

**State of Illinois  
ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49**

**FINANCIAL AUDIT  
For the Year Ended June 30, 2020**

**Performed as Special Assistant Auditors  
for the Auditor General, State of Illinois**

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49**

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REGIONAL OFFICE OF EDUCATION NO. 49**

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**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49**

**OFFICIALS**

Regional Superintendent  
(Current and during the audit period)

Ms. Tammy Muerhoff

Assistant Regional Superintendent  
(July 1, 2019 through June 30, 2020)

Mr. James Widdop

Assistant Regional Superintendent  
(July 1, 2020 and current)

Mr. Chad Davis

Office is located at:

3430 Avenue of the Cities  
Moline, Illinois 61265

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49**

**FINANCIAL REPORT SUMMARY**

The financial audit testing performed in this audit was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

**AUDITOR'S REPORTS**

The auditor's reports do not contain scope limitations, disclaimers, or other significant non-standard language.

**SUMMARY OF AUDIT FINDINGS**

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	1	1
Repeated audit findings	1	1
Prior recommendations implemented or not repeated	0	1

Details of audit findings are included in a separate report section.

**SUMMARY OF FINDINGS AND RESPONSES**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
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**FINDINGS (GOVERNMENT AUDITING STANDARDS)**

2020-001	11-12	Controls Over Financial Statement Preparation	Significant Deficiency
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**PRIOR AUDIT FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)**

None

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49**

**FINANCIAL REPORT SUMMARY (CONTINUED)**

**EXIT CONFERENCE**

The Rock Island County Regional Office of Education No. 49 opted not to have a formal exit conference during the financial audit for the year ended June 30, 2020. Throughout the audit, meetings were held between auditors and Regional Office officials to discuss matters obtained in this report. Responses to the recommendations were provided by Honorable Tammy Muerhoff, Regional Superintendent, on March 15, 2021.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49**

**FINANCIAL STATEMENT REPORT SUMMARY**

The audit of the accompanying basic financial statements of Rock Island County Regional Office of Education No. 49 was performed by Winkel, Parker & Foster, CPA PC.

Based on their audit, the auditors expressed an unmodified opinion on Rock Island County Regional Office of Education No. 49's basic financial statements.

## INDEPENDENT AUDITOR'S REPORT

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

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

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Rock Island County Regional Office of Education No. 49, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Rock Island County Regional Office of Education No. 49'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, the business-type activities, each major fund, and the aggregate remaining fund information of Rock Island County Regional Office of Education No. 49, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof 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 Analysis on pages 16 through 27, the Teachers' Retirement System of the State of Illinois - Schedule of the Employer's Proportionate Share of the Net Pension Liability, the Teachers' Retirement System of the State of Illinois - Schedule of Employer Contributions, the Illinois Municipal Retirement Fund - Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios, the Illinois Municipal Retirement Fund - Schedule of Employer Contributions, Teachers' Health Insurance Security Fund - Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability, and Teachers' Health Insurance Security Fund - Schedule of Employer Contributions on pages 74 through 77 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.

### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Rock Island County Regional Office of Education No. 49's basic financial statements. The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Disbursements to School District Treasurers and Other Entities - School Facility Occupation Tax are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Disbursements to School District Treasurers and Other Entities - School Facility Occupation Tax 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 schedules of accounts, the budgetary comparison schedules, the combining fund financial statements and the Schedule of Disbursements to School District Treasurers and Other Entities - School Facility

Occupation Tax are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2021 on our consideration of Rock Island County Regional Office of Education No. 49'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Rock Island County Regional Office of Education No. 49's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rock Island County Regional Office of Education No. 49's internal control over financial reporting and compliance.

**ORIGINAL SIGNATURE ON FILE**

Clinton, Iowa  
March 17, 2021

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Rock Island County Regional Office of Education No. 49, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Rock Island County Regional Office of Education No. 49's basic financial statements, and have issued our report thereon dated March 17, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Rock Island County Regional Office of Education No. 49's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Rock Island County Regional Office of Education No. 49's internal control. Accordingly, we do not express an opinion on the effectiveness of Rock Island County Regional Office of Education No. 49's internal control.

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

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

accompanying Schedule of Findings and Responses as item 2020-001 that we consider to be a significant deficiency.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Rock Island County Regional Office of Education No. 49's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Regional Office of Education No. 49's Response to Finding**

Rock Island County Regional Office of Education No. 49's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. Rock Island County Regional Office of Education No. 49's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Rock Island County Regional Office of Education No. 49's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rock Island County Regional Office of Education No. 49's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

## **ORIGINAL SIGNATURE ON FILE**

Clinton, Iowa  
March 17, 2021

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
SCHEDULE OF FINDINGS AND RESPONSES  
Year Ended June 30, 2020**

**Section I: Summary of Auditor's Results:**

**Financial Statements in Accordance with Generally Accepted Accounting Principles**

Type of auditor's report issued: \_\_\_\_\_ Unmodified \_\_\_\_\_

Internal control over financial reporting:

- Material weakness(es) identified?                    \_\_\_\_\_ yes                      x   no
- Significant deficiency(ies) identified?                      x   yes                    \_\_\_\_\_ none reported
- Noncompliance material to  
financial statements noted?                    \_\_\_\_\_ yes                      x   no

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
SCHEDULE OF FINDINGS AND RESPONSES  
Year Ended June 30, 2020**

**Section II: Financial Statement Findings:** (Continued)

**FINDING 2020-001 - Controls Over Financial Statement Preparation (Repeat of findings 19-001, 18-001, 17-001, 16-001, 15-001, 14-001, 13-001, 12-1, 11-1, 10-1, 09-1, 08-1, and 07-1)**

**Criteria/Specific Requirement:**

Rock Island County Regional Office of Education No. 49 is required to maintain a system of controls over the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). Rock Island County Regional Office of Education No. 49's internal controls over GAAP financial reporting should include adequately trained personnel with the knowledge, skills, and experience to prepare GAAP based financial statements and include all disclosures as required by the Governmental Accounting Standards Board (GASB).

**Condition:**

Rock Island County Regional Office of Education No. 49 does not have sufficient internal controls over the financial reporting process. While Regional Office of Education No. 49 maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent, or detect and correct, financial statement misstatements and disclosure omissions in a timely manner.

During review of Regional Office of Education No. 49's financial information prepared by the ROE, it was noted the ROE did not have adequate controls to ensure financial statement balances were accurate. While the ROE did maintain records to indicate the balances of financial statement accounts, audit adjustments were proposed in order to ensure those balances were accurate.

**Effect:**

Regional Office of Education No. 49's management or its employees, in the normal course of performing their assigned functions, may not prevent, or detect and correct, financial statement misstatements and disclosure omissions in a timely manner.

**Cause:**

Regional Office officials indicated they did not effectively detect all of the adjustments needed in order to present financial statements in accordance with GAAP.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
SCHEDULE OF FINDINGS AND RESPONSES  
Year Ended June 30, 2020**

**Section II: Financial Statement Findings:**

**FINDING 2020-001 - Controls Over Financial Statement Preparation (Repeat of findings 19-001, 18-001, 17-001, 16-001, 15-001, 14-001, 13-001, 12-1, 11-1, 10-1, 09-1, 08-1, and 07-1)**  
(Continued)

**Auditor's Recommendation:**

As part of internal control over the preparation of financial statements, including disclosures, Rock Island County Regional Office of Education No. 49 should implement a comprehensive preparation and/or review procedure to ensure that the financial statements, including disclosures, are complete and accurate. These procedures should be performed by a properly trained individual possessing a thorough understanding of applicable generally accepted accounting principles, GASB pronouncements, and knowledge of Regional Office of Education No. 49's activities and operations.

**Management's Response:**

The Rock Island County Regional Office of Education has four positions which have some form of direct review, contact, and oversight of its financial statements. These individuals have attended and will continue to attend training opportunities to enhance their knowledge of the applicable accounting principles and other areas necessary in order to obtain a sufficient set of internal controls over financial statement preparation. There will be continued oversight and direct review of the financial statements of Rock Island County Regional Office of Education. The Rock Island County Regional Office of Education has also contracted with an auditing firm to provide assistance with the preparation of financial statements in order to review and provide additional oversight to ensure the utmost level of accuracy and comprehensive financial statement preparation.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDING  
June 30, 2020**

**FINDING 2020-001 - Controls Over Financial Statement Preparation (Repeat of findings 19-001, 18-001, 17-001, 16-001, 15-001, 14-001, 13-001, 12-1, 11-1, 10-1, 09-1, 08-1, and 07-1)**

**Condition:**

Rock Island County Regional Office of Education No. 49 does not have sufficient internal controls over the financial reporting process. While Regional Office of Education No. 49 maintains controls over the processing of most accounting transactions, there are not sufficient controls over the preparation of the GAAP based financial statements for management or employees in the normal course of performing their assigned functions to prevent, or detect and correct, financial statement misstatements and disclosure omissions in a timely manner.

During review of Regional Office of Education No. 49's financial information prepared by the ROE, it was noted the ROE did not have adequate controls to ensure financial statement balances were accurate. While the ROE did maintain records to indicate the balances of financial statement accounts, audit adjustments were proposed in order to ensure those balances were accurate.

**Plan:**

The Rock Island County Regional Office of Education will acquire the necessary information and training in order to ensure the financial statement balances are accurate and eliminate the need for numerous material audit adjustments. Additionally, the Rock Island County Regional Office of Education obtained services from an auditing firm to conduct financial statement preparation for the 2018-2019 and 2019-2020 fiscal year audit process and will continue to do so 2020-2021 fiscal year.

**Anticipated Completion Date:**

Ongoing

**Contact Person Responsible for Corrective Action:**

Regional Superintendent, Tammy Muerhoff, Rock Island County Regional Office of Education No. 49

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS NOT REPEATED  
June 30, 2020**

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u>
	None	

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

The Rock Island County Regional Office of Education No. 49 provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2020. We encourage readers to consider this information in conjunction with the Rock Island County Regional Office of Education No. 49's financial statements, which follow.

**2020 FINANCIAL HIGHLIGHTS**

- General Fund revenues increased from \$396,820 in fiscal year 2019 to \$454,292 in fiscal year 2020. General Fund expenditures increased from \$396,820 in fiscal year 2019 to \$454,292 in fiscal year 2020. The increase in revenues and expenditures is due to an increase in the State of Illinois on-behalf payments.
- Institute Fund revenues increased from \$37,769 in fiscal year 2019 to \$42,914 in fiscal year 2020. Expenses in the Institute Fund decreased from \$60,388 in fiscal year 2019 to \$58,849 in fiscal year 2020. The increase in revenues is due to an increase in applications and renewals for educator licensure. The decrease in expenses is due to decreases in purchased services.
- Education Fund revenues increased from \$3,450,249 in fiscal year 2019 to \$3,716,624 in fiscal year 2020. Expenditures increased from \$3,425,090 in fiscal year 2019 to \$3,672,610 in fiscal year 2020. The Education Fund is made up of grants that can vary greatly from year to year as some programs have increased funding while others see a funding decrease or are discontinued.
- Enterprise Workshop Fund revenues decreased from \$208,489 in fiscal year 2019 to \$176,810 in fiscal year 2020. This decrease was due to a decrease in the number of professional learning opportunities provided and a lesser number of participants interested in attending; as well as, grant funds that were available to offset costs for participants.
- Government-wide revenues increased from \$4,490,840 in fiscal year 2019 to \$4,783,479 in fiscal year 2020. Government-wide expenses increased from \$4,283,837 in fiscal year 2019 to \$4,739,011 in fiscal year 2020. The increase in revenues and expenditures is primarily due to an increase in the Education Fund's revenues from State sources.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

**USING THIS ANNUAL REPORT**

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Rock Island County Regional Office of Education No. 49's financial activities.

The Government-wide Financial Statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of the Rock Island County Regional Office of Education No. 49 as a whole and present an overall view of the Rock Island County Regional Office of Education No. 49's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the Rock Island County Regional Office of Education No. 49's operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which the Rock Island County Regional Office of Education No. 49 acts solely as an agent or custodian for the benefit of those outside of the Rock Island County Regional Office of Education No. 49.

Notes to the Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with information about the Teachers' Retirement System and Illinois Municipal Retirement Fund pension (assets) liabilities and employer contributions, as well as Teachers' Health Insurance Security Fund OPEB liability and employer contributions.

Supplementary Information provides detailed information about the major and nonmajor funds.

Figure A-1 summarizes the major features of the Rock Island County Regional Office of Education No. 49's financial statements, including the portion of the Rock Island County Regional Office of Education No. 49's activities they cover and the types of information contained.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

*Figure A-1  
Major Features of the Government-wide and Fund Financial Statements*

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Rock Island County Regional Office of Education No. 49 (except fiduciary funds)	The activities of Rock Island County Regional Office of Education No. 49 that are not proprietary or fiduciary, such as grants and statutory funds.	Activities Rock Island County Regional Office of Education No. 49 operates similar to private businesses: Workshops.	Instances in which the Rock Island County Regional Office of Education No. 49 administers resources on behalf of someone else.
Required financial statements	<ul style="list-style-type: none"> <li>▪ Statement of Net Position</li> <li>▪ Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Balance Sheet</li> <li>▪ Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>▪ Statement of Net Position</li> <li>▪ Statement of Revenues, Expenses, and Changes in Fund Net Position</li> <li>▪ Statement of Cash Flows</li> </ul>	<ul style="list-style-type: none"> <li>▪ Statement of Fiduciary Net Position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term.	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included.	All assets and liabilities, both financial and capital, short-term and long-term.	All assets and liabilities, both short-term and long-term.
Type of deferred outflow/inflow information	Consumption/acquisition of net position that is applicable to a future reporting period.	Consumption/acquisition of fund balance that is applicable to a future reporting period.	Consumption/acquisition of net position that is applicable to a future period.	Consumption/acquisition of net position that is applicable to a future reporting period.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and deductions during the year, regardless of when cash is received or paid.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

**REPORTING THE ROCK ISLAND COUNTY REGIONAL OFFICE OF EDUCATION NO. 49’S FINANCIAL ACTIVITIES**

***Government-wide Financial Statements***

The government-wide financial statements report information about the Rock Island County Regional Office of Education No. 49 as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Rock Island County Regional Office of Education No. 49’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year’s revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two government-wide financial statements report the Rock Island County Regional Office of Education No. 49’s net position and how it has changed. Net position - the difference between the Rock Island County Regional Office of Education No. 49’s assets plus deferred outflows and liabilities plus deferred inflows - are one way to measure the Rock Island County Regional Office of Education No. 49’s financial health or financial position. Over time, increases or decreases in the Rock Island County Regional Office of Education No. 49’s net position are an indicator of whether financial position is improving or deteriorating. To assess the Rock Island County Regional Office of Education No. 49’s overall health, additional nonfinancial factors, such as changes in the Rock Island County Regional Office of Education No. 49’s grant funding and the condition of facilities need to be considered.

In the government-wide financial statements, the Rock Island County Regional Office of Education No. 49’s activities are divided into two categories:

*Governmental activities:* Most of the Rock Island County Regional Office of Education No. 49’s basic services are included here, such as grants and statutory funds. Federal and state grant proceeds finance most of these activities.

*Business-type activities:* The Rock Island County Regional Office of Education No. 49 charges fees to help cover the costs of certain services it provides. The Rock Island County Regional Office of Education No. 49’s workshop fund is included here.

***Fund Financial Statements***

The fund financial statements provide more detailed information about the Rock Island County Regional Office of Education No. 49’s funds, focusing on its most significant or “major” funds - not the Rock Island County Regional Office of Education No. 49 as a whole.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

Funds are accounting devices the Rock Island County Regional Office of Education No. 49 uses to keep track of specific sources of funding and spending on particular programs.

Some funds are required by state law. The Rock Island County Regional Office of Education No. 49 establishes other funds to control and manage money for particular purposes, such as accounting for special revenue funds, or to show that it is properly using certain revenues, such as federal grants.

The Rock Island County Regional Office of Education No. 49 has three kinds of funds:

- 1) *Governmental funds*: Most of the Rock Island County Regional Office of Education No. 49's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Rock Island County Regional Office of Education No. 49's programs.

The Rock Island County Regional Office of Education No. 49's governmental funds include the General Fund and Special Revenue Funds.

The required financial statements for governmental funds include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances.

- 2) *Proprietary funds*: Services for which the Rock Island County Regional Office of Education No. 49 charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. The Rock Island County Regional Office of Education No. 49's Enterprise Fund, one type of proprietary fund, is the same as its business-type activities, but provides more detail and additional information, such as cash flows. The Rock Island County Regional Office of Education No. 49 currently has one Enterprise Fund, the Workshop Fund.

The required financial statements for proprietary funds include a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Fund Net Position; and a Statement of Cash Flows.

- 3) *Fiduciary funds*: The Rock Island County Regional Office of Education No. 49 is the trustee, or fiduciary, for assets that belong to others. These funds include Agency Funds.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

Agency Funds - These are funds through which the Rock Island County Regional Office of Education No. 49 administers and accounts for certain federal and/or State grants on behalf of others.

The Rock Island County Regional Office of Education No. 49 is responsible for ensuring the assets reported in the fiduciary funds are used only for their intended purposes and by those to whom the assets belong. The Rock Island County Regional Office of Education No. 49 excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

The required financial statement for fiduciary funds includes a Statement of Fiduciary Net Position.

Reconciliations between the government-wide financial statements and the fund financial statements follow the fund financial statements.

**Government-wide Financial Analysis**

The net position may serve, over time, as a useful indicator of a government's financial position. In the case of the Rock Island County Regional Office of Education No. 49, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$109,418 as of June 30, 2020.

A portion of the Rock Island County Regional Office of Education No. 49's net position reflects its investment in capital assets (e.g., furniture and equipment), less any related debt used to acquire those assets that is still outstanding. Although the Rock Island County Regional Office of Education No. 49's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The Rock Island County Regional Office of Education No. 49's financial position is the product of several financial transactions including the net results of activities, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table presents a summary of the Rock Island County Regional Office of Education No. 49's net position for the fiscal years ended June 30, 2020 and 2019.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

CONDENSED STATEMENT OF NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>ASSETS</b>						
Current assets	\$ 1,164,670	\$1,013,223	\$ 770,988	\$ 828,513	\$ 1,935,658	\$ 1,841,736
Capital assets, net of depreciation	37,208	50,167	7,798	5,203	45,006	55,370
<b>TOTAL ASSETS</b>	<u>1,201,878</u>	<u>1,063,390</u>	<u>778,786</u>	<u>833,716</u>	<u>1,980,664</u>	<u>1,897,106</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred outflows related to pensions and OPEB	76,349	207,311	2,634	14,900	78,983	222,211
<b>LIABILITIES</b>						
Current liabilities	1,023,450	858,445	8,650	8,286	1,032,100	866,731
Noncurrent liabilities	624,280	775,165	476	11,094	624,756	786,259
<b>TOTAL LIABILITIES</b>	<u>1,647,730</u>	<u>1,633,610</u>	<u>9,126</u>	<u>19,380</u>	<u>1,656,856</u>	<u>1,652,990</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred inflows related to pensions and OPEB	291,492	398,508	1,881	2,869	293,373	401,377
<b>NET POSITION</b>						
Net investment in capital assets	37,208	50,167	7,798	5,203	45,006	55,370
Restricted	141,220	154,778	-	-	141,220	154,778
Unrestricted	(839,423)	(966,362)	762,615	821,164	(76,808)	(145,198)
<b>TOTAL NET POSITION</b>	<u>\$ (660,995)</u>	<u>\$ (761,417)</u>	<u>\$ 770,413</u>	<u>\$ 826,367</u>	<u>\$ 109,418</u>	<u>\$ 64,950</u>

**Changes in net position.** The Rock Island County Regional Office of Education No. 49's total revenue for the fiscal year ended June 30, 2020 was \$4,783,479. The total cost of all programs and services was \$4,739,011. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2020 and 2019.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

CHANGES IN NET POSITION

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues						
Program revenues:						
Charges for services	\$ 46,190	\$ 40,886	\$ 176,810	\$ 208,489	\$ 223,000	\$ 249,375
Operating grants and contributions	3,667,923	3,429,071	-	-	3,667,923	3,429,071
General revenues:						
State sources	98,072	97,645	-	-	98,072	97,645
On-behalf payments	794,484	714,749	-	-	794,484	714,749
Total revenues	<u>4,606,669</u>	<u>4,282,351</u>	<u>176,810</u>	<u>208,489</u>	<u>4,783,479</u>	<u>4,490,840</u>
Expenses						
Instructional services:						
Salaries and benefits	1,281,858	1,187,998	71,252	55,211	1,353,110	1,243,209
Pension expense (benefit)	(87,757)	(171,181)	3,647	12,633	(84,110)	(158,548)
OPEB expense	18,034	32,967	-	-	18,034	32,967
Purchased services	1,553,377	1,332,579	135,113	100,989	1,688,490	1,433,568
Supplies and materials	61,074	207,531	13,133	2,815	74,207	210,346
Depreciation	23,509	24,305	1,959	1,144	25,468	25,449
Intergovernmental:						
Payments to other governments	869,328	782,097	-	-	869,328	782,097
Administrative:						
On-behalf payments	794,484	714,749	-	-	794,484	714,749
Total expenses	<u>4,513,907</u>	<u>4,111,045</u>	<u>225,104</u>	<u>172,792</u>	<u>4,739,011</u>	<u>4,283,837</u>
Excess (deficiency) of revenue over (under) expenses before transfers	92,762	171,306	(48,294)	35,697	44,468	207,003
Other financing sources (uses)						
Transfers in (out)	7,660	2,765	(7,660)	(2,765)	-	-
Change in net position	<u>100,422</u>	<u>174,071</u>	<u>(55,954)</u>	<u>32,932</u>	<u>44,468</u>	<u>207,003</u>
Net position, beginning of year	<u>(761,417)</u>	<u>(935,488)</u>	<u>826,367</u>	<u>793,435</u>	<u>64,950</u>	<u>(142,053)</u>
Net position, end of year	<u>\$ (660,995)</u>	<u>\$ (761,417)</u>	<u>\$ 770,413</u>	<u>\$ 826,367</u>	<u>\$ 109,418</u>	<u>\$ 64,950</u>

Operating grants and contributions account for 77% and 76% of the total revenue in fiscal year 2020 and fiscal year 2019, respectively. The Rock Island County Regional Office of Education No. 49's expenses primarily relate to instructional services, which accounts for 65% of the total expenses in fiscal year 2020 and fiscal year 2019.

**Governmental Activities**

Revenues for governmental activities were \$4,606,669 and \$4,282,351 and expenses were \$4,513,907 and \$4,111,045 for fiscal year 2020 and fiscal year 2019, respectively.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

The following table presents the cost of the Rock Island County Regional Office of Education No. 49's functional governmental activities. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and the Rock Island County Regional Office of Education No. 49's residents by each of these functions.

	<u>2020</u>		<u>2019</u>	
	<u>Total Expenses</u>	<u>Net Revenues (Expenses)</u>	<u>Total Expenses</u>	<u>Net Revenues (Expenses)</u>
Instructional services:				
Salaries and benefits	\$ 1,281,858	\$ (9,692)	\$ 1,187,998	\$ (2,896)
Pension and OPEB expense (benefit)	(69,723)	126,360	(138,214)	191,081
Purchased services	1,553,377	(9,397)	1,332,579	(10,316)
Supplies and materials	61,074	(286)	207,531	(1,378)
Capital outlay	-	10,533	-	17,758
Depreciation and disposition losses	23,509	(23,509)	24,305	(24,305)
Intergovernmental:				
Payments to other governments	869,328	(99,319)	782,097	(96,283)
Administrative:				
On-behalf payments	794,484	(794,484)	714,749	(714,749)
Total expenses	<u>\$ 4,513,907</u>	<u>\$ (799,794)</u>	<u>\$ 4,111,045</u>	<u>\$ (641,088)</u>

- The cost of all governmental activities was \$4,513,907 and \$4,111,045 for fiscal year 2020 and fiscal year 2019, respectively.
- Federal and state governments subsidized certain governmental activities with grants and contributions of \$3,667,923 and \$3,429,071 for fiscal year 2020 and fiscal year 2019, respectively.

Net cost of governmental activities (\$799,794), was financed by general revenues, which are made up of primarily State sources (\$98,072) and on-behalf payments (\$794,484) for fiscal year 2020.

Net cost of governmental activities (\$641,088), was financed by general revenues, which are made up of primarily State sources (\$97,645) and on-behalf payments (\$714,749) for fiscal year 2019.

**Business-Type Activities**

Revenues for business-type activities were \$176,810 and \$208,489 and expenses were \$225,104 and \$172,792 for fiscal year 2020 and fiscal year 2019, respectively. The Rock

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

Island County Regional Office of Education No. 49's business-type activities include the Workshop Fund. For the business-type activities, revenues are comprised of charges for services.

**INDIVIDUAL FUND ANALYSIS**

As previously noted, the Rock Island County Regional Office of Education No. 49 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The financial performance of the Rock Island County Regional Office of Education No. 49 as a whole is reflected in its governmental funds, as well. As the Rock Island County Regional Office of Education No. 49 completed the year, its governmental funds reported a combined fund balance of \$95,172, an increase from last year's ending fund balance of \$57,056.

**Governmental Fund Highlights**

The Institute Fund balance decreased from \$139,497 in fiscal year 2019 to \$123,562 in fiscal year 2020. The decrease was primarily due to an increase in salaries and benefits during the fiscal year.

The Education Fund balance increased from \$(97,722) in fiscal year 2019 to \$(46,048) in fiscal year 2020. The increase is due to more timely grant reimbursements from federal sources during fiscal year 2020.

**Proprietary Fund Highlights**

Workshop Fund net position decreased from \$826,367 at June 30, 2019 to \$770,413 at June 30, 2020, representing an decrease of approximately 7%. Net position fluctuates with the number of professional learning opportunities which were provided and participants interested in attending.

**BUDGETARY HIGHLIGHTS**

The Rock Island County Regional Office of Education No. 49 is not required to create a budget for overall operations. They are required to prepare budgets for most of the grants they receive. Over the course of the year, the Rock Island County Regional Office of Education No. 49 amended several of the grant budgets within the Education Fund.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

**CAPITAL ASSETS**

As of June 30, 2020, the Rock Island County Regional Office of Education No. 49 had invested \$45,006 in capital assets, including furniture and equipment. Total depreciation expense for the year was \$25,468.

The following schedules present capital asset balances net of depreciation for the fiscal years ended June 30, 2020 and 2019.

	<u>2020</u>	<u>2019</u>
<b>Governmental Activities:</b>		
Furniture and equipment	\$ 37,208	\$ 50,167
<b>Business-type Activities:</b>		
Furniture and equipment	<u>7,798</u>	<u>5,203</u>
Total	<u>\$ 45,006</u>	<u>\$ 55,370</u>

Additional information on the Rock Island County Regional Office of Education No. 49's capital assets can be found in Note 4 in this report.

**ECONOMIC FACTORS BEARING ON THE ROCK ISLAND COUNTY REGIONAL OFFICE OF EDUCATION NO. 49'S FUTURE**

At the time these financial statements were prepared and audited, the Rock Island County Regional Office of Education No. 49 was aware of several existing circumstances that could significantly affect its financial health in the future.

The financial health of the Rock Island County Regional Office of Education No. 49 is dependent upon proper financial oversight and continued funding provided by State and federal sources.

The State of Illinois continues to be in a dismal financial position, with an annual general fund deficit of \$7.5 billion in the 2019 fiscal year. The State of Illinois continues to be in a dire financial situation with an unfunded pension liability of \$137.3 billion in 2019. The budget deficit and unfunded pension liability negatively affects the Rock Island County Regional Office of Education No. 49's ability to obtain grants to lend for services in the community; as well as, to provide for stable and continued growth. Consequently, the backlog of payments in fiscal year 2019 reached \$7.2 billion. The backlog of payments from the State of Illinois negatively impacts grants. The backlog of payments have caused delayed

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

grant programming and do not allow for maintaining programmatic initiatives to provide much needed services throughout the Rock Island County community.

The United States Federal Government has experienced financially trying times and the number and availability of federal grants and federal monies has impacted the opportunities for continued and expansion of services provided to the Rock Island County community.

**CONTACTING THE ROCK ISLAND COUNTY REGIONAL OFFICE OF EDUCATION NO. 49'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the Rock Island County Regional Office of Education No. 49's citizens, taxpayers, customers and constituents with a general overview of the Rock Island County Regional Office of Education No. 49's finances and to demonstrate the Rock Island County Regional Office of Education No. 49's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Rock Island County Regional Office of Education No. 49, 3430 Avenue of the Cities, Moline, Illinois 61265.

## **BASIC FINANCIAL STATEMENTS**

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
STATEMENT OF NET POSITION  
JUNE 30, 2020**

**EXHIBIT A**

	<b>Primary Government</b>		<b>Total</b>
	<b>Government Activities</b>	<b>Business-Type Activities</b>	
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 1,021,216	\$ 655,790	\$ 1,677,006
Accounts receivable	550	-	550
Due from other governments	236,941	20,762	257,703
Due from (to) other funds	(94,037)	94,037	-
Prepaid expenses	-	399	399
Total current assets	<u>1,164,670</u>	<u>770,988</u>	<u>1,935,658</u>
Noncurrent assets:			
Capital assets, net of depreciation	<u>37,208</u>	<u>7,798</u>	<u>45,006</u>
<b>TOTAL ASSETS</b>	<u>1,201,878</u>	<u>778,786</u>	<u>1,980,664</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	57,876	2,634	60,510
Deferred outflows related to OPEB	18,473	-	18,473
Total deferred outflows of resources	<u>76,349</u>	<u>2,634</u>	<u>78,983</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued expenses	187,711	8,650	196,361
Due to other governments	269,306	-	269,306
Unearned revenue	566,433	-	566,433
Total current liabilities	<u>1,023,450</u>	<u>8,650</u>	<u>1,032,100</u>
Noncurrent liabilities:			
Net pension liabilities	60,324	476	60,800
Net OPEB liability	563,956	-	563,956
Total noncurrent liabilities	<u>624,280</u>	<u>476</u>	<u>624,756</u>
Total liabilities	<u>1,647,730</u>	<u>9,126</u>	<u>1,656,856</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	150,471	1,881	152,352
Deferred inflows related to OPEB	141,021	-	141,021
Total deferred inflows of resources	<u>291,492</u>	<u>1,881</u>	<u>293,373</u>
<b>NET POSITION</b>			
Net investment in capital assets	37,208	7,798	45,006
Restricted - other	141,220	-	141,220
Unrestricted	<u>(839,423)</u>	<u>762,615</u>	<u>(76,808)</u>
<b>TOTAL NET POSITION</b>	<u>\$ (660,995)</u>	<u>\$ 770,413</u>	<u>\$ 109,418</u>

ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020

EXHIBIT B

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expenses) Revenues and Change in Net Position		
		Charges for Services	Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activities	Total
<b>Primary government</b>						
<b>Governmental activities:</b>						
Instructional services:						
Salaries and benefits	\$ 1,281,858	\$ 23,475	\$ 1,248,691	\$ (9,692)	\$ -	\$ (9,692)
Pension expense (benefit)	(87,757)	1,499	50,618	139,874	-	139,874
OPEB expense	18,034	-	4,520	(13,514)	-	(13,514)
Purchased services	1,553,377	21,216	1,522,764	(9,397)	-	(9,397)
Supplies and materials	61,074	-	60,788	(286)	-	(286)
Capital outlay	-	-	10,533	10,533	-	10,533
Depreciation	23,509	-	-	(23,509)	-	(23,509)
Intergovernmental:						
Payments to other governments	869,328	-	770,009	(99,319)	-	(99,319)
Administrative:						
On-behalf payments - local	58,827	-	-	(58,827)	-	(58,827)
On-behalf payments - State	735,657	-	-	(735,657)	-	(735,657)
<b>Total governmental activities</b>	<b>4,513,907</b>	<b>46,190</b>	<b>3,667,923</b>	<b>(799,794)</b>	<b>-</b>	<b>(799,794)</b>
<b>Business-type activities:</b>						
Professional development	221,457	176,810	-	-	(44,647)	(44,647)
Pension expense	3,647	-	-	-	(3,647)	(3,647)
<b>Total business-type activities</b>	<b>225,104</b>	<b>176,810</b>	<b>-</b>	<b>-</b>	<b>(48,294)</b>	<b>(48,294)</b>
<b>Total primary government</b>	<b>\$ 4,739,011</b>	<b>\$ 223,000</b>	<b>\$ 3,667,923</b>	<b>(799,794)</b>	<b>(48,294)</b>	<b>(848,088)</b>
<b>General revenues and transfers:</b>						
State sources				98,072	-	98,072
On-behalf payments - local				58,827	-	58,827
On-behalf payments - State				735,657	-	735,657
Transfers in (out)				7,660	(7,660)	-
<b>Total general revenues and transfers</b>				<b>900,216</b>	<b>(7,660)</b>	<b>892,556</b>
<b>CHANGE IN NET POSITION</b>				<b>100,422</b>	<b>(55,954)</b>	<b>44,468</b>
<b>NET POSITION, BEGINNING OF YEAR</b>				<b>(761,417)</b>	<b>826,367</b>	<b>64,950</b>
<b>NET POSITION, END OF YEAR</b>				<b>\$ (660,995)</b>	<b>\$ 770,413</b>	<b>\$ 109,418</b>

ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2020

EXHIBIT C

	General Fund	Education Fund	Institute	Nonmajor Special Revenue Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 878,395	\$ 125,713	\$ 17,108	\$ 1,021,216
Accounts receivable	-	-	-	550	550
Due from other governments	-	236,941	-	-	236,941
<b>TOTAL ASSETS</b>	-	1,115,336	125,713	17,658	1,258,707
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ -</u>	<u>\$ 1,115,336</u>	<u>\$ 125,713</u>	<u>\$ 17,658</u>	<u>\$ 1,258,707</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)</b>					
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ -	\$ 185,560	\$ 2,151	\$ -	\$ 187,711
Due to other governments	-	269,306	-	-	269,306
Due to other funds	-	94,037	-	-	94,037
Unearned revenue	-	566,433	-	-	566,433
Total liabilities	-	1,115,336	2,151	-	1,117,487
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	-	46,048	-	-	46,048
<b>FUND BALANCES (DEFICIT)</b>					
Restricted	-	-	123,562	17,658	141,220
Unassigned	-	(46,048)	-	-	(46,048)
Total fund balances (deficit)	-	(46,048)	123,562	17,658	95,172
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)</b>	<u>\$ -</u>	<u>\$ 1,115,336</u>	<u>\$ 125,713</u>	<u>\$ 17,658</u>	<u>\$ 1,258,707</u>

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
JUNE 30, 2020**

**EXHIBIT D**

Total fund balances - governmental funds	\$	95,172
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 governmental funds.		37,208
Receivables not collected within 60 days of year end are not available soon enough to pay for the current period's expenditures and, therefore, are considered unavailable and are deferred inflows of resources in the governmental funds.		46,048
Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds as follows:		
Deferred outflows of resources related to pensions	\$ 57,876	
Deferred inflows of resources related to pensions	(150,471)	
Deferred outflows of resources related to OPEB	18,473	
Deferred inflows of resources related to OPEB	<u>(141,021)</u>	<u>(215,143)</u>
Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.		
IMRF net pension liability	(7,934)	
TRS net pension liability	(52,390)	
Net OPEB liability	<u>(563,956)</u>	<u>(624,280)</u>
Net position of governmental activities	\$	<u><u>(660,995)</u></u>

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2020**

**EXHIBIT E**

	<b>General Fund</b>	<b>Education Fund</b>	<b>Institute</b>	<b>Nonmajor Special Revenue Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>					
Local sources	\$ -	\$ -	\$ 42,914	\$ 4,996	\$ 47,910
State sources	98,072	3,066,850	-	1,253	3,166,175
Federal sources	-	649,774	-	-	649,774
On-behalf payments - local	58,827	-	-	-	58,827
On-behalf payments - State	297,393	-	-	-	297,393
Total revenues	<u>454,292</u>	<u>3,716,624</u>	<u>42,914</u>	<u>6,249</u>	<u>4,220,079</u>
<b>EXPENDITURES</b>					
Instructional services:					
Salaries and benefits	-	1,250,713	31,033	112	1,281,858
Pension expense	-	50,700	1,989	-	52,689
OPEB expense	-	4,527	-	-	4,527
Purchased services	-	1,523,977	25,827	3,573	1,553,377
Supplies and materials	-	60,887	-	187	61,074
Administrative:					
On-behalf payments - local	58,827	-	-	-	58,827
On-behalf payments - State	297,393	-	-	-	297,393
Intergovernmental:					
Payments to other governments	98,072	771,256	-	-	869,328
Capital outlay	-	10,550	-	-	10,550
Total expenditures	<u>454,292</u>	<u>3,672,610</u>	<u>58,849</u>	<u>3,872</u>	<u>4,189,623</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	44,014	(15,935)	2,377	30,456
<b>OTHER FINANCING SOURCE</b>					
Transfers in	-	7,660	-	-	7,660
<b>NET CHANGE IN FUND BALANCES (DEFICIT)</b>	-	51,674	(15,935)	2,377	38,116
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>	<u>-</u>	<u>(97,722)</u>	<u>139,497</u>	<u>15,281</u>	<u>57,056</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<u>\$ -</u>	<u>\$ (46,048)</u>	<u>\$ 123,562</u>	<u>\$ 17,658</u>	<u>\$ 95,172</u>

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
GOVERNMENTAL FUNDS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

**EXHIBIT F**

Net change in fund balance \$ 38,116

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 10,550	
Depreciation	<u>(23,509)</u>	(12,959)

Some revenues will not be collected for several months after the Regional Office year end; they are not considered “available” revenues and are deferred in the governmental funds.

Current year unavailable revenue	46,048	
Prior year unavailable revenue	<u>(97,722)</u>	(51,674)

Certain expenses 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.

Pension:

Employer contributions	52,689	
Cost of benefits, earned	<u>87,757</u>	140,446

OPEB:

Employer contributions	4,527	
Cost of benefits, earned	<u>(18,034)</u>	<u>(13,507)</u>

Change in net position of governmental activities \$ 100,422

**ROCK ISLAND COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 49  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 JUNE 30, 2020**

**EXHIBIT G**

	<b><u>Business-Type Activities</u></b>	
	<b><u>Enterprise Fund - Workshops</u></b>	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$	655,790
Due from other governments		20,762
Due from other funds		94,037
Prepaid expenses		399
Total current assets		<u>770,988</u>
Noncurrent assets:		
Capital assets, net		<u>7,798</u>
<b>TOTAL ASSETS</b>		<u>778,786</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows related to pensions		<u>2,634</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and accrued expenses		<u>8,650</u>
Noncurrent liabilities:		
Net pension liability		<u>476</u>
<b>TOTAL LIABILITIES</b>		<u>9,126</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to pensions		<u>1,881</u>
<b>NET POSITION</b>		
Net investment in capital assets		7,798
Unrestricted		<u>762,615</u>
<b>TOTAL NET POSITION</b>	<b>\$</b>	<b><u><u>770,413</u></u></b>

**ROCK ISLAND COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 49  
 PROPRIETARY FUNDS**

**EXHIBIT H**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 FOR THE YEAR ENDED JUNE 30, 2020**

	<u><b>Business-Type Activities Enterprise Fund - Workshops</b></u>
<b>OPERATING REVENUES</b>	
Charges for services	\$ 176,810
<b>OPERATING EXPENSES</b>	
Salaries and benefits	71,252
Pension expense	3,647
Purchased services	135,113
Supplies and materials	13,133
Depreciation	1,959
Total operating expenses	<u>225,104</u>
<b>OPERATING LOSS</b>	(48,294)
<b>OTHER FINANCING USE</b>	
Transfers out	<u>(7,660)</u>
<b>CHANGE IN NET POSITION</b>	(55,954)
<b>NET POSITION, BEGINNING OF YEAR</b>	<u>826,367</u>
<b>NET POSITION, END OF YEAR</b>	<u><u>\$ 770,413</u></u>

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2020**

**EXHIBIT I**

	<b>Business-Type Activities Enterprise Fund - Workshops</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts for workshops and services	\$ 176,852
Payments to suppliers and providers of goods and services	(148,281)
Payments to employees	(74,239)
Net cash used for operating activities	<u>(45,668)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Interfund loans	5,286
Transfers to other funds	(7,660)
Net cash used for noncapital financing activities	<u>(2,374)</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITY:</b>	
Purchase of capital assets	(4,554)
Net cash used for capital financing activity	<u>(4,554)</u>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	(52,596)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>708,386</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 655,790</u>
<b>Reconciliation of operating loss to net cash used for operating activities:</b>	
Operating loss	\$ (48,294)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation	1,959
Effects of changes in assets and liabilities:	
Due from other governments	42
Prepaid expenses	(399)
Deferred outflows related to pensions	12,266
Accounts payable and accrued expenses	364
Net pension liability	(10,618)
Deferred inflows related to pensions	(988)
<b>Net cash used for operating activities</b>	<u>\$ (45,668)</u>

**ROCK ISLAND COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 49  
 FIDUCIARY FUNDS  
 STATEMENT OF FIDUCIARY NET POSITION  
 JUNE 30, 2020**

**EXHIBIT J**

	<b>Agency Funds</b>
	<hr/>
<b>ASSETS</b>	
Cash and cash equivalents	\$ -
Due from other governments	\$ 2,534,267
Due from plan participants	996
	<hr/>
<b>TOTAL ASSETS</b>	<b>\$ 2,535,263</b>
	<hr/> <hr/>
<b>LIABILITIES</b>	
Due to other governments	\$ 2,535,263
	<hr/> <hr/>

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Rock Island County Regional Office of Education No. 49 was created when an Educational Service Region became a Regional Office of Education on August 7, 1995. The Rock Island County Regional Office of Education No. 49 operates under the School Code (105 ILCS 5/3 and 5/3A). The Regional Office of Education No. 49 encompasses Rock Island County, Illinois. A Regional Superintendent of Schools serves as Chief Administrative Officer of the Rock Island County Regional Office of Education No. 49 and is elected pursuant to 105 ILCS 5/3 and 5/3A of the School Code. The principal financial duty of the Regional Superintendent is to receive and distribute monies due to school districts from general state aid, state categorical grants, and various other sources.

The functions of the Rock Island County Regional Office of Education No. 49 also include, but are not limited to, the following:

- Processing teacher licensures;
- Teaching initial and refresher classes for school bus drivers within the Rock Island County Regional Office of Education No. 49;
- Review life/safety requirements for schools in conjunction with the State of Illinois;
- Issuing newsletters regarding new Illinois life/safety requirements;
- Monitoring compliance with State laws and Department of Education policies and procedures;
- Providing directions to teachers and school officials on science, art, and teaching methods;
- Implementing the Illinois State Board of Education's (ISBE) Policy Programs; and
- Encouraging camaraderie among teachers through the teachers' institute.

The Rock Island County Regional Office of Education No. 49's accounting policies conform to generally accepted accounting principles which are appropriate to local governmental agencies of this type.

A. Principles Used to Determine the Scope of the Reporting Entity

The Rock Island County Regional Office of Education No. 49's reporting entity includes all related organizations for which it exercises oversight responsibility.

The Rock Island County Regional Office of Education No. 49 has developed criteria to determine whether outside agencies with activities which benefit the citizens of the Rock Island County Regional Office of Education No. 49, including joint agreements which serve pupils from numerous school districts, should be included within its financial reporting entity. The criteria include but are not limited to, whether the Rock Island

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
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County Regional Office of Education No. 49 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 Rock Island County Regional Office of Education No. 49 has determined that no outside agency meets the above criteria and, therefore, no agency has been included as a component unit in the Regional Office of Education No. 49's financial statements. In addition, the Rock Island County Regional Office of Education No. 49 is not aware of any entity which would exercise such oversight which would result in the Rock Island County Regional Office of Education No. 49 being considered a component unit of the entity.

**B. Basis of Presentation**

**Government-wide Financial Statements**

The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the Rock Island County Regional Office of Education No. 49. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by intergovernmental and local revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Net Position includes all the Rock Island County Regional Office of Education No. 49's assets, including capital assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position are reported in three categories:

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for any debt attributable to the acquisition, construction or improvement of those assets.

*Restricted net position* consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

*Unrestricted net position* consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows that are not included in the determination of net investment in capital assets or the restricted component of net position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those

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**REGIONAL OFFICE OF EDUCATION NO. 49**  
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clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational requirements or capital requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. All interfund transactions between governmental funds are eliminated on the government-wide financial statements. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**Fund Financial Statements**

Separate financial statements are provided for governmental, proprietary 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. Nonmajor funds are aggregated and presented in a single column.

The Rock Island County Regional Office of Education No. 49 reports the following major governmental funds:

General Fund - This fund is used to account for resources traditionally associated with government which are not required, legally or by sound financial management, to be accounted for in another fund. The General Fund accounts include the following:

General State Aid - This program accounts for general State aid monies.

General Fund - This fund accounts for on-behalf payments made by Rock Island County and the State on the Rock Island County Regional Office of Education No. 49's behalf.

Special Revenue Funds - These funds are used to account for and report the proceeds of specific revenue sources (other than fiduciary or major capital projects) that are restricted

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to expenditures for specified purposes. The Rock Island County Regional Office of Education No. 49's major Special Revenue Funds include the following:

Education Fund - This fund is used to account for and report the proceeds of specific revenue sources that are restricted by grant agreements or contracts to expenditures for specified purposes supporting education enhancement programs. The Rock Island County Regional Office of Education No. 49's Education Fund accounts include the following:

Title IV - 21st Century John Deere Middle School - This program accounts for grant monies received for, and payment of, expenses of the 21st Century program at John Deere Middle School.

Title IV - 21st Century Moline High School - This program accounts for grant monies received for, and payment of, expenses of the 21st Century program at Moline High School.

Title IV - 21st Century Glenview Middle School - This program accounts for grant monies received for, and payment of, expenses of the 21st Century program at Glenview Middle School.

Title IV - 21st Century Hanson Elementary School - This program accounts for grant monies received for, and payment of, expenses of the 21st Century program at Hanson Elementary School.

Title IV - 21st Century Wilson Middle School - This program accounts for grant monies received for, and payment of, expenses of the 21st Century program at Wilson Middle School.

Early Childhood Ages 0-3 - This program accounts for grant monies received for, and payment of, expenses of early childhood education for children ages 0-3.

Early Childhood Ages 3-5 - This program accounts for grant monies received for, and payment of, expenses of early childhood education for children ages 3-5.

Truants Alternative and Optional Education - This program accounts for grant monies received for, and payment of, expenses of the Truants Alternative and Optional Education Program.

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McKinney Education for Homeless Children - This program accounts for grant monies received for, and payment of, expenses for programs for educating homeless children.

Early Childhood Emergency Funds - This program accounts for grant monies received to help, develop, enhance, and expand preschool programs that are of high quality.

ROE Operations Fund - This program accounts for the operating fund of the Rock Island County Regional Office of Education No. 49.

Regional Safe Schools Program - This program accounts for grant monies received for, and payments of, the Regional Safe Schools Program.

Nutrition Curriculum - This program accounts for community foundation monies received for building and increasing nutrition curriculum materials among school districts in Scott County, Iowa, and Rock Island County, Illinois.

AdvancED - This program is used to account for a program through AdvancED, which provides accreditation that is designated specifically for education service agencies.

Institute Fund - This fund is used to account for the stewardship of the assets held in trust for the benefit of the Rock Island County Regional Office of Education No. 49's teachers. Fees are collected from teacher license registrations. Monies are expended to conduct teachers' institutes, conferences, and workshops and defray expenses related to technology improvements and administrative processing of licenses. All funds generated remain restricted until expended only on the aforementioned activities.

Nonmajor Special Revenue Funds include the following:

General Education Development - This fund accounts for the administration of the General Education Development Testing Program. Revenues are received from testing and diploma fees.

School Bus Driver Training - This fund accounts for the stewardship of the assets held in trust in connection with the Bus Driver Training Program.

Proprietary Fund - The Rock Island County Regional Office of Education No. 49's proprietary fund is the Enterprise Workshops Fund. This fund is used to account for workshops provided by the Rock Island County Regional Office of Education No. 49.

**ROCK ISLAND COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 49**  
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Fiduciary Fund - The Rock Island County Regional Office of Education No. 49 reports fiduciary funds which are used to account for assets held by the Regional Office of Education No. 49 in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The Rock Island County Regional Office of Education No. 49's fiduciary funds include the following:

Agency Funds - Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. The Regional Superintendent maintains the following Agency Funds:

Cafeteria Plan - This fund accounts for funds collected through payroll deductions from participating employees. The Rock Island County Regional Office of Education No. 49 is responsible for reimbursing the cost of employees' medical expenses.

School Facility Occupation Tax - This fund accounts for one percent sales tax collected by Rock Island County for school facility maintenance and improvements to be distributed to the school districts within the county.

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.

Governmental 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 of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end. Revenues received more than 60 days after the end of the current period are unavailable revenue in the governmental fund financial statements but recognized as current revenue in the government-wide financial statements.

The Rock Island County Regional Office of Education No. 49 records on-behalf payments made by Rock Island County and the State to the Teachers' Retirement System and Teachers' Health Insurance Security Fund as revenue and expenditures.

**ROCK ISLAND COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 49**  
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Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for prepaid expenses and other long-term obligations, which are recognized when paid. Capital asset acquisitions are reported as expenditures in governmental funds.

Under the terms of grant agreements, the Rock Island County Regional Office of Education No. 49 funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted funding sources available to finance the program. It is the Rock Island County Regional Office of Education No. 49's policy to first apply restricted funds, then unrestricted. For unrestricted funds, committed funds are used first, then assigned, then unassigned, if any.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Rock Island County Regional Office of Education No. 49's Enterprise Fund are charges to customers for services provided in workshops. Operating expenses for the enterprise fund include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Rock Island County Regional Office of Education No. 49 maintains its financial records on a cash basis. The financial statements of the Rock Island County Regional Office of Education No. 49 are prepared by making memorandum adjusting entries to the cash basis financial records.

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity**

The following accounting policies are followed in preparing the balance sheet:

Cash and cash equivalents - The Rock Island County Regional Office of Education No. 49 considers cash on hand, checking accounts, savings accounts, money market accounts, and short term investments with maturity dates under 3 months to be cash and cash equivalents.

Capital assets - Capital assets, which include furniture and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
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normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the Rock Island County Regional Office of Education No. 49 as assets with an initial, individual cost in excess of \$500 and estimated useful lives in excess of two years. Capital assets are depreciated using the straight line method over 3-10 years.

Impairment of long lived assets - Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

Deferred outflows of resources - Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.

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

Deferred inflows of resources - Deferred inflows of resources are reported in the governmental fund financial statements as unavailable revenue and represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current period or expected to be collected soon enough to be used to pay liabilities of the current period. Deferred inflows of resources in the governmental fund financial statements consist of grant receivables not collected within sixty days after year end. Deferred inflows of resources in the Statement of Net Position consist of unrecognized items not yet charged to pension and OPEB expense.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
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Postemployment benefits other than pension (OPEB) - For purposes of measuring the Rock Island County Regional Office of Education No. 49's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Rock Island County Regional Office of Education No. 49 OPEB Plan and additions to/deductions from the Rock Island County Regional Office of Education No. 49's fiduciary net position have been determined on the same basis as they are reported by the Rock Island County Regional Office of Education No. 49's Plan. For this purpose, the Rock Island County Regional Office of Education No. 49's Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Restricted net position - In the government-wide Statement of Net Position, net position is reported as restricted when constraints placed on net position use are either externally 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.

Fund balance - Fund balance is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in a governmental fund. The following types of fund balances may be presented in the Governmental Funds Balance Sheet and Governmental Funds Combining Schedule of Accounts:

*Nonspendable fund balance* - The portion of a governmental fund's net position that is not available to be spent, either short term or long term, in either form or through legal restrictions. There are no accounts presenting a nonspendable fund balance.

*Restricted fund balance* - The portion of a governmental fund's net position that is subject to external enforceable legal restrictions. The following fund balances are restricted by Illinois Statute: Institute, General Education Development and School Bus Driver Training.

*Committed fund balance* - The portion of a governmental fund's net position with self-imposed constraints or limitations that have been placed at the highest level of decision making. There are no accounts presenting a committed fund balance.

*Assigned fund balance* - The portion of a governmental fund's net position to denote an intended use of resources. The accounts presented with assigned fund balances are specified for a particular purpose by the Regional Superintendent. There are no accounts presenting an assigned fund balance.

**ROCK ISLAND COUNTY  
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*Unassigned fund balance* - Available expendable resources in a governmental fund that are not designated for a specific purpose. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for these purposes. The unassigned fund balance is made up of the following: Title IV - 21st Century John Deere Middle School, Title IV - 21st Century Wilson Middle School, and McKinney Education for Homeless Children.

E. Budgets

The Rock Island County Regional Office of Education No. 49 does not adopt a formal budget for all revenues and expenditures of the governmental funds and is not required to do so. Certain programs administered by the Rock Island County Regional Office of Education No. 49 are subject to budget approval by the State of Illinois including: Title IV - 21st Century John Deere Middle School, Title IV - 21st Century Moline High School, Title IV - 21st Century Glenview Middle School, Title IV - 21st Century Hanson Elementary School, Title IV - 21st Century Wilson Middle School, Early Childhood Ages 0-3, Early Childhood Ages 3-5, Truants Alternative and Optional Education, McKinney Education for Homeless Children, Early Childhood Emergency Funds, ROE Operations Fund, Regional Safe Schools Program, and AdvancED.

F. Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

G. New Accounting Pronouncements

In 2020, the Rock Island County Regional Office of Education No. 49 implemented Governmental Accounting Standards Board (GASB) Statement No. 95 - *Postponement of the Effective Dates of Certain Authoritative Guidance*. GASB Statement No. 95 extends the effective dates of certain accounting and financial reporting provisions that were first effective for reporting periods beginning after June 15, 2018. The primary objective of this statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic.

H. Subsequent Events

Subsequent events have been evaluated through March 17, 2021, the date the financial statements were available to be issued.

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**NOTE 2 - CASH AND CASH EQUIVALENTS**

The deposits of Rock Island County Regional Office of Education No. 49 monies are governed by the provisions of the Illinois Compiled Statutes.

Deposits

At June 30, 2020, the carrying amount of the Rock Island County Regional Office of Education No. 49's deposits was \$1,677,006 and the bank balance was \$1,904,795.

*Custodial Credit Risk* - Custodial credit risk is the risk that in the event of a bank failure, the Rock Island County Regional Office of Education No. 49's deposits may not be returned. The Rock Island County Regional Office of Education No. 49 does not have a deposit policy for custodial credit risk. The Rock Island County Regional Office of Education No. 49's deposits were covered by FDIC insurance of \$250,000 at June 30, 2020 and additionally covered by collateral held by the financial institution in the Rock Island County Regional Office of Education No. 49's name.

Investments

The Rock Island County Regional Office of Education No. 49 does not have a formal investment policy. However, the Rock Island County Regional Office of Education No. 49 is authorized under the State of Illinois Public Funds Investment Act to invest in various financial instruments including Illinois Funds. At June 30, 2020 the Rock Island County Regional Office of Education No. 49 had investments with carrying and fair values of \$1,315 invested in the Illinois Funds Money Market Fund. The balance is included in the Institute Fund.

In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, the fair value of investments is further categorized by levels depending on the type of inputs used for their valuation.

- Level 1: Unadjusted quoted prices for identical assets in active markets that are accessible at the date of measurement.
- Level 2: Quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the assets.

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- Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (that is, the inputs are supported by little or no market activity).

The fair value of Rock Island County Regional Office of Education No. 49’s investment, amounting to \$1,315, is based on an observable unadjusted quoted market price in an active market therefore this investment has been categorized as Level 1 in the fair value hierarchy.

*Credit Risk* - At June 30, 2020, the Illinois Funds Money Market Fund had a Standard and Poor’s AAAM rating. The pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. Although not subject to direct regulatory oversight, the fund is administered by the Illinois State Treasurer in accordance with the provisions of the Illinois Public Funds Investments Act (30 ILCS 235). All investments are fully collateralized.

*Interest Rate Risk* - The Illinois Funds Money Market Fund, created by the Illinois General Assembly, enables custodians of public funds investment options with a competitive rate of return on fully collateralized investments and immediate access to funds. The investment policy of the Illinois Funds Money Market Fund states that unless authorized specifically by the Treasurer, a minimum of 75% of its investments shall have less than one-year maturity and no investment shall exceed two years’ maturity.

*Concentration of Credit Risk* - Unless specifically authorized by the Treasurer, the Illinois Funds Money Market Fund’s investment policy limits investment categories to not exceed 25% of the portfolio with the exception of cash equivalents and U.S. Treasury securities. Further, certificates of deposit cannot exceed 10% of any single financial institution’s total deposits.

A reconciliation of cash and cash equivalents is as follows:

	Carrying Amount
Governmental activities:	
Bank deposits	\$ 1,019,901
Illinois Funds	1,315
Business-type activities:	
Bank deposits	655,790
Total	\$ 1,677,006

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**NOTE 3 - DUE FROM/TO OTHER GOVERNMENTS**

Amounts due from/to other governments as of June 30, 2020 are as follows:

Due from other governments:	
Education Fund:	
Local governments	\$ 46,110
Illinois State Board of Education	190,831
Proprietary Fund:	
Local governments	20,762
Fiduciary Fund:	
Local governments	2,534,267
Total	<u>\$ 2,791,970</u>

Due to other governments:	
Education Fund:	
Local governments	\$ 269,306
Fiduciary Fund:	
Local governments	2,535,263
Total	<u>\$ 2,804,569</u>

**NOTE 4 - CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2020 is as follows:

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>
<b>Governmental activities:</b>				
Furniture and equipment	\$ 180,987	\$ 10,550	\$ (22,838)	\$ 168,699
Less: Accumulated depreciation	<u>(130,820)</u>	<u>(23,509)</u>	<u>22,838</u>	<u>(131,491)</u>
Capital assets, net	<u>\$ 50,167</u>	<u>\$ (12,959)</u>	<u>\$ -</u>	<u>\$ 37,208</u>
<b>Business-type activities:</b>				
Furniture and equipment	\$ 31,489	\$ 4,554	\$ (2,971)	\$ 33,072
Less: Accumulated depreciation	<u>(26,286)</u>	<u>(1,959)</u>	<u>2,971</u>	<u>(25,274)</u>
Capital assets, net	<u>\$ 5,203</u>	<u>\$ 2,595</u>	<u>\$ -</u>	<u>\$ 7,798</u>

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Depreciation expense was charged as follows:

Governmental activities:	
Instructional services:	
Depreciation	<u>\$ 23,509</u>
Business-type activities:	
Other:	
Depreciation	<u>\$ 1,959</u>

**NOTE 5 - RETIREMENT FUND COMMITMENTS**

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

**General Information about the Pension Plan**

The Rock Island County Regional Office of Education No. 49 participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/cafrs/fy2019>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

**Benefits provided**

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2021. One program allows retiring Tier 1 members to receive a partial lumpsum 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 began in 2019 and are funded by bonds issued by the State of Illinois.

### **Contributions**

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2019, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the Rock Island County Regional Office of Education No. 49.

***On behalf contributions to TRS.*** The State of Illinois makes employer pension contributions on behalf of the Rock Island County Regional Office of Education No. 49. For the year ended June 30, 2020, State of Illinois contributions recognized by the Rock Island County Regional Office of Education No. 49 were based on the State's proportionate share of the

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collective net pension liability associated with the Rock Island County Regional Office of Education No. 49, and the Rock Island County Regional Office of Education No. 49 recognized revenue and expenditures of \$404,826 in pension contributions from the State of Illinois.

**2.2 formula contributions.** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2020 were \$2,861, and are deferred because they were paid after the June 30, 2019 measurement date.

**Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the Rock Island County Regional Office of Education No. 49, there is a statutory requirement for the Rock Island County Regional Office of Education No. 49 to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

For the year ended June 30, 2020, the employer pension contribution was 10.66 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2020, no contributions were required for salaries made from federal and special trust funds.

**Employer retirement cost contributions.** Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The Rock Island County Regional Office of Education No. 49 is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2020, the Rock Island County Regional Office of Education No. 49 did not make any employer contributions to TRS for employer contributions due on salary increases in excess of 6 percent or 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 Rock Island County Regional Office of Education No. 49 reported a liability for its proportionate share of the net pension liability (first amount shown below) that

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reflected a reduction for State pension support provided to the employer. The State's support and total are for disclosure purposes only. The amount recognized by the Rock Island County Regional Office of Education No. 49 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 Rock Island County Regional Office of Education No. 49 follows:

Rock Island County Regional Office of Education No. 49's proportionate share of the net pension liability	\$	52,390
State's proportionate share of the net pension liability associated with the Rock Island County Regional Office of Education No. 49		3,728,540
Total	\$	3,780,930

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018, and rolled forward to June 30, 2019. The Rock Island County Regional Office of Education No. 49's proportion of the net pension liability was based on the Rock Island County Regional Office of Education No. 49's share of contributions to TRS for the measurement year ended June 30, 2019, relative to the contributions of all participating TRS employers and the State during that period. At June 30, 2019, the Rock Island County Regional Office of Education No. 49's proportion was .0000645928 percent, which was an decrease of .0000100092 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Rock Island County Regional Office of Education No. 49 recognized pension expense of \$404,826 and revenue of \$404,826 for support provided by the State. For the year ended June 30, 2020, the Rock Island County Regional Office of Education No. 49 recognized pension income of \$145,035. At June 30, 2020, the Rock Island County Regional Office of Education No. 49 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 859	\$ –
Net difference between projected and actual earnings on pension plan investments	83	–
Changes of assumptions	1,174	1,006
Changes in proportion and differences between the Rock Island County Regional Office of Education No. 49 contributions and proportionate share of contributions	10,729	118,094
Employer contributions subsequent to the measurement date	2,861	–
Total	\$ 15,706	\$ 119,100

\$2,861 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2021. 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 Ended June 30:**

2021	\$	(37,589)
2022		(26,836)
2023		(27,617)
2024		(13,632)
2025		(581)
Total	\$	(106,255)

**Actuarial Assumptions**

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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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 a fully-generational basis using projection table MP-2017. In the June 30, 2018 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2014.

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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
U.S. equities large cap	15.0%	6.3%
U.S. equities small/mid cap	2.0	7.7
International equities developed	13.6	7.0
Emerging market equities	3.4	9.5
U.S. bonds core	8.0	2.2
U.S. bonds high yield	4.2	4.0
International debt developed	2.2	1.1
Emerging international debt	2.6	4.4
Real estate	16.0	5.2
Real return	4.0	1.8
Absolute return	14.0	4.1
Private equity	15.0	9.7
<b>Total</b>	<b>100.0%</b>	

**Discount Rate**

At June 30, 2019, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2018 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2019 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier 1's liability is partially funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy,

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contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Rock Island County Regional Office of Education No. 49’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the Rock Island County Regional Office of Education No. 49’s proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Rock Island County Regional Office of Education No. 49’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Rock Island County Regional Office of Education No. 49’s proportionate share of the net pension liability	\$ 63,990	\$ 52,390	\$ 42,853

**TRS Fiduciary Net Position**

Detailed information about the TRS’s fiduciary net position as of June 30, 2019 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

**Illinois Municipal Retirement Fund**

**IMRF Plan Description**

The Rock Island County Regional Office of Education No. 49’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 Rock Island County Regional Office of Education No. 49’s plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the “Benefits Provided” section of this note. 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](http://www.imrf.org).

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

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

**Employees Covered by Benefit Terms**

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

	<b>IMRF</b>
Retirees and Beneficiaries currently receiving benefits	9
Inactive Plan Member entitled to but not yet receiving benefits	22
Active Plan Members	16
Total	47

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**Contributions**

As set by statute, the Rock Island County Regional Office of Education No. 49'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 Rock Island County Regional Office of Education No. 49's annual contribution rate for calendar year 2019 was 7.49%. For the fiscal year ended June 30, 2020, the Rock Island County Regional Office of Education No. 49 contributed \$52,815 to the plan. The Rock Island County Regional Office of Education No. 49 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 Rock Island County Regional Office of Education No. 49's net pension liability was measured as of December 31, 2019. 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, 2019:

- 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 3.35% 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 the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- For **non-disabled retirees**, an IMRF specific Mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.

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- 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 as of December 31, 2019:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Projected Ten-Year Return</u>
Domestic Equity	37%	5.75%
International Equity	18%	6.50%
Fixed Income	28%	3.25%
Real Estate	9%	5.20%
Alternative Investments	7%	
Private Equity	N/A	7.60%
Hedge Funds	N/A	N/A
Commodities	N/A	3.60%
Cash Equivalents	1%	1.85%
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 employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. the long-term expected rate of return on pension 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 bonds 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).

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For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.75%, and the resulting single discount rate is 7.25%.

**Changes in the Net Pension Liability**

	<b>Total Pension Liability (A)</b>	<b>Plan Fiduciary Net Position (B)</b>	<b>Net Pension Liability (Asset) (A) – (B)</b>
<b>Balances as of December 31, 2018</b>	\$ 1,811,428	\$ 1,678,131	\$ 133,297
<b>Changes for the year:</b>			
Service cost	63,091	–	63,091
Interest on the total pension liability	129,474	–	129,474
Changes of benefit terms	–	–	–
Differences between expected and actual experience of the total pension liability	2,365	–	2,365
Changes of assumptions	–	–	–
Contributions - employer	–	46,679	(46,679)
Contributions - employees	–	28,060	(28,060)
Net investment income	–	246,308	(246,308)
Benefit payment, including refunds of employee contributions	(117,310)	(117,310)	–
Other (net transfer)	–	(1,230)	1,230
Net changes	77,620	202,507	(124,887)
<b>Balances as of December 31, 2019</b>	<u>\$ 1,889,048</u>	<u>\$ 1,880,638</u>	<u>\$ 8,410</u>

**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:

	<b>1% Lower 6.25%</b>	<b>Current Discount 7.25%</b>	<b>1% Higher 8.25%</b>
Net Pension Liability (Asset)	\$ 258,787	\$ 8,410	\$ (195,496)

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

For the year ending June 30, 2020, the Rock Island County Regional Office of Education No. 49 recognized pension expense of \$60,925. At June 30, 2020, the Rock Island County Regional Office of Education No. 49 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<i>Deferred amounts to be recognized in pension expense in future periods</i>		
Difference between expected and actual experience	\$ 4,155	\$ 4,019
Changes in assumptions	15,741	4,961
Net difference between projected and actual earnings on pension plan investments	—	24,272
Total deferred amounts to be recognized in pension expense in future periods	19,896	33,252
Pension contributions made subsequent to the measurement date	24,908	—
Total Deferred Amounts Related to Pension	<u>\$ 44,804</u>	<u>\$ 33,252</u>

\$24,908 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending December 31</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2020	\$ 4,016
2021	(5,594)
2022	13,917
2023	(25,695)
Thereafter	—
Total	<u>\$ (13,356)</u>

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**NOTE 6 - OTHER POSTEMPLOYMENT BENEFITS**

**Teachers' Health Insurance Security Fund**

**THIS Plan Description**

The Rock Island County Regional Office of Education No. 49 participates in the Teachers' Health Insurance Security (THIS) fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Illinois Department of Central Management Services (CMS) as of July 1, 2013. The CMS administers the plan with the cooperation of the TRS.

**Benefits Provided**

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

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

**On-behalf Contributions to the THIS Fund**

The State of Illinois makes employer retiree health insurance contributions on behalf of the Rock Island County Regional Office of Education No. 49. For the year ended June 30, 2020, State of Illinois contributions recognized by the Rock Island County Regional Office of Education No. 49 were based on the State's proportionate share of the collective net OPEB liability associated with the Rock Island County Regional Office of Education No. 49, and

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recognized revenue and expenditures of \$33,438 in OPEB contributions from the State of Illinois.

**Rock Island County Regional Office of Education No. 49 contributions to the THIS Fund**

The Rock Island County Regional Office of Education No. 49 also makes contributions to the THIS Fund. The Rock Island County Regional Office of Education No. 49 THIS Fund contribution was 0.92 percent during the year ended June 30, 2020 and 0.92 and 0.88 percent during the years ended June 30, 2019 and June 30, 2018, respectively. For the year ended June 30, 2020, the Rock Island County Regional Office of Education No. 49 paid \$4,527 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2019 and June 30, 2018, the Rock Island County Regional Office of Education No. 49 paid \$4,558 and \$4,703, respectively, which was 100 percent of the required contributions.

**Further information on the THIS Fund**

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The current reports are listed under “Central Management Services.” Prior reports are available under “Healthcare and Family Services.”

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

<b>Inflation</b>	2.50%
<b>Salary increases</b>	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption
<b>Investment rate of return</b>	0%, net of OPEB plan investment expense, including inflation, for all plan years

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**Healthcare cost trend rates** Actual trend used for fiscal year 2019. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare costs and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.31% is added to non-Medicare costs on and after 2022 to account for the 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-2014 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-2017.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

**Single Discount Rate**

Projected benefit payments are required to be discounted to their actuarial present values 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 bonds 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 fund is financed on a pay-as-you-go basis, a discount rate consistent with fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's index's "20-year Municipal GO Index" has been selected. The discount rates are 3.62 percent as of June 30, 2018, and 3.13 percent as of June 30, 2019.

**Sensitivity of the Rock Island County Regional Office of Education No. 49's Proportionate Share of the Collective Net OPEB Liability to Changes in the Discount Rate**

The following presents the Rock Island County Regional Office of Education No. 49's proportionate share of the collective net OPEB liability, as well as what the ROE's proportionate share of the collective net OPEB liability would be if it were calculated using a

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discount rate that is 1-percentage-point lower (2.13 percent) or 1-percentage-point higher (4.13 percent) than the current discount rate:

	<b>1% Decrease (2.13%)</b>	<b>Current Discount Rate (3.13%)</b>	<b>1% Increase (4.13%)</b>
Rock Island County Regional Office of Education No. 49's proportionate share of the collective net OPEB liability	\$ 678,213	\$ 563,956	\$ 473,915

**Sensitivity of the Rock Island County Regional Office of Education No. 49's Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following table shows the Rock Island County Regional Office of Education No. 49's net OPEB liability as of June 30, 2019, using current trend rates and sensitivity trend rates that are either 1-percentage-point higher or lower. The key trend rates are 8.00% in 2020 decreasing to an ultimate trend rate of 4.81% in 2027, for non-Medicare coverage, and 9.00% in 2020 decreasing to an ultimate trend rate of 4.50% in 2027 for Medicare coverage.

	<b>1% Decrease<sup>a</sup></b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase<sup>b</sup></b>
Rock Island County Regional Office of Education No. 49's proportionate share of the collective net OPEB liability	\$ 455,720	\$ 563,956	\$ 710,402

<sup>a</sup> One percentage point decrease in healthcare trend rates are 7.00% in 2020 decreasing to an ultimate rate of 3.81% in 2027 for non-Medicare coverage, and 8.00% in 2020 decreasing to an ultimate trend rate of 3.50% in 2027 for Medicare coverage.

<sup>b</sup> One percentage point increase in healthcare trend rates are 9.00% in 2020 decreasing to an ultimate trend rate of 5.81% in 2027, for non-Medicare coverage, and 10.00% in 2020 decreasing to an ultimate trend rate of 5.50% in 2027 for Medicare coverage.

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

At June 30, 2020, the Rock Island County Regional Office of Education No. 49 reported a liability for its proportionate share of the collective net OPEB liability that reflected a reduction for State OPEB support provided to the Rock Island County Regional Office of Education No. 49. The amount recognized by the Rock Island County Regional Office of Education No. 49 as its proportionate share of the collective net OPEB liability, the related State support, and the total portion of the collective net OPEB liability that was associated with the Rock Island County Regional Office of Education No. 49 were as follows:

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Rock Island County Regional Office of Education No. 49's proportionate share of the collective net OPEB liability	\$ 563,956
State's proportionate share of the collective net OPEB liability associated with the Rock Island County Regional Office of Education No. 49	<u>763,597</u>
Total	<u>\$ 1,327,553</u>

The collective net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2018, and was rolled forward to the June 30, 2019 measurement date. The Rock Island County Regional Office of Education No. 49's proportion of the collective net OPEB liability was based on a projection of the Rock Island County Regional Office of Education No. 49's long-term share of contributions to the OPEB plan relative to the projected contributions of the Rock Island County Regional Office of Education No. 49, actuarially determined. At June 30, 2019, the Rock Island County Regional Office of Education No. 49's proportion was 0.002038 percent, which was a decrease of 0.000220 percent from its proportion measured as of June 30, 2018 (0.002258 percent). The State's support and total are for disclosure purposes only.

For the year ended June 30, 2020, the Rock Island County Regional Office of Education No. 49 recognized OPEB expense of \$33,438 and revenue of \$33,438 for support provided by the State. For the year ended June 30, 2020, the Rock Island County Regional Office of Education No. 49 recognized OPEB expense of \$18,034. At June 30, 2020, the Rock Island County Regional Office of Education No. 49 reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ —	\$ 9,358
Changes of assumptions	214	64,648
Net difference between projected and actual earnings on OPEB plan investments	—	19
Changes in proportion and differences between the Rock Island County Regional Office of Education No. 49 contributions and proportionate share of contributions	13,732	66,996
Employer contributions subsequent to the measurement date	<u>4,527</u>	<u>—</u>
Total Deferred Amounts Related to OPEB	<u>\$ 18,473</u>	<u>\$ 141,021</u>

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\$4,527 reported as deferred outflows of resources related to OPEB resulting from the Rock Island County Regional Office of Education No. 49 contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the Rock Island County Regional Office of Education No. 49's OPEB expense as follows:

<b>Year Ended June 30:</b>	<b>Net Deferred Inflows of Resources</b>
2021	\$ (22,690)
2022	(22,688)
2023	(22,690)
2024	(22,685)
2025	(16,639)
Thereafter	(19,683)
Total	\$ (127,075)

**THIS Fiduciary Net Position**

Detailed information about the THIS Fund fiduciary net position as of June 30, 2019, is available in the separately issued THIS Financial Report.

**NOTE 7 - LONG-TERM LIABILITIES**

Changes in long-term liabilities during the fiscal year were as follows:

<b>Type of Debt</b>	<b>Balance July 1, 2019</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2020</b>
Governmental activities				
Net pension liability - TRS	\$ 58,148	\$ —	\$ 5,758	\$ 52,390
Net pension liability - IMRF	122,203	—	114,269	7,934
Net OPEB liability - THIS	594,814	—	30,858	563,956
Total	\$ 775,165	\$ —	\$ 150,885	\$ 624,280
Business-type activities				
Net pension liability - IMRF	\$ 11,094	\$ —	\$ 10,618	\$ 476

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**NOTE 8 - ON-BEHALF PAYMENTS**

The State of Illinois, or as specified the county, paid the following salaries, benefits, and contributions on-behalf of the Rock Island County Regional Office of Education No. 49:

Regional Superintendent salary	\$ 119,832
Regional Superintendent benefits (includes State paid insurance)	36,878
Assistant Regional Superintendent salary	107,844
Assistant Regional Superintendent benefits (includes State paid insurance)	32,839
County on-behalf payments	<u>58,827</u>
Total	<u>\$ 356,220</u>

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent was calculated based on data provided by the ISBE. The data for the county employee was provided by the county. The on-behalf payments are reflected as revenues and expenditures of the General Fund.

The Rock Island County Regional Office of Education No. 49 also recorded \$404,826 in revenue and expenses as on-behalf payments from ISBE for the Rock Island County Regional Office of Education No. 49's share of the State's TRS pension expense in the Statement of Activities. In addition, the Rock Island County Regional Office of Education No. 49 recorded \$33,438 in revenue and expenses as on-behalf payments from CMS for the Regional Office's share of the State's THIS contributions in the Statement of Activities. Further, the Rock Island County Regional Office of Education No. 49 has not included any on-behalf payments related to the State's TRS pension expense for the Regional Superintendent or Assistant Regional Superintendent.

State of Illinois and county on-behalf payments	\$ 356,220
Rock Island County Regional Office of Education No. 49's share of TRS pension expense	404,826
THIS fund contributions	<u>33,438</u>
Total	<u>\$ 794,484</u>

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**NOTE 9 - INTERFUND ACTIVITY**

Due to/from Other Funds

Interfund receivables and payables, primarily made to cover cash deficits within pooled cash accounts, as of June 30, 2020 were:

	<u>Due From</u>	<u>Due To</u>
Education Fund:		
Title IV - 21st Century John Deere Middle School	\$     —	\$  37,775
Title IV - 21st Century Moline High School	—	13,910
Title IV - 21st Century Glenview Middle School	—	2,930
Title IV - 21st Century Hanson Elementary School	—	4,120
Title IV - 21st Century Wilson Middle School	—	11,774
Truants Alternative and Optional Education	—	1,822
McKinney Education for Homeless Children	—	7,093
ROE Operations Fund	—	14,613
Proprietary Fund:		
Workshops	94,037	—
Total	<u>\$  94,037</u>	<u>\$  94,037</u>

Transfers In/Out

Transfers are generally made to provide supplemental funding or move resources from the fund required to collect resources to the fund required to expend the resources.

Interfund transfers in/out to other fund balances at June 30, 2020, consist of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
Education Fund:		
ROE Operations Fund	\$  7,660	\$       —
Proprietary Fund:		
Workshops	—	7,660
Total	<u>\$  7,660</u>	<u>\$  7,660</u>

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**NOTE 10 - DEFICIT FUND BALANCES**

At June 30, 2020, the following funds had deficit fund balances:

Education Fund:	
Title IV - 21st Century John Deere Middle School	\$ 18,848
Title IV - 21st Century Wilson Middle School	20,107
McKinney Education for Homeless Children	<u>7,093</u>
Total	<u>\$ 46,048</u>

Deficits are due to late receipt of reimbursements, recorded as unavailable revenue, and will be removed upon collecting reimbursement.

**NOTE 11 - RISK MANAGEMENT**

The Rock Island County Regional Office of Education No. 49 is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. These risks are covered by the purchase of commercial insurance. The Rock Island County Regional Office of Education No. 49 assumes liability for any deductibles and claims in excess of coverage limitations. There has been no significant reduction in insurance coverage from the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage during the year.

**NOTE 12 - IMPACT OF COVID-19 PANDEMIC**

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to become increasingly widespread in the United States.

On March 21, 2020, the Governor of Illinois issued a stay at home order to extend through June 26, 2020. The COVID-19 pandemic has impacted entities through the temporary closures of many businesses, schools, and other entities. Due to pandemic, unplanned additional personal protective equipment was purchased in order to provide criminal history records information checks (fingerprinted background checks) to essential workers. The full extent and duration of the impact of COVID-19 upon the Rock Island County Regional Office of Education No. 49 is not yet known. However, the impacts are dependent upon the duration, severity, and spread of the pandemic throughout the community, region, and state. The Rock Island County Regional Office of Education No. 49 is currently evaluating the short term and long-term implications of COVID-19 on its financial statements.

*This information is an integral part of the accompanying financial statements.*

**REQUIRED SUPPLEMENTARY INFORMATION  
(OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS)**

**ROCK ISLAND COUNTY  
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REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2020**

**Teachers' Retirement System of the State of Illinois  
Schedule of the Employer's Proportionate Share of the Net Pension Liability**

	<u>FY2019*</u>	<u>FY2018*</u>	<u>FY2017*</u>	<u>FY2016*</u>	<u>FY2015*</u>	<u>FY2014*</u>
Employer's proportion of the net pension liability	0.0000645928%	0.0000746020%	0.0002777844%	0.0002406516%	0.0003613125%	0.0011529520%
Employer's proportionate share of the net pension liability	\$ 52,390	\$ 58,148	\$ 212,222	\$ 189,961	\$ 236,696	\$ 701,667
State's proportionate share of the net pension liability associated with the employer	3,728,540	3,983,407	3,740,006	4,146,681	3,920,156	1,737,501
Total	\$ 3,780,930	\$ 4,041,555	\$ 3,952,228	\$ 4,336,642	\$ 4,156,852	\$ 2,439,168
Employer's covered payroll	\$ 498,668	\$ 534,420	\$ 505,307	\$ 614,500	\$ 721,862	\$ 772,399
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	10.5%	10.9%	42.0%	30.9%	32.8%	90.8%
Plan fiduciary net position as a percentage of the total pension liability	39.6%	40.0%	39.3%	36.4%	41.5%	43.0%

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

**Teachers' Retirement System of the State of Illinois  
Schedule of Employer Contributions**

	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>	<u>FY2017</u>	<u>FY2016</u>	<u>FY2015</u>	<u>FY2014</u>
Statutorily-required contribution	\$ 2,854	\$ 2,892	\$ 4,526	\$ 11,600	\$ 9,320	\$ 12,660	\$ 40,789
Contributions in relation to the statutorily-required contribution	2,861	2,905	5,809	11,445	9,320	12,544	47,061
Contribution deficiency (excess)	\$ (7)	\$ (13)	\$ (1,283)	\$ 155	\$ -	\$ 116	\$ (6,272)
Employer's covered payroll	\$ 492,081	\$ 498,668	\$ 534,420	\$ 505,307	\$ 614,500	\$ 721,862	\$ 772,399
Contributions as a percentage of covered payroll	0.58%	0.58%	1.09%	2.26%	1.52%	1.74%	6.09%

\*\* The information in both schedules will accumulate until a full 10-year trend is presented as required by Statement No. 68.

**Notes to Required Supplementary Information**

**Changes of assumptions**

For the 2019, 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 of 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.

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REQUIRED SUPPLEMENTARY INFORMATION  
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**Illinois Municipal Retirement Fund  
Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios  
Last Six Calendar Years**

Calendar year ended December 31,	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>						
Service cost	\$ 63,091	\$ 62,023	\$ 65,121	\$ 55,143	\$ 51,124	\$ 57,452
Interest on the total pension liability	129,474	123,388	122,324	106,062	97,973	89,658
Changes of benefit terms		-	-	-	-	-
Differences between expected and actual experience of the total pension (asset) liability	2,365	8,023	(38,243)	127,125	27,470	(14,428)
Changes of assumptions	-	50,359	(47,216)	-	-	56,681
Benefit payments, including refunds of employee contributions	(117,310)	(89,992)	(82,512)	(70,463)	(70,992)	(81,191)
<b>Net change in total pension liability</b>	<u>77,620</u>	<u>153,801</u>	<u>19,474</u>	<u>217,867</u>	<u>105,575</u>	<u>108,172</u>
<b>Total pension liability - beginning</b>	<u>1,811,428</u>	<u>1,657,627</u>	<u>1,638,153</u>	<u>1,420,286</u>	<u>1,314,711</u>	<u>1,206,539</u>
<b>Total pension liability - ending (A)</b>	<u>\$ 1,889,048</u>	<u>\$ 1,811,428</u>	<u>\$ 1,657,627</u>	<u>\$ 1,638,153</u>	<u>\$ 1,420,286</u>	<u>\$ 1,314,711</u>
<b>Plan fiduciary net position</b>						
Contributions - employer	\$ 46,679	\$ 56,121	\$ 40,475	\$ 38,348	\$ 33,008	\$ 46,970
Contributions - employees	28,060	26,753	27,709	25,719	21,653	21,264
Net investment income	246,308	(65,325)	213,677	106,863	638	80,594
Benefit payments, including refunds of employee contributions	(117,310)	(89,992)	(82,512)	(70,463)	(70,992)	(81,191)
Other (net transfer)	(1,230)	(1,252)	(1,105)	(1,482)	(89)	(1,063)
<b>Net change in plan fiduciary net position</b>	<u>202,507</u>	<u>(73,695)</u>	<u>198,244</u>	<u>98,985</u>	<u>(15,782)</u>	<u>66,574</u>
<b>Plan fiduciary net position - beginning</b>	<u>1,678,131</u>	<u>1,751,826</u>	<u>1,553,582</u>	<u>1,454,597</u>	<u>1,470,379</u>	<u>1,403,805</u>
<b>Plan fiduciary net position - ending (B)</b>	<u>\$ 1,880,638</u>	<u>\$ 1,678,131</u>	<u>\$ 1,751,826</u>	<u>\$ 1,553,582</u>	<u>\$ 1,454,597</u>	<u>\$ 1,470,379</u>
<b>Net pension (asset) liability - ending (A) - (B)</b>	<u>\$ 8,410</u>	<u>\$ 133,297</u>	<u>\$ (94,199)</u>	<u>\$ 84,571</u>	<u>\$ (34,311)</u>	<u>\$ (155,668)</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	99.55%	92.64%	105.68%	94.84%	102.42%	111.84%
<b>Covered payroll</b>	\$ 623,560	\$ 594,501	\$ 589,150	\$ 571,524	\$ 481,174	\$ 472,536
<b>Net pension (asset) liability as a percentage of covered payroll</b>	1.35%	22.42%	-15.99%	14.80%	-7.13%	-32.94%

**Notes to Schedule:**

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.

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REQUIRED SUPPLEMENTARY INFORMATION  
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**Illinois Municipal Retirement Fund  
Schedule of Employer Contributions  
Last Six Fiscal Years**

Fiscal Year Ended June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2020	\$ 52,815	\$ 52,815	\$ -	\$ 696,702	7.58%
2019	48,638	48,638	-	567,142	8.58%
2018	46,944	46,944	-	579,271	8.10%
2017	38,557	38,557	-	567,759	6.79%
2016	35,570	35,569	1	524,891	6.78%
2015	36,667	37,974	(1,307)	458,896	8.28%

**Notes to Schedule:**

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2019 Contribution Rate\**

**Valuation Date:**

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which is 6 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine 2019 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>	24-year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.25%
<i>Price Inflation:</i>	2.50%
<i>Salary Increases:</i>	3.35% to 14.25%, 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 2017 valuation pursuant to an experience study of the period 2014-2016.
<i>Mortality:</i>	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 Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**Other Information:**

Notes: There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2017 actuarial valuation.

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.

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2020**

**Teachers' Health Insurance Security Fund  
Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability  
Last Four Fiscal Years\***

Fiscal year ended December 31,	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Employer's proportion of the collective net OPEB liability	0.002038%	0.002258%	0.002193%	0.002243%
Employer's proportionate share of the collective net OPEB liability	563,956	594,814	569,120	613,116
State's proportionate share of the collective net OPEB liability associated with the employer	763,597	798,733	747,385	850,092
Total	<u>\$1,327,553</u>	<u>\$ 1,393,547</u>	<u>\$ 1,316,505</u>	<u>\$1,463,208</u>
Employer's covered payroll	498,668	534,420	505,307	614,500
Employer's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	113.1%	111.3%	112.6%	99.8%
Plan fiduciary net position as a percentage of the total OPEB liability	0.25%	-0.07%	-0.17%	-0.22%

\* The amounts presented for each fiscal year were determined as of the prior fiscal year end.

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.

**Teachers' Health Insurance Security Fund  
Schedule of the Employer Contributions  
Last Five Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily-required contribution	\$ 4,527	\$ 4,558	\$ 4,703	\$ 4,245	\$ 4,179
Contributions in relation to the statutorily-required contribution	4,527	4,558	4,703	4,238	4,179
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ 7	\$ -
Employer's covered payroll	\$ 492,081	\$ 498,668	\$ 534,420	\$ 505,307	\$ 614,500
Contributions as a percentage of covered payroll	0.92%	0.92%	0.88%	0.84%	0.68%

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.

**Notes to This Required Supplementary Information**

**Changes of assumptions**

For the 2019 measurement year, the assumed investment rate of return was of 0 percent, including an inflation rate of 2.50 percent. For the 2018 and 2017 measurement years, the assumed investment rate of return was of 0 percent, including an inflation rate of 2.75 percent. Salary increases were assumed to vary by service credit and were the same for the 2019, 2018 and 2017 measurement years. For the 2019 measurement period, the actual trend was used for fiscal year 2019. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare costs and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.31% is added to non-Medicare costs on and after 2022 to account for the Excise Tax. For the 2018 measurement period, the actual trend was 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 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 the Excise Tax. For the 2017 measurement period, actual trend was used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.00% and 9.00% for non-Medicare costs and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.59% is added to non-Medicare costs on and after 2020 to account for the Excise Tax.

**SUPPLEMENTARY INFORMATION**

**ROCK ISLAND COUNTY**  
**REGIONAL OFFICE OF EDUCATION NO. 49**  
**GENERAL FUND ACCOUNTS**  
**COMBINING SCHEDULE OF ACCOUNTS**  
**JUNE 30, 2020**

**SCHEDULE 1**

	<u>General State Aid</u>	<u>General Fund</u>	<u>Total</u>
<b>ASSETS</b>			
None	\$ -	\$ -	\$ -
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
None	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
None	\$ -	\$ -	\$ -
<b>DEFERRED INFLOWS OF RESOURCES</b>			
None	-	-	-
<b>FUND BALANCES</b>			
None	-	-	-
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
GENERAL FUND ACCOUNTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2020**

**SCHEDULE 2**

	<u>General State Aid</u>	<u>General Fund</u>	<u>Total</u>
<b>REVENUES</b>			
State sources	\$ 98,072	\$ -	\$ 98,072
On-behalf payments - local	-	58,827	58,827
On-behalf payments - State	-	297,393	297,393
Total revenues	<u>98,072</u>	<u>356,220</u>	<u>454,292</u>
<b>EXPENDITURES</b>			
Intergovernmental:			
Payments to other governments	98,072	-	98,072
Administrative:			
On-behalf payments - local	-	58,827	58,827
On-behalf payments - State	-	297,393	297,393
Total expenditures	<u>98,072</u>	<u>356,220</u>	<u>454,292</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SCHEDULE 3

ROCK ISLAND COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 49  
 EDUCATION FUND ACCOUNTS  
 COMBINING SCHEDULE OF ACCOUNTS  
 JUNE 30, 2020

	Title IV - 21st Century John Deere Middle School	Title IV - 21st Century Moline High School	Title IV - 21st Century Glenview Middle School	Title IV - 21st Century Hanson Elementary School	Title IV - 21st Century Wilson Middle School
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	56,623	65,012	8,240	39,017	31,219
<b>TOTAL ASSETS</b>	<b>56,623</b>	<b>65,012</b>	<b>8,240</b>	<b>39,017</b>	<b>31,219</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 56,623</b>	<b>\$ 65,012</b>	<b>\$ 8,240</b>	<b>\$ 39,017</b>	<b>\$ 31,219</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)</b>					
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 267	\$ 2,022	\$ 802	\$ 610	\$ 797
Due to other governments	18,581	49,080	4,508	32,533	18,648
Due to other funds	37,775	13,910	2,930	4,120	11,774
Unearned revenue	-	-	-	1,754	-
Total liabilities	56,623	65,012	8,240	39,017	31,219
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	18,848	-	-	-	20,107
<b>FUND BALANCES (DEFICIT)</b>					
Unassigned	(18,848)	-	-	-	(20,107)
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)</b>	<b>\$ 56,623</b>	<b>\$ 65,012</b>	<b>\$ 8,240</b>	<b>\$ 39,017</b>	<b>\$ 31,219</b>

ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
EDUCATION FUND ACCOUNTS  
COMBINING SCHEDULE OF ACCOUNTS  
JUNE 30, 2020

SCHEDULE 3  
(CONTINUED)

	Early Childhood Ages 0-3	Early Childhood Ages 3-5	Truants Alternative and Optional Education	McKinney Education for Homeless Children	Early Childhood Emergency Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 318,633	\$ 466,525	\$ -	\$ -	\$ 37,979
Due from other governments	-	-	1,822	7,093	-
<b>TOTAL ASSETS</b>	318,633	466,525	1,822	7,093	37,979
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 318,633</u>	<u>\$ 466,525</u>	<u>\$ 1,822</u>	<u>\$ 7,093</u>	<u>\$ 37,979</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)</b>					
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 71,314	\$ 103,769	\$ -	\$ -	\$ 85
Due to other governments	-	64,225	-	-	22,731
Due to other funds	-	-	1,822	7,093	-
Unearned revenue	247,319	298,531	-	-	15,163
Total liabilities	<u>318,633</u>	<u>466,525</u>	<u>1,822</u>	<u>7,093</u>	<u>37,979</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	-	-	-	7,093	-
<b>FUND BALANCES (DEFICIT)</b>					
Unassigned	-	-	-	(7,093)	-
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)</b>	<u>\$ 318,633</u>	<u>\$ 466,525</u>	<u>\$ 1,822</u>	<u>\$ 7,093</u>	<u>\$ 37,979</u>

ROCK ISLAND COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 49  
 EDUCATION FUND ACCOUNTS  
 COMBINING SCHEDULE OF ACCOUNTS  
 JUNE 30, 2020

SCHEDULE 3  
 (CONTINUED)

	ROE Operations Fund	Regional Safe Schools Program	Nutrition Curriculum	AdvancED	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 51,592	\$ 2,916	\$ 750	\$ 878,395
Due from other governments	20,500	7,415	-	-	236,941
<b>TOTAL ASSETS</b>	20,500	59,007	2,916	750	1,115,336
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 20,500</u>	<u>\$ 59,007</u>	<u>\$ 2,916</u>	<u>\$ 750</u>	<u>\$ 1,115,336</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)</b>					
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 5,887	\$ 7	\$ -	\$ -	\$ 185,560
Due to other governments	-	59,000	-	-	269,306
Due to other funds	14,613	-	-	-	94,037
Unearned revenue	-	-	2,916	750	566,433
Total liabilities	<u>20,500</u>	<u>59,007</u>	<u>2,916</u>	<u>750</u>	<u>1,115,336</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	-	-	-	-	46,048
<b>FUND BALANCES (DEFICIT)</b>					
Unassigned	-	-	-	-	(46,048)
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)</b>	<u>\$ 20,500</u>	<u>\$ 59,007</u>	<u>\$ 2,916</u>	<u>\$ 750</u>	<u>\$ 1,115,336</u>

**ROCK ISLAND COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 49  
 EDUCATION FUND ACCOUNTS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2020**

	Title IV - 21st Century John Deere Middle School	Title IV - 21st Century Moline High School	Title IV - 21st Century Glenview Middle School	Title IV - 21st Century Hanson Elementary School	Title IV - 21st Century Wilson Middle School
<b>REVENUES</b>					
State sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	90,603	159,798	97,696	165,280	118,107
Total revenues	<u>90,603</u>	<u>159,798</u>	<u>97,696</u>	<u>165,280</u>	<u>118,107</u>
<b>EXPENDITURES</b>					
Instructional services:					
Salaries and benefits	7,732	7,388	7,545	7,852	6,802
Pension expense	189	130	192	193	140
OPEB expense	1	4	3	4	2
Purchased services	3,650	3,617	3,564	3,645	5,010
Supplies and materials	47	462	468	702	47
Intergovernmental:					
Payment to other governments	85,952	122,558	77,846	117,870	111,966
Capital outlay	-	-	-	-	-
Total expenditures	<u>97,571</u>	<u>134,159</u>	<u>89,618</u>	<u>130,266</u>	<u>123,967</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(6,968)	25,639	8,078	35,014	(5,860)
<b>OTHER FINANCING SOURCE</b>					
Transfers in	-	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(6,968)	25,639	8,078	35,014	(5,860)
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>	<u>(11,880)</u>	<u>(25,639)</u>	<u>(8,078)</u>	<u>(35,014)</u>	<u>(14,247)</u>
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<u>\$ (18,848)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,107)</u>

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
EDUCATION FUND ACCOUNTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2020**

**SCHEDULE 4  
(CONTINUED)**

	<b>Early Childhood Ages 0-3</b>	<b>Early Childhood Ages 3-5</b>	<b>Truants Alternative and Optional Education</b>	<b>McKinney Education for Homeless Children</b>	<b>Early Childhood Emergency Funds</b>
<b>REVENUES</b>					
State sources	\$ 817,150	\$ 1,829,471	\$ 58,145	\$ -	\$ 122,673
Federal sources	-	-	-	12,040	-
Total revenues	<u>817,150</u>	<u>1,829,471</u>	<u>58,145</u>	<u>12,040</u>	<u>122,673</u>
<b>EXPENDITURES</b>					
Instructional services:					
Salaries and benefits	461,325	501,921	50,913	16,495	26,653
Pension expense	34,270	6,606	2,384	1,156	668
OPEB expense	505	3,867	-	-	141
Purchased services	299,280	1,164,718	1,944	1,482	7,985
Supplies and materials	20,335	36,298	40	-	306
Intergovernmental:					
Payment to other governments	-	109,144	-	-	86,920
Capital outlay	1,435	6,917	-	-	-
Total expenditures	<u>817,150</u>	<u>1,829,471</u>	<u>55,281</u>	<u>19,133</u>	<u>122,673</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	2,864	(7,093)	-
<b>OTHER FINANCING SOURCE</b>					
Transfers in	-	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	-	-	2,864	(7,093)	-
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>	-	-	(2,864)	-	-
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,093)</u>	<u>\$ -</u>

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
EDUCATION FUND ACCOUNTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2020**

**SCHEDULE 4  
(CONTINUED)**

	<b>ROE Operations Fund</b>	<b>Regional Safe Schools Program</b>	<b>Nutrition Curriculum</b>	<b>AdvancED</b>	<b>Total</b>
<b>REVENUES</b>					
State sources	\$ 150,425	\$ 88,986	\$ -	\$ -	\$ 3,066,850
Federal sources	-	-	-	6,250	649,774
Total revenues	<u>150,425</u>	<u>88,986</u>	<u>-</u>	<u>6,250</u>	<u>3,716,624</u>
<b>EXPENDITURES</b>					
Instructional services:					
Salaries and benefits	131,138	24,949	-	-	1,250,713
Pension expense	2,179	2,593	-	-	50,700
OPEB expense	-	-	-	-	4,527
Purchased services	20,848	1,984	-	6,250	1,523,977
Supplies and materials	1,722	460	-	-	60,887
Intergovernmental:					
Payment to other governments	-	59,000	-	-	771,256
Capital outlay	2,198	-	-	-	10,550
Total expenditures	<u>158,085</u>	<u>88,986</u>	<u>-</u>	<u>6,250</u>	<u>3,672,610</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(7,660)	-	-	-	44,014
<b>OTHER FINANCING SOURCE</b>					
Transfers in	7,660	-	-	-	7,660
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-	-	51,674
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>	-	-	-	-	(97,722)
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (46,048)</u>

ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
EDUCATION FUND ACCOUNTS  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2020

SCHEDULE 5

	Title IV - 21st Century John Deere Middle School				Title IV - 21st Century Moline High School			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
<b>REVENUES</b>								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	135,000	135,000	90,603	(44,397)	135,000	135,000	159,798	24,798
Total revenues	135,000	135,000	90,603	(44,397)	135,000	135,000	159,798	24,798
<b>EXPENDITURES</b>								
Instructional services:								
Salaries and benefits	9,054	9,054	7,732	1,322	9,140	9,140	7,388	1,752
Pension expense	-	-	189	(189)	-	-	130	(130)
OPEB expense	-	-	1	(1)	-	-	4	(4)
Purchased services	4,296	4,296	3,650	646	4,210	4,210	3,617	593
Supplies and materials	150	150	47	103	151	151	462	(311)
Intergovernmental:								
Payments to other governments	121,500	121,500	85,952	35,548	121,499	121,499	122,558	(1,059)
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	135,000	135,000	97,571	37,429	135,000	135,000	134,159	841
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	(6,968)	<u>\$ (6,968)</u>	<u>\$ -</u>	<u>\$ -</u>	25,639	<u>\$ 25,639</u>
<b>OTHER FINANCING SOURCE</b>								
Transfers in			-				-	
<b>NET CHANGE IN FUND BALANCES</b>			(6,968)				25,639	
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>			(11,880)				(25,639)	
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>			<u>\$ (18,848)</u>				<u>\$ -</u>	

ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
EDUCATION FUND ACCOUNTS  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2020

SCHEDULE 5  
(CONTINUED)

	Title IV - 21st Century Glenview Middle School				Title IV - 21st Century Hanson Elementary School			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
<b>REVENUES</b>								
State sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	135,000	135,000	97,696	(37,304)	138,000	138,000	165,280	27,280
Total revenues	135,000	135,000	97,696	(37,304)	138,000	138,000	165,280	27,280
<b>EXPENDITURES</b>								
Instructional services:								
Salaries and benefits	9,140	9,140	7,545	1,595	9,140	9,140	7,852	1,288
Pension expense	-	-	192	(192)	-	-	193	(193)
OPEB expense	-	-	3	(3)	-	-	4	(4)
Purchased services	4,210	4,210	3,564	646	4,510	4,510	3,645	865
Supplies and materials	150	150	468	(318)	350	350	702	(352)
Intergovernmental:								
Payments to other governments	121,500	121,500	77,846	43,654	124,000	124,000	117,870	6,130
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	135,000	135,000	89,618	45,382	138,000	138,000	130,266	7,734
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	8,078	<u>\$ 8,078</u>	<u>\$ -</u>	<u>\$ -</u>	35,014	<u>\$ 35,014</u>
<b>OTHER FINANCING SOURCE</b>								
Transfers in			-				-	
<b>NET CHANGE IN FUND BALANCES</b>			8,078				35,014	
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>			(8,078)				(35,014)	
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>			<u>\$ -</u>				<u>\$ -</u>	

ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
EDUCATION FUND ACCOUNTS  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2020

SCHEDULE 5  
(CONTINUED)

	Title IV - 21st Century Wilson Middle School				Early Childhood Ages 0-3			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
<b>REVENUES</b>								
State sources	\$ -	\$ -	\$ -	\$ -	\$ 813,942	\$ 824,778	\$ 817,150	\$ (7,628)
Federal sources	150,000	150,000	118,107	(31,893)	-	-	-	-
Total revenues	150,000	150,000	118,107	(31,893)	813,942	824,778	817,150	(7,628)
<b>EXPENDITURES</b>								
Instructional services:								
Salaries and benefits	8,840	8,840	6,802	2,038	529,980	528,380	461,325	67,055
Pension expense	-	-	140	(140)	-	-	34,270	(34,270)
OPEB expense	-	-	2	(2)	-	-	505	(505)
Purchased services	6,010	6,010	5,010	1,000	277,873	277,209	299,280	(22,071)
Supplies and materials	150	150	47	103	6,089	17,589	20,335	(2,746)
Intergovernmental:								
Payments to other governments	135,000	135,000	111,966	23,034	-	-	-	-
Capital outlay	-	-	-	-	-	1,600	1,435	165
Total expenditures	150,000	150,000	123,967	26,033	813,942	824,778	817,150	7,628
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	(5,860)	<u>\$ (5,860)</u>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>OTHER FINANCING SOURCE</b>								
Transfers in			-				-	
<b>NET CHANGE IN FUND BALANCES</b>			(5,860)				-	
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>			(14,247)				-	
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>			<u>\$ (20,107)</u>				<u>\$ -</u>	

ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
EDUCATION FUND ACCOUNTS  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2020

SCHEDULE 5  
(CONTINUED)

	Early Childhood Ages 3-5				Truants Alternative and Optional Education			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
<b>REVENUES</b>								
State sources	\$ 1,859,530	\$ 1,979,165	\$ 1,829,471	\$ (149,694)	\$ 58,318	\$ 58,318	\$ 58,145	\$ (173)
Federal sources	-	-	-	-	-	-	-	-
Total revenues	1,859,530	1,979,165	1,829,471	(149,694)	58,318	58,318	58,145	(173)
<b>EXPENDITURES</b>								
Instructional services:								
Salaries and benefits	623,615	579,188	501,921	77,267	56,601	56,601	50,913	5,688
Pension expense	-	-	6,606	(6,606)	-	-	2,384	(2,384)
OPEB expense	-	-	3,867	(3,867)	-	-	-	-
Purchased services	994,045	1,139,807	1,164,718	(24,911)	1,717	1,717	1,944	(227)
Supplies and materials	68,467	71,467	36,298	35,169	-	-	40	(40)
Intergovernmental:								
Payments to other governments	173,403	185,903	109,144	76,759	-	-	-	-
Capital outlay	-	2,800	6,917	(4,117)	-	-	-	-
Total expenditures	1,859,530	1,979,165	1,829,471	149,694	58,318	58,318	55,281	3,037
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>2,864</u>	<u>\$ 2,864</u>
<b>OTHER FINANCING SOURCE</b>								
Transfers in			-				-	
<b>NET CHANGE IN FUND BALANCES</b>			-				2,864	
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>			-				(2,864)	
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>			<u>\$ -</u>				<u>\$ -</u>	

ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
EDUCATION FUND ACCOUNTS  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2020

SCHEDULE 5  
(CONTINUED)

	McKinney Education for Homeless Children				Early Childhood Emergency Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
<b>REVENUES</b>								
State sources	\$ -	\$ -	\$ -	\$ -	\$ 139,456	\$ 142,336	\$ 122,673	\$ (19,663)
Federal sources	21,275	21,275	12,040	(9,235)	-	-	-	-
Total revenues	21,275	21,275	12,040	(9,235)	139,456	142,336	122,673	(19,663)
<b>EXPENDITURES</b>								
Instructional services:								
Salaries and benefits	13,819	18,749	16,495	2,254	28,443	27,312	26,653	659
Pension expense	-	-	1,156	(1,156)	-	-	668	(668)
OPEB expense	-	-	-	-	-	-	141	(141)
Purchased services	4,964	1,484	1,482	2	9,881	14,869	7,985	6,884
Supplies and materials	2,492	1,042	-	1,042	4,769	5,769	306	5,463
Intergovernmental:								
Payments to other governments	-	-	-	-	96,363	94,386	86,920	7,466
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	21,275	21,275	19,133	2,142	139,456	142,336	122,673	19,663
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(7,093)</u>	<u>\$ (7,093)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>OTHER FINANCING SOURCE</b>								
Transfers in			-				-	
<b>NET CHANGE IN FUND BALANCES</b>			(7,093)				-	
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>			-				-	
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>			<u>\$ (7,093)</u>				<u>\$ -</u>	

ROCK ISLAND COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 49  
 EDUCATION FUND ACCOUNTS  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2020

SCHEDULE 5  
 (CONTINUED)

	ROE Operations Fund				Regional Safe Schools Program			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
<b>REVENUES</b>								
State sources	\$ 130,268	\$ 130,268	\$ 150,425	\$ 20,157	\$ 88,986	\$ 88,986	\$ 88,986	\$ -
Federal sources	-	-	-	-	-	-	-	-
Total revenues	130,268	130,268	150,425	20,157	88,986	88,986	88,986	-
<b>EXPENDITURES</b>								
Instructional services:								
Salaries and benefits	110,064	109,129	131,138	(22,009)	23,566	25,945	24,949	996
Pension expense	-	-	2,179	(2,179)	-	-	2,593	(2,593)
OPEB expense	-	-	-	-	-	-	-	-
Purchased services	19,004	19,939	20,848	(909)	5,790	3,411	1,984	1,427
Supplies and materials	1,200	1,200	1,722	(522)	630	630	460	170
Intergovernmental:								
Payments to other governments	-	-	-	-	59,000	59,000	59,000	-
Capital outlay	-	-	2,198	(2,198)	-	-	-	-
Total expenditures	130,268	130,268	158,085	(27,817)	88,986	88,986	88,986	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	(7,660)	<u>\$ (7,660)</u>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>OTHER FINANCING SOURCE</b>								
Transfers in			7,660					
<b>NET CHANGE IN FUND BALANCES</b>			-					
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>			-					
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>			<u>\$ -</u>				<u>\$ -</u>	

ROCK ISLAND COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 49  
 EDUCATION FUND ACCOUNTS  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2020

SCHEDULE 5  
 (CONTINUED)

	AdvancED			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
State sources	\$ -	\$ -	\$ -	\$ -
Federal sources	7,500	7,500	6,250	(1,250)
Total revenues	<u>7,500</u>	<u>7,500</u>	<u>6,250</u>	<u>(1,250)</u>
<b>EXPENDITURES</b>				
Instructional services:				
Salaries and benefits	-	-	-	-
Pension expense	-	-	-	-
OPEB expense	-	-	-	-
Purchased services	7,500	7,500	6,250	1,250
Supplies and materials	-	-	-	-
Intergovernmental:				
Payments to other governments	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>7,500</u>	<u>7,500</u>	<u>6,250</u>	<u>1,250</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>OTHER FINANCING SOURCE</b>				
Transfers in			-	
<b>NET CHANGE IN FUND BALANCES</b>			-	
<b>FUND BALANCES (DEFICIT), BEGINNING OF YEAR</b>			-	
<b>FUND BALANCES (DEFICIT), END OF YEAR</b>			<u>\$ -</u>	

**ROCK ISLAND COUNTY  
REGIONAL OFFICE OF EDUCATION NO. 49  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2020**

**SCHEDULE 6**

	<b>General Education Development</b>	<b>School Bus Driver Training</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 8,195	\$ 8,913	\$ 17,108
Accounts receivable	-	550	550
<b>TOTAL ASSETS</b>	<b>8,195</b>	<b>9,463</b>	<b>17,658</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
None	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 8,195</b>	<b>\$ 9,463</b>	<b>\$ 17,658</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ -	\$ -	\$ -
<b>DEFERRED INFLOWS OF RESOURCES</b>			
None	-	-	-
<b>FUND BALANCES</b>			
Restricted	8,195	9,463	17,658
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 8,195</b>	<b>\$ 9,463</b>	<b>\$ 17,658</b>

**ROCK ISLAND COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 49  
 NONMAJOR SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2020**

**SCHEDULE 7**

	<b>General Education Development</b>	<b>School Bus Driver Training</b>	<b>Total</b>
<b>REVENUES</b>			
Local sources	\$ 2,163	\$ 2,833	\$ 4,996
State sources	-	1,253	1,253
Total revenues	<u>2,163</u>	<u>4,086</u>	<u>6,249</u>
<b>EXPENDITURES</b>			
Instructional services:			
Salaries and benefits	112	-	112
Purchased services	306	3,267	3,573
Supplies and materials	-	187	187
Total expenditures	<u>418</u>	<u>3,454</u>	<u>3,872</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,745	632	2,377
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>6,450</u>	<u>8,831</u>	<u>15,281</u>
<b>FUND BALANCES, END OF YEAR</b>	<u><u>\$ 8,195</u></u>	<u><u>\$ 9,463</u></u>	<u><u>\$ 17,658</u></u>

**ROCK ISLAND COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 49  
 AGENCY FUNDS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 JUNE 30, 2020**

**SCHEDULE 8**

	<b>Cafeteria Plan</b>	<b>School Facility Occupation Tax</b>	<b>Total</b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Due from other governments	\$ -	\$ 2,534,267	\$ 2,534,267
Due from plan participants	996	-	996
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL ASSETS</b>	<u>\$ 996</u>	<u>\$ 2,534,267</u>	<u>\$ 2,535,263</u>
<b>LIABILITIES</b>			
Due to other governments	<u>\$ 996</u>	<u>\$ 2,534,267</u>	<u>\$ 2,535,263</u>

ROCK ISLAND COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 49  
 AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 FOR THE YEAR ENDED JUNE 30, 2020

SCHEDULE 9

	Balance, July 1, 2019	Additions	Deductions	Balance, June 30, 2020
<b><u>CAFETERIA PLAN</u></b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 631	\$ -	\$ 631	\$ -
Due from plan participants	-	54,028	53,032	996
<b>TOTAL ASSETS</b>	<b>\$ 631</b>	<b>\$ 54,028</b>	<b>\$ 53,663</b>	<b>\$ 996</b>
<b>LIABILITIES</b>				
Due to plan participants	\$ 631	\$ -	\$ 631	\$ -
Due to other governments	-	54,028	53,032	996
<b>TOTAL LIABILITIES</b>	<b>\$ 631</b>	<b>\$ 54,028</b>	<b>\$ 53,663</b>	<b>\$ 996</b>
<b><u>SCHOOL FACILITY OCCUPATION TAX</u></b>				
<b>ASSETS</b>				
Cash	\$ -	\$ 11,270,357	\$ 11,270,357	\$ -
Due from other governments	3,027,473	2,534,267	3,027,473	2,534,267
<b>TOTAL ASSETS</b>	<b>\$ 3,027,473</b>	<b>\$ 13,804,624</b>	<b>\$ 14,297,830</b>	<b>\$ 2,534,267</b>
<b>LIABILITIES</b>				
Due to other governments	\$ 3,027,473	\$ 2,534,267	\$ 3,027,473	\$ 2,534,267
<b><u>TOTAL ALL AGENCY FUNDS</u></b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 631	\$ 11,270,357	\$ 11,270,988	\$ -
Due from other governments	3,027,473	2,534,267	3,027,473	2,534,267
Due from plan participants	-	54,028	53,032	996
<b>TOTAL ASSETS</b>	<b>\$ 3,028,104</b>	<b>\$ 13,858,652</b>	<b>\$ 14,351,493</b>	<b>\$ 2,535,263</b>
<b>LIABILITIES</b>				
Due to plan participants	\$ 631	\$ -	\$ 631	\$ -
Due to other governments	3,027,473	2,588,295	3,080,505	2,535,263
<b>TOTAL LIABILITIES</b>	<b>\$ 3,028,104</b>	<b>\$ 2,588,295</b>	<b>\$ 3,081,136</b>	<b>\$ 2,535,263</b>

ROCK ISLAND COUNTY  
 REGIONAL OFFICE OF EDUCATION NO. 49  
 SCHEDULE OF DISBURSEMENTS TO SCHOOL DISTRICT TREASURERS AND OTHER ENTITIES  
 SCHOOL FACILITY OCCUPATION TAX  
 FOR THE YEAR ENDED JUNE 30, 2020

SCHEDULE 10

Program	Carbon Cliff- Barstow	Orion	United Township	Silvis	Sherrard Community Unit	Rockridge	Riverdale Community Unit	Moline - Coal Valley	Mercy County	Hampton	Erie Community Unit	East Moline	Colona	Rock Island	Total
	School District #36	School District #223	School District #30	School District #34	School District #200	School District #300	School District #100	School District #404	School District #29	School District #9	School District #1	School District #37	School District #190	School District #41	
School Facility Occupation Tax	\$ 144,173	\$ 27,489	\$ 801,586	\$ 334,550	\$ 190,813	\$ 554,108	\$ 606,387	\$ 3,774,432	\$ 3,869	\$ 114,531	\$ 13,458	\$ 1,420,069	\$ 1,880	\$ 3,283,012	\$ 11,270,357