expense in future periods	4,609,407	2,116,124
Contributions subsequent to the measurement date	256,160	-
Total	<u>\$ 4,865,567</u>	<u>\$ 2,116,124</u>

\$256,160 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2019	\$ 1,041,478
2020	276,680
2021	241,542
2022	933,583
2023	-
Total	<u>\$ 2,493,283</u>

8. OTHER POST EMPLOYMENT BENEFITS**a. District Plan****Plan Description and Benefits**

The District administers a single-employer defined benefit healthcare plan, the "retiree Healthcare Benefit Program: or "the Plan". The plan provides healthcare insurance for eligible retirees and their dependents through the District's group health insurance plan, which covers both active and retired members. Benefit provisions are established by state law and through negotiations between the District and the unions representing District employees, which are renegotiated each bargaining period. As of June 30, 2018, all retirees are eligible for benefits pre and post-Medicare. The Plan does not issue a stand-alone financial report.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

8. OTHER POST EMPLOYMENT BENEFITS (Continued)

Retired teachers are eligible for the Teachers' Retirement Insurance Program (TRIP) with the State of Illinois. Retirees are responsible for the portion of premium rates not covered by the District's health plan and are responsible for the full premium rate. Certain retirees are eligible to receive a stipend to reimburse them for the cost of their health insurance.

Eligibility – Teachers must be age 50 or older with a minimum of 10 years of full-time employment in the District and retire under the provisions of the Illinois Teachers' Retirement. Administrators must submit their irrevocable notice of retirement no less than two years before their retirement date and meet the eligibility requirements to retire under TRS or IMRF. IMRF employees must meet the State requirements for eligibility. Non-union employees must meet the IMRF eligibility requirements. Surviving spouses of IMRF and non-union employees are eligible to remain on the District's plan until age 65.

Funding Policy

All plan funding is done on a pay-as-you go basis.

By allowing retirees (who are generally older than the District's other employees) to remain on the District's health coverage, there is an implicit rate subsidy to the retirees as they are paying a lower rate for health insurance than they could get on the open market. Because of this implicit rate subsidy, the actual cost to the District is indeterminable. However, it is estimated that for the fiscal year June 30, 2019, the District's cost for the plan was \$147,746.

Employees Covered by Benefit Terms

As of June 30, 2019, the following employees were covered by the benefit terms.

Inactive employees or beneficiaries currently receiving benefits	247
Active employees	<u>572</u>
Total	<u><u>819</u></u>

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2019. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine the total OPEB liability at June 30, 2019:

Actuarial cost method	Entry Age Normal
Asset valuation method	N/A
Inflation	2.50%
Salary increases	3.50%
Investment rate of return	N/A
Retirement rates	IMRF – Rates from the December 31, 2018 IMRF Actuarial Valuation Report TRS – Rates from the June 30, 2018 Teachers' Retirement System Actuarial Report

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

8. OTHER POST EMPLOYMENT BENEFITS (Continued)

Mortality	RP-2014 Combined Annuitant Mortality Tables for males and females.
Healthcare cost trend rates	For fiscal years on and after 2020, trend starts at 5.50% for the District's Plan and 5% for TRIP, and gradually decreasing to an ultimate trend of 4.50% by 2030.

Discount Rate

The District does not have a dedicated Trust to pay the benefits of the Plan. Per GASB 75, this discount rate is a yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The discount rate used is 2.79%, which is the S&P Municipal Bond 20 Year High-Grade Rate Index as of June 30, 2019.

Changes in Net OPEB Liability

	Total/Net OPEB Liability
	<u> </u>
Balances at June 30, 2018	\$ 5,588,271
Changes for the year:	
Service Cost	226,313
Interest on the Total Pension Liability	194,464
Differences Between Expected & Actual Experience	(83,056)
Changes of Assumptions	225,702
Benefit Payments	(638,017)
Other Payments	<u>(45,361)</u>
Net Changes	<u>(119,955)</u>
Balances at June 30, 2019	<u><u>\$ 5,468,316</u></u>

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

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 2.79%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

8. OTHER POST EMPLOYMENT BENEFITS (Continued)

	1% Decrease (1.79%)	Current Discount Rate (2.79%)	1% Increase (3.79%)
Net OPEB liability	\$ 5,965,870	\$ 5,468,316	\$ 5,034,842

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

	1% Decrease (4.50%)	Current Heathcare Cost Trend Rate (5.50%)	1% Increase (6.50%)
Net OPEB liability (asset)	\$ 5,125,555	\$ 5,468,316	\$ 5,886,280

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

For the year ended June 30, 2019, the District recognized OPEB expense of \$147,746. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 2,636,672
Changes in assumptions	618,143	564,858
Total	\$ 618,143	\$ 3,201,530

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

Year Ending June 30	Net Deferred Outflows of Resources
2020	\$ (273,031)
2021	(273,031)
2022	(273,031)
2023	(273,031)
2024	(273,031)
Thereafter	(1,218,232)
Total	\$ (2,583,387)

8. OTHER POST EMPLOYMENT BENEFITS (Continued)

b. Teacher Health Insurance Security Fund (THIS)

Plan Description

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

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

Benefits Provided

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

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

Contributions

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

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

8. OTHER POST EMPLOYMENT BENEFITS (Continued)

On-behalf contributions to THIS. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.24% of pay during the year ended June 30, 2019. State of Illinois contributions were \$383,936 and the district recognized revenue and expenditures of this amount during the year.

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.92% during the year ended June 30, 2019. For the year ended June 30, 2019, the District paid \$284,856 to the THIS Fund, which was 100 percent of the required contribution. These contributions are deferred because they were paid after the June 30, 2018 measurement date.

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

At June 30, 2019, the District reported a liability for its proportionate share of the net OPEB liability. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$	34,384,776
State's proportionate share of the net OPEB liability associated with the District		<u>46,171,356</u>
Total	\$	<u>80,556,132</u>

The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017 and rolled forward to June 30, 2018. The District's proportion of the net OPEB liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2018, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2018, the District's proportion was 0.1305%, which was an increase of 0.0010% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the District recognized OPEB expense of \$1,849,794.

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

8. OTHER POST EMPLOYMENT BENEFITS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 123,373
Changes in assumptions	-	5,007,001
Net difference between projected and actual earnings on OPEB plan investments	-	1,055
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>1,110,971</u>	<u>16,371</u>
Total deferred amounts to be recognized in OPEB expense in future periods	1,110,971	5,147,800
District contributions subsequent to the measurement date	<u>284,856</u>	<u>-</u>
Total	<u>\$ 1,395,827</u>	<u>\$ 5,147,800</u>

\$284,856 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Net Deferred Inflows of Resources
2019	\$ 620,134
2020	620,134
2021	620,134
2022	620,134
2023	620,041
Thereafter	<u>936,252</u>
Total	<u>\$ 4,036,829</u>

Actuarial Valuation Method

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

Actuarial Assumptions

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

8. OTHER POST EMPLOYMENT BENEFITS (Continued)

Inflation	2.75%
Salary increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption,
Investment rate of return	0.00%, net of OPEB plan investment expense, including inflation.
Healthcare cost trend rates	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.36% is added to non-Medicare costs on and after 2022 to account for Excise Tax.

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

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2014.

Discount rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since the THIS is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 3.56% as of June 30, 2017, and 3.62% as of June 30, 2018. The increase in the single discount rate from 3.56% to 3.62% caused the total OPEB liability to decrease by approximately \$285 million from 2017 to 2018.

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

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 3.62%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.62%) or 1-percentage-point higher (4.62%) than the current rate:

	1% Decrease (2.62%)	Current Discount Rate (3.62%)	1% Increase (4.62%)
District's proportionate share of the net OPEB liability	\$ 41,343,737	\$ 34,384,776	\$ 28,891,249

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

8. OTHER POST EMPLOYMENT BENEFITS (Continued)

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

	1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
District's proportionate share of the net OPEB liability	\$ 27,880,484	\$ 34,384,776	\$ 43,147,617

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

9. FUND BALANCE REPORTING

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance.

a. Nonspendable Fund Balance

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

b. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes.

c. Committed Fund Balance

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

9. FUND BALANCE REPORTING (Continued)

d. Assigned Fund Balance

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

e. Unassigned Fund Balance

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

f. Expenditures of Fund Balance

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

10. SUBURBAN SCHOOL COOPERATIVE INSURANCE POOL (SSCIP)

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

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

11. SCHOOL EMPLOYEES LOSS FUND (SELF)

The District is a member of SELF, which has been formed to reduce local school districts' workers' compensation costs. SELF is controlled by a Board of Directors which is composed of representatives designated by each school district. The day-to-day operations of SELF are managed through and Executive Board elected by the Board of Directors. Each member district has a financial responsibility for annual membership contributions, which are calculated to provide for administrative expenses, specific and aggregate excess insurance coverage, and the funding of a portion of anticipated losses and loss adjustment expenses which will be borne directly by the membership. The losses and loss adjustment expenses to be borne by the membership are those which must be incurred prior to the attachment of excess insurance coverage. Complete financial statements for SELF can be obtained from their accountant at Two Pierce Place, Itasca, IL 60143.

12. JOINT VENTURE – WILMETTE COMMUNITY SPECIAL EDUCATION AGREEMENT (WCSEA)

The District and other districts have entered into a joint agreement to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the policy board. Complete financial statements for the Agreement can be obtained from the Administrative Offices at 615 Locust Road Wilmette, Illinois 60091.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Financial Statements (continued)

June 30, 2019

13. STATE AND FEDERAL AID CONTINGENCIES

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

14. CONTINGENT LIABILITIES

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

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

	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY					
Service Cost	\$ 703,062	\$ 723,817	\$ 731,347	\$ 726,522	\$ 725,192
Interest	2,501,851	2,499,020	2,395,180	2,306,643	2,125,394
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	(90,920)	118,069	386,452	180,066	159,343
Changes of Assumptions	866,045	(1,101,216)	(34,872)	33,912	1,310,231
Benefit Payments, Including Refunds of Member Contributions	(2,181,908)	(2,201,204)	(2,063,711)	(1,989,115)	(1,819,252)
Net Change in Total Pension Liability	1,798,130	38,486	1,414,396	1,258,028	2,500,908
Total Pension Liability - Beginning	34,097,441	34,058,955	32,644,559	31,386,531	28,885,623
TOTAL PENSION LIABILITY - ENDING	\$ 35,895,571	\$ 34,097,441	\$ 34,058,955	\$ 32,644,559	\$ 31,386,531
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 644,471	\$ 617,518	\$ 664,179	\$ 671,124	\$ 843,545
Contributions - Member	321,137	323,867	314,149	301,431	286,853
Net Investment Income	(2,082,527)	5,729,651	2,052,378	149,745	1,769,032
Benefit Payments, Including Refunds of Member Contributions	(2,181,908)	(2,201,204)	(2,063,711)	(1,989,115)	(1,819,252)
Other (Net Transfer)	214,705	(772,512)	116,596	601,304	32,211
Net Change in Plan Fiduciary Net Position	(3,084,122)	3,697,320	1,083,591	(265,511)	1,112,389
Plan Net Position - Beginning	34,972,741	31,275,421	30,191,830	30,457,341	29,344,952
PLAN NET POSITION - ENDING	\$ 31,888,619	\$ 34,972,741	\$ 31,275,421	\$ 30,191,830	\$ 30,457,341
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 4,006,952	\$ (875,300)	\$ 2,783,534	\$ 2,452,729	\$ 929,190
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.84%	102.57%	91.83%	92.49%	97.04%
Covered-Employee Payroll	\$ 7,043,408	\$ 6,930,609	\$ 6,843,588	\$ 6,628,082	\$ 6,454,190
Employer's Net Pension Liability as a Percentage of Covered - Employee Payroll	56.89%	-12.63%	40.67%	37.01%	14.40%

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Schedule of Employer Contributions

Illinois Municipal Retirement Fund

Last Five Fiscal Years

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 563,307	\$ 563,307	-	\$ 7,069,259	7.97%
2018	633,682	633,682	-	7,012,709	9.04%
2017	633,461	633,461	-	6,827,475	9.28%
2016	672,889	672,889	-	6,802,520	9.89%
2015	642,192	642,192	-	6,454,190	9.95%

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	25 years, closed
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.50%
Price inflation	2.75%
Salary increases	3.75% to 14.75 including inflation%
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 - 2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes

There were no benefit changes during the year.

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

Information prior to fiscal year 2015 is not available.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Schedule of the District's Proportionate Share of the
Net Pension Liability
Teachers' Retirement System
Last Five Fiscal Years

	2019*	2018 *	2017 *	2016 *	2015 *
District's proportion of the net pension liability	0.00432%	0.00511%	0.00528%	0.00566%	0.00569%
District's proportionate share of the net pension liability	\$ 3,366,281	\$ 3,907,494	\$ 4,166,490	\$ 3,705,118	\$ 3,463,973
State's proportionate share of the net pension liability associated with the District	230,604,352	220,633,101	231,518,876	185,731,557	171,634,448
Total	\$ 233,970,633	\$ 224,540,595	\$ 235,685,366	\$ 189,436,675	\$ 175,098,421
District's covered payroll	\$ 30,937,051	\$ 29,794,213	\$ 29,167,864	\$ 28,721,521	\$ 28,143,370
District's proportionate share of the net pension liability as a percentage of it's covered payroll	10.88%	13.11%	14.28%	12.90%	12.31%
Plan fiduciary net position as a percentage of the total pension liability	40.00%	39.30%	36.40%	41.50%	43.00%

Notes to Schedule

Changes of assumptions

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

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

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

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

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Schedule of Employer Contributions

Teachers' Retirement System

Last Five Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 209,181	\$ 209,181	\$ -	\$ 30,962,573	0.68%
2018	191,186	191,186	-	30,937,051	0.62%
2017	210,694	210,694	-	29,794,213	0.71%
2016	204,414	204,414	-	29,167,864	0.70%
2015	201,685	201,685	-	28,721,251	0.70%

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

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

Teachers' Health Insurance Security Fund

Last Two Fiscal Years

	<u>2019*</u>	<u>2018*</u>
District's proportion of the net OPEB liability	0.130513%	0.129523%
District's proportionate share of the net OPEB liability	\$ 34,384,776	\$ 33,610,609
State's proportionate share of the net OPEB liability associated with the District	<u>44,139,081</u>	<u>44,139,081</u>
	<u>\$ 78,523,857</u>	<u>\$ 77,749,690</u>
District's covered-employee payroll	\$ 30,937,051	\$ 29,794,213
District's proportionate share of the net OPEB liability as a percentage of it's covered-employee payroll	111.14%	112.81%
Plan fiduciary net position as a percentage of the total pension liability	-0.07%	-0.17%

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

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Schedule of Employer Contributions

Teachers' Health Insurance Security Fund

Last Two Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 284,856	\$ 284,856	-	\$ 30,962,573	0.92%
2018	272,246	272,246	-	30,937,051	0.88%

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund
 Balances - Budget and Actual - General Fund
 Year Ended June 30, 2019

	General Fund		
	Original and Final Budget	Actual	Variance Over/Under
REVENUES			
Local sources	\$ 53,510,624	\$ 54,506,714	\$ 996,090
State sources	17,742,860	25,190,676	7,447,816
Federal sources	1,125,187	1,317,334	192,147
Total Revenues	72,378,671	81,014,724	8,636,053
EXPENDITURES			
Current operating			
Instruction	47,913,320	54,497,025	(6,583,705)
Support services	20,820,503	20,047,141	773,362
Community services	211,896	202,994	8,902
Non-programmed charges	1,146,962	1,332,976	(186,014)
Total Expenditures	70,092,681	76,080,136	(5,987,455)
Excess of revenues over expenditures	2,285,990	4,934,588	2,648,598
OTHER FINANCING SOURCES (USES)			
Transfers in	750,000	750,000	-
Transfers out	(6,143,173)	(5,809,680)	333,493
Total other financing sources (uses)	(5,393,173)	(5,059,680)	333,493
Net change in fund balance	<u>\$ (3,107,183)</u>	(125,092)	<u>\$ 2,982,091</u>
Fund balances at beginning of year		<u>37,170,765</u>	
FUND BALANCES AT END OF YEAR		<u>\$ 37,045,673</u>	

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Notes To Required Supplementary Information

June 30, 2018

BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Governmental Funds. All encumbrances are canceled at year end, and, if necessary, are reinstated at the beginning of the subsequent fiscal year.

Legal spending control for District moneys is at the fund level, but management control is exercised at budgetary line item levels within each fund. The Board of Education, in accordance with Chapter 105, Section 5/17-1 of the *Illinois Compiled Statutes*, follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget, which was not amended, was adopted on August 27, 2018.
5. Formal budgetary integration is employed as a management control device during the year for the Governmental Funds.
6. The District has adopted a legal budget for all its Governmental Funds. Total actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.
7. The budget (all appropriations) lapses at the end of each fiscal year. 1

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Balance Sheet by Account

General Fund

June 30, 2019

	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total General
ASSETS					
Cash and investments	\$ 39,009,354	\$ 2,299,042	\$ 1,125,820	\$ 436,474	\$ 42,870,690
Receivables					
Property taxes	19,795,842	4,343,138	39,500	135,488	24,313,968
Due from other governments	202,138	11,082	-	-	213,220
Other	4,031	243	116	44	4,434
Prepaid items	-	-	-	118,350	118,350
TOTAL ASSETS	\$ 59,011,365	\$ 6,653,505	\$ 1,165,436	\$ 690,356	\$ 67,520,662
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 110,489	\$ 86,863	\$ -	\$ -	\$ 197,352
Accrued salaries and related expenditures	5,394,660	2,401	-	-	5,397,061
Unearned fees	566,608	-	-	-	566,608
Total Liabilities	6,071,757	89,264	-	-	6,161,021
Deferred Inflows					
Property taxes levied for subsequent year	19,795,842	4,343,138	39,500	135,488	24,313,968
Total Deferred Inflows	19,795,842	4,343,138	39,500	135,488	24,313,968
Fund balances					
Nonspendable					
Prepaid items	-	-	-	118,350	118,350
Restricted					
Liability insurance	-	-	-	436,518	436,518
Unassigned	33,143,766	2,221,103	1,125,936	-	36,490,805
Total Fund Balances	33,143,766	2,221,103	1,125,936	554,868	37,045,673
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 59,011,365	\$ 6,653,505	\$ 1,165,436	\$ 690,356	\$ 67,520,662

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Schedule of Revenues, Expenditures and Changes
in Fund Balances by Account
General Fund
Year Ended June 30, 2019

	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total General
REVENUES					
Local sources	\$ 45,110,147	\$ 9,004,313	\$ 109,037	\$ 283,217	\$ 54,506,714
State sources	25,190,676	-	-	-	25,190,676
Federal sources	1,317,334	-	-	-	1,317,334
Total Revenues	71,618,157	9,004,313	109,037	283,217	81,014,724
EXPENDITURES					
Current operating					
Instruction	54,497,025	-	-	-	54,497,025
Support services	14,007,402	5,491,207	-	548,532	20,047,141
Community services	202,994	-	-	-	202,994
Non-programmed charges	1,332,976	-	-	-	1,332,976
Total Expenditures	70,040,397	5,491,207	-	548,532	76,080,136
Excess of revenues over (under) expenditures	1,577,760	3,513,106	109,037	(265,315)	4,934,588
OTHER FINANCING SOURCES (USES)					
Transfers in	-	750,000	-	-	750,000
Transfers out	(750,000)	(5,059,680)	-	-	(5,809,680)
Total other financing sources (uses)	(750,000)	(4,309,680)	-	-	(5,059,680)
Net change in fund balance	827,760	(796,574)	109,037	(265,315)	(125,092)
Fund balances at beginning of year	32,316,006	3,017,677	1,016,899	820,183	37,170,765
FUND BALANCES AT END OF YEAR	\$ 33,143,766	\$ 2,221,103	\$ 1,125,936	\$ 554,868	\$ 37,045,673

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Educational Account
Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources				
General levy	\$ 39,865,621	\$ 40,039,707	\$ 174,086	\$ 39,096,988
Special education levy	304,245	303,358	(887)	293,636
Corporate personal property replacement taxes	382,539	447,816	65,277	412,617
Tuition	672,000	735,859	63,859	709,345
Investment income	323,100	903,649	580,549	401,345
Food services	1,384,000	1,371,127	(12,873)	1,412,204
Pupil activities	1,140,000	1,161,750	21,750	1,164,656
Contributions from private sources	-	-	-	-
Other	160,736	146,881	(13,855)	220,318
Total local sources	44,232,241	45,110,147	877,906	43,711,109
State sources				
Unrestricted				
Evidence based funding formula	2,796,993	2,800,580	3,587	2,796,994
Restricted				
Special education - private facility tuition	220,000	309,976	89,976	212,257
Special education - extraordinary	-	-	-	105,050
Special education - personnel	-	-	-	279,814
Special education - orphanage individual	20,000	35,832	15,832	17,298
Special education- orphanage summer individual	-	121	121	795
Special education - summer school	-	-	-	1,027
Bilingual education - downstate - TPI	-	-	-	19,323
Other restricted revenue from state sources	2,682	2,681	(1)	2,354
On behalf payment to TRS from the state	14,703,185	22,041,486	7,338,301	14,117,237
Total state sources	17,742,860	25,190,676	7,447,816	17,552,149
Federal sources				
Restricted				
Special milk program	35,000	33,013	(1,987)	33,500
Title I - low income	96,691	110,769	14,078	106,683
Federal - special education - preschool	35,254	36,946	1,692	34,629
Federal - special education - IDEA	827,357	844,302	16,945	817,655
Federal - special education - IDEA - R&B	-	152,854	152,854	106,084
Title III - English language acquisition	34,303	23,941	(10,362)	17,940
Title II - teacher quality	61,082	67,065	5,983	57,192
Medicaid - administrative outreach	13,200	13,876	676	13,164
Medicaid - fee for service	22,300	34,568	12,268	24,981
Total federal sources	1,125,187	1,317,334	192,147	1,211,828
Total revenues	\$ 63,100,288	\$ 71,618,157	\$ 8,517,869	\$ 62,475,086

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
EXPENDITURES				
Current operating				
Instruction				
Regular programs				
Salaries	\$ 19,467,989	\$ 19,231,082	\$ 236,907	\$ 19,287,214
Employee benefits	2,491,202	2,460,030	31,172	2,383,544
On-behalf payments to TRS from the state	14,703,185	22,041,486	(7,338,301)	14,117,237
Purchased services	36,130	35,518	612	53,591
Supplies and materials	345,310	345,270	40	329,059
Capital outlay	113,767	86,220	27,547	40,126
Total	37,157,583	44,199,606	(7,042,023)	36,210,771
Special education programs				
Salaries	6,159,312	5,884,939	274,373	5,778,560
Employee benefits	1,123,435	1,103,207	20,228	999,386
Purchased services	79,100	141,758	(62,658)	73,681
Supplies and materials	61,084	66,909	(5,825)	49,392
Capital outlay	2,000	-	2,000	-
Other objects	350	-	350	150
Total	7,425,281	7,196,813	228,468	6,901,169
Special education Pre-K programs				
Salaries	839,851	715,438	124,413	824,570
Employee Benefits	166,614	124,305	42,309	146,839
Purchased services	4,240	4,403	(163)	-
Supplies and materials	5,635	4,669	966	2,853
Capital outlay	1,500	-	(1,500)	-
Total	1,017,840	848,815	169,025	974,262
Remedial and supplemental programs				
Salaries	474,084	481,820	(7,736)	555,533
Employee benefits	100,329	93,304	7,025	104,230
Supplies and materials	50	50	-	18,663
Total	574,463	575,174	(711)	678,426
Interscholastic programs				
Salaries	81,008	84,170	(3,162)	80,821
Employee benefits	1,181	1,091	90	1,085
Purchased services	11,000	8,874	2,126	9,053
Supplies and materials	12,000	8,733	3,267	12,000
Total	\$ 105,189	\$ 102,868	\$ 2,321	\$ 102,959

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
Summer school				
Salaries	\$ 291,550	\$ 287,541	\$ 4,009	\$ 210,191
Employee benefits	4,125	3,378	747	2,285
Purchased services	15,750	7,527	8,223	11,513
Supplies and materials	30,000	24,395	5,605	21,474
Other objects	100,000	118,714	(18,714)	81,209
Total	441,425	441,555	(130)	326,672
Differentiation specialists				
Salaries	691,130	639,079	52,051	663,714
Employee benefits	81,369	85,963	(4,594)	77,975
Total	772,499	725,042	47,457	741,689
Bilingual				
Salaries	340,054	352,007	(11,953)	308,782
Employee benefits	59,731	47,060	12,671	45,094
Purchased services	900	-	900	-
Supplies and materials	18,355	8,085	10,270	7,584
Total	419,040	407,152	11,888	361,460
Total instruction	47,913,320	54,497,025	(6,583,705)	46,297,408
Support services				
Pupils				
Attendance and social work:				
Salaries	876,068	830,659	45,409	810,618
Employee benefits	98,396	97,056	1,340	80,280
Purchased services	1,640	819	821	12,578
Supplies and materials	1,575	333	1,242	464
Total	\$ 977,679	\$ 928,867	\$ 48,812	\$ 903,940

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
Health services				
Salaries	\$ 291,809	\$ 283,992	\$ 7,817	\$ 282,388
Employee benefits	34,190	46,624	(12,434)	30,740
Purchased services	37,400	4,096	33,304	10,179
Supplies and materials	6,450	5,153	1,297	5,394
Other objects	300	120	180	469
Total	370,149	339,985	30,164	329,170
Psychological services				
Salaries	610,911	594,515	16,396	515,845
Employee benefits	88,201	77,020	11,181	73,274
Purchased services	2,250	16,913	(14,663)	-
Supplies and materials	3,800	3,965	(165)	1,223
Capital outlay	800	-	800	-
Total	705,962	692,413	13,549	590,342
Speech pathology and audiology services				
Salaries	748,336	778,157	(29,821)	716,455
Employee benefits	102,734	102,556	178	89,873
Purchased services	3,350	27,787	(24,437)	35,654
Supplies and materials	3,700	1,984	1,716	1,334
Total	858,120	910,484	(52,364)	843,316
Other support services				
Salaries	707,502	659,908	47,594	661,353
Employee benefits	56,329	67,397	(11,068)	52,150
Purchased services	6,150	13,048	(6,898)	9,657
Supplies and materials	5,300	2,093	3,207	1,430
Other objects	300	284	16	164
Total	775,581	742,730	32,851	724,754
Total pupils	\$ 3,687,491	\$ 3,614,479	\$ 73,012	\$ 3,391,522

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
Instructional staff				
Improvement of instruction services				
Salaries	\$ 296,211	\$ 286,729	\$ 9,482	\$ 284,836
Employee benefits	48,956	44,125	4,831	48,257
Purchased services	102,562	121,369	(18,807)	123,210
Supplies and materials	1,000	1,497	(497)	800
Total	448,729	453,720	(4,991)	457,103
Educational media services				
Salaries	677,306	682,297	(4,991)	714,931
Employee benefits	115,750	137,211	(21,461)	116,292
Purchased services	3,200	2,195	1,005	2,358
Supplies and materials	74,613	67,889	6,724	65,232
Total	870,869	889,592	(18,723)	898,813
Assessment/testing				
Purchased services	3,500	2,169	1,331	2,197
Total	3,500	2,169	1,331	2,197
Total instructional staff	1,323,098	1,345,481	(22,383)	1,358,113
General administration				
Board of education				
Salaries	82,611	90,159	(7,548)	78,126
Employee benefits	8,136	8,221	(85)	8,388
Purchased services	174,500	188,269	(13,769)	108,259
Supplies and materials	10,000	15,334	(5,334)	12,979
Other objects	8,000	13,558	(5,558)	11,883
Total	283,247	315,541	(32,294)	219,635
Executive administration				
Salaries	368,634	380,267	(11,633)	327,874
Employee benefits	70,149	63,882	6,267	63,023
Purchased services	9,000	7,981	1,019	9,198
Supplies and materials	1,985	2,195	(210)	1,470
Capital outlay	1,000	-	1,000	-
Other objects	14,000	4,667	9,333	14,444
Total	\$ 464,768	\$ 458,992	\$ 5,776	\$ 416,009

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
Special area administration				
Salaries	\$ 263,660	\$ 264,520	\$ (860)	\$ 330,862
Employee benefits	55,474	46,008	9,466	63,083
Purchased services	6,184	7,473	(1,289)	9,702
Supplies and materials	2,284	2,173	111	2,198
Other objects	1,125	380	745	583
Total	328,727	320,554	8,173	406,428
Total general administration	1,076,742	1,095,087	(18,345)	1,042,072
School administration				
Salaries	1,711,066	1,704,526	6,540	1,592,848
Employee benefits	374,846	387,670	(12,824)	368,295
Purchased services	21,035	9,701	11,334	18,883
Supplies and materials	83,238	80,683	2,555	77,441
Capital outlay	1,300	-	1,300	3,878
Other objects	4,947	1,303	3,644	385
Total	2,196,432	2,183,883	12,549	2,061,730
Total school administration	2,196,432	2,183,883	12,549	2,061,730
Business				
Direction of business support services				
Salaries	66,326	70,521	(4,195)	100,824
Employee benefits	6,020	10,353	(4,333)	5,902
Purchased services	5,200	2,723	2,477	2,393
Supplies and materials	6,000	4,256	1,744	5,255
Other	2,200	1,620	580	1,991
Total	\$ 85,746	\$ 89,473	\$ (3,727)	\$ 116,365

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
Fiscal services				
Salaries	\$ 252,792	\$ 233,028	\$ 19,764	\$ 236,637
Employee benefits	39,197	34,319	4,878	37,957
Purchased services	22,600	19,683	2,917	16,247
Capital outlay	4,000	1,448	2,552	3,658
Other objects	95,000	84,128	10,872	76,236
Total	413,589	372,606	40,983	370,735
Food services				
Salaries	760,115	767,235	(7,120)	757,631
Employee benefits	120,355	119,756	599	117,134
Purchased services	18,250	12,649	5,601	10,515
Supplies and materials	968,650	967,436	1,214	992,991
Capital outlay	10,000	3,983	6,017	8,861
Total	1,877,370	1,871,059	6,311	1,887,132
Total business	2,376,705	2,333,138	43,567	2,374,232
Central				
Planning, research, development and evaluation services				
Salaries	312,321	301,195	11,126	340,059
Employee benefits	27,583	28,386	(803)	29,655
Purchased services	68,500	54,432	14,068	31,928
Supplies and materials	334,500	312,567	21,933	327,707
Other objects	3,600	1,462	2,138	3,555
Total	\$ 746,504	\$ 698,042	\$ 48,462	\$ 732,904

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
Information services				
Purchased services	\$ 224,000	\$ 206,876	\$ 17,124	\$ 208,942
Supplies and materials	8,500	8,978	(478)	10,513
Total	<u>232,500</u>	<u>215,854</u>	<u>16,646</u>	<u>219,455</u>
Staff services				
Salaries	321,969	304,647	17,322	291,810
Employee benefits	52,647	53,535	(888)	51,871
Purchased services	44,100	32,299	11,801	31,490
Supplies and materials	2,500	1,732	768	2,419
Capital outlay	7,600	6,536	1,064	-
Other objects	3,000	1,947	1,053	3,418
Total	<u>431,816</u>	<u>400,696</u>	<u>31,120</u>	<u>381,008</u>
Data processing services				
Salaries	452,867	444,594	8,273	450,504
Employee benefits	59,743	70,012	(10,269)	55,403
Purchased services	114,200	118,637	(4,437)	102,876
Supplies and materials	369,800	433,880	(64,080)	317,519
Capital outlay	499,200	638,850	(139,650)	918,218
Non-Capitalized equipment	-	17,690	(17,690)	-
Total	<u>1,495,810</u>	<u>1,723,663</u>	<u>(227,853)</u>	<u>1,844,520</u>
Total central	<u>2,906,630</u>	<u>3,038,255</u>	<u>(131,625)</u>	<u>3,177,887</u>
Other support services				
Employee benefits	445,000	366,088	78,912	294,672
Supplies and materials	12,000	13,348	(1,348)	258
Capital outlay	20,000	17,643	2,357	10,702
Total	<u>477,000</u>	<u>397,079</u>	<u>79,921</u>	<u>305,632</u>
Total support services	<u>14,044,098</u>	<u>14,007,402</u>	<u>36,696</u>	<u>13,711,188</u>
Community services				
Salaries	167,273	160,036	7,237	153,875
Employee benefits	3,711	3,455	256	3,472
Purchased services	19,798	19,000	798	8,247
Supplies and materials	21,114	20,503	611	18,958
Total community services	<u>\$ 211,896</u>	<u>\$ 202,994</u>	<u>\$ 8,902</u>	<u>\$ 184,552</u>

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
Payments to other districts and governmental units				
Payments for special education programs				
Purchased services	\$ 115,736	\$ 115,736	\$ -	\$ 182,406
Other objects	16,226	11,839	4,387	3,339
Total	<u>131,962</u>	<u>127,575</u>	<u>4,387</u>	<u>185,745</u>
Payments for regular programs-tuition				
Other objects	85,000	62,890	22,110	74,982
Total	<u>85,000</u>	<u>62,890</u>	<u>22,110</u>	<u>74,982</u>
Payments for special education programs-tuition				
Other objects	930,000	1,142,511	(212,511)	685,276
Total	<u>930,000</u>	<u>1,142,511</u>	<u>(212,511)</u>	<u>685,276</u>
Total payments to other districts and governmental units	<u>1,146,962</u>	<u>1,332,976</u>	<u>(186,014)</u>	<u>946,003</u>
Total expenditures	<u>63,316,276</u>	<u>70,040,397</u>	<u>(6,724,121)</u>	<u>61,139,151</u>
Excess of revenues over expenditures	<u>(215,988)</u>	<u>1,577,760</u>	<u>1,793,748</u>	<u>1,335,935</u>
OTHER FINANCING SOURCES (USES)				
Transfer out	<u>(750,000)</u>	<u>(750,000)</u>	<u>-</u>	<u>(2,695,710)</u>
Total other financing sources (uses)	<u>(750,000)</u>	<u>(750,000)</u>	<u>-</u>	<u>(2,695,710)</u>
Net change in fund balance	<u>\$ (965,988)</u>	<u>827,760</u>	<u>\$ 1,793,748</u>	<u>(1,359,775)</u>
Fund balance at beginning of year		<u>32,316,006</u>		<u>33,675,781</u>
FUND BALANCE AT END OF YEAR		<u>\$ 33,143,766</u>		<u>\$ 32,316,006</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Operations and Maintenance Account
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources				
General levy	\$ 8,812,082	\$ 8,873,067	\$ 60,985	\$ 8,282,398
Investment income	30,500	58,232	27,732	33,063
Rentals	10,000	7,061	(2,939)	6,553
Other	50,000	65,953	15,953	165,007
Total local sources	8,902,582	9,004,313	101,731	8,487,021
State sources				
Unrestricted				
Other restricted revenue from state sources	-	-	-	875
Total state sources	-	-	-	875
Total revenues	8,902,582	9,004,313	101,731	8,487,896
EXPENDITURES				
Current operating				
Support services				
Business				
Facilities acquisition and construction service				
Purchased services	821,650	1,142,842	(321,192)	751,358
Capital outlay	1,116,112	712,836	403,276	234,009
Non-capitalized equipment	-	11,651	(11,651)	-
Total	1,937,762	1,867,329	70,433	985,367
Operation and maintenance of plant services				
Salaries	1,738,600	1,647,592	91,008	1,639,733
Employee benefits	348,441	313,431	35,010	301,020
Purchased services	1,082,865	788,032	294,833	781,989
Supplies and materials	1,039,400	868,288	171,112	870,221
Capital outlay	75,000	6,535	68,465	9,725
Non-capitalized equipment	-	-	-	-
Total	4,284,306	3,623,878	660,428	3,602,688
Total support services	6,222,068	5,491,207	730,861	4,588,055
Total expenditures	6,222,068	5,491,207	730,861	4,588,055
Excess of revenues over expenditures	\$ 2,680,514	\$ 3,513,106	\$ 832,592	\$ 3,899,841

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Operations and Maintenance Account
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 750,000	\$ 750,000	\$ -	\$ 2,500,000
Transfers out	(5,393,173)	(5,059,680)	333,493	(4,474,264)
Total other financing sources (uses)	<u>(4,643,173)</u>	<u>(4,309,680)</u>	<u>333,493</u>	<u>(1,974,264)</u>
Net change in fund balance	<u>\$ (1,962,659)</u>	<u>(796,574)</u>	<u>\$ 1,166,085</u>	1,925,577
Fund balance at beginning of year		<u>3,017,677</u>		<u>1,092,100</u>
FUND BALANCE AT END OF YEAR		<u>\$ 2,221,103</u>		<u>\$ 3,017,677</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Working Cash Account
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources				
General levy	\$ 81,706	\$ 84,719	\$ 3,013	\$ 93,987
Investment income	10,200	24,318	14,118	9,433
Total local sources	91,906	109,037	17,131	103,420
Total revenues	91,906	109,037	17,131	103,420
Net change in fund balance	<u>\$ 91,906</u>	109,037	<u>\$ 17,131</u>	103,420
Fund balance at beginning of year		<u>1,016,899</u>		<u>913,479</u>
FUND BALANCE AT END OF YEAR		<u>\$ 1,125,936</u>		<u>\$ 1,016,899</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Tort Immunity Account
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources				
Tort immunity levy	\$ 276,080	\$ 272,057	\$ (4,023)	\$ 321,232
Investment income	7,815	11,160	3,345	7,593
Total local sources	<u>283,895</u>	<u>283,217</u>	<u>(678)</u>	<u>328,825</u>
Total revenues	<u>283,895</u>	<u>283,217</u>	<u>(678)</u>	<u>328,825</u>
EXPENDITURES				
Current operating				
Support services				
Insurance payments				
Purchased services	325,000	327,081	(2,081)	267,559
Total	<u>325,000</u>	<u>327,081</u>	<u>(2,081)</u>	<u>267,559</u>
Educational, inspectional, supervisory services related to loss prevention or reduction:				
Salaries	191,118	187,366	3,752	187,874
Employee benefits	33,219	34,085	(866)	32,502
Total	<u>224,337</u>	<u>221,451</u>	<u>2,886</u>	<u>220,376</u>
Legal services				
Purchased services	5,000	-	5,000	10,556
Total	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>10,556</u>
Total support services	<u>554,337</u>	<u>548,532</u>	<u>5,805</u>	<u>498,491</u>
Total expenditures	<u>554,337</u>	<u>548,532</u>	<u>5,805</u>	<u>498,491</u>
Net change in fund balance	<u>\$ (270,442)</u>	<u>(265,315)</u>	<u>\$ 5,127</u>	<u>(169,666)</u>
Fund balance at beginning of year		<u>820,183</u>		<u>989,849</u>
FUND BALANCE AT END OF YEAR		<u>\$ 554,868</u>		<u>\$ 820,183</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Debt Service Fund
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources				
General levy	\$ 1,432,683	\$ 1,480,218	\$ 47,535	\$ 1,300,958
Investment income	14,400	30,853	16,453	14,880
Total local sources	<u>1,447,083</u>	<u>1,511,071</u>	<u>63,988</u>	<u>1,315,838</u>
Total revenues	<u>1,447,083</u>	<u>1,511,071</u>	<u>63,988</u>	<u>1,315,838</u>
EXPENDITURES				
Debt service				
Interest on long term debt	487,239	487,129	110	576,849
Principal payments on long term debt	1,760,000	1,760,000	-	5,327,440
Other expenses	4,000	2,450	1,550	25,326
Total	<u>2,251,239</u>	<u>2,249,579</u>	<u>1,660</u>	<u>5,929,615</u>
Total expenditures	<u>2,251,239</u>	<u>2,249,579</u>	<u>1,660</u>	<u>5,929,615</u>
Excess (deficiency) of revenues over expenditures	<u>(804,156)</u>	<u>(738,508)</u>	<u>65,648</u>	<u>(4,613,777)</u>
OTHER FINANCING SOURCES (USES)				
Principal on bonds sold	-	-	-	3,605,000
Transfers in	799,543	799,543	-	958,453
Total other financing sources (uses)	<u>799,543</u>	<u>799,543</u>	<u>-</u>	<u>4,563,453</u>
Net change in fund balance	<u>\$ (4,613)</u>	61,035	<u>\$ 65,648</u>	(50,324)
Fund balance at beginning of year		<u>1,637,997</u>		<u>1,688,321</u>
FUND BALANCE AT END OF YEAR		<u><u>\$ 1,699,032</u></u>		<u><u>\$ 1,637,997</u></u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019

	Transportation	Municipal Retirement/ Social Security	Capital Projects	Fire Prevention and Safety	Total Nonmajor Governmental Funds
ASSETS					
Assets					
Cash and investments	\$ 2,091,775	\$ 840,027	\$ -	\$ 162	\$ 2,931,964
Receivables					
Property taxes	306,627	763,555	-	-	1,070,182
Due from other governments	151,458	-	-	-	151,458
Other	219	85	-	-	304
TOTAL ASSETS	<u>\$ 2,550,079</u>	<u>\$ 1,603,667</u>	<u>\$ -</u>	<u>\$ 162</u>	<u>\$ 4,153,908</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 114,235	\$ -	\$ -	\$ -	\$ 114,235
Accrued salaries and related expenditures	-	60,044	-	-	60,044
Unearned fees	347,939	-	-	-	347,939
Total Liabilities	<u>462,174</u>	<u>60,044</u>	<u>-</u>	<u>-</u>	<u>522,218</u>
Deferred Inflows					
Property taxes levied for subsequent year	306,627	763,555	-	-	1,070,182
Total Deferred Inflows	<u>306,627</u>	<u>763,555</u>	<u>-</u>	<u>-</u>	<u>1,070,182</u>
Fund Balances					
Restricted					
Transportation	1,781,278	-	-	-	1,781,278
Employee retirement	-	780,068	-	-	780,068
Capital projects	-	-	-	162	162
Total Fund Balances	<u>1,781,278</u>	<u>780,068</u>	<u>-</u>	<u>162</u>	<u>2,561,508</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 2,550,079</u>	<u>\$ 1,603,667</u>	<u>\$ -</u>	<u>\$ 162</u>	<u>\$ 4,153,908</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2019

	Transportation	Municipal Retirement/ Social Security	Capital Projects	Fire Prevention and Safety	Total Nonmajor Governmental Funds
REVENUES					
Local sources	\$ 1,322,700	\$ 1,591,174	\$ -	\$ 3	\$ 2,913,877
State sources	739,624	-	-	-	739,624
Total Revenues	2,062,324	1,591,174	-	3	3,653,501
EXPENDITURES					
Current operating					
Instruction	-	711,532	-	-	711,532
Support services	1,763,658	804,298	4,260,137	-	6,828,093
Community services	-	13,604	-	-	13,604
Total Expenditures	1,763,658	1,529,434	4,260,137	-	7,553,229
Excess (deficiency) of revenues over expenditures	298,666	61,740	(4,260,137)	3	(3,899,728)
OTHER FINANCING SOURCES					
Transfers in	-	-	4,260,137	-	4,260,137
Total other financing sources	-	-	4,260,137	-	4,260,137
Net changes in fund balances	298,666	61,740	-	3	360,409
Fund balances at beginning of year	1,482,612	718,328	-	159	2,201,099
FUND BALANCES AT END OF YEAR	\$ 1,781,278	\$ 780,068	\$ -	\$ 162	\$ 2,561,508

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Transportation Fund
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources				
General levy	\$ 622,582	\$ 621,181	\$ (1,401)	\$ 650,334
Transportation fees	639,000	655,431	16,431	626,716
Investment income	14,800	46,088	31,288	18,849
Other	-	-	-	2,621
Total local sources	<u>1,276,382</u>	<u>1,322,700</u>	<u>46,318</u>	<u>1,298,520</u>
State sources				
Transportation - regular/vocational	9,800	10,539	739	9,251
Transportation - special education	653,000	729,085	76,085	491,690
Total state sources	<u>662,800</u>	<u>739,624</u>	<u>76,824</u>	<u>500,941</u>
Total revenues	<u>1,939,182</u>	<u>2,062,324</u>	<u>123,142</u>	<u>1,799,461</u>
EXPENDITURES				
Support Services				
Business				
Pupil transportation services				
Salaries	51,959	49,773	2,186	50,614
Employee benefits	2,681	2,995	(314)	2,662
Purchased services	1,830,400	1,689,152	141,248	1,632,604
Supplies and materials	4,050	3,530	520	3,415
Other objects	20,500	18,208	2,292	16,912
Total	<u>1,909,590</u>	<u>1,763,658</u>	<u>145,932</u>	<u>1,706,207</u>
Total support services	<u>1,909,590</u>	<u>1,763,658</u>	<u>145,932</u>	<u>1,706,207</u>
Total expenditures	<u>1,909,590</u>	<u>1,763,658</u>	<u>145,932</u>	<u>1,706,207</u>
Net change in fund balance	<u>\$ 29,592</u>	298,666	<u>\$ 269,074</u>	93,254
Fund balance at beginning of year		<u>1,482,612</u>		<u>1,389,358</u>
FUND BALANCE AT END OF YEAR		<u>\$ 1,781,278</u>		<u>\$ 1,482,612</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Municipal Retirement/Social Security Fund
Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources				
General levy	\$ 335,236	\$ 333,809	\$ (1,427)	\$ 296,451
Social security/medicare levy	1,214,190	1,219,692	5,502	1,184,521
Corporate personal property replacement taxes	17,600	17,600	-	17,600
Investment income	7,200	20,073	12,873	9,516
Total local sources	1,574,226	1,591,174	16,948	1,508,088
Total revenues	1,574,226	1,591,174	16,948	1,508,088
EXPENDITURES				
Current operating				
Instruction				
Regular programs	363,776	340,256	23,520	341,744
Special education programs	368,388	326,677	41,711	343,676
Remedial and supplemental programs	21,402	17,840	3,562	21,656
Interscholastic programs	2,153	2,052	101	1,867
Summer school programs	13,050	11,152	1,898	8,615
Gifted programs	10,021	8,682	1,339	9,269
Bilingual programs	4,868	4,873	(5)	5,035
Total instruction	783,658	711,532	72,126	731,862
Support services				
Pupils				
Attendance and social work services	13,896	11,709	2,187	12,153
Health services	37,916	33,061	4,855	36,568
Psychological services	8,434	8,219	215	7,065
Speech pathology and audiology services	10,852	10,566	286	9,616
Other support services - pupils	120,201	100,715	19,486	109,025
Total pupils	191,299	164,270	27,029	174,427
Instructional staff				
Improvement of instruction staff	4,295	4,304	(9)	4,241
Educational media services	32,638	26,227	6,411	29,387
Total instructional staff	36,933	30,531	6,402	33,628
General administration				
Board of education services	12,921	12,321	600	12,360
Executive administration services	13,846	13,642	204	13,703
Special area administration services	13,415	11,437	1,978	12,570
Total general administration	\$ 40,182	\$ 37,400	\$ 2,782	\$ 38,633

(Continued)

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Municipal Retirement/Social Security Fund
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
School administration				
Office of the principal services	\$ 89,943	\$ 80,925	\$ 9,018	\$ 82,632
Total school administration	89,943	80,925	9,018	82,632
Business				
Direction of business support services	17,751	21,028	(3,277)	26,032
Fiscal services	37,246	41,511	(4,265)	43,545
Operation and maintenance of plant services	263,139	253,277	9,862	269,285
Pupil transportation services	7,672	7,090	582	7,684
Food services	75,949	70,175	5,774	72,790
Total business	401,757	393,081	8,676	419,336
Central				
Planning, research, development, and evaluation services	8,195	12,148	(3,953)	14,951
Staff services	33,634	28,745	4,889	28,909
Data processing services	59,062	57,198	1,864	63,124
Total central	100,891	98,091	2,800	106,984
Total support services	861,005	804,298	56,707	855,640
Community services	15,182	13,604	1,578	11,942
Total expenditures	1,659,845	1,529,434	130,411	1,599,444
Net change in fund balance	<u>\$ (85,619)</u>	61,740	<u>\$ 147,359</u>	(91,356)
Fund balance at beginning of year		<u>718,328</u>		<u>809,684</u>
FUND BALANCE AT END OF YEAR		<u>\$ 780,068</u>		<u>\$ 718,328</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Capital Projects Fund
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
None	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Support services				
Facilities acquisition and construction				
Capital outlay	4,593,630	4,260,137	333,493	3,711,521
Total	4,593,630	4,260,137	333,493	3,711,521
Total support services	4,593,630	4,260,137	333,493	3,711,521
Total expenditures	4,593,630	4,260,137	333,493	3,711,521
Excess (deficiency) of revenues over expenditures	(4,593,630)	(4,260,137)	(333,493)	(3,711,521)
OTHER FINANCING SOURCES (USES)				
Transfers in	4,593,630	4,260,137	(333,493)	3,711,521
Total other financing sources (uses)	4,593,630	4,260,137	(333,493)	3,711,521
Net change in fund balance	\$ -	-	\$ -	-
Fund balance at beginning of year		-		-
FUND BALANCE AT END OF YEAR		\$ -		\$ -

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule of Revenues, Expenditures And Changes In Fund Balance
 Budget And Actual
 Fire Prevention And Safety Fund
 Year Ended June 30, 2019 With Comparative Actual Totals for 2018

	2019			2018 Actual
	Final Budget	Actual	Variance Over/Under	
REVENUES				
Local sources				
Investment income	\$ 1	\$ 3	\$ 2	\$ 1
Total local sources	1	3	2	1
Total revenues	1	3	2	1
EXPENDITURES				
Support services				
Facilities acquisition and construction				
Capital outlay	-	-	-	-
Total	-	-	-	-
Total support services	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	<u>\$ 1</u>	3	<u>\$ 2</u>	1
Fund balance at beginning of year		<u>159</u>		<u>158</u>
FUND BALANCE AT END OF YEAR		<u>\$ 162</u>		<u>\$ 159</u>

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Statement of Changes in Assets and Liabilities
Fiduciary Fund - Agency Fund - Activity Funds
Year Ended June 30, 2019

	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
Assets				
Cash	\$ 207,552	\$ 500,055	\$ 401,078	\$ 306,529
Liabilities				
Due to organizations	\$ 207,552	\$ 500,055	\$ 401,078	\$ 306,529

STATISTICAL SECTION (UNAUDITED)

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

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

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Net Position By Component

Last Ten Fiscal Years

	2019	2018	2017	2016
Governmental activities				
Net investment in capital assets	\$ 27,663,343	\$ 22,744,109	\$ 22,906,137	\$ 21,484,353
Restricted	4,697,058	4,548,930	4,780,242	4,917,852
Unrestricted	(14,548,025)	(13,330,957)	29,020,851	26,336,222
Total governmental activities				
net position	<u>\$ 17,812,376</u>	<u>\$ 13,962,082</u>	<u>\$ 56,707,230</u>	<u>\$ 52,738,427</u>

Source of information: District records.

2015	2014	2013	2012	2011	2010
\$ 17,020,783	\$ 16,212,367	\$ 17,538,397	\$ 17,836,863	\$ 18,079,503	\$ 21,309,413
3,847,298	3,673,749	3,442,974	3,960,967	4,133,990	2,257,903
28,417,300	28,962,970	25,448,371	21,874,664	14,512,880	16,243,899
<hr/>					
\$ 49,285,381	\$ 48,849,086	\$ 46,429,742	\$ 43,672,494	\$ 36,726,373	\$ 39,811,215

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Changes In Net Position
 Last Ten Fiscal Years

	2019	2018	2017	2016
Expenses				
Governmental activities				
Instruction				
Regular programs	\$ 25,817,456	\$ 30,500,164	\$ 24,242,835	\$ 24,997,778
Special programs	9,282,692	9,284,735	8,453,395	7,238,849
Other instructional programs	1,703,376	1,557,566	2,081,518	1,552,819
State retirement contributions	22,041,486	14,117,237	11,778,497	10,794,788
Support services				
Pupils	3,778,749	3,565,949	3,428,001	3,461,436
Instructional staff	1,376,012	1,391,741	1,282,616	1,073,663
General administration	2,315,765	2,310,289	2,164,151	2,160,793
School administration	2,264,808	2,140,484	2,093,551	2,035,802
Business	2,675,845	5,757,034	3,479,079	2,810,438
Operations and maintenance	4,229,791	4,278,136	3,605,874	3,700,819
Transportation	1,770,748	1,713,891	1,599,013	1,477,448
Central	2,490,960	2,707,748	2,550,115	2,577,624
Other supporting services	379,436	294,930	407,095	478,763
Community services	216,598	196,494	198,770	192,853
Nonprogrammed charges-excluding special education	1,332,976	946,003	1,032,757	970,155
Interest and fees	470,703	513,300	607,227	650,406
Total governmental activities expenses	<u>82,147,401</u>	<u>81,275,701</u>	<u>69,004,494</u>	<u>66,174,434</u>
Program revenues				
Governmental activities				
Charges for services				
Instruction				
Regular programs	1,641,765	1,643,457	1,807,853	1,735,482
Special programs	396,255	415,430	276,120	226,832
Other instructional programs		-	-	-
Support services				
Business	1,371,127	1,412,204	1,380,322	1,369,361
Transportation	655,431	626,716	545,605	546,419
Operations and maintenance	7,061	21,553	7,409	27,779
Operating grants and contributions	24,265,453	16,100,708	15,980,665	13,685,269
Total governmental activities program revenues	<u>28,337,092</u>	<u>20,220,068</u>	<u>19,997,974</u>	<u>17,591,142</u>
Net revenue (expense)	<u>(53,810,309)</u>	<u>(61,055,633)</u>	<u>(49,006,520)</u>	<u>(48,583,292)</u>
Governmental activities				
General revenues				
Taxes				
Real estate taxes, levied for general purposes	40,343,065	39,390,624	39,361,995	38,910,582
Real estate taxes, levied for specific purposes	11,404,525	10,828,923	10,210,285	10,025,399
Real estate taxes, levied for debt service	1,480,218	1,300,958	1,190,472	1,304,927
Personal property replacement taxes	465,416	430,217	514,157	462,864
State aid-formula grants	2,800,580	2,796,994	1,225,740	1,160,103
Investment earnings	1,094,376	494,680	298,717	88,735
Miscellaneous	72,423	188,060	173,957	65,728
Total governmental activities general revenues	<u>57,660,603</u>	<u>55,430,456</u>	<u>52,975,323</u>	<u>52,018,338</u>
Change in net position	<u>\$ 3,850,294</u>	<u>\$ (5,625,177)</u>	<u>\$ 3,968,803</u>	<u>\$ 3,435,046</u>

Source of information: District records.

	2015	2014	2013	2012	2011	2010
\$	23,568,486	\$ 22,676,311	\$ 21,921,115	\$ 20,920,295	\$ 20,723,936	\$ 21,087,451
	8,142,045	7,504,554	7,486,733	7,537,015	8,080,170	7,600,115
	1,472,952	1,478,527	1,494,985	1,466,473	795,127	759,869
	9,738,971	10,075,229	7,824,824	6,613,685	6,117,663	6,157,944
	3,078,355	3,012,830	3,071,419	2,766,716	2,838,294	2,770,540
	1,378,089	1,299,633	1,285,528	1,247,151	1,393,769	1,236,682
	2,086,825	2,244,780	2,149,505	2,281,876	1,748,014	1,556,024
	2,043,304	1,869,734	1,802,832	1,722,007	1,824,531	1,752,180
	2,578,588	2,312,702	2,277,739	2,495,021	2,440,281	2,618,117
	4,488,911	5,199,668	4,746,517	4,151,168	4,107,954	1,062,364
	1,513,199	1,442,327	1,384,496	1,062,885	1,158,593	3,436,890
	2,446,428	2,564,801	2,299,090	2,528,137	1,888,436	2,084,898
	379,649	372,647	414,176	427,948	438,369	766,797
	183,391	176,676	108,810	97,760	86,275	87,955
	1,033,281	1,184,326	1,375,734	1,225,694	1,047,285	923,504
	768,490	1,036,702	869,273	721,290	636,574	644,916
	64,900,964	64,451,447	60,512,776	57,265,121	55,325,271	54,546,246
	1,549,514	1,517,240	1,448,234	1,390,709	1,223,443	1,617,246
	312,208	401,043	336,805	423,245	347,505	366,466
	-	-	-	-	-	-
	1,293,582	1,314,550	1,277,669	1,277,092	1,260,435	1,195,981
	535,977	562,623	561,038	546,040	535,481	506,143
	120,252	183,707	33,836	70,655	42,697	16,130
	13,455,402	13,517,007	11,895,628	10,111,158	9,726,041	9,699,032
	17,266,935	17,496,170	15,553,210	13,818,899	13,135,602	13,400,998
	(47,634,029)	(46,955,277)	(44,959,566)	(43,446,222)	(42,189,669)	(41,145,248)
	37,922,316	37,706,829	36,733,471	39,665,909	28,992,861	30,175,028
	9,537,734	8,575,328	7,811,155	7,626,065	7,008,351	7,651,920
	1,405,511	1,396,534	1,371,918	1,399,298	1,283,480	1,408,484
	502,810	480,550	458,536	433,232	434,068	374,135
	1,098,169	1,152,308	1,142,407	1,251,909	1,309,898	1,318,443
	72,304	51,267	55,883	13,378	29,251	157,013
	9,533	11,805	143,444	2,552	46,918	75,423
	50,548,377	49,374,621	47,716,814	50,392,343	39,104,827	41,160,446
\$	2,914,348	\$ 2,419,344	\$ 2,757,248	\$ 6,946,121	\$ (3,084,842)	\$ 15,198

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Fund Balances, Governmental Funds

Last Ten Fiscal Years

	2019	2018	2017	2016
General Fund				
Nonspendable	\$ 118,350	\$ 110,349	\$ 97,128	\$ 95,425
Restricted	436,518	709,834	892,721	923,344
Unassigned	36,490,805	36,350,582	35,681,360	32,447,866
Total general fund	<u>\$ 37,045,673</u>	<u>\$ 37,170,765</u>	<u>\$ 36,671,209</u>	<u>\$ 33,466,635</u>
All Other Governmental Funds				
Restricted				
Debt service	\$ 1,699,032	\$ 1,637,997	\$ 1,688,321	\$ 1,861,624
Transportation	1,781,278	1,482,612	1,389,358	1,202,578
Employee retirement	780,068	718,328	809,684	930,149
Capital projects	162	159	158	157
Total all other governmental funds	<u>\$ 4,260,540</u>	<u>\$ 3,839,096</u>	<u>\$ 3,887,521</u>	<u>\$ 3,994,508</u>
General Fund				
Nonspendable/Reserved				
Unassigned/Unreserved				
Total general fund				
All Other Governmental Funds				
Reserved				
Restricted, reported in:				
Special revenue funds				
Debt service funds				
Capital project funds				
Total all other governmental funds				

Note: Starting in fiscal year 2011 the Working Cash and Tort Immunity Accounts are reported in the General Fund. In 2011 the District implemented GASB #54. Amounts prior to fiscal year 2011 have not been restated for GASB Statement #54.

Source of information: District records.

2015	2014	2013	2012	2011	2010
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\$ 92,194	\$ 88,546	\$ 91,444	\$ 108,151	\$ 109,755	
938,262	734,032	416,731	11,685	-	
32,730,867	31,805,211	31,370,399	30,531,413	14,813,397	
<hr/>					
\$ 33,761,323	\$ 32,627,789	\$ 31,878,574	\$ 30,651,249	\$ 14,923,152	

\$ 1,908,110	\$ 1,992,289	\$ 2,195,715	\$ 2,390,491	\$ 1,616,069	
914,393	553,610	341,036	159,967	249,040	
1,005,195	947,239	720,111	430,920	170,504	
19,600	180,611	186,112	979,589	2,523,409	
<hr/>					
\$ 3,847,298	\$ 3,673,749	\$ 3,442,974	\$ 3,960,967	\$ 4,559,022	

\$ -
15,791,548
\$ 15,791,548

\$ 98,928
1,292,400
1,506,688
360,639
\$ 3,258,655

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years

	2019	2018	2017	2016
Revenues				
Local sources				
Property taxes	\$ 53,227,808	\$ 51,520,505	\$ 50,762,752	\$ 50,240,908
Replacement taxes	465,416	430,217	514,157	462,864
Tuition	735,859	709,435	657,678	605,738
Earnings on investments	1,094,736	494,680	298,717	88,735
Other local sources	3,407,843	3,597,985	3,533,588	3,383,863
Total local sources	58,931,662	56,752,822	55,766,892	54,782,108
State sources				
Evidence based funding	2,800,580	2,796,994	1,225,740	1,160,103
Other state aid	23,129,720	15,256,971	14,127,587	12,557,940
Total state sources	25,930,300	18,053,965	15,353,327	13,718,043
Federal sources				
	1,317,334	1,211,828	1,303,386	1,127,329
Total revenues	\$ 86,179,296	\$ 76,018,615	\$ 72,423,605	\$ 69,627,480
Expenditures				
Current				
Instruction				
Regular programs	\$ 22,412,156	\$ 22,395,152	\$ 21,942,262	\$ 22,108,030
Special programs	8,965,319	8,919,189	7,303,704	6,949,320
Other instructional programs	1,703,376	1,557,566	2,081,518	1,552,819
State retirement contributions	22,041,486	14,117,237	11,778,497	10,794,788
Total instruction	55,122,337	46,989,144	43,105,981	41,404,957
Supporting services				
Pupils	3,778,749	3,565,949	3,428,001	3,461,436
Instructional staff	1,376,012	1,391,741	1,282,616	1,073,663
General administration	1,681,019	1,579,196	1,073,026	1,581,735
School administration	2,264,808	2,140,484	2,093,551	2,035,802
Business	2,327,707	2,504,080	2,669,760	2,810,438
Operations and maintenance	5,157,827	4,613,606	4,600,599	3,379,120
Transportation	1,770,748	1,713,891	1,590,843	1,477,448
Central	2,490,960	2,366,653	2,550,115	2,577,624
Other supporting services	379,436	294,930	407,095	478,763
Total supporting services	21,227,266	20,170,530	19,695,606	18,876,029
Community services				
	216,598	196,494	198,770	192,853
Nonprogrammed charges				
	1,332,976	946,003	1,032,757	970,155
Total current	77,899,177	68,302,171	64,033,114	61,443,994
Other				
Debt Service				
Principal	1,760,000	5,327,440	1,724,223	1,665,710
Interest and other	489,579	602,175	642,378	683,736
Capital outlay	5,734,188	4,940,698	2,926,303	6,558,891
Total other	7,983,767	10,870,313	5,292,904	8,908,337
Total expenditures	\$ 85,882,944	\$ 79,172,484	\$ 69,326,018	\$ 70,352,331
Debt service as a percentage of noncapital expenditures				
	2.8%	8.0%	3.6%	3.7%

Source of information: District records.

	2015	2014	2013	2012	2011	2010
\$	48,865,561	\$ 47,678,691	\$ 45,916,544	\$ 48,691,272	\$ 37,284,692	\$ 39,235,432
	502,810	480,550	458,536	433,232	434,068	374,135
	492,970	613,586	556,632	622,900	534,891	511,664
	57,635	51,267	55,883	13,378	29,251	379,369
	3,338,265	3,365,577	3,100,950	3,087,393	2,921,588	3,265,725
	53,257,241	52,189,671	50,088,545	52,848,175	41,204,490	43,766,325
	1,098,169	1,152,308	1,142,407	1,251,909	1,309,898	1,077,939
	12,265,558	12,338,821	10,554,853	8,814,034	8,475,500	7,690,272
	13,363,727	13,491,129	11,697,260	10,065,943	9,785,398	8,768,211
	1,189,844	1,178,187	1,340,775	1,297,124	1,250,541	2,249,264
\$	67,810,812	\$ 66,858,987	\$ 63,126,580	\$ 64,211,242	\$ 52,240,429	\$ 54,783,800
\$	20,883,513	\$ 20,214,729	\$ 19,654,850	\$ 18,467,063	\$ 18,488,295	\$ 18,750,516
	7,853,710	7,217,129	7,207,353	7,269,197	8,008,476	7,958,723
	1,472,952	1,478,527	1,494,985	1,466,473	795,127	759,869
	9,738,971	10,075,229	7,824,824	6,613,685	6,117,663	6,157,944
	39,949,146	38,985,614	36,182,012	33,816,418	33,409,561	33,627,052
	3,078,355	3,012,830	3,071,419	2,766,716	2,738,600	2,684,162
	1,378,089	1,299,633	1,285,528	1,247,151	1,055,882	1,007,502
	1,510,154	1,669,931	1,591,001	1,723,602	1,699,677	1,511,291
	2,043,304	1,869,734	1,802,832	1,724,752	1,709,732	1,647,689
	2,578,588	2,312,702	2,293,058	2,395,872	2,660,967	2,644,823
	3,067,881	4,399,628	7,182,362	4,361,816	3,915,399	4,235,551
	1,513,199	1,442,327	1,384,496	1,138,067	1,025,667	1,080,032
	3,520,354	2,564,801	2,916,697	2,929,309	2,691,017	2,817,788
	406,380	372,647	438,273	434,238	406,981	742,744
	19,096,304	18,944,233	21,965,666	18,721,523	17,903,922	18,371,582
	183,391	176,676	108,810	97,760	86,275	87,955
	1,033,281	1,184,326	1,375,734	1,225,694	1,047,285	923,504
	60,262,122	59,290,849	59,632,222	53,861,395	52,447,043	53,010,093
	3,645,000	1,580,000	1,505,000	1,405,000	1,370,000	1,385,000
	777,634	823,490	865,499	825,490	679,550	683,859
	3,868,473	4,221,657	773,727	1,295,148	2,518,797	2,051,020
	8,291,107	6,625,147	3,144,226	3,525,638	4,568,347	4,119,879
\$	68,553,229	\$ 65,915,996	\$ 62,776,448	\$ 57,387,033	\$ 57,015,390	\$ 57,129,972
	6.8%	3.9%	3.8%	4.0%	3.8%	3.8%

WILMETTE PUBLIC SCHOOLS DISTRICT 39

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

Tax Levy Year	Equalized Assessed Valuation	Amount of Increase Over Previous Year	Percentage Increase Over Previous Year	Actual Estimated Value *
2018	\$ 1,796,402,623	\$ (57,412,070)	-3.10%	\$ 5,389,207,869
2017	1,853,814,693	36,291,535	2.00%	5,561,444,079
2016	1,817,523,158	367,008,430	25.30%	5,452,569,474
2015	1,450,514,728	(39,382,603)	-2.64%	4,351,544,184
2014	1,489,897,331	21,561,536	1.47%	4,469,691,993
2013	1,468,335,795	(167,395,826)	-10.23%	4,405,007,385
2012	1,635,731,621	(126,033,841)	-7.15%	4,907,194,863
2011	1,761,765,462	(195,117,005)	-9.97%	5,285,296,386
2010	1,956,882,467	(236,060,475)	-10.76%	5,870,647,401
2009	2,192,942,942	136,215,129	6.62%	6,578,828,826

* Actual value is estimated to be 3 times the equalized assessed valuation

Source of information: Cook County Clerk's Office, Department of Tax Extension

WILMETTE PUBLIC SCHOOLS DISTRICT 39
Property Tax Rates - All Direct And Overlapping
Governments
Last Ten Tax Levy Years

Taxing District:	2018	2017	2016	2015
Cook County	0.4890	0.4960	0.5330	0.5520
Cook County Forest Preserve	0.0600	0.0620	0.0630	0.0690
Consolidated Elections	0.0000	0.0310	0.0000	0.0340
New Trier Township	0.0530	0.0500	0.0490	0.0580
New Trier General Assistance	0.0080	0.0070	0.0070	0.0080
Metro Water Reclamation District	0.3960	0.4020	0.4060	0.4260
North Shore Mosquito Abatement District	0.0100	0.0100	0.0100	0.0120
New Trier High School District #203	2.1110	1.9930	1.9740	2.3800
Oakton Community College #535	0.2460	0.2320	0.2310	0.2710
Wilmette Park District	0.4450	0.4190	0.4180	0.5180
Village of Wilmette	0.9790	0.9240	0.9070	1.0780
Wilmette Public Library District	0.2950	0.3020	0.3160	0.3950
Total overlapping rate	5.0920	4.9280	4.9140	5.8010
Wilmette Public School District 39	3.0809	2.8800	2.8400	3.5014
Total direct and overlapping rate	8.1729	7.8080	7.7540	9.3024
Total Wilmette Public School District 39 tax rate to total direct and overlapping tax rates	37.7%	36.9%	36.6%	37.6%

Source: Office of the County Clerk, Cook County, IL

2014	2013	2012	2011	2010	2009
0.5680	0.5600	0.5310	0.4620	0.4230	0.3940
0.0690	0.0690	0.0630	0.0580	0.0510	0.0490
0.0000	0.0310	0.0000	0.0250	0.0000	0.0210
0.0550	0.0540	0.0470	0.0420	0.0370	0.0300
0.0070	0.0070	0.0060	0.0050	0.0040	0.0030
0.4300	0.4170	0.3700	0.3200	0.2740	0.2610
0.0110	0.0070	0.0100	0.0100	0.0090	0.0080
2.2680	2.1110	1.8640	1.6740	1.4740	1.2370
0.2580	0.2560	0.2190	0.1960	0.1600	0.1400
0.5460	0.5480	0.4930	0.4510	0.3900	0.3320
1.0150	0.9970	0.8670	0.7780	0.6740	0.5810
0.3810	0.3810	0.3350	0.3020	0.2660	0.2300
5.6080	5.4380	4.8050	4.3230	3.7620	3.2860
3.3556	3.3251	2.9219	2.6194	2.3131	1.7158
8.9636	8.7631	7.7269	6.9424	6.0751	5.0018
37.4%	37.9%	37.8%	37.7%	38.1%	34.3%

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Principal Property Taxpayers

Current Year And Nine Years Ago

Taxpayer	2018 Equalized Assessed Valuation	Percentage of total 2018 Equalized Assessed Valuation
T Barry Home	\$ 10,126,326	0.56%
3503 RP Wilmette Plaza	8,959,072	0.50%
WILRI LLC	7,000,715	0.39%
CO CPTS	5,265,091	0.29%
JP Morgan Chase Bank	4,567,187	0.25%
Next Wilmette LLC	4,173,800	0.23%
Ger Wilmette LLC	3,960,157	0.22%
Mather Place	3,933,936	0.22%
Westmoreland Cty Club	3,326,414	0.19%
Residence At Wilmette	2,903,992	0.16%
	<u>\$ 54,216,690</u>	<u>3.01%</u>
 Total District assessed valuation	<u>\$ 1,796,402,623</u>	

(1) Source of information: Cook County Clerk and Assessor's Offices

Taxpayer	2009 Equalized Assessed Valuation	Percentage of total 2009 Equalized Assessed Valuation
Joseph Moss	\$ 17,380,468	0.79%
1630 Sheridan Corporation	15,819,772	0.72%
Albertson Prop Tax	7,897,991	0.36%
Wesley Realty Group	7,525,875	0.34%
Next Wilmette LLC	5,740,544	0.26%
Westmoreland Country Club	4,051,709	0.18%
Rambler Hill LLC	3,385,582	0.15%
Michigan Shores Club	3,130,782	0.14%
Ger Wilmette LLC	3,071,479	0.14%
Individual Taxpayer	2,843,519	0.13%
	\$ 70,847,721	3.21%
 Total District assessed valuation	 \$ 2,192,942,942	

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Schedule Of Property Tax Rates, Extensions And Collections
 Last Ten Tax Levy Years

	2018	2017	2016	2015
Rates extended				
Educational	\$ 2.3167	\$ 2.1681	\$ 2.1757	\$ 2.7104
Building (O&M)	0.5121	0.4793	0.4337	0.4908
Transportation	0.0361	0.0338	0.0388	0.0526
Retirement (IMRF)	0.0194	0.0182	0.0154	0.0189
Social Security	0.0706	0.0660	0.0653	0.0795
Liability Insurance	0.0160	0.0150	0.0222	0.0387
Special Education	0.0177	0.0165	0.0163	0.0199
Working Cash Fund	0.0048	0.0045	0.0059	0.0071
Life Safety	-	-	-	-
Debt Service	0.0875	0.0781	0.0663	0.0835
Total rates extended	3.0809	2.8795	2.8396	3.5014
Property tax extensions				
Educational	\$ 41,617,259	\$ 40,192,556	\$ 39,543,851	\$ 39,314,751
Building (O&M)	9,199,377	8,885,333	7,882,598	7,119,126
Transportation	648,501	626,589	705,199	762,971
Retirement (IMRF)	348,502	337,394	279,899	274,147
Social Security	1,268,260	1,223,517	1,186,843	1,153,159
Liability Insurance	287,424	278,072	403,490	561,349
Special Education	317,963	305,879	296,256	288,652
Working Cash Fund	86,227	83,421	107,233	102,986
Life Safety	-	-	-	-
Debt service	1,572,400	1,447,585	1,204,829	1,211,493
Total levies extended	\$ 55,345,913	\$ 53,380,346	\$ 51,610,198	\$ 50,788,635
Current year collections	\$ 28,665,735	\$ 27,925,821	\$ 26,964,231	\$ 26,267,156
Subsequent collections	-	25,209,675	24,478,178	24,416,701
Total collections	\$ 28,665,735	\$ 53,135,496	\$ 51,442,409	\$ 50,683,857
Percentage of extensions collected -				
current year	51.8%	52.3%	52.2%	51.7%
subsequent collections	0.0%	47.2%	47.4%	48.1%
Total percentage of extensions collected	51.8%	99.5%	99.7%	99.8%

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

Source of information: Cook County Clerk

	2014	2013	2012	2011	2010	2009
\$	2.5625	\$ 2.5868	\$ 2.3164	\$ 2.0841	\$ 1.8402	\$ 1.3386
	0.4681	0.3758	0.2894	0.2600	0.2062	0.1783
	0.0535	0.0640	0.0265	0.0129	0.0114	-
	0.0311	0.0508	0.0567	0.0509	0.0449	0.0208
	0.0759	0.0621	0.0567	0.0509	0.0449	0.0303
	0.0434	0.0625	0.0671	0.0603	0.0383	0.0280
	0.0189	0.0187	0.0165	0.0148	0.0131	0.0097
	0.0068	0.0067	0.0065	0.0058	0.0051	0.0137
	-	0.0007	-	-	0.0383	0.0352
	0.0954	0.0970	0.0861	0.0797	0.0707	0.0612
	3.3556	3.3251	2.9219	2.6194	2.3131	1.7158
\$ 38,178,619	\$ 37,982,910	\$ 37,890,087	\$ 36,716,954	\$ 36,010,551	\$ 29,354,734	
6,974,209	5,518,006	4,733,807	4,580,590	4,035,092	3,910,017	
797,095	939,735	433,469	227,268	223,085	-	
463,358	745,915	927,460	896,739	878,640	456,132	
1,130,832	911,837	927,460	896,739	878,640	664,462	
646,615	917,710	1,097,576	1,062,345	749,486	614,024	
281,591	274,579	269,896	260,741	256,352	212,715	
101,313	98,378	106,323	102,182	99,801	300,433	
-	10,278	-	-	749,486	771,916	
1,421,362	1,424,286	1,408,365	1,404,127	1,383,516	1,342,081	
\$ 49,994,995	\$ 48,823,634	\$ 47,794,442	\$ 46,147,685	\$ 45,264,648	\$ 37,626,515	
\$ 25,437,542	\$ 24,828,183	\$ 24,295,144	\$ 23,877,906	\$ 19,759,995	\$ 19,647,976	
24,348,810	23,689,276	23,014,966	21,884,250	24,681,617	17,166,943	
\$ 49,786,352	\$ 48,517,459	\$ 47,310,110	\$ 45,762,156	\$ 44,441,612	\$ 36,814,919	
50.9%	50.9%	50.8%	51.7%	43.7%	52.2%	
48.7%	48.5%	48.2%	47.4%	54.5%	45.6%	
99.6%	99.4%	99.0%	99.2%	98.2%	97.8%	

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Obligation Bonds	Debt Certificates	Capital Leases	Total	Percentage of Personal Income
2019	\$ 8,695,000	\$ 5,240,000	\$ -	\$ 13,935,000	0.65%
2018	9,845,000	5,850,000	-	15,695,000	0.79%
2017	10,825,000	6,400,000	192,440	17,417,440	0.93%
2016	11,795,000	6,965,000	381,663	19,141,663	1.04%
2015	12,715,000	7,515,000	-	20,230,000	1.10%
2014	13,540,000	8,290,000	-	21,830,000	1.16%
2013	14,365,000	9,045,000	-	23,410,000	1.20%
2012	15,145,000	9,770,000	-	24,915,000	1.32%
2011	15,830,000	2,950,000	-	18,780,000	1.06%
2010	11,155,000	3,620,000	-	14,775,000	0.83%

Source of information: Annual Financial Statements 2010 to 2019.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Ratio of General Bonded Debt to Equalized Assessed Valuation

And Net Bonded Debt Per Capita

Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt	Less: Amounts Available to Repay Principal	Net General Bonded Debt	Percentage of Net General Bonded Debt to Assessed Valuation	Net General Bonded Debt Per Capita
2019	\$ 13,935,000	\$ 1,669,032	\$ 12,265,968	0.78%	460
2018	15,695,000	1,637,997	14,057,003	0.85%	534
2017	17,225,000	1,688,321	15,536,679	0.95%	571
2016	18,760,000	1,861,624	16,898,376	1.29%	616
2015	20,230,000	1,908,110	18,321,890	1.36%	668
2014	21,830,000	1,992,289	19,837,711	1.49%	724
2013	23,410,000	2,195,715	21,214,285	1.43%	777
2012	24,915,000	2,390,491	22,524,509	1.41%	828
2011	18,780,000	1,616,069	17,163,931	0.96%	653
2010	14,775,000	1,506,688	13,268,312	0.67%	504

Source of information: Annual Financial Statements.

WILMETTE PUBLIC SCHOOLS DISTRICT 39
 Computation of Direct And Overlapping Bonded Debt
 June 30, 2019

Jurisdiction overlapping	Bonded indebtedness	Portion applicable to School District	
		Percent	Amount
County			
Cook County	\$ 2,950,121,750 (2)	1.135%	\$ 33,483,882
Cook County Forest Preserve	145,190,000	1.135%	1,647,907
Metropolitan Water Reclamation District	2,377,123,381 (1)	1.156%	27,479,546
School Districts			
High School District 203	84,960,000 (2)	33.253%	28,251,749
Community College District 535	32,130,000 (4)	8.057%	2,588,714
Park Districts			
Wilmette Park District	11,137,000	90.131%	10,037,889
Glenview Park District	22,010,000 (2)	2.927%	644,233
Municipalities			
Village of Wilmette	70,875,000	89.953%	63,754,189
Village of Glenview	<u>33,075,000 (3)</u>	3.467%	<u>1,146,710</u>
Total overlapping debt	5,726,622,131		169,034,819
Wilmette Public School District No. 39	<u>8,695,000 (4)</u>	100.000%	<u>8,695,000</u>
Total overlapping and direct bonded debt	<u><u>5,735,317,131</u></u>		<u><u>177,729,819</u></u>

- (1) Includes IEPA Revolving Loan Fund Bonds.
- (2) Excludes outstanding principal amounts of General Obligation Alternative Revenue Source Bonds which are expected to be paid from sources other than general taxation.
- (3) Excludes self-supporting bonds for which an abatement is filed annually.
- (4) Excludes outstanding debt certificates.

Source: Offices of the Cook County Clerk, Comptroller and Treasurer of the Metropolitan Water Reclamation District of Greater Chicago

Note: Percent applicable to School District calculated using assessed valuation of the School District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit. Overlapping governments with no outstanding debt are not reflected.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Legal Debt Margin Information

Last Ten Fiscal Years

	2019	2018	2017	2016
Debt limit	\$ 123,951,781	\$ 127,913,214	\$ 125,409,098	\$ 100,085,516
Total net debt applicable to limit	12,235,968	14,057,003	15,536,679	16,898,376
Legal debt margin	\$ 111,715,813	\$ 113,856,211	\$ 109,872,419	\$ 83,187,140
Total net debt applicable to the limit as a percentage of debt limit	9.87%	10.99%	12.39%	16.88%

Legal Debt Margin calculation for fiscal year June 30, 2019

Assessed valuation of taxable properties for the tax year 2018	\$ 1,796,402,623
Rate	6.9%
Debt Limit	123,951,781
Debt subject to limitation:	
Total debt subject to limitation	13,935,000
Less Debt Service Fund balance	(1,699,032)
Net debt outstanding subject to limitation	12,235,968
Legal bonded debt margin at June 30, 2019	\$ 111,715,813

Source of information: District records.

Assessed valuation obtained from Cook County tax reports.

2015	2014	2013	2012	2011	2010
\$ 102,802,916	\$ 101,315,170	\$ 112,865,482	\$ 121,561,817	\$ 135,024,890	\$ 151,313,063
18,321,890	19,837,711	21,214,285	22,524,509	17,163,931	13,268,312
\$ 84,481,026	\$ 81,477,459	\$ 91,651,197	\$ 99,037,308	\$ 117,860,959	\$ 138,044,751
17.82%	19.58%	18.80%	18.53%	12.71%	8.77%

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Demographic And Miscellaneous Statistics

Last Ten Calendar Years

Calendar Year	Estimated Population (1)(4)	Personal Income (<i>thousands of dollars</i>) (1)(4)	Per Capita Personal Income (1)(4)	Median Household Income (<i>thousands of dollars</i>) (3)	Unemployment Rate (2)
2018	26,687	\$ 2,140,778	\$ 80,218	\$ 148,678	2.8%
2017	26,324	1,987,778	75,712	138,651	3.5%
2016	27,219	1,876,832	68,953	132,110	4.4%
2015	27,413	1,839,851	67,116	126,471	4.2%
2014	27,446	1,841,325	67,089	129,551	5.2%
2013	27,383	1,878,802	68,612	130,088	6.1%
2012	27,294	1,950,975	71,480	130,260	5.8%
2011	27,206	1,887,090	69,363	128,028	6.5%
2010	26,300	1,772,804	67,407	127,319	6.4%
2009	26,300	1,784,797	67,863	N/A	6.2%

Sources

- (1) National Center for Educational Statistics:
5 Year Average Estimates reported by US Census Bureau's American Community Survey's 2013-2017 Profile
(Income in 2017 dollars) (For 2018-2017 calendar years)
- (2) Illinois Department of Employment Security
- (3) American Fact Finder - Income in the past 12 months (i.e. 2017 is 5-yr average (2013-2017) in 2017 dollars etc. for calendar years 2010-2017.
2008 and 2009 - Only Median Family Income available
- (4) US Census Bureau (For 2016-2009 calendar years)

NA - data not available

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Principal Employers

Current Year Available And Nine Years Ago

Employer	2019	
	Employees	Percentage of Total City Employment
New Trier High School District 203	687	5.5%
Wilmette School District Number 39	569	4.6%
Loyola Academy	275	2.2%
Jewel / Osco (2 locations)	250	2.0%
Wilmette Park District	216	1.7%
Village of Wilmette	215	1.7%
Fresh Market	150	1.2%
Chalet Nursery & Garden Shop	100	0.8%
Manorcare Health Care Services	99	0.8%
North Shore Community Bank & Trust	72	0.6%
Total	2,633	21.1%

Employer	2010	
	Employees	Percentage of Total City Employment
Wilmette Park District	1,190 **	10.2%
Wilmette School District Number 39	588 *	5.0%
Village of Wilmette	254	2.2%
Carson Pirie Scott & Co.	250 **	2.1%
Koenig & Strey GMAC Real Estate	136	1.2%
F.J. Kerrigan Plumbing Co.	60	0.5%
North Suburban Patrol Inc.	60	0.5%
Bierdeman Paper Box, Inc.	45	0.4%
Edens Bank	34	0.3%
Kashian Bros	32	0.3%
Total	2,649	22.7%

Sources: Company/Organization official website & AtoZDatabase.com - Business Edition

* includes part-time employees

** includes seasonal employees

Note: Total city employment for 2018 is 12,462. Total city employment for 2010 is 11,714.

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Number Of Employees By Type

Last Ten Fiscal Years

	2018- 2019	2017- 2018	2016- 2017	2015- 2016
Administration				
Superintendent	1	1	1	1
District Administrators	6	6	6	6
Principals and assistants	12	12	11	11
Total administration	19	19	18	18
Instruction				
Teachers				
Elementary (K-4)	81	84	85	91
Middle (5-6)	33	36	35	33
Jr. High (7-8)	33	36	34	35
Art	8	8	9	8
Music	12	11	11	11
Drama	3	3	3	3
Foreign language	21	21	20	20
Library media specialist	6	6	6	6
Physical education	21	20	19	19
Special education and bilingual	82	79	74	70
Curriculum differentiation/gifted	8	8	8	8
Curriculum Coordinators	3	3	3	2
Psychologists	8	8	8	6
Certified school nurse	1	1	1	1
School workers and counselors	10	9	9	10
Technology	10	9	8	8
Total instruction	340	342	333	331
Other supporting staff				
Clerical 10 month	12	12	12	12
Clerical 12 month	10	10	10	11
Classroom assistants	21	19	21	26
Reading assistants	4	5	5	5
Special education assistants	83	83	81	78
Technology	11	11	11	7
Maintenance custodians & warehouse	35	36	34	34
Food Service	17	18	18	20
Transportation	1	1	1	1
Nurses	5	5	5	5
Occupation and physical therapists	8	8	7	6
Total support staff	207	208	205	205
Total staff	566	569	556	554

Source: Obtained from the District's Human Resources department.

2014- 2015	2013- 2014	2012- 2013	2011- 2012	2010 - 2011	2009 - 2010
1	1	1	1	1	1
6	6	6	6	6	6
11	10	10	10	9	9
18	17	17	17	16	16
90	89	88	85	87	91
33	35	35	33	34	35
36	35	34	32	33	35
8	8	8	8	9	9
11	11	11	11	11	13
3	3	3	3	3	3
19	20	19	18	19	20
6	6	6	6	6	6
19	19	19	19	19	19
69	69	67	68	78	78
8	8	8	8	8	8
2	2	2	2	2	2
6	6	6	6	6	6
1	1	1	1	1	1
10	10	10	10	10	10
8	8	8	8	8	8
329	330	325	318	334	344
11	10	10	11	11	11
9	9	9	9	9	11
27	26	28	29	31	29
4	6	5	5	4	4
78	77	76	72	81	87
7	5	5	5	4	5
34	34	34	30	32	36
20	20	20	20	20	20
1	1	2	13	12	13
5	5	5	5	7	7
6	6	6	6	6	5
202	199	200	205	217	228
549	546	542	540	567	588

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Operating Indicators By Function

Last Ten Fiscal Years

Fiscal year ended June 30,	Average Daily Attendance	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses
2019	3,151	\$ 53,424,454	16,953	6.50%	\$ 82,147,401
2018	3,285	52,292,722	15,919	5.61%	81,275,701
2017	3,330	50,191,227	15,072	3.30%	69,004,494
2016	3,367	49,128,752	14,591	-1.43%	66,174,434
2015	3,343	49,483,852	14,802	3.69%	64,900,964
2014	3,370	48,114,916	14,276	2.56%	64,451,447
2013	3,367	46,868,947	13,920	2.34%	60,512,776
2012	3,299	44,872,597	13,602	2.89%	57,265,121
2011	3,303	43,663,704	13,219	0.74%	55,325,271
2010	3,341	43,841,587	13,122	0.48%	54,546,246

Source of information: District records.

	Cost per Pupil	Percentage Change	Teaching Staff	Pupil- Teacher Ratio	Percentage of Students Receiving Free or Reduced Meals
\$	26,070	5.37%	340	9.3	2.56%
	24,741	19.40%	342	9.6	2.56%
	20,722	5.44%	333	10.0	2.63%
	19,654	1.24%	331	10.2	2.76%
	19,414	1.52%	329	10.2	2.96%
	19,123	6.40%	330	10.2	3.50%
	17,972	3.54%	325	10.4	2.90%
	17,358	3.63%	318	10.4	2.90%
	16,750	2.60%	334	9.9	2.50%
	16,326	2.72%	344	9.7	2.20%

WILMETTE PUBLIC SCHOOLS DISTRICT 39

School Building Information

Last Ten Fiscal Years

	2019	2018	2017	2016
Harper School				
Square feet	47,000	47,000	47,000	47,000
Capacity (students)	456	456	456	456
Enrollment	434	410	419	432
Romona School				
Square feet	81,300	81,300	81,300	81,300
Capacity (students)	620	620	620	620
Enrollment	530	543	549	534
Central School				
Square feet	76,000	76,000	76,000	76,000
Capacity (students)	696	696	696	696
Enrollment	452	458	481	517
McKenzie School				
Square feet	69,000	69,000	69,000	69,000
Capacity (students)	624	624	624	624
Enrollment	430	445	468	502
Wilmette Junior High				
Square feet	119,850	119,850	119,850	119,850
Capacity (students)	917	917	917	917
Enrollment	892	886	856	887
Highcrest Middle School				
Square feet	133,949	123,425	123,425	123,425
Capacity (students)	850	850	850	850
Enrollment	811	852	875	860
Mikaelian Education Center				
Square feet	23,560	23,560	23,560	23,560

Source of information: District records.

2015	2014	2013	2012	2011	2010
47,000	47,000	47,000	47,000	47,000	47,000
456	456	456	456	456	456
427	399	390	421	410	432
77,500	77,500	77,500	77,500	77,500	77,500
528	528	528	528	528	528
519	531	546	501	531	535
76,000	76,000	76,000	76,000	76,000	76,000
696	696	696	696	696	696
507	502	502	544	534	551
69,000	69,000	69,000	69,000	69,000	69,000
624	624	624	624	624	624
509	522	560	564	545	535
119,850	119,850	119,850	113,000	113,000	113,000
917	917	917	917	917	917
884	843	827	824	822	861
123,425	123,425	123,425	123,425	123,425	123,425
850	850	850	850	850	850
842	884	877	806	802	801
23,560	23,560	23,560	23,560	23,560	23,560

WILMETTE PUBLIC SCHOOLS DISTRICT 39

Operating Statistics

June 30, 2019

Location	Approximately 15 miles north of Chicago's "Loop" bordering Lake Michigan and comprising most of the Village of Wilmette and a small portion of Glenview
Date of organization	1901
Number of schools	6
Area served	4.4 sq. miles
Median home value	\$ 625,100
Student enrollment	3,549
Certified teaching staff	340
Pupil/Teacher ratio	10:1
Faculty holding masters degree	84%