

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

SOUTH CHICAGO HEIGHTS, ILLINOIS

ANNUAL FINANCIAL REPORT

JUNE 30, 2019



FINANCIAL SECTION



BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

ANNUAL FINANCIAL REPORT

June 30, 2019

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FINANCIAL SECTION

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BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

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INDEPENDENT AUDITOR'S REPORT

To the Board of School Trustees
Bloom Township Trustees of Schools
South Chicago Heights, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the Bloom Township Trustees of Schools ("the School Treasurer"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School Treasurer's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to 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. 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 modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Treasurer, as of June 30, 2019, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis of Accounting

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

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Treasurer’s basic financial statements. The management’s discussion and analysis on pages 3-8, the supplementary information on pages 36-41 and the other information on pages 42-52 which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison information on pages 36-37 have been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Management’s discussion and analysis on pages 3-8, the information on pages 38-41, and the other information on pages 42-52 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 it.

JW & Associates, P.C.

Hillside, Illinois
March 31, 2020

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
MANAGEMENT’S DISCUSSION AND ANALYSIS
June 30, 2019

Introduction

Our discussion and analysis of the Bloom Township Trustees of Schools’ (School Treasurer) financial performance provides an overview of the School Treasurer’s financial activities for the fiscal year ended June 30, 2019. The purpose of this management discussion and analysis is to examine the School Treasurer’s financial performance as a whole. Readers of this discussion and analysis should also review the financial statements and notes to the financial statements to enhance their understanding of the School Treasurer’s financial performance.

The School Treasurer prepares its annual financial statements using the reporting model in the Government Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments* except that the modified cash basis, which is another comprehensive basis of accounting, is utilized. The reporting model is a combination of both government-wide financial statements and fund financial statements. The financial statements have three components:

- 1) Government – wide financial statements including the Statement of Net Position – Modified Cash Basis and the Statement of Activities – Modified Cash Basis, which provide an overview of the School Treasurer’s finances.
- 2) Fund financial statements that provide a greater level of detail of revenue and expenditures and focus on how well the School Treasurer has performed in the most significant funds.
- 3) Notes to the financial statements.

Government – Wide Financial Statements

The government – wide financial statements are intended to provide readers with a broad overview of the finances of the School Treasurer in a manner similar to that of a private-sector business.

The Statement of Net Position – Modified Cash Basis presents information on all of the School Treasurer’s assets and liabilities reported on the modified cash basis of accounting, with the difference between the two 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 School Treasurer is improving or deteriorating.

The Statement of Activities – Modified Cash Basis presents information demonstrating the manner in which the net position of the School Treasurer changed during the most recent fiscal year. Since these financial statements are prepared on the modified cash basis of accounting, except for assets and liabilities which arise from cash transactions and for the recognition of depreciation, revenue is recognized when received rather than when earned, and expenditures are recognized when paid rather than when the obligation is incurred.

The government – wide financial statements can be found on pages 9 and 10 of this report.

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

Fund Financial Statements

The School Treasurer's fund financial statements, which start on page 11, provide detailed information about the most significant funds – not the School Treasurer as a whole. The definition of a fund is a group of related accounts that are used to exercise control over resources that are segregated for specific activities or objectives. The School Treasurer, similar to other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The School Treasurer is required to provide detailed information for its major funds. Major funds are defined as the General Fund and other funds, other than fiduciary funds, where the assets, liabilities, revenue or expenditures of that fund are at least ten percent of the corresponding total for all funds of that category type. In the 2019 fiscal year, only the General Fund was considered a major fund. The School Treasurer maintains no other governmental funds.

The School Treasurer's fund financial statements can be separated into two categories: Governmental Funds and Fiduciary Funds. The School Treasurer possesses no proprietary funds.

Governmental Funds

The purpose of Governmental Funds is to account for the same functions reported as governmental activities in the government – wide financial statements. Unlike the government-wide financial statements, governmental fund financial statements provide a detailed display of the School Treasurer's operations and the services that it provides. Governmental fund information assists the reader in determining whether there are more or fewer financial resources that are available to be spent in the near future to finance the programs of the School Treasurer.

Since the focus of governmental funds is narrower than that of the government – wide financial statements, it is beneficial to compare the information presented for governmental funds with similar information presented for governmental activities in the government – wide financial statements. By doing such, readers may be able to have a better understanding of the long-term impact of the government's near-term financing decisions. The relationship (or differences) between governmental activities (reported in the Statement of Net Position – Modified Cash Basis and the Statement of Activities – Modified Cash Basis) and governmental funds is reconciled in the financial statements.

Fiduciary Funds

The purpose of fiduciary funds is to account for resources that are held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the government – wide financial statements because the resources of those funds are not intended to support the School Treasurer's own programs.

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
MANAGEMENT’S DISCUSSION AND ANALYSIS
June 30, 2019

Fiduciary Funds (Continued)

The School Treasurer uses an agency fund to account for monies received and disbursed on behalf of school districts and other local educational authorities (LEAs) serviced by the Bloom Township School Treasurer.

Notes to the Financial Statements

The notes provide additional information that is crucial for a complete understanding of the data provided in the government – wide and fund financial statements. In this report, the notes to the financial statements start on page 16.

Government – Wide Financial Analysis

As explained earlier, net position may serve over time as a useful indicator of the financial position of a government. For the School Treasurer, total assets exceeded total liabilities by \$812,293 at the fiscal year end date of June 30, 2019. For the fiscal year ended June 30, 2018, total assets exceeded total liabilities by \$930,309.

Statement of Net Position
Modified Cash Basis

	<u>Government Activities</u>	
	<u>2019</u>	<u>2018</u>
Assets:		
Current and other assets	\$ 630,205	\$ 873,471
Capital assets - net of depreciation	182,088	56,838
Total Assets	812,293	930,309
Liabilities	-	-
Net position:		
Invested in capital assets	182,088	56,838
Unrestricted	630,205	873,471
Total Net Position	\$ 812,293	\$ 930,309

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
MANAGEMENT’S DISCUSSION AND ANALYSIS
June 30, 2019

Government – Wide Financial Analysis (Continued)

A portion of net position reflects the School Treasurer’s investment in capital assets. These assets are not normally available for future spending. The increase in capital assets is a result of a major office renovation project that began in Fiscal Year 2018 and was completed in Fiscal Year 2019.

The largest portion of the School Treasurer’s net position at June 30, 2019 consists of unrestricted net position, which may be used to meet the School Treasurer’s ongoing obligations to its employees and creditors.

The total net position of the School Treasurer decreased by \$118,016, for the fiscal year ended June 30, 2019. In comparison, the total net position for the fiscal year ended June 30, 2018 decreased by \$137,726.

Governmental Activities

The key elements of the decrease in the School Treasurer’s net position for June 30, 2019 are as follows:

Statement of Activities
Modified Cash Basis

	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
Revenue:		
Program revenues:		
School and other LEA reimbursements	\$ 1,481,938	\$ 1,428,237
General revenues:		
Interest earnings	262	438
E-rate reimbursement	-	6,291
Other local revenue	1,672	174
Total revenue	<u>1,483,872</u>	<u>1,435,140</u>
Expenditures:		
Support services	1,590,890	1,571,330
Depreciation/amortization	10,998	1,536
Total expenditures	<u>1,601,888</u>	<u>1,572,866</u>
Change in net position	(118,016)	(137,726)
Net position - July 1	<u>930,309</u>	<u>1,068,035</u>
Net position - June 30	<u>\$ 812,293</u>	<u>\$ 930,309</u>

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
MANAGEMENT’S DISCUSSION AND ANALYSIS
June 30, 2019

Government – Wide Financial Analysis (Continued)

General Fund Budgetary Highlights

The School Treasurer’s budget is prepared according to Illinois State Statute and is based on accounting for transactions on a modified cash basis. The only budgeted fund is the General Fund.

The revenue budgeted in the General Fund was \$1,774,259 compared to actual revenue of \$1,483,872. The variance was primarily the result of the timing of receipts from the entities which the School Treasurer serves as some districts paid amounts due in Fiscal Year 2019 in July 2019 (i.e. Fiscal Year 2020). The expenditures budgeted were \$1,739,400 compared to actual expenditures of \$1,727,138. The variance was primarily the result of two actions. The first action is expenditures related to Fiscal Year 2020 being paid toward the end of Fiscal Year 2019. The second action is the School Treasurer’s under-budgeting for the office renovation project.

Capital Assets

Capital assets at June 30, 2019 and 2018 are as follows:

School Treasurer's Capital Assets		
(Net of Depreciation/Amortization)		
	Governmental Activities	
	2019	2018
Leasehold improvements	\$ 179,782	\$ -
Computer equipment and software	2,306	3,842
Leasehold improvements CIP	-	52,996
Net capital assets	\$ 182,088	\$ 56,838

The change from the prior year is primarily the result of completion of a major office renovation project (\$179,782) that began in Fiscal Year 2018. Additional information on the School Treasurer’s capital assets can be found in Note 3 to the financial statements.

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

The Future of the School Treasurer

The Bloom Township School Treasurer's office is expected to continue to maintain a strong financial position through controlled expenditure growth and by means of a statutory billing system that allows for a complete reimbursement of expenditures incurred at the School Treasurer's office by the school districts and other entities serviced.

The School Treasurer provides services to four high school districts, eleven elementary school districts, one unit district, one special education cooperative, one intermediate service center, one regional office of education, and a career preparatory center. The School Treasurer office believes that as it continues to grow through various intergovernmental agreements, it will continue to increase its efficiencies. This should result in increased benefits to the districts and other entities serviced by the School Treasurer.

Decisions on future growth are being made with the input of the school districts and other entities the School Treasurer services.

The School Treasurer's office completed its eighth fiscal year with its major computer software and hardware conversion. The conversion has continued to be a success and the individual school districts serviced have been pleased by the increased efficiencies and safeguards the new software provides. The hardware is securely housed outside of the office with increased security and redundancies that have significantly improved operations.

As the School Treasurer's office continues to move forward, it will still work closely with its partners and explore additional ways to expand its shared services model within the services that its districts currently provide on their own. The School Treasurer's office once again looks forward to assisting its school districts and other entities in the upcoming years.

Requests for Information

The purpose of this financial report is to provide a general overview of the School Treasurer's finances for all those with an interest in the entity's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Bloom Township Trustees of Schools, 3311 Chicago Road, South Chicago Heights, Illinois 60411.

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
STATEMENT OF NET POSITION
MODIFIED CASH BASIS
JUNE 30, 2019

	Governmental Activities
Assets	
Cash and investments	\$ 630,205
Capital assets being depreciated	
Leasehold improvements	321,157
Computer equipment and software	637,428
Office furniture and equipment	79,253
Subtotal	1,037,838
Less accumulated depreciation and amortization	(855,750)
Net capital assets	182,088
Total assets	812,293
Liabilities	-
Net Position	
Net investment in capital assets	182,088
Unrestricted	630,205
Total net position	\$ 812,293

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
STATEMENT OF ACTIVITIES
MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2019

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u> <u>Charges for</u> <u>Services</u>	<u>Net (Expenses) Revenue and</u> <u>Changes in Net Assets</u> <u>Governmental</u> <u>Activities</u>
Primary Government			
Governmental Activities			
Support services	\$ 1,590,890	\$ 1,481,938	\$ (108,952)
Depreciation/amortization - unallocated	10,998	-	(10,998)
Total governmental activities	<u>\$ 1,601,888</u>	<u>\$ 1,481,938</u>	<u>(119,950)</u>
General revenues			
Interest earnings			262
Other local revenue			1,672
Total general revenues			<u>1,934</u>
Change in net position			<u>(118,016)</u>
Net Position - July 1, 2018			<u>930,309</u>
Net Position - June 30, 2019			<u>\$ 812,293</u>

**BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
STATEMENT OF ASSETS AND FUND BALANCE
MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2019**

	<u>General Fund</u>
Assets	
Cash and Investments	\$ 630,205
	<u> </u>
Fund Balance	
Unassigned	\$ 630,205
	<u> </u>

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
RECONCILIATION OF TOTAL FUND BALANCE OF GOVERNMENTAL FUNDS
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
MODIFIED CASH BASIS
JUNE 30, 2019

Total fund balance - governmental funds \$ 630,205

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:

Capital assets	1,037,838	
Accumulated depreciation	<u>(855,750)</u>	
Net capital assets		<u>182,088</u>

Net position of governmental activities \$ 812,293

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
STATEMENT OF REVENUE RECEIVED, EXPENDITURES DISBURSED
AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	General Fund
Revenue Received	
School and other LEA reimbursements	1,481,938
Interest earnings	262
Other local revenue	1,672
Total revenue received	1,483,872
 Expenditures Disbursed	
Administration	
Salaries	646,639
Payroll taxes	43,652
IMRF	96,182
Medical insurance	80,773
Treasurer's bond and other insurance	48,345
Data process and statistical services	252,423
Audit and financial services	161,392
Property Services	49,716
Legal services	8,520
Maintenance and repairs	6,282
Transportation and travel	9,947
Communications	26,131
Professional services - other	81,520
Office expenses	33,041
Utilities	4,749
Legal publications	20,174
Dues and fees	5,779
Rentals	13,998
Building improvements	82,667
Capitalized Equipment	52,521
Non-Capitalized Equipment	1,412
Miscellaneous	1,275
Total expenditures disbursed	1,727,138
Excess (Deficiency) of Revenue Received Over Expenditures Disbursed	(243,266)
Fund Balance - Beginning of Year	873,471
Fund Balance - End of Year	\$ 630,205

**BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
RECONCILIATION OF STATEMENT OF REVENUE RECEIVED, EXPENDITURES DISBURSED AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2019**

Net change in fund balance - total governmental funds \$ (243,266)

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

Capital outlays are reported as expenditures. In the Statement of Activities, the costs of these assets is allocated over their estimated useful lives as depreciation expense. For the fiscal year ended June 30, 2019, these amounts consist of:

Purchase of Capital Assets	136,248
Depreciation/amortization expense	<u>(10,998)</u>

Change in net position of governmental activities \$ (118,016)

**BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
STATEMENT OF ASSETS AND LIABILITIES
MODIFIED CASH BASIS
FIDUCIARY FUND
JUNE 30, 2019**

	School Districts/ Other Local Educational Authorities
Assets	
Cash and investments	\$ 445,904,728
Liabilities	
Due to School Districts and other LEAs	\$ 445,904,728

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements

June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Bloom Township Trustees of Schools (School Treasurer) was established by Illinois State Statute to provide services to school districts as well as joint agreements within its jurisdiction. The School Treasurer also provides services to other local educational authorities (LEAs) that are located outside of Bloom Township. The services provided by the School Treasurer include collecting revenue, processing expenditures, and investing funds as authorized by the individual school districts or local educational authorities.

The School Treasurer's accounting policies conform to accounting practices appropriate for local governmental units using the modified cash basis method of accounting. The following is a summary of the significant accounting policies.

Criteria Used to Determine Scope of Entity

The criteria to determine whether outside agencies with activities that benefit the School Treasurer should be included within its financial reporting entity include, but are not limited to, whether the School Treasurer exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters), scope of public service and special financing relationships.

The School Treasurer has determined that there are no other outside agencies that meet the stated criteria above and, therefore no other agencies have been included as a component unit in the School Treasurer's financial statements. In addition, the School Treasurer is not aware of any entity which would exercise such oversight which would result in the School Treasurer being considered a component unit of that entity.

Basis of Presentation

The School Treasurer's financial statements consist of two components. The first component is the government – wide financial statements, including a Statement of Net Position – Modified Cash Basis and a Statement of Activities – Modified Cash Basis. The second component are fund financial statements which provide a more detailed level of financial information.

Government – Wide Financial Statements

The Statement of Net Position – Modified Cash Basis and the Statement of Activities – Modified Cash Basis display information about the School Treasurer as a whole. These statements contain information that includes the financial activities of the primary government, except for fiduciary funds. The effect of any material interfund activity has been eliminated from these statements.

The Statement of Net Position – Modified Cash Basis presents the financial condition of the governmental activities of the School Treasurer at year end. It includes all current assets and current liabilities arising from cash transactions and all capital assets, net of accumulated depreciation, and long-term debt associated with the operation of the School Treasurer.

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements

June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Statement of Activities – Modified Cash Basis presents a comparison between direct expenses and program revenue for each program or function of the School Treasurer’s governmental activities.

Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenue includes charges paid by the recipient of the goods or services offered by the program as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. If revenue is not classified as program revenue, it is instead presented as general revenue of the School Treasurer. The comparison of direct expenses with program revenue identifies the extent to which each governmental function is self-financing or draws from the general revenue of the School Treasurer.

Fund Financial Statements

During the course of the fiscal year, the School Treasurer segregates transactions related to certain School Treasurer functions or activities in separate funds in order to assist financial management and to demonstrate legal compliance. The purpose of fund financial statements is to present financial information of the School Treasurer at a more detailed level. Major funds are the focus of governmental fund financial statements.

A major fund is defined as the School Treasurer’s General Fund as well as any other fund where either the assets, liabilities, revenue received or expenditures disbursed of that fund are at least ten percent of the corresponding total for all governmental funds since the School Treasurer has no enterprise funds. The only governmental fund of the School Treasurer is the General Fund. The Fiduciary Fund is reported at the fund financial statement level as a separate fund type and is not included in the government – wide financial statements.

Fund Accounting

The accounts of the School Treasurer are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of its assets, liabilities, fund balance, revenue received, and expenditures disbursed. The School Treasurer’s resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The classification of funds is either as governmental or fiduciary.

Governmental Fund

Governmental funds are those through which the majority of governmental functions of the School Treasurer are financed. The acquisition, use and balances of the School Treasurer’s expendable financial resources and the related liabilities arising from cash transactions are accounted for through governmental funds.

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements

June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The General Fund serves as the general operating fund of the School Treasurer. The General Fund accounts for all financial resources except those required to be accounted for in another fund.

Fiduciary Fund

Fiduciary funds are used to account for assets held by the School Treasurer in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

Agency funds are used to account for the cash and investments held by the School Treasurer as an agent for the school districts and other LEAs it services. The nature of these funds is custodial and they do not involve the measurement of results of operations.

Basis of Accounting

The School Treasurer's financial records are maintained on the modified cash basis of accounting, which is a comprehensive basis of accounting other than the accounting principles generally accepted in the United States of America. Under the modified cash basis of accounting, only current assets and current liabilities arising from cash transactions are included on the Statement of Assets and Fund Balance – Modified Cash Basis. Revenue is recognized at the time it is received and not when it is earned. Expenditures are recognized at the time they are paid and not when the obligation is incurred. The government – wide financial statements contain information related to the purchase, depreciation and amortization, and year end balances of capital assets as well as year end balances and activity related to long term debt, if any. Any differences between the government – wide financial statements and the fund financial statements are briefly explained in reconciliations included in the fund financial statements.

Budgetary Data

The budget is prepared on the modified cash basis of accounting which is the same basis used in financial reporting. This results in comparability between budget and actual amounts.

The fund level is the control level at which actual expenditures may not legally exceed the budgeted expenditures. The budget expires at the end of each fiscal year on June 30. An encumbrance system is not implemented by the School Treasurer.

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Investments

Pooled Cash and Investments

The School Treasurer maintains a cash and investment pool that is available for use for the following school districts and local educational authorities:

Aurora West School District 129	Aurora, Illinois
East Aurora School District 131	Aurora, Illinois
Matteson School District 159	Matteson, Illinois
Flossmoor School District 161	Chicago Heights, Illinois
Park Forest-Chicago Heights School District 163	Park Forest, Illinois
Brookwood School District 167	Glenwood, Illinois
Community Consolidated Schools District 168	Sauk Village, Illinois
Ford Heights School District 169	Ford Heights, Illinois
Chicago Heights School District 170	Chicago Heights, Illinois
Sunnybrook School District 171	Lansing, Illinois
Sandridge School District 172	Lynwood, Illinois
Steger Public School District 194	Steger, Illinois
Bloom Township High Schools District 206	Chicago Heights, Illinois
Steward School District 220	Steward, Illinois
Homewood-Flossmoor Community High School District 233	Flossmoor, Illinois
SPEED S.E.J.A. #802	Chicago Heights, Illinois
Rich Township High School District 227	Olympia Fields, Illinois
South Cook Intermediate Service Center No. 4	Chicago Heights, Illinois
Career Prep Network	Chicago Heights, Illinois
Regional Office of Education #47	Dixon, Illinois

It is not permitted for any entity to borrow from another entity through deficit spending within the School Treasurer's cash and investment pool. Inside of each entity, interfund loans and repayments are made periodically from time to time among the various funds. It is permitted by state law to have these temporary interfund loans caused by deficit spending on special tax levies. There is no recognition of interest income or expense on interfund loans.

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements

June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allocation of Pooled Cash and Investment Income

Interest income, which also includes gains and losses on sales of investments, is allocated to each entity that is serviced by the Bloom Township Trustees of Schools in the following manner:

First, the School Treasurer calculates the total pool earnings for the quarter.

Second, the School Treasurer summarizes the interest received by the month in which the interest was earned.

Third, for each month, the School Treasurer calculates the percentage of ownership each entity has in the total cash and investment pool based on end-of-month balances.

Fourth, as based on the monthly percentages of ownership in the cash and investment pool, earnings are extended to each entity.

The School Treasurer's deposit and investment policies are governed by State Statute. The following are what the School Treasurer may be allowed to invest public funds in:

- Securities guaranteed both as to principal and interest by the full faith and credit of the United States of America;
- Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies;
- Interest bearing savings accounts, certificates of deposit, or time deposits in a federally insured bank or savings and loan association;
- In limited circumstances, in short-term corporate obligations of corporations having assets exceeding 500 million dollars;
- Money market mutual funds that are both registered under the Investment Company Act of 1940 and whose holdings are limited to securities guaranteed both as to principal and interest by the full faith and credit of the United States of America;
- Public Treasurers' Investment Pools created under Section 17 of the Illinois State Treasurer Act.

Accounting Policies

Investments are carried at cost determined on a first-in, first-out basis. With regards to discounted federal securities, there is no amortization of the discount to interest income. Gains and losses on the sale of investments are recorded as investment income at the date of sale or maturity.

Inventories

The modified cash basis of accounting is not normally used to record inventories. In addition, the School Treasurer does not maintain inventories in amounts material to the financial statements.

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

The School Treasurer has a policy that allows it to capitalize items with an acquisition cost greater than \$5,000. Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their acquisition value at the date of donation. Estimated useful life is the School Treasurer's estimate of how long the asset is expected to meet service demands. In the government – wide financial statements, straight – line depreciation/amortization is used based on the following estimated useful lives:

Leasehold improvements	4.5 – 10 years
Computer equipment and software	5 years
Office furniture and equipment	7 years

Restricted Net Position

In the government – wide Statement of Net Position – Modified Cash Basis, net position is reported as restricted when constraints placed on net position use are either:

Imposed externally by creditors, grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislations.

When both restricted and unrestricted resources are available for use, the School Treasurer has a policy to use restricted resources first, followed by unrestricted resources as they are needed.

Fund Balance

In the Fund financial statements, governmental funds report aggregate amounts for five classifications of fund balance based on the constraints imposed on the use of these resources.

Non-spendable fund balance – This balance includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

Restricted fund balance – This refers to amounts that are subject to outside restrictions that are not controlled by the entity. These restrictions are imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Committed fund balance – These are amounts that can only be used for specific purposes on account of a formal action (resolution or ordinance) by the School Treasurer’s highest level of decision – making authority, the Board of School Trustees.

Assigned fund balance – These are amounts that are constrained by the Treasurer’s intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can only be stipulated by the Board of School Trustees or by an official to whom that authority has been given.

Unassigned fund balance – This is the residual classification for amounts in the General Fund. Unless otherwise specifically identified, expenditures serve to reduce restricted balances first, and then followed by committed balances, and then next assigned balances, and finally unassigned balances. Expenditures for a specifically identified purpose will serve to reduce the specific classification of fund balance that is identified.

Use of Estimates

In order to prepare the financial statements in conformity with the modified cash basis of accounting, it is required for the School Treasurer to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. It is possible that actual results may differ from those estimates.

Subsequent Events

Subsequent events have been evaluated through March 31, 2020, which is the date the financial statements were available to be issued.

NOTE 2 - CASH AND INVESTMENTS

The components of cash and investments at June 30, 2019 are as follows:

	Fiduciary Fund	General Fund
Cash and investments - net	\$ 445,904,728	\$ 630,205
Deposits-in-transit	(2,398,875)	-
Outstanding items	<u>52,276,551</u>	<u>57,084</u>
Balance per bank	<u>\$ 495,782,404</u>	<u>\$ 687,289</u>

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements

June 30, 2019

NOTE 2 - CASH AND INVESTMENTS (Continued)

Cash

Custodial credit risk for deposits is defined as the risk that if a bank failure were to occur, the School Treasurer's deposits may not be returned or the School Treasurer will not be able to recover collateral securities in the possession of an outside party. There is no deposit policy for custodial credit risk for either the State or the School Treasurer.

As of June 30, 2019, the School Treasurer's General Fund bank balances were insured and collateralized.

Cash Investment Pool

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. When investing takes place, it is performed in accordance with investment policies adopted by the Bloom Township Trustees of Schools complying with State Statutes.

For investments, custodial risk is considered to be the risk that, in the event of the failure of the counterparty, the School Treasurer will not have the ability to recover the value of its investments or collateral securities in the possession of an outside party. There is no state law that requires the collateralization of investments.

The School Treasurer's investments are held in the Bloom Township Trustees of Schools cash and investment pool. At June 30, 2019 the cash bank balances (which include certificates of deposit and money market/cash accounts) of \$248,830,124 in the Bloom Township Treasurer cash and investment pool were covered by FDIC insurance or collateralized.

Interest rate risk is considered to be the risk that changes in interest rates will adversely affect the fair value of an investment. Investments that are held for longer periods of time are subject to increased risk of adverse interest rate changes. Investments are intentionally diversified to minimize the risk of loss resulting from over-concentration of assets in a specific period, a single issuer, or an individual class of securities. At June 30, 2019, the cash and investment pool of the School Treasurer included the following investments:

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements
June 30, 2019

NOTE 2 - CASH AND INVESTMENTS (Continued)

<u>Type of Investment</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Average Credit Rating</u>	
				<u>Moody's</u>	<u>S&P</u>
U.S. Government and government agency obligations	Less than 1 year	\$ 4,481,740	\$ 4,496,515	Aaa	AA+
		1,194,936	1,178,777	Aaa	NR
		999,549	999,549	N/A	N/A
		10,970,910	10,788,023	NR	NR
	1-5 years	27,806,221	27,584,122	Aaa	AA+
	6-10 years	18,588,947	17,702,311	Aaa	AA+
		199,174	189,300	WR	AA+
	11-15 years	408,250	377,198	Aaa	AA+
		2,479,409	2,377,730	Aaa	AA+
	Over 15 years	1,876,947	1,976,778	Aaa	AA+
		<u>69,006,083</u>	<u>67,670,303</u>		

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements

June 30, 2019

<u>Type of Investment</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>Cost</u>	Average Credit Rating	
				<u>Moody's</u>	<u>S&P</u>
Municipal Bonds	Less than 1 year	574,752	574,752	A1	A
		660,818	660,818	A1	A+
		259,982	259,982	A1	AA
		1,088,448	1,088,448	A1	NR
		176,218	176,218	A2	A-
		395,000	395,000	A2	A+
		1,174,847	1,164,242	A2	AA
		528,339	528,339	A2	NR
		137,001	137,001	A3	A
		111,308	111,308	A3	A+
		140,700	140,700	A3	NR
		159,674	152,652	Aa1	AA
		1,077,632	1,096,507	Aa1	AA+
		629,728	636,065	Aa2	AA
		589,740	583,370	Aa2	AA+
		633,187	638,769	Aa2	AA-
		1,035,826	1,035,400	Aa2	NR
		419,933	419,933	Aa3	A+
		2,219,535	2,219,536	Aa3	AA
		364,952	364,952	Aa3	AA-
	1,056,253	1,056,253	Aa3	NR	
	446,301	451,126	Aaa	AAA	
	179,867	179,867	Baa1	A-	
	266,053	266,053	Baa2	A+	
	244,123	244,123	Baa2	AA-	
	660,000	660,000	Baa2	BBB+	
	1,023,290	1,023,290	Baa2	NR	
	2,658,495	2,658,495	Baa3	BBB-	
	766,253	766,253	Baa3	BBB+	
	285,596	285,596	MIG1	NR	
	500,000	500,000	NR	A-	
	824,714	824,714	NR	A+	
	3,582,561	3,582,972	NR	AA	
	1,867,466	1,867,466	NR	AA-	
	1,104,992	1,104,992	NR	AA+	
	450,068	450,068	NR	BBB+	
	3,339,394	3,339,395	NR	NR	
	1-5 years	1,106,232	1,077,079	A1	NR
		558,498	570,949	A2	AA
		198,946	191,780	A2	NR
372,884		395,582	Aa1	AA	
363,229		401,470	Aa1	AA+	
1,113,029		1,127,172	Aa1	AAA	
1,035,630		1,049,570	Aa1	NR	
342,636		342,822	Aa2	AA-	
84,566		83,014	Aa2	AA+	
764,872		770,469	Aa2	NR	
1,821,765		1,843,527	Aa3	AA	
621,016		622,058	Aa3	AA-	
99,534		99,416	Aa3	NR	
690,027		744,199	Aaa	AAA	
133,830		136,578	Aaa	NR	

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements

June 30, 2019

<u>Type of Investment</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>Cost</u>	Average Credit Rating		
				<u>Moody's</u>	<u>S&P</u>	
Municipal Bonds	1-5 years (Continued)	101,224	101,224	Baa1	A	
		2,678,190	2,678,190	MIG2	NR	
		236,833	236,404	NR	A-	
		100,819	100,819	NR	A+	
		1,367,866	1,455,176	NR	AA	
		285,841	285,841	NR	AA-	
		1,105,524	1,107,388	NR	NR	
		6-10 years	584,679	404,431	A2	AA
			102,508	116,504	Aa2	AA-
			623,035	630,200	Aa3	A+
			283,307	250,728	Aa3	AA
			569,629	675,664	Aaa	AAA
	213,408		201,675	Aaa	NR	
	227,633		228,470	NR	AA	
	105,337		103,540	NR	AA-	
	260,433		293,553	NR	AA+	
	11-15 years		519,140	526,555	Aa1	AAA
		521,615	521,616	Aa3	AA	
		202,140	202,140	Aa3	NR	
		458,393	467,757	Aaa	AAA	
		1,217,267	1,424,771	NR	AA+	
		Over 15 years	250,403	253,278	A1	N/R
	255,838		303,840	A2	AA	
	646,720		738,157	Aa2	AA+	
	1,013,970		1,175,780	Aa2	AAA	
	752,210		869,325	Aaa	AAA	
	1,349,158		1,342,614	Aaa	NR	
	1,537,619		1,634,865	NR	AA+	
	<u>58,510,479</u>		<u>59,430,845</u>			
	Corporate and bank bonds and notes					
		Less than 1 year	2,017,040	2,004,785	A1	A+
			2,000,060	1,995,325	A2	A
2,996,850			2,972,435	A2	A-	
5,000,590			5,023,081	A3	BBB+	
4,994,900			4,952,255	Aa3	A+	
1,996,580			1,971,015	Baa1	A-	
1,113,044			1,115,271	Baa1	BBB	
1-5 years			3,047,550	2,991,065	A1	A+
			8,059,930	7,999,606	A2	A
			27,972,610	27,667,192	A2	A-
		11,099,700	10,883,581	A3	A-	
		20,298,563	20,199,441	A3	BBB+	
		4,511,753	4,467,807	Baa1	A-	
6-10 years		6,036,510	5,971,931	Baa1	BBB+	
		1,280,428	1,300,000	A2	A-	
		2,121,040	1,959,825	A3	BBB+	
11-15 years		1,682,037	1,696,250	A2	A-	
Over 15 years		245,090	250,000	A2	A-	
		517,017	549,798	A3	BBB+	
			<u>106,991,292</u>	<u>105,970,663</u>		

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements
June 30, 2019

NOTE 2 - CASH AND INVESTMENTS (Continued)

Type of Investment	Maturity	Fair Value	Cost	Average Credit Rating	
				Moody's	S&P
Certificates of Deposit	Less than 1 year	115,569,364	115,368,026	N/A	N/A
	1-5 years	63,706,367	63,228,360	N/A	N/A
	6-10 years	9,157,228	9,157,058	N/A	N/A
	Over 15 years	1,202,160	1,200,000	N/A	N/A
		<u>189,635,119</u>	<u>188,953,444</u>		
Mortgage securities	Less than 1 year	2,261	2,294	Aaa	AAA
	1-5 years	1,801,930	1,865,906	Aaa	AAA
		703,723	721,124	NR	NR
		485,360	500,005	Aaa	AA+
	6-10 years	619,764	631,887	Aaa	AAA
		577,768	587,395	NR	NR
	11-15 years	1,016,691	1,054,955	Aaa	AA+
		2,724,780	2,733,742	NR	NR
	Over 15 years	7,370	6,758	Aaa	AAA
		250,000	250,005	NR	N/A
<u>5,458,474</u>		<u>5,435,811</u>	NR	NR	
	<u>13,648,121</u>	<u>13,789,882</u>			
Money Market/Cash Acco	N/A	<u>10,041,891</u>	<u>10,089,591</u>		
Total Pooled Cash and Investments		<u>\$ 447,832,985</u>	<u>\$ 445,904,728</u>		

N/A = Not Applicable. Credit quality ratings are not required for U.S. Government and Government Agency investments.

* = Average credit quality ratings as reported by Moody's and/or Standards and Poor's (S&P).

The School Treasurer's cash and investment pool has the following recurring fair value measurements as of June 30, 2019:

Investment by Fair Value Level	June 30, 2019	Fair Value Measurements Using		
		Quoted Prices in		
		Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Agencies	\$ 69,006,083	\$ -	\$ 69,006,083	\$ -
Municipal Bonds	58,510,479	-	58,510,479	-
Corporate and Bank Bonds and Notes	106,991,292	-	106,991,292	-
Mortgage Securities	<u>13,648,121</u>	-	<u>13,648,121</u>	-
Total Investments	<u>\$ 248,155,975</u>	<u>\$ -</u>	<u>\$ 248,155,975</u>	<u>\$ -</u>

The School Treasurer's cash and investment pool includes holdings in the Illinois School District Liquid Asset Fund Plus (ISDLAF), which is a not-for-profit investment trust formed pursuant to the Illinois

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements
June 30, 2019

NOTE 2 - CASH AND INVESTMENTS (Continued)

Municipal Code and overseen by a Board of Trustees elected from participating members. ISDLAF is not registered with the Securities and Exchange Commission (SEC) as an investment company. Investments are valued at share price, which is defined as the price for which the investment could be sold. ISDLAF is rated AAA by S&P.

The School Treasurer invests in various investment securities. Investment securities are exposed to a variety of risks. These risks include interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, there is at least a reasonable possibility that changes in the values of the investment securities will occur in the near future and that these changes could materially affect the amounts reported in the financial statements.

NOTE 3 - CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets during the year ended June 30, 2019 is as follows:

	<u>Balance</u> <u>July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2019</u>
Capital Assets				
Leasehold improvements	\$ 146,696	\$ 189,244	\$ 14,783	\$ 321,157
Computer equipment and software	637,428	-	-	637,428
Office furniture and equipment	79,253	-	-	79,253
CIP- Leasehold improvements	52,996	-	52,996	-
Total capital assets	<u>916,373</u>	<u>189,244</u>	<u>67,779</u>	<u>1,037,838</u>
Less accumulated depreciation:				
Leasehold improvements	146,696	9,462	14,783	146,696
Computer equipment and software	632,586	1,536	-	633,586
Office furniture and equipment	79,253	-	-	79,253
Total accumulated depreciation	<u>859,535</u>	<u>10,998</u>	<u>14,783</u>	<u>855,750</u>
Capital Assets - net	<u>\$ 56,838</u>	<u>\$ 178,246</u>	<u>\$ 52,996</u>	<u>\$ 182,088</u>

NOTE 4 - RETIREMENT FUND COMMITMENTS

During 2015, the School Treasurer adopted the disclosure requirements of Governmental Accounting Standards Board Statements No. 68, *Accounting and Financial Reporting for Pensions*. Because the School Treasurer follows the modified cash basis of accounting, the net pension liability and related deferred outflows of resources and deferred inflows of resources which this new standard requires are

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements
June 30, 2019

NOTE 4 - RETIREMENT FUND COMMITMENTS (Continued)

not recorded on the School Treasurer's financial statements. However, the disclosures required by the standard are provided.

Illinois Municipal Retirement System

Plan Description

The School Treasurer'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 School Treasurer's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document.

Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

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

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

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

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements
June 30, 2019

NOTE 4 - RETIREMENT FUND COMMITMENTS (Continued)

2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

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

Employees Covered by Benefit Terms

As of December 31, 2018, the following employees were covered by the benefit terms

	IMRF
Retirees and Beneficiaries currently receiving benefits	5
Inactive Plan Members entitled to but not yet receiving benefits	-
Active Plan Members	<u>8</u>
Total	13

Contributions

As set by statute, the School Treasurer's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The School Treasurer's annual contribution rate for calendar year 2018 was 13.46%. For the fiscal year ended June 30, 2019, the School Treasurer contributed \$96,182 to the plan. The School Treasurer also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

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

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements

June 30, 2019

NOTE 4 - RETIREMENT FUND COMMITMENTS (Continued)

the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.

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

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	37%	7.15%
International Equity	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	3.20-8.50%
Cash Equivalents	<u>1%</u>	2.50%
Total	100%	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that School Treasurer 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

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements

June 30, 2019

NOTE 4 - RETIREMENT FUND COMMITMENTS (Continued)

fiduciary net position is projected to be sufficient to pay benefits), and

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A) - (B)
Balances at December 31, 2017	\$ 4,410,752	\$ 3,650,950	\$ 759,802
Changes for the year:			
Service Cost	62,087	-	62,087
Interest on the Total Pension Liability	329,796	-	329,796
Changes of Benefit Terms	-		-
Differences Between Expected and Actual Experience of the Total Pension Liability	(639,568)	-	(639,568)
Changes of Assumptions	128,442	-	128,442
Contributions - Employer	-	84,661	(84,661)
Contributions - Employees	-	28,304	(28,304)
Net Investment Income	-	(140,376)	140,376
Benefit Payments, including refunds of Employee Contributions	(89,038)	(89,038)	-
Other (Net Transfer)	-	44,858	(44,858)
Net Changes	(208,281)	(71,591)	(136,690)
Balances at December 31, 2018	\$ 4,202,471	\$ 3,579,359	\$ 623,112

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

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

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements
June 30, 2019

NOTE 4 - RETIREMENT FUND COMMITMENTS (Continued)

	1% Lower (6.25%)	Current Discount Rate (7.25%)	1% Higher (8.25%)
Net Pension Liability	\$1,200,817	\$623,112	\$142,926

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

For the year ended June 30, 2019, had the School Treasurer’s financial statements been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) rather than the Modified Cash Basis, the School Treasurer would have recognized pension expense of \$50,294. At June 30, 2019, the School Treasurer would have reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ 333,390	\$ 602,309
Changes of assumptions	118,960	86,141
Net difference between projected and actual earnings on pension plan investments	<u>379,619</u>	<u>167,837</u>
Total Deferred Amounts to be recognized in pension expense in future periods	<u>831,969</u>	<u>856,287</u>
<i>Pension Contributions made subsequent to the Measurement Date</i>	<u>52,188</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u><u>\$ 884,157</u></u>	<u><u>\$ 856,287</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense in future periods under GAAP as follows:

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements
June 30, 2019

NOTE 4 - RETIREMENT FUND COMMITMENTS (Continued)

Year Ending December 31	Net Deferred Outflows of Resources
2019	\$ 8,958
2020	(39,561)
2021	(8,891)
2022	15,176
2023	-
Thereafter	-
Total	<u>\$ (24,318)</u>

There were no changes in assumptions that affected the measurement of the total pension liability. Both a single discount rate and a long-term investment rate of 7.25% were used. There were no benefit changes during the year.

NOTE 5 - OTHER POSTEMPLOYMENT BENEFITS

Postemployment benefits other than pensions are not provided by the School Treasurer.

NOTE 6 - LEASE COMMITMENT

The School Treasurer has a lease for office space through February 28, 2022 at a monthly rate of \$4,143. Future minimum rental payments at June 30, 2019 are as follows:

Year ending June 30,	
2020	49,716
2021	49,716
2022	<u>33,144</u>
	<u>\$ 132,576</u>

Rent paid during the year ended June 30, 2019 was \$49,716.

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to financial statements
June 30, 2019

NOTE 7 – OPERATING LEASES

The Treasurer’s leases a copier under a five-year operating lease ending in 2022. Under the terms of the lease, the Treasurer’s makes monthly payments of \$656:

Year ending June 30,	
2020	7,872
2021	7,872
2022	5,248
	<u>\$ 20,992</u>

NOTE 8 - RISK MANAGEMENT

The School Treasurer carries commercial insurance for all risks of loss. This includes both health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three fiscal years.

NOTE 9 - OUTSTANDING FEES

At June 30, 2019, there was approximately \$292,321 in outstanding service fees due to the School Treasurer from LEAs. Subsequent to year-end and through the date of this report, all of those fees have been collected besides a total amount due of \$31,110.

NOTE 10 - CONTRACTUAL COMMITMENTS

In July 2017, the Trustees entered into a two-year employment contract with the Bloom School Treasurer for the period July 1, 2017 through June 30, 2019. If the contract had been terminated prior to completion, the maximum liability would have been equal to six months of the School Treasurer’s current salary and benefits. As of June 30, 2019 the treasurer had accumulated 122.5 unused vacation days. The treasurer must use or be compensated for all unused vacation days prior to his last day of employment at the Bloom Township Trustees of Schools and in no year shall the reimbursement exceed 60 days.

SUPPLEMENTARY INFORMATION



BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF REVENUE RECEIVED, EXPENDITURES DISBURSED AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	General Fund		
	Original and Final Budget	Actual	Variance Over (Under) Final Budget
Revenue Received			
School and other LEAs			
School districts			
129	\$ 216,830	\$ 216,830	\$ -
131	85,000	-	(85,000)
159	137,187	92,366	(44,821)
161	97,000	97,000	-
163	86,000	86,000	-
167	64,250	51,250	(13,000)
168	62,000	62,000	-
169	52,000	23,250	(28,750)
170	172,000	137,000	(35,000)
171	43,000	43,000	-
172	16,000	16,000	-
194	67,500	53,750	(13,750)
206	211,250	168,750	(42,500)
220	6,000	-	(6,000)
227	141,992	141,992	-
233	170,000	170,000	-
Other LEAs			
SPEED Joint Agreement No. 802	91,750	91,750	-
ROE No. 47	7,500	3,000	(4,500)
ISC No. 4	47,000	28,000	(19,000)
Total school reimbursements	<u>1,774,259</u>	<u>1,481,938</u>	<u>(292,321)</u>
Interest earnings	200	262	62
Other local revenue	-	1,672	1,672
Total revenue received	<u>1,774,459</u>	<u>1,483,872</u>	<u>(290,587)</u>
Expenditures Disbursed	<u>1,739,400</u>	<u>1,727,138</u>	<u>(12,262)</u>
Excess (Deficiency) of Revenue Received Over Expenditures Disbursed	<u>35,059</u>	<u>(243,266)</u>	<u>(278,325)</u>
Fund Balance - Beginning of Year	<u>873,471</u>	<u>873,471</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 908,530</u>	<u>\$ 630,205</u>	<u>\$ (278,325)</u>

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF REVENUE RECEIVED, EXPENDITURES DISBURSED AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2019

	General Fund		
	Original and Final Budget	Actual	Variance Over (Under) Final Budget
Expenditures Disbursed			
Support services			
Salaries	\$ 657,000	\$ 646,639	\$ (10,361)
Payroll taxes	44,500	43,652	(848)
IMRF	98,000	96,182	(1,818)
Medical insurance	85,000	80,773	(4,227)
Life Insurance	400	-	(400)
Treasurer's bond and other insurance	50,000	48,345	(1,655)
Data process and statistical services	252,000	252,423	423
Audit and financial services	160,000	161,392	1,392
Property Services	55,000	49,716	(5,284)
Legal services	3,000	8,520	5,520
Maintenance and repairs	3,000	6,282	3,282
Transportation and travel	12,000	9,947	(2,053)
Communications	31,000	26,131	(4,869)
Professional services - other	66,000	81,520	15,520
Office expenditures	30,000	33,041	3,041
Utilities	7,500	4,749	(2,751)
Legal publications	22,000	20,174	(1,826)
Dues and fees	6,000	5,779	(221)
Rentals	15,000	13,998	(1,002)
Miscellaneous	2,000	1,275	(725)
Leasehold improvements - CIP	85,000	82,667	(2,333)
Capitalized Equipment	50,000	52,521	2,521
Non-capitalized equipment	5,000	1,412	(3,588)
Total expenditures disbursed	<u>\$ 1,739,400</u>	<u>\$ 1,727,138</u>	<u>\$ (12,262)</u>

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
JUNE 30, 2019

	Calendar Year Ended December 31, 2018	Calendar Year Ended December 31, 2017	Calendar Year Ended December 31, 2016	Calendar Year Ended December 31, 2015	Calendar Year Ended December 31, 2014
Total Pension Liability					
Service Cost	\$ 62,087	\$ 62,657	\$ 64,583	\$ 63,616	\$ 68,322
Interest on the Total Pension Liability	329,796	277,505	274,294	259,530	240,268
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(639,568)	552,410	(204,352)	(26,838)	(28,211)
Changes of Assumptions	128,442	(106,923)	(49,666)	20,189	94,698
Benefit Payments, including Refunds of Employee Contributions	(89,038)	(87,270)	(93,752)	(103,452)	(98,275)
Net Change in Total Pension Liability	<u>(208,281)</u>	<u>698,379</u>	<u>(8,893)</u>	<u>213,045</u>	<u>276,802</u>
Total Pension Liability - Beginning	4,410,752	3,712,373	3,721,266	3,508,221	3,231,419
Total Pension Liability - Ending (A)	<u>\$ 4,202,471</u>	<u>\$ 4,410,752</u>	<u>\$ 3,712,373</u>	<u>\$ 3,721,266</u>	<u>\$ 3,508,221</u>
Plan Fiduciary Net Position					
Contributions - Employer	\$ 84,661	\$ 102,212	\$ 88,776	\$ 88,835	\$ 85,328
Contributions - Employees	28,304	29,906	25,992	26,094	25,718
Net Investment Income	(140,376)	514,118	201,903	14,582	165,742
Benefit Payments, including Refunds of Employee Contributions	(89,038)	(87,270)	(93,752)	(103,452)	(98,275)
Other (Net Transfer)	44,858	(21,564)	24,877	(71,063)	21,540
Net Change in Plan Fiduciary Net Position	<u>(71,591)</u>	<u>537,402</u>	<u>247,796</u>	<u>(45,004)</u>	<u>200,053</u>
Plan Fiduciary Net Position - Beginning	3,650,950	3,113,548	2,865,752	2,910,756	2,710,703
Plan Fiduciary Net Position - Ending (B)	<u>\$ 3,579,359</u>	<u>\$ 3,650,950</u>	<u>\$ 3,113,548</u>	<u>\$ 2,865,752</u>	<u>\$ 2,910,756</u>
Net Pension Liability - Ending (A) - (B)	<u>\$ 623,112</u>	<u>\$ 759,802</u>	<u>\$ 598,825</u>	<u>\$ 855,514</u>	<u>\$ 597,465</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.17%	82.77%	83.87%	77.01%	82.97%
Covered Valuation Payroll	\$ 628,986	\$ 664,578	\$ 577,590	\$ 579,861	\$ 571,517
Net Pension Liability as a Percentage of Covered Valuation Payroll	99.07%	114.33%	103.68%	147.54%	104.54%

**BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
JUNE 30, 2019**

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2014	\$ 85,327	\$ 85,328	\$ (1)	\$ 571,517	14.93%
2015	88,835	88,835	-	579,861	15.32%
2016	88,776	88,776	-	577,590	15.37%
2017	102,212	102,212	-	664,578	15.38%
2018	84,662	84,661	1	628,986	13.46%

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to the supplementary information
June 30, 2019

NOTE 1 – SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

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

NOTE 2 – SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2017 CONTRIBUTION RATE

Rates are based on Valuation Assumptions used in the December 31, 2016 actuarial valuations; note two-year lag between valuation and rate settings.

Valuation Date

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

Methods and Assumptions Used to Determine 2018 Contribution Rates

<i>Actuarial Cost Method:</i>	Aggregate entry age normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	25-year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.5%
<i>Price Inflation:</i>	2.75%
<i>Salary Increases:</i>	3.75% to 14.50%, including inflation
<i>Investment Rate of Return:</i>	7.50%
<i>Retirement Age:</i>	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 to 2013.
<i>Mortality:</i>	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

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS

Notes to the supplementary information
June 30, 2019

**NOTE 2 – SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE
CALCULATION OF THE 2015 CONTRIBUTION RATE (Continued)**

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

There were no benefit changes during the year.

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

OTHER INFORMATION



BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE
ARISING FROM CASH TRANSACTIONS
SCHOOL DISTRICTS AND OTHER LOCAL EDUCATIONAL AUTHORITIES
JUNE 30, 2019

	<u>Total</u>	<u>District 129*</u>	<u>District 131</u>	<u>District 159</u>
Assets				
Cash and investments				
Pooled	\$ 445,989,200	\$ 36,715,712	\$ 48,933,799	\$ 30,132,348
Segregated			53,311,166	622,351
Interfund Receivables			-	194,863
Prepaid payroll withholding			-	-
Total assets			<u>\$ 102,244,965</u>	<u>\$ 30,949,562</u>
Liabilities and Fund Balance				
Liabilities				
Due to student activity groups			\$ 423,608	\$ 21,594
Payroll deductions and withholdings			-	-
Other current liabilities			-	194,863
Total liabilities			<u>423,608</u>	<u>216,457</u>
Fund balance			<u>101,821,357</u>	<u>30,733,105</u>
Total liabilities and fund balance			<u>102,244,965</u>	<u>\$ 30,949,562</u>

* Modified cash basis information for District 129 is not available

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE
ARISING FROM CASH TRANSACTIONS
SCHOOL DISTRICTS AND OTHER LOCAL EDUCATIONAL AUTHORITIES
JUNE 30, 2019

	<u>District 161</u>	<u>District 163</u>	<u>District 167</u>	<u>District 168</u>
Assets				
Cash and investments				
Pooled	\$ 30,091,279	\$ 13,131,305	\$ 14,458,835	\$ 15,428,575
Segregated	729,816	264,362	74,035	38,550
Interfund Receivables	-	-	-	-
Prepaid payroll withholding	-	-	-	-
Total assets	<u>\$ 30,821,095</u>	<u>\$ 13,395,667</u>	<u>\$ 14,532,870</u>	<u>\$ 15,467,125</u>
Liabilities and Fund Balance				
Liabilities				
Due to student activity groups	\$ 198,154	\$ 78,109	\$ 29,042	\$ 32,543
Payroll deductions and withholdings	70,247	-	-	-
Other current liabilities	<u>350,586</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	618,987	78,109	29,042	32,543
Fund balance	<u>30,202,108</u>	<u>13,317,558</u>	<u>14,503,828</u>	<u>15,434,582</u>
Total liabilities and fund balance	<u>\$ 30,821,095</u>	<u>\$ 13,395,667</u>	<u>\$ 14,532,870</u>	<u>\$ 15,467,125</u>

* Modified cash basis information for
District 129 is not available

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE
ARISING FROM CASH TRANSACTIONS
SCHOOL DISTRICTS AND OTHER LOCAL EDUCATIONAL AUTHORITIES
JUNE 30, 2019

	<u>District 169</u>	<u>District 170</u>	<u>District 171</u>	<u>District 172</u>
Assets				
Cash and investments				
Pooled	\$ 7,204,726	\$ 69,633,630	\$ 12,362,183	\$ 5,265,095
Segregated	37,280	1,175,613	365,769	34,478
Interfund Receivables	-	-	-	-
Prepaid payroll withholding	-	-	-	-
Total assets	<u>\$ 7,242,006</u>	<u>\$ 70,809,243</u>	<u>\$ 12,727,952</u>	<u>\$ 5,299,573</u>
Liabilities and Fund Balance				
Liabilities				
Due to student activity groups	\$ 20,522	\$ 36,526	\$ 47,821	\$ 8,025
Payroll deductions and withholdings	-	-	-	-
Other current liabilities	3,682	254,321	-	-
Total liabilities	<u>24,204</u>	<u>290,847</u>	<u>47,821</u>	<u>8,025</u>
Fund balance	<u>7,217,802</u>	<u>70,518,396</u>	<u>12,680,131</u>	<u>5,291,548</u>
Total liabilities and fund balance	<u>\$ 7,242,006</u>	<u>\$ 70,809,243</u>	<u>\$ 12,727,952</u>	<u>\$ 5,299,573</u>

* Modified cash basis information for
District 129 is not available

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE
ARISING FROM CASH TRANSACTIONS
SCHOOL DISTRICTS AND OTHER LOCAL EDUCATIONAL AUTHORITIES
JUNE 30, 2019

	<u>District 194</u>	<u>District 206</u>	<u>District 220</u>	<u>District 233</u>
Assets				
Cash and investments				
Pooled	\$ 6,312,438	\$ 33,445,923	\$ 625,740	\$ 62,495,108
Segregated	241,277	2,761,738	182,763	1,146,900
Interfund Receivables	-	-	-	-
Prepaid payroll withholding	-	-	-	-
Total assets	<u>\$ 6,553,715</u>	<u>\$ 36,207,661</u>	<u>\$ 808,503</u>	<u>\$ 63,642,008</u>
Liabilities and Fund Balance				
Liabilities				
Due to student activity groups	\$ 92,027	\$ 418,984	\$ 20,609	\$ 876,920
Payroll deductions and withholdings	-	556,868	-	-
Other current liabilities	119,994	1,813,263	-	868
Total liabilities	<u>212,021</u>	<u>2,789,115</u>	<u>20,609</u>	<u>877,788</u>
Fund balance	<u>6,341,694</u>	<u>33,418,546</u>	<u>787,894</u>	<u>62,764,220</u>
Total liabilities and fund balance	<u>\$ 6,553,715</u>	<u>\$ 36,207,661</u>	<u>\$ 808,503</u>	<u>\$ 63,642,008</u>

* Modified cash basis information for
District 129 is not available

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE
ARISING FROM CASH TRANSACTIONS
SCHOOL DISTRICTS AND OTHER LOCAL EDUCATIONAL AUTHORITIES
JUNE 30, 2019

	<u>Speed Joint Agreement 802</u>	<u>District 227</u>	<u>ISC No.4</u>	<u>Career Prep Network</u>
Assets				
Cash and investments				
Pooled	\$ 6,015,066	\$ 48,676,266	\$ 3,693,877	\$ 216,845
Segregated	252,579	538,304	Unavailable	-
Interfund Receivables	-	30,116,467	Unavailable	-
Prepaid payroll withholding	-	-	Unavailable	-
Total assets	<u>\$ 6,267,645</u>	<u>\$ 79,331,037</u>	<u>Unavailable</u>	<u>\$ 216,845</u>
Liabilities and Fund Balance				
Liabilities				
Due to student activity groups	\$ 29,026	\$ 350,218	Unavailable	\$ -
Payroll deductions and withholdings	-	-	Unavailable	-
Other current liabilities	-	28,552,763	Unavailable	-
Total liabilities	<u>29,026</u>	<u>28,902,981</u>	<u>Unavailable</u>	<u>-</u>
Fund balance	<u>6,238,619</u>	<u>50,428,056</u>	<u>Unavailable</u>	<u>216,845</u>
Total liabilities and fund balance	<u>\$ 6,267,645</u>	<u>\$ 79,331,037</u>	<u>Unavailable</u>	<u>\$ 216,845</u>

* Modified cash basis information for
District 129 is not available

**BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE
ARISING FROM CASH TRANSACTIONS
SCHOOL DISTRICTS AND OTHER LOCAL EDUCATIONAL AUTHORITIES
JUNE 30, 2019**

**ROE
47**

Assets

Cash and investments	
Pooled	\$ 1,150,450
Segregated	Unavailable
Interfund Receivables	Unavailable
Prepaid payroll withholding	<u>Unavailable</u>
Total assets	<u>Unavailable</u>

Liabilities and Fund Balance

Liabilities	
Due to student activity groups	Unavailable
Payroll deductions and withholdings	Unavailable
Other current liabilities	<u>Unavailable</u>
Total liabilities	Unavailable
Fund balance	<u>Unavailable</u>
Total liabilities and fund balance	<u>Unavailable</u>

* Modified cash basis information for District 129 is not available

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF REVENUE, EXPENDITURES, OTHER SOURCES (USES) AND CHANGES IN FUND BALANCE
ARISING FROM CASH TRANSACTIONS
SCHOOL DISTRICTS AND OTHER LOCAL EDUCATIONAL AUTHORITIES
YEAR ENDED JUNE 30, 2019

	<u>District 131</u>	<u>District 159</u>	<u>District 161</u>	<u>District 163</u>
Revenue				
Local sources	\$ 43,159,066	\$ 30,049,250	\$ 23,628,000	\$ 9,666,838
Flow-Through Receipts	-	-	-	-
State sources	141,677,647	6,262,054	8,455,870	17,319,017
Federal sources	28,753,436	2,066,308	1,951,195	4,222,719
On behalf contributions	8,170,122	8,715,803	10,121,255	8,019,078
Total revenue	<u>221,760,271</u>	<u>47,093,415</u>	<u>44,156,320</u>	<u>39,227,652</u>
Expenditures				
Instruction	94,005,361	14,868,392	17,633,187	14,116,306
Support services	85,932,674	15,066,441	16,773,865	21,880,246
Community services	2,030,329	195,219	40,087	319,079
Payments to other Districts and Governmental units	12,336,443	1,628,445	1,243,437	821,025
Debt service	15,715,463	3,851,725	1,087,510	2,431,906
ISC No. 4 expenditures	-	-	-	-
ROE 47 expenditures	-	-	-	-
On behalf contributions	8,170,122	8,715,803	10,121,255	8,019,078
Total expenditures	<u>218,190,392</u>	<u>44,326,025</u>	<u>46,899,341</u>	<u>47,587,640</u>
Revenue Over (Under) Expenditures	<u>3,569,879</u>	<u>2,767,390</u>	<u>(2,743,021)</u>	<u>(8,359,988)</u>
Other Sources (Uses)	<u>222,602</u>	<u>-</u>	<u>-</u>	<u>219,196</u>
Net Change in Fund Balance	<u>3,792,481</u>	<u>2,767,390</u>	<u>(2,743,021)</u>	<u>(8,140,792)</u>
Fund Balance				
Beginning balance - July 1, 2018	<u>98,028,876</u>	<u>27,965,715</u>	<u>32,945,129</u>	<u>21,458,350</u>
Ending balance - June 30, 2019	<u>\$ 101,821,357</u>	<u>\$ 30,733,105</u>	<u>\$ 30,202,108</u>	<u>\$ 13,317,558</u>

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF REVENUE, EXPENDITURES, OTHER SOURCES (USES) AND CHANGES IN FUND BALANCE
ARISING FROM CASH TRANSACTIONS
SCHOOL DISTRICTS AND OTHER LOCAL EDUCATIONAL AUTHORITIES
YEAR ENDED JUNE 30, 2019

	<u>District 167</u>	<u>District 168</u>	<u>District 169</u>	<u>District 170</u>
Revenue				
Local sources	\$ 8,868,287	\$ 4,907,895	\$ 7,435,516	\$ 13,208,420
Flow-Through Receipts	-	-	-	-
State sources	7,197,661	14,065,059	3,055,054	27,669,249
Federal sources	1,499,545	3,011,126	1,455,566	7,726,044
On behalf contributions	4,342,096	3,970,855	1,243,189	13,850,734
Total revenue	<u>21,907,589</u>	<u>25,954,935</u>	<u>13,189,325</u>	<u>62,454,447</u>
Expenditures				
Instruction	6,949,677	8,971,616	3,031,062	23,406,402
Support services	8,788,494	9,702,612	5,608,087	30,184,856
Community services	75,364	431,494	63,440	282,552
Payments to other Districts and Governmental units	836,722	1,259,655	426,915	1,879,182
Debt service	1,173,788	472,500	1,689,441	2,484,750
ISC No. 4 expenditures	-	-	-	-
ROE 47 expenditures	-	-	-	-
On behalf contributions	4,342,096	3,970,855	1,243,189	13,850,734
Total expenditures	<u>22,166,141</u>	<u>24,808,732</u>	<u>12,062,134</u>	<u>72,088,476</u>
Revenue Over (Under) Expenditures	<u>(258,552)</u>	<u>1,146,203</u>	<u>1,127,191</u>	<u>(9,634,029)</u>
Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(258,552)</u>	<u>1,146,203</u>	<u>1,127,191</u>	<u>(9,634,029)</u>
Fund Balance				
Beginning balance - July 1, 2018	<u>14,762,380</u>	<u>14,288,379</u>	<u>6,090,611</u>	<u>80,152,425</u>
Ending balance - June 30, 2019	<u>\$ 14,503,828</u>	<u>\$ 15,434,582</u>	<u>\$ 7,217,802</u>	<u>\$ 70,518,396</u>

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF REVENUE, EXPENDITURES, OTHER SOURCES (USES) AND CHANGES IN FUND BALANCE
ARISING FROM CASH TRANSACTIONS
SCHOOL DISTRICTS AND OTHER LOCAL EDUCATIONAL AUTHORITIES
YEAR ENDED JUNE 30, 2019

	<u>District 171</u>	<u>District 172</u>	<u>District 194</u>	<u>District 206</u>
Revenue				
Local sources	\$ 7,612,549	\$ 2,353,710	\$ 9,431,619	\$ 26,478,346
Flow-Through Receipts	-	-	-	-
State sources	6,255,868	2,625,476	8,461,457	25,630,834
Federal sources	1,201,345	596,975	1,749,646	6,234,783
On behalf contributions	3,656,808	1,472,451	5,434,280	16,229,856
Total revenue	<u>18,726,570</u>	<u>7,048,612</u>	<u>25,077,002</u>	<u>74,573,819</u>
Expenditures				
Instruction	5,779,444	1,828,653	8,797,248	23,656,581
Support services	7,796,548	2,166,708	6,952,888	38,995,856
Community services	49,221	212	37,242	81,222
Payments to other Districts and Governmental units	1,026,507	500,374	405,438	2,790,631
Debt service	791,647	152,893	1,612,163	1,274,950
ISC No. 4 expenditures	-	-	-	-
ROE 47 expenditures	-	-	-	-
On behalf contributions	3,656,808	1,472,451	5,434,280	16,229,856
Total expenditures	<u>19,100,175</u>	<u>6,121,291</u>	<u>23,239,259</u>	<u>83,029,096</u>
Revenue Over (Under) Expenditures	<u>(373,605)</u>	<u>927,321</u>	<u>1,837,743</u>	<u>(8,455,277)</u>
Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(373,605)</u>	<u>927,321</u>	<u>1,837,743</u>	<u>(8,455,277)</u>
Fund Balance				
Beginning balance - July 1, 2018	<u>13,053,736</u>	<u>4,364,227</u>	<u>4,503,951</u>	<u>41,873,823</u>
Ending balance - June 30, 2019	<u>\$ 12,680,131</u>	<u>\$ 5,291,548</u>	<u>\$ 6,341,694</u>	<u>\$ 33,418,546</u>

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF REVENUE, EXPENDITURES, OTHER SOURCES (USES) AND CHANGES IN FUND BALANCE
ARISING FROM CASH TRANSACTIONS
SCHOOL DISTRICTS AND OTHER LOCAL EDUCATIONAL AUTHORITIES
YEAR ENDED JUNE 30, 2019

	<u>District 220</u>	<u>District 233</u>	<u>Speed Joint Agreement 802</u>	<u>District 227</u>
Revenue				
Local sources	\$ 933,099	\$ 43,200,218	\$ 14,693,537	\$ 54,164,606
Flow-Through Receipts	-	-	7,553,605	-
State sources	96,140	15,601,543	1,533,004	13,703,838
Federal sources	60,156	633,803	2,278,189	2,338,031
On behalf contributions	459,699	16,594,980	3,880,034	11,602,295
Total revenue	<u>1,549,094</u>	<u>76,030,544</u>	<u>29,938,369</u>	<u>81,808,770</u>
Expenditures				
Instruction	548,109	27,404,185	8,821,914	32,277,178
Support services	497,283	27,681,381	8,840,485	29,689,901
Community services	750	14,303	283,714	9,631
Payments to other Districts and Governmental units	38,343	815,372	7,982,982	1,931,329
Debt service	-	3,333,225	-	5,032,777
ISC No. 4 expenditures	-	-	-	-
ROE 47 expenditures	-	-	-	-
On behalf contributions	459,699	16,594,980	3,880,034	11,602,295
Total expenditures	<u>1,544,184</u>	<u>75,843,446</u>	<u>29,809,129</u>	<u>80,543,111</u>
Revenue Over (Under) Expenditures	<u>4,910</u>	<u>187,098</u>	<u>129,240</u>	<u>1,265,659</u>
Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,952,534</u>
Net Change in Fund Balance	<u>4,910</u>	<u>187,098</u>	<u>129,240</u>	<u>4,218,193</u>
Fund Balance				
Beginning balance - July 1, 2018	<u>782,984</u>	<u>62,577,122</u>	<u>6,109,379</u>	<u>46,209,863</u>
Ending balance - June 30, 2019	<u>\$ 787,894</u>	<u>\$ 62,764,220</u>	<u>\$ 6,238,619</u>	<u>\$ 50,428,056</u>

BLOOM TOWNSHIP TRUSTEES OF SCHOOLS
SCHEDULE OF REVENUE, EXPENDITURES, OTHER SOURCES (USES) AND CHANGES IN FUND BALANCE
ARISING FROM CASH TRANSACTIONS
SCHOOL DISTRICTS AND OTHER LOCAL EDUCATIONAL AUTHORITIES
YEAR ENDED JUNE 30, 2019

	<u>ISC No.4</u>	<u>Career Prep Network</u>	<u>ROE 47</u>
Revenue			
Local sources	Unavailable	\$ 83,543	Unavailable
Flow-Through Receipts	Unavailable	958,582	Unavailable
State sources	Unavailable	79,480	Unavailable
Federal sources	Unavailable	4,000	Unavailable
On behalf contributions	Unavailable	-	Unavailable
Total revenue	<u>Unavailable</u>	<u>1,125,605</u>	<u>Unavailable</u>
Expenditures			
Instruction	Unavailable	-	Unavailable
Support services	Unavailable	166,775	Unavailable
Community services	Unavailable	-	Unavailable
Payments to other Districts and Governmental units	Unavailable	1,025,249	Unavailable
Debt service	Unavailable	-	Unavailable
ISC No. 4 expenditures	Unavailable	-	Unavailable
ROE 47 expenditures	Unavailable	-	Unavailable
On behalf contributions	Unavailable	-	Unavailable
Total expenditures	<u>Unavailable</u>	<u>1,192,024</u>	<u>Unavailable</u>
Revenue Over (Under) Expenditures	<u>Unavailable</u>	<u>(66,419)</u>	<u>Unavailable</u>
Other Sources (Uses)	<u>Unavailable</u>	<u>-</u>	<u>Unavailable</u>
Net Change in Fund Balance	<u>Unavailable</u>	<u>(66,419)</u>	<u>Unavailable</u>
Fund Balance			
Beginning balance - July 1, 2018	<u>Unavailable</u>	<u>283,264</u>	<u>Unavailable</u>
Ending balance - June 30, 2019	<u>Unavailable</u>	<u>\$ 216,845</u>	<u>Unavailable</u>