

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

**FINANCIAL AUDIT
For the Year Ended June 30, 2019**

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

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

TABLE OF CONTENTS

	PAGE
OFFICIALS	1
FINANCIAL REPORT SUMMARY	2
FINANCIAL STATEMENT REPORT SUMMARY	4
Independent Auditor’s Report.....	5
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 <i>Government</i> <i>Auditing Standards</i>	8
Schedule of Findings and Responses	10
Corrective Action Plan for Current Year Audit Findings	13
Summary Schedule of Prior Audit Findings Not Repeated	14
Management’s Discussion and Analysis.....	15
BASIC FINANCIAL STATEMENTS	28
	EXHIBIT
Government-wide Financial Statements:	
Statement of Net Position	A.....29
Statement of Activities.....	B.....30
Governmental Funds Financial Statements:	
Balance Sheet - Governmental Funds.....	C.....31
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position - Governmental Funds	D.....32
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	E.....33
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities - Governmental Funds	F.....34

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

TABLE OF CONTENTS (CONTINUED)

BASIC FINANCIAL STATEMENTS (CONTINUED)

	PAGE
	EXHIBIT
Proprietary Fund Financial Statements:	
Statement of Net Position - Proprietary Fund.....G.....	35
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Fund.....H.....	36
Statement of Cash Flows - Proprietary Fund.....I.....	37
Fiduciary Fund Financial Statements:	
Statement of Fiduciary Net Position - Fiduciary Fund.....J.....	38
Notes to Financial Statements.....	39
REQUIRED SUPPLEMENTARY INFORMATION	74
Teachers' Retirement System of the State of Illinois - Schedule of the Employer's Proportionate Share of the Net Pension Liability.....	75
Teachers' Retirement System of the State of Illinois - Schedule of Employer Contributions.....	75
Illinois Municipal Retirement Fund - Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios.....	76
Illinois Municipal Retirement Fund - Schedule of Employer Contributions	77
Teachers' Health Insurance Security Fund - Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability.....	78
Teachers' Health Insurance Security Fund - Schedule of Employer Contributions.....	78
SUPPLEMENTARY INFORMATION	79
	SCHEDULE
General Fund Accounts:	
Combining Schedule of Accounts	1.....80
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	2.....81
Education Fund Accounts:	
Combining Schedule of Accounts	3.....82
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	4.....85
Budgetary Comparison Schedule.....	5.....88

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

TABLE OF CONTENTS (CONTINUED)

SUPPLEMENTARY INFORMATION (CONTINUED)

	PAGE
SCHEDULE	
Nonmajor Special Revenue Funds:	
Combining Balance Sheet.....6.....	95
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances7.....	96
Fiduciary Funds:	
Combining Statement of Fiduciary Net Position - Agency Funds.....8.....	97
Combining Statement of Changes in Assets and Liabilities - Agency Funds.....9.....	98
Schedule of Disbursements to School District Treasurers and Other Entities - School Facility Occupation Tax 10.....	99

**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 and current)	Mr. James Widdop
Assistant Regional Superintendent (March 16, 2019 through June 30, 2019)	Mr. Raymond Bergles
Assistant Regional Superintendent (August 16, 2018 through January 15, 2019)	Mr. Clayton Naylor
Assistant Regional Superintendent (During the audit period through August 14, 2018)	Ms. Jodie Atteberry

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*)

2019-001	11-12	Controls Over Financial Statement Preparation	Material Weakness
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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, 2019. 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 January 24, 2020.

**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, 2019, 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, 2019, 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 75 through 78 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 supplementary information as listed in the table of contents is 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 January 27, 2020 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.

SIGNED ORIGINAL ON FILE

Clinton, Iowa
January 27, 2020

**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, 2019, 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 January 27, 2020.

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) to determine the 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. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2019-001 that we consider to be a material weakness.

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 determination of financial statement amounts. 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.

SIGNED ORIGINAL ON FILE

Clinton, Iowa
January 27, 2020

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2019**

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? x yes no
- Significant deficiency(ies) identified? yes x 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, 2019**

Section II: Financial Statement Findings:

FINDING 2019-001 - Controls Over Financial Statement Preparation (Repeat of findings 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, material 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 material 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, 2019**

Section II: Financial Statement Findings:

**FINDING 2019-001 - Controls Over Financial Statement Preparation (Repeat of findings 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 FINDINGS
June 30, 2019**

FINDING 2019-001 - Controls Over Financial Statement Preparation (Repeat of findings 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, material 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 fiscal year audit process and will continue to do so for the 2019-2020 fiscal year audit process.

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, 2019**

<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, 2019**

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, 2019. 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.

2019 FINANCIAL HIGHLIGHTS

- General Fund revenues decreased from \$427,760 in fiscal year 2018 to \$396,820 in fiscal year 2019. General Fund expenditures decreased from \$427,760 in fiscal year 2018 to \$396,820 in fiscal year 2019. The decrease in revenues and expenditures is due to a decrease in the State of Illinois and county on-behalf payments.
- Institute Fund revenues decreased from \$65,534 in fiscal year 2018 to \$37,769 in fiscal year 2019. Expenses in the Institute Fund increased from \$48,753 in fiscal year 2018 to \$60,388 in fiscal year 2019. The decrease in revenues is due to a decrease in applications and renewals for educator licensure. The increase in expenses is due to an increase in purchased services.
- Education Fund revenues decreased from \$3,543,724 in fiscal year 2018 to \$3,450,249 in fiscal year 2019. Expenditures decreased from \$3,535,574 in fiscal year 2018 to \$3,425,090 in fiscal year 2019. The Education Fund is made up of grants that can vary greatly from year to year as some programs have decreased funding or are discontinued while others see a funding increase.
- Enterprise Workshop Fund revenues decreased from \$240,723 in fiscal year 2018 to \$208,489 in fiscal year 2019. 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 decreased from \$4,694,491 in fiscal year 2018 to \$4,490,840 in fiscal year 2019. Government-wide expenses decreased from \$4,465,447 in fiscal year 2018 to \$4,283,837 in fiscal year 2019. The decrease in revenues and expenditures is primarily due to decreases in the Education Fund and the Workshops Fund.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

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, 2019**

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, such as the Distributive Fund.
Required financial statements	<ul style="list-style-type: none"> ▪ Statement of Net Position ▪ Statement of Activities 	<ul style="list-style-type: none"> ▪ Balance Sheet ▪ Statement of Revenues, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> ▪ Statement of Net Position ▪ Statement of Revenues, Expenses, and Changes in Fund Net Position ▪ Statement of Cash Flows 	<ul style="list-style-type: none"> ▪ Statement of Fiduciary Net Position
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, 2019**

**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, 2019**

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, 2019**

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 \$64,950 as of June 30, 2019.

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.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

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, 2019 and 2018.

CONDENSED STATEMENT OF NET POSITION

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
ASSETS						
Current assets	\$ 1,013,223	\$ 584,231	\$ 828,513	\$ 794,210	\$1,841,736	\$ 1,378,441
Capital assets, net of depreciation	50,167	47,372	5,203	2,855	55,370	50,227
Net pension asset	-	81,953	-	12,246	-	94,199
TOTAL ASSETS	<u>1,063,390</u>	<u>713,556</u>	<u>833,716</u>	<u>809,311</u>	<u>1,897,106</u>	<u>1,522,867</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions and OPEB	207,311	108,782	14,900	9,100	222,211	117,882
LIABILITIES						
Current liabilities	858,445	410,445	8,286	13,152	866,731	423,597
Noncurrent liabilities	775,165	781,342	11,094	-	786,259	781,342
TOTAL LIABILITIES	<u>1,633,610</u>	<u>1,191,787</u>	<u>19,380</u>	<u>13,152</u>	<u>1,652,990</u>	<u>1,204,939</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions and OPEB	398,508	566,039	2,869	11,824	401,377	577,863
NET POSITION						
Net investment in capital assets	50,167	47,372	5,203	2,855	55,370	50,227
Restricted	154,778	255,739	-	12,246	154,778	267,985
Unrestricted	(966,362)	(1,238,599)	821,164	778,334	(145,198)	(460,265)
TOTAL NET POSITION	<u>\$ (761,417)</u>	<u>\$ (935,488)</u>	<u>\$ 826,367</u>	<u>\$ 793,435</u>	<u>\$ 64,950</u>	<u>\$ (142,053)</u>

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

Changes in net position. The Rock Island County Regional Office of Education No. 49's total revenue for the fiscal year ended June 30, 2019 was \$4,490,840. The total cost of all programs and services was \$4,283,837. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2019 and 2018.

CHANGES IN NET POSITION

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Revenues						
Program revenues:						
Charges for services	\$ 40,886	\$ 70,725	\$ 208,489	\$ 240,723	\$ 249,375	\$ 311,448
Operating grants and Contributions	3,429,071	3,534,176	–	–	3,429,071	3,534,176
General revenues:						
State sources	97,645	97,645	–	–	97,645	97,645
On-behalf payments	714,749	751,222	–	–	714,749	751,222
Total revenues	<u>4,282,351</u>	<u>4,453,768</u>	<u>208,489</u>	<u>240,723</u>	<u>4,490,840</u>	<u>4,694,491</u>
Expenses						
Instructional services:						
Salaries and benefits	1,187,998	1,193,741	55,211	93,130	1,243,209	1,286,871
Pension expense (benefit)	(171,181)	(161,277)	12,633	10,178	(158,548)	(151,099)
OPEB expense	32,967	–	–	–	32,967	–
Purchased services	1,332,579	1,576,387	100,989	94,984	1,433,568	1,671,371
Supplies and materials	207,531	95,485	2,815	2,541	210,346	98,026
Capital outlay	–	600	–	–	–	600
Depreciation and disposition losses	24,305	19,434	1,144	1,029	25,449	20,463
Intergovernmental:						
Payments to other governments	782,097	787,993	–	–	782,097	787,993
Administrative:						
On-behalf payments	714,749	751,222	–	–	714,749	751,222
Total expenses	<u>4,111,045</u>	<u>4,263,585</u>	<u>172,792</u>	<u>201,862</u>	<u>4,283,837</u>	<u>4,465,447</u>
Excess of revenue over expenses before transfers	171,306	190,183	35,697	38,861	207,003	229,044
Other financing sources (uses)						
Transfers in (out)	<u>2,765</u>	<u>–</u>	<u>(2,765)</u>	<u>–</u>	<u>–</u>	<u>–</u>
Change in net position	<u>174,071</u>	<u>190,183</u>	<u>32,932</u>	<u>38,861</u>	<u>207,003</u>	<u>229,044</u>
Net position, beginning of year	<u>(935,488)</u>	<u>(1,125,671)</u>	<u>793,435</u>	<u>754,574</u>	<u>(142,053)</u>	<u>(371,097)</u>
Net position, end 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>

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

Operating grants and contributions account for 76% and 75% of the total revenue in fiscal year 2019 and fiscal year 2018, respectively. The Rock Island County Regional Office of Education No. 49's expenses primarily relate to instructional services, which accounts for 65% and 66% of the total expenses in fiscal year 2019 and fiscal year 2018, respectively.

Governmental Activities

Revenues for governmental activities were \$4,282,351 and \$4,453,768 and expenses were \$4,111,045 and \$4,263,585 for fiscal year 2019 and fiscal year 2018, respectively.

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>2019</u>		<u>2018</u>	
	<u>Total Expenses</u>	<u>Net Revenues (Expenses)</u>	<u>Total Expenses</u>	<u>Net Revenues (Expenses)</u>
Instructional services:				
Salaries and benefits	\$ 1,187,998	\$ (2,896)	\$ 1,193,741	\$ (28,147)
Pension and OPEB expense (benefit)	(138,214)	191,081	(161,277)	210,050
Purchased services	1,332,579	(10,316)	1,576,387	5,526
Supplies and materials	207,531	(1,378)	95,485	433
Capital outlay	-	17,758	600	20,605
Depreciation and disposition losses	24,305	(24,305)	19,434	(19,434)
Intergovernmental:				
Payments to other governments	782,097	(96,283)	787,993	(96,495)
Administrative:				
On-behalf payments	714,749	(714,749)	751,222	(751,222)
Total expenses	<u>\$ 4,111,045</u>	<u>\$ (641,088)</u>	<u>\$ 4,263,585</u>	<u>\$ (658,684)</u>

- The cost of all governmental activities was \$4,111,045 and \$4,263,585 for fiscal year 2019 and fiscal year 2018, respectively.
- Federal and state governments subsidized certain governmental activities with grants and contributions of \$3,429,071 and \$3,534,176 for fiscal year 2019 and fiscal year 2018, respectively.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

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.

Net cost of governmental activities (\$658,684), was financed by general revenues, which are made up of primarily State sources (\$97,645) and on-behalf payments (\$751,222) for fiscal year 2018.

Business-Type Activities

Revenues for business-type activities were \$208,489 and \$240,723 and expenses were \$172,792 and \$201,862 for fiscal year 2019 and fiscal year 2018, respectively. The Rock 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 \$57,056, an increase from last year's ending fund balance of \$51,678.

Governmental Fund Highlights

The Institute Fund balance decreased from \$162,116 in fiscal year 2018 to \$139,497 in fiscal year 2019. The decrease was primarily due to a decrease in applications and renewals for educator licensure.

The Education Fund balance increased from (\$125,646) in fiscal year 2018 to (\$97,722) in fiscal year 2019. The increase is due to more timely grant reimbursements from federal sources during the fiscal year.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

Proprietary Fund Highlights

Workshop Fund net position increased from \$793,435 at June 30, 2018 to \$826,367 at June 30, 2019, representing an increase of approximately 4%. 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.

CAPITAL ASSETS

As of June 30, 2019, the Rock Island County Regional Office of Education No. 49 had invested \$55,370 in capital assets, including furniture and equipment. Total depreciation expense for the year was \$23,964.

The following schedules present capital asset balances net of depreciation for the fiscal years ended June 30, 2019 and 2018.

	<u>2019</u>	<u>2018</u>
Governmental Activities:		
Furniture and equipment	\$ 50,167	\$ 47,372
Business-type Activities:		
Furniture and equipment	<u>5,203</u>	<u>2,855</u>
Total	<u>\$ 55,370</u>	<u>\$ 50,227</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.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

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 \$6.8 billion in the 2018 fiscal year. The State of Illinois continues to be in a dire financial situation with an unfunded pension liability of \$133.5 billion. 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 2018 reached \$7.91 billion. The backlog of payments from the State of Illinois negatively impacts grants. The backlog of payments have caused delayed 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, 2019**

EXHIBIT A

	Primary Government		
	Government Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 915,745	\$ 708,386	\$ 1,624,131
Accounts receivable	440	-	440
Due from other governments	196,361	20,804	217,165
Due from (to) other funds	(99,323)	99,323	-
Total current assets	<u>1,013,223</u>	<u>828,513</u>	<u>1,841,736</u>
Noncurrent assets:			
Capital assets, net of depreciation	<u>50,167</u>	<u>5,203</u>	<u>55,370</u>
TOTAL ASSETS	<u>1,063,390</u>	<u>833,716</u>	<u>1,897,106</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	186,476	14,900	201,376
Deferred outflows related to OPEB	20,835	-	20,835
Total deferred outflows of resources	<u>207,311</u>	<u>14,900</u>	<u>222,211</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	255,072	8,286	263,358
Due to other governments	79,358	-	79,358
Unearned revenue	524,015	-	524,015
Total current liabilities	<u>858,445</u>	<u>8,286</u>	<u>866,731</u>
Noncurrent liabilities:			
Net pension liability	180,351	11,094	191,445
Net OPEB liability	594,814	-	594,814
Total noncurrent liabilities	<u>775,165</u>	<u>11,094</u>	<u>786,259</u>
TOTAL LIABILITIES	<u>1,633,610</u>	<u>19,380</u>	<u>1,652,990</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	299,490	2,869	302,359
Deferred inflows related to OPEB	99,018	-	99,018
Total deferred inflows of resources	<u>398,508</u>	<u>2,869</u>	<u>401,377</u>
NET POSITION			
Net investment in capital assets	50,167	5,203	55,370
Restricted - other	154,778	-	154,778
Unrestricted	(966,362)	821,164	(145,198)
TOTAL NET POSITION	<u>\$ (761,417)</u>	<u>\$ 826,367</u>	<u>\$ 64,950</u>

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

EXHIBIT B

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expenses) Revenues and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activities	Total
Primary government						
Governmental activities:						
Instructional services:						
Salaries and benefits	\$ 1,187,998	\$ 19,217	\$ 1,165,885	\$ (2,896)	\$ -	\$ (2,896)
Pension expense (benefit)	(171,181)	1,431	51,436	224,048	-	224,048
OPEB expense	32,967	-	-	(32,967)	-	(32,967)
Purchased services	1,332,579	19,216	1,303,047	(10,316)	-	(10,316)
Supplies and materials	207,531	409	205,744	(1,378)	-	(1,378)
Capital outlay	-	613	17,145	17,758	-	17,758
Depreciation and disposition losses	24,305	-	-	(24,305)	-	(24,305)
Intergovernmental:						
Payments to other governments	782,097	-	685,814	(96,283)	-	(96,283)
Administrative:						
On-behalf payments - local	56,553	-	-	(56,553)	-	(56,553)
On-behalf payments - State	658,196	-	-	(658,196)	-	(658,196)
Total governmental activities	4,111,045	40,886	3,429,071	(641,088)	-	(641,088)
Business-type activities:						
Professional development	160,159	208,489	-	-	48,330	48,330
Pension expense	12,633	-	-	-	(12,633)	(12,633)
Total business-type activities	172,792	208,489	-	-	35,697	35,697
Total primary government	\$ 4,283,837	\$ 249,375	\$ 3,429,071	(641,088)	35,697	(605,391)
General revenues:						
State sources				97,645	-	97,645
On-behalf payments - local				56,553	-	56,553
On-behalf payments - State				658,196	-	658,196
Transfers in (out)				2,765	(2,765)	-
Total general revenues				815,159	(2,765)	812,394
CHANGE IN NET POSITION				174,071	32,932	207,003
NET POSITION, BEGINNING OF YEAR				(935,488)	793,435	(142,053)
NET POSITION, END OF YEAR				\$ (761,417)	\$ 826,367	\$ 64,950

ROCK ISLAND COUNTY
 REGIONAL OFFICE OF EDUCATION NO. 49
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 JUNE 30, 2019

EXHIBIT C

	General Fund	Education Fund	Institute	Nonmajor Special Revenue Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ -	\$ 759,277	\$ 141,331	\$ 15,137	\$ 915,745
Accounts receivable	-	-	-	440	440
Due from other governments	-	196,361	-	-	196,361
Total assets	-	955,638	141,331	15,577	1,112,546
DEFERRED OUTFLOWS OF RESOURCES					
None	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ 955,638	\$ 141,331	\$ 15,577	\$ 1,112,546
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)					
LIABILITIES					
Accounts payable and accrued expenses	\$ -	\$ 252,942	\$ 1,834	\$ 296	\$ 255,072
Due to other governments	-	79,358	-	-	79,358
Due to other funds	-	99,323	-	-	99,323
Unearned revenue	-	524,015	-	-	524,015
Total liabilities	-	955,638	1,834	296	957,768
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	97,722	-	-	97,722
FUND BALANCES (DEFICIT)					
Restricted	-	-	139,497	15,281	154,778
Unassigned	-	(97,722)	-	-	(97,722)
Total fund balances (deficit)	-	(97,722)	139,497	15,281	57,056
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)	\$ -	\$ 955,638	\$ 141,331	\$ 15,577	\$ 1,112,546

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2019**

EXHIBIT D

Total fund balances - governmental funds		\$	57,056
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.			50,167
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.			97,722
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	\$	186,476	
Deferred inflows of resources related to pensions		(299,490)	
Deferred outflows of resources related to OPEB		20,835	
Deferred inflows of resources related to OPEB		(99,018)	(191,197)
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		(122,203)	
TRS net pension liability		(58,148)	
Net OPEB liability		(594,814)	(775,165)
Net position of governmental activities		\$	<u>(761,417)</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, 2019**

EXHIBIT E

	General Fund	Education Fund	Institute	Nonmajor Special Revenue Funds	Total Governmental Funds
REVENUES					
Local sources	\$ -	\$ 94	\$ 37,769	\$ 5,067	\$ 42,930
State sources	97,645	2,719,568	-	1,258	2,818,471
Federal sources	-	730,587	-	-	730,587
On-behalf payments - local	56,553	-	-	-	56,553
On-behalf payments - State	242,622	-	-	-	242,622
Total revenues	<u>396,820</u>	<u>3,450,249</u>	<u>37,769</u>	<u>6,325</u>	<u>3,891,163</u>
EXPENDITURES					
Instructional services:					
Salaries and benefits	-	1,156,434	29,655	1,909	1,187,998
Pension expense	-	45,208	2,209	65	47,482
OPEB expense	-	4,588	-	-	4,588
Purchased services	-	1,301,305	27,844	3,430	1,332,579
Supplies and materials	-	206,851	680	-	207,531
Administrative:					
On-behalf payments - local	56,553	-	-	-	56,553
On-behalf payments - State	242,622	-	-	-	242,622
Intergovernmental:					
Payments to other governments	97,645	684,452	-	-	782,097
Capital outlay	-	26,252	-	848	27,100
Total expenditures	<u>396,820</u>	<u>3,425,090</u>	<u>60,388</u>	<u>6,252</u>	<u>3,888,550</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	25,159	(22,619)	73	2,613
OTHER FINANCING SOURCES					
Transfers in	-	2,765	-	-	2,765
NET CHANGE IN FUND BALANCES	-	27,924	(22,619)	73	5,378
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	(125,646)	162,116	15,208	51,678
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ (97,722)</u>	<u>\$ 139,497</u>	<u>\$ 15,281</u>	<u>\$ 57,056</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, 2019**

EXHIBIT F

Net change in fund balance \$ 5,378

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	\$ 27,100	
Depreciation and disposition losses	<u>(24,305)</u>	2,795

Some receivables will not be collected for several months after fiscal year end, so they are not considered as "available" revenues in the governmental funds, and they are instead counted as deferred inflows of resources. They are however, recorded as revenues in the Statement of Activities.

Current year unavailable revenue	97,722	
Prior year unavailable revenue	<u>(122,108)</u>	(24,386)

Governmental funds report pension/OPEB contributions as expenditures. However, in the Statement of Activities, the cost of pension/OPEB benefits earned, net of employer contributions is reported as pension/OPEB expense (benefit).

Pension:

Employer contributions	47,482	
Cost of benefits, earned	<u>171,181</u>	218,663

OPEB:

Employer contributions	4,588	
Cost of benefits, earned	<u>(32,967)</u>	<u>(28,379)</u>

Change in net position of governmental activities \$ 174,071

**ROCK ISLAND COUNTY
 REGIONAL OFFICE OF EDUCATION NO. 49
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2019**

EXHIBIT G

	<u>Business-Type Activities Enterprise Fund - Workshops</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 708,386
Due from other governments	20,804
Due from other funds	99,323
Total current assets	<u>828,513</u>
Noncurrent assets:	
Capital assets, net of depreciation	<u>5,203</u>
TOTAL ASSETS	<u>833,716</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	<u>14,900</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	<u>8,286</u>
Noncurrent liabilities:	
Net pension liability	<u>11,094</u>
TOTAL LIABILITIES	<u>19,380</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	<u>2,869</u>
NET POSITION	
Net investment in capital assets	5,203
Unrestricted	<u>821,164</u>
TOTAL NET POSITION	<u><u>\$ 826,367</u></u>

**ROCK ISLAND COUNTY
 REGIONAL OFFICE OF EDUCATION NO. 49
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2019**

EXHIBIT H

	<u>Business-Type Activities Enterprise Fund - Workshops</u>
OPERATING REVENUES	
Charges for services	\$ 208,489
OPERATING EXPENSES	
Salaries and benefits	55,211
Pension expense	12,633
Purchased services	100,989
Supplies and materials	2,815
Depreciation	1,144
Total operating expenses	<u>172,792</u>
OPERATING INCOME	35,697
OTHER FINANCING USES	
Transfers out	<u>(2,765)</u>
CHANGE IN NET POSITION	32,932
NET POSITION, BEGINNING OF YEAR	<u>793,435</u>
NET POSITION, END OF YEAR	<u><u>\$ 826,367</u></u>

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019**

EXHIBIT I

	Business-Type Activities Enterprise Fund - Workshops
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts for workshops and services	\$ 211,763
Payments to suppliers and providers of goods and services	(106,290)
Payments to employees	(61,639)
Net cash provided by operating activities	<u>43,834</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Interfund loans	165,745
Transfers to other funds	(2,765)
Net cash provided by noncapital financing activities	<u>162,980</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITY:	
Purchase of capital assets	(3,492)
Net cash used in capital financing activity	<u>(3,492)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	203,322
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>505,064</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 708,386</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 35,697
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	1,144
Effects of changes in assets and liabilities:	
Due from other governments	3,274
Net pension asset	12,246
Deferred outflows related to pensions	(5,800)
Accounts payable and accrued expenses	(4,866)
Net pension liability	11,094
Deferred inflows related to pensions	(8,955)
Net cash provided by operating activities	<u>\$ 43,834</u>

**ROCK ISLAND COUNTY
 REGIONAL OFFICE OF EDUCATION NO. 49
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET POSITION
 JUNE 30, 2019**

EXHIBIT J

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 631
Due from other governments	<u>3,027,473</u>
TOTAL ASSETS	<u><u>\$ 3,028,104</u></u>
LIABILITIES	
Due to plan participants	\$ 631
Due to other governments	<u>3,027,473</u>
TOTAL LIABILITIES	<u><u>\$ 3,028,104</u></u>

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

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 is reported in the following 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

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

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

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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 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 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 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 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 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.

Early Childhood Cohort - This program is used to provide coursework for licensed teachers to earn English as a Second Language (ESL) or bilingual endorsement for implementation of appropriate language instruction.

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

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

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

Regional System of Support Provider (RESPRO) - This program accounts for grant monies received for, and expenses incurred to, provide technical assistance to districts and schools in academic status.

Preschool Development - This program accounts for grant monies received to build or enhance a preschool program infrastructure and expand high quality preschool programs in targeted communities.

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.

Teacher Quality Program - This program accounts for grant monies received for, and expenses incurred to, support programs associated with increasing the academic achievement of all students by helping schools and school districts improve teacher and principal quality.

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 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.

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

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.

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:

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.

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.

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.

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

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 are 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.

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 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.

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

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 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

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

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.

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

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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.

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 Moline High School, Title IV - 21st Century Glenview Middle School, Title IV - 21st Century Hanson Elementary School, Title IV - 21st Century Wilson Middle School, and Truants Alternative and Optional Education.

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, Preschool Development, ROE Operations Fund, Regional Safe Schools Program, Teacher Quality 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.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

G. New Accounting Pronouncements

In 2019, the Rock Island County Regional Office of Education No. 49 implemented Governmental Accounting Standards Board (GASB) Statement No. 83 – *Certain Asset Retirement Obligations* and GASB Statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. GASB Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations. GASB Statement No. 88 improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements and also clarifies which liabilities governments should include when disclosing information related to debt. The implementation of GASB Statement Nos. 83 and 88 had no impact on the Rock Island County Regional Office of Education No. 49's financial statements.

H. Subsequent Events

Subsequent events have been evaluated through January 27, 2020, the date the financial statements were available to be issued.

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, 2019, the carrying amount of the Rock Island County Regional Office of Education No. 49's deposits was \$1,592,401 and the bank balance was \$1,976,745.

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, 2019 and additionally covered by collateral held by the financial institution in the Rock Island County Regional Office of Education No. 49's name.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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, 2019 the Rock Island County Regional Office of Education No. 49 had investments with carrying and fair values of \$32,361 invested in the Illinois Funds Money Market Fund. The balance is included in the Institute Fund and the Education 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.
- 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 investments, amounting to \$32,361, are based on an observable unadjusted quoted market prices in active markets therefore this investment has been categorized as Level 1 in the fair value hierarchy.

Credit Risk - At June 30, 2019, 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

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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	\$ 883,384
Illinois Funds	32,361
Business-type activities:	
Bank deposits	708,386
Fiduciary activities:	
Bank deposits	631
Total	\$ 1,624,762

NOTE 3 - DUE FROM/TO OTHER GOVERNMENTS

Amounts due from/to other governments as of June 30, 2019 are as follows:

Due from other governments:	
Education Fund:	
Local governments	\$ 10,107
Illinois State Board of Education	186,254
Proprietary Fund:	
Local governments	20,804
Fiduciary Fund:	
Local governments	3,027,473
Total	\$ 3,244,638

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

Due to other governments:		
Education Fund:		
Local governments	\$	79,358
Fiduciary Fund:		
Local governments		<u>3,027,473</u>
Total	\$	<u><u>3,106,831</u></u>

NOTE 4 - CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2019 is as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
Governmental activities:				
Furniture and equipment	\$ 161,031	\$ 27,100	\$ (7,144)	\$ 180,987
Less: Accumulated depreciation	<u>(113,659)</u>	<u>(22,820)</u>	<u>5,659</u>	<u>(130,820)</u>
Capital assets, net	<u>\$ 47,372</u>	<u>\$ 4,280</u>	<u>\$ (1,485)</u>	<u>\$ 50,167</u>
 Business-type activities:				
Furniture and equipment	\$ 27,997	\$ 3,492	\$ -	\$ 31,489
Less: Accumulated depreciation	<u>(25,142)</u>	<u>(1,144)</u>	<u>-</u>	<u>(26,286)</u>
Capital assets, net	<u>\$ 2,855</u>	<u>\$ 2,348</u>	<u>\$ -</u>	<u>\$ 5,203</u>

Depreciation expense was charged as follows:

Governmental activities:	
Instructional services:	
Depreciation expense	<u>\$ 22,820</u>
Business-type activities:	
Other:	
Depreciation expense	<u>\$ 1,144</u>

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 5 - RETIREMENT FUND COMMITMENTS

Teachers' Retirement System of the State of Illinois

Plan Description

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 <http://www.trsil.org/financial/cafrs/fy2018>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits provided

TRS provides retirement, disability, and death benefits. Tier 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 years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service. Disability and death benefits are also provided.

Tier 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 last four. Disability provisions for Tier 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from 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

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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. The earliest possible implementation date is July 1, 2020. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2021. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs will begin in 2019 and will be funded by bonds issued by the State of Illinois.

Contributions

The State of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90 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, 2018, 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, 2019, 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 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 \$374,108 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, 2019 were \$2,892, and are deferred because they were paid after the June 30, 2018 measurement date.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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, 2019, the employer pension contribution was 9.85 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2019, salaries totaling \$10,300 were paid from federal and special trust funds that required employer contributions of \$1,015.

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. Additionally, beginning with the year ended June 30, 2019, employers will make a similar contribution for salary increases over 3 percent if members are not exempted by current collective bargaining agreements or contracts.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2019, the 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, for salary increases in excess of 3 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 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
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

Rock Island County Regional Office of Education No. 49's proportionate share of the net pension liability	\$ 58,148
State's proportionate share of the net pension liability associated with the Rock Island County Regional Office of Education No. 49	3,983,407
Total	\$ 4,041,555

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017, and rolled forward to June 30, 2018. The 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, 2018, relative to the contributions of all participating TRS employers and the State during that period. At June 30, 2018, the Rock Island County Regional Office of Education No. 49's proportion was .0000746020 percent, which was a decrease of .0002031824 percent from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the Rock Island County Regional Office of Education No. 49 recognized pension expense of \$374,108 and revenue of \$374,108 for support provided by the State. For the year ended June 30, 2019, the Rock Island County Regional Office of Education No. 49 recognized pension income of \$269,178. At June 30, 2019, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,169	\$ 13
Net difference between projected and actual earnings on pension plan investments	—	178
Changes of assumptions	2,550	1,648
Changes in proportion and differences between the Rock Island County Regional Office of Education No. 49 contributions and proportionate share of contributions	15,742	266,046
Employer contributions subsequent to the measurement date	2,892	—
Total	\$ 22,353	\$ 267,885

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

\$2,892 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, 2020. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year Ended June 30,	
2020	\$ (147,714)
2021	(36,231)
2022	(25,674)
2023	(26,402)
2024	(12,403)
Total	<u>\$ (248,424)</u>

Actuarial assumptions

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

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

In the June 30, 2018 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, 2017 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:

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	15.0%	6.7%
U.S. equities small/mid cap	2.0	7.9
International equities developed	13.6	7.0
Emerging market equities	3.4	9.4
U.S. bonds core	8.0	2.2
U.S. bonds high yield	4.2	4.4
International debt developed	2.2	1.3
Emerging international debt	2.6	4.5
Real estate	16.0	5.4
Real return	4.0	1.8
Absolute return	14.0	3.9
Private equity	15.0	10.2
Total	100.0%	

Discount Rate

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

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Rock Island County Regional Office of Education No. 49's proportionate share of the net pension liability	\$ 71,313	\$ 58,148	\$ 47,546

TRS Fiduciary Net Position

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

Change in Accounting Estimate

Beginning with the June 30, 2019 disclosure year (June 30, 2018 measurement year), employer contributions on federally-funded salaries are treated as specific liabilities. Only the 0.58 percent and contributions paid by the State for the 2017-2018 school year were used to allocate the Rock Island County Regional Office of Education No. 49's share of the net pension liability. Therefore, 0.58 percent contributions for the 2018-2019 school year were paid subsequent to the measurement date and should be deferred. In previous years, federal contributions were also used to allocate the Rock Island County Regional Office of Education No. 49's share of the net pension liability.

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.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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, 2018, the following employees were covered by the benefit terms:

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

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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 2018 was 9.44%. For the calendar year ended 2018, the Rock Island County Regional Office of Education No. 49 contributed \$56,121 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, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

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

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%.
- 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.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

- 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, 2018:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Projected Ten-Year Return</u>
Equities	37%	7.15%
International Equities	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	
Private Equity	N/A	8.50%
Hedge Funds	N/A	5.50%
Commodities	N/A	3.20%
Cash Equivalents	1%	2.50%
Total	100%	

Single Discount Rate

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

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) – (B)
Balances as of December 31, 2017	\$ 1,657,627	\$ 1,751,826	\$ (94,199)
Changes for the year:			
Service cost	62,023	–	62,023
Interest on the total pension liability	123,388	–	123,388
Changes of benefit terms	–	–	–
Differences between expected and actual experience of the total pension liability	8,023	–	8,023
Changes of assumptions	50,359	–	50,359
Contributions - employer	–	56,121	(56,121)
Contributions - employees	–	26,753	(26,753)
Net investment income	–	(65,325)	65,325
Benefit payments, including refunds of employee contributions	(89,992)	(89,992)	–
Other (net transfer)	–	(1,252)	1,252
Net changes	153,801	(73,695)	227,496
Balances as of December 31, 2018	<u>\$ 1,811,428</u>	<u>\$ 1,678,131</u>	<u>\$ 133,297</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:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability (Asset)	\$ 362,210	\$ 133,297	\$ (53,350)

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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

For the year ending June 30, 2019, the Rock Island County Regional Office of Education No. 49 recognized pension expense of \$110,630. At June 30, 2019, 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	\$ 7,321	\$ 15,427
Changes in assumptions	33,050	19,047
Net difference between projected and actual earnings on pension plan investments	119,880	–
Total deferred amounts to be recognized in pension expense in future periods	160,251	34,474
Pension contributions made subsequent to the measurement date	18,772	–
Total Deferred Amounts Related to Pensions	<u>\$ 179,023</u>	<u>\$ 34,474</u>

\$18,772 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, 2020. 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 of Resources</u>
2019	\$ 38,000
2020	28,995
2021	19,384
2022	39,398
Thereafter	–
Total	<u>\$ 125,777</u>

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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 the 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, 2019, 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

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

recognized revenue and expenditures of \$41,466 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, 2019 and 0.88 and 0.84 percent during the years ended June 30, 2018 and June 30, 2017, respectively. For the year ended June 30, 2019, the Rock Island County Regional Office of Education No. 49 paid \$4,588 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2018 and June 30, 2017, the Rock Island County Regional Office of Education No. 49 paid \$4,703 and \$4,238, 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, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.75%
Salary increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years
Healthcare cost trend rates	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

4.50%. Additional trend rate of 0.36% 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-Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2014.

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

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, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 3.56 percent as of June 30, 2017, and 3.62 percent as of June 30, 2018.

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 discount rate that is 1-percentage-point lower (2.62 percent) or 1-percentage-point higher (4.62 percent) than the current discount rate:

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

	1% Decrease (2.62%)	Current Discount Rate (3.62%)	1% Increase (4.62%)
Rock Island County Regional Office of Education No. 49's proportionate share of the collective net OPEB liability	\$ 715,287	\$ 594,814	\$ 499,846

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 collective net OPEB liability as of June 30, 2018, 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 2019 decreasing to an ultimate trend rate of 4.86% in 2026, for non-Medicare coverage, and 9.00% in 2019 decreasing to an ultimate trend rate of 4.50% in 2028 for Medicare coverage.

	1% Decrease^a	Healthcare Cost Trend Rates	1% Increase^b
Rock Island County Regional Office of Education No. 49's proportionate share of the collective net OPEB liability	\$ 482,359	\$ 594,814	\$ 746,495

^a One percentage point decrease in healthcare trend rates are 7.00% in 2019 decreasing to an ultimate rate of 3.86% in 2026 for non-Medicare coverage, and 8.00% in 2019 decreasing to an ultimate trend rate of 3.50% in 2028 for Medicare coverage.

^b One percentage point increase in healthcare trend rates are 9.00% in 2019 decreasing to an ultimate trend rate of 5.86% in 2026, for non-Medicare coverage, and 10.00% in 2019 decreasing to an ultimate trend rate of 5.50% in 2028 for Medicare coverage.

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

At June 30, 2019, 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:

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

Rock Island County Regional Office of Education No. 49's proportionate share of the collective net OPEB liability	\$ 594,814
State's proportionate share of the collective net OPEB liability associated with the Rock Island County Regional Office of Education No. 49	798,733
Total	\$ 1,393,547

The collective net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2017, and was rolled forward to the June 30, 2018 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, 2018, the Rock Island County Regional Office of Education No. 49's proportion was 0.002258 percent, which was an increase of 0.000065 percent from its proportion measured as of June 30, 2017 (0.002193 percent). The State's support and total are for disclosure purposes only.

For the year ended June 30, 2019, the Rock Island County Regional Office of Education No. 49 recognized OPEB expense of \$41,466 and revenue of \$41,466 for support provided by the State. For the year ended June 30, 2019, the Rock Island County Regional Office of Education No. 49 recognized OPEB expense of \$32,967. At June 30, 2019, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ —	\$ 2,134
Changes of assumptions	—	86,615
Net difference between projected and actual earnings on OPEB plan investments	—	18
Changes in proportion and differences between the Rock Island County Regional Office of Education No. 49 contributions and proportionate share of contributions	16,247	10,251
Employer contributions subsequent to the measurement date	4,588	—
Total Deferred Amounts Related to OPEB	\$ 20,835	\$ 99,018

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

\$4,588 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, 2020. 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:

Year Ended June 30:	Net Deferred Inflows of Resources
2020	\$ (14,608)
2021	(14,608)
2022	(14,606)
2023	(14,608)
2024	(14,603)
Thereafter	(9,738)
Total	\$ (82,771)

THIS Fiduciary Net Position

Detailed information about the THIS Fund fiduciary net position as of June 30, 2018, 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:

Type of Debt	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
Governmental activities				
Net pension liability - TRS	\$ 212,222	\$ -	\$ 154,074	\$ ' 58,148
Net pension liability - IMRF	-	122,203	-	122,203
Net OPEB liability - THIS	569,120	25,694	-	594,814
	\$ 781,342	\$ 147,897	\$ 154,074	\$ 775,165
Business-type activities				
Net pension liability - IMRF	\$ -	\$ 11,094	\$ -	\$ 11,094

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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	\$ 117,600
Regional Superintendent benefits (includes State paid insurance)	33,435
Assistant Regional Superintendent salary	87,799
Assistant Regional Superintendent benefits (includes State paid insurance)	3,788
County on-behalf payments	<u>56,553</u>
Total	<u>\$ 299,175</u>

Salary and benefit data for the Regional Superintendent and Assistant Regional Superintendent was calculated based on data provided by the Illinois State Board of Education (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 \$374,108 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 Teachers' Retirement System (TRS) pension expense in the Statement of Activities. In addition, the Rock Island County Regional Office of Education No. 49 recorded \$41,466 in revenue and expenses as on-behalf payments from Central Management Services (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 payment	\$ 299,175
Rock Island County Regional Office of Education No. 49's share of TRS pension expense	374,108
Rock Island County Regional Office of Education No. 49's share of THIS OPEB expense	<u>41,466</u>
Total	<u>\$ 714,749</u>

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

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, 2019 were:

	<u>Due From</u>	<u>Due To</u>
Education Fund:		
Title IV - 21st Century John Deere Middle School	\$ —	\$ 2,552
Title IV - 21st Century Moline High School	—	2,067
Title IV - 21st Century Glenview Middle School	—	2,004
Title IV - 21st Century Hanson Elementary School	—	3,050
Title IV - 21st Century Wilson Middle School	—	2,154
Truants Alternative and Optional Education	—	2,723
McKinney Education for Homeless Children	—	10,107
Preschool Development	—	73,866
Teacher Quality Program	—	800
Proprietary Fund:		
Workshops	99,323	—
Total	<u>\$ 99,323</u>	<u>\$ 99,323</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, 2019, consist of the following individual transfers in/out to other funds in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances. The transfer balances between governmental funds were eliminated in the government-wide Statement of Activities.

	<u>Transfers In</u>	<u>Transfers Out</u>
Education Fund:		
Early Childhood Cohort	\$ 2,590	\$ —
McKinney Education for Homeless Children	175	—
Proprietary Fund:		
Workshops	—	2,765
Total	<u>\$ 2,765</u>	<u>\$ 2,765</u>

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 10 - DEFICIT FUND BALANCES

At June 30, 2019, the following funds had deficit fund balances:

Education Fund:	
Title IV - 21st Century John Deere Middle School	\$ 11,880
Title IV - 21st Century Moline High School	25,639
Title IV - 21st Century Glenview Middle School	8,078
Title IV - 21st Century Hanson Elementary School	35,014
Title IV - 21st Century Wilson Middle School	14,247
Truants Alternative and Optional Education	2,864
Total	\$ 97,722

The deficit fund balances are due to grants being over expended and the deficits will be reduced as funds become available. It is expected that these deficits will continue into the future.

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.

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

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

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
JUNE 30, 2019**

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

	FY2018*	FY2017*	FY2016*	FY2015*	FY2014*
Employer's proportion of the net pension liability	0.0000746020%	0.0002777844%	0.0002406516%	0.0003613125%	0.0011529520%
Employer's proportionate share of the net pension liability	\$ 58,148	\$ 212,222	\$ 189,961	\$ 236,696	\$ 701,667
State's proportionate share of the net pension liability associated with the employer	3,983,407	3,740,006	4,146,681	3,920,156	1,737,501
Total	\$ 4,041,555	\$ 3,952,228	\$ 4,336,642	\$ 4,156,852	\$ 2,439,168
Employer's covered payroll	\$ 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	10.9%	42.0%	30.9%	32.8%	90.8%
Plan fiduciary net position as a percentage of the total pension liability	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**

	FY2019	FY2018	FY2017	FY2016	FY2015	FY2014
Statutorily-required contribution	\$ 2,892	\$ 4,526	\$ 11,600	\$ 9,320	\$ 12,660	\$ 40,789
Contributions in relation to the statutorily-required contribution	2,905	5,809	11,445	9,320	12,544	47,061
Contribution deficiency (excess)	\$ (13)	\$ (1,283)	\$ 155	\$ -	\$ 116	\$ (6,272)
Employer's covered payroll	\$ 498,668	\$ 534,420	\$ 505,307	\$ 614,500	\$ 721,862	\$ 772,399
Contributions as a percentage of covered payroll	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 2018, 2017 and 2016 measurement years, the assumed investment rate of return was 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.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
JUNE 30, 2019**

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

Calendar year ended December 31,	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability					
Service cost	\$ 62,023	\$ 65,121	\$ 55,143	\$ 51,124	\$ 57,452
Interest on the total pension liability	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	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	(89,992)	(82,512)	(70,463)	(70,992)	(81,191)
Net change in total pension liability	<u>153,801</u>	<u>19,474</u>	<u>217,867</u>	<u>105,575</u>	<u>108,172</u>
Total pension liability - beginning	<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>
Total pension liability - ending (A)	<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>
Plan fiduciary net position					
Contributions - employer	\$ 56,121	\$ 40,475	\$ 38,348	\$ 33,008	\$ 46,970
Contributions - employees	26,753	27,709	25,719	21,653	21,264
Net investment income	(65,325)	213,677	106,863	638	80,594
Benefit payments, including refunds of employee contributions	(89,992)	(82,512)	(70,463)	(70,992)	(81,191)
Other (net transfer)	(1,252)	(1,105)	(1,482)	(89)	(1,063)
Net change in plan fiduciary net position	<u>(73,695)</u>	<u>198,244</u>	<u>98,985</u>	<u>(15,782)</u>	<u>66,574</u>
Plan fiduciary net position - beginning	<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>
Plan fiduciary net position - ending (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>
Net pension (asset) liability - ending (A) - (B)	<u>\$ 133,297</u>	<u>\$ (94,199)</u>	<u>\$ 84,571</u>	<u>\$ (34,311)</u>	<u>\$ (155,668)</u>
Plan fiduciary net position as a percentage of the total pension liability	92.64%	105.68%	94.84%	102.42%	111.84%
Covered payroll	\$ 594,501	\$ 589,150	\$ 571,524	\$ 481,174	\$ 472,536
Net pension (asset) liability as a percentage of covered payroll	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.

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
JUNE 30, 2019**

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
Last Five Calendar Years**

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2018	\$ 56,121	\$ 56,121	\$ -	\$ 594,501	9.44%
2017	40,475	40,475	-	589,150	6.87%
2016	38,349	38,348	1	571,524	6.71%
2015	33,009	33,008	1	481,174	6.86%
2014	44,040	46,970	(2,930)	472,536	9.94%

Notes to Schedule:

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2018 Contribution Rate**

Valuation Date:

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

Methods and Assumptions Used to Determine 2018 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate entry age normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	25-year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.50%
<i>Price Inflation:</i>	2.75%
<i>Salary Increases:</i>	3.75% to 14.50%, including inflation
<i>Investment Rate of Return:</i>	7.50%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013.
<i>Mortality:</i>	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2016, actuarial valuation; note two year lag between valuation and rate setting.

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 (UNAUDITED)
JUNE 30, 2019**

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

	2018	2017	2016
Employer's proportion of the collective net OPEB liability	0.002258%	0.002193%	0.002243%
Employer's proportionate share of the collective net OPEB liability	\$ 594,814	\$ 569,120	\$ 613,116
State's proportionate share of the collective net OPEB liability associated with the employer	798,733	747,385	850,092
Total	\$ 1,393,547	\$ 1,316,505	\$ 1,463,208
Employer's covered payroll	\$ 534,420	\$ 505,307	\$ 614,500
Employer's proportionate share of the collective net OPEB liability (asset) as a percentage of its covered payroll	111.3%	112.6%	99.8%
Plan fiduciary net position as a percentage of the total OPEB liability	-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 Employer Contributions
Last Four Fiscal Years**

	2019	2018	2017	2016
Statutorily-required contribution	\$ 4,558	\$ 4,703	\$ 4,245	\$ 4,179
Contributions in relation to the statutorily-required contribution	4,558	4,703	4,238	4,179
Contribution deficiency (excess)	\$ -	\$ -	\$ 7	\$ -
Employer's covered payroll	\$ 498,668	\$ 534,420	\$ 505,307	\$ 614,500
Contributions as a percentage of covered payroll	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 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 2018 and 2017 measurement years. 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, 2019**

SCHEDULE 1

	<u>General State Aid</u>	<u>General Fund</u>	<u>Total</u>
ASSETS			
None	\$ -	\$ -	\$ -
 DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
 TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
None	\$ -	\$ -	\$ -
 DEFERRED INFLOWS OF RESOURCES			
None	-	-	-
 FUND BALANCES			
None	-	-	-
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<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, 2019**

SCHEDULE 2

	General State Aid	General Fund	Total
REVENUES			
State sources	\$ 97,645	\$ -	\$ 97,645
On-behalf payments - local	-	56,553	56,553
On-behalf payments - State	-	242,622	242,622
Total revenues	<u>97,645</u>	<u>299,175</u>	<u>396,820</u>
EXPENDITURES			
Intergovernmental:			
Payments to other governments	97,645	-	97,645
Administrative:			
On-behalf payments - local	-	56,553	56,553
On-behalf payments - State	-	242,622	242,622
Total expenditures	<u>97,645</u>	<u>299,175</u>	<u>396,820</u>
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ROCK ISLAND COUNTY
 REGIONAL OFFICE OF EDUCATION NO. 49
 EDUCATION FUND ACCOUNTS
 COMBINING SCHEDULE OF ACCOUNTS
 JUNE 30, 2019

	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
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 354,329
Due from other governments	14,762	27,706	10,082	38,064	15,810	-
Total assets	14,762	27,706	10,082	38,064	15,810	354,329
DEFERRED OUTFLOWS OF RESOURCES						
None	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
	\$ 14,762	\$ 27,706	\$ 10,082	\$ 38,064	\$ 15,810	\$ 354,329
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)						
LIABILITIES						
Accounts payable and accrued expenses	\$ 339	\$ 712	\$ 356	\$ 35,014	\$ 577	\$ 108,802
Due to other governments	11,871	24,927	7,722	-	13,079	-
Due to other funds	2,552	2,067	2,004	3,050	2,154	-
Unearned revenue	-	-	-	-	-	245,527
Total liabilities	14,762	27,706	10,082	38,064	15,810	354,329
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	11,880	25,639	8,078	35,014	14,247	-
FUND BALANCES (DEFICIT)						
Unassigned	(11,880)	(25,639)	(8,078)	(35,014)	(14,247)	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)						
	\$ 14,762	\$ 27,706	\$ 10,082	\$ 38,064	\$ 15,810	\$ 354,329

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
EDUCATION FUND ACCOUNTS
COMBINING SCHEDULE OF ACCOUNTS
JUNE 30, 2019

SCHEDULE 3
(CONTINUED)

	Early Childhood Ages 3-5	Early Childhood Cohort	Truants Alternative and Optional Education	McKinney Education for Homeless Children	RESPRO	Preschool Development
ASSETS						
Cash and cash equivalents	\$ 388,811	\$ -	\$ -	\$ -	\$ 490	\$ -
Due from other governments	-	-	2,864	10,107	-	76,028
Total assets	388,811	-	2,864	10,107	490	76,028
DEFERRED OUTFLOWS OF RESOURCES						
None	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
	\$ 388,811	\$ -	\$ 2,864	\$ 10,107	\$ 490	\$ 76,028
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)						
LIABILITIES						
Accounts payable and accrued expenses	\$ 97,169	\$ -	\$ 141	\$ -	\$ -	\$ 2,162
Due to other governments	20,700	-	-	-	-	-
Due to other funds	-	-	2,723	10,107	-	73,866
Unearned revenue	270,942	-	-	-	490	-
Total liabilities	388,811	-	2,864	10,107	490	76,028
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	2,864	-	-	-
FUND BALANCES (DEFICIT)						
Unassigned	-	-	(2,864)	-	-	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)						
	\$ 388,811	\$ -	\$ 2,864	\$ 10,107	\$ 490	\$ 76,028

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
EDUCATION FUND ACCOUNTS
COMBINING SCHEDULE OF ACCOUNTS
JUNE 30, 2019

SCHEDULE 3
(CONTINUED)

	ROE Operations Fund	Regional Safe Schools Program	Teacher Quality Program	Nutrition Curriculum	AdvancED	Total
ASSETS						
Cash and cash equivalents	\$ 11,467	\$ 1,264	\$ -	\$ 2,916	\$ -	\$ 759,277
Due from other governments	-	-	938	-	-	196,361
Total assets	11,467	1,264	938	2,916	-	955,638
DEFERRED OUTFLOWS OF RESOURCES						
None	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
	\$ 11,467	\$ 1,264	\$ 938	\$ 2,916	\$ -	\$ 955,638
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)						
LIABILITIES						
Accounts payable and accrued expenses	\$ 7,327	\$ 205	\$ 138	\$ -	\$ -	\$ 252,942
Due to other governments	-	1,059	-	-	-	79,358
Due to other funds	-	-	800	-	-	99,323
Unearned revenue	4,140	-	-	2,916	-	524,015
Total liabilities	11,467	1,264	938	2,916	-	955,638
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	-	-	-	97,722
FUND BALANCES (DEFICIT)						
Unassigned	-	-	-	-	-	(97,722)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)						
	\$ 11,467	\$ 1,264	\$ 938	\$ 2,916	\$ -	\$ 955,638

**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, 2019**

	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
REVENUES						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	686,339
Federal sources	129,629	134,122	113,664	83,101	75,198	-
Total revenues	<u>129,629</u>	<u>134,122</u>	<u>113,664</u>	<u>83,101</u>	<u>75,198</u>	<u>686,339</u>
EXPENDITURES						
Instructional services:						
Salaries and benefits	9,201	13,059	11,982	9,968	8,414	356,684
Pension expense	293	594	616	520	259	25,636
OPEB expense	8	4	6	4	9	84
Purchased services	3,085	3,060	3,277	3,576	2,527	256,783
Supplies and materials	104	159	203	227	83	38,418
Intergovernmental:						
Payment to other governments	96,031	75,831	93,958	94,985	78,153	-
Capital outlay	-	-	-	-	-	8,734
Total expenditures	<u>108,722</u>	<u>92,707</u>	<u>110,042</u>	<u>109,280</u>	<u>89,445</u>	<u>686,339</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	20,907	41,415	3,622	(26,179)	(14,247)	-
OTHER FINANCING SOURCES						
Transfers in	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES (DEFICIT)	20,907	41,415	3,622	(26,179)	(14,247)	-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>(32,787)</u>	<u>(67,054)</u>	<u>(11,700)</u>	<u>(8,835)</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ (11,880)</u>	<u>\$ (25,639)</u>	<u>\$ (8,078)</u>	<u>\$ (35,014)</u>	<u>\$ (14,247)</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, 2019

SCHEDULE 4
(CONTINUED)

	Early Childhood Ages 3-5	Early Childhood Cohort	Truants Alternative and Optional Education	McKinney Education for Homeless Children	RESPRO	Preschool Development
REVENUES						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	1,752,091	-	58,253	-	-	-
Federal sources	-	-	-	22,850	16,327	146,658
Total revenues	<u>1,752,091</u>	<u>-</u>	<u>58,253</u>	<u>22,850</u>	<u>16,327</u>	<u>146,658</u>
EXPENDITURES						
Instructional services:						
Salaries and benefits	540,731	-	51,218	14,673	8,570	26,527
Pension expense	8,682	-	4,317	857	79	764
OPEB expense	4,287	-	-	-	37	149
Purchased services	954,015	-	4,334	6,533	7,641	7,679
Supplies and materials	133,598	-	195	962	-	17,997
Intergovernmental:						
Payment to other governments	104,864	-	-	-	-	89,600
Capital outlay	5,914	-	-	-	-	2,779
Total expenditures	<u>1,752,091</u>	<u>-</u>	<u>60,064</u>	<u>23,025</u>	<u>16,327</u>	<u>145,495</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(1,811)	(175)	-	1,163
OTHER FINANCING SOURCES						
Transfers in	-	2,590	-	175	-	-
NET CHANGE IN FUND BALANCES (DEFICIT)	-	2,590	(1,811)	-	-	1,163
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	(2,590)	(1,053)	-	-	(1,163)
FUND BALANCES (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,864)</u>	<u>\$ -</u>	<u>\$ -</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, 2019

SCHEDULE 4
(CONTINUED)

	ROE Operations Fund	Regional Safe Schools Program	Teacher Quality Program	Nutrition Curriculum	AdvancED	Total
REVENUES						
Local sources	\$ 94	\$ -	\$ -	\$ -	\$ -	\$ 94
State sources	142,397	80,488	-	-	-	2,719,568
Federal sources	-	-	1,538	-	7,500	730,587
Total revenues	142,491	80,488	1,538	-	7,500	3,450,249
EXPENDITURES						
Instructional services:						
Salaries and benefits	79,722	25,685	-	-	-	1,156,434
Pension expense	972	1,619	-	-	-	45,208
OPEB expense	-	-	-	-	-	4,588
Purchased services	38,416	1,341	1,538	-	7,500	1,301,305
Supplies and materials	14,166	739	-	-	-	206,851
Intergovernmental:						
Payment to other governments	-	51,030	-	-	-	684,452
Capital outlay	8,825	-	-	-	-	26,252
Total expenditures	142,101	80,414	1,538	-	7,500	3,425,090
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	390	74	-	-	-	25,159
OTHER FINANCING SOURCES						
Transfers in	-	-	-	-	-	2,765
NET CHANGE IN FUND BALANCES (DEFICIT)	390	74	-	-	-	27,924
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	(390)	(74)	-	-	-	(125,646)
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (97,722)

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
EDUCATION FUND ACCOUNTS
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2019

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		
REVENUES								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-
Federal sources	135,000	135,000	129,629	(5,371)	135,000	135,000	134,122	(878)
Total revenues	<u>135,000</u>	<u>135,000</u>	<u>129,629</u>	<u>(5,371)</u>	<u>135,000</u>	<u>135,000</u>	<u>134,122</u>	<u>(878)</u>
EXPENDITURES								
Instructional services:								
Salaries and benefits	8,802	8,802	9,201	(399)	8,968	8,968	13,059	(4,091)
Pension expense	-	-	293	(293)	-	-	594	(594)
OPEB expense	-	-	8	(8)	-	-	4	(4)
Purchased services	3,680	3,680	3,085	595	3,538	3,538	3,060	478
Supplies and materials	1,018	1,018	104	914	994	994	159	835
Intergovernmental:								
Payments to other governments	121,500	121,500	96,031	25,469	121,500	121,500	75,831	45,669
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>135,000</u>	<u>135,000</u>	<u>108,722</u>	<u>26,278</u>	<u>135,000</u>	<u>135,000</u>	<u>92,707</u>	<u>42,293</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>20,907</u>	<u>\$ 20,907</u>	<u>\$ -</u>	<u>\$ -</u>	<u>41,415</u>	<u>\$ 41,415</u>
OTHER FINANCING SOURCES								
Transfers in			-				-	
NET CHANGE IN FUND BALANCES (DEFICIT)			20,907				41,415	
FUND BALANCES (DEFICIT), BEGINNING OF YEAR			(32,787)				(67,054)	
FUND BALANCES (DEFICIT), END OF YEAR			<u>\$ (11,880)</u>				<u>\$ (25,639)</u>	

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
EDUCATION FUND ACCOUNTS
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2019

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		
REVENUES								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-
Federal sources	135,000	135,000	113,664	(21,336)	138,000	138,000	83,101	(54,899)
Total revenues	<u>135,000</u>	<u>135,000</u>	<u>113,664</u>	<u>(21,336)</u>	<u>138,000</u>	<u>138,000</u>	<u>83,101</u>	<u>(54,899)</u>
EXPENDITURES								
Instructional services:								
Salaries and benefits	8,793	8,793	11,982	(3,189)	8,793	8,793	9,968	(1,175)
Pension expense	-	-	616	(616)	-	-	520	(520)
OPEB expense	-	-	6	(6)	-	-	4	(4)
Purchased services	3,687	3,687	3,277	410	4,019	4,019	3,576	443
Supplies and materials	1,020	1,020	203	817	1,188	1,188	227	961
Intergovernmental:								
Payments to other governments	121,500	121,500	93,958	27,542	124,000	124,000	94,985	29,015
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>135,000</u>	<u>135,000</u>	<u>110,042</u>	<u>24,958</u>	<u>138,000</u>	<u>138,000</u>	<u>109,280</u>	<u>28,720</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>3,622</u>	<u>\$ 3,622</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(26,179)</u>	<u>\$ (26,179)</u>
OTHER FINANCING SOURCES								
Transfers in			-				-	
NET CHANGE IN FUND BALANCES (DEFICIT)			3,622				(26,179)	
FUND BALANCES (DEFICIT), BEGINNING OF YEAR			(11,700)				(8,835)	
FUND BALANCES (DEFICIT), END OF YEAR			<u>\$ (8,078)</u>				<u>\$ (35,014)</u>	

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
EDUCATION FUND ACCOUNTS
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2019

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		
REVENUES								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	813,942	813,942	686,339	(127,603)
Federal sources	150,000	150,000	75,198	(74,802)	-	-	-	-
Total revenues	150,000	150,000	75,198	(74,802)	813,942	813,942	686,339	(127,603)
EXPENDITURES								
Instructional services:								
Salaries and benefits	8,467	8,467	8,414	53	476,564	479,022	356,684	122,338
Pension expense	-	-	259	(259)	-	-	25,636	(25,636)
OPEB expense	-	-	9	(9)	-	-	84	(84)
Purchased services	5,584	5,584	2,527	3,057	315,878	302,878	256,783	46,095
Supplies and materials	949	949	83	866	21,500	24,000	38,418	(14,418)
Intergovernmental:								
Payments to other governments	135,000	135,000	78,153	56,847	-	-	-	-
Capital outlay	-	-	-	-	-	8,042	8,734	(692)
Total expenditures	150,000	150,000	89,445	60,555	813,942	813,942	686,339	127,603
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>(14,247)</u>	<u>\$ (14,247)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
OTHER FINANCING SOURCES								
Transfers in			-				-	
NET CHANGE IN FUND BALANCES (DEFICIT)			(14,247)				-	
FUND BALANCES (DEFICIT), BEGINNING OF YEAR			-				-	
FUND BALANCES (DEFICIT), END OF YEAR			<u>\$ (14,247)</u>				<u>\$ -</u>	

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
EDUCATION FUND ACCOUNTS
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2019

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		
REVENUES								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	1,859,530	1,859,530	1,752,091	(107,439)	62,071	62,071	58,253	(3,818)
Federal sources	-	-	-	-	-	-	-	-
Total revenues	<u>1,859,530</u>	<u>1,859,530</u>	<u>1,752,091</u>	<u>(107,439)</u>	<u>62,071</u>	<u>62,071</u>	<u>58,253</u>	<u>(3,818)</u>
EXPENDITURES								
Instructional services:								
Salaries and benefits	632,237	549,628	540,731	8,897	57,492	57,492	51,218	6,274
Pension expense	-	-	8,682	(8,682)	-	-	4,317	(4,317)
OPEB expense	-	-	4,287	(4,287)	-	-	-	-
Purchased services	1,094,973	1,160,082	954,015	206,067	4,529	4,529	4,334	195
Supplies and materials	25,045	35,045	133,598	(98,553)	50	50	195	(145)
Intergovernmental:								
Payments to other governments	101,275	101,275	104,864	(3,589)	-	-	-	-
Capital outlay	6,000	13,500	5,914	7,586	-	-	-	-
Total expenditures	<u>1,859,530</u>	<u>1,859,530</u>	<u>1,752,091</u>	<u>107,439</u>	<u>62,071</u>	<u>62,071</u>	<u>60,064</u>	<u>2,007</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,811)</u>	<u>\$ (1,811)</u>
OTHER FINANCING SOURCES								
Transfers in			-				-	
NET CHANGE IN FUND BALANCES (DEFICIT)			-				(1,811)	
FUND BALANCES (DEFICIT), BEGINNING OF YEAR			-				(1,053)	
FUND BALANCES (DEFICIT), END OF YEAR			<u>\$ -</u>				<u>\$ (2,864)</u>	

ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
EDUCATION FUND ACCOUNTS
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2019

SCHEDULE 5
(CONTINUED)

	McKinney Education for Homeless Children				Preschool Development			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
REVENUES								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-
Federal sources	20,478	22,848	22,850	2	139,456	139,456	146,658	7,202
Total revenues	20,478	22,848	22,850	2	139,456	139,456	146,658	7,202
EXPENDITURES								
Instructional services:								
Salaries and benefits	13,871	14,043	14,673	(630)	27,591	27,591	26,527	1,064
Pension expense	-	-	857	(857)	-	-	764	(764)
OPEB expense	-	-	-	-	-	-	149	(149)
Purchased services	5,407	7,605	6,533	1,072	7,783	8,783	7,679	1,104
Supplies and materials	1,200	1,200	962	238	7,752	12,752	17,997	(5,245)
Intergovernmental:								
Payments to other governments	-	-	-	-	96,330	88,830	89,600	(770)
Capital outlay	-	-	-	-	-	1,500	2,779	(1,279)
Total expenditures	20,478	22,848	23,025	(177)	139,456	139,456	145,495	(6,039)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	(175)	<u>\$ (175)</u>	<u>\$ -</u>	<u>\$ -</u>	1,163	<u>\$ 1,163</u>
OTHER FINANCING SOURCES								
Transfers in			175				-	
NET CHANGE IN FUND BALANCES (DEFICIT)			-				1,163	
FUND BALANCES (DEFICIT), BEGINNING OF YEAR			-				(1,163)	
FUND BALANCES (DEFICIT), END OF YEAR			<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, 2019

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		
REVENUES								
Local sources	\$ -	\$ -	\$ 94	\$ 94	\$ -	\$ -	\$ -	\$ -
State sources	130,111	130,111	142,397	12,286	87,834	87,834	80,488	(7,346)
Federal sources	-	-	-	-	-	-	-	-
Total revenues	<u>130,111</u>	<u>130,111</u>	<u>142,491</u>	<u>12,380</u>	<u>87,834</u>	<u>87,834</u>	<u>80,488</u>	<u>(7,346)</u>
EXPENDITURES								
Instructional services:								
Salaries and benefits	94,956	89,794	79,722	10,072	29,700	29,700	25,685	4,015
Pension expense	-	-	972	(972)	-	-	1,619	(1,619)
OPEB expense	-	-	-	-	-	-	-	-
Purchased services	31,905	34,943	38,416	(3,473)	6,482	6,482	1,341	5,141
Supplies and materials	3,250	2,999	14,166	(11,167)	622	622	739	(117)
Intergovernmental:								
Payments to other governments	-	-	-	-	51,030	51,030	51,030	-
Capital outlay	-	2,375	8,825	(6,450)	-	-	-	-
Total expenditures	<u>130,111</u>	<u>130,111</u>	<u>142,101</u>	<u>(11,990)</u>	<u>87,834</u>	<u>87,834</u>	<u>80,414</u>	<u>7,420</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>390</u>	<u>\$ 390</u>	<u>\$ -</u>	<u>\$ -</u>	<u>74</u>	<u>\$ 74</u>
OTHER FINANCING SOURCES								
Transfers in			-				-	
NET CHANGE IN FUND BALANCES (DEFICIT)			390				74	
FUND BALANCES (DEFICIT), BEGINNING OF YEAR			(390)				(74)	
FUND BALANCES (DEFICIT), END OF YEAR			<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, 2019

SCHEDULE 5
(CONTINUED)

	Teacher Quality Program				AdvancED			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final			Original	Final		
REVENUES								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-
Federal sources	1,638	1,638	1,538	(100)	7,500	7,500	7,500	-
Total revenues	<u>1,638</u>	<u>1,638</u>	<u>1,538</u>	<u>(100)</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
EXPENDITURES								
Instructional services:								
Salaries and benefits	-	-	-	-	-	-	-	-
Pension expense	-	-	-	-	-	-	-	-
OPEB expense	-	-	-	-	-	-	-	-
Purchased services	1,638	1,638	1,538	100	7,500	7,500	7,500	-
Supplies and materials	-	-	-	-	-	-	-	-
Intergovernmental:								
Payments to other governments	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>1,638</u>	<u>1,638</u>	<u>1,538</u>	<u>100</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
OTHER FINANCING SOURCES								
Transfers in			-				-	
NET CHANGE IN FUND BALANCES (DEFICIT)			-				-	
FUND BALANCES (DEFICIT), BEGINNING OF YEAR			-				-	
FUND BALANCES (DEFICIT), END OF YEAR			<u>\$ -</u>				<u>\$ -</u>	

**ROCK ISLAND COUNTY
REGIONAL OFFICE OF EDUCATION NO. 49
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019**

SCHEDULE 6

	General Education Development	School Bus Driver Training	Total
ASSETS			
Cash and cash equivalents	\$ 6,450	\$ 8,687	\$ 15,137
Accounts receivable	-	440	440
Total assets	<u>6,450</u>	<u>9,127</u>	<u>15,577</u>
DEFERRED OUTFLOWS OF RESOURCES			
None	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 6,450</u>	<u>\$ 9,127</u>	<u>\$ 15,577</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued expenses	\$ -	\$ 296	\$ 296
DEFERRED INFLOWS OF RESOURCES			
None	-	-	-
FUND BALANCES			
Restricted	<u>6,450</u>	<u>8,831</u>	<u>15,281</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 6,450</u>	<u>\$ 9,127</u>	<u>\$ 15,577</u>

**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, 2019**

SCHEDULE 7

	General Education Development	School Bus Driver Training	Total
REVENUES			
Local sources	\$ 2,487	\$ 2,580	\$ 5,067
State sources	-	1,258	1,258
Total revenues	<u>2,487</u>	<u>3,838</u>	<u>6,325</u>
EXPENDITURES			
Instructional services:			
Salaries and benefits	1,909	-	1,909
Pension expense	65	-	65
Purchased services	-	3,430	3,430
Capital outlay	848	-	848
Total expenditures	<u>2,822</u>	<u>3,430</u>	<u>6,252</u>
NET CHANGE IN FUND BALANCES	(335)	408	73
FUND BALANCES, BEGINNING OF YEAR	<u>6,785</u>	<u>8,423</u>	<u>15,208</u>
FUND BALANCES, END OF YEAR	<u>\$ 6,450</u>	<u>\$ 8,831</u>	<u>\$ 15,281</u>

**ROCK ISLAND COUNTY
 REGIONAL OFFICE OF EDUCATION NO. 49
 AGENCY FUNDS
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 JUNE 30, 2019**

SCHEDULE 8

	Cafeteria Plan	School Facility Occupation Tax	Total
ASSETS			
Cash and cash equivalents	\$ 631	\$ -	\$ 631
Due from other governments	-	3,027,473	3,027,473
TOTAL ASSETS	\$ 631	\$ 3,027,473	\$ 3,028,104
LIABILITIES			
Due to plan participants	\$ 631	\$ -	\$ 631
Due to other governments	-	3,027,473	3,027,473
TOTAL LIABILITIES	\$ 631	\$ 3,027,473	\$ 3,028,104

**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, 2019**

SCHEDULE 9

	<u>Balance, June 30, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, June 30, 2019</u>
<u>CAFETERIA PLAN</u>				
ASSETS				
Cash and cash equivalents	\$ 11,100	\$ 34,900	\$ 45,369	\$ 631
LIABILITIES				
Due to plan participants	\$ 11,100	\$ 34,900	\$ 45,369	\$ 631
<u>SCHOOL FACILITY OCCUPATION TAX</u>				
ASSETS				
Cash	\$ -	\$ 11,516,384	\$ 11,516,384	\$ -
Due from other governments	3,062,625	3,027,473	3,062,625	3,027,473
TOTAL ASSETS	<u>\$ 3,062,625</u>	<u>\$ 14,543,857</u>	<u>\$ 14,579,009</u>	<u>\$ 3,027,473</u>
LIABILITIES				
Due to other governments	\$ 3,062,625	\$ 3,027,473	\$ 3,062,625	\$ 3,027,473
<u>TOTAL ALL AGENCY FUNDS</u>				
ASSETS				
Cash and cash equivalents	\$ 11,100	\$ 11,551,284	\$ 11,561,753	\$ 631
Due from other governments	3,062,625	3,027,473	3,062,625	3,027,473
TOTAL ASSETS	<u>\$ 3,073,725</u>	<u>\$ 14,578,757</u>	<u>\$ 14,624,378</u>	<u>\$ 3,028,104</u>
LIABILITIES				
Due to plan participants	\$ 11,100	\$ 34,900	\$ 45,369	\$ 631
Due to other governments	3,062,625	3,027,473	3,062,625	3,027,473
TOTAL LIABILITIES	<u>\$ 3,073,725</u>	<u>\$ 3,062,373</u>	<u>\$ 3,107,994</u>	<u>\$ 3,028,104</u>

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, 2019

SCHEDULE 10

Program	Carbon Cliff- Barstow School District #36	Orion School District #223	United Township School District #30	Silvis School District #34	Sherrard Community Unit School District #200	Rockridge School District #300	Riverdale Community Unit School District #100	Moline - Coal Valley School District #404	Mercy County School District #29	Hampton School District #9	Erie Community Unit School District #1	East Moline School District #37	Colona School District #190	Rock Island School District #41	Total
School Facility Occupation Tax	\$ 147,655	\$ 27,080	\$ 805,658	\$ 337,660	\$ 189,773	\$ 567,821	\$ 617,700	\$ 3,851,559	\$ 4,788	\$ 120,998	\$ 13,160	\$ 1,443,755	\$ 2,889	\$ 3,385,888	\$ 11,516,384